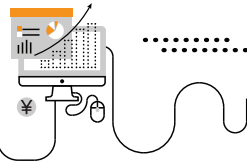


# EMKAY ENLAZAR

DECEMBER 2021





# INVESTMENT SOLUTIONS



## SMART ALPHA

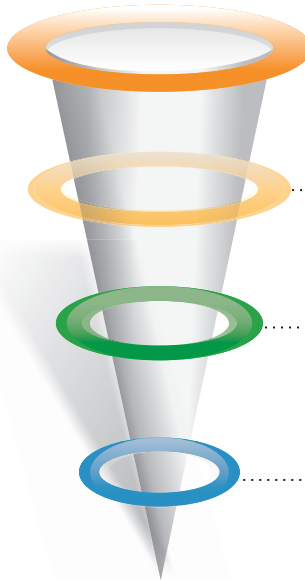
Using this approach, we try to mitigate typical fund manager vulnerabilities, primary among those being the "Selection bias" and the "Allocation bias".

"Selection" bias and "Allocation" bias, if mitigated, can lead to superior risk adjusted returns consistently

The biases are mitigated by way of :

- Defined universe for selection of stocks
- Equi-weighted portfolio

Number of listed Companies = > 5,000



- Defined Market Cap Filter**  
Focus on large and midcaps
  - Top 250 companies as per Market Cap
  - Net Sales > INR 500cr
- Earnings Growth Filter**  
Focus on strong historic and future growth
  - ROCE > WACC
  - Earnings growth > GDP growth rate
- Strong Leadership Framework Filter**
  - Strong leadership in the respective sector: Market share/ profit share/ cost/ growth/ product
  - Strong Management credentials: Vision, track record, growth
- Comprehensive Valuation Framework**
  - Comparative Valuations
  - Price - Value gap through DCF with focus on Margin of Safety
  - PEG ratio
  - Market cap vs Opportunity Size

Selected Stocks

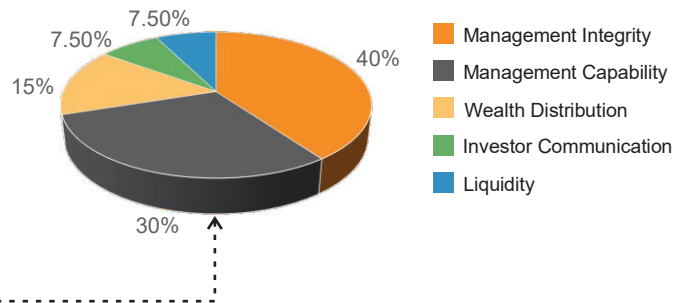
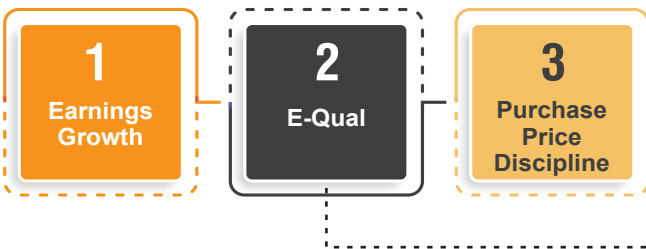


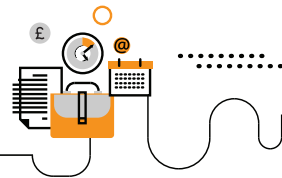
## E-Qual Framework

First of its kind model in the country which calibrates the "Governance" aspect of a company. Each company is evaluated on the basis of the following parameters and a score is assigned to them.

Using this approach, we generate alpha through pure bottom-up stock picking and extensive research. We employ multi-pronged investment strategies and leverage proprietary models like E-Qual to deliver consistent long-term returns.

## Three Pronged Investment Process





## Emkay Emerging Stars Fund



### Emkay Emerging Stars IV Portfolio

Borosil Ltd.	3.5%	Healthcare Global Ltd.	2.7%	Mahindra Cie Automotive Ltd.	2.6%
Tcns Clothing Ltd.	3.2%	Ccl Products India Ltd.	2.7%	Mahindra Logistics Ltd.	2.6%
Devyani International Ltd.	3.2%	Apar Industries Ltd.	2.7%	Shilpa Medicare Ltd.	2.6%
Niit Ltd.	3.0%	Igarashi Motors Ltd.	2.7%	Can Fin Homes Ltd.	2.5%
Federal Bank Ltd.	2.8%	Blue Dart Express Ltd.	2.7%	Teamlease Services Ltd.	2.5%

### Performance Update (as of 30.11.2021)

Scheme Name	1 M	3 M	6 M	1 Y	2 Y*	3 Y*	Absolute returns 11/Jan/18 To 30/Nov/21	Since Inception 11/Jan/18 To 30/Nov/21*
EES Series I	-1.9%	-1.9%	9.8%	47.4%	36.0%	22.2%	63.4%	13.5%
BSE Small Cap (Benchmark)	-0.2%	3.8%	18.4%	65.6%	43.5%	24.6%	40.4%	9.1%
BSE 250 Smallcap	-0.9%	5.0%	16.5%	63.1%	37.6%	20.9%	24.7%	5.8%

Scheme Name	1 M	3 M	6 M	1 Y	2 Y*	3 Y*	Absolute returns 28/Mar/18 To 30/Nov/21	Since Inception 28/Mar/18 To 30/Nov/21*
EES Series II	-0.9%	-1.9%	10.0%	47.3%	35.7%	22.0%	61.7%	14.0%
BSE Small Cap (Benchmark)	-0.2%	3.8%	18.4%	65.6%	43.5%	24.6%	62.9%	14.2%
BSE 250 Smallcap	-0.9%	5.0%	16.5%	63.1%	37.6%	20.9%	44.9%	10.6%

Scheme Name	1 M	3 M	6 M	1 Y	2 Y*	3 Y*	*Absolute returns 15/Oct/18 To 30/Nov/21	Since Inception 15/Oct/18 To 30/Nov/21*
EES Series III	-0.9%	-2.1%	9.7%	46.7%	35.4%	20.6%	74.7%	19.5%
BSE Small Cap (Benchmark)	-0.2%	3.8%	18.4%	65.6%	43.5%	24.6%	94.6%	23.7%
BSE 250 Smallcap	0.9%	5.0%	16.5%	63.1%	37.6%	20.9%	78.1%	20.3%

Above returns are post expenses, post tax

\*CAGR Returns

	NAV	Inception Date
AIF I	163.4	11-Jan-18
AIF II	161.7	28-Mar-18
AIF III	174.7	15-Oct-18



data as on 30.11.2021



## Emkay Emerging Stars Fund - IV is now open

### Performance AIF Series 1

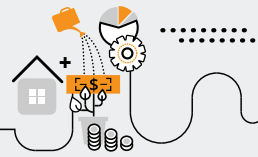
30.04.20 - 31.01.21	(9 M)	84.4%
31.07.20 - 31.01.21	(6 M)	51.1%

Basis 6 months Absolute Returns



**Emkay** Investment Managers  
Your success is our success





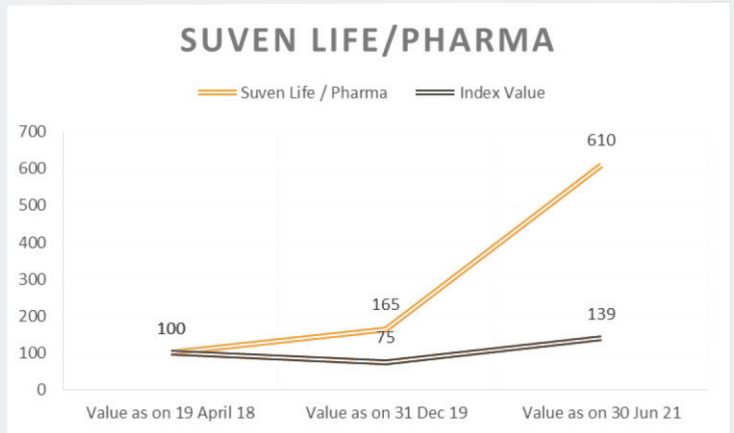
## SMALLCAP INVESTING - Some Practical Insights

It is often believed that stocks behave and move in tandem with the benchmark. Hence, if the benchmark tended to be volatile, the stock must also follow suit. However, our experience shows that high quality management companies backed by the E-Qual model tend to have a more secular growth trajectory than the benchmark.

### 1 SUVEN LIFE / PHARMA

E-QUAL SCORE

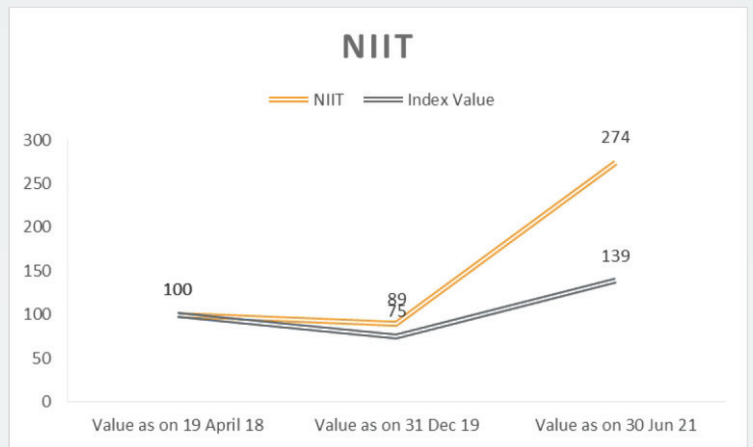
69



### 2 NIIT / TECHNOLOGY

E-QUAL SCORE

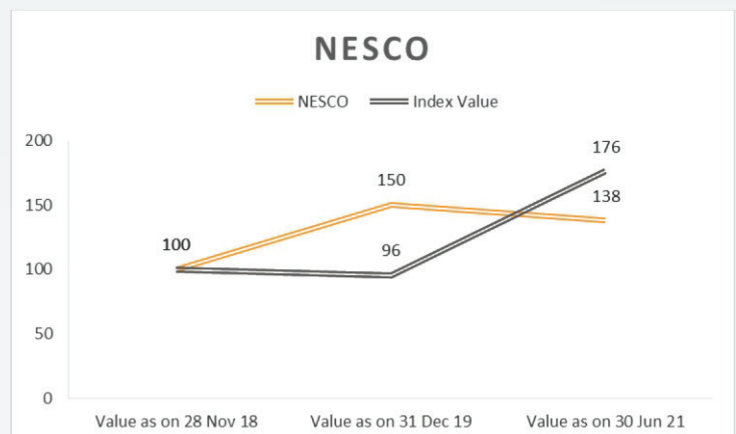
71

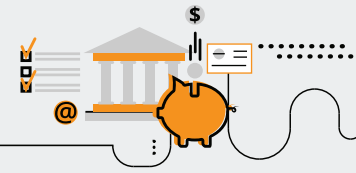


### 3 NESCO/ ENGINEERING & SERVICES

E-QUAL SCORE

73

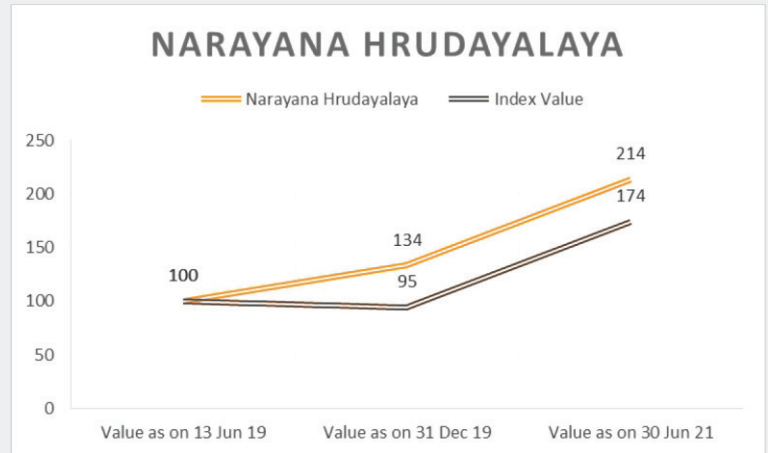




## 4 NARAYANA HRIDAYALAYA

E-QUAL SCORE

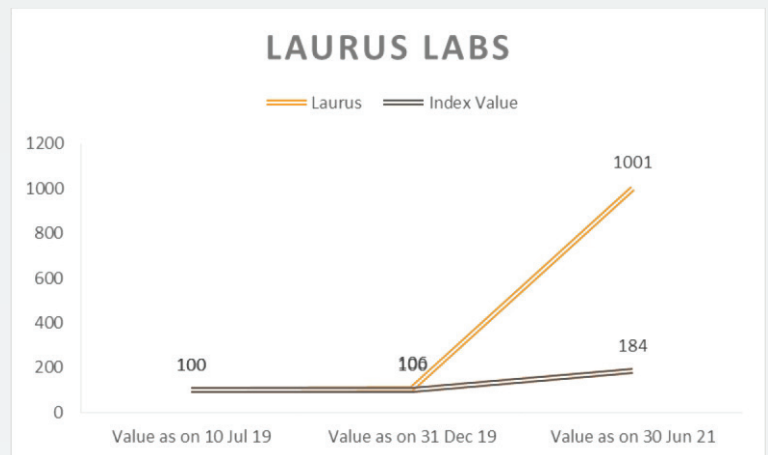
75



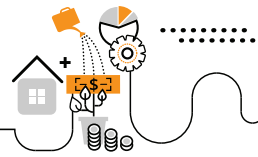
## 5 LAURUS LABS/PHARMA

E-QUAL SCORE

73



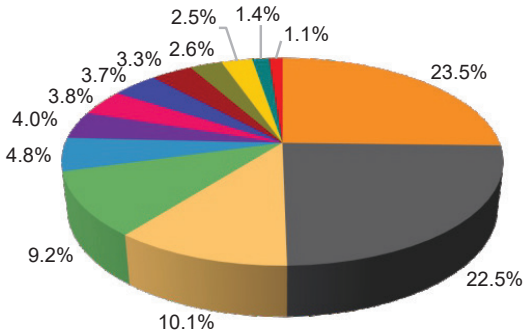
AIF I cos	Purchase Date	Purchase Price	Index Value	31-Dec-19				30-Jun-21			
				Price (Rs)	Change (%)	Index Value	Change (%)	Price (Rs)	Change (%)	Index Value	Change (%)
Suven Life / Pharma	19-Apr-18	93	18,174	153	65%	13,699	-25%	568	510%	25,232	39%
NIIT	19-Apr-18	105	18,174	94	-11%	13,699	-25%	287	174%	25,232	39%
NESCO	28-Nov-18	439	14,321	660	50%	13,699	-4%	605	38%	25,232	76%
Narayana Hrudala	13-Jun-19	230	14,476	307	34%	13,699	-5%	492	114%	25,232	74%
Laurus	10-Jul-19	68	13,699	72	6%	13,699	0%	680	901%	25,232	84%



## Emkay Capital Builder



### Sectors



- Pharmaceuticals
- Auto & Auto Ancillaries
- Real Estate
- Consumer Discretionary
- Telecom
- Insurance
- Consumer
- Financial Services
- IT
- Oil & Gas
- Capital Goods
- Infrastructure
- Distilleries

**Note:** The current portfolio holdings may or may not be a part of the future portfolio holdings.

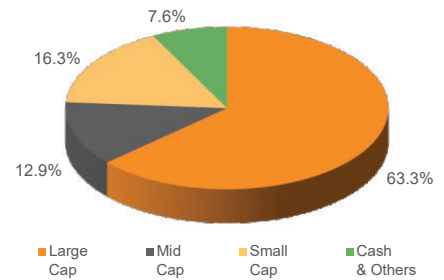
Investors' Portfolio may vary from the Strategy Level Portfolio shown above in the Top Holdings.

(Above Portfolio details are as on 30.11.2021)

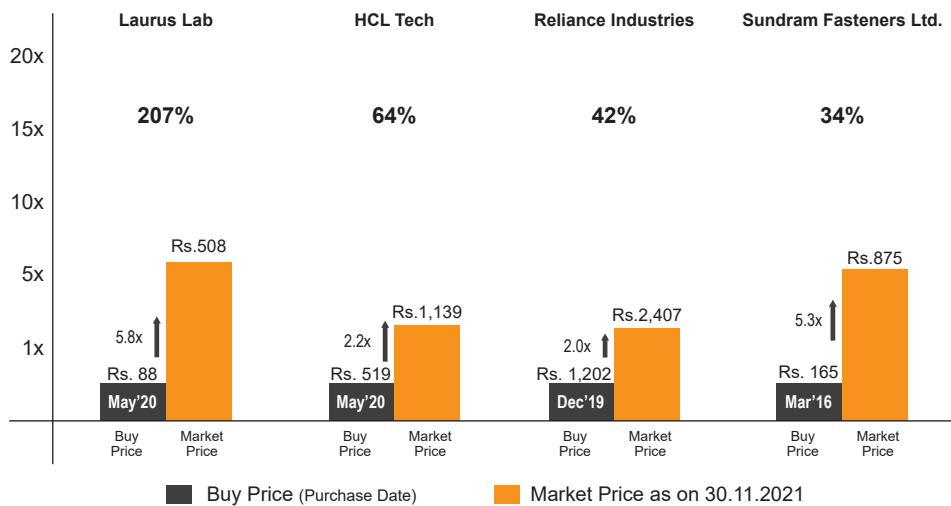
### Top 5 holdings

Divi's Laboratories Limited	16.1%
ICICI Bank Ltd.	12.8%
HCL Technologies Ltd.	6.8%
Sundram Fasteners Ltd.	6.5%
Sun Pharmaceutical Industries Ltd	5.9%

### Market Capitalisation



### Stock-Picking Track Record



	3M	6M	1Y	3Y	Since Inception
Emkay Capital Builder (TWRR)	-1.6	11.1	33.1	14.1	15.8
Nifty 500	0.6	10.8	36.7	17.2	14.8
Outperformance	-2.2	0.3	-3.5	-3.1	1.1

Inception Date

01-Apr-13

# TWRR Returns

As on 30.11.2021

Benchmark  
**Nifty 500**

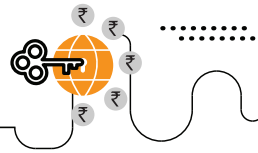
Total number of Stocks **20-25**

**MULTI CAP**

Average Marketcap

INR **2,60,076** Cr.

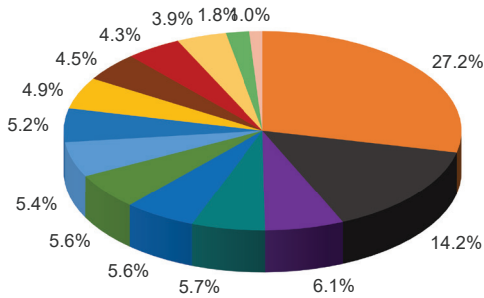
All data is as on 30.11..2021



Emkay Pearls



## Sectors



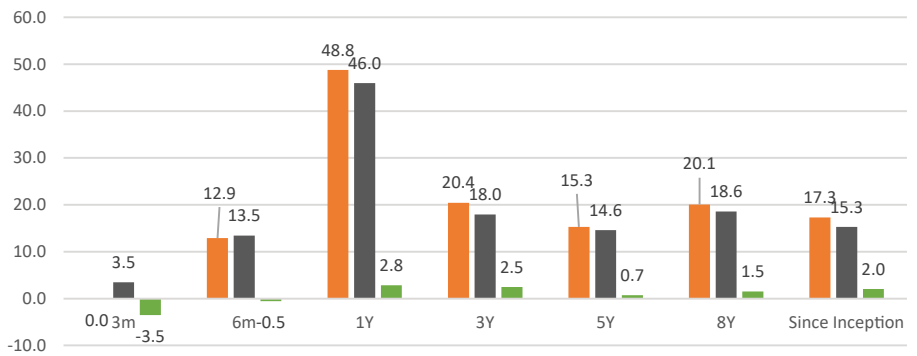
- Pharmaceuticals
- Real Estate
- Glass & Glass Products
- Textiles
- Consumer
- Capital Goods
- Infrastructure
- Auto & Auto-ancillary
- Financial Services
- Quick Service Restaurant
- Healthcare
- Staffing
- Discretionary Consumer
- Distilleries

## Top 5 holdings

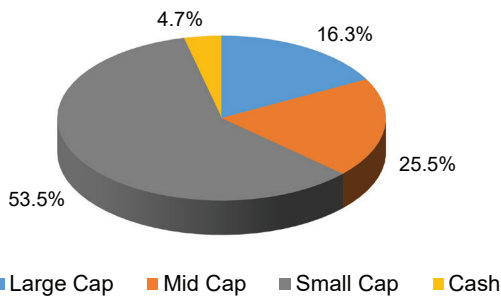
Divi's Laboratories Ltd.	16.3%
Sundram Fasteners Ltd.	10.3%
Devyani International Ltd	6.1%
Nesco Ltd	5.7%
Narayana Hrudayalaya Ltd	5.6%

## Performance Update

Emkay Pearls TWRR | BSE Midcap | Outperformance (TWRR v/s benchmark)



## Market Capitalisation

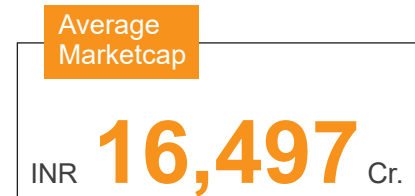


	3M	6M	1Y	3Y	5Y	8Y	Since Inception
Emkay Pearls (TWRR)	0.0	12.9	48.8	20.4	15.3	20.1	17.3
BSE Midcap	3.5	13.5	46.0	18.0	14.6	18.6	15.3
Outperformance (TWRR v/s Benchmark)	-3.5	-0.5	2.8	2.5	0.7	1.5	2.0

Inception Date **24-Apr-12**

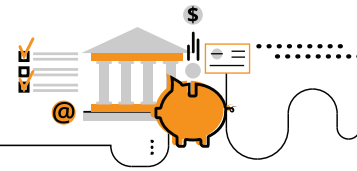


Total number of Stocks **15-20**



All data is as on 30.11.2021





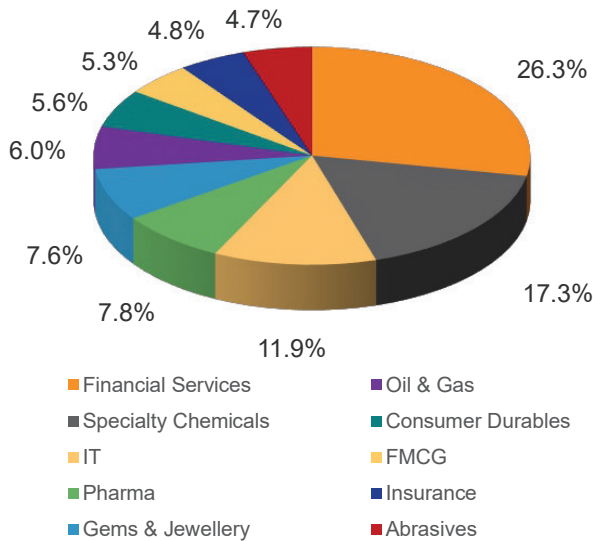
## Emkay L.E.A.D



### Investment Objective

The portfolio seeks to achieve long term capital appreciation by predominantly investing in large and mid cap high-growth companies with a leadership trait in the sector along with strong moat, quality management and reasonable valuations.

### Sector Allocation %



### Top 5 Holdings

Script Names	% Holdings
Bajaj Finance Ltd.	9.7%
Aarti Industries Ltd.	8.9%
Infosys Ltd.	8.1%
Titan Ltd.	7.8%
Divi's Laboratories Ltd.	7.6%

### Market Capitalization

Market Capitalization	% Equity
Large Cap	72.7%
Mid Cap	24.6%
Cash	2.7%

### Performance Update

	3M	6M	1Y	2Y	Since Inception
Emkay L.E.A.D. (Model Portfolio)	-0.7	10.1	23.2	15.4	17.0
Emkay L.E.A.D. (TWRR)	-1.6	8.5	19.3	12.1	13.7
Nifty 200	0.0	10.0	34.2	20.5	16.5
Outperformance (Model v/s Benchmark)	-0.7	0.1	-11.0	-5.0	0.6
Outperformance (TWRR v/s Benchmark)	-1.6	-1.6	-14.9	-8.4	-2.7

Inception Date **17-Dec-18**

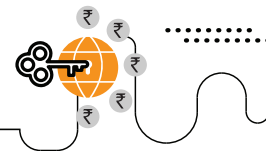
Total number of Stocks **15**

Benchmark **Nifty 200**

Average Marketcap **INR 2,78,851 Cr.**

All data is as on 30.11.2021

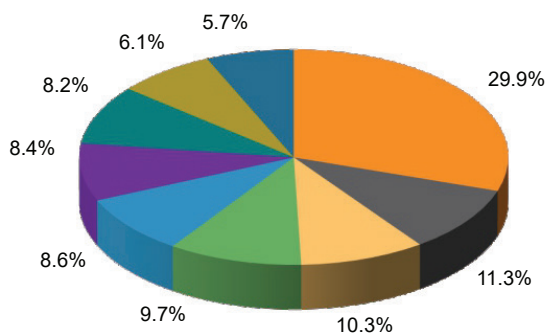




## Emkay's 12



### Sectors



- Financial Services
- Gems & Jewellery
- Oil & Gas
- Pharmaceuticals
- Specialty Chemicals
- FMCG
- Cement
- IT
- Auto & Auto Ancillary

### Top 5 holdings

Titan Company Ltd.	11.3%
Divi's Laboratories Ltd.	10.3%
Ultratech Industries Ltd.	9.7%
ICICI Ban Ltd.	8.2%
Reliance Industries Ltd.	8.6%

### Features of Emkay's 12

- Focus on risk adjusted returns
- Steady performance over medium term
- Low portfolio turnover
- Portfolio of 12 structural growth cos
- No wide diversification
- Lower portfolio volatility and high liquidity
- An alternative to large cap mutual funds

### Performance Update

	3M	6M	12M	Since Inception
Emkay'12 (Model Portfolio)	-1.5	9.8	28.5	21.8
Emkay'12 (TWRR)	-3.1	8.5	26.2	17.7
Nifty	-0.9	0.9	31.0	20.6
Outperformance (Model v/s Nifty)	-0.6	0.8	-2.5	1.2
Outperformance (TWRR v/s Nifty)	-2.2	-0.5	-4.7	-2.8

Above returns are TWRR returns  
Inception date 1st August 2019.

Performance update  
as on 30.11.2021

### Also available in the unique format



Inception Date **01-Aug-2019**

Benchmark  
**Nifty**

Total number of  
**Stocks 12**

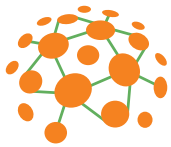
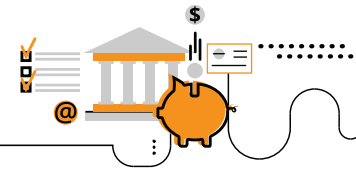
**LARGE  
CAP**

Average  
Marketcap

INR **5,25,012** Cr.

All data is as on 30.11.2021

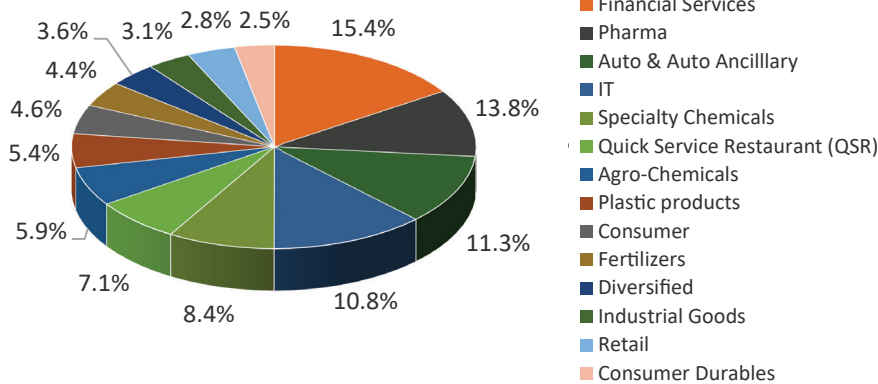




## Emkay GEMS



### Sectors



### Top 5 holdings

L&T Technology Services Ltd	9.2%
SRF LTD	8.4%
Jubilant FoodWorks Ltd	7.1%
Dr. Lal PathLabs Ltd	7.0%
PI Industries Ltd	5.9%

Benchmark

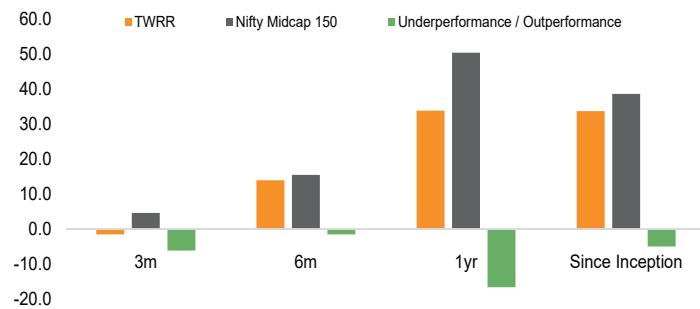
Nifty  
Midcap  
150

Total number of  
Stocks **20**

MID  
CAP

Average  
Marketcap INR **29,827** Cr.

### Performance Update

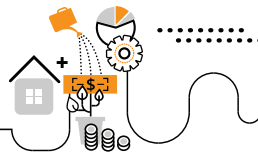


Inception Date **03-Mar-20**

	3M	6M	1Y	Since Inception
Emkay GEMS (TWRR)	-1.5	14.0	33.9	33.8
Nifty Midcap 150	4.6	15.5	50.5	38.8
Outperformance	-6.1	-1.5	-16.6	-5.0

All data is as on 30.09.2021





Invest in



**Emkay Duet**

**2 PMS portfolios within**



Choose from any of the following three combinations of our portfolios, each giving you **a unique dual advantage**




**Emkay Capital Builder**

+




**Emkay GEMS**



**Emkay L.E.A.D**

+



**Emkay Pearls**

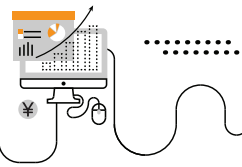


**Emkay's 12**

+



**Emkay Pearls**



**Emkay Investment Managers Ltd.** (EIML) is the asset Management arm of Emkay Global Financial Services Ltd. (EGFSL), a SEBI registered Portfolio Manager managing & advising investments for long-term (3-5 years+) investors consisting of Family Offices, HNIs, Corporate & NRIs, in Indian equities. Currently the team manages assets over INR 800 crores.

## OUR TEAM



**Krishna Kumar Karwa**  
MD - EGFSL  
Mentor - EIML



**Vikaas M Sachdeva**  
CEO - EIML



**Sachin Shah**  
Fund Manager - EIML



**Kashyap Javeri**  
Fund Manager - EIML

## PROFILE OF FUND MANAGERS

### Sachin Shah

Sachin is a seasoned fund manager with over two decades of experience in the Indian equity markets. By virtue of his extensive research, Sachin realised early-on the need for a framework in which companies with evasively tricky standing needed to be filtered out very objectively, leading to the development of E-Qual Model, EIML's proprietary module which helps us to evaluate and compare listed companies on various aspects of governance. Sachin shares his knowledge and insights through various media interactions across print and digital platforms.

### Kashyap Javeri

Kashyap Javeri is a fund manager with more than a decade of experience in company and sector research. He brings exceptional insights into stocks and economy. Prior to joining Emkay Investment Managers, he was a rated BFSI analyst in Emkay Institutional Equities for eight years and also worked with Sharekhan Ltd as midcap analyst. Kashyap brings with him immense in-depth knowledge on not only variety of manufacturing and services sectors but also on banking and economics.

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Roshan Khanvilkar [roshan.khanvilkar@emkayim.com](mailto:roshan.khanvilkar@emkayim.com)

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