

Acepro Largecap PMS Strategy

**AcePro Advisors Private Limited
Asset Management
September 2023**

Investments in securities are subject to market risks. There are no assurances or guarantees that the objectives of any of the Products will be achieved. The investments may not be suited to all categories of investors. The value of the Portfolios can go up or down depending on various market factors. Past performance of the Portfolio Manager does not indicate the future performance of the Products or any other future Products of the Portfolio Manager. Investors are not being offered any guaranteed or indicative returns through any of the Products. The names of the Products do not in any manner indicate their prospects or returns. The performance of the Products may be adversely affected by the performance of individual companies, changes in the market conditions, micro and macro factors and forces affecting capital markets in particular like interest rate risk, credit risk, liquidity risk and reinvestment risk. Derivative/future and options products are affected by various risks including but not limited to counter party risk, market risk, valuation risk, liquidity risk, basis risk and other risk. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives. In the case of stock lending, risks relate to the defaults from counterparties with regard to securities lent and the corporate benefits accruing thereon, inadequacy of the collateral and settlement risks. The portfolio Manager is not responsible or liable for any loss resulting from the operations of the Products/ Portfolios. Each portfolio will be exposed to various risks depending on the investment objective, investment strategy and the asset allocation. Non-Diversified Portfolio tends to be more volatile than diversified portfolio. Please read the Disclosure Document before investing.

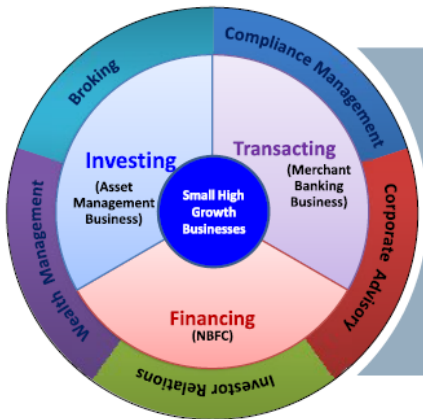
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About Us

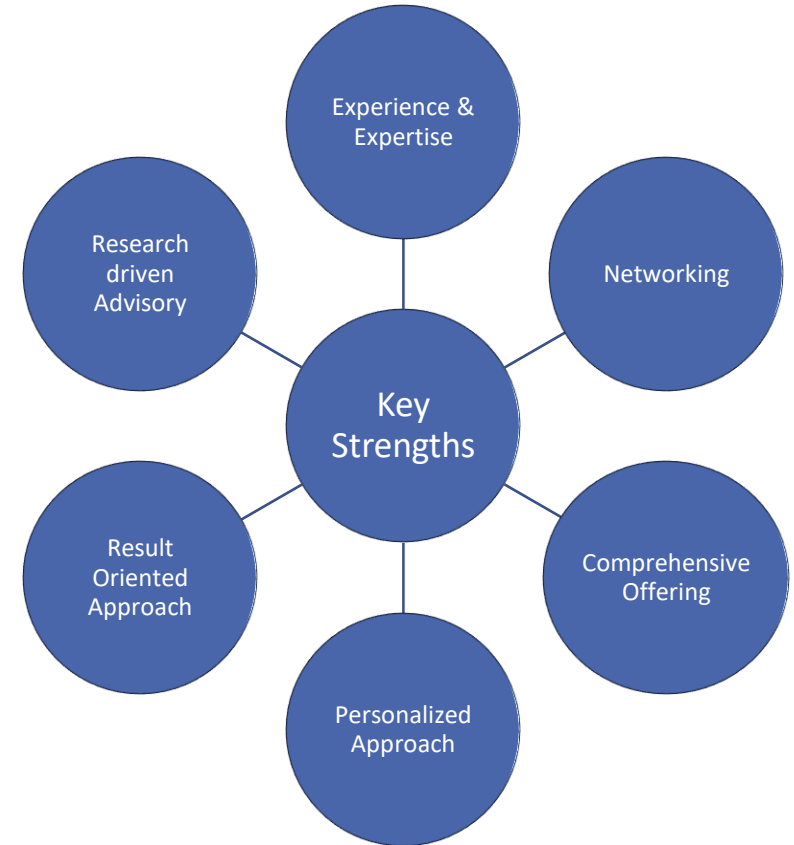
About Us

AcePro Advisors Pvt Ltd. is a subsidiary of Sarthi Capital Advisors Pvt Ltd., a part of Sarthi Group. Sarthi is committed to deliver exceptional client service with operations in following service lines- Asset Management, Investment Banking (incl. Merchant Banking) and NBFC along with support services like Advisory & Compliance Management with prime business focus on small, high growth businesses. Sarthi provides solutions across geographies to a wide range of clients enabling them to meet their financing, business and regulatory objectives.

Sarthi Group's Business Model



A comprehensive and integrated approach towards value creation for all stakeholders





Deepak Sharma (Director)

He has over 28 years of experience in Financial Service domains and has rich experience and deep understanding of Capital Markets, Corporate Finance, Investment Banking, Private Equity raising, Business Modelling and Investment Management. In his last assignment he was COO of IL&FS Investsmart Limited. and he was also Principal Officer for Portfolio Management Services in IL&FS Investsmart Limited. He is the Founder and Group Managing Director of Sarthi Group.



Iqbal Singh (Director)

An entrepreneur with rich experience with more than 20 years of experience with leading Private & Foreign Banks and Financial Markets. He holds the qualification of B.E, MBA, CFA(Domestic), CFA level 2 candidate. He is one of the founding team member of HDFC Private Banking Group. He is the Founder and Managing Director of Innovative Financial Management Private Limited incorporated in 2009 which provides wealth advisory and broking business.



Rajesh Kumar- Principal Officer

Over 9 years of experience in Capital Market, Investment Banking, Business Valuation and Financial Modeling. With good understanding of financial numbers and various investment products, he has been instrumental in creating business model and Investment Ideas. He has rich experience as a Research Analyst in PMS Services and has served organization like Kotak Securities, Kredent Capital and MajorTrend Capital.

Education: B. Com (Hons), CFA (Domestic)

Why Largecap

WHAT ARE LARGE CAPS ?

LARGE CAP

1st -100th company in terms of full market capitalization (~Rs. 48,800 Cr and above)

TCS, HUL, HDFC Bank, ITC, Reliance

MID CAP

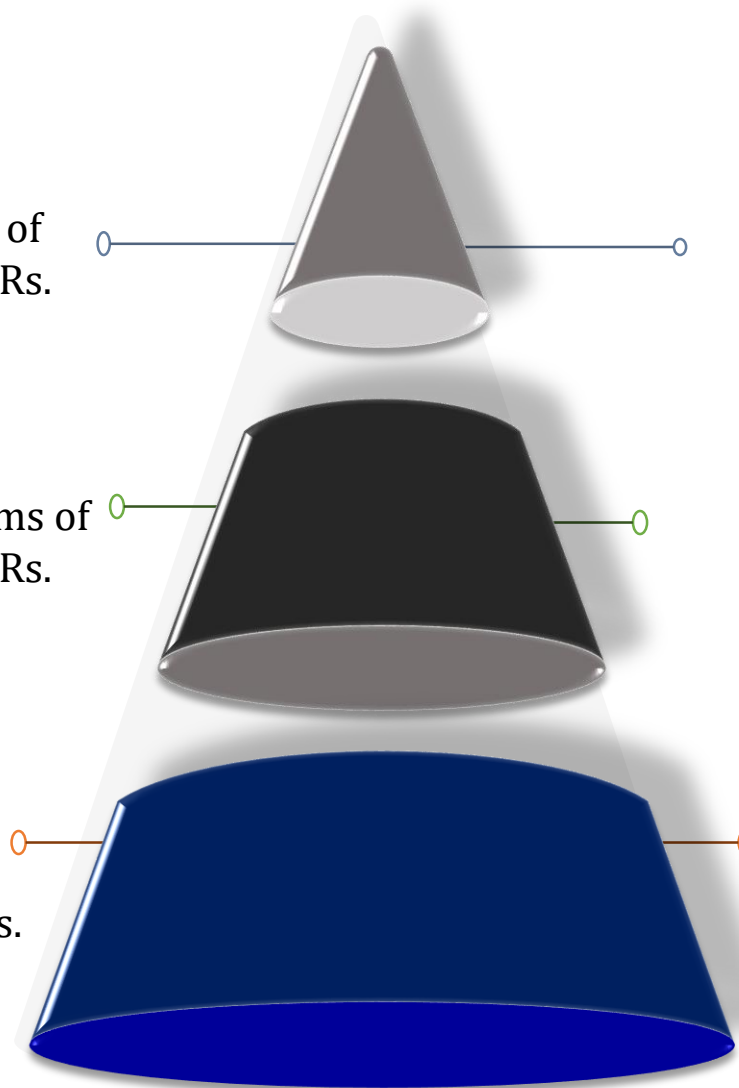
101st -250th company in terms of full market capitalization (~Rs. 16,800 Cr to Rs. 48,800 Cr)

Voltas, AU Small Finance bank, Qess Corp, Apollo Tyres

SMALL CAP

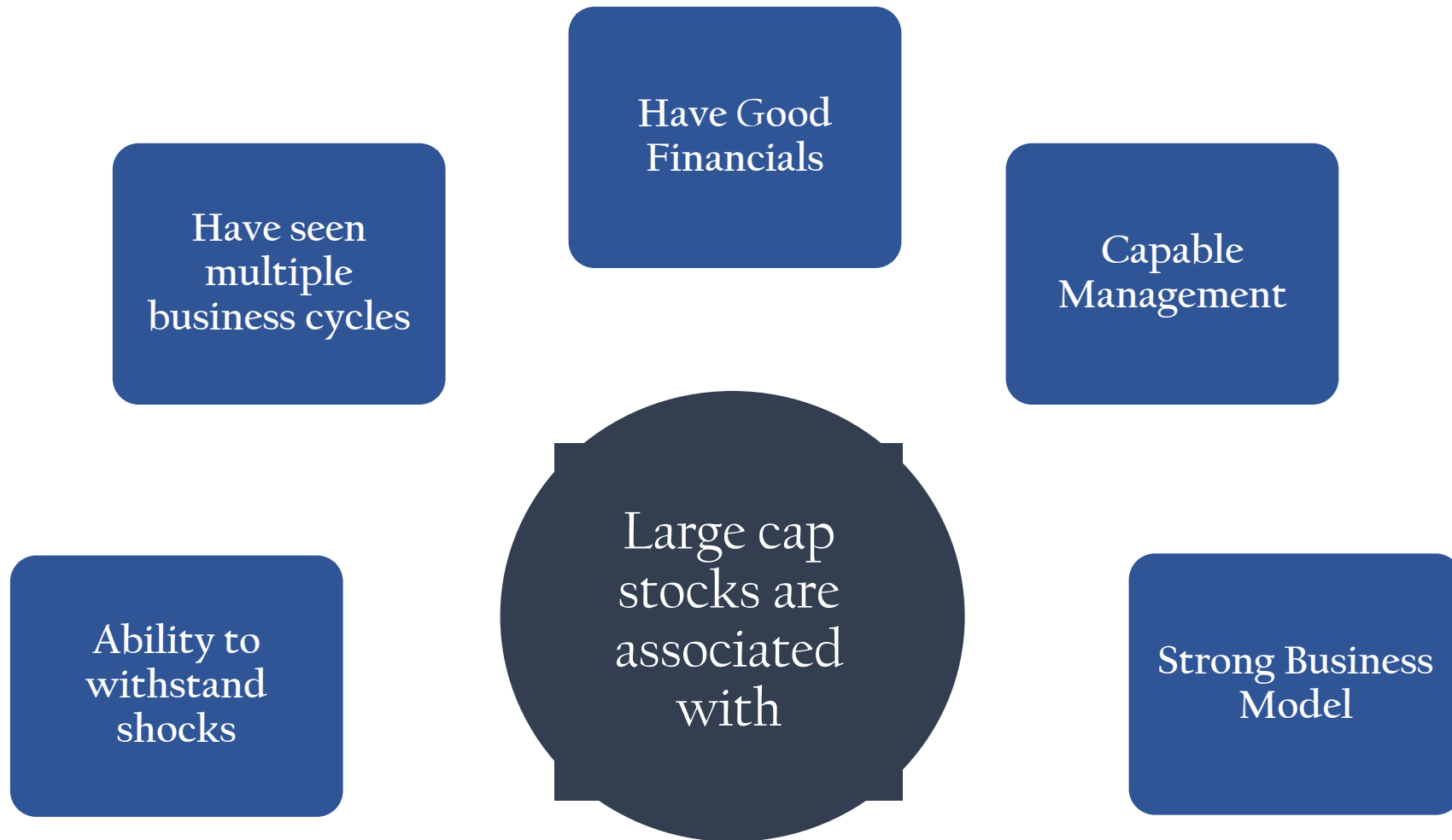
251st company onwards in terms of full market capitalization (~ less than Rs. 16,800 Cr)

Finolex cables TTK Prestige, Kajari Ceramics, Delta corp



As per AMFI- Dec 2021

Features Of Large Cap Stocks



Fund Details

Investment Objective: The Portfolio objective is to generate capital appreciation over a period of time by investing in listed equities.

Investment Philosophy: The portfolio will mainly invest in stocks of large cap companies though there could be some exposure to mid and small caps as well. Companies should either be having good historical financials or there should be expectation of improvement in financials in future. The strategy is designed for investors who have a longer horizon to invest and wants to invest in listed equity shares/securities.

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Portfolio Composition

- Portfolio shall typically comprise up to 50 stocks mainly across larger market cap.

Stock Exposure

- Stock Exposure limit – 20%

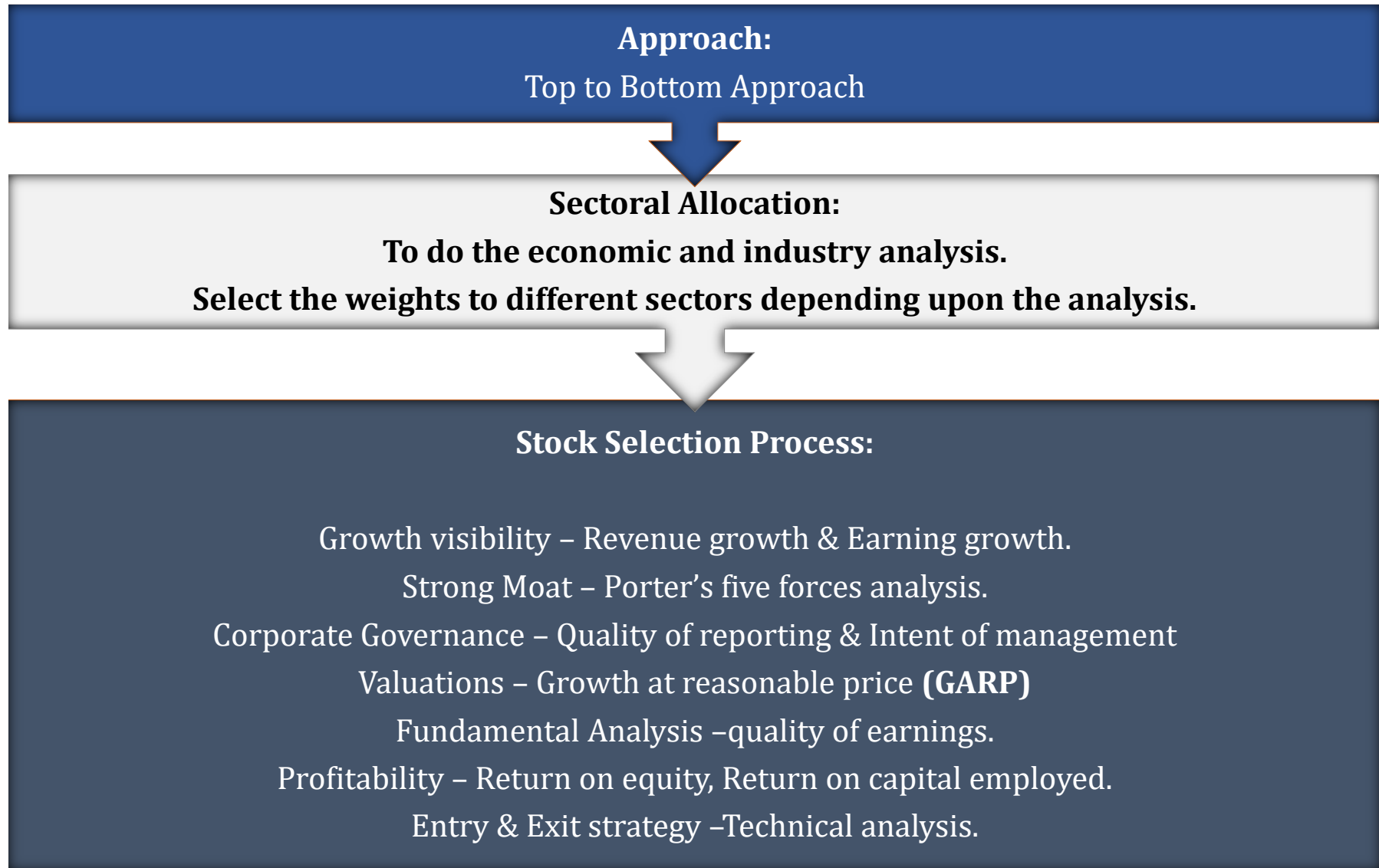
Client Suitability

- Investors with an investment horizon of 3-4 years seeking steady moderate market returns with low to moderate risk appetite.

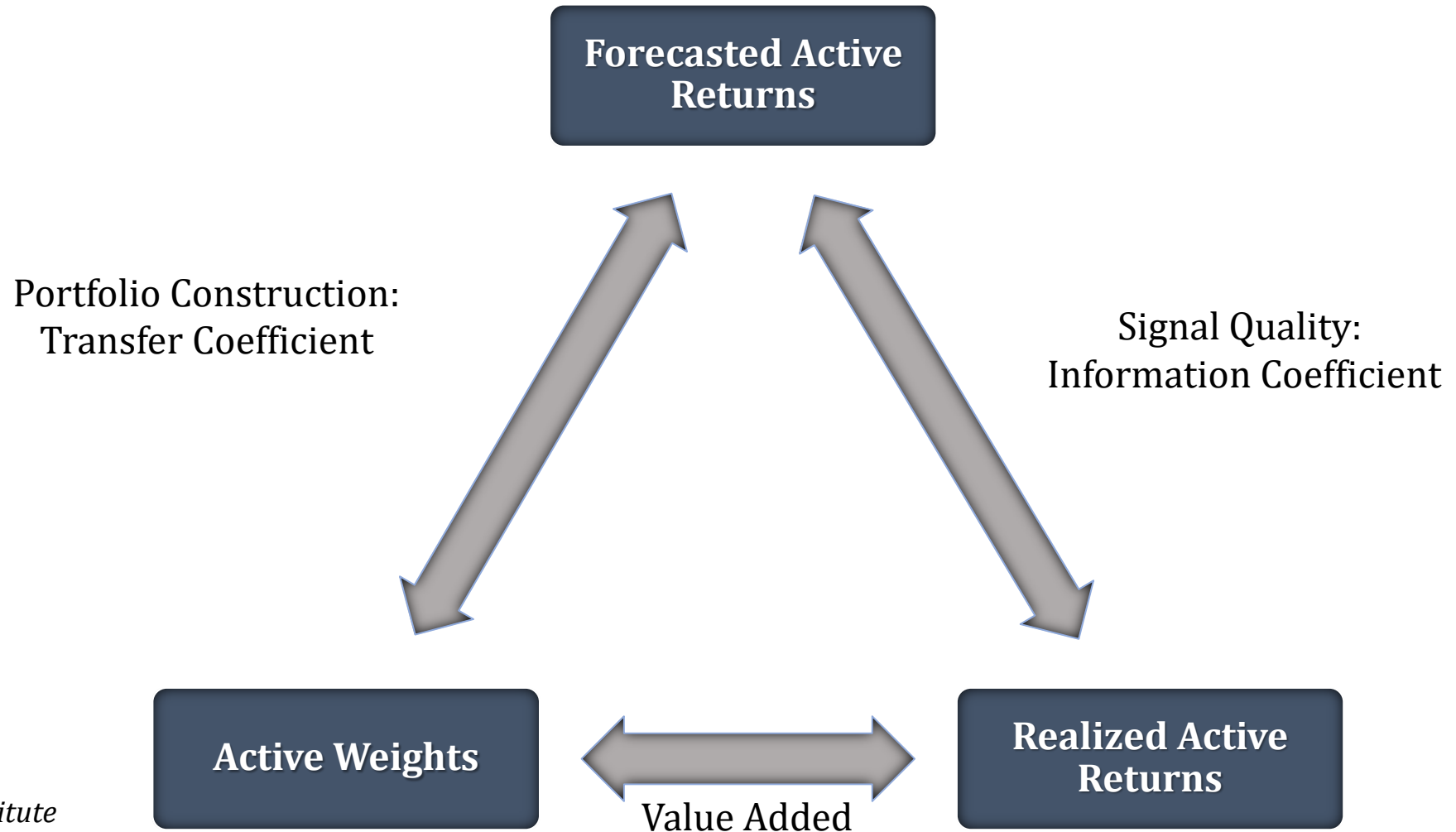
Relationship Between Financial Reporting Quality & Earnings Quality

FINANCIAL REPORTING QUALITY			
		Low	High
EARNINGS QUALITY	High	Low Financial Reporting quality impedes assessment of earning quality and impedes Valuation.	High Financial Reporting quality enables assessment. High earning quality increases company value.
	Low		High Financial Reporting quality enables assessment. Low earning quality decreases company value.

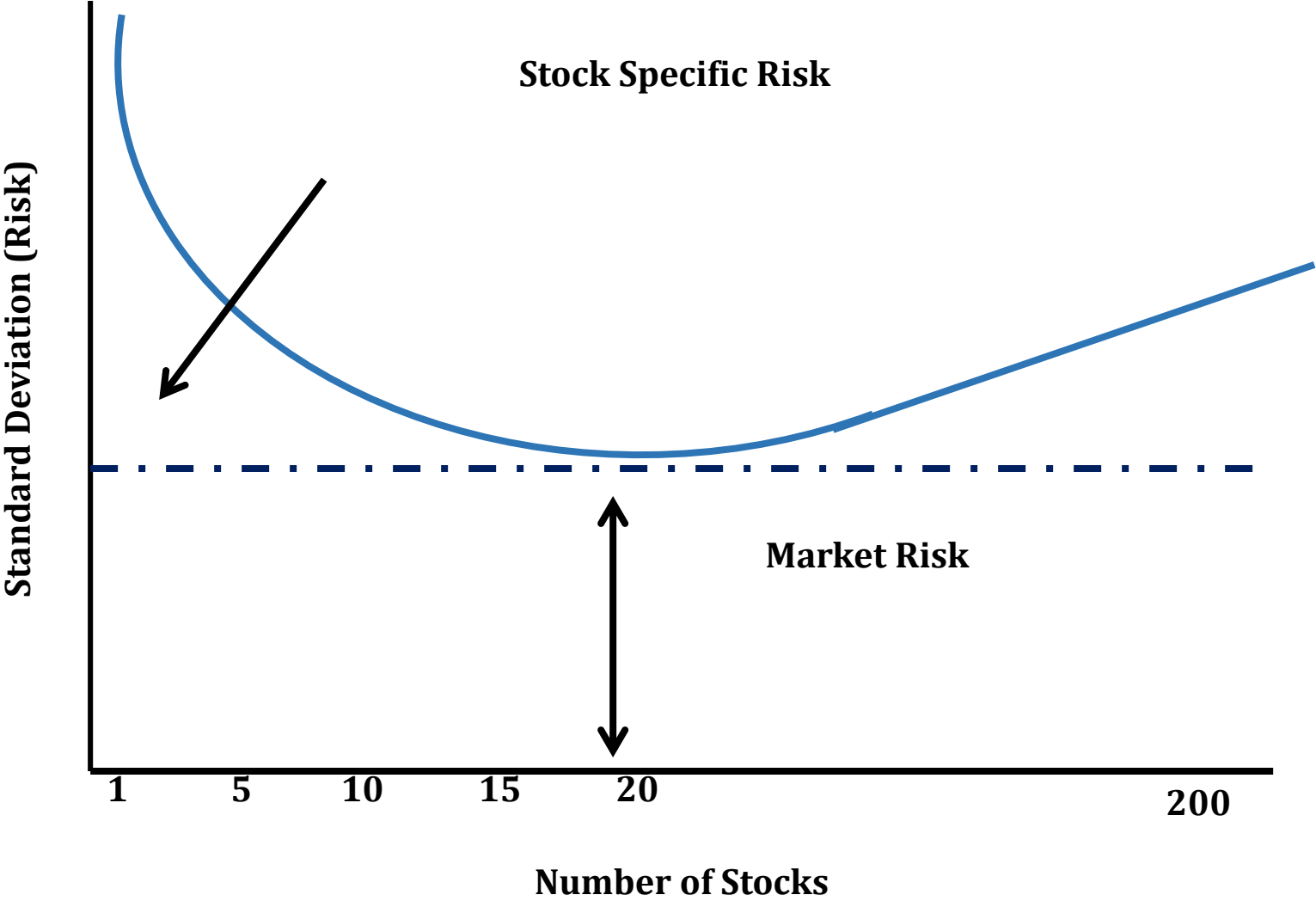
The presence of high-quality financial reporting is necessary condition for enabling investors to evaluate Earnings(results) quality.



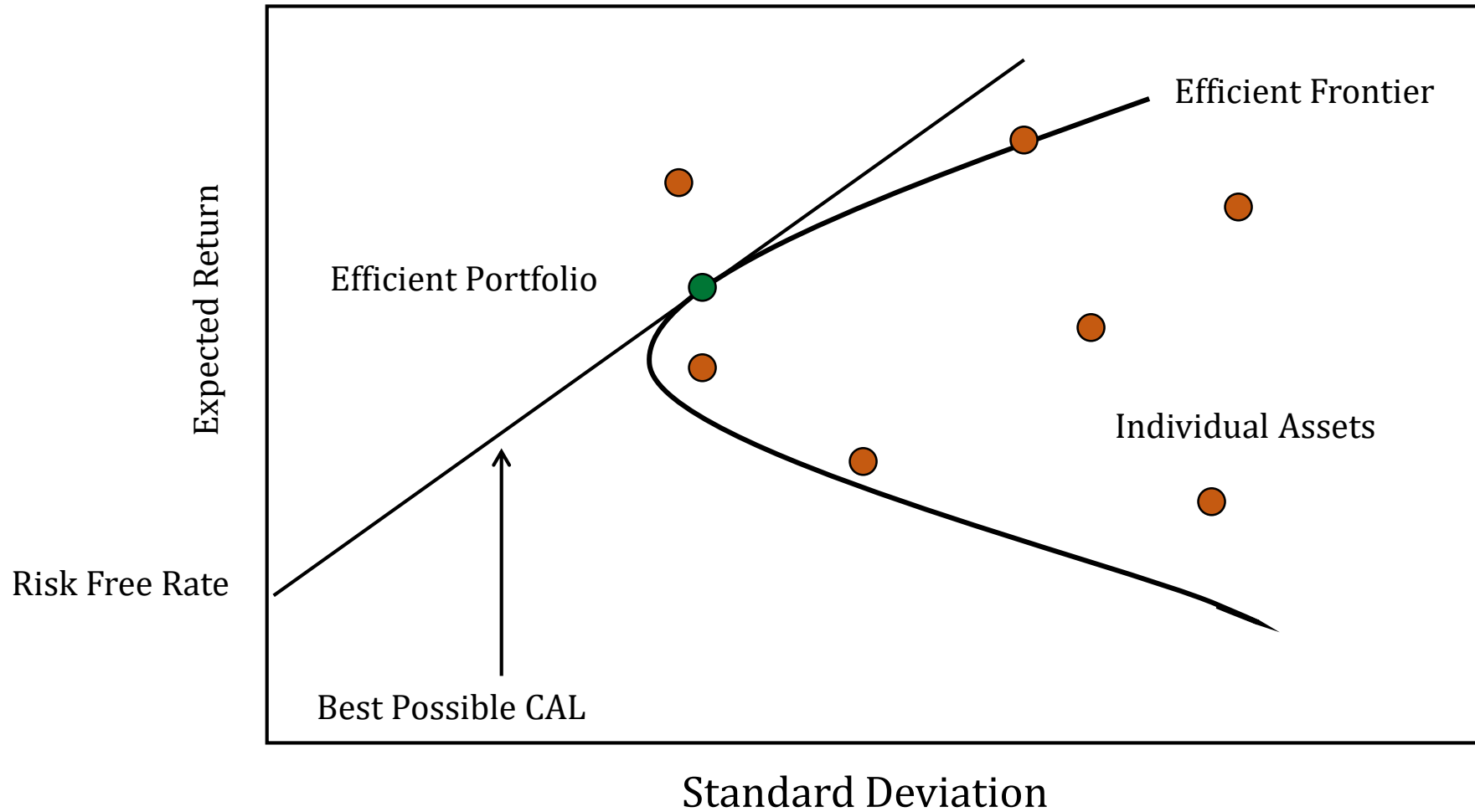
THE CORRELATION TRIANGLE



Source- CFA Institute



CONSTRUCTION OF OPTIMAL PORTFOLIO



- Risk management is paramount for the fund to perform well in longer period.
- Clear focus on getting the same return with lower amount of risk or to get the higher return with same risk.
- Efficient Diversification.
- Stringent Drawdown Policy.
- Complete exit if there are doubts on corporate governance or growth visibility.

Top 5 Holdings	
Company Name	Weight
HDFC BANK LTD	11.91%
ICICI BANK LTD.	8.54%
TATA CONSULTANCY SERVICES LTD.	8.38%
RELIANCE INDUSTRIES LTD.	7.06%
INFOSYS LTD.	6.11%

Source: Ace equity, Data: as on September 2023

FUND PERFORMANCE

Period	1 Month	3 Months	6 Months	1 Year	Since Inception (15 th Feb 19)
Fund Return	2.50%	3.00%	11.89%	14.56%	13.29%
NIFTY 50	2.00%	2.67%	14.02%	16.06%	15.30%
Out/Under Performance	0.50%	0.33%	-2.13%	-1.50%	-2.01%

As on September 2023 Based on NIFTY TRI Index



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