



Multibagger

Presented by:

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➤ **Finding Needle In Haystack**

Bring process & science to overlooked sectors/stocks

➤ **Catch Them Young**

As these businesses grow from Mid/Smallcap to Largecap your portfolio grows too

- **Better & Deeper Research Wins**
Detailed Research Wins over Gut Feel and Market Sentiment.
- **Constant Monitoring & Tracking**
Dedicated team of research Analysts on it everyday

4 Pillars of stock selection for Multibagger Portfolio

01

Management pedigree / corporate governance. Alignment of interest

02

Size of the opportunity / profit pool / scalability

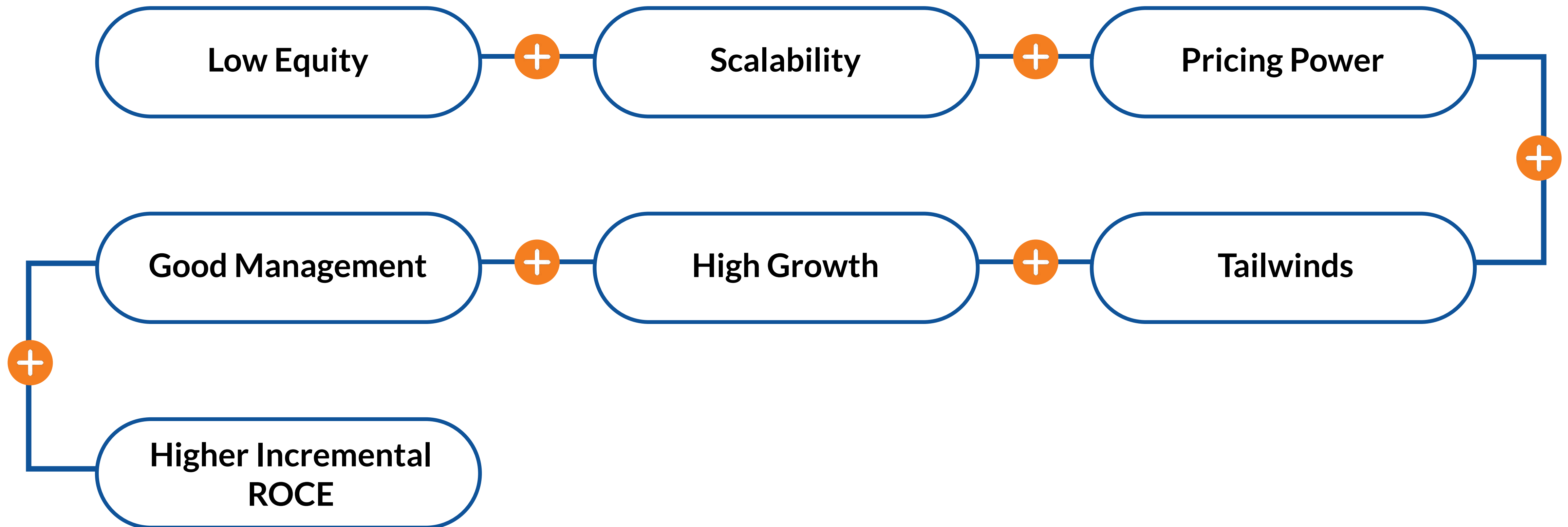
03

Superior product and services

04

Capital allocation and business efficiency / cash flows and return ratios

Key ingredients for Multibaggers



Corporate Governance – Core component of Risk Analysis

We consider environmental, social and corporate governance (ESG) issues are core components of company risk analysis. ESG analysis is performed before and continues after we recommend any stock.

We believe that poor practice across:

- Corporate governance
- Environmental management
- Human resource practice and
- Sustainability management

Will inevitably result in lower investment returns and poorer outcomes for all stakeholders of offending companies.

We believe that companies scoring high on these issues will result in superior investment performance over the longer term.

Drivers of Portfolio Returns

➤ Right Allocation & Exiting the stock at right Time



Superior Portfolio Performance

➤ Cut your losses fast. Ride the profits



Stop Loss is a Friend

Current Portfolio

Multibagger Portfolio

Sector base

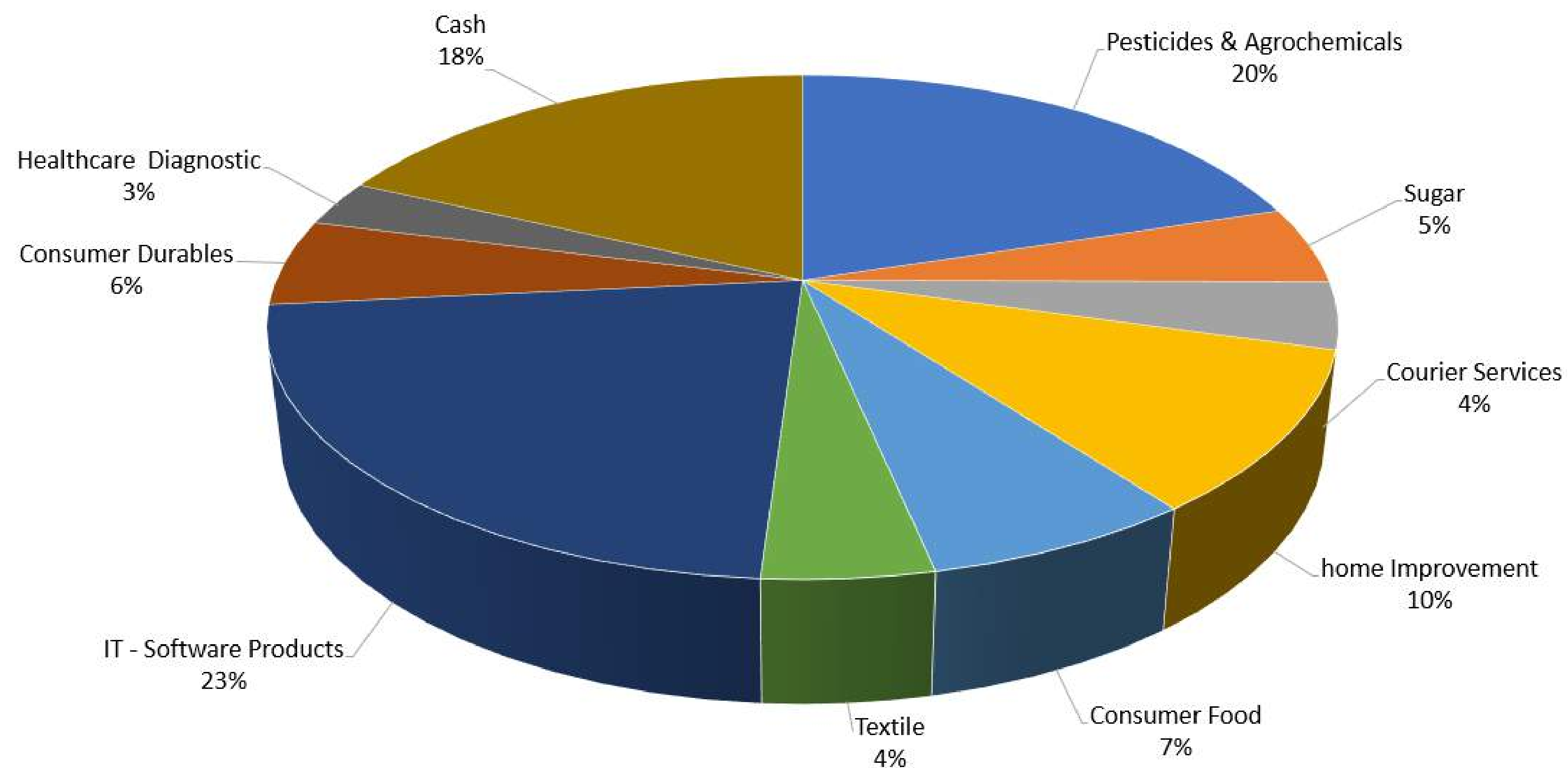
Allocation (%)

Multibagger Portfolio Market Cap wise

Large Cap	4%
Mid cap	13%
Small Cap	64%
Cash	19%

Multibagger Portfolio Performance

Last 3 months	23.09%
Last 6 months	59.37%
Last 1 year	101.53%



Multibagger - Stocks Investment Rationale

Tata Elxsi

(Allocation 7%)



- Co is one of the world's leading providers of design and technology services for product engineering and solutions across industries including the Broadcast, Communications and Automotive sectors.
- Automotive sector (51% of revenue) is undergoing a sea change
- Media & Communication is the new avenue for its growth
- The company develops the technology platform for FTH & DTH and OTT service
- FTH and 5G have opened up new opportunities

Astec Lifesciences

(Allocation 6%)



- Strong parentage backing with established track record in manufacturing fungicides
- Backward integration and cater to new products
- Leveraging new capacities to capitalize new markets
- Strong demand for its product portfolio

Multibagger - Stocks Investment Rationale

Coforge (Allocation 6%)



- Healthy order book aided by large deal wins
- Scaling up Healthcare & Hi-tech verticals to provide next levers of growth
- Investing in new platforms and technologies to provide impetus to growth- strategic investment in WHISHWORKS IT consulting, a Mulesoft and Big Data specialist

Multibagger - Stocks Investment Rationale

Stovekraft Ltd. (Allocation 6%)



Co. manufactures cooking appliances under Pigeon and Gilma brands. It also has an exclusive licensing agreement with Black & Decker for manufacturing of appliances in the premium category

- Transformed from a single brand LPG stove manufacturing company to become one of India's leading manufacturers of kitchen appliances
- Multi-brand approach to capture the entire value chain
- In-house component manufacturing capabilities for its products (85-90% products). This reduces its dependence on third party suppliers and OEMs and improves operating efficiencies
- Industry tailwinds: Tier-II and Tier-III cities will be the next growth drivers aided by greater purchasing power of young population aided by high disposable-income
- Strong financial performance shown in FY21 with 28% growth in top-line with EBITDA margins improving to 13% from 5% in FY20

Multibagger - Stocks Investment Rationale

Prince Pipes & Fittings

(Allocation 5%)



- Strong brands in the pipes and fittings segment
- Comprehensive product portfolio serving diverse end-use applications
- Partnership with Lubrizol will bolster CPVC pipes business- amongst the only two companies using the Flowguard brand
- Beneficiary of demand shift to organized players
- Healthy rural & semi-urban demand to provide impetus to growth

Cera Sanitaryware

(Allocation 5%)



- Amongst Top-3 organized players in sanitaryware market
- The Company has more than 3,600 dealers and 12000+ retail touchpoints.
- Right outsourcing mix
- Use of high tech in manufacturing-an innovator in the use of technology and automation in design and process
- Recovery in Real Estate- best-positioned to ride on real estate recovery

Multibagger - Stocks Investment Rationale

Balrampur Chini Mills Ltd. (Allocation 5%)



Balrampur Chini Mills Limited

- Second largest integrated sugar producer in India. It has capacity to crush 76,500 TPD of sugarcane, surplus power capacity of 168.7 MW and distillery of 520 KLPD
- Improvement in Sugar recovery rates from 9.8% in FY15 to 11.4% in FY20 . Higher recovery rates means considerably lower cost of production
- New distillery to aid earnings. Post expansion the company will be capable of producing ~ 10 crore litres of ethanol pa
- Ethanol segment's revenue contribution in the overall revenue mix shall increase to 30% and above in next few years
- Rise in sugar prices in international market

Multibagger - Stocks Investment Rationale

Privi Speciality Chemicals Ltd. (Allocation 5%)



PRIVI SPECIALITY CHEMICALS LIMITED

- A Fairfax company (51% holding), is India's leading manufacturer, supplier and exporter of aroma and fragrance chemicals
- Market leader in a niche industry
- Second largest player in the world in the pine tree fragrance segment, with a market share of 20-25%
- Only Asian company to set up a refinery for processing waste from pulp & paper industry to produce key building blocks for aroma chemicals
- Product expansion through strong in-house R&D. Co. expanded its product range from mere 2 products in 1992 to 50+ high performance chemicals in 2021
- Top 10 global fragrance companies are clients

Multibagger - Stocks Investment Rationale

IndoCount Industries Ltd.

(Allocation 4%)



- Demand Improvement in the United States to aid Revenue Growth
- Co has established relationships with top retailers in US like Walmart, Target, Bed Bath & Beyond and JC Penney
- Capital Expenditure Plans to Increase Revenue- ~20% increase in bed linen capacity from 90 million meters to 108 million metres by debottlenecking and balancing its facilities for a total capex of Rs. 200 crores
- Beneficiary of China Plus One Strategy- US has banned the cotton imports from China's Xinjiang region (contributing +80% of Chinese cotton production)

Zomato Ltd. (Allocation 4%)



- Zomato is widely recognized and Strong Brand with High Customer Retention
- Category Leader in India's Food Delivery Space
- Focus on Unit Economics and Growth
- Strong Industry Tailwinds
- According to RedSeer, Zomato has a significant total addressable food services market opportunity of USD 65 billion in 2019, which is expected to increase at a CAGR of 9% to USD 110 billion in 2025, due to under-penetrated restaurant food-eating behaviour
- Along with core business Co is expanding in other areas. Eg Grofers (9.16% stake) & launch of Hyperpure (traded items). In FY20 acquired Uber Eats too
- Scope to use platform for adding many more services

Multibagger - Stocks Investment Rationale

Bluedart

(Allocation 4%)

BLUE DART

- Leading market share in domestic air express 49% (up from 45% in 2015)
- Security infrastructure and upgrades in automation and technology
- E-commerce is emerging as a major growth driver.
- Integrated Air and Ground Pan-India Network
- Growth in volume becomes important for any courier company as majority of the costs are fixed in nature

Sudarshan Chemicals Ltd.

(Allocation 4%)

SUDARSHAN

- India's largest and world's third-largest pigment manufacturer, with market share of ~35% in domestic market
- The top two players (BASF and Clariant AG) have decided to exit the pigment segment which will create growth opportunity
- Global distribution network, with > 50 sales members, >60 channel partners and sales in > 85 countries
- Ongoing capex nearing completion & targeted at increasing the production capacity, especially for value-added pigments, and the introduction of new products
- The benefits of this capex will accrue gradually over three-four years with potential to generate revenue of Rs. 1,000 – 1,200 crores at full capacity.

Multibagger - Stocks Investment Rationale

KPIT Technologies

(Allocation 4%)



- The role of electronics and of software will increase in vehicles.
- Software is required in CASE – Connectivity, Autonomous driving, Shared Mobility and Electronification. KPIT serves all these areas.
- 12 out of the 15 top automotive OEMs are customers. Top 25 (T25) clients account for ~85% of its revenue

Bharat Rasayan

(Allocation 3%)



- Established player in pesticides industry
- Varied product mix provides sustainability in the business- insecticides, herbicides, fungicides, plant growth regulators, their formulations and intermediates
- Integrated operations amongst group companies to provide cost advantage
- Continuous expansion of business to provide growth- made investments towards new capacities for critical inputs as part of backward integration.

Multibagger - Stocks Investment Rationale

Mastek (Allocation 3%)



- Digitization and use of technology will be of prime importance - high demand for services like i) digital transformation, ii) cyber security, iii) cloud.
- Mastek is emerging as Leader in Enterprise Digital Transformation
- Acquisition of Evosys- capabilities of Cloud implementation and consultancy
- Combined capability of Mastek & Evosys creates a new organization which can provide end-to-end services-lots of synergies for co-sell & cross-sell

Thyrocare (Allocation 3%)



- Affordable testing with emphasis on wellness and preventive healthcare
- Network expansion will boost volume growth
- Widening revenue channels to provide significant growth opportunities

Multibagger - Stocks Investment Rationale

DFM Foods (Allocation 3%)



- Extensive product portfolio- “Crax”, “Curls”, “Natkhat” and “Fritts” (65% market share)
- Increased consumption of snacks and packaged foods
- New leadership and new strategy will drive future growth
- Leverage the strong brand via “sub-segmentation”
- Recent capacity addition of 5,000 MTPA will enhance revenues and profitability

Intellect Design Arena (Allocation 2%)



- Established player in software product development within BFSI domain
- Diversified product profile aids in de-risking the portfolio- 14 products across various sub-segments of BFSI such as corporate banking, retail banking, treasury and capital markets, and insurance
- Emerging as the leader in BFSI category with over 90 clients
- Repeat revenue from existing customers stood at 85%
- Steady growth in license linked revenue which constitutes cloud/SaaS, AMC and license revenue
- Continuous deal wins to provide impetus to growth
- Has aggressively invested in sales and marketing from past 5 years

Multibagger - Stocks Investment Rationale

Hikal Ltd. (Allocation 2%)




- Co has a strong product profile and entrenched relationship with leading multi-national pharmaceutical as well as agro-chemical companies in the world
- Co is the world's largest supplier of Gabapentin (used to treat epilepsy, neuropathic pain, hot flashes, and restless legs syndrome) with of ~35% as of FY20.
- Co is also the world's largest supplier of Thiabendazole (primarily used to control fungal diseases in fruits and vegetables)
- Healthy Pipeline of Generic APIs-under development stage -3-4 products in Pharma & couple of products in crop protection

A Few Super Performers in the past



Return
▲ **213.08%**
In 9.2 Months

Reco Price Rs. Rs. 1994.60 Jan 06, 2021	Current Price Rs. Rs. 6,244.65 Oct 11, 2021
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Return
▲ **260.59%**
In 13 Months

Reco Price Rs. Rs. 878.00 Sept 15, 2020	Current Price Rs. Rs. 3,166.00 Oct 11, 2021
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Return
▲ **114.26%**
In 13 Months

Reco Price Rs. Rs. 2508.65 Sept 15, 2020	Current Price Rs. Rs. 5,375.00 Oct 11, 2021
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Return
▲ **84.77%**
In 16.7 Months

Reco Price Rs. Rs. 6630.00 May 28, 2020	Current Price Rs. Rs. 12,250.00 Oct 11, 2021
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Return
▲ **91.18%**
In 6.2 Months

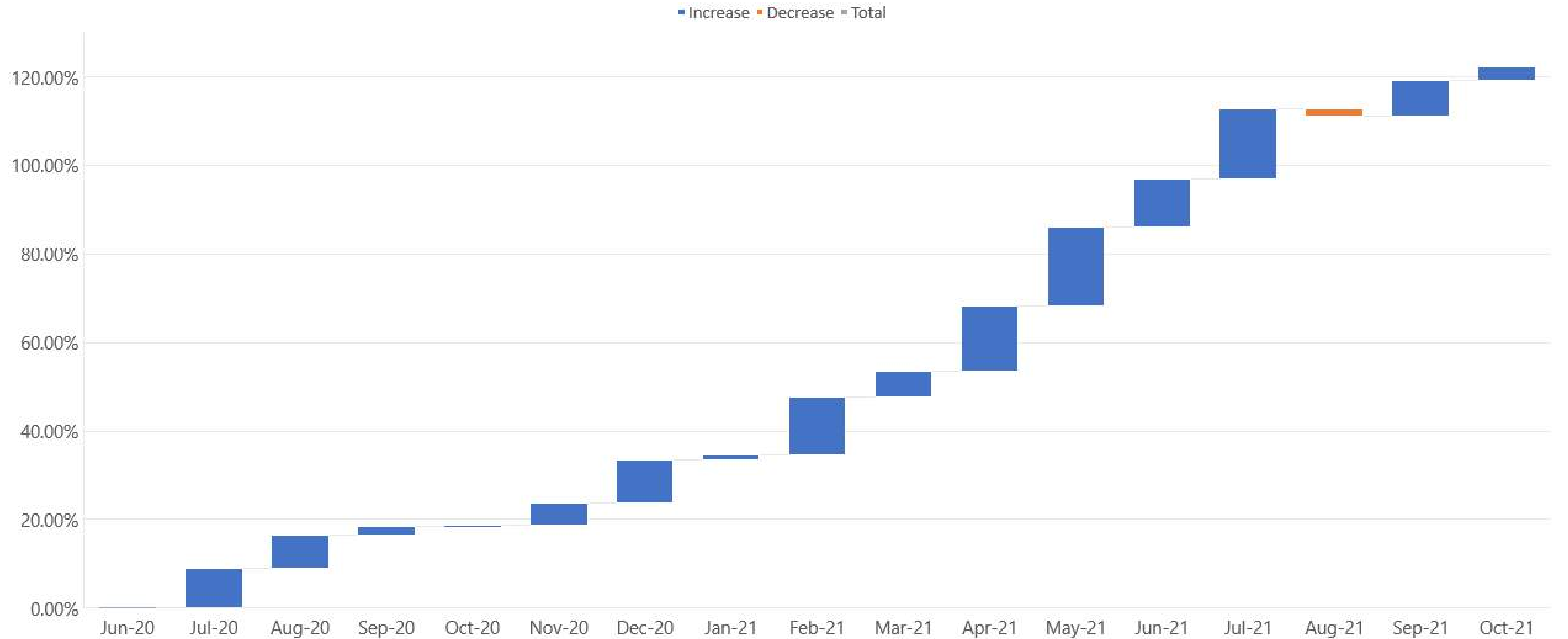
Reco Price Rs. Rs. 182.00 April 07, 2021	Current Price Rs. Rs. 347.95 Oct 11, 2021
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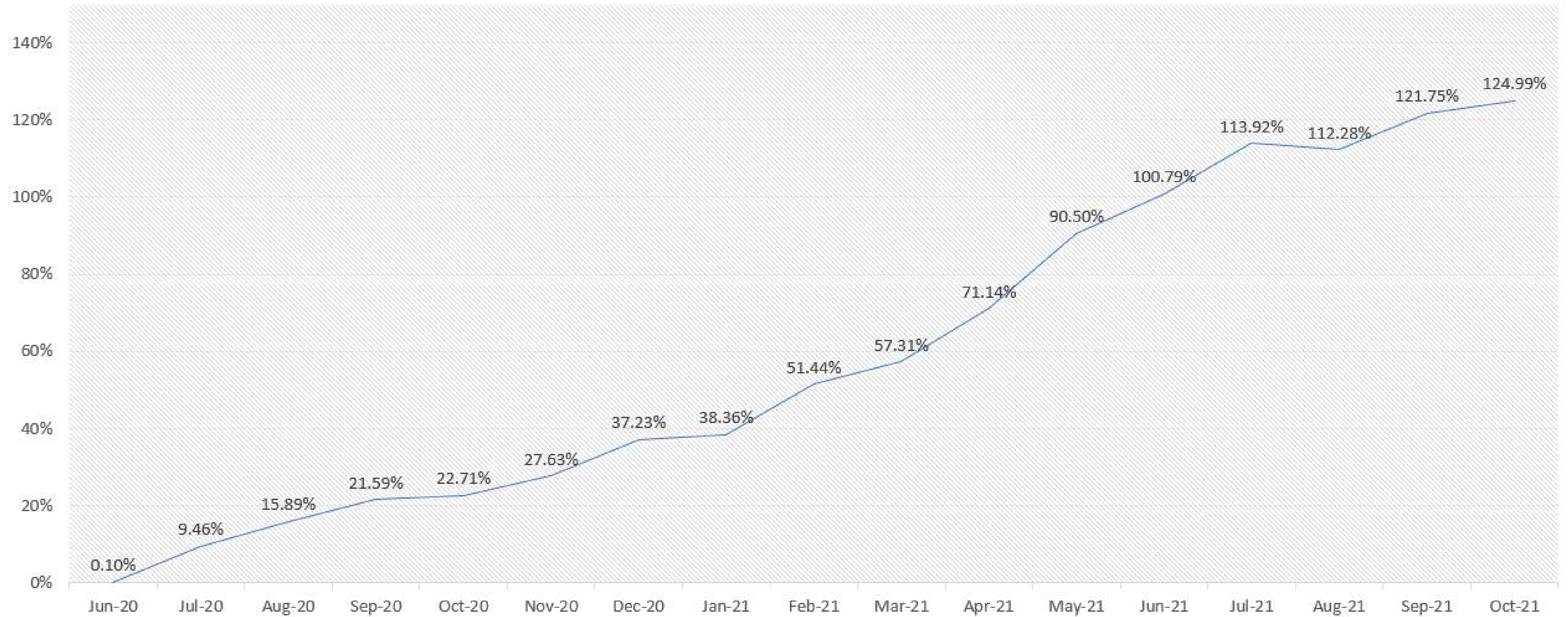
Return
▲ **91.02%**
In 4.1 Months

Reco Price Rs. Rs. 162.00 Jun 08, 2021	Current Price Rs. Rs. 309.45 Oct 11, 2021
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Monthwise Portfolio Returns (%)



Monthwise Portfolio Returns (%)



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you!*

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