QUARTERLY NEWSLETTER
JULY 2024

PGIM
India Portfolio
Management Services

Stable core.
Strong portfolio.

PGIM INDIA
CORE EQUITY PORTFOLIO

From the desk of Portfolio Manager

Surjitt Singh Arora,
Portfolio Manager

A Growth at Reasonable Price (GARP) Oriented Portfolio

MARKET OUTLOOK

Looking beyond the Elections – Stability and continuity of reforms would be key risk

- The Elections are done and so far the appointment of ministry and even the Lok Sabha speaker shows continuity. Our base case is that the current government will last for its full term. We also believe that the Infrastructure push of the government will largely be maintained as the coalition partners are in sync with that agenda.
- However, given the coalition and with various state elections coming up, passing of unpopular reforms may especially become more difficult. We will take cues from the upcoming budget.
- In the longer term, the India story is intact. The risk variables are under control, and the inclusion of India in the JP Morgan Bond Index will mean increased flows in the debt market, which will help the Rupee.

Corporate Fundamentals

- The bottom-up story of India continues to be robust. We expect the earnings to grow at higher than the Nominal GDP growth.
- The Balance Sheet of India Inc. has improved further. The absolute net debt is further down despite a growth in fixed assets.
- Most interestingly, the balance sheets of smaller cap companies have improved more than those of their larger peers. These companies have used internal accruals and raised equity to fund capex and working capital. The net debt of smaller cap companies is down by 10.2%, despite growth in both fixed and net current assets.
- The NPA level of Banks is at a historic low.

As mentioned in our Quarterly newsletter dated October 2023, India's inclusion in JP Morgan's Emerging Market Bond Index is expected to bring capital into the country. The passive flows should amount to ~USD 20-25bn and gradually pace from Jun'24 to Mar'25. Other such EM/Global bond indices inclusion may follow, taking potential inflows to ~USD 40bn+ over the next 2-3 years. (Source : Jefferies India Research)

Revenue growth in FY25E could be muted as the underlying volume growth across sectors seems tepid. At the same-time, the tailwinds on the raw material side are turning into headwinds, given the recent increase in the metal prices across the board. Valuation of Nifty 50 at 22.0x FY25 and 19.0x FY26 is demanding, in context of the consensus growth estimate of ~14% CAGR (at risk) in earnings over FY24-26E period (Source : Bloomberg).

We believe the market fundamentals will be driven by "narrative" in the near term moving forward, especially in the absence of any major trigger. The market will continue to find direction based on 1) Macroeconomic developments, 2) Direction of bond yields, 3) Oil prices & Dollar index and 4) Q1FY25 earning season. Though India is relatively better placed, valuation is a concern, hence we recommend a stock specific approach.

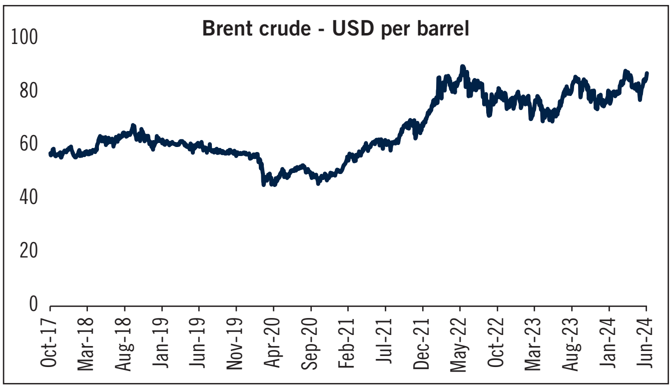
In light of the above developments, we believe style and sector rotation will play a critical role in alpha generation moving ahead. Moreover, with a strong catch-up by Mid-caps and Small-caps in the last couple of months, we still believe the margin of safety in terms of valuations for these segments at current levels has reduced as compared to that available in Large-caps. Keeping this in view, the broader market may see some time correction in certain pockets in the near term and flows will likely shift to Large-caps. In this context, two themes – 'Growth at a Reasonable Price' and 'Quality' look reasonable at the current juncture.

We are Overweight on Consumer Discretionary, Healthcare and Industrials. We have increased our exposure to Information Technology (IT) and now are Equal Weight (EW). We continue to remain Underweight on Financials. We believe that investors with a 3 to 5-year view would benefit from investing in the current scenario.

KEY RISKS GOING INTO FY25

We have increased our allocation towards Large Caps given the increasing risk to Global Equities highlighted below:

Source : Bloomberg



Source : Bloomberg

www.pgimindiapms.com | 022-6159 3131 | contact.pms@pgimindia.co.in

a) Inflation goes back up in US as its economy continues to be on strong footing. Consequently, US bond yields may stay buoyant.

b) Rising crude oil prices can stoke high inflation globally.

c) Geopolitical situation gets out of hand and other nations join the war.

d) Global recovery gets delayed – as recovery in Europe remains weak.

e) Closer home, rural recovery remains weak led by lower than average monsoons.

PERFORMANCE UPDATE

Our portfolio delivered a return of 21.37% in comparison with the 26.66% return for Nifty 50 TRI during the last one year. Our Overweight stance on Healthcare, Consumer Discretionary and Underweight stance on Financials dragged the performance. This was partially negated by our Overweight stance on Industrials and Underweight Stance on Information Technology (IT). The stocks which outperformed were Astral, Bharat Electronics, VST Tillers and FDC. The stocks which impacted our performance were Syngene International and Maruti Suzuki.

The one-year performance should be considered in the light of lower beta i.e. 0.63 vs benchmark (Nifty 50 TRI). At the same time, the strategy's Sharpe Ratio is at 1.60 vs Nifty 50's Sharpe Ratio at 1.20, denoting better risk-adjusted returns.

For the quarter ended June '24, our portfolio delivered a return of 10.47% vs a 8.13% return for Nifty 50 TRI, Outperforming the benchmark by ~234 bps. The portfolio Outperformed the index due to our overweight position in Consumer Discretionary, Industrials and Healthcare. The stocks which aided our performance were Havells, VST Tillers, Bharat Electronics, ICICI Lombard, FDC, and CAMS.

NEW ENTRIES

Entry
1. **Aurobindo Pharma:** The management highlighted in one of the investor conferences, that high-single-digit sales growth in the US/EU business on the back of a relatively stable price environment and 40-50 new product launches p.a. will drive near-term growth, while full-scale commercialisation/yield optimisation of the Pen-G plant from Sep-24 and manufacturing network expansion (new Vizag injectables plant and China orals plant) will act as medium-term growth drivers over the next 2-3 years. As compared to peers looking to rationalize R&D / capex, Aurobindo is stepping on the gas with growing investments in biosimilars, injectables, etc. With net cash on books and significant Free Cash Flow generation, Aurobindo is well placed to fund its R&D and organic / inorganic capex plans through internal accruals. Key risk could be the erosion of pricing in the US Generics market.
2. **Sumitomo Chemicals:** The company has a market share of ~9% in the domestic market. The company has launched 10 new products in the domestic market of which 6 are u/s 9(3) registration (exclusivity) in FY23 which are expected to scale up in FY25 It also has plans of launching 2 more products in FY25 Further, it also has plans of continuing the product launches spree in the next 12-18 months with increasing focus on the share of specialty products and further deepening its penetration across the domestic market. Under CRAMS, The company has received in-principle approval for 5 products to supply to parent for which it is setting the facility in existing sites for which the commercial production has begun. Capital outlay for the same is INR 1.2 bn and the company expects revenue potential of INR 2–2.5 bn/p.a. EBITDA margin is expected to be in-line with company's existing profile. Key risks could be below normal monsoon
3. **Persistent Systems:** Persistent will be integrating AI at the core of its Digital Engineering capability by powering Cloud, Security and Automation capabilities with AI. The company delivered robust revenue growth and healthy deal bookings in FY24. For FY25, management has guided for top quartile growth while margins to be maintained at current levels. Persistent is gaining BFSI market share from its larger competitors. The FY25 growth story will be driven by Healthcare, BFSI and Hi-tech. During the last quarter, the company materially progressed with several proof of concepts turning into production programs. The company is leveraging its AI platform SASVA for opportunities in AI for product engineering. Investments in Gen AI and customer experience centers are underway. Key risk could be slowdown in the US Banking and Financial (BFSI) and Discretionary segment

From the desk of Portfolio Manager

TOP HOLDINGS RATIONALE

Name	Hero MotoCorp
Sector	Automobile OEM (Consumer Discretionary)
Portfolio holding (as of 31 March 2024)	6.67%
Company attributes	• Market Cap (as of 28 June 2024): Rs. 1,11,554 crore • RoCE: 37.6%

Investment Rationale

The company continues to expect double-digit revenue growth in FY25, led by gains in the 125cc category, premium motorcycles, and EVs.

HMCL launched Maverick 440 and Xtreme 125R at its annual Hero World event, further expanding the premium portfolio. The company is planning a foray into EV motorcycles with the launch of three products in the performance, premium and mid-premium segments by FY26.

Slowdown in rural consumption and below par monsoons are the key risks to volume recovery.

Name	Muthoot Finance
Sector	Financial Services
Portfolio holding (as of 31 March 2024)	5.65%
Company attributes	• Market Cap (as of 28 June 2024): Rs. 72,097 crore

Investment Rationale

- Gold loan remains a specialized business and challenging for multi-product lenders, specifically banks, to sustain
- Muthoot reported 20.0% yoy and 6.5% qoq AUM growth in 4QFY24, driven by value and volume growth. Average ticket size of loans was up 5.1% qoq and 12.3% yoy, driven by sharp appreciation (6.4% qoq and 11.1% yoy) in gold prices during 4QFY24. Gold tonnage was up 2.2% qoq and 4.4% yoy in 4QFY24, signaling strong volume growth. According to management, the impact of Rs 20,000 regulatory cap on cash disbursal on Muthoot's business will be limited and have guided for 15% AUM growth in FY2025E.
- Gains from restriction on IIFL Finance by RBI and likely lower aggression by banks will augur well over the medium term.
- Muthoot Finance's subsidiaries, engaged in microfinance, housing finance and auto loans, contributed ~16% to its overall consolidated AUM. Management had a positive outlook on the home loans and MFI segments; the vehicle finance space is crowded, according to management.

Key risks include competition from most lenders (including select banks) that may have increased focus on gold loans. As such, rising competitive pressure may drive pressure on new customer acquisition and incremental business growth. A sharp fall in gold prices, the risk of fraud or theft by employees/ agents/ customers and impact on growth and collection efficiency owing to any further lockdowns etc are some other potential risks.

Name	FDC Ltd
Sector	Pharma
Portfolio holding (as of 31 March 2024)	5.09%
Company attributes	• Market Cap (as of 28 June 2024): Rs. 7,523 crore • RoCE: 18.4%

Investment Rationale

FDC is a leading manufacturer of Oral Rehydration Salt (ORS), anti-infectives and ophthalmology products in India. Other major therapies include Vitamins & Nutrition, Energy drinks & Anti-fungals. It has a product portfolio of over 160 products. The company has two blockbuster brands: Zifi (25% Cefixime market share) and Electral (75% ORS market share). The company is growing in all categories across therapies.

FDC's domestic business generates healthy cash flows and also maintains a strong balance sheet with no debt. Its major part of sales comes domestically (India branded formulations), while exports continue to grow. Going forward, for the first time, the company is planning to establish its business into niche segments of CE mark Ophthalmic Medical Devices in Malaysia and Australia. In addition, the company is gradually expanding in emerging markets of the CIS region.

Increase in raw material costs and price erosion in US generics market are some key risks to the investment thesis.

Name	Aurobindo Pharma
Sector	Healthcare
Portfolio holding (as of 31 March 2024)	5.04%
Company attributes	• Market Cap (as of 28 June 2024): Rs. 70,758 crore • RoCE: 13.9%

From the desk of Portfolio Manager

Investment Rationale

The management highlighted in one of the investor conference, that high-single-digit sales growth in the US/EU business on the back of a relatively stable price erosion and 40-50 new product launches p.a. will drive near-term growth, while full-scale commercialisation/yield optimisation of the Pen-G plant from Sep-24 and manufacturing network expansion (new Vizag injectables plant and China orals plant) will act as medium-term growth drivers over the next 2-3 years. As compared to peers looking to rationalize R&D / capex, Aurobindo is stepping on the gas with growing investments in biosimilars, injectables, etc. With net cash on books and significant FCF generation, Aurobindo is well placed to fund its R&D and organic / inorganic capex plans through internal accruals.

Aurobindo Pharma announced signing of a master service agreement with Merck Sharp & Dohme to manufacture biologics products. The company plans to spend Rs10bn in capex to set up 30kL capacity for the production of mammalian cell culture based biologics.

While Aurobindo's diversified US portfolio (top-5 products account for 11% of its US sales vs 36% for peers) places it well to withstand expected price erosion of low-single-digits, management expects neutral price erosion (QoQ) to continue over the next 1-2 quarters as well.

Key risk to monitor is the price erosion in the U S Generic market, where the company's products are overexposed.

Name	Syngene International Ltd
Sector	Healthcare
Portfolio holding (as of 31 March 2024)	5.06%
Company attributes	• Market Cap (as of 28 June 2024): Rs. 28,580 crore • RoCE: 13.0%

Investment Rationale

Syngene is a global Contract Research Organization (CRO) providing discovery, development and manufacturing services for small and large molecules, antibody drug conjugates (ADC) and oligonucleotides. The Company has been providing scientific services for 25 years and has active strategic partnerships with 331 clients across industries ranging from pharmaceutical, biotechnology, nutrition, agrochemicals, animal health, specialty chemicals and consumer goods.

Syngene's operations are classified under three business units:

1. Dedicated R&D Centres (customised R&D centres with dedicated infrastructure)
2. Discovery Services (chemistry, biology, toxicology and bioinformatics services for both small and large molecules)
3. Development and Manufacturing Services (includes process development and manufacturing of molecules for clinical supplies, regulatory batches and initial commercialisation.)

Delay in scale-up of business form the Mangalore API facility and client concentration are key risks to the business.

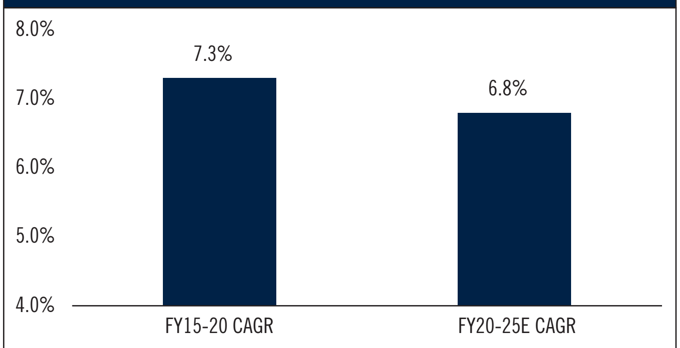
SECTORAL INSIGHTS*

(*Any stock names mentioned herein do not constitute investment advice. The sectoral view mentioned here represents the current view of the portfolio manager and is subject to change.)

In the fourth edition of the sectoral series, we are covering Information Technology (IT) sector where we have increased our exposure and now are Equal Weight on the sector vs Underweight position earlier.

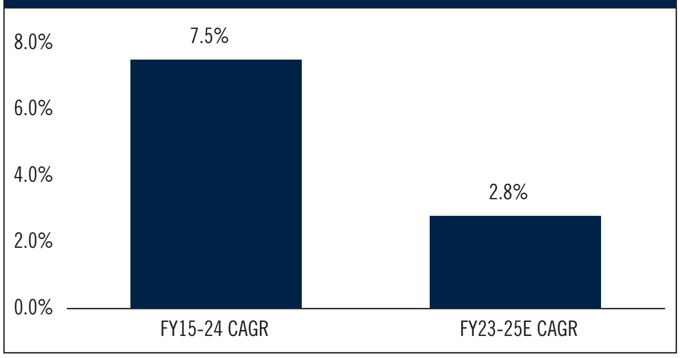
At an Industry level, Indian IT exports have experienced a steady growth of 8.3% CAGR over FY'15-24 to reach milestone of USD 200bn (Source: Nasscom) and can be attributed to booming spends by Global Corporations toward their digital transformation agenda, comprising: Data, Analytics, Cloud (Adoption, Migration and Operation), Cybersecurity, AI and Machine Learning. In the past 10-year period, the Top-5 IT Services names have delivered a Revenue growth of ~7%. However, with rising macro uncertainties (elevated interest rates, persistently high inflation) growth has significantly moderated to sub 3% CAGR over FY23-25E. Interestingly, Top-5 IT services growth during pre-covid period (FY15-20) was around 7.3% while post covid (FY20-25E) it is expected to moderate to 6.8%. So, it seems that the IT services companies have concluded one full cycle of 5 years post Covid where they saw FY21 to be a weak year, followed by massive pent-up demand in FY22 and FY23 which was not sustainable and thus saw growth moderation in FY24 and FY25e.

Exhibit 1: 5yr Growth rate post COVID is now slightly lower compared to previous 5yr period..



Source: Company, Dolat Capital

Exhibit 2: ... thus should see gradual Recovery in growth starting FY'26, closer to its long term average of ~7%.



Source: Company, Dolat Capital

From the desk of Portfolio Manager

It is also worth noting that the conversion of IT services deals pipeline has been relatively soft in the past couple of quarters due to reduced discretionary spending from clients and cost-takeout programs. However, as the macroeconomic conditions become more favorable, we anticipate a gradual conversion of these deal pipelines into revenue. Any uptick in growth in the upcoming quarters may lead to a re-rating of the overall IT sector.

Looking forward, we anticipate that IT services' revenue growth to mean revert to its 5/10-yr average level of ~7% post FY25 driven by key factors:

i) **Robust growth in deal pipeline and improvement in book-to-bill ratio in FY24** (refer Exhibit 3 and 4), and

ii) **Strong opportunities emanating from GenAI led deals pipeline,** wherein Indian IT peers have scaled investments towards training/skilling (refer Exhibit 5). As these things play out we see the sector may see gradual re-rating of their valuations.

Key Arguments for Turnaround Post FY25E:

1. Robust orderbook in pipeline

FY'24 saw a healthy growth in the orderbook and deal wins in most IT services, along with an improved book-to-bill ratio. However, delayed client decision making led to slower conversion of these deals into revenue, which in turn led to a subdued revenue growth in FY24. We anticipate that the strong orderbook numbers will gradually convert to revenues, and up-sell/cross-sell of next-gen technologies will pave the way for accelerated revenue growth post FY25. Deal wins growth was robust in FY'24 for majority of IT companies except Tech Mahindra, which witnessed portfolio restructuring over past couple of quarters. Infosys, TCS, Wipro reported strong deal wins in FY24 and any ramp-ups in FY25 (ideally in H2) would support stronger medium term growth momentum.

Exhibit 3: Order Book Growth in FY24 remained healthy across (except TechM)

Particulars	Avg Order book growth (FY20-24)	FY24 order book growth	Remarks
TCS	12.1%	25.2%	Complete Deal data shared (New, Renew, Large, Small)
Infosys	18.3%	80.6%	Infosys reports TCV data for all its large deals (counts all deal above US$50mn in size only).
HCL Tech	12.2%	10.2%	HCLT reports New TCV deal data.
Wipro	1.1%	17.3%	Large deal TCV
TechM	-15.6%	-35.3%	TechM reports Net New Deals. i.e. renewal of existing deals is not counted in TCV.

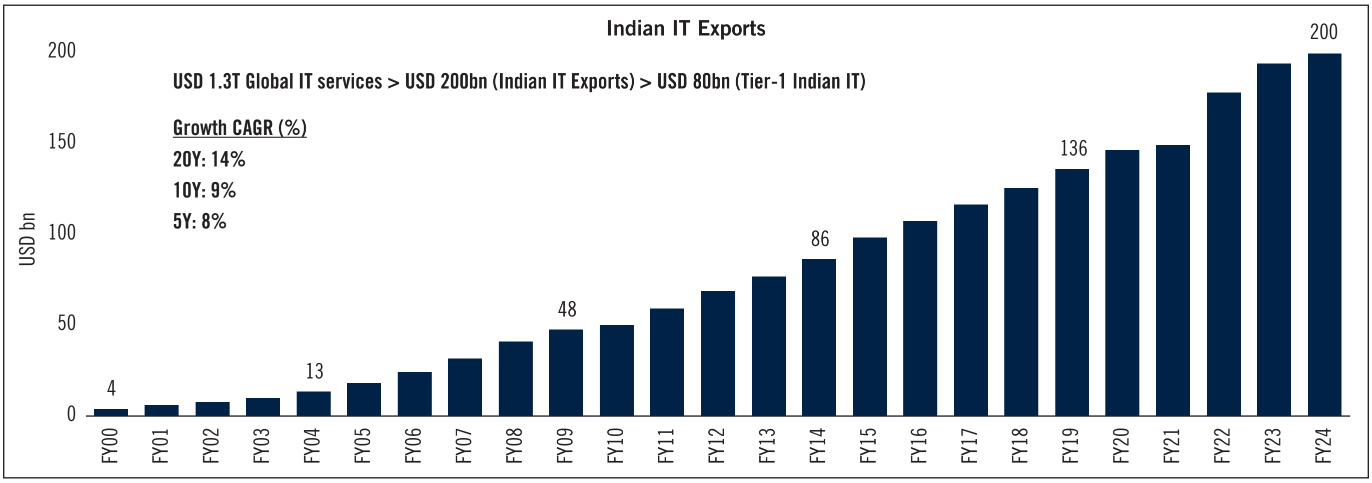
Source: Company, Dolat Capital

Exhibit 4: Book-to-Bill in FY24 has improved across IT Tier I (except TechM)

Particulars	Avg. Book-to-bill (x) (FY20-24)	FY24 Book-to-bill
TCS	1.34	1.47
Infosys	0.76	0.95
HCL Tech	0.7	0.73
Wipro	0.38	0.42
TechM	0.49	0.3

Source: Company, Dolat Capital

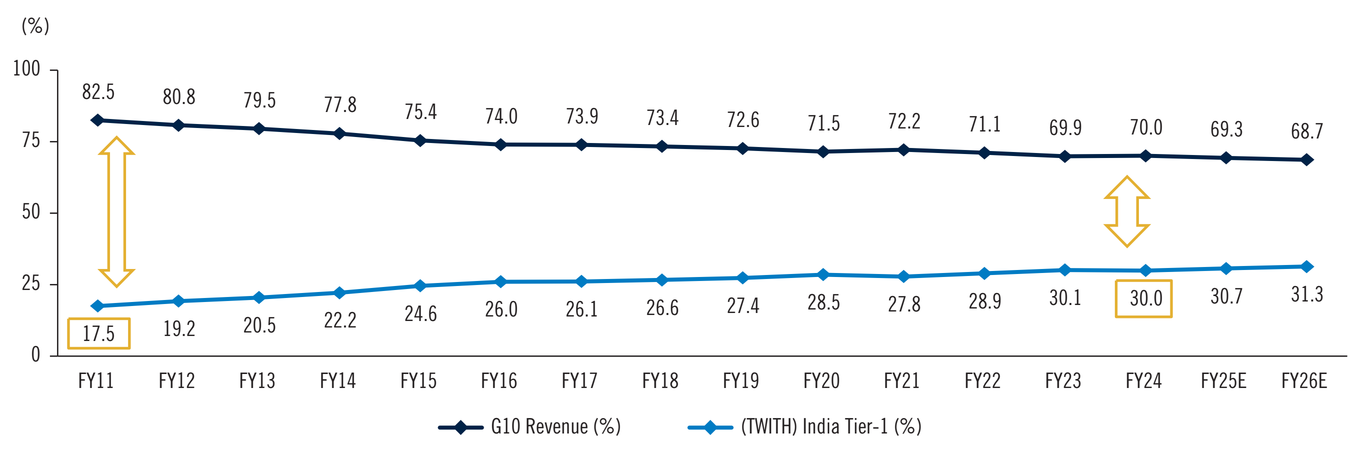
2. Strong track record of growth in the industry



Source: NASSCOM, HSIE Research

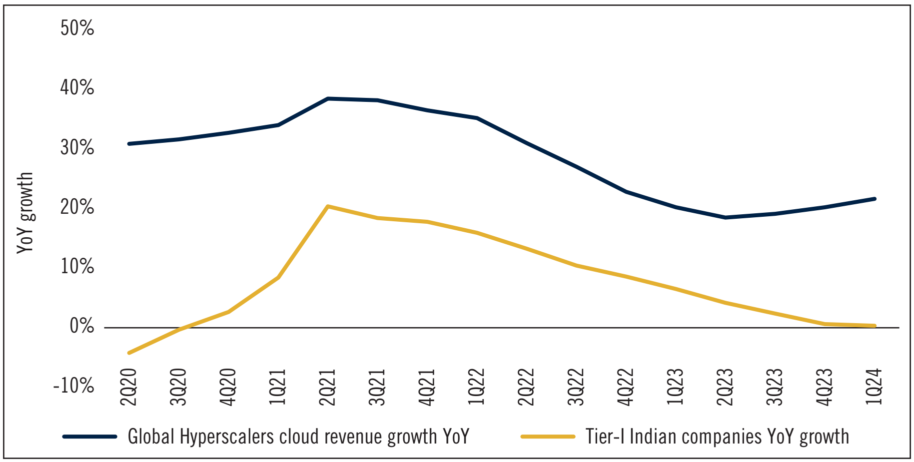
3. Continued gains in revenue market-share

Revenue share of T5 Indian IT has increased from 17% to 30% over last 15Y within large 15 services companies across regions – **nearly half of incremental growth**



Source: Company, HSIE Research. G10 includes aggregate revenue of Accenture, Cognizant, Capgemini, DXC Tech, Atos, NTT Data, CGI, Computacenter (IBM/Fujitsu excluded). TWITH includes aggregate of TCS, Infosys, HCL Tech, Wipro, Tech Mahindra

4. Tier-I Indian IT companies' growth trail Global Hyperscalers cloud revenue growth with a lag



Source: B&K

5. GenAI: Threat or Opportunity?

Starting from FY'24, GenAI related deals have witnessed a growing momentum, particularly in smaller size deals as clients are exploring different use-cases in key segments. Accenture reported $2bn GenAI deal (3.3% of total bookings) for 9M F'Y24 vs $300mn in FY'23. Management also pointed that it is seeing accelerated GenAI growth and has earmarked $3Bn by way of investments. On one hand, clients are skeptical on Gen AI adoption due to – concerns on intellectual property, high implementation costs and complexity, and potential for job losses. On the other hand, benefits from Gen AI include automation of repetitive tasks, accelerated product development, and better decision making. **While it is too early to provide a verdict, we believe that GenAI is presently acting as a catalyst for clients to adopt a more aggressive stance in building digital core stack, which necessitates migration from legacy platforms to the cloud and implementing modern ERP solutions. Thus, clients first need to invest in a strong digital stack that can then expand their ability to leverage GenAI at a larger scale.**

GenAI is currently quite fragmented space with strong competition and there is no clear winner as of now despite huge strategic investments by IT peers. However, we believe cloud migration and analytics would drive strong growth momentum and would provide huge opportunity for Indian IT peers instead of threat.

Commentary across key IT Services names suggested a strong and growing traction on GenAI – be it Revenue generation (already 1% of YTD Accenture's Revenue), order pipeline growth ($900mn deal pipeline guided by TCS, while INFY sees 50+ Gen AI led deal pipeline) or committed investments ($3Bn /$1Bn to be invested by Accenture/Wipro). Gen AI is also taking the lead into innovative and multiple use cases across verticals. Examples includes: Financial Services (Migrate existing ML model to GenAI platform for faster service delivery), Telecommunications (Use GenAI to automate data lake and analytics for sales teams), Hi-Tech (Accelerate product development, validation and testing), among others. Hiring, skilling, and re-skilling of employees in Gen AI and allied technologies would continue to remain a key focus area for IT Services names.

Exhibit 5: Gen AI Training Gaining Traction

Company	Gen AI Trained Employees	Total Employees	% of total workforce
Accenture	55,000	7,50,200	7%
TCS	3,00,000	6,01,546	50%
Capgemini	30,000	3,37,200	9%
Cognizant	Plans to train 25,000 employees on Gen AI	3,44,400	7%
Infosys	250,000 AI Aware Employees	3,17,240	79%
Wipro	225,000 on Basic AI and 30,000 on Advanced AI	2,34,054	96%
HCL Tech	Plans to train 50,000 employees on Gen AI	2,27,481	22%
Tech Mahindra	Plans to train 50,000 employees on AI	1,45,455	34%
Genpact	65,000	1,30,500	50%
LTIMindtree	20,000	81,650	24%
Persistent Systems	16000+ on Next Gen Tech	23,850	67%

Source: Company, Dolat Capital

6. Valuations

On the whole, FY25E is anticipated to be a year of stability and FY26E to be year of revival/acceleration for the Indian IT industry after a period of subdued growth in last 18 months. Key IT Services players have guided similar as FY24 revenue growth outlook as of now and the current P/E valuations are now discounting that pretty well. **Thus, any sign of improved commentary would potentially create room for re-rating.**

Our stance on Information Technology :

We are increasing our weight in information Technology (IT) sector as we believe we are near the bottom of the cycle.

We have an exposure of ~12.0% in IT in the portfolio – Happiest Mind (~4.8%), TCS (~3.9%) and Persistent (~3.2%)

INVESTMENT PROCESS

We invest in structurally strong companies, that are termed as good quality companies. A good quality company is a company that has reached a minimum scale in terms of revenue, has gone through at least one downcycle and emerged as a stronger company, has a consistency in cash flows and higher return on capital employed over the last 10 years. Second aspect has been to always own companies which are market leaders in a particular domain. We have over a period of time seen that market leaders generally tend to come back stronger with higher market share after the downturn as weaker players usually exit in the downturn.

Portfolio Details

Top 15 Holdings of PGIM India Core Equity Portfolio Discretionary Portfolio as on June 30th, 2024			
Date of Purchase	**Equity**	**Sector**	**%**
08-Jul-13	Hero Motocorp Ltd	Consumer Discretionary	6.67%
10-May-24	Muthoot Finance Ltd	Financials	5.65%
17-Dec-21	Astral Ltd	Industrials	5.52%
04-Jul-23	FDC Ltd	Health Care	5.09%
20-Apr-23	Syngene International Ltd	Health Care	5.06%
07-Jun-24	Aurobindo Pharma Ltd	Health Care	5.04%
17-Jan-24	Happiest Minds Technologies Ltd	Information Technology	4.81%
05-Feb-24	Tata Steel Ltd	Materials	4.75%
20-Jun-23	ICICI Lombard General Insurance Company Ltd	Financials	4.66%
26-Apr-24	Sumitomo Chemical India Ltd	Materials	4.62%
24-Dec-19	Vardhman Textiles Ltd	Consumer Discretionary	4.18%
10-Feb-17	Hindalco Industries Ltd	Materials	4.10%
04-Nov-20	Tata Consultancy Services Ltd	Information Technology	3.92%
05-Sep-23	Havells India Ltd	Industrials	3.80%
13-Feb-23	Nestle India Ltd	Consumer Staples	3.62%
	Total		**71.49%**

Portfolio Details as on June 30th, 2024	
Weighted average RoCE(Ex Financials)	20.31%
Portfolio PE (FY2025E)	34.24
Portfolio dividend yield	0.83%
Average age of companies (Years)	49
Standard Deviation*	11.13%
Sharpe Ratio*	1.60
Treynor Ratio*	28.26
Jensen Alpha*	7.6
Beta*	0.63

**Data are for 3 years period*

Portfolio Composition as on June 30th, 2024	
Large Cap	39%
Mid Cap	24%
Small Cap	33%
Cash	3%

Large Cap: Market cap of the 100th company in the Nifty 500 (sorted by market cap in descending order) as on June 30th, 2024

Midcap: Market cap below 100th company to the market cap of the 250th company in the Nifty 500 (sorted by market cap in descending order) as on June 30th, 2024

Small Cap: Market cap lower than the 250th company in the Nifty 500 (sorted by market cap in descending order) as on June 30th, 2024

PGIM India Core Equity Portfolio - Performance as on June 30th, 2024

Period	Portfolio	NIFTY 50 (TRI)
1 Month	4.20%	6.77%
3 Months	10.47%	8.13%
6 Months	11.99%	11.29%
1 Year	21.37%	26.66%
2 Years	26.08%	24.75%
3 Years	18.62%	16.53%
5 Years	16.79%	16.67%
Since inception date 08/07/2013	16.42%	15.08%

To view the portfolio's performance relative to other Portfolio Managers, you may click here.

The above holding represents top 15 holdings of PGIM India Core Equity Portfolio - Regular Portfolio based on all client portfolios existing as on the date stated above, excluding any temporary cash investments. The above holdings do not represent the model portfolio being offered to the clients (including prospective clients) and hence it is possible that these stocks may not be part of the portfolios constructed for new clients. The above holdings are for illustration purpose only and it should not be considered as investment recommendation or analysis or advice or opinion from the Portfolio Manager on the above mentioned stocks. The above portfolio holdings are provided on an "as is" basis, and the Portfolio Manager makes no express or implied warranties or representations with respect to the accuracy, completeness, reliability, or fitness of the above portfolio holdings or any financial results you may achieve from their use. In no event shall the Portfolio Manager, its directors or employees or its affiliates have any liability relating to the use of the portfolio holdings.

PGIM India Core Equity Portfolio - Annual Performance as on June 30th, 2024

	April 1, 2024 to June 30, 2024	April 1, 2023 to March 31, 2024	April 1, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022	April 1, 2020 to March 31, 2021
PGIM India Core Equity Portfolio (Net of all fees and charges levied by the portfolio manager)	10.47%	29.91%	4.89%	24.45%	53.25%
Benchmark - NIFTY 50 (TRI)	8.13%	30.08%	0.59%	20.26%	72.54%

Performance is calculated on Time Weighted Rate of Return (TWRR) basis.
To view the portfolio's performance relative to other Portfolio Managers, you may click here.

Important Disclosures regarding the consolidated portfolio performance: The performance related information provided herein is not verified by SEBI. Performance depicted as at the above stated date is based on all the client portfolios under the Regular Portfolio of existing as on such date, using Time Weighted Rate of Return (TWRR) of each client. Past performance is no guarantee of future returns. The above portfolio performance is after charging of expenses. Return for period upto 1 year is absolute. Since inception date stated is considered to be the date on which the first live client investment was made under the strategy. Please note that the actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have impact on client portfolio performance and hence may vary significantly from the performance data depicted above. Neither the Portfolio Manager, nor its directors or employees shall in any way be liable for any variation noticed in the returns of individual client portfolios. The Portfolio Manager does not make any representation that any investor will or is likely to achieve profits or losses similar to those depicted above.

Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of
1) the timing of inflows and outflows of funds; and
2) differences in the portfolio composition because of restrictions and other constraints.

Investment objective of PGIM India Core Equity Portfolio: PGIM India Core Equity Portfolio seeks to generate returns by investing in a portfolio of quality companies that are available at reasonable valuations and have the potential of superior wealth creation over long term.

Disclaimers and risk factors: PGIM India Asset Management Private Limited is registered with SEBI (Portfolio Managers) Regulations, 1993 [as repealed and superseded by SEBI (Portfolio Managers) Regulations, 2020] (Registration No: INP000006952). This Document is for information purpose only. This Document and the Information do not constitute a distribution, an endorsement, an investment advice, an offer to buy or sell or the solicitation of an offer to buy or sell any securities/ schemes or any other financial products/investment products (collectively "Products") mentioned in this Document or an attempt to influence the opinion or behavior of the Investors/Recipients. Any use of the information contained herein for investment related decisions by the Investors/ Recipients is at their sole discretion & risk. Please read the Disclosure Document and the agreement along with the related documents carefully before investing. Investments in Products are subject to market risks, various micro and macro factors and forces affecting the capital markets and include price fluctuation risks. There is no assurance or guarantee/ warranty that the objectives of any of the Products will be achieved. The investments may not be suited to all categories of Investors/ Recipients. Investors/ Recipients must make their own investment decisions based on their own specific investment objectives, their financial position and using such independent professional advisors, as they believe necessary, before investing in such Products. The Client can avail the Portfolio Management Services directly from the Portfolio Manager without any recourse to distributors.

This document is strictly confidential and meant for private & restricted circulation only and should not at any point of time be construed to be an invitation for subscribing to PGIM India Core Equity Portfolio. The document is solely for the understanding of intended recipient and if you are not the intended recipient, you are hereby notified that any use, distribution, reproduction or any action taken or omitted to be taken in reliance upon the same is prohibited and may be unlawful. This document is dated July 18, 2024.

C78/2024-25