



PGIM

India Portfolio
Management Services

Discovering
Immense Potential



**PGIM INDIA
EQUITY PORTFOLIO**





Surjitt Singh Arora,
Portfolio Manager

A thematic approach to investing

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)

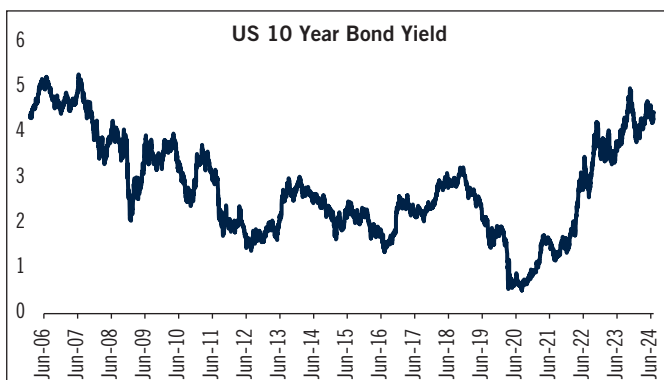
Revenue growth in FY25E could be muted as the underlying volume growth across sectors seems tepid. At the same-time, the tailwinds on the raw material side are turning into headwinds, given the recent increase in the metal prices across the board. Valuation of Nifty 50 at 22.0x FY25 and 19.0x FY26 is 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 and Dollar index and 4) Q1FY25 earning season. Though India is relatively better placed, valuation is a concern, hence we recommend a stock specific approach.

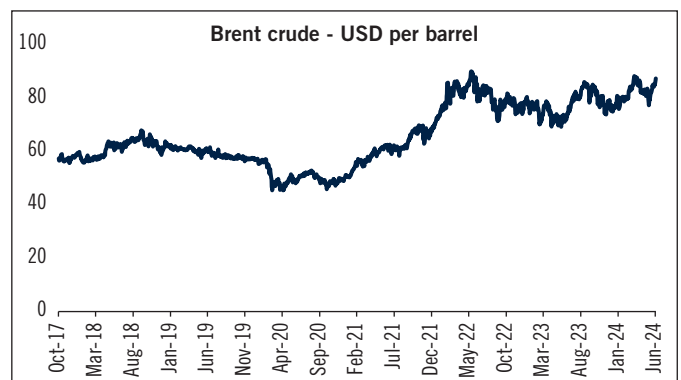
In light of the above developments, we believe style and sector rotation will play a critical role in alpha generation moving ahead.

KEY RISKS GOING INTO FY25

The increasing risk to Global Equities is highlighted below:



Source : Bloomberg



Source : Bloomberg

1. Inflation goes back up in US as its economy continues to be on strong footing. Consequently, US bond yields may stay buoyant.
2. Rising crude oil prices can stoke high inflation globally.
3. Geopolitical situation gets out of hand and other nations join the war.
4. Global recovery gets delayed – as recovery in Europe remains weak.
5. Closer home, rural recovery remains weak on account of below average monsoons.

From the desk of Portfolio Manager

PERFORMANCE UPDATE

Our portfolio delivered a return of 32.46% in line with the 26.66% return for Nifty 50 TRI during the last one year, thereby Outperforming by 602 bps.

The portfolio outperformed the index mainly on account of an overweight stance in Consumer Discretionary, Healthcare and Utilities sector. The outperformers were Artemis Medicare, Endurance Technologies, Bharat Rasayan, Affle and Kirloskar Oil Engine. The underperformers were Paushak and Syngene International.

The outperformance should be considered in the light of lower Beta i.e. 0.72 vs benchmark (Nifty50 TRI). At the same time, the Sharpe ratio of the strategy is 2.65 vs 1.93. The portfolio offered good risk-adjusted returns.

Since Inception (date : 19/01/23), the portfolio delivered a return of 34.76% vs 22.74% for Nifty 50 TRI, thereby outperforming by ~12.0%. This was on account of our overweight stance on Consumer Discretionary, Healthcare and Industrials Sector.

We see consumption and manufacturing spearheading India's growth led by demographics, higher per capita income and penetration with exports remaining a longer term but invaluable growth driver. We are positive on Healthcare, Consumer Discretionary and Industrials. We continue to be Overweight on Healthcare and Underweight on Financials. We continue to believe that investors with a 3 to 5-year view would benefit from investing in the current scenario.

NEW ENTRIES

Entry

- Hariom Pipes:** Hari Om Pipe Industries Ltd (incorporated in 2007) is an integrated manufacturer of iron and steel products (mainly catering to the South Indian market). Their offerings include sponge iron, mild steel billets, hot-rolled strips, mild steel tubes and pipes, galvanized pipes, coils and scaffolding solutions. They currently have a total installed capacity of 701 ktpa (pipe capacity of 432 ktpa) spread across three facilities.

Operating cash flows have turned positive in FY24, led by the new GP project in Tamil Nadu and working capital rationalization (stood at ~INR 5 bn in FY24). Channel finance and efficient collection methods have led to improvement in debtor days. Management has maintained the stance that debt has currently peaked out and they target to deleverage over the next 2-3 years.

Key risks include:

- Increased competition in the space:** All the major players in the space are undertaking capacity expansion projects and this might lead to crowding out of competitors, which might impact margins.
- Volatility in HR Coil prices:** The company procures HR coils from steel makers for producing primary steel based pipes. Increase in the HRC prices could impact margins.

- Techno Electric:** Techno Electric & Engineering Company Ltd. (TEECL) is one of India's most prominent power-infrastructure companies with a distinguished history of 4 decades with strong client base which includes PGCIL, IOCL, Reliance Infrastructure, Tata Chemicals, Electricite Du Benin, TOGO, TBEA etc. It is specialized in Engineering, Procurement, and Construction (EPC), asset ownership, operations, and maintenance services, TEECL has achieved excellence across the three key industry segments of power generation, transmission, and distribution. Company portfolio comprises the successful execution of over 400 projects in India and overseas, facilitated by a team of 400 experienced and young professionals with vibrant experience in different verticals. Company presence in four high growth segments: Transmission & Distribution (T&D), Flue Gas Desulphurization (FGD), Advanced Metering Infrastructure (AMI) and data centres, makes it a diversified play.

Key risks include:

- Delay in order inflows in power sector and execution delays/challenges can impact the overall performance of the company.
- Increasing competitive intensity can likely impact margins.
- Reduction in government allocation for smart metering scheme can impact the performance for this segment.

From the desk of Portfolio Manager

TOP HOLDINGS RATIONALE

Name	Artemis Medicare
Sector	Hospitals
Portfolio holding (as of 31 March 2024)	8.96%
Company attributes	<ul style="list-style-type: none">Market Cap (as of 28 June 2024): Rs. 2,429 croreRoE: 11.5%

Investment Rationale

Artemis Medicare Services Limited established Artemis Hospital in 2007, the first hospital in Gurugram to get accredited by JCI and NABH. It offers advanced medical and surgical interventions, inpatient and outpatient services using modern technology. Artemis is a ~540 bed hospital based in Gurugram with plans to add ~250 beds over next 3 years. The incremental revenue expected from the expansion may come at a higher margin as expansion in medical staff and other expenses will be proportionately less than revenue. Artemis' international patient mix has decreased from 35-40% pre-COVID to 26%, but is expected to improve and positively impact margins.

Apart from the hospital, the company has 9 cardiac care centres, 3 Daffodils centres (specialty centre for mother and Child) and 1 Lite Centre (small neighbourhood hospital). While currently the contribution of the centres is minimal, given the limited capex needed for expansion, the same can be an added kicker if it takes off and hence offers some optionality.

Regulatory intervention, inability to complete bed expansion, inability to scale up asset light initiatives like Daffodils and high competition in the Gurugram region are some of the key risks to the investment thesis.

Name	Endurance Technologies
Sector	Consumer Discretionary
Portfolio holding (as of 31 March 2024)	7.3%
Company attributes	<ul style="list-style-type: none">Market Cap (as of 28 June 2024): Rs. 37,672 croreRoE: 14.5%

Investment Rationale

We continue to believe Endurance should outperform the industry driven by, 1) new order wins and fast ramp up over FY25-27E for the proprietary products, 2) increasing share of higher margins business such as Disc brakes, ABS, Alloy wheels and structural castings. However, focus on Aluminium castings (for non-auto) may partially dilute margins.

In India, till Q3FY24, INR9,410 million of new business was won from OEMs other than Bajaj Auto which included Royal Enfield, TVS, Hero Motocorp, Tata Motors, Honda two-wheelers, Jaguar Land Rover, Mahindra & Mahindra, Punch Powertrain and Suzuki.

Some significant new business wins till Q3FY24 are as follows:

- TVS, INR266 million inverted front fork and rear mono-shock suspension business. Also INR404 million has been won for front forks and rear shock absorbers which SOP has been planned in August 2024
- Hero MotoCorp includes inverted front fork new business win of INR240 million and SOP is planned in June 2024. Brake assembly new business won of INR263 million and the SOP is planned in April 2024, and the front fork and rear shock absorber win of INR1,247 million and this business has already started

Maxwell, a subsidiary company, has large orders from Hero electric and Greaves electric in the 2W EV space. The company is looking for new product launches as well in EV space other than Battery Management System

Key risks

- Client concentration, Capex led growth in Europe, Slowdown in Indian two-wheelers industry

Name	C E infosystem
Sector	Information Technology
Portfolio holding (as of 31 March 2024)	6.04%
Company attributes	<ul style="list-style-type: none">Market Cap (as of 28 June 2024): Rs. 12,443 croreRoE: 22.3%

Outlook: Growth in Q4 was driven by IoT led segment. Management reiterated their growth target of reaching Rs.10 bn. revenue by FY27/28, growing at CAGR of 35-40%. Management expects to see continued growth in FY25 basis visibility from promising orderbook and eminent ramp ups.

Automotive and Mobility (A&M): Management highlighted that business continues to grow steadily as 2.5+ million new vehicles (4-wheelers, 2-wheelers and CVs, across ICE and EV segments), went built-in with MapmyIndia Mapps in FY24, up 32% from 1.9+ million during FY23. This was significantly higher than the Industry volume of new vehicles growth rate of 12.5% during FY24. NCASE (Navigation, Connected, Autonomous, Shared, Electric) theme is playing out well with healthy adoption across spectrum (4-wheeler OEM, Commercial vehicles, etc.).

From the desk of Portfolio Manager

Consumer tech and enterprise digital transformation (C&E): C&E business saw a sharp increase of 67% in Q4FY24 yoy, based on onboarding new customers and upselling to existing customers. Growth remains strong at 49% for full year as well. Revenue lumpiness can be attributed to the nature of contracts with customers and their usage requirements which may vary with their own seasonality

Orderbook: Open Order Book and Annual New Order Bookings showed significant growth. Open orderbook at the end of FY24 stood at Rs 13.72bn (+49% yoy) and annual new order bookings came in at Rs 8.34bn (+63% yoy). Book to bill stood at 2.2x at the end of FY24

Key risk is Margin dilution from new fast-growth businesses; Open-source maps, Competition/in-housing of maps in auto industry

Name	Affle India
Sector	Information Technology (IT)
Portfolio holding (as of 31 March 2024)	5.99%
Company attributes	<ul style="list-style-type: none">Market Cap (as of 28 June 2024): Rs. 18,840 croreRoE: 15.0%

Investment Rationale

Affle is a global technology company ("AdTech") that provides a consumer intelligence platform, delivering recommendations and Conversions of consumers to marketers via relevant mobile advertising. Affle owns a no. of platforms (Appnext, Jampp, MAAS, mDMP, mediasmart, mTraction Enterprise, RevX, Vizury, YouAppi) that help enhance marketer/advertisers' ROI via its 'CPCU' (Cost per Converted User) model. This business model helps deliver online & offline user conversions (312mn+ in FY'24) across connected devices.

With over 4.4Bn mobile internet users globally, 148Bn+ downloads in CY'23, combined (iOS+Playstore) Revenue generated of \$136Bn, and bullish commentary by Tech giants (Meta, Alphabet) establishes Digital advertising spend as a mega trend over time. As per Data.ai intelligence, Global Consumer spend data is projected to increase by 7.7% CAGR (CY23-30E).

International Biz. (70% of Rev), witnessed a growth drag through FY23 and H1FY24 due to macro headwinds affecting Developed Markets (20% of Rev). However, post a 360 turnaround plan (announced in Q1'24), with greater efforts in upselling & cross-selling of all platform use-cases, team re-alignment, incl. sales being directly led by M.D & CEO, and right incentives, saw Affle rebound with early-teens organic growth for H2'24 with 65% YoY growth in international biz. Focus on premium conversions, defending CPCU rates, early adoption of new ecosystems (Apple iOS SKAN, Samsung Galaxy store) are the key risk

Key risks:

- Big-Tech Policies: Ad-Tech, Social platform and Tech giants such as Apple, Google, Meta, and their policies with respect to user data privacy can affect Affle's consumer targeting. While Affle has done well in the past with respect to overcoming Apple's IDFA privacy policy challenge, Google's privacy sandbox remains a developing area of concern with respect to usage of consumer data. Additionally, changes in commission rates can affect inventory and data costs.
- Ad-Tech players have scaling issues: The Ad-tech market is filled with large number of DSP (Demand Side Platform – buys impressions, i.e, a loading image inventory), DMP (Data management platform) and other Ad-tech players. Ad-tech players have struggled in the past to achieve scale or profitability issues after achieving a certain size.

Name	Hawkins Cooker
Sector	Consumer
Portfolio holding (as of 31 March 2024)	5.64%
Company attributes	<ul style="list-style-type: none">Market Cap (as of 28 June 2024): Rs. 4,165 croreRoE: 36.0%

Investment Rationale

Hawkins Cookers Limited was incorporated in 1959 as Pressure Cookers and Appliances Pvt. Ltd. Hawkins is one of the leading manufacturers of pressure cookers in India, with the domestic market driving around 94% of its overall sales. Hawkins is an established brand as leading player in the pressure cooker segment. The company continues to invest in brand building and generating higher demand. The company has an established and growing pan-India distribution network, ensuring a wide reach.

The company has a strong financial risk profile, reflected in its high Return on Capital Employed, healthy cash generation from operations and a net debt-free position. The company had a comfortable capital structure.

Vulnerability to raw material prices, lower pricing power due to intense competition and relatively concentrated product portfolio with limited market size are key risks to the investment thesis.

SECTORAL INSIGHTS*

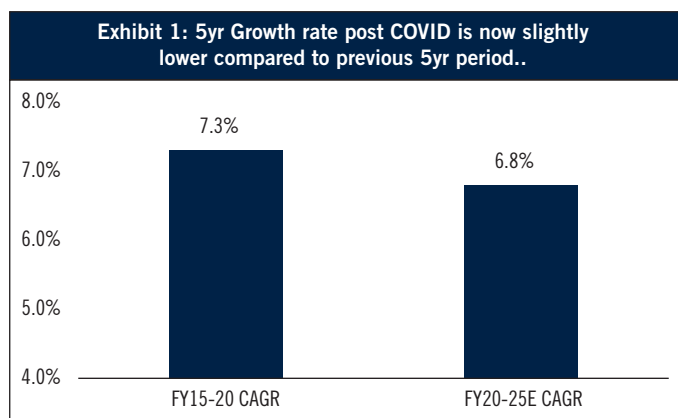
(*Any stock names mentioned herein do not constitute investment advice. The sectoral view mentioned here represents the current view of the portfolio manager and is subject to change.)

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.

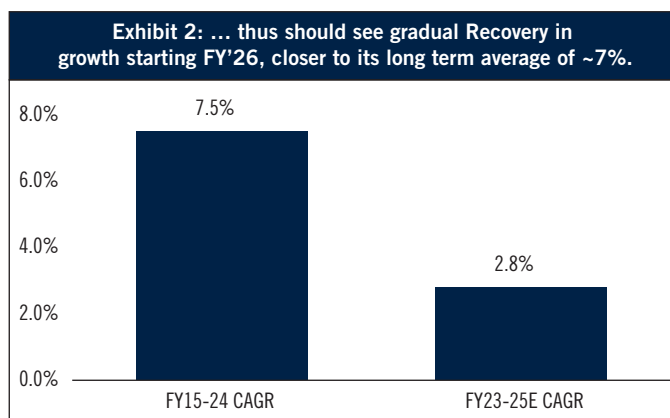
At an Industry level, Indian IT exports have experienced a steady growth of 8.3% CAGR over FY'15-24 to reach milestone of USD 200bn (Source: Nasscom) and can be attributed to booming spends by Global Corporations toward their digital transformation agenda, comprising: Data, Analytics,

From the desk of Portfolio Manager

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.



Source: Company, Dolat Capital



Source: Company, Dolat Capital

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:

- Robust growth in deal pipeline and improvement in book-to-bill ratio in FY24** (refer Exhibit 3 and 4), and
- 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	12.10%	25.20%	Complete Deal data shared (New, Renew, Large, Small)
Infosys	18.30%	80.60%	Infosys reports TCV data for all its large deals (counts all deal above US\$50mn in size only).
HCL Tech	12.20%	10.20%	HCLT reports New TCV deal data.
Wipro	1.10%	17.30%	Large deal TCV
TechM	-15.60%	-35.30%	TechM reports Net New Deals. i.e. renewal of existing deals is not counted in TCV.

Source: Company, Dolat Capital

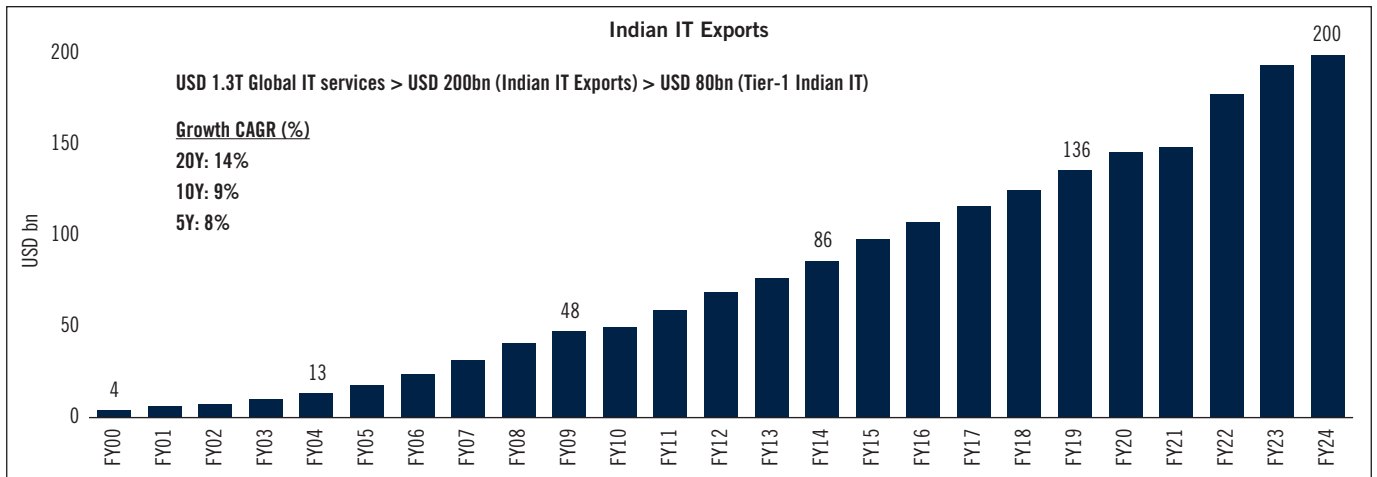
Exhibit 4: Book-to-Bill in FY24 has improved across IT Tier I (except TechM)

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

From the desk of Portfolio Manager

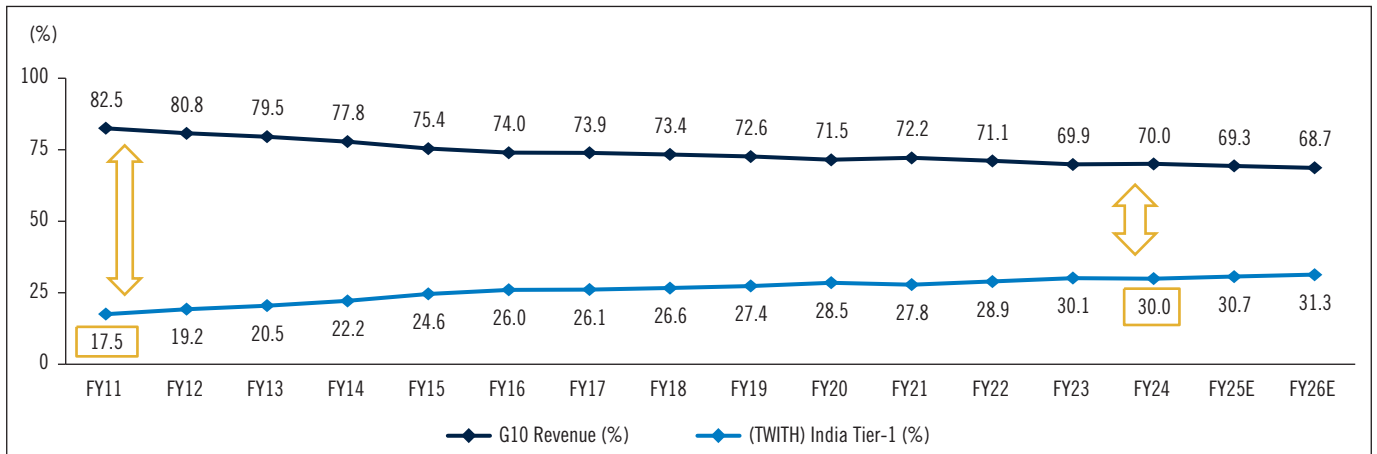
2. Strong track record of growth in the industry



Source: NASSCOM, HSIE Research

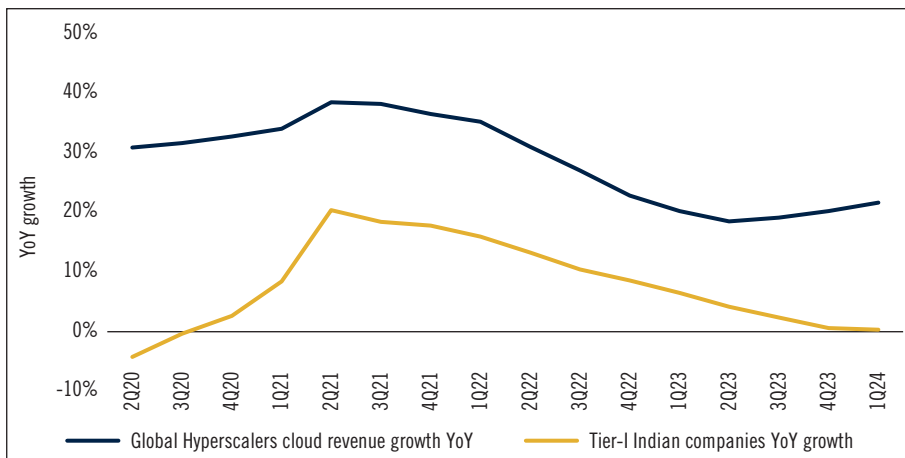
3. Continued gains in revenue market-share

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

From the desk of Portfolio Manager

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 FY'24 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 – C E Infosystem (~6.04%), and Affle (~5.99%).

INVESTMENT PROCESS

The team will consistently focus on companies that can grow their earnings in 4-5 years. This is easier said than done, as predictability of earnings over a 5 year is reasonably challenging. The portfolio construction process shall entail a framework, where the probability of this happening is more likely. In this Investment Approach, we use a judicious mix of Operating Leverage and Turnaround Candidates

Operating leverage:

- Our focus will be on companies that are entailing capital expenditure or are more or less done with it.
- Increased gross block will likely lead to increased utilisation over the next 3-4 years.
- Increased utilisation leads to better topline, and a tight control on costs lead to strong operating leverage playing out, in terms of a swing in profitability.

From the desk of Portfolio Manager

Turnarounds:

- Our endeavour will be to buy good businesses at the bottom of a cycle.
- Good businesses are the ones that have demonstrated strong cashflows and have a clean balance sheet over their history.
- At the bottom of the cycle, near term profitability is impaired. This leads to subdued stock prices and valuations. As earnings start coming back over the next 3-4 years, these companies are likely, not only to see stocks returns in tandem with earnings recovery, but also the chance of a PE expansion, if bought at subdued valuations.
- To ensure that these turnarounds, both sectors and stocks payout, the focus will be on turnarounds where:
 - Historical cashflows have been strong (60-70% positive Operating Cash Flow generation through the history)
 - Balance sheets are clean, hence debt servicing is not an issue

As a process, we manage the Downside risk by taking into account the following parameters :

- Positive Operating Cashflows for at least 60% of the business history
- Low leveraged balance sheets (Net debt: Equity < 2)
- No major corporate governance issues in the past

Portfolio Details

Top 15 Holdings of PGIM India Equity Portfolio as on June 30th, 2024

Date of Purchase	Equity	Sector	%
12-Apr-23	Artemis Medicare Services Ltd	Health Care	8.96%
24-Nov-23	Endurance Technologies Ltd	Consumer Discretionary	7.31%
28-Mar-24	C E Info Systems Ltd	Information Technology	6.04%
04-Apr-24	Affle India Ltd	Communication Services	5.99%
08-Aug-23	Hawkins Cooker Ltd	Consumer Discretionary	5.64%
05-Feb-24	Tata Steel Ltd	Materials	5.58%
13-May-24	Kirloskar Oil Engines Ltd	Industrials	5.28%
01-Jan-24	RBZ Jewellers Ltd	Consumer Discretionary	5.01%
04-Jun-24	Techno Electric And Engineering Company Ltd	Energy	4.71%
17-May-24	Rolex Rings Ltd	Industrials	4.20%
20-Jan-23	Maruti Suzuki India Ltd	Consumer Discretionary	4.14%
26-Jun-23	Syngene International Ltd	Health Care	3.94%
14-Feb-23	Bharat Rasayan Ltd	Materials	3.78%
02-Apr-24	Paushak Ltd	Materials	3.75%
05-Sep-23	Havells India Ltd	Industrials	3.64%
	Total		77.97%

Portfolio Details as on June 30th, 2024

Weighted average RoE(Ex financials)	14.96%
Portfolio PE (FY2025E)	36.75
Portfolio dividend yield	0.47%
Average age of companies (Years)	39
Standard Deviation*	11.21%
Sharpe Ratio*	2.65
Treynor Ratio*	41.62
Jensen Alpha*	15.1
Beta*	0.72

*Data are for 3 years period

Portfolio Composition as on June 30th, 2024

Large Cap	21%
Mid Cap	9%
Small Cap	66%
Cash	4%

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 Equity Portfolio Performance as on June 30th, 2024

Period	Portfolio	NIFTY 50 (TRI)
1 Month	6.72%	6.77%
3 Months	13.46%	8.13%
6 Months	13.81%	11.29%
1 Year	32.46%	26.66%
Since inception date 19/01/2023	34.76%	22.74%

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 Equity Portfolio based on all the client portfolios under PGIM India Equity Portfolio 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 Equity Portfolio - Annual Performance as on June 30th, 2024

	April 1, 2024 to June 30, 2024	April 1, 2023 to March 31, 2024
PGIM India Equity Portfolio (Net of all fees and charges levied by the portfolio manager)	13.46%	36.73%
Benchmark - NIFTY 50 (TRI)	8.13%	30.08%

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 PGIM India Equity Portfolio 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 Equity Portfolio: PGIM India Equity Portfolio seeks to achieve long term capital appreciation by investing in equity and equity related instruments across market capitalization. However, there can be no assurance that the investment objective will be achieved.

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