

Samco ELSS Tax Saver Fund

Experience tax savings along with wealth building opportunity

Disclaimer

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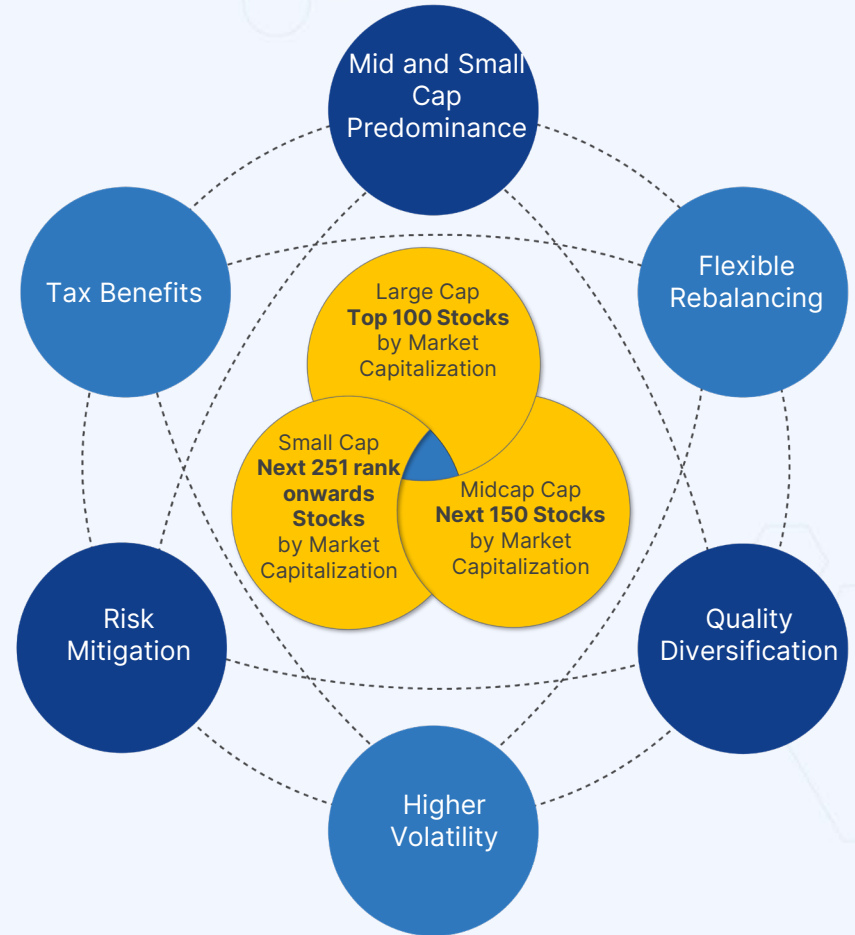
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Why Samco ELSS Tax Saver Fund?

- 1 Predominantly invests in Quality Mid and Small Cap Stocks
- 2 Diversified exposure to various quality companies from a broader universe in a single fund
- 3 Appropriate management of risks and active monitoring across stocks
- 4 Dynamic allocation based on market conditions and economic trends
- 5 Benefits of taxation

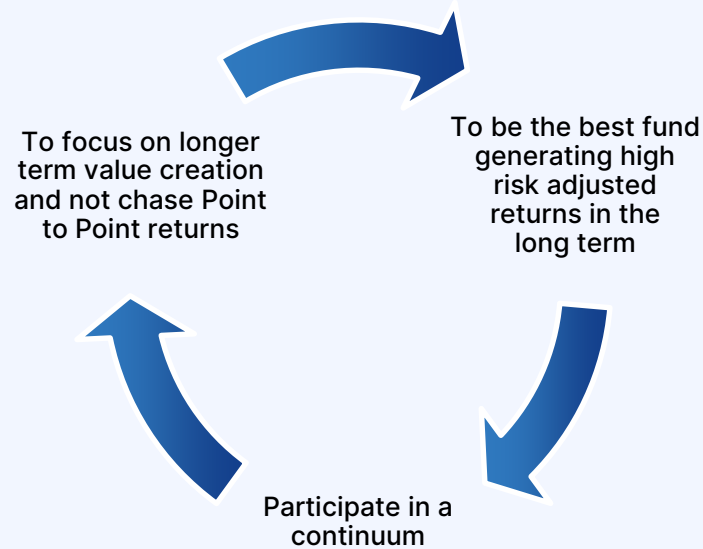
Samco ELSS Tax Saver Fund Features



Our Strategy



Samco ELSS Tax Saver Fund's Goal



HexaShield Framework

A proprietary investment screening framework to build a universe of stocks that pass six rigorous tests

Competitive Strength and
Pricing Power Tests



Corporate Governance
and Leadership Tests



Balance Sheet and
Insolvency Tests



Cash Flow Tests



Reinvestment and Growth
Tests



Regulatory
Tests



HexaShield Highlights

Diverse Universe

A diverse universe set with companies from **different market capitalizations** and **industry segments** from the Indian equity markets

Robust Screening Framework

A comprehensive screening process backed by inhouse developed **HexaShield Framework** which asses every company in the target universe on six parameters to ensure robust businesses are included in the portfolio.

Concentrated Portfolio

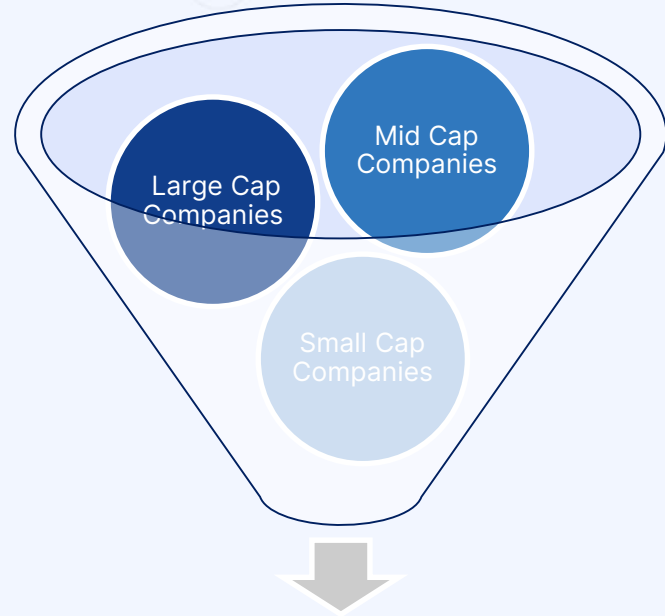
A focused **India only domestic portfolio** comprising of **~35** qualitatively superior companies with strong underlying fundamentals and industry tailwinds.

Optimal Churn

An **agile allocation strategy** with an approach to align the portfolio with winners and prune down the losers on a periodic basis as per evolving market dynamics

Risk Management

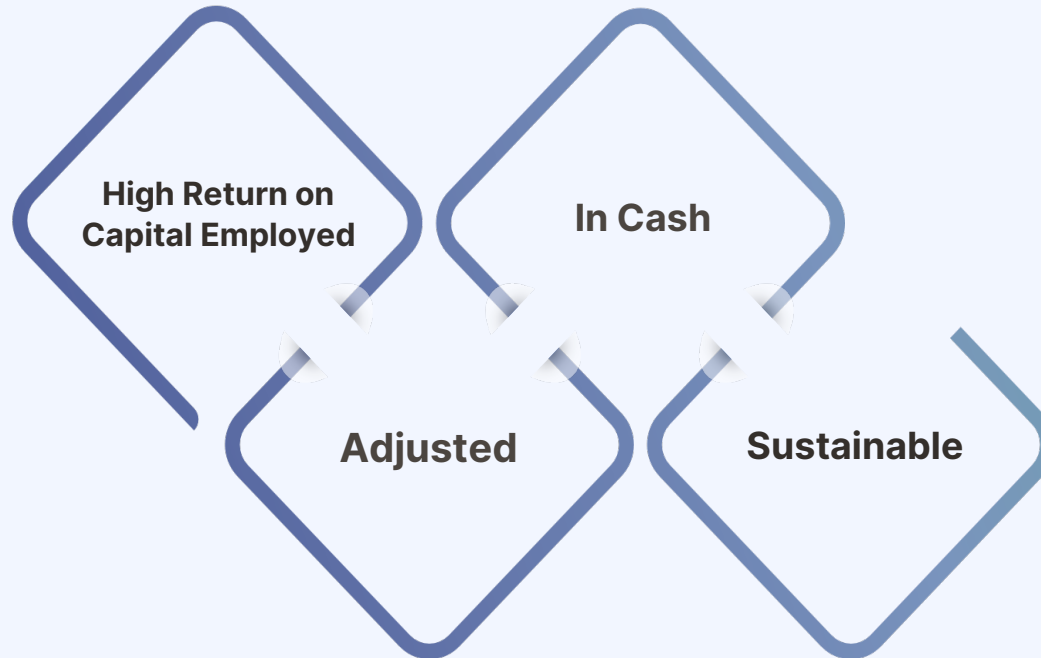
A prudent portfolio construction process backed by **internal screening models** to ensure effective risk management of the capital deployed.



Our Investible Universe

**Universe of 125+ HexaShield Tested
companies out of 5000+ Indian
Listed Companies**

HexaShield Tested Efficient Companies



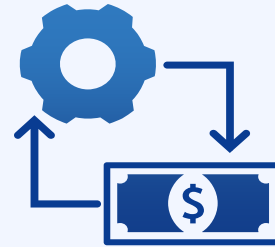
Characteristics of HexaShield Companies



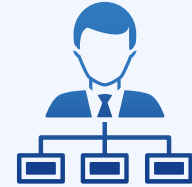
**Dominant franchises
which are Price Setters**



**Strong cash flow
generators with large
market opportunity**



**Fast growing businesses
with high rate of re-
investment**



**Institutions backed by
experienced leaders and
management**

Let winners ride & Cut losers

Peter Lynch: Not Cutting the Flowers and Watering the Weeds

- **Not Cutting the Flowers:**
 - ❖ **Hold on to Winners:** Retain stocks that are performing well.
 - ❖ **Long-Term Growth:** Allow successful investments to grow and compound over time.

- **Not Watering the Weeds:**
 - ❖ **Avoid Holding Losers:** Don't keep investing in underperforming stocks hoping they will recover.
 - ❖ **Recognize Mistakes:** Be willing to cut losses and reallocate resources.

Exit Strategy



Stock subsequently fails
HexaShield Test



More compelling opportunity



Winners hit the 10% SEBI
prescribed ceiling



Significant relative
underperformance

Portfolio Strategy Summary

Around 35 Stock Portfolio



Efficient HexaShield Tested Quality Companies



Optimal Diversification – Predominantly Mid and Small Cap Stocks



Dynamic Monitoring



Holding Winners and Cutting Losers



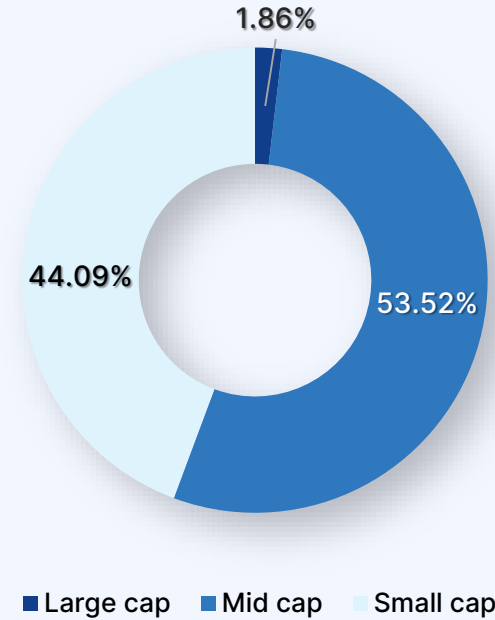
Samco ELSS Tax Saver Fund Portfolio Update

as of Aug 2024, Factsheet

Samco ELSS Tax Saver Fund Portfolio

Samco Flexi Cap Fund	% to Net Assets	Samco Flexi Cap Fund	% to Net Assets
Motilal Oswal Financial Services Ltd	5.90%	Coromandel International Ltd	2.46%
KEI Industries Ltd	5.59%	Amara Raja Energy & Mobility Ltd	2.45%
Godfrey Phillips India Ltd	4.37%	Petronet LNG Ltd	2.44%
Solar Industries India Ltd	4.03%	Muthoot Finance Ltd	2.42%
Zensar Technologies Ltd	3.99%	Godawari Power And Ispat Ltd	2.35%
Central Depository Services (India) Ltd	3.80%	Apar Industries Ltd	2.27%
Nippon Life India Asset Management Ltd	3.61%	Polycab India Ltd	2.25%
Engineers India Ltd	3.59%	Praj Industries Ltd	2.24%
Persistent Systems Ltd	3.28%	Gujarat Gas Ltd	2.20%
Voltas Ltd	3.21%	Gujarat Pipavav Port Ltd	2.15%
360 One WAM Ltd	2.92%	Cummins India Ltd	2.10%
GlaxoSmithKline Pharmaceuticals Ltd	2.76%	Carborundum Universal Ltd	2.05%
HDFC Asset Management Company Ltd	2.73%	Finolex Cables Ltd	2.04%
Emami Ltd	2.66%	Honeywell Automation India Ltd	1.98%
Oracle Financial Services Software Ltd	2.63%	JK Paper Ltd	1.91%
KSB Ltd	2.54%	Hindustan Zinc Ltd	1.86%
Avanti Feeds Ltd	2.52%	Schaeffler India Ltd	1.66%
Swan Energy Ltd	2.51%		

Market Capitalization (% of Allocation)



Portfolio Sectoral Construction

Industry Allocation of Equity Holding (As a % of Net Assets)

Capital Markets - 18.96%	Industrial Products - 18.92%	Gas - 4.64%	Cigarettes & Tobacco Products - 4.37%	Chemicals & Petrochemicals - 4.03%	Construction - 3.59%	Consumer Durables - 3.21%	
			Industrial Manufacturing - 4.22%	Pharmace... & Biotechno... - 2.76%		Food Products - 2.52%	Finance - 2.42%
					Auto Components - 4.11%	Personal Products - 2.66%	
			Fertilizers & Agrochemicals - 2.46%	Non - Ferrous Metals - 1.86%			

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
Motilal Oswal Financial Services Ltd	5.90%	32.59	16.32	58.65	20.69	1.58
KEI Industries Ltd	5.59%	20.25	66.94	10.46	27.21	0.05
Godfrey Phillips India Ltd	4.37%	18.97	36.91	19.92	22.17	0.08
Solar Industries India Ltd	4.03%	30.90	106.65	24.55	32.47	0.34
Zensar Technologies Ltd	3.99%	19.96	26.57	16.88	25.15	0.05
Central Depository Services (India) Ltd	3.80%	31.31	62.08	61.01	40.18	0.00
Nippon Life India Asset Management Ltd	3.61%	29.54	36.33	61.74	36.24	0.00
Engineers India Ltd	3.59%	20.80	30.76	8.98	22.21	0.01
Persistent Systems Ltd	3.28%	23.99	68.77	17.16	29.17	0.09
Voltas Ltd	3.21%	4.40	130.75	4.10	8.51	0.13
360 One WAM Ltd	2.92%	24.47	43.61	55.18	14.47	2.75
GlaxoSmithKline Pharmaceuticals Ltd	2.76%	37.32	62.75	28.38	51.33	0.01
HDFC Asset Management Company Ltd	2.73%	29.51	45.87	76.40	37.72	0.00
Emami Ltd	2.66%	29.95	48.37	26.53	31.72	0.04
Oracle Financial Services Software Ltd	2.63%	28.98	41.95	45.22	39.54	0.01
KSB Ltd	2.54%	17.06	71.39	12.85	23.29	0.00
Avanti Feeds Ltd	2.52%	15.09	24.47	9.02	20.01	0.01
Swan Energy Ltd	2.51%	7.03	56.78	18.89	8.28	0.55
Coromandel International Ltd	2.46%	18.89	35.00	10.23	25.98	0.05
Amara Raja Energy & Mobility Ltd	2.45%	14.02	29.19	14.28	18.74	0.02

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
Petronet LNG Ltd	2.44%	22.19	13.98	10.26	26.41	0.18
Muthoot Finance Ltd	2.42%	17.86	18.91	79.47	13.13	2.70
Godawari Power And Ispat Ltd	2.35%	21.89	12.89	26.11	29.19	0.01
Apar Industries Ltd	2.27%	26.83	43.07	9.49	43.96	0.12
Polycab India Ltd	2.25%	23.17	56.66	13.39	31.33	0.02
Praj Industries Ltd	2.24%	23.34	48.23	11.79	29.29	0.13
Gujarat Gas Ltd	2.20%	15.00	37.72	12.37	20.15	0.02
Gujarat Pipavav Port Ltd	2.15%	16.45	27.17	60.22	22.69	0.03
Cummins India Ltd	2.10%	28.11	60.29	20.85	35.23	0.02
Carborundum Universal Ltd	2.05%	15.56	75.01	16.22	20.13	0.05
Finolex Cables Ltd	2.04%	13.99	29.83	11.28	18.52	0.00
Honeywell Automation India Ltd	1.98%	14.76	83.73	15.25	19.85	0.02
JK Paper Ltd	1.91%	24.64	8.40	20.90	21.31	0.43
Hindustan Zinc Ltd	1.86%	55.19	25.05	47.89	46.25	0.57
Schaeffler India Ltd	1.66%	20.01	64.05	18.16	26.72	0.01
	Wtd. Average	22.90	47.59	28.18	26.61	0.32

As of August 2024, Factsheet

Source – Internal Research. The above financial analysis ratio do not constitute any research report/recommendation of the same. The fund manager(s) may or may not choose to hold the stock mentioned from time to time.

1Return on Average Equity (ROE): Return on average equity is a profitability ratio that measures the amount of net income compared to the average shareholders' equity of a company.

2Price-to-Earnings (P/E): The price-to-earnings (P/E) ratio is the proportion of a company's share price to its earnings per share.

3Operating Profit Margin (OPM): Operating Profit Margin is a profitability or performance ratio that reflects the percentage of profit a company produces from its operations before subtracting taxes and interest charges.

4Return on Average Capital Employed (ROCE): The return on average capital employed (ROCE) is a financial ratio that shows profitability versus the investments a company has made in itself.

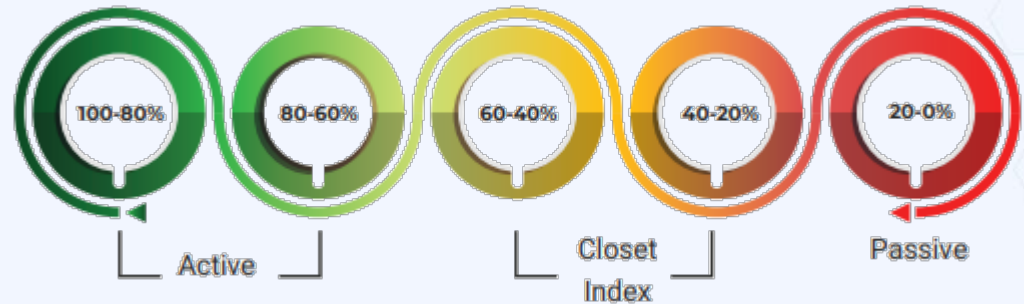
5Debt to Equity Ratio: The debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity.

Active Share

What is Active Share?

Active Share measures the fraction of a portfolio (based on position weights) that differs from the benchmark index. The Active Share measure was developed by Martijn Cremers and Antti Petajisto, both Yale professors.

A highly active strategy with
no index hugging + **distinct portfolio vs benchmark** + **optimal churn as per evolving market dynamics**



Samco ELSS Tax Saver Fund Active Share

A truly actively managed scheme with a **96.71%** active share and top 10 holdings entirely distinct from the benchmark

Samco ELSS Tax Saver Fund	Top 10	Nifty500	Top 10
Motilal Oswal Financial Services Limited	5.90%	HDFC Bank Ltd.	6.41%
KEI Industries Limited	5.59%	Reliance Industries Ltd.	5.31%
Godfrey Phillips India Limited	4.37%	ICICI Bank Ltd.	4.50%
Solar Industries India Limited	4.03%	Infosys Ltd.	3.65%
Zensar Technologies Limited	3.99%	ITC Ltd.	2.41%
Central Depository Services (India) Limited	3.80%	Tata Consultancy Services Ltd.	2.40%
Nippon Life India Asset Management Limited	3.61%	Larsen & Toubro Ltd.	2.25%
Engineers India Limited	3.59%	Bharti Airtel Ltd.	2.21%
Persistent Systems Limited	3.28%	Axis Bank Ltd.	1.74%
Voltas Limited	3.21%	State Bank of India	1.63%

Portfolio Liquidity

The percentage of portfolio which can be liquidated in a day is **99.47%**

Samco ELSS Tax Saver Fund	Liquidity	Samco ELSS Tax Saver Fund	Liquidity
Amara Raja Energy & Mobility Ltd	0.009	Oracle Financial Services Software Ltd	0.008
Avanti Feeds Limited	0.030	360 One WAM Limited	0.041
Carborundum Universal Ltd	0.072	JK Paper Limited	0.032
Central Depository Services (India) Limited	0.008	Cummins India Ltd	0.008
Coromandel International Ltd	0.032	KEI Industries Limited	0.051
Emami Ltd	0.030	KSB Limited	0.125
Engineers India Ltd	0.020	Motilal Oswal Financial Services Ltd	0.081
Schaeffler India Limited	0.030	Muthoot Finance Ltd	0.020
Finolex Cables Ltd	0.037	Petronet LNG Ltd	0.013
Zensar Technologies Ltd	0.044	Polycab India Limited	0.007
Apar Industries Ltd	0.020	Praj Industries Ltd	0.024
Gujarat Gas Ltd	0.032	Persistent Systems Ltd	0.012
Glaxosmithkline Pharmaceuticals Ltd	0.067	Nippon Life India Asset Management Limited	0.057
Godfrey Phillips India Ltd	0.038	Solar Industries (I) Ltd	0.022
Godawari Power and Ispat Ltd	0.054	Swan Energy Limited	0.017
Gujarat Pipavav Port Ltd	0.021	Honeywell Automation India Ltd	0.050
HDFC Asset Management Company Limited	0.014	Voltas Ltd	0.011
Hindustan Zinc Ltd	0.011		

Liquidity Formula – Quantity Held/ 6M Average Daily Volume. As of August 2024, Factsheet

Source: Internal Research, Morning Star

Sectoral Positioning

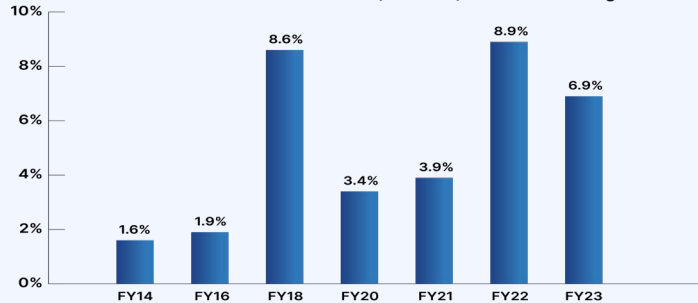
The Top 5 themes towards which the portfolio has the highest allocation are as follows:

1. Capital Markets
 2. Industrial Products
 3. IT - Software
- 
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Capital Markets

Incremental share of other financial products (excluding Fixed Deposits) to increase the asset ownership pie

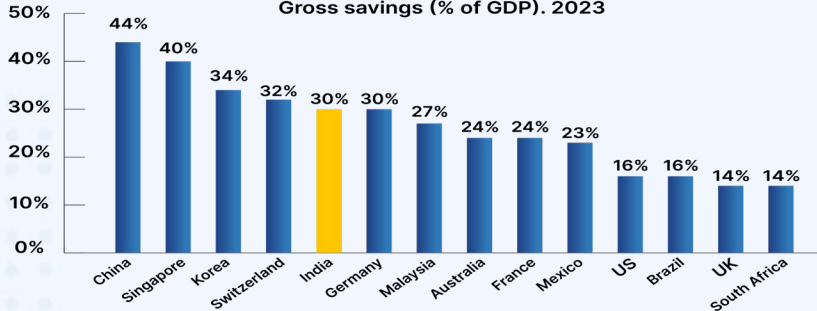
Share of shares & debentures (incl. MFs) in financial savings



Source: RBI

A strong savings rate as a percentage of GDP is indicative of higher traction towards financial products

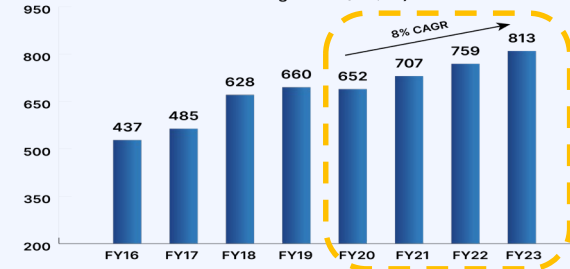
Gross savings (% of GDP). 2023



Source: International Monetary Fund

Indian savings have seen a strong trend and is expected to sustain over the years

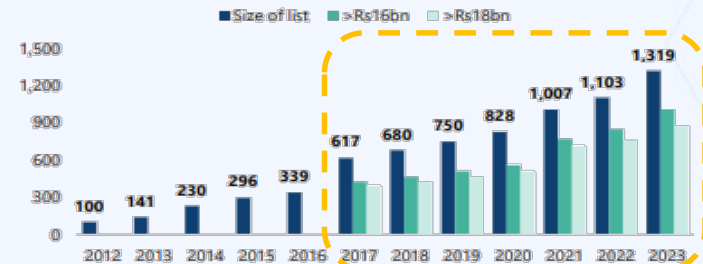
India HH savings trend (US\$bn)



Source: Jefferies

The sustained increase in the number of UHNIs in the country would provide strong tailwinds for Wealth & Asset Managers

No. of UHNIs on Rich List 2023 (>Rs10bn)



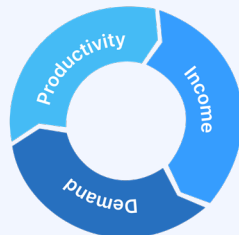
Source: 360One Wealth Harun India Rich List 2023

Industrial Products

Wires & Cables is a fast-growing industrial segment with multiple tailwinds backed by strong demand due to higher income & consumption levels leading to improved productivity levels

Higher Volumes driven by strong demand expected to lead to stable asset turnovers for W&C Players in the next few years.

Asset turns improved over the last few years for the Indian players



As GDP per Capita rises the per capita usage of wires increases

Per capita power consumption expected to witness robust growth backed by rising income levels

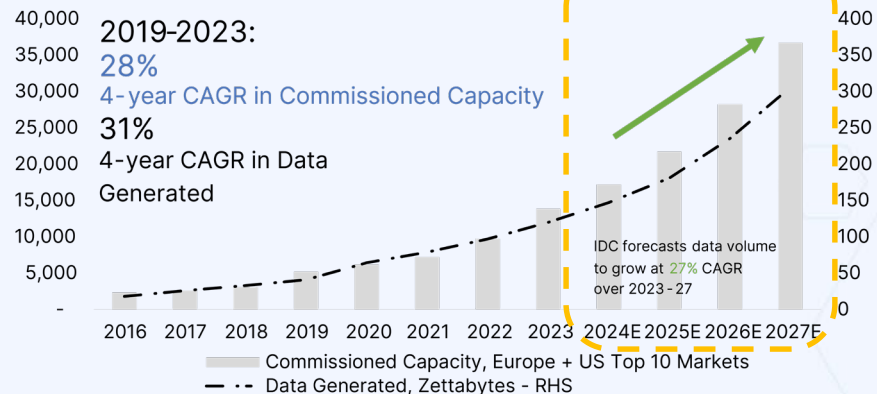
Housing led demand which constitute of ~35% share of overall demand is robust

Government's emphasis on capacity expansion in power sector would be one of the growth drivers for a ~15-17% growth in W&C demand in the next few years.

India becomes a net exporter of Wires and Cables with an export value of ~1.5X import value

Source: Industry Reports

The exponential rise in demand for new data centres will be a growth driver for backup power solution providers

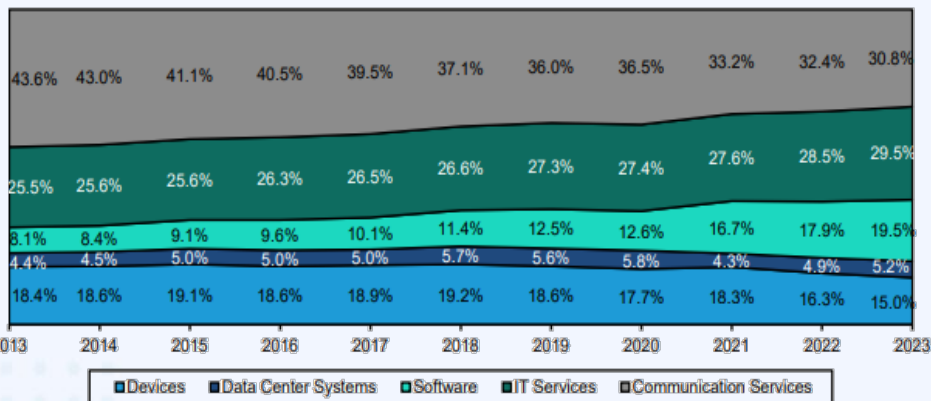


Source: UBS India

IT Software

Increased IT software players to benefit significantly in the next few years backed by strong adoption and evolving applications of products.

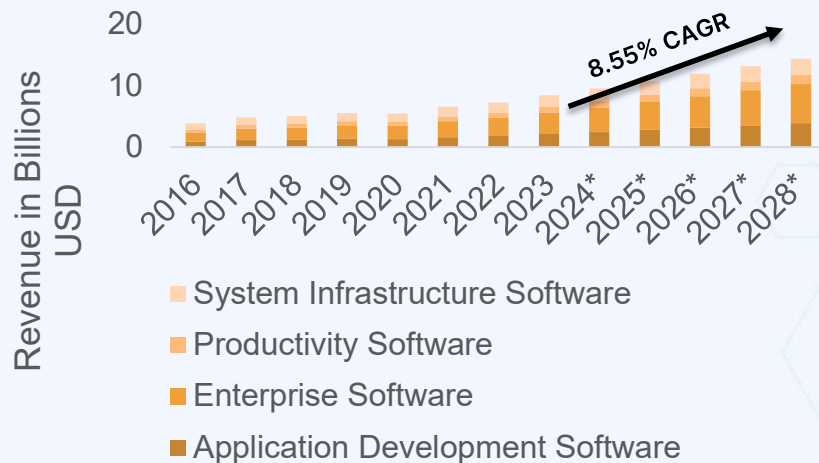
The share of spending on Software has increased significantly in the last decade.



Across multiple technology cycles, Software contribution has expanded ~3x from 8% in 2013 to ~20% in 2023.

Source: Gartner, Bernstein analysis

Software spending in India is expected to increase in the next few years



Software Revenue is expected to grow at 8.55% CAGR from FY24-28

Source: Statista

Scheme Details

Frequency

Normal STP: Daily, Weekly, Fortnightly, Monthly, Quarterly

Minimum Amount

Rs. 500/- and in multiples of Rs. 500/- thereafter

Minimal Additional Purchase Amount / Minimum SIP Amount

Rs. 500/- and in multiples of Rs. 500/- thereafter

Exit Load

Nil

Why is Samco ELSS Tax Saver Fund different from others?

<p>Deep Research Selection</p>	<p>Built on proprietary HexaShield Tested investing framework that combines top-down and bottom-up research to identify companies that are innovative, efficient and resilient across markets and geographies. Companies are strictly selected from a universe of ~125 HexaShield Tested companies.</p>
<p>Domestic Only Portfolio</p>	<p>Stock selection from a diverse universe of over 5000 stocks from NSE and BSE.</p>
<p>Growth Quality Strategy</p>	<p>The fund aims to invest in companies with great growth potential predominantly from a mid and small cap universe and hence investors will get exposure to companies aggressively investing for growth.</p>
<p>Truly Active Fund</p>	<p>Fund shall be a truly active fund with an active share of over 80%-85%, highest in the category. This shall ensure that investors get a truly differentiated fund and not an index hugging fund when they pay for asset management fees.</p>
<p>Around 35 Stock Portfolio</p>	<p>The fund shall run an ~35 stock portfolio and hence investors get the benefits of diversification</p>
<p>Predominantly Equity Fund with substantial equity exposure</p>	<p>The Funds will not undertake any debt exposure/derivative/hedging and will remain true to label of being an equity fund.</p>

Product Label & Risk-o-meter

Samco ELSS Tax Saver Fund

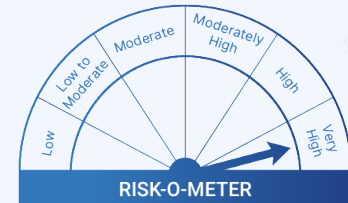
(An open-ended Equity Linked Saving Scheme with a statutory lock-in of 3 years and tax benefit.)

This product is suitable for investors who are seeking* :

- Long Term Capital Appreciation
- Invests predominantly in equity and equity related instruments and provide tax benefits under Section 80C of the Income Tax Act, 1961

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Risk-O-Meter



Investors understand that their principal will be at very high risk

Mutual fund investments are subject to market risks, read all scheme related documents carefully.

Fund Management Team

Executive Director, CIO & Fund Manager

Umeshkumar Mehta

Qualification: B.Com, CA, PGDBA

Brief Experience: Mr. Umeshkumar Mehta has over 20 years of experience in financial services industry. He has deep understanding of price and value. He is a vivid speaker and writer at various chartered account forums and business schools. He used to lead the Samco group's Research team, managed Public Relations through regular interaction in Business Channels and print media. He has deep understanding of securities law and is passionate about equities. He has working knowledge of marketing & advertisement. He has extensive experience in analyzing business models, assessing balance sheets, profit and Loss accounts and as part of experience he has rated and ranked almost all companies listed on the National Stock Exchange. He is associated with the group since last fifteen years.





Fund Manager

Nirali Bhansali

Qualification: B.E., MBA (Finance)

Brief Experience: Mrs. Nirali Bhansali started out as a senior analyst at Samco Securities Ltd. and has been the Head of Equity Research. She has over 9 years of work experience with more than 7 years spanning capital markets and investment research. She has been instrumental in developing Samco's flagship research and investment products like HexaShield Framework, Stock Rating, StockBasket etc. by deep-diving into the business models and number crunching nitty-gritties of varied Indian companies. Her deep understanding of fundamental analysis has enabled her to provide cutting edge insights on various stocks. She is a regular panelist on media & business news channels such as Bloomberg Quint, Money9 Live, CNBC TV18 etc.

Thank You