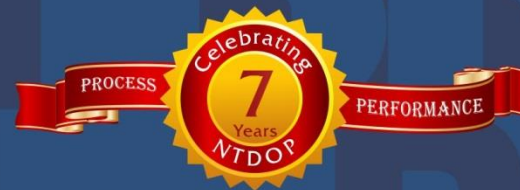


Your key to

India's Next Trillion Dollar of Wealth



MOST
NEXT

Trillion Dollar
Opportunity Strategy

March 2015



India's Next Trillion Dollar Opportunity (NTDOP)



Small and Mid Cap (SMID) Market Opportunity



Why MOAMC- PMS?



Strategy Details

The Next Trillion Dollar Opportunity (NTDOP)

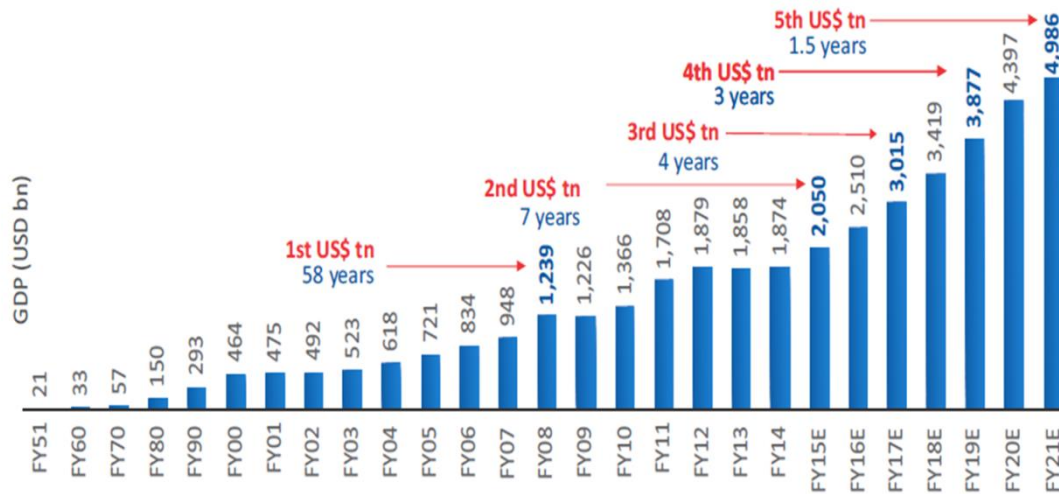


Trillion Dollar GDP



Rising Discretionary Spending

Trillion Dollar GDP



Source: Motilal Oswal Securities Ltd (Data as on 31/03/2014)

Contributors In GDP	FY77	FY87	FY97	FY11	FY13
Agriculture	37%	31%	26%	14%	14%
Manufacturing	25%	26%	28%	28%	28%
Services	36%	42%	46%	57%	59%

Source: Motilal Oswal Securities Ltd (Data as on 31/03/2014)

Above forward-looking graphs/statements are based on external current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.

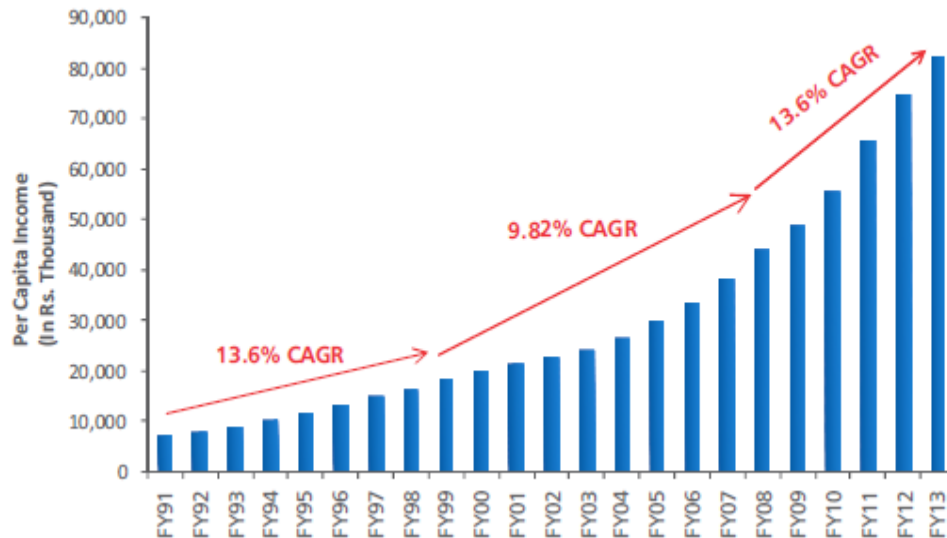
- India has joined the club of countries with a Trillion Dollar GDP in FY08
- It took almost 60 years for the first US\$ 1 trillion of GDP but is expected to take only 7 years for US\$2 trillion
- Overall robust service sector enabled by strong GDP growth
- Service sector driven by rapid productivity improvement is expected to lead future GDP growth
- Due to sustained growth in consumer income, Manufacturing sector to be a key growth driver
- Dependency on Agriculture is expected to reduce as witnessed in developed countries
- Higher contribution of service sector in GDP would reduce the volatility in GDP growth

Rising Discretionary Spending

Discretionary spending is expected to increase disproportionately going forward

Discretionary spend will rise from 52% in 2005 to 70% in 2025

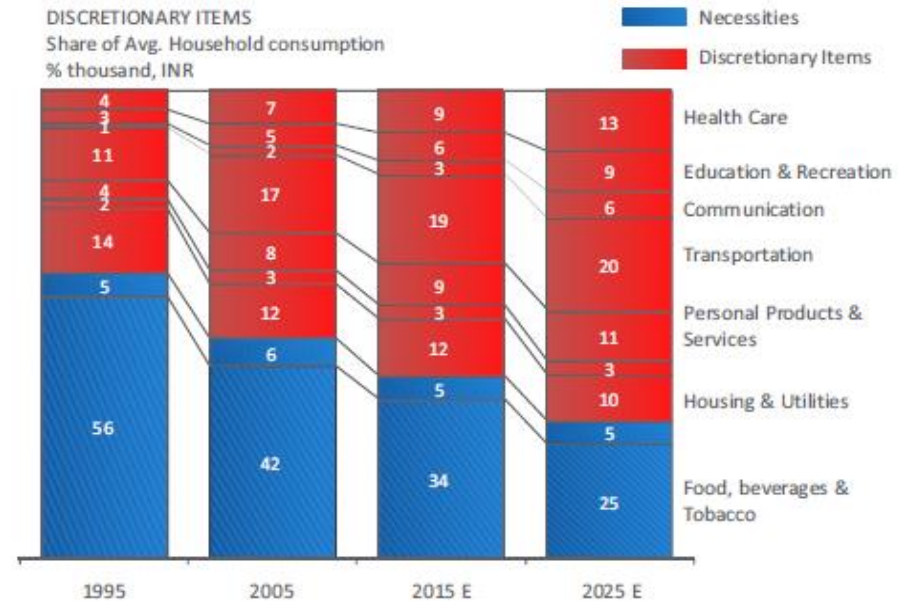
Per Capita GDP



Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.

DISCRETIONARY ITEMS

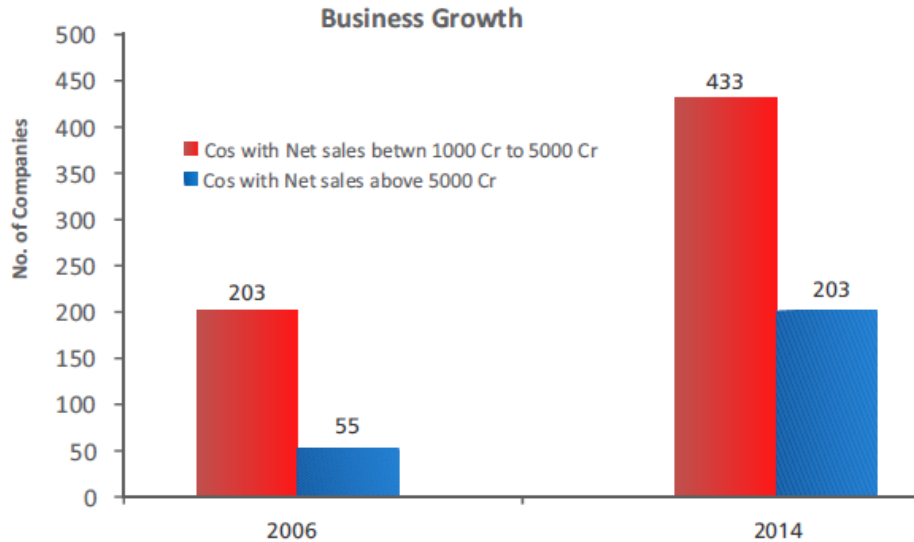
Share of Avg. Household consumption
% thousand, INR



Above forward-looking graphs/statements are based on external current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results.

- Per Capita GDP has grown to Rs. 82,339 in 2013 from Rs. 38,277 in 2007
- Higher Per Capita GDP to increase Disposable Income

The Small And Mid Cap Opportunity



- Companies with Net Sales over Rs. 5000 Crs. Have increased by ~4 times from 2006 to 2014
- Companies with Net Sales of Rs. 1000 Crs. to Rs. 5000 Crs. have increased by ~2 times from 2006 to 2014

Market Capitalization	No. of Companies	
	2005	2013
MCAP <1000	2252	2944
MCAP 1000 cr - 5000 cr	196	275
MCAP 5000 cr - 10000 cr	41	71
MCAP >10000 cr	42	112
Total	2531	3402

- Small & Mid Cap companies of 2006 have transformed into today's Large Cap companies
- No. of Large Cap companies (> Rs. 10000 Crs.) have virtually doubled since 2006

Characteristics Of Mid Cap Market



Larger Stock Universe



Under Owned and Under-researched Companies



Fewer Business Lines and Focussed businesses



Attractive Valuation as compared to Large caps

Why MOAMC PMS?

Amongst India's one of the leading PMS Service Providers, with Assets under Management of approx Rs. 3345 Crores.

MOAMC PMS has one of the largest active accounts (more than 5,108) on PMS Platform.

Our NTDOP Strategy has outperformed the benchmark across market cycles over last 7 year period.

Our Flagship "Value Strategy" has outperformed the benchmark across market cycles over a 11 year period

MOAMC PMS has active clients in 138 different cities right from Agra to Vijaywada ; a testimony of strong acceptance of our PMS across the length & breadth of the country.


Data as on 28th February 2015

©2012 Morningstar, Inc. All rights reserved. The data and analysis provided herein do not constitute investment advice offered by Morningstar and are provided only for informational purposes. It should not be construed as an offer or the solicitation of an offer, to buy or sell securities. Morningstar is not responsible for any error or omission in the data. Investments in Securities are subject to market and other risks and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services (PMS) will be achieved. Investors in the PMS Product are not being offered any guaranteed/assured returns. Past performance of the portfolio manager does not indicate the future performance for any of the strategies.

Next Trillion Dollar Opportunity Strategy



Strategy Objective



“Buy Right : Sit Tight” Investment Philosophy



Strategy Construct



Some Focus Themes



Stock Selection Process



Wealth Creators



Investment Style and Timing



Portfolio Holding



Performance Snapshot

Strategy Objective

The Strategy aims to deliver superior returns by investing in focused themes which are part of the Next Trillion Dollar GDP growth opportunity.

It aims to predominantly invest in Small & Mid Cap stocks with a focus on Identifying Emerging Stocks/Sectors.

Our investment philosophy – ‘Buy Right : Sit Tight’

At Motilal Oswal Asset Management Company (MOAMC), our investment philosophy and investing style is centered on 'Buy Right: Sit Tight' principal.

Buy Right Stock Characteristics

QGLP

- **‘Q’uality** denotes quality of the business and management
- **‘G’rowth** denotes growth in earnings and sustained RoE
- **‘L’ongevity** denotes longevity of the competitive advantage or economic moat of the business
- **‘P’rice** denotes our approach of buying a good business for a fair price rather than buying a fair business for a good price

Sit Tight Approach

- **Buy and Hold:** We are strictly buy and hold investors and believe that picking the right business needs skill and holding onto these businesses to enable our investors to benefit from the entire growth cycle needs even more skill.
- **Focus:** Our portfolios are high conviction portfolios with 20 to 25 stocks being our ideal number. We believe inadequate diversification but over-diversification results in diluting returns for our investors and adding market risk

Why 'Buy Right : Sit Tight' is significant?

Real wealth is created by riding out bulk of the growth curve of quality companies and not by trading in and out in response to buy, sell and hold recommendations.

This philosophy enables investor and manager alike to keep focus on the businesses they are holding rather than get distracted by movements in share prices.

An approach of buying high quality stocks and holding them for a long term wealth creation motive, results in drastic reduction of costs for the end investor.

While **BUY RIGHT** is largely the role of the portfolio manager, **SIT TIGHT** calls for involvement from the portfolio manager as well as investor. This brings in greater accountability from the manager and at the same time calls for better involvement and understanding from investor resulting in better education for the latter.

Long term multiplication of wealth is obtained only by holding on to the winners and deserting the losers.

Investment Universe

- Focus on Non-Nifty companies
- Market Cap distribution Concentration
 - > Rs 2500 Cr largest market cap constituent of CNX Mid Cap* - 75-100%
 - < Rs 2500 Crores - 0-25%

Allocation Limit

- Individual Stock Allocation Limit:
10%^ for Midcaps & 5% for Small Caps.
- Sector Allocation Limit:
35% or as per benchmark

Stock Portfolio

- 20 to 25 stock
- Benchmark:
CNX Midcap Index

*As on Feb 28, 2014, highest Market Capitalization in CNX Mid Cap is 49,288 Cr. This will be subject to change as per market movements. (source: NSE India), ^Not more than 10% for new stock introduced in the strategy.

Some Focus Themes

Consumption

- Increasing consumer spending
- Retailing
- Consumer durables
- Passenger Vehicles
- Utility Services

Banking and Financial Services

- Beneficiary of high GDP growth and savings rate
- Banks
- Broking
- Insurance
- Financial Services

Infrastructure and Related Services

- Benefit from Government Spending
- Power
- Cement
- Capital Goods
- Construction
- Real Estate
- Engineering

The above themes can change based on the outlook of the portfolio manager.

Stock Selection Process

Meeting with Company Management
to Understand Business Dynamics

Visit companies & worksites to evaluate
Manufacturing Process, Quality of Fixed
Assets, Ascertain Entry Barriers

Greater Emphasis on Corporate
Governance, Management Track Record,
Capabilities for Scale

Look out for Turnaround Stories and
Emerging Sectors Product Innovations Stock



Prudent research procedure
With an eye on risk involved

Wealth Creators

Much success can be attributed to inactivity. Most investors cannot resist the temptation to constantly buy and sell.

“We don’t get paid for activity, just for being right. As to how long we’ll wait, we’ll wait indefinitely.” - Warren Buffett

“It was never my thinking that made the big money. It was always my sitting. Men who can be both right and sit tight are uncommon.” - Jesse Livermore

Stock	Purchase Date	Adjusted Purchase Price	Current Market Price	% Growth
			28-Feb-15	
Page Industries Ltd.	Dec-07	456.37	11823.25	2490.7%
Eicher Motors Ltd.	Aug-10	1173.60	16255.25	1285.1%
Bajaj Finance Ltd.	Aug-10	625.30	4384.95	601.3%
Bosch Ltd.	Dec-07	4863.98	25885.90	432.2%
ING Vysya Bank Ltd.	Jun-10	320.10	999.25	212.2%
Glaxo Smithkline Consumer Healthcare Ltd.	Feb-11	2104.62	5801.55	175.7%

Source: MOAMC

Please Note: The given stocks are part of portfolio of a model client of NTDOP Strategy as on 28th February 2015. The stocks forming part of the existing portfolio under NTDOP Strategy may or may not be bought for new client. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

Investment Style & Timing

Buy undervalued stock and sell overvalued stock, irrespective of Index movements.

- The below mentioned table gives the performance of the Stocks after exiting from the Strategy.

Scrip Name	Buy Date	Adjusted Buy Price (INR)	Sell Date	Adjusted Sell Price (INR)	Current Market Price* (INR)	Scrip Returns post selling	NTDOP Returns post selling	CNX Midcap Returns post selling
Ahluwalia Contracts India Ltd	14-Dec-07	341.12	03-Jun-11	119.47	224.65	19%	34%	14%
Bharat Electronics Ltd	03-Jul-08	972.91	19-Aug-10	1,729.46	2,947.55	13%	26%	8%
Birla Corporation Ltd	08-Jul-09	234.06	05-Feb-10	347.60	446.25	5%	28%	13%
Blue Star Ltd	05-Aug-08	382.14	20-Sep-10	511.06	330.85	-10%	25%	7%
Jindal Steel & Power Ltd	05-Mar-10	691.40	27-Apr-11	691.27	151.85	-34%	32%	12%

* Data as on 28th February 2015

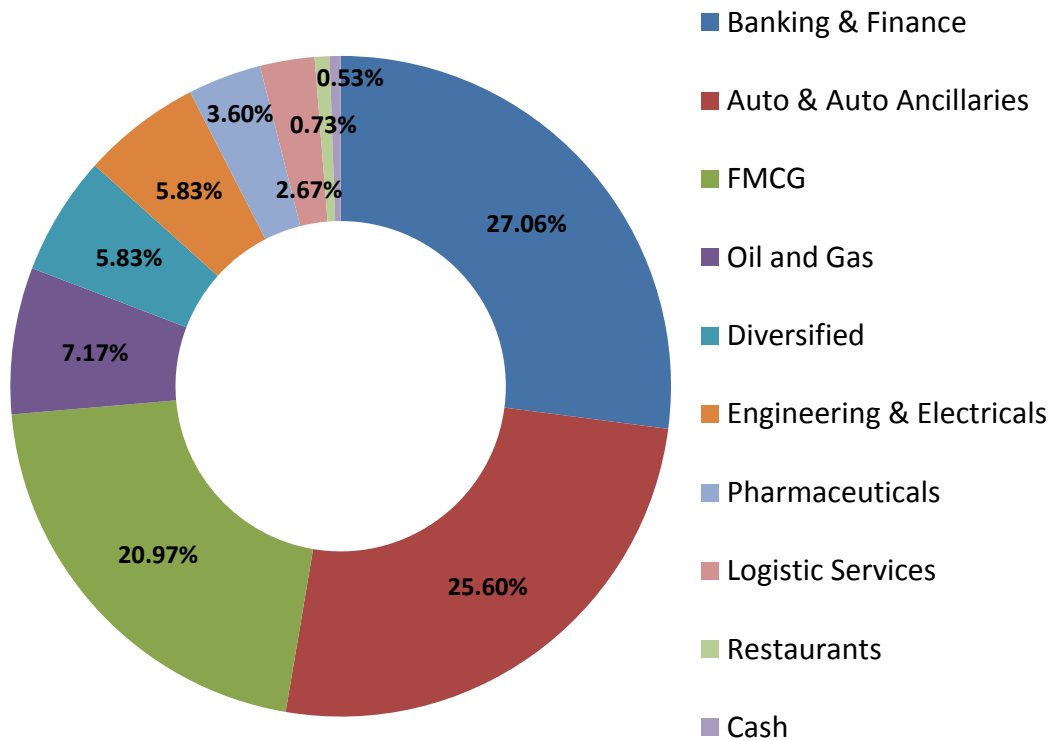
Source: MOAMC

All returns are annualized

The Stocks mentioned herein are for general and comparison purpose only and not a complete disclosure of every material fact. It should not be construed as investment advice to any party. Past performance may or may not be sustained in future.

Model Holding

Sector Allocations



Top Holdings

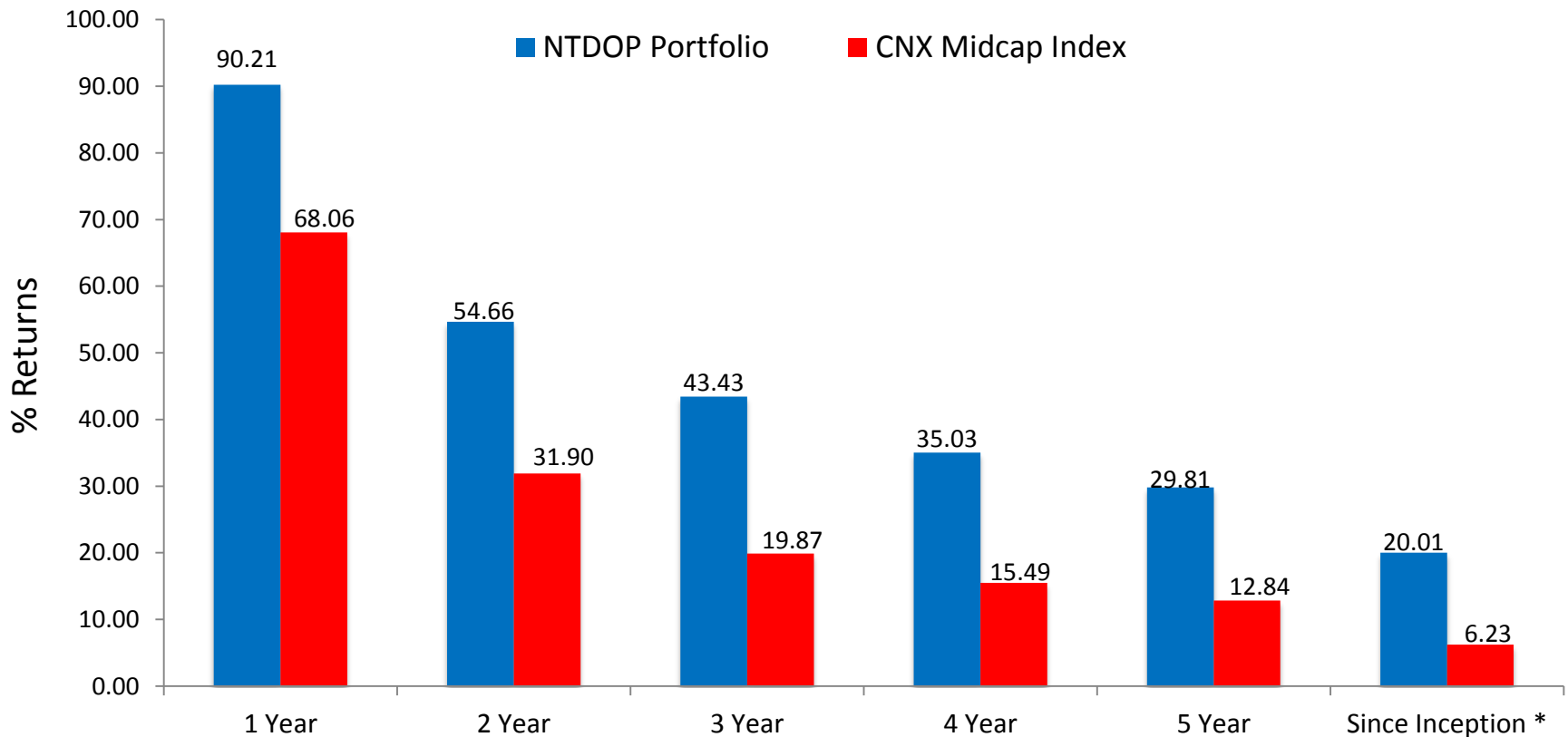
Scrip Name	% Holding [^]
Eicher Motors Ltd.	15.99
Page Industries Ltd.	11.63
Bosch Ltd.	9.62
Bajaj Finance Ltd.	9.54
H P C Ltd.	7.17
Voltas Ltd.	5.83

[^]Above 5%

Please Note: These stocks are a part of the existing NTDOP Strategy as on 28th February 2015. These Stocks may or may not be bought for new clients. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The strategy may or may not have any present or future holdings in these stocks. The companies mentioned above are only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC. [^] Based as per the closing market prices on 28th February 2015.

Performance Snapshot

- In last 1 year NTDOP has delivered 90.21% returns vs. CNX Midcap Index returns of 78.06% delivering an alpha of 22.15%
- Since Inception NTDOP has delivered an annualized alpha of 13.78%

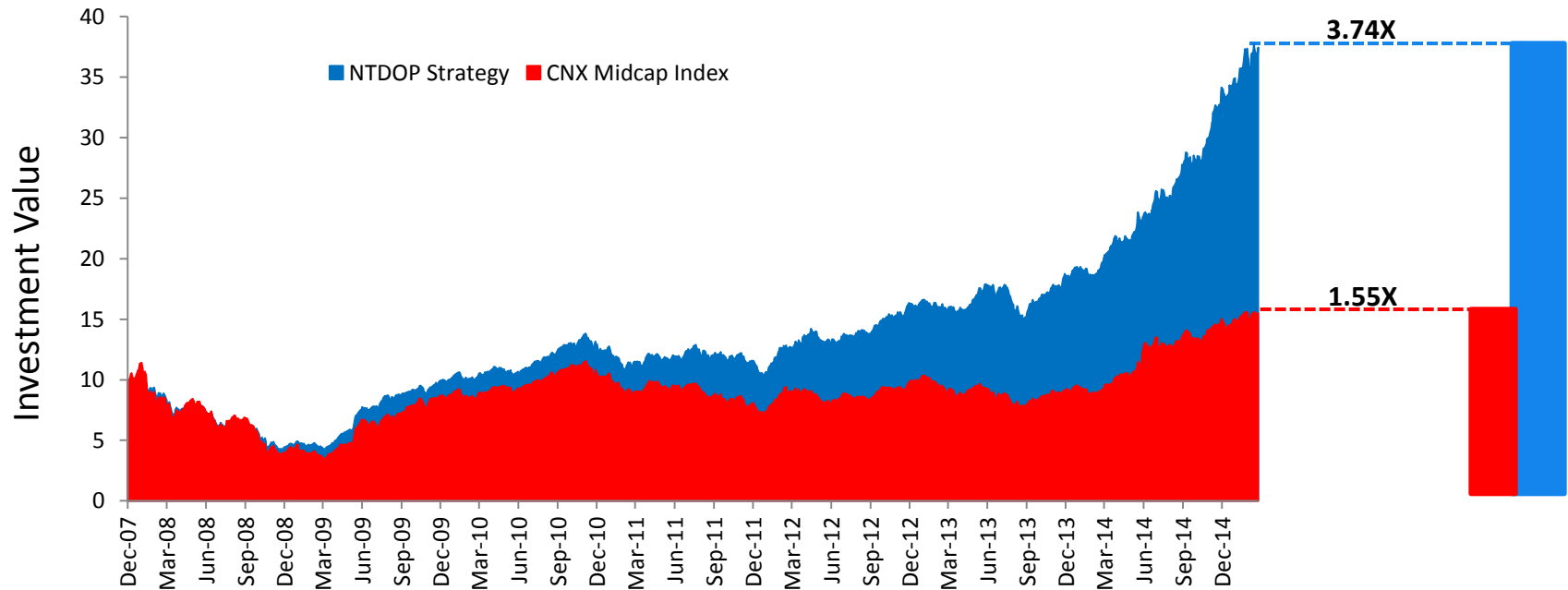


*Strategy Inception Date: 11/12/2007.

Please Note: The Above strategy returns are of a Model Client as on 28th February 2015. Returns of individual clients may differ depending on time of entry in the Strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses.

Performance Since Inception

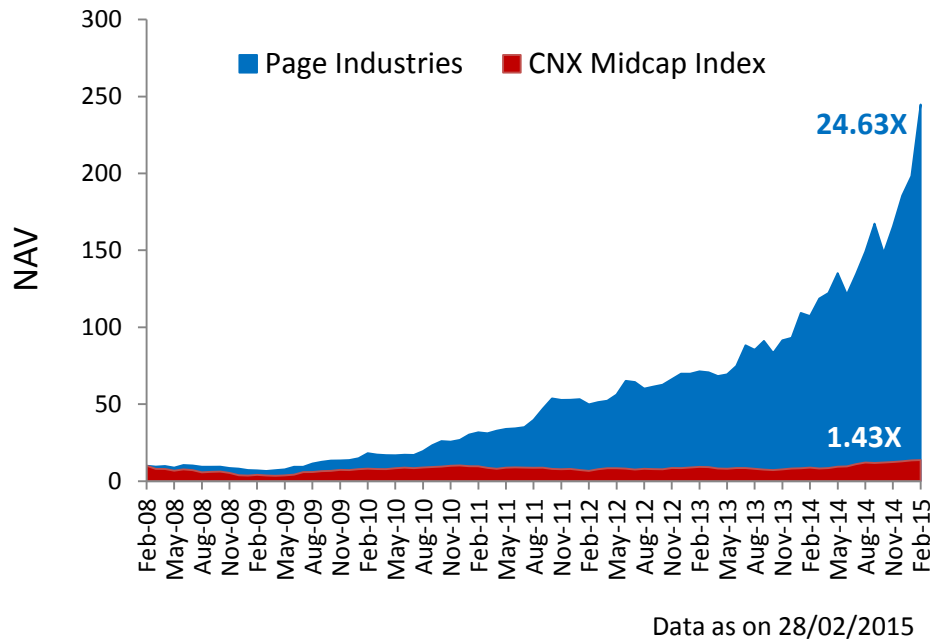
The chart below illustrates Rs. 1 crore invested in NTDOP Strategy in December 2007 is worth Rs. 3.74 cr as on 28th February 2015. For the same period Rs. 1 crore invested in CNX Midcap Index is now worth Rs. 1.55 cr.



Strategy Inception Date: 11/12/2007.

Please Note: The Above strategy returns are of a Model Client as on 28th February 2015. Returns of individual clients may differ depending on time of entry in the Strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses.

Key Holdings - Page Industries

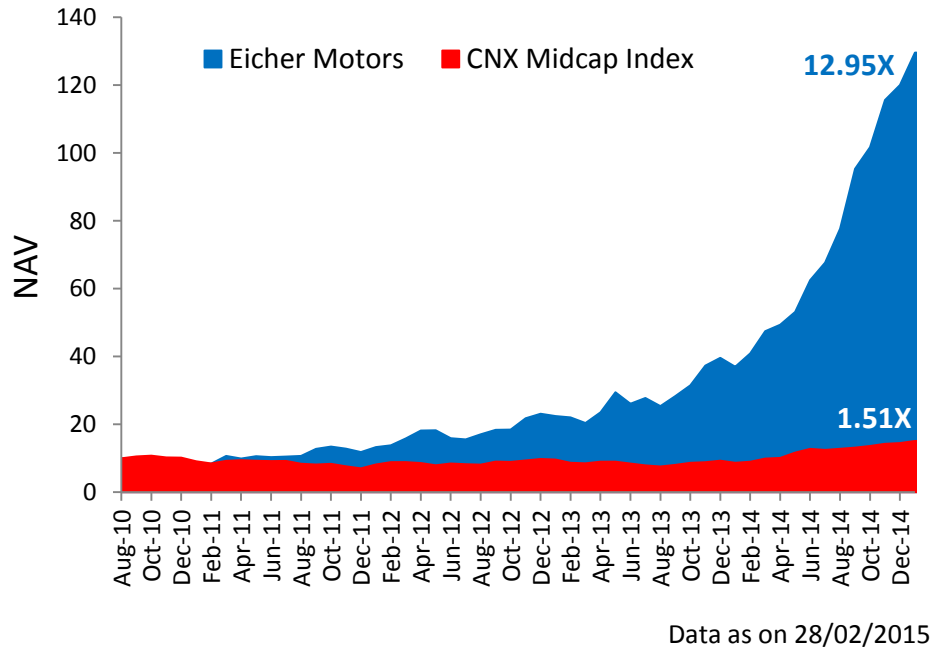


Source: Bloomberg/MOAMC. Both Page Industries and CNX Midcap Indexed to 10

- Exclusive franchisee of Jockey International in India. Strong play on the rapidly growing branded innerwear industry. To benefit from shifting consumer preferences driven by rising income levels and urbanization.
- Robust entry barriers with strong brand recall, well-oiled distribution and integrated manufacturing.
- Expected to grow at 25-30%. High dividend payouts and strong profitability to sustain Premium valuations.
- In 2011 added Speedo swimwear and accessories as a brand to market and manufacture in India

The given stock is a part of portfolio of a model client of NTDOP Strategy as on 28th February 2015. The stock forming part of the existing portfolio under NTDOP Strategy may or may not be bought for new client. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

Key Holdings- Eicher Motors

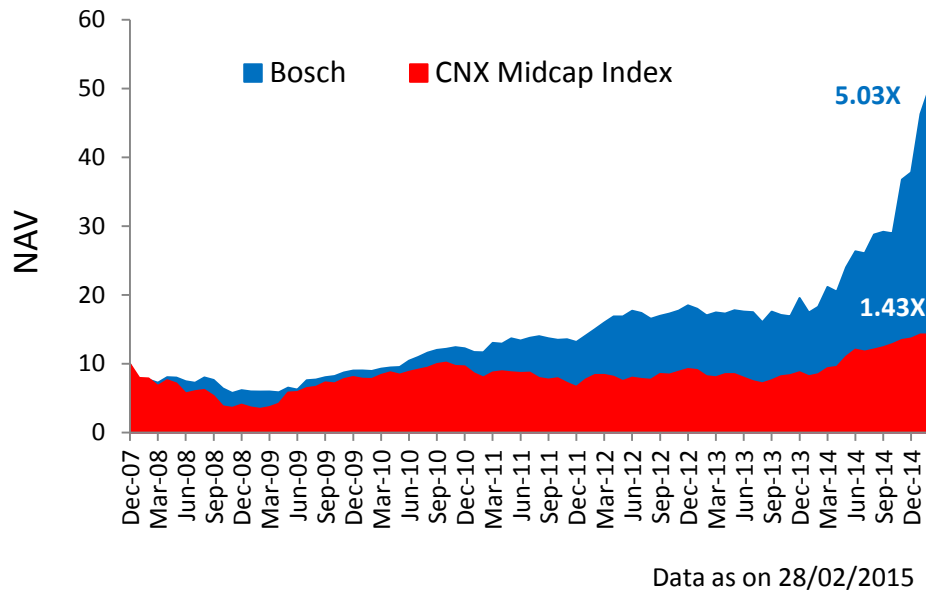


- Eicher Motors Ltd (EML) is present in commercial vehicles, two wheelers and related components. It's a leader in Cruise bikes in India and No.2 player in Medium Commercial Vehicles.
- Royal Enfield - Touted as the Indian Harley Davidson, It is the biggest beneficiary of this emerging leisure biking trend in India.
- Volvo Eicher alliance (VECV) can be a game changer for Eicher in the form of outsourcing opportunity in engines an expanding Eicher's footprint in heavy-duty CVS.
- VECV has exclusive rights for all Volvo's (current and future) CV related projects/products in India.

Source: Bloomberg/MOAMC. Both Eicher Motors and CNX Midcap Indexed to 10

The given stock is a part of portfolio of a model client of NTDOP Strategy as on 28th February 2015. The stock forming part of the existing portfolio under NTDOP Strategy may or may not be bought for new client. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

Key Holdings- Bosch Limited



Source: Bloomberg/MOAMC. Both Bosch and CNX Midcap Indexed to 10

- Motor Industries Company (BOSCH), the flagship company of the Bosch group in India, is the country's largest manufacturer of diesel fuel injection equipment.
- BOSCH is a preferred supplier to most OEMs, currently enjoying around 65% market share in spark plugs and more than 85% market share in diesel fuel injection pumps.
- With a Rise in petrol prices in India, Penetration of diesel engines in the passenger car segment has increased in the last couple of years.
- Further, greater visibility on newer growth opportunities is emerging for the company, following its investments in new and innovative technologies such as CRS and gasoline systems.

The given stock is a part of portfolio of a model client of NTDOP Strategy as on 28th February 2015. The stock forming part of the existing portfolio under NTDOP Strategy may or may not be bought for new client. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.



Mr. Raamdeo Agrawal

- **Mr. Raamdeo Agrawal** is a Co-founder and Joint Managing Director of Motilal Oswal Financial Services Ltd.
- He is also a Director on the Board of Motilal Oswal Asset Management Co. Ltd.
- He is the key driving force behind strong research capability as well as a renowned Value investor, and has also been instrumental in setting up the investment management philosophy of the firm.
- He has an extensive experience of more than 25 years in Financial Service Sector.
- He is an Associate of Institute of Chartered Accountant of India.
- One of India's foremost Value Investors and author of the 'Wealth creation Study since its inception in 1996.
- In 1986, he wrote the book Corporate Numbers Game, along with co-author Mr. Ram K Piparia.

Fund Manager & Head Equity PMS



- ▶ **Mr. Manish Sonthalia**, is a Senior Vice President and Head - Equity PMS
- ▶ He has more than 17 Years Experience in Equity Research, Fund Management & Equity Sales.
- ▶ Qualifications – FCA, ICWAI, CS, MBA
- ▶ Past Experience : He has been Vice President – Equity Strategy at Motilal Oswal Securities Ltd.
- ▶ Fund Manager with PMS since 2006

Fund Structure

Mode of payment	By Fund Transfer/Cheque and/or Stock Transfer
Investment Horizon	Medium to Long Term (3 Years +)
Benchmark	CNX Mid Cap Index
Account Activation	Next business day of Clearance of funds
Portfolio Valuation	Closing NSE market prices of the previous day
Operations	<ul style="list-style-type: none">- Investments managed on individual basis- Third party Custodian for funds and securities
Reporting	<ul style="list-style-type: none">- Monthly Performance Statement- Transaction, Holding & Corporate Action Reports- Annual CA certified statement of the Account
Servicing	<ul style="list-style-type: none">- Dedicated Relationship Manager- Web access for portfolio tracking

Risk Analysis – By Morning Star

The NTDOP strategy has outperformed the benchmark with a lower level of volatility and has managed to deliver strong returns while offering defensive characteristics, reducing losses during periods of market downturn but participating in the upside.

5 Years Data	Portfolio	Benchmark*
Beta	0.67	1.00
R2	69.19	100.00
Up Capture Ratio	85.78	100.00
Down Capture Ratio	49.92	100.00
Sharpe Ratio	0.77	0.30
Standard Deviation	16.96	20.91

Source : Motilal Oswal AMC/Morningstar Direct, Data as on 31/12/2014, returns annualized using model strategy *CNX Nifty Index

©2012 Morningstar, Inc. All rights reserved. The data and analyses provided herein do not constitute investment advice offered by Morningstar and are provided only for informational purposes. It should not be construed as an offer or the solicitation of an offer, to buy or sell securities. Morningstar is not responsible for any error or omission in the data. Past performance may or may not be sustained in future.

Disclaimer

Disclaimer: This presentation has been prepared and issued on the basis of internal data, publicly available information and other sources believed to be reliable. The information contained in this document is for general purposes only and not a complete disclosure of every material fact and terms and conditions. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions, figures, charts/graphs, estimates and data included in this presentation are as on date and are subject to change without notice. While utmost care has been exercised while preparing this document, Motilal Oswal Asset Management Company Limited does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Readers shall be fully responsible /liable for any decision taken on the basis of this presentation. No part of this document may be duplicated in whole or in part in any form and/or redistributed without prior written consent of the Motilal Oswal Asset Management Company Limited. Readers should before investing in the Scheme make their own investigation and seek appropriate professional advice. • Investments in Securities are subject to market and other risks and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services will be achieved. • Clients under Portfolio Management Services are not being offered any guaranteed/assured returns. • Past performance of the Portfolio Manager does not indicate the future performance of any of the strategies. • The name of the Strategies do not in any manner indicate their prospects or return. • The investments may not be suited to all categories of investors. • The material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. • Neither Motilal Oswal Asset Management Company Ltd. (MOAMC), nor any person connected with it, accepts any liability arising from the use of this material. The recipient of this material should rely on their investigations and take their own professional advice. • Opinions, if any, expressed are our opinions as of the date of appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so. • The Portfolio Manager is not responsible for any loss or shortfall resulting from the operation of the strategy. • Recipient shall understand that the aforementioned statements cannot disclose all the risks and characteristics. The recipient is requested to take into consideration all the risk factors including their financial condition, suitability to risk return, etc. and take professional advice before investing. As with any investment in securities, the Value of the portfolio under management may go up or down depending on the various factors and forces affecting the capital market. Disclosure Document shall be obtained and read carefully before executing the PMS agreement. • Prospective investors and others are cautioned that any forward - looking statements are not predictions and may be subject to change without notice. • For tax consequences, each investor is advised to consult his / her own professional tax advisor. • This document is not for public distribution and has been furnished solely for information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions. No part of this material may be duplicated in any form and/or redistributed without 'MOAMCs prior written consent. • Distribution Restrictions – This material should not be circulated in countries where restrictions exist on soliciting business from potential clients residing in such countries. Recipients of this material should inform themselves about and observe any such restrictions. Recipients shall be solely liable for any liability incurred by them in this regard and will indemnify MOAMC for any liability it may incur in this respect. The PMS business has been transferred from MOSL to MOAMC and the certificate of registration has been endorsed by SEBI to MOAMC w.e.f. October 21, 2010

Custodian: IL&FS Securities Services Ltd | **Auditor:** M/s Morzaria & Associates | **Depository:** Central Depository Services Ltd
Portfolio Manager: Motilal Oswal Asset Management Company Ltd. (MOAMC) | **SEBI Registration No. :** INP 00000670

Call: 022 39804238

E-mail: moamc.customercare@motilalosal.com

Website: www.motilalosal.com/Asset-Management

