

Investor Presentation



ALFAccurate Advisors

Protect Capital, Create Wealth



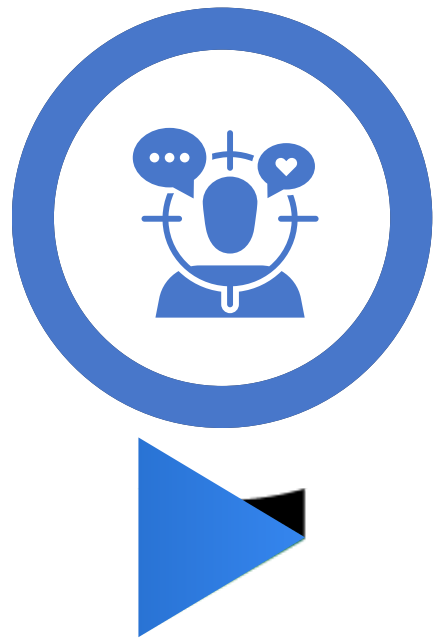
AAA Digital India Strategy

Oct 2023

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Why AAA Investment Advisory?



Advise In Your Interest
When you do better,
we do better.



**Disciplined & Active
Investment Management**
Not just stock pickers but
active portfolio managers
centered on your long-
term goals



Transparency
Full transparency in
investment decisions to
ensure you sleep
peacefully at night.



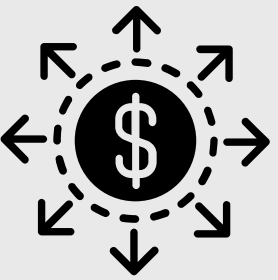
**Award Winning
Track Record**
We have a proven
track record of
investment in
companies yielding
multibagger returns.

Investment Philosophy

Protecting Capital - DSD Mechanism

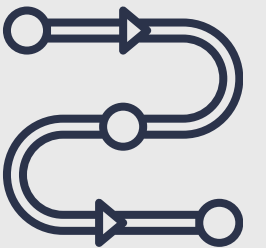
DIVERSIFICATION

Three important risks : Governance, Technology and Business cycle - can be reduced only by Diversification. We invest across market cap, sectors, and companies to reduce company/sector specific risk.



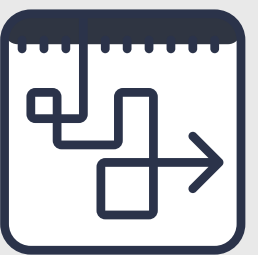
STAGGERED APPROACH

We build the portfolio over a period of time. We do not follow Model portfolio approach.



DISCIPLINED EXIT STRATEGY

We have a disciplined Exit strategy. We sell/reduce due to rebalancing of the portfolio, change in growth assumption of our portfolio company, expensive valuations.



Investment Philosophy

Creating Wealth - 3M Approach

01

Market Size

Market size determines size of opportunity. We prefer companies which are targeting large market size to generate exponential returns.

Market Share

We buy the companies which are leaders in their sector as they are best positioned to navigate upturn and downturn of the economy.

02

03

Margin Of Safety

Price is what you pay. Value is what you get. We buy the companies which are available at reasonable valuations.

The Team



Rajesh Kothari

Founder & Managing Director

29
years



Govind Agrawal

Director

29
years



Amar Mourya

Fund Manager

16
years



Sandeep Biyani

Head of Sales & Business
Development

19
years



Rajesh Kothari

Founder &
Managing Director

CWA, MBA

The Team

About

- Rich experience of more than 29 years in Indian capital market with expertise in both Long Only & Long Short investment strategy
- Former Director with Voyager Investment Advisors (US\$500m) – USA based India dedicated fund. During his tenure, fund Outperformed the benchmark indices significantly
- Former Fund Manager with DSP Merrill Lynch Fund Managers (DSP MF) for more than four years. The schemes delivered annualized return of 55% (Equity Fund) & 62% (Top100 Fund) outperforming benchmark indices by more than 20% & 10% respectively. The equity schemes maintained its “1st Quartile Ranking” consistently during his tenure

Achievements

- Received CMA Young Achiever Award 2014
- Rated as “Platinum Fund Manager” by Economic Times for DSP ML Equity Fund on a risk-adjusted return basis (Jul 2006)
- Received CNBC TV18 - CRISIL Mutual Fund of the Year Award 2006 for DSPML Equity Fund and Lipper India Fund Awards 2006 for best equity fund group for 3 years
- Invited at Maharashtra Economic Summit to present views on Indian Infrastructure
- Invited by Institute of Directors to present views on Governance Deficit
- Actively involved with Arham Yuva Group - philanthropic initiative



Govind Agrawal

Director

CA, LLB

The Team

About

- ▶ Rich experience of 29 years in Indian capital market
- ▶ Former Fund Manager with Reliance Capital Asset Management Company (USD 20bn) for over four years. Reliance Emergent India Fund (USD 100m offshore fund) outperformed benchmark indices by 35% since its inception. Played instrumental role in setting up Macro Economic Research desk
- ▶ Former Executive Director with UBS Securities India Pvt Ltd for 4 years as India Account Manager for large FIIs and guided the portfolio managers for right country, sectors and stocks allocation. Former Senior VP – Equity Sales with Motilal Oswal Securities Ltd for 10 years. Played key role in establishing institutional equity broking business, systems and processes

Achievements

- ▶ Represented Reliance AMC on international platforms and panel discussion on Emerging Markets and Indian Equity Market
- ▶ Addressed investors' meet and the private banking teams of large banks in Middle East, Asia, London, Europe and in India
- ▶ At UBS, was voted as the "Best Equity Sales Person-Mega Funds category, Asia Money 2006"
- ▶ Won several awards at Motilal Oswal for consistently contributing to Institutional Equity Sales



Amar Mourya

Fund Manager,
Investment
Advisory

MBA

The Team

About

- Amar Mourya has over Sixteen years of experience in equities in India and US markets. In these many years, he covered many sectors like IT, Telecom, FMCG, Real-Estate, Agro-Chemicals, Specialty Chemicals, Semiconductors, US Internet Companies, Defense and Diversified Mid-caps.
- Before joining AAA, he spent significant time as an Equity Research Analyst at Emkay Global, IndiaNivesh Securities, and BOE Research - USA based Equity Research Firm.
- He has been a well-established stock-picker and sell-side analyst in various investor surveys like Institutional Investor and Asiamoney.
- Amar holds an MBA degree from Lala Lajpatrai Institute of Management, Mumbai.

AAA Digital India Features



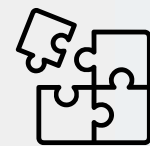
Portfolio Overview

AAA Digital India Portfolio is a portfolio of 10-15 companies which are market leaders with strong corporate governance and high growth potential with investment horizon of 3-5 years.



Portfolio Strategy

- India is one of the largest and fastest-growing markets for digital consumers & enterprises.
- The digital economy is expected to contribute 18-20% of GDP by FY25 compared with ~8% in FY18.
- AAA Digital India Portfolio aims to capitalise on robust digital ecosystem and faster digital adoption by focusing on companies leading the change.



Portfolio Marketcap

Multicap



Minimum Investment Amount

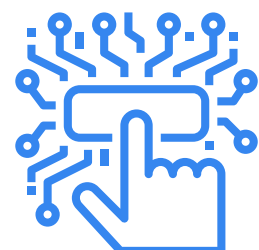
Rs. 2,00,000

Digital India Investments



Robust Digital Ecosystem

India has 1.4 billion mobile phone subscriptions and more than 26.69 billion apps downloads in 2022.



Faster Digital Adoption

Indian mobile data users consume 17 gigabytes (GB) of data each month on average (Aug22) compared with 7.6 GB for mobile users in China.



Creation of Opportunities Across Sectors

Digital economy is expected to contribute 18-23% of GDP by FY25 compared with ~8% in FY22.

AAA Digital India Portfolio

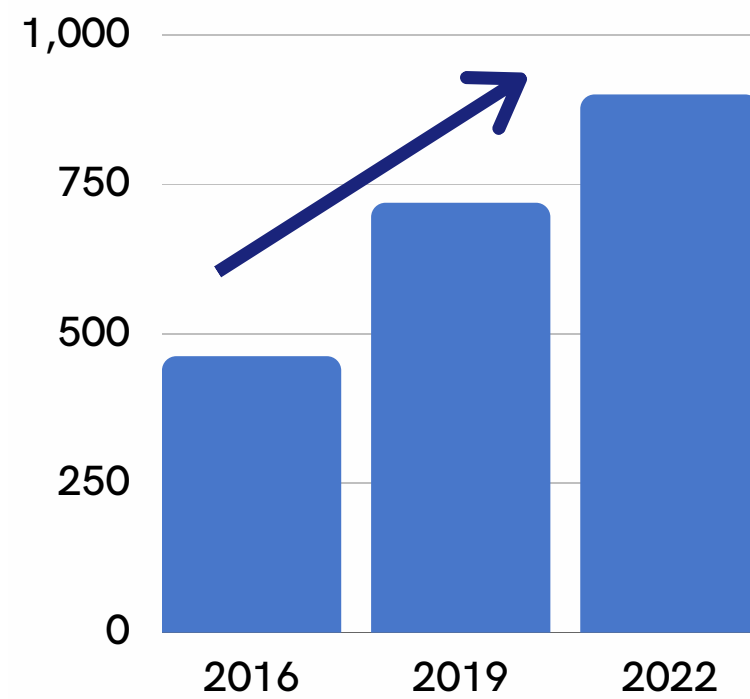
A curated portfolio of 10-15 companies which are likely to be big beneficiaries of digitalization of India.

Robust Digital Ecosystem



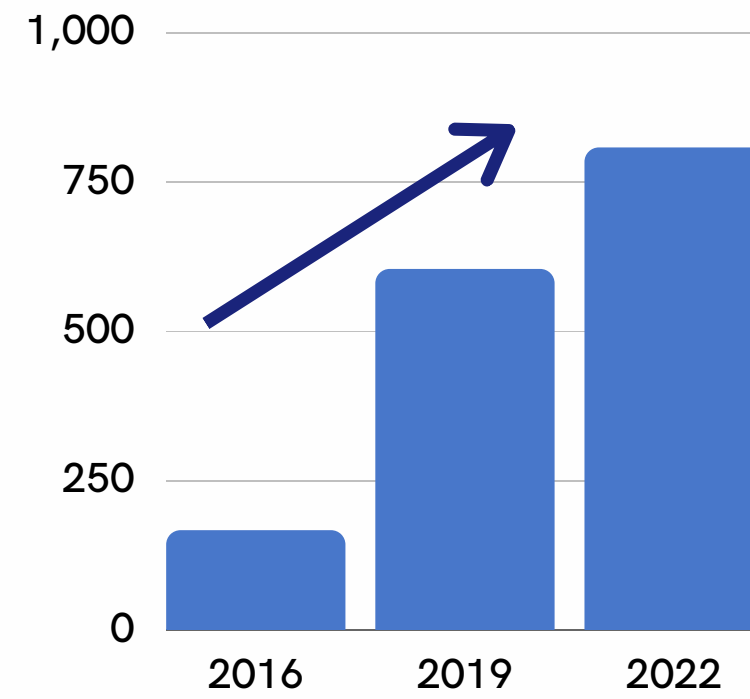
INDIA INTERNET SUBSCRIBERS

900 Million



INDIA BROADBAND SUBSCRIBERS

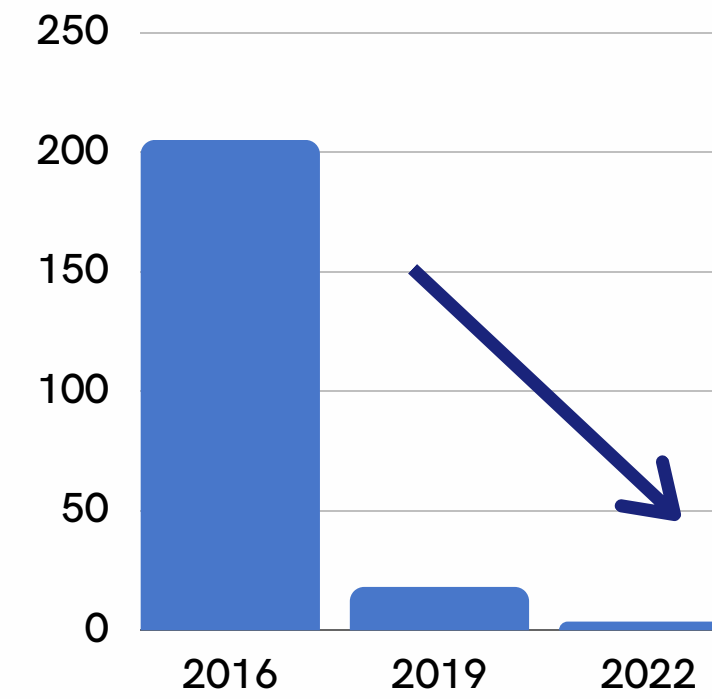
807 Million



INDIA COST OF DATA

Rs 3.5/GB

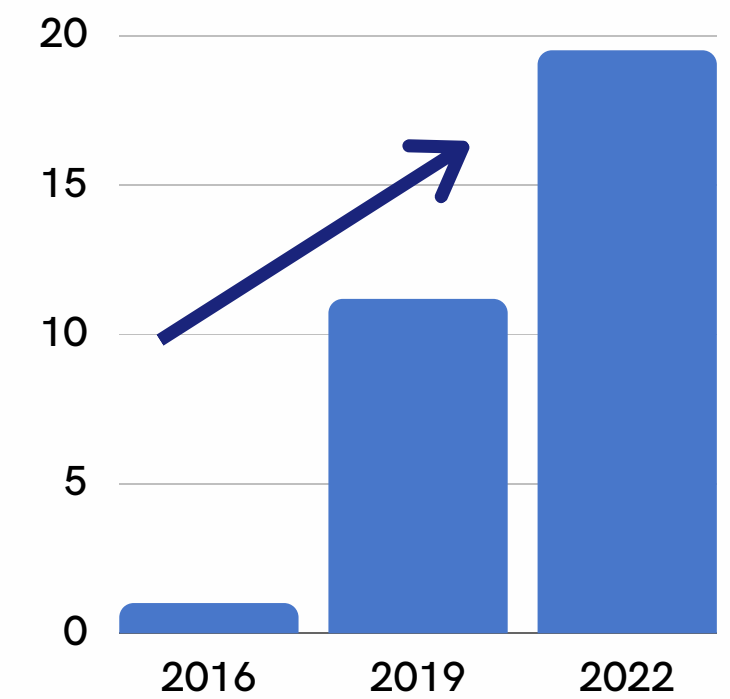
Cheapest in the world



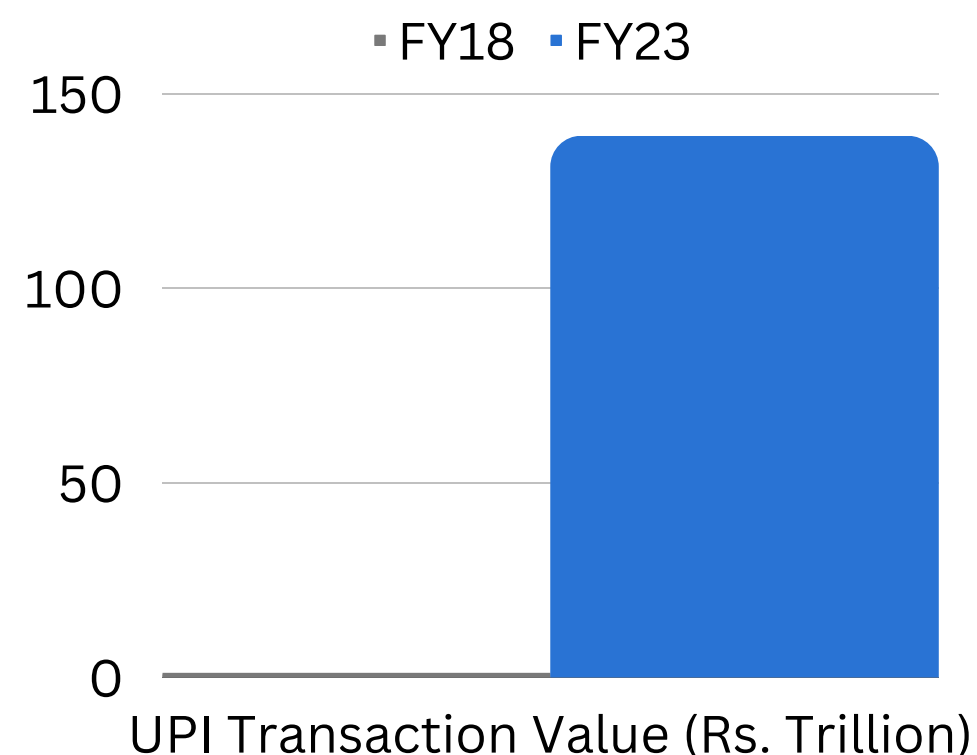
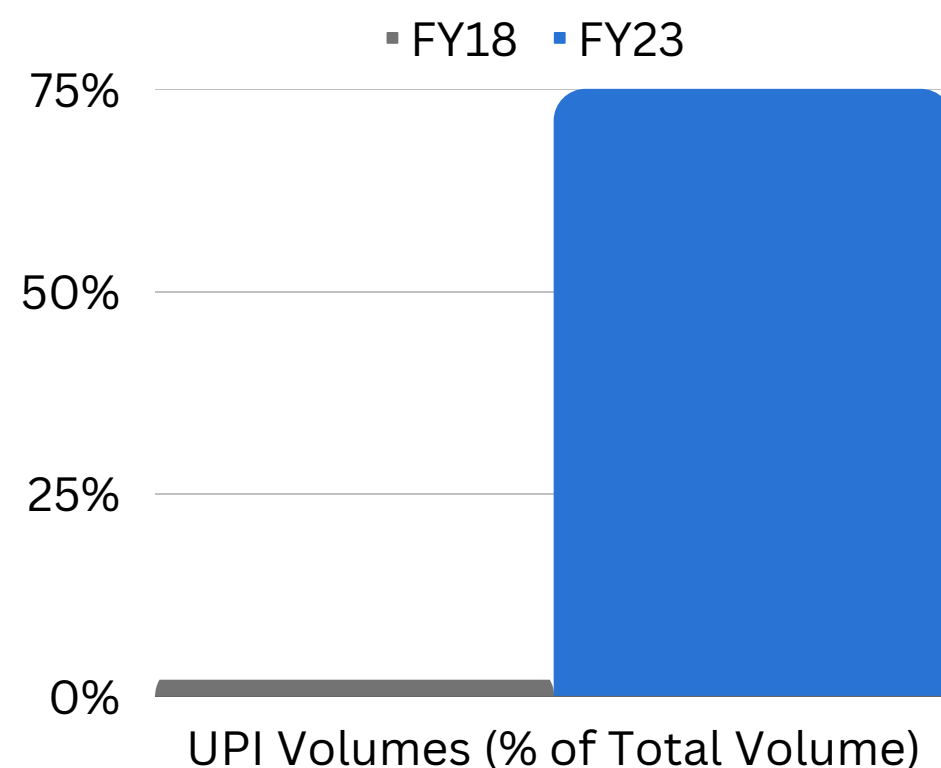
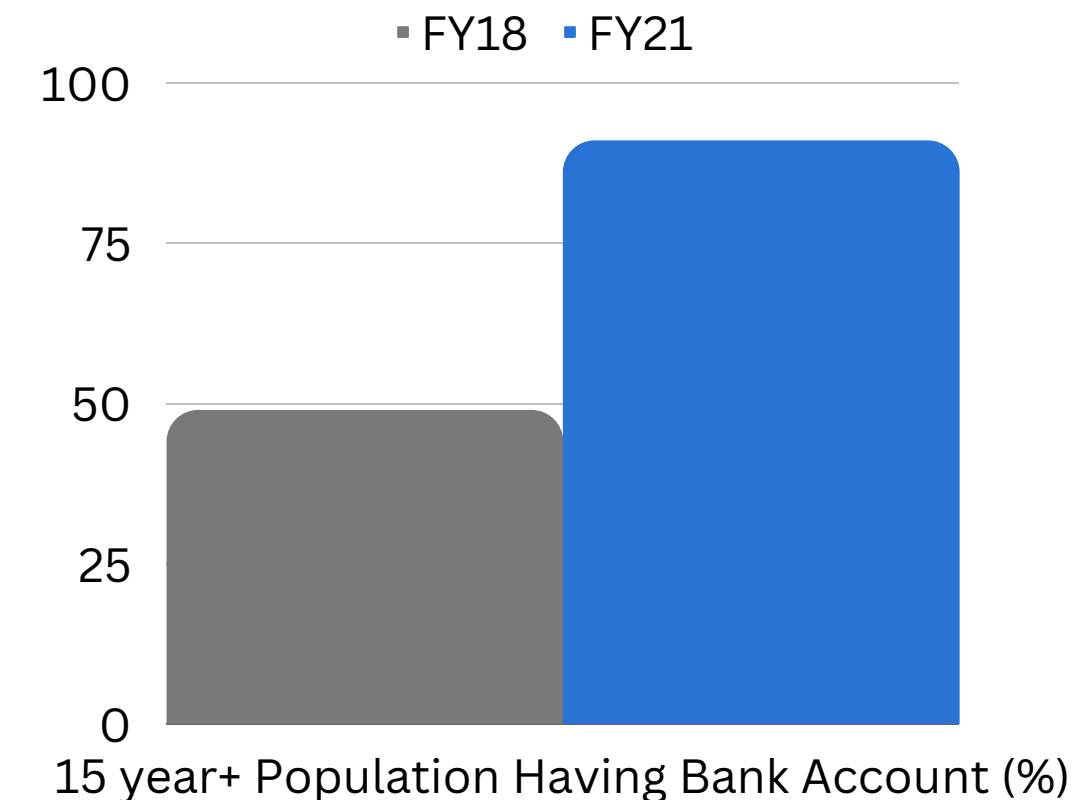
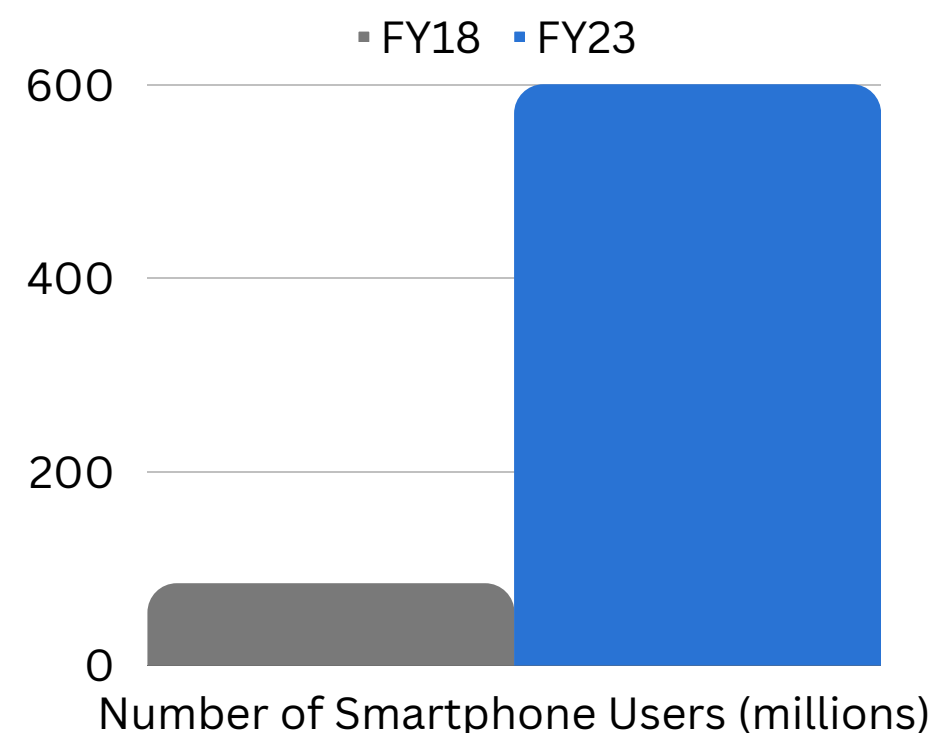
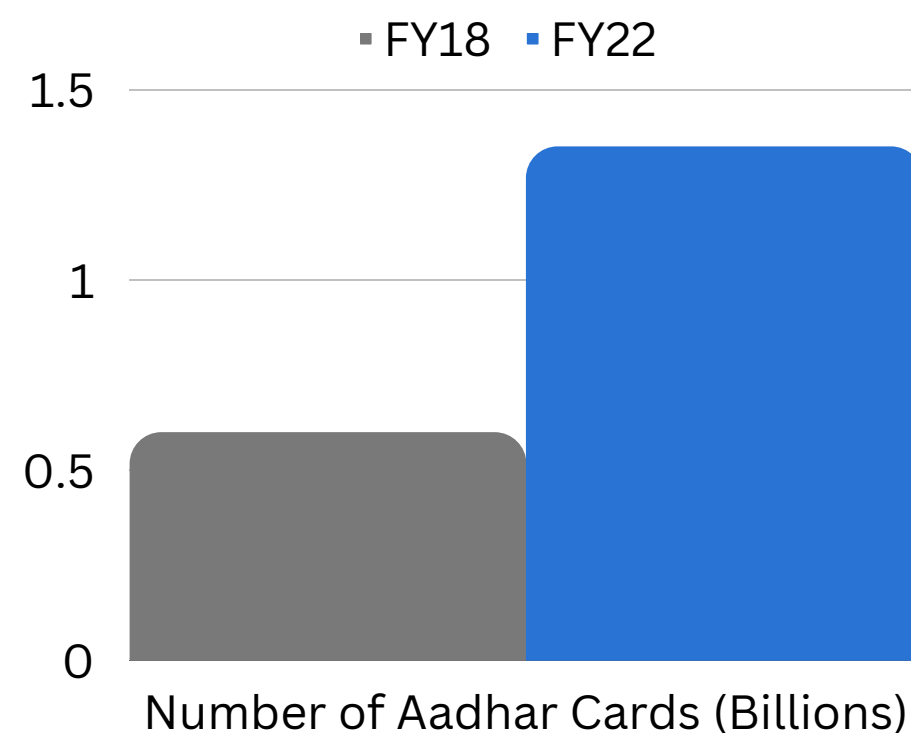
INDIA DATA USAGE

Per subscriber/month (GB)

17 GB



India's Digital Leverage



“India is therefore anticipated to have an unrivaled digital infrastructure, which would lead to the best possible use of future improvements and faster growth.”

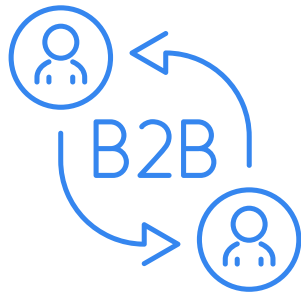
India's Digital Leverage

OCEN

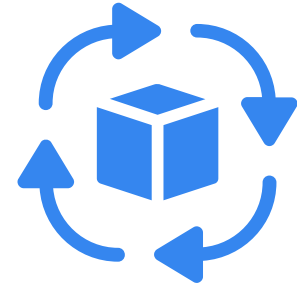


ALFACCURATE ADVISORS

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B2B Commerce



Supply Chain
Financiers



Social Networks



Payment
Gateways



Tax & Legal
Filing Apps



Kirana Tech



Accounting App
Companies



Neobanks



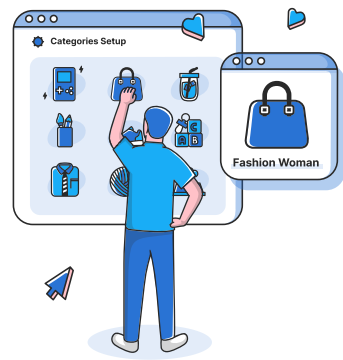
Loan-Selection
Platforms



Agri-tech

More than 30 consumer-facing entities are now transforming into Lending Service Providers.

Faster Digital Adoption



\$49 Bn

E-Tail Gross merchandise value (Aug22).

37%

Growth during last 12months.

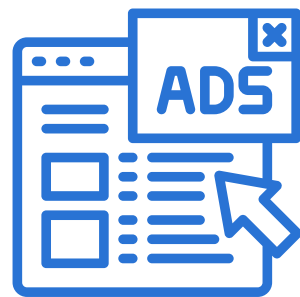


112Mn

POS Terminals installed as of Aug22.

3.9x

Growth in installed base of POS terminals since demonetisation.

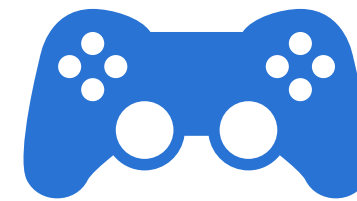


45%

Share of Digital Ad-Spends in overall Ad-Spends (Feb22).

34.9%

Last 10 year CAGR of Digital Ad-Spends.



\$196Bn

Online Gaming market size (Aug22).

11.7%

Expected CAGR in next 4 years.



20%

Market Share of Discount Brokers, as compared to almost 0% in 2014.



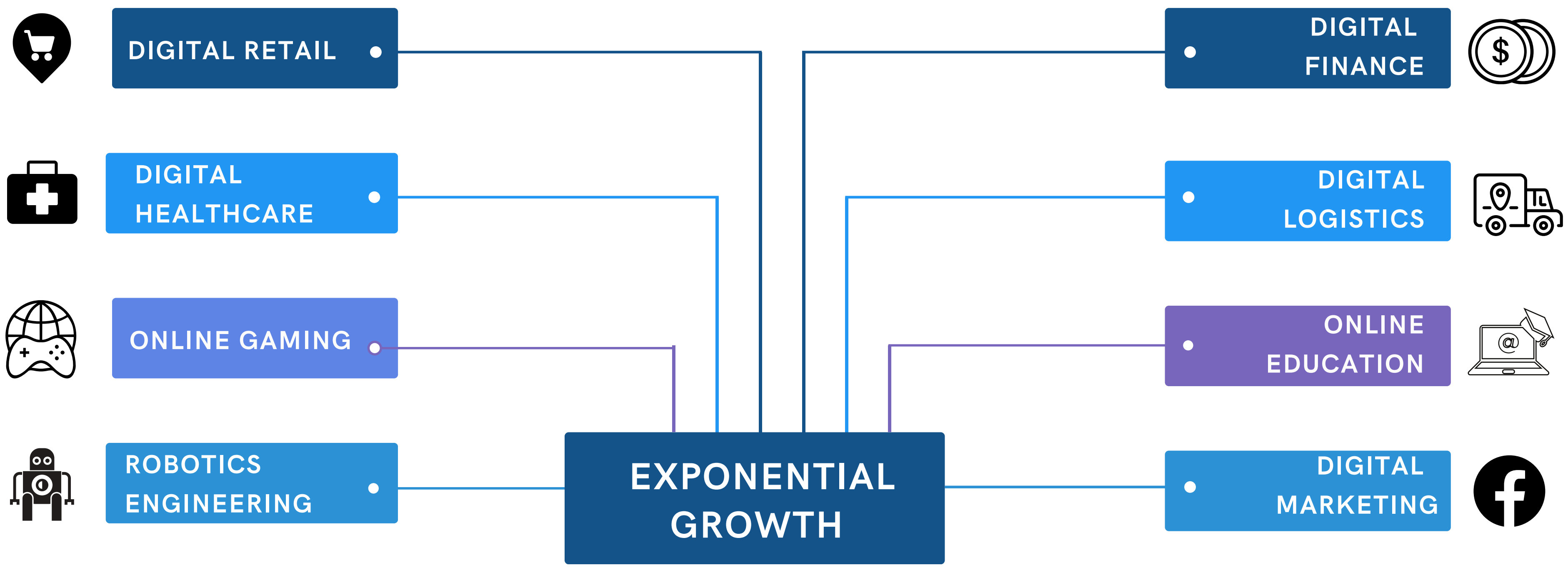
\$0.3Bn

Indian E-Pharmacy market size

21.2%

Estimated CAGR in next 5 years.

Creation Opportunities Across Sectors



Case Study 1: Digital Retail

Indian retail is undergoing a rapid digital transformation propelled by - online buying/selling, store and inventory management, digital marketing etc. The e-commerce market size is expected to increase 4x from from USD26bn in FY21 to USD110bn in FY25.

FROM OFFLINE DISCOVERY

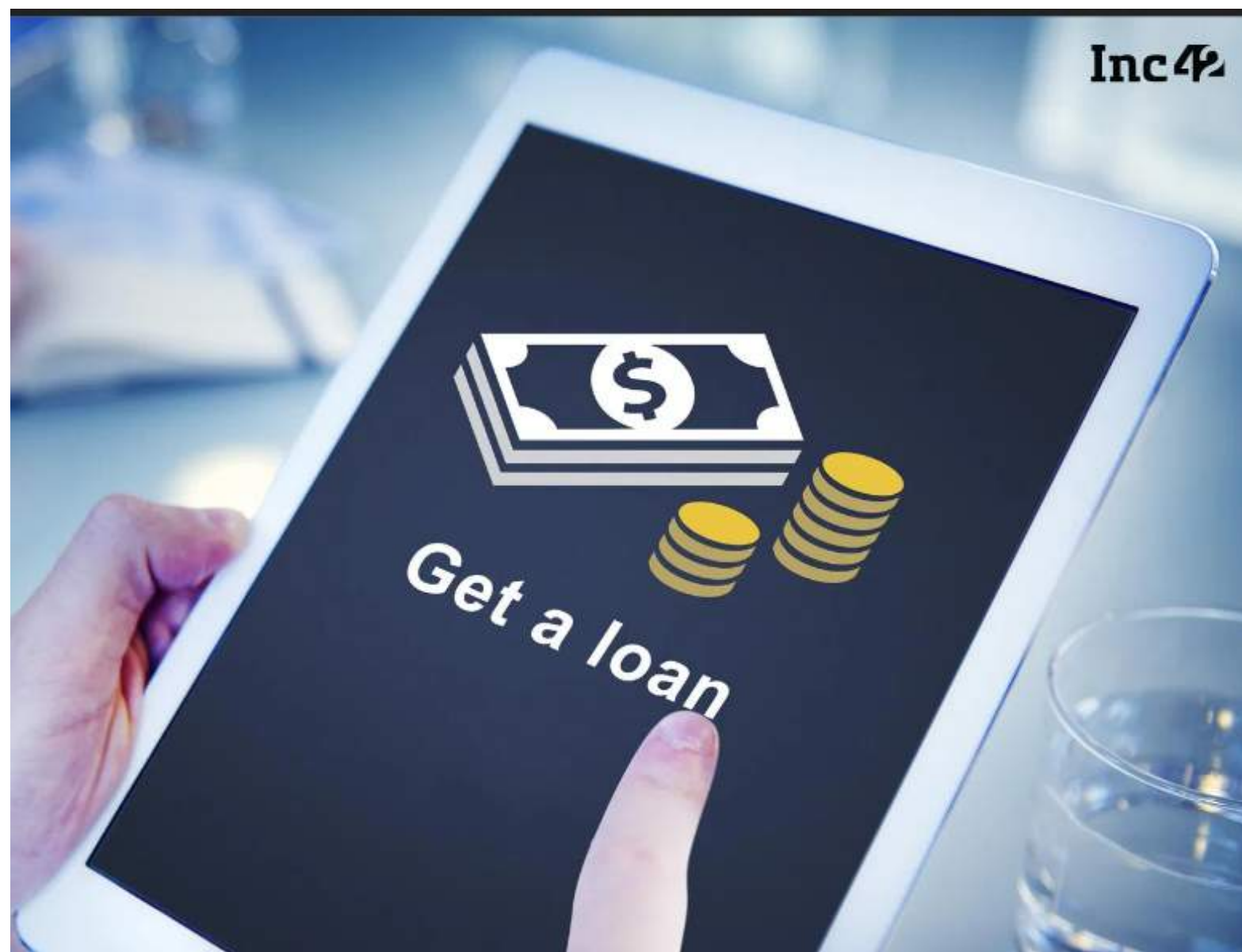


TO ONLINE ANYTIME + ANYWHERE



Case Study 2: Digital Finance

Digital lending in India increased by 12 times in last 7 years to USD120 billion.



Source: PWC report

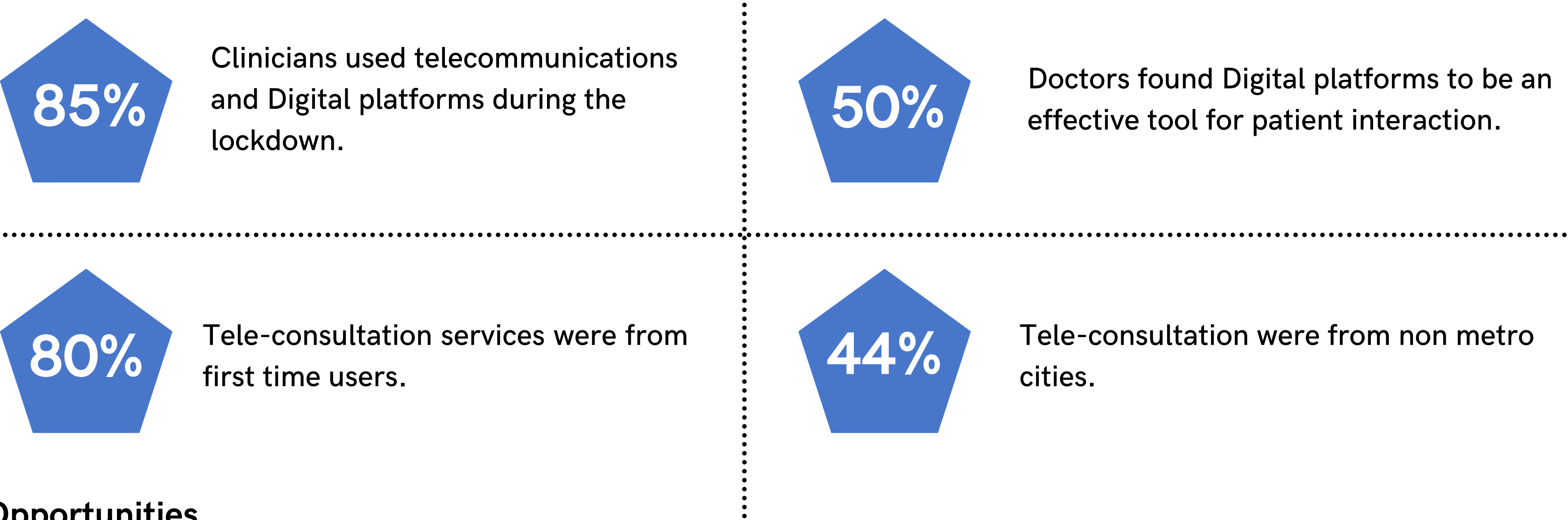
~39% of total transactions in India presently are in digital mode compared to less than ~3% in 2012.



Source: The Hindu business line Article

Case Study 3: Digital Healthcare

BCG Survey Results



Opportunities



Tele-consultation



Remote care Assistance



Diagnostic Labs

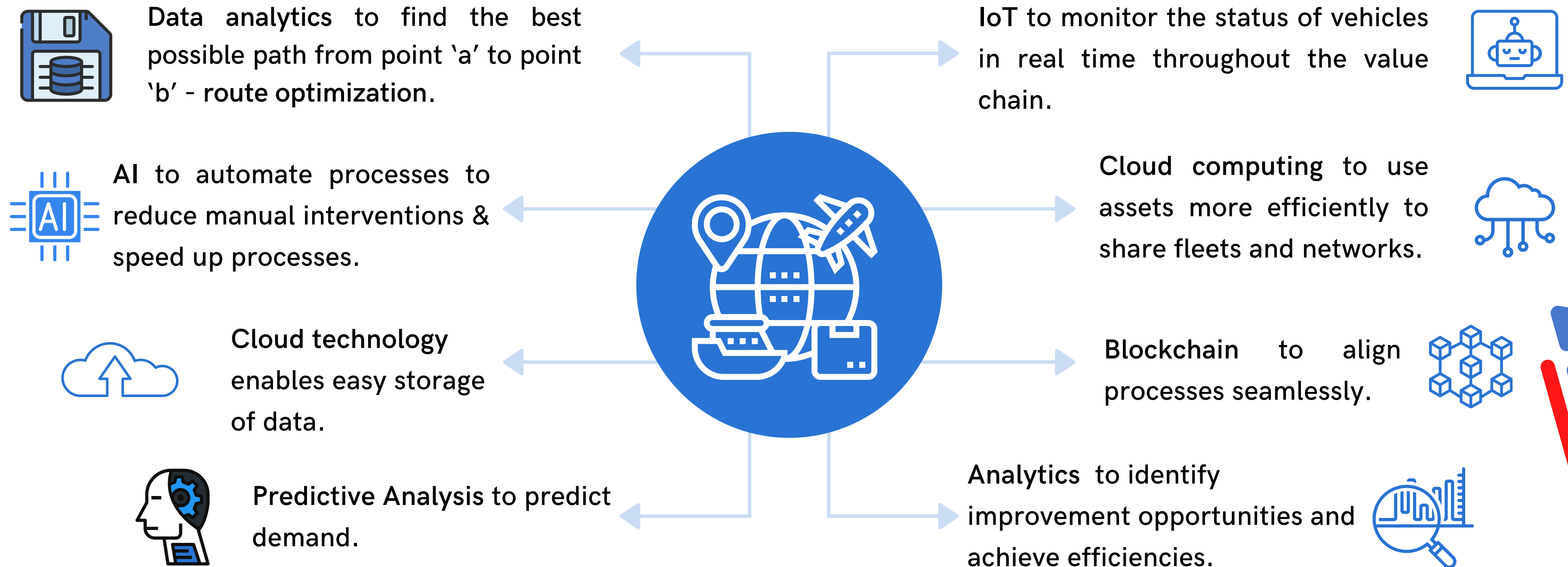


E-pharmacy

Source: BCG report

Case Study 4: Digital Logistics

**Digital transformation of the logistics result in higher system efficiency and better asset utilization
which can reduce logistics cost by 15 to 25 percent**



Digital drives India Unicorns

2010 make  trip

2011 inmobi

2012 Flipkart 

2013 Justdial  
Mu Sigma

2014 naukri.com 

2015 OLA 

2016 paytm  hike  SHOPCLUES

The combined revenue of 100 unicorns is ~US\$34 bn in FY20, ~1.2% of GDP and that is estimated to increase to 5.3% of GDP in FY25.

Many of these firms are driven by DIGITAL across fintech, discretionary, SaaS segments.

2017 BYJU'S  The Learning App 

2018 OYO   udaan  SWIGGY  policybazaar  freshworks
zomato  BiiDesk  PhonePe

2019 big basket   DRUMII  BLACKBUCK  DELHIVERY  OLA ELECTRIC
druva  icertis  CitiusTech  RIVIGO  lenskart.com

2020 POSTMAN  Pine Labs  unacademy  NYKAA  ZERODHA  PharmEasy
Razorpay  zenoti  glance  dailyhunt  firstcry  CARS24

AAA's Way to Build Resilient Portfolios

Market
Leadership



Large
Profit Size



Low
Leverage



Strong
Earnings
Growth



Attractive
Valuations



**AAA Digital
India Portfolio**

What We Look For In The Company



GREAT MANAGEMENT

We seek companies that are led by a competent management team, that are best-of-breed within their sector and have some defensible characteristics—i.e. patents, infrastructure, cost competitiveness, brand, etc. They have focused approach with efficient capital allocation.



BUSINESS MOAT

We invest in companies that have built strong business moat - patents, infrastructure, cost competitiveness.



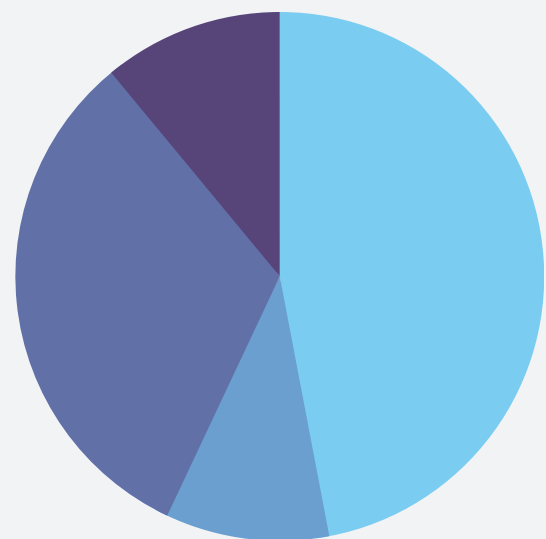
GROWTH POTENTIAL

We invest in companies that will capitalise from emerging business opportunities, and hence, they are expected to grow faster than the underlying economy. The faster earnings growth is key to our investments.

Sectoral and Stocks Allocation



Multicap



Large Cap	: 47%
Mid Cap	: 10%
Small Cap	: 32%
Cash	: 11%



Sectoral Allocation

Software platform	: 24%
Banking & Finance	: 22%
Information Tech.	: 16%
Engineering	: 13%
Telecom	: 9%
Other	: 4%

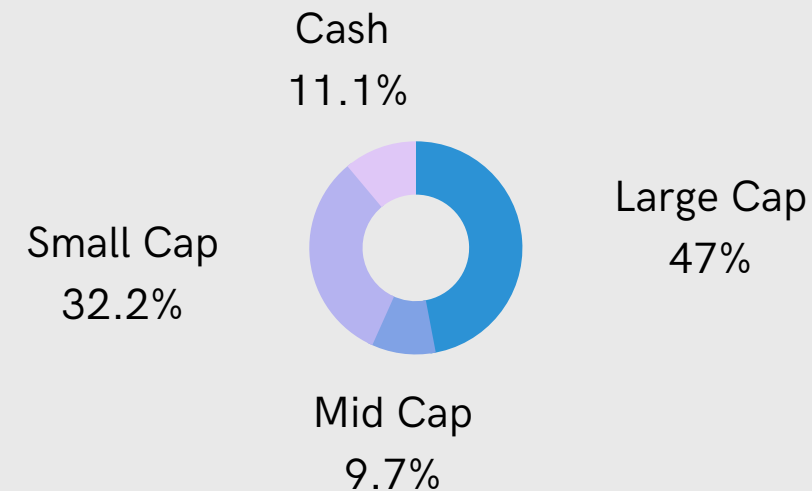


Top 5 Holdings

- 1) ABB India
- 2) CE Infosystems
- 3) Infosys
- 4) ICICI Bank
- 5) Cholamandalam Inv

AAA Digital India Characteristics

Market cap

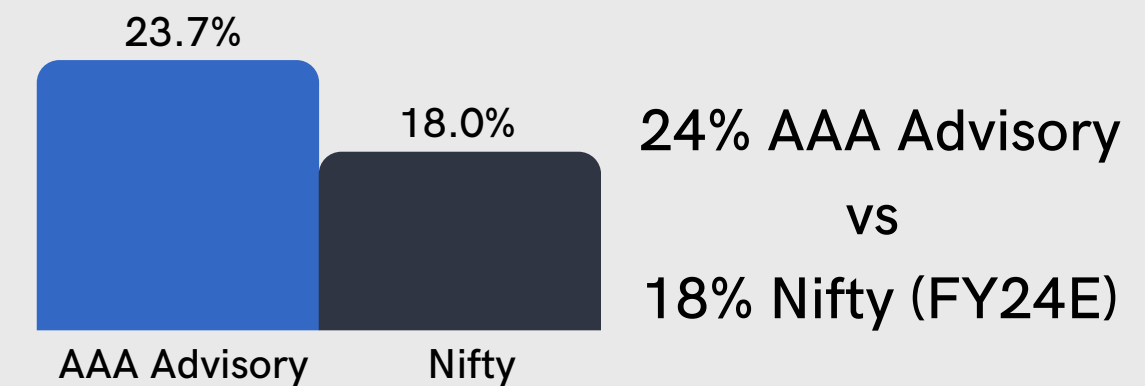


Large Profit Size



81.2% of portfolio companies Rs.50cr+ NP
81.2% above Rs.100cr+)

Strong Earnings Growth



Sectoral Leaders



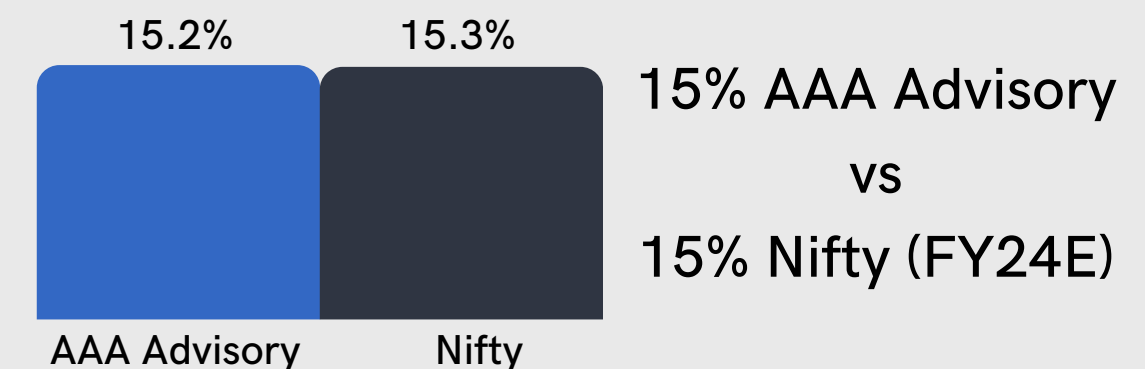
3M stock selection approach

Cash-rich Balance Sheet



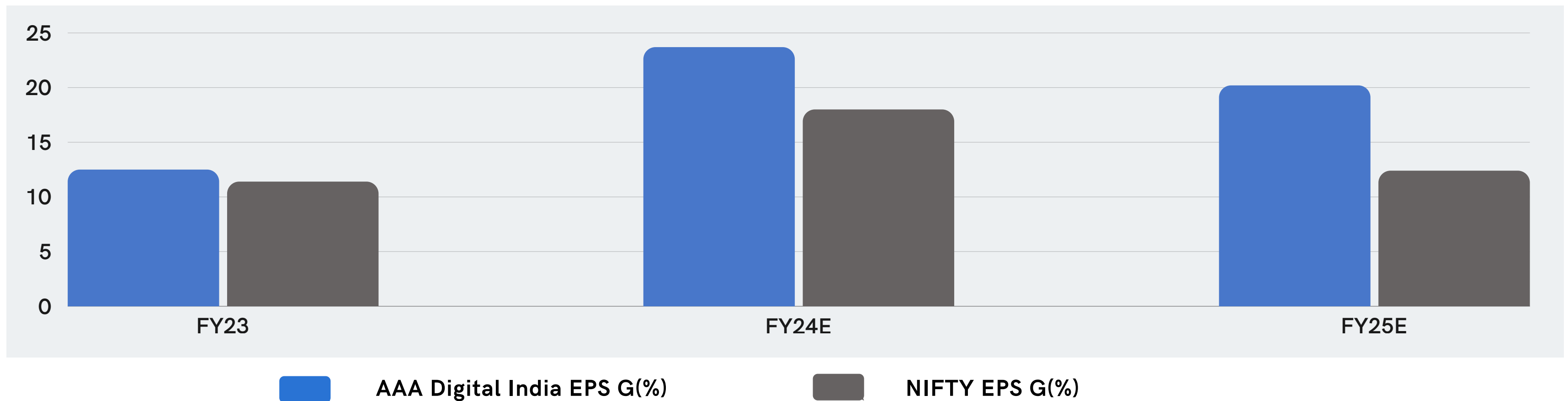
- 77.6% of portfolio cos have zero net debt
- 15.2% of portfolio cos have a D/E <1x

Healthy ROE



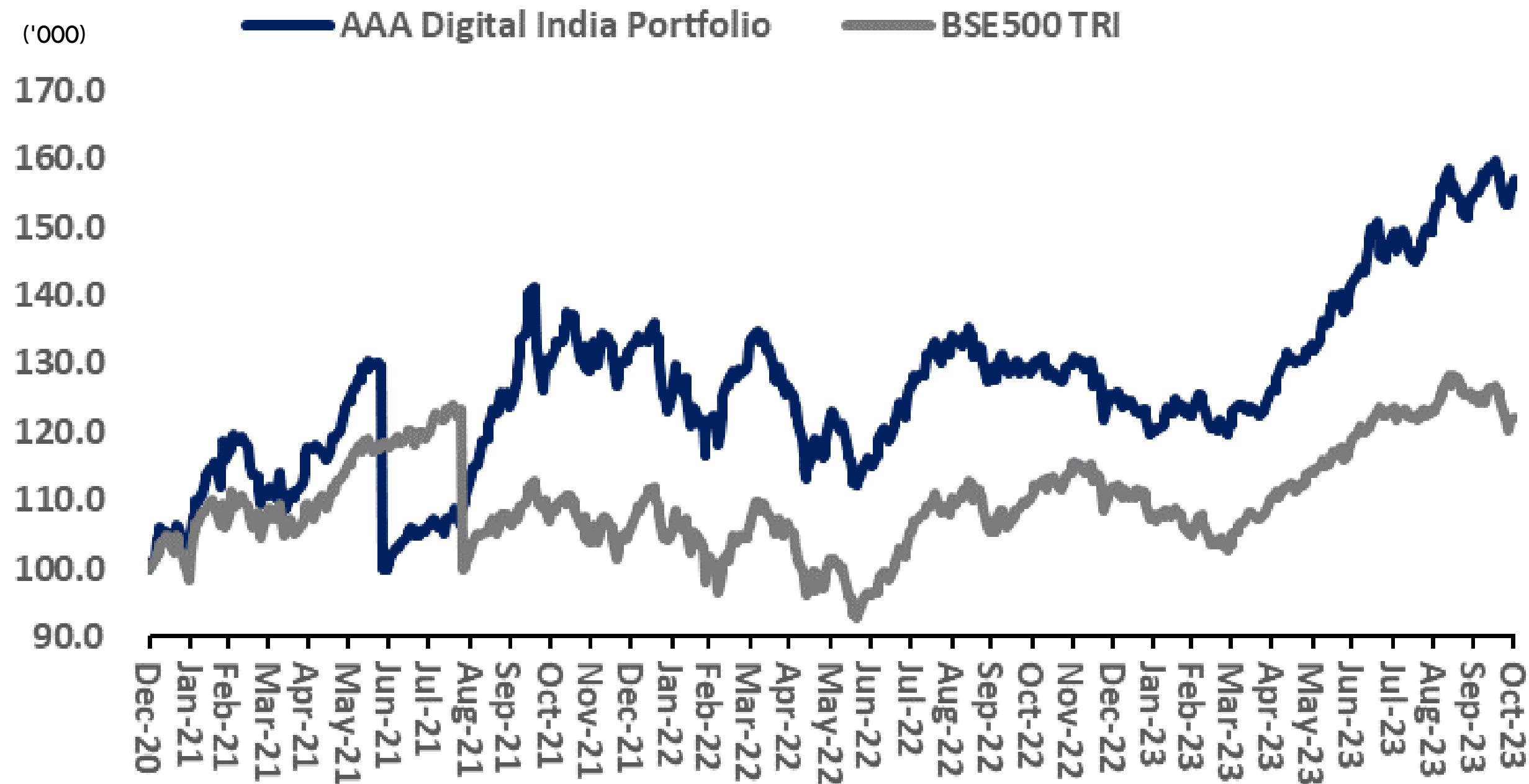
Superior Earnings Growth

Earnings Matrix	Nifty FY23	AAA Digital India FY23	Nifty FY24E	AAA Digital India FY24E	Nifty FY25E	AAA Digital India FY25E
EPS G(%)	11.4%	12.5%	18.0%	23.7%	12.4%	20.2%
ROE(%)	14.4%	14.0%	15.3%	15.2%	15.5%	16.3%



AAA Digital India Performance

GROWTH OF Rs. 100,000



*Performance from 25 June 2021 to 31 Oct 2023.

Note: Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Performance related information provided herein is not verified by SEBI.

AAA Digital India Performance

Particulars (%)	1M	3M	6M	1 Year	2 Years	Since Inception*
AAA Digital India	0.9	4.5	24.0	20.5	9.6	20.9
BSE 500 TRI	(2.9)	(1.4)	10.9	9.6	6.7	10.8

*Performance from 25 June 2021 to 31 Oct 2023.

Note: Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Performance related information provided herein is not verified by SEBI.

AAA Holdings on the Digital Forefront



- 65.6% - Mobile & Internet Transactions
- First Bank in Asia to launch Facebook and Twitter Banking
- First Bank in India to provide mobile remittance service
- First Bank in India to launch 24x7 fully automated branches



- 87% - Customers registered on app
- 57% - Active customers on app
- 88% - Service Requests raised on app
- 94% - non-cash collections, i.e., digital collections



- 40% - Process Automation
- Asset Light Model - 0 NWC
- Continuous Innovation - Consistent increase in R & D
- 45% - Digitized After Sales Services

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