

AAA GEMS Fund

An Open Ended Category III Alternative Investment Fund

Growth Equity Mid & Small Cap Strategy

Unlocking Opportunities in India's Mid &
Small Cap Universe

Offered Only To Indian Resident Investors

Strictly Private & Confidential

Mid & Small Cap Universe: A Structural Opportunity

Market Universe

1000+

Listed companies in mid and small cap universe, makes it India's largest alpha hunting ground

Market Capitalization

₹166 Tr (USD 1.86 Tn)

Combined market cap of mid and small cap segment

Winner Density

2-3x

Winners are almost 2x more frequent in mid and small caps than in large caps

Analyst Coverage Gap

60%+

Percentage of mid/small caps with minimal institutional research

India's mid and small cap universe offers a compelling opportunity for active, research driven investors willing to look beyond the large cap consensus.

The New Mid & Small Cap Profile

	Mid Cap	Small Cap	Remarks
Avg Weighted Mcap	₹ 598 bn	₹ 167 bn	100% of companies have a market cap ₹ 5000 crs+
Median Net Profit (Exc BFSI)	₹ 10.5 bn	₹ 3.8 bn	57% of cos Net Profit ₹ 500 crs+ ~93% of cos Net Profit ₹ 100 crs+
Median ROE (Exc BFSI)	15%	13%	~45% of cos with ROE 15%+
Median Net D/E (Exc BFSI)	-0.11	-0.08	95% of cos with Net D/E < 1
Median OCF/OP (Exc BFSI)	76%	77%	69% of cos with OCF/OP 60%+

Mid and Small cap has witnessed significant increase in Net profit size and Improved financial resilience.

Why AAA GEMS Fund?

Category III, Open ended (No Lock-in period), Weekly NAV.



Access to Market Leaders

Aims for mid and small cap exposure to ~30 market leaders across sectors.



Disciplined Portfolio Construction & Risk Management

Concentrated yet balanced portfolio with clear entry, sizing, and exit discipline.



High Growth Potential

Significant growth opportunities for mid and small cap companies lead to superior returns.



Selective Pre-IPO Opportunities

Access to carefully curated late stage businesses with clear visibility to listing.



Grounded In Research

Combines top down and bottom up research with strong due diligence.



Award Winning Track Record

We have a proven track record of investment in companies yielding multibagger returns.

AAA GEMS Fund Features

Category III, Open ended, Weekly NAV.

AAA GEMS Fund is a portfolio of ~30 companies which are Market leaders with strong corporate governance and high growth potential, with an investment horizon of 3-5 years.

Benchmark Index

BSE 400 MidSmallCap Index

Minimum No of Stocks

25

Mid & Small Cap Exposure

70-100%

Large Cap Exposure

0-30%

Max Weight in 1 Stock

10%

Max Weight in 1 Sector

30%

Max Weight in Top 10 Stocks

60%

Pre-IPOs Participation

<=25%

Lock In Period

No Lock In Period

Five Pillars of the AAA GEMS Fund Framework



Market Leaders

Invest in category leaders and emerging dominators with sustainable competitive advantage.



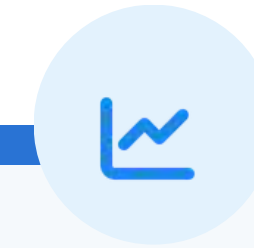
Structural Growth Runway

Businesses with long term demand tailwinds and scalable models.



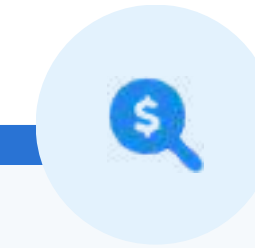
Capital Prudence

Strong balance sheets, cash-flow discipline, and prudent capital allocation.



Earnings Visibility & Scalability

Businesses where growth is predictable, repeatable, and sustainable.



Valuation Discipline

Invest at reasonable valuations relative to growth and long term earnings potential.

Key Insight

The GEMS framework combines quality characteristics (leadership, profitability, low debt) with growth potential and valuation discipline.

AAA 3M Stock Selection Lens



Market Size

Market size determines the size of opportunity. We prefer companies which are targeting a 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 the upturn and downturn of the economy.



Margin of Safety

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

We invest in businesses with large opportunity size, leadership to capture it, and sufficient margin of safety to protect capital.

Investment Universe



Internal Checks: Forensics & Longevity Assessment

Management Practices

To assess corporate governance risk

Quality of Cashflow

Ability to convert the revenue to cash and reinvest into the business

Accounting Policies

Assess the consistency and fairness of the accounting policies

Taxation Mischiefs

to identify the potential fraud

Longevity of business growth

Sustenance of revenue and earnings growth & assessing competitive advantage

Longevity of return ratios

Gauging business profitability and efficiency

Longevity of reinvestment


Intensity to generate self sustaining growth

Longevity of cashflow

Identify financial strength

 **13 Such Forensics Parameters**

 **8 Such Longevity Parameters**

 **It's not about chasing fast growth; it's about owning high quality businesses that compound sustainably across cycles.**

Agility Guides Our Exit Strategy

We Exit When

- 1 There is a need to rebalance weights for risk management purposes
- 2 A company no longer meets our buy/hold criteria
- 3 A company no longer meets our valuation criteria
- 4 There is no longer a durable double digit return expectation for a company's stock
- 6 There is a more compelling investment opportunity to fund

18 years

The average life span of company listed in the S&P 500

The only constant is change. The average lifespan of a company listed on the S&P 500 has fallen from 90 years in 1935 to just 18 years today, highlighting how quickly leadership erodes without sustained competitiveness.

We stay agile and active, continuously reassessing fundamentals, risks, and relevance, never letting our guard down.













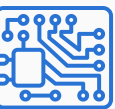


AAA Universe: Low Market Cap, High Profit Size



Source: AAA Research, Ace Equity. Market cap as on 31 Mar 2026. Net profit as on FY25.

Market Leadership Extends Beyond Large Caps

Category leadership is not confined to large caps, mid and small caps dominate numerous **high growth niches** across diverse sectors.

 Bearings	 Transformers	 Specialty Chemicals	 Diagnostics Chain	 Shopping Malls
 Lifestyle	 Coworking Spaces	 Consumer Durables	 Luggage	 HVDC
 Pipes	 Electricals	 EMS	 CDMO	 Hospitals

These companies represent category leaders in mechanical components, specialized building materials, niche chemicals, and healthcare infrastructure.

AAA Expertise in Mid & Small Cap

Investing ₹1 cr with AAA Mid & Small Cap compounded to

3 Years

₹1.74 crs

5 Years

₹2.58 crs

16+ Years

₹30.48 crs

Performance#	3 Years	5 Years	16+ Years
AAA Mid and Small Cap Portfolio	20.3%	20.8%	20.7%
BSE 500 TRI	12.9%	11.8%	11.6%
Alpha Generated	7.4%	9.1%	9.1%

AAA Beta*

0.89

BSE 500 Beta*

1.00

AAA Sharpe Ratio*

0.92

BSE 500 Sharpe Ratio*

0.39

#For 16+ years performance, we have used AAA Budding Beasts PMS performance for the period 01 Jan 2021 to 31 Mar 2026, and AAA IOP's actual mid and small cap holdings performance for the period 23 Nov 2009 to 31 Dec 2020. We have considered AMFI market cap classification as on 31 Dec 2022 for AAAIOP. For 3 and 5 years performance, we have use AAA Budding Beasts PMS performance. *The ratio is for AAA Budding Beasts PMS from 01 Jan 2021 to 31 Mar 2026. Performance related information provided herein is not verified by SEBI. Index performance is calculated as per Total Return Indices as per SEBI Guidelines. Performance figures are net of all expenses and fees till last quarter. Returns of individual clients may differ depending on time of entry in the strategy. The performance of AAA IOP PMS and AAA Budding Beasts PMS is presented solely to demonstrate AlfAccurate Advisors' experience, research capability, and track record in managing mid and small cap equities.

AAABB: Agile & Active Investment Approach

	Mar-21*		Mar-22		Mar-23		Mar-24		Mar-25		Mar-26
AAABB Auto Holdings	9.0%	↑	10.2%		9.6%		9.9%	↓	9.6%	↑	12.4%
BSE Auto Index Perf	6.0%		8.1%		17.5%		74.0%		-2.9%		10.6%
AAABB Chemical Holdings	12.2%		11.3%	↓	4.8%		3.7%		5.5%		6.5%
Nifty Chemical Index Perf	16.1%		71.7%		-0.3%		31.7%		22.4%		-10.6%
AAABB Engineering Holdings	7.9%	↑	18.1%	↑	26.8%		24.4%	↓	17.0%		14.1%
BSE CapG. Index Perf	11.3%		30.4%		25.0%		77.3%		2.9%		3.9%
AAABB Healthcare Holdings	3.8%		4.6%	↓	4.2%	↑	9.2%		14.2%		13.6%
S&P BSE Healthcare Index Perf	-2.4%		14.0%		-10.0%		60.2%		18.2%		2.3%
AAABB Software Holdings	4.7%	↑	8.1%	↓	2.0%		4.3%		6.9%		0.9%
BSE IT Index Perf	8.5%		37.1%		-21.8%		25.2%		1.3%	↓	-20.9%

*Benchmark Index Performance Is from 01 Jan 2021 to 31 Mar 2021

Source: AAA Research, Ace Equity.

AAABB PMS Performance

Investing ₹1 cr with AAABB PMS compounded to

2 Years
₹1.20 crs

3 Years
₹1.74 crs

5+ Years
₹2.77 crs

TWRR	1M	3M	6M	1 Year	2 Years	3 Years	5 Years	*SI 5+ years
AAABB	-9.8%	-11.2%	-8.9%	3.3%	9.6%	20.3%	20.8%	21.4%
BSE 500 TRI	-11.4%	-13.9%	-9.6%	-3.1%	1.3%	12.9%	11.8%	12.7%
Alpha	1.5%	2.8%	0.8%	6.4%	8.3%	7.4%	9.1%	8.7%

AAABB Sharpe *
0.92

BSE500 TRI Sharpe*
0.39

AAABB Std. Dev*
15.62

BSE500 TRI Std. Dev*
14.55

AAABB Beta*
0.89

BSE500 TRI Beta*
1.00

*Since Inception performance from 01 January 2021 to 31 March 2026.

Note: Performance figures are net of all expenses and fees till last quarter. Index performance is calculated as per Total Return Indices in accordance with the SEBI Guidelines. Returns of individual clients may differ depending on time of entry in the Strategy. Index performance is calculated as per Total Return Indices in accordance with SEBI guidelines. 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. For Performance relative to other Portfolio Managers within the selected Strategy, please visit: bit.ly/APMI_PMS.

We follow a staggered investment approach - hence cash levels were higher during the initial period from Jan' 21 to Mar' 21.

AAABB PMS Performance

Performance (%)	FYTD26	FY25	FY24	FY23	FY22	FY21	*SI 5+ years
AAA Budding Beasts	3.3	16.4	44.8	8.1	37.1	7.4	176.9
BSE 500 TRI	-3.1	6.0	40.2	-0.9	22.3	7.4	87.2
Alpha	6.4	9.4	4.6	9.0	14.8	0.03	89.7

*Since Inception performance from 01 January 2021 to 31 March 2026.

Note:

Performance figures are net of all expenses and fees till last quarter. Index performance is calculated as per Total Return Indices in accordance with the SEBI Guidelines. 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. Performance related information provided herein is not verified by SEBI. For Performance relative to other Portfolio Managers within the selected Strategy, please visit: bit.ly/APMI_PMS.

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AAABB: Higher Upside, Lower Drawdowns

Scheme Name	SMID Sharp fall (Russia-Ukraine War) (17th Jan 2022 to 20th Jun 2022)	SMID Rally (20th Jun 2022 to 24th Sept 2024)	SMID Correction (24th Sept 2024 to 31st Jan 2026)
AAA Budding Beast PMS	-18.8%	50.7%	-5.8%
Nifty MidSmallcap 400 TRI	-22.7%	46.7%	-6.2%
Nifty Smallcap 250 TRI	-26.9%	48.0%	-11.5%
BSE 500 TRI	-17.7%	31.7%	-4.4%

Source: AAA Research, Ace Equity.

Note: Performance figures are net of all expenses and fees till last quarter. Index performance is calculated as per Total Return Indices in accordance with the SEBI Guidelines. 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. Performance related information provided herein is not verified by SEBI. For Performance relative to other Portfolio Managers within the selected Strategy, please visit: bit.ly/APMI_PMS.

Higher upside capture, lower downside impact, consistent alpha across cycles.

Awards & Recognition



Get in Touch: Start Your Investment Journey

AAA GEMS Fund

Growth Equity Mid & Small Cap Strategy

AlfAccurate Advisors is a leading investment firm dedicated to identifying high quality mid and small cap companies with exceptional growth potential. Our disciplined investment approach has consistently delivered risk-adjusted returns to our investors.

We invite you to explore the AAA GEMS fund and discover how our investment expertise can help you achieve your financial goals.

Website

www.alfaccurate.com

Explore our funds and resources

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Ready to Invest?

Schedule a consultation with our investment advisors to learn more about AAA GEMS and how it can fit into your investment portfolio.

[Schedule a Call](#)

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