

SUMMARY

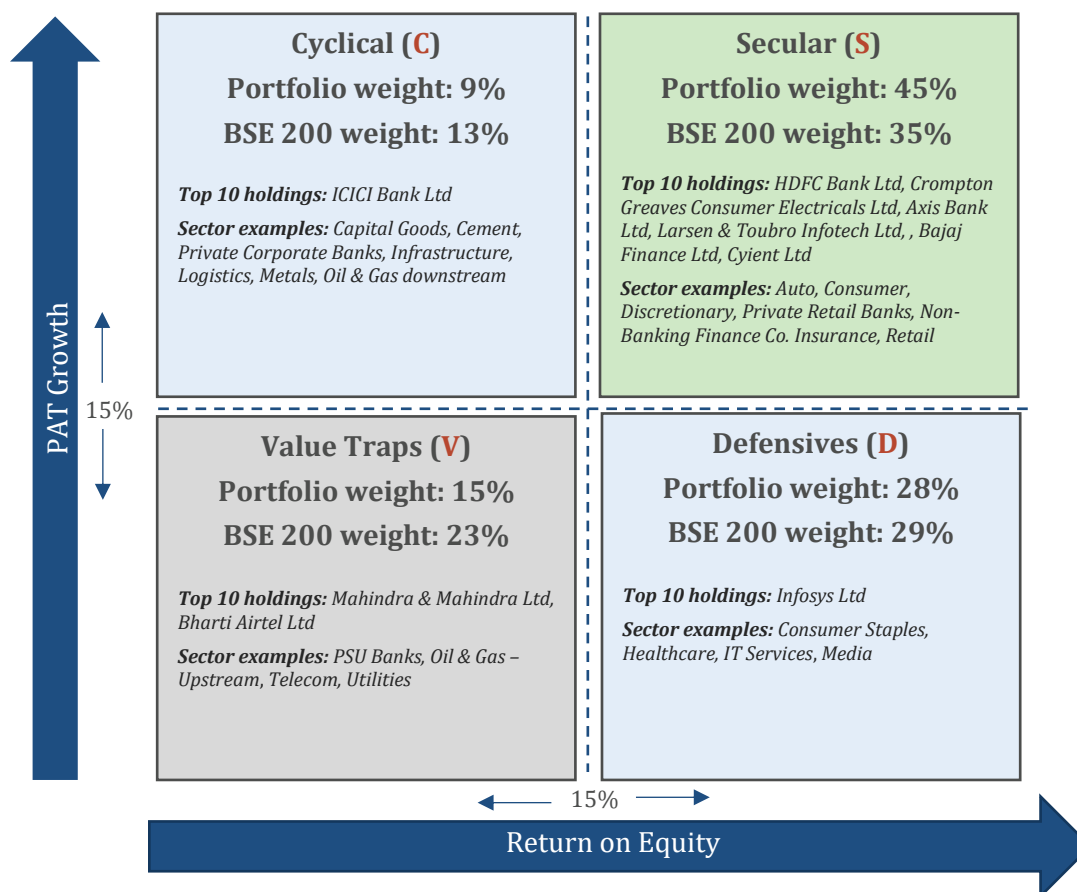
Scheme Name	IIFL Focused Equity Fund* (An open-ended equity scheme investing in maximum 30 multicap stocks)
Investment Objective	The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved
Category	Focused Fund
Fund Manager	Mr. Mayur Patel ^{\$}
Inception Date	30 th October 2014
AUM	Rs. 1,421.77 crore (as of 31 st January 2021)

KEY FEATURES

Concentrated portfolio of 25-30 high conviction stocks

- Bottom up sector-agnostic investment approach
- Optimum mix of large cap, mid cap and small cap (Large cap biased with ~68% in large cap stocks)
- The scheme follows a **SCDV** (Secular, Cyclical, Defensives and Value Trap) investment framework

SCDV INVESTMENT FRAMEWORK



S- Secular – Companies with consistent ROE & PAT growth > 15%

C- Cyclical – Companies with PAT growth > 15% but ROE < 15%

D- Defensive – Companies with ROE > 15% but PAT growth < 15%

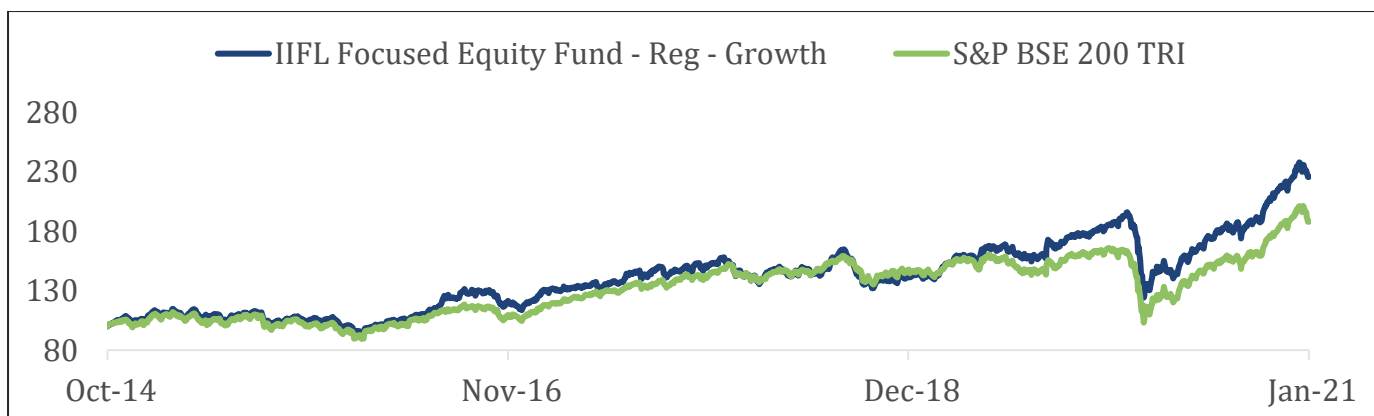
V- Value Traps – Companies with both ROE & PAT growth < 15%

SCHEME PERFORMANCE

Scheme/ Benchmark	31-Jan-20 to 31-Jan-21	PTP (Rs)	31-Jan-18 to 31-Jan-21	PTP (Rs)	31-Jan-16 to 31-Jan-21	PTP (Rs)	Since Inception ^{\$}	PTP (Rs)
IIFL Focused Equity Fund - Reg - Growth	20.76%	12,082	14.51%	15,021	17.45%	22,389	13.89%	22,574
IIFL Focused Equity Fund - Dir - Growth	22.36%	12,243	16.18%	15,688	18.97%	23,879	15.35%	24,448
Benchmark [^]	16.41%	11,646	7.73%	12,505	14.09%	19,358	10.61%	18,800
Additional Benchmark ^{&}	15.00%	11,505	10.06%	13,335	14.63%	19,822	10.14%	18,306

Past performance may or may not be sustained in future. Different plans shall have different expense structure. As on Jan 31, 2021; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; Since Inception date is 30-Oct-2014; [^]S&P BSE 200 TRI; [&]S&P BSE Sensex TRI; Managed by the fund manager since November 11, 2019. The performance of the scheme is benchmarked to the Total Return variant of the Index

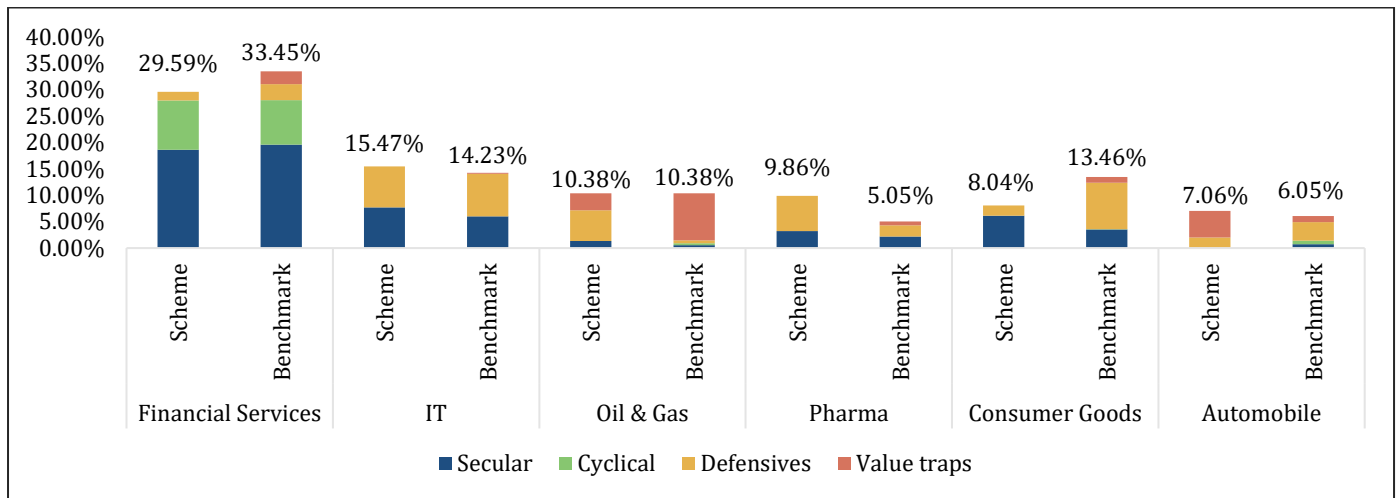
NAV MOVEMENT (SINCE INCEPTION) REBASED TO ₹100



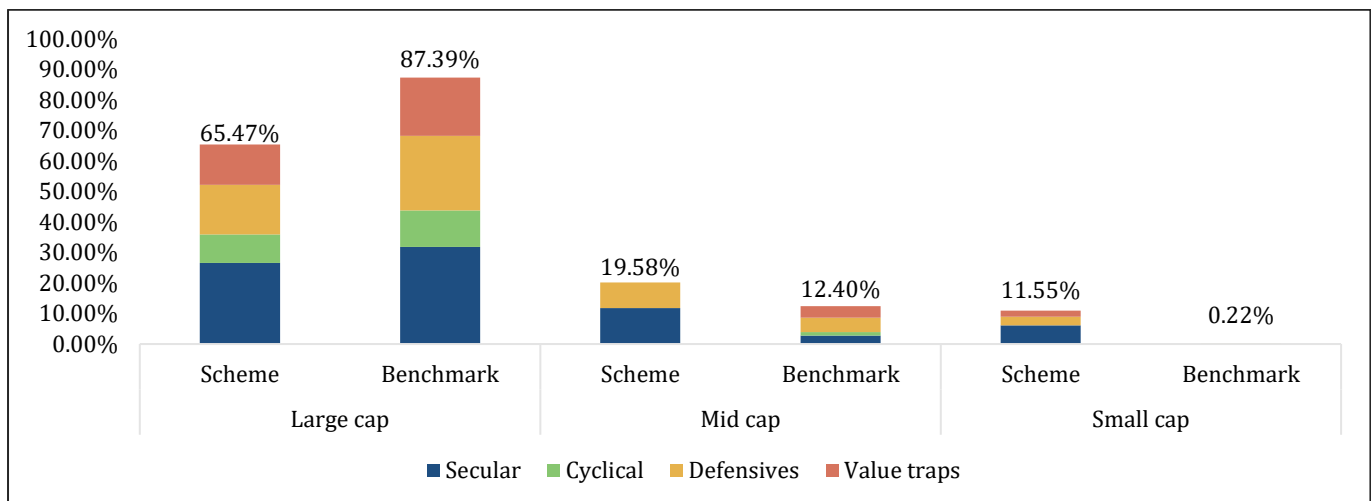
TOP 10 HOLDINGS

Company	Weight (%)	Allocation under the SCDV framework
ICICI Bank Limited	9.32	C
Infosys Limited	6.31	D
HDFC Bank Limited	5.50	S
Mahindra & Mahindra Limited	5.05	V
Bharti Airtel Limited	4.96	V
Crompton Greaves Consumer Electricals Limited	4.92	S
Axis Bank Limited	4.89	S
Larsen & Toubro Infotech Limited	4.26	S
Bajaj Finance Limited	4.00	S
Cyient Limited	3.41	S
Cash & cash equivalents [@]	3.40	-

TOP 6 SECTOR ALLOCATION



MARKET CAPITALIZATION



KEY PORTFOLIO CHANGES DURING THE MONTH^^

Stock	Action	Rationale
Kajaria Ceramics Limited (Kajaria)	New addition	<ul style="list-style-type: none"> • Buoyancy in exports market positive for domestic players: A buoyant export market is a positive for the Indian tiles industry as manufacturers from Morbi clusters (largely export dependant) are seeing a recovery in sales. This, in turn, works favourably for the bigger domestic-focused players like Kajaria, owing to lower competitive pressure in domestic markets from Morbi • Strong volume growth and EBITDA margin guidance for FY22/23: Management highlighted expectations of a strong volume growth of 20-25% YoY in FY22 and of >15% for FY23/24, driven by continued market-share gains in domestic markets, with the Morbi cluster focussing on exports (including new capacities coming up). Management also guided for a significant expansion in EBITDA margins

		<ul style="list-style-type: none"> • RoCE to expand to >25% by FY23E: Strong FCF generation driven by sharp improvement in profitability, firm cash collections and muted capex in 9MFY21 drove Kajaria Ceramics’s net cash higher to Rs 4.24bn as at Dec’20-end. With the management increasing its dividend payout to 40-45% of consolidated PAT, we expect RoCE to cross 25% by FY23E – a key trigger for rerating
Abbott India Limited (Abbott)	Fully exit	<ul style="list-style-type: none"> • Dented market share: Abbott India has been facing intense competition in one of its top 10 products viz. Duphaston. Mankind Pharma has launched Dihydroboon which is the same molecule with a similar efficacy profile and at 25% lower price. Abbott hasn’t responded by any cut in price. Doctors have taken up the molecule well which has dented Abbotts market share • Aggressive marketing by competitors: Mankind has been very aggressive in marketing since inception and this is causing dent in Abbotts growth prospect in the medium term. Duphaston is already down more than 25% yoy and we expect further headwind from this molecule for Abbott • Mild growth visibility: We see risk to Abbott India’s growth in the short to medium term due to dent in Duphaston. Abbott has historically outgrown the Indian pharmaceutical market by at least 400-500bps which is now at risk

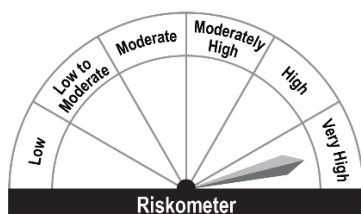
FUND MANAGER PROFILE



Mayur Patel, Fund Manager

Mr. Mayur Patel has 14 years of work experience including investment management and research experience of more than 10 years. Prior to joining IIFL Asset Management Limited, he managed equity portfolios of DSP BlackRock Equity Savings Fund and MIP Fund at DSP BlackRock Investment Managers (a joint venture between BlackRock and the DSP Group in India). Mr. Patel joined DSP BlackRock in 2013 as an Equity Analyst responsible for origination and dissemination of ideas across energy, industrials and utilities sectors. Earlier, he was associated with Spark Capital as Lead Analyst, Energy in their Institutional Equities division and has also worked with Tata Motors and CRISIL. He is a Chartered Accountant and a CFA charter holder.

RISK-O-METER



Investors understand that their principal will be at Very High Risk

Investors understand that their principal will be at very high risk
THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING:

- Capital appreciation over long-term;
- Investment predominantly in equity and equity related instruments.

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

Notes – All data in this document are as of Jan 31, 2021. *Formerly known as IIFL India Growth Fund. \$Mr. Mayur Patel, has been managing the scheme since November 11, 2019. @Cash and cash equivalents include 3.21% of TREPS (Tri Party Repo Dealing System) and 0.29% of net receivables. ^^Refers only newly added or fully exited portfolio stocks during the month. The rationales in the portfolio changes should not be taken as a solicitation for making investment into the strategy or the individual stocks. In this document we classify large cap companies as the 1st -100th company in terms of full market capitalization, mid cap companies as the 101st -250th company in terms of full market capitalization and small cap companies as the 251st company onwards in terms of full market capitalization. The consolidated list of stocks in terms of full market capitalization is as per the list uploaded by AMFI, in terms of SEBI circulars dated October 6, 2017 and December 4, 2017. For sector allocation and market capitalization exhibits, the scheme is IIFL Focused Equity Fund and the benchmark is S&P BSE 200 TRI

DISCLAIMER

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