

SUMMARY

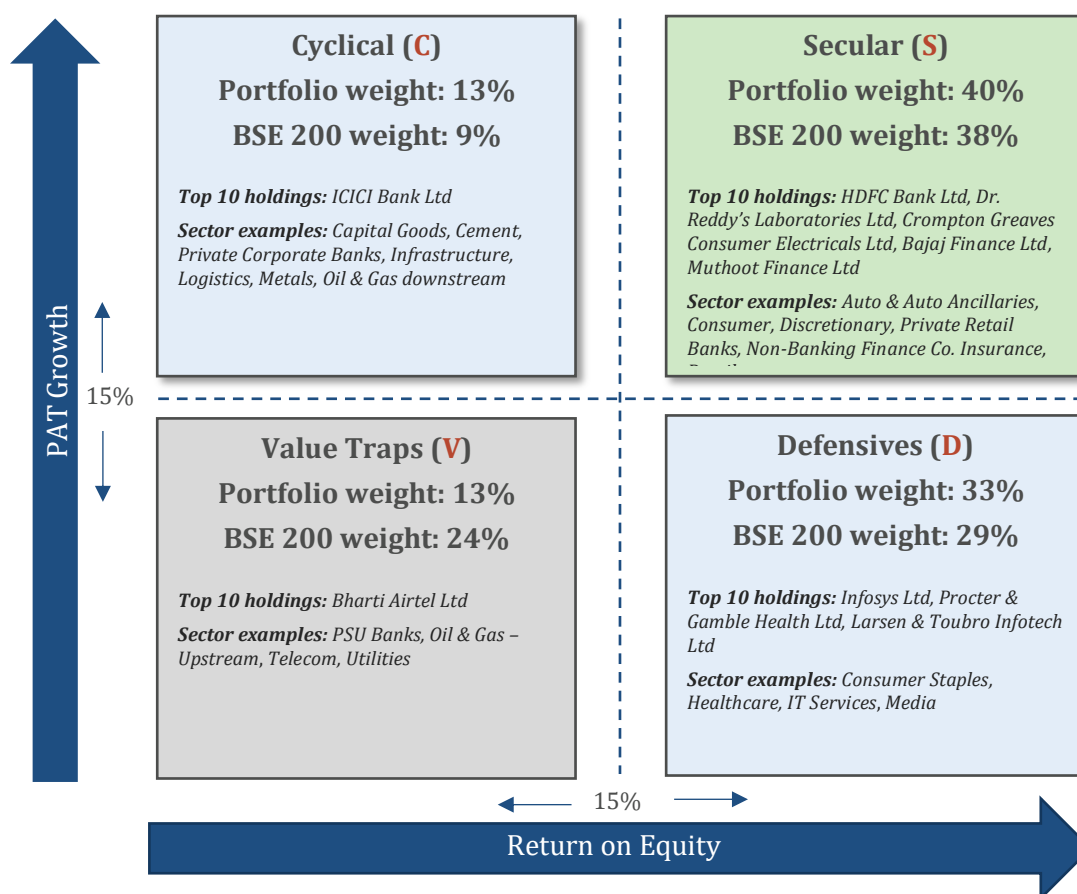
| | |
|-----------------------------|--|
| Scheme Name | IIFL Focused Equity Fund* (An open-ended equity scheme investing in maximum 30 multicap stocks) |
| Investment Objective | The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity 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. 889.12 crore (as of July 31, 2020) |

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 ~61% 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%

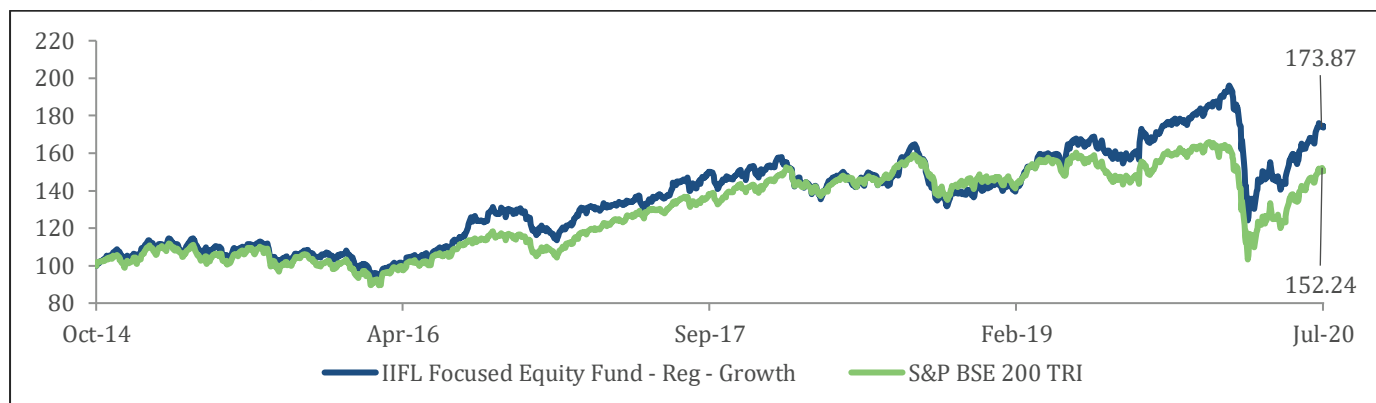
V- Value Traps – Companies with both ROE & PAT growth < 15%

SCHEME PERFORMANCE

| Scheme/ Benchmark | 31-Jul-19 to 31-Jul-20 | PTP (Rs) | 31-Jul-17 to 31-Jul-20 | PTP (Rs) | 31-Jul-15 to 31-Jul-20 | PTP (Rs) | Since Inception ^{\$} | PTP (Rs) |
|---|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|----------------------------------|-------------|
| IIFL Focused Equity Fund - Reg - Growth | 8.63% | 10,865 | 6.04% | 11,926 | 9.27% | 15,585 | 10.12% | 17,418 |
| IIFL Focused Equity Fund - Dir - Growth | 10.20% | 11,023 | 7.63% | 12,471 | 10.69% | 16,626 | 11.54% | 18,751 |
| Benchmark [^] | 1.68% | 10,168 | 3.31% | 11,027 | 6.69% | 13,828 | 7.35% | 15,042 |
| Additional Benchmark ^{&} | 1.47% | 10,147 | 6.20% | 11,980 | 7.33% | 14,249 | 7.07% | 14,817 |

Past performance may or may not be sustained in future. Different plans shall have different expense structure. As on July 31, 2020; 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

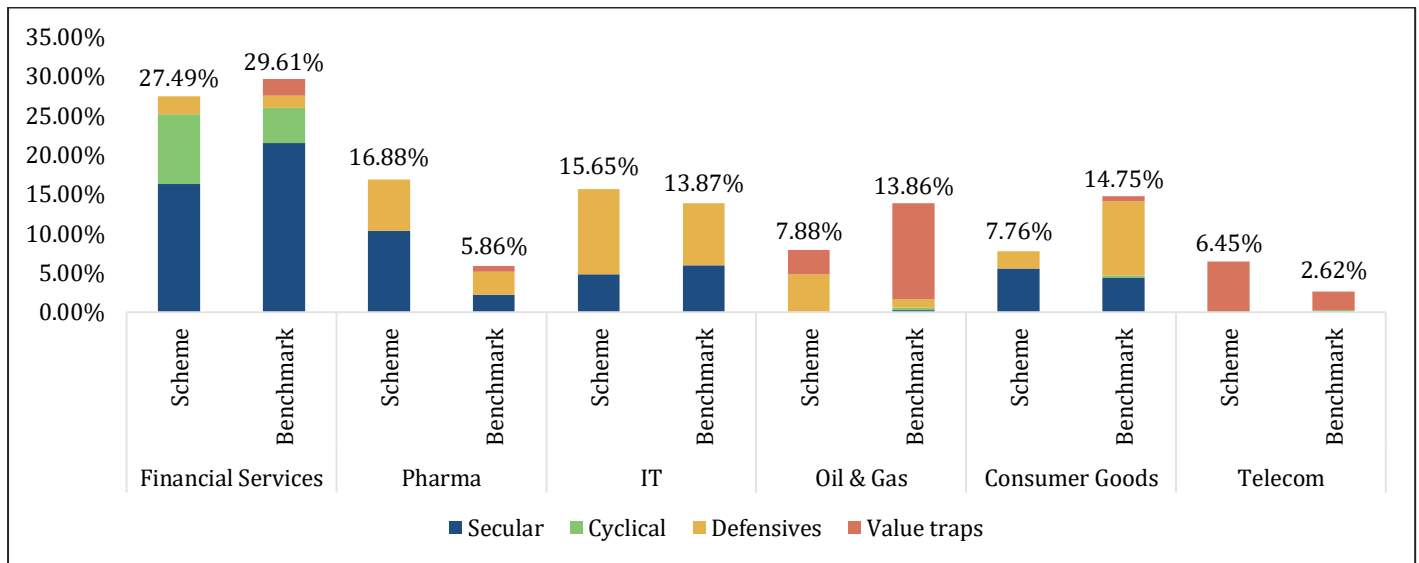
NAV MOVEMENT (SINCE INCEPTION) REBASED TO 100



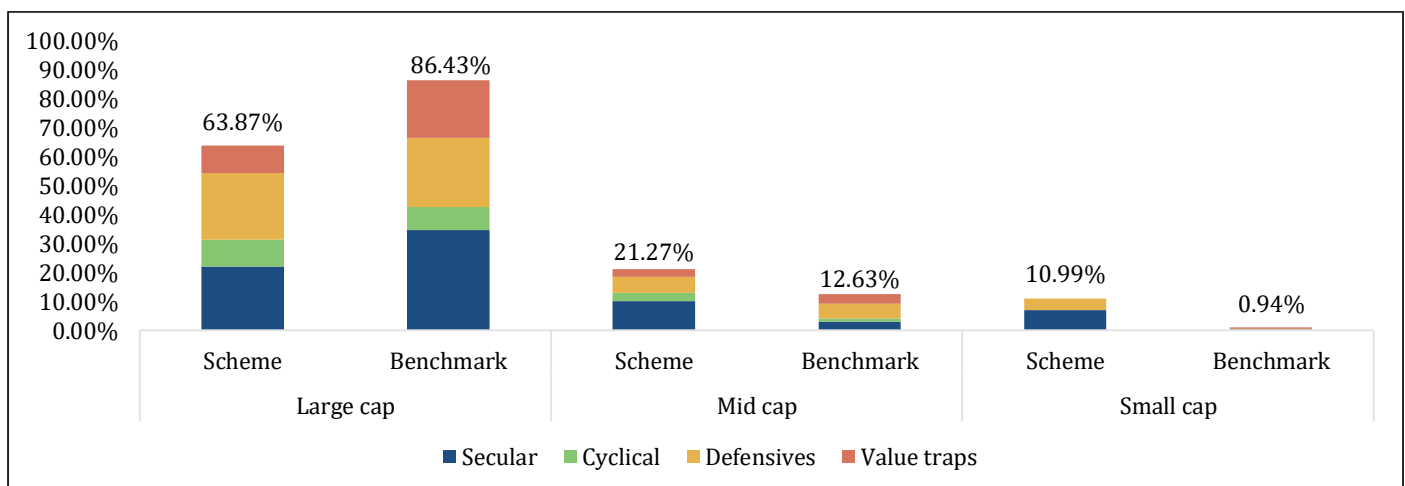
TOP 10 HOLDINGS

| Company | Weight (%) | Allocation under the SCDV framework |
|---|------------|-------------------------------------|
| ICICI Bank Limited | 8.84 | C |
| Infosys Limited | 6.68 | D |
| Bharti Airtel Limited | 6.45 | V |
| HDFC Bank Limited | 6.05 | S |
| Dr. Reddy's Laboratories Limited | 5.63 | S |
| Crompton Greaves Consumer Electricals Limited | 4.49 | S |
| Larsen & Toubro Infotech Limited | 4.16 | D |
| Procter & Gamble Health Limited | 3.90 | D |
| Bajaj Finance Limited | 3.81 | S |
| Muthoot Finance Limited | 3.71 | S |
| Cash & cash equivalents [@] | 3.88 | - |

TOP 6 SECTOR ALLOCATION



MARKET CAPITALIZATION



KEY PORTFOLIO CHANGES DURING THE MONTH ^^

| Stock | Action | Rationale |
|-----------------------------|--------------|--|
| Reliance Industries Limited | New addition | <ul style="list-style-type: none"> Strong traction in telecom business. Fund raise worth of Rs. 1 lakh crores + in Jio platforms by marquee investors Reliance retail over the long-term is a promising enterprise. Jio Mart has a long-term option value The petrochemical business is a cash cow with a catalyst in the immediate future of a strategic partner |

| | | |
|----------------------|--------------|---|
| Petronet LNG Limited | New addition | <ul style="list-style-type: none"> • Petronet is well positioned to capitalise on India’s increased gas consumption fuelled by cheap imports • Stable revenue trajectory: Petronet takes a 5% annual escalation on its regassification tariff on Dahej terminal which provides steady growth visibility apart from the regular capacity addition • Commissioning of Kochi-Mangalore pipeline: Management indicated that Kochi-Mangalore pipeline is expected to be commissioned by July- Aug 2020, also confirmed by GAIL. The utilisation of terminal is expected to increase to 30-35% from 20% currently, driven by incremental off take from MRPL, MCF and other customers in the region • High FCF Yield: Petronet continues to remain a high free cash flow yield business (6-7% FY22E) and benign valuation at 11.8x FY22 E P/E provides comfort • We like Petronet given its utility-like assured returns and business largely insulated from macro issues |
|----------------------|--------------|---|

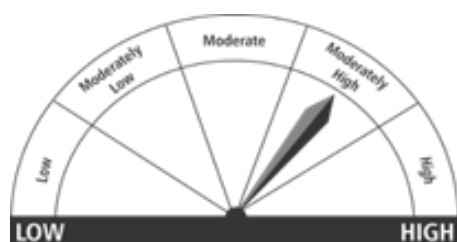
FUND MANAGER PROFILE



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 moderately 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 July 31, 2020. *Formerly known as IIFL India Growth Fund. \$Mr. Mayur Patel, has been managing the scheme since November 11, 2019. @Cash and cash equivalents include 4.10% of TREPS (Tri Party Repo Dealing System) and -0.22% of net receivables. ^^Refers only newly added or fully exited portfolio stocks during the month. 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.