



**Set yourself apart
from the crowd**

**ICICI Prudential
PMS Contra
Strategy**

All data/information used in the preparation of this material is dated and may or may not be relevant any time after the issuance of this material. ICICI Prudential Asset Management Company Limited (the Portfolio Manager/ the AMC) takes no responsibility of updating any data/information in this material from time to time. The recipient of this material is solely responsible for any action taken based on this material. The information contained herein are strictly confidential and are meant solely for the benefit of the addressee and shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of the AMC. Further, the information contained herein should not be construed as forecast or promise. Past performance of the Portfolio Manager may not be indicative of the performance in the future. Please refer to page 27-28 for risk factors and disclaimers.

I Key Drivers of Stock Price

II Investment Framework

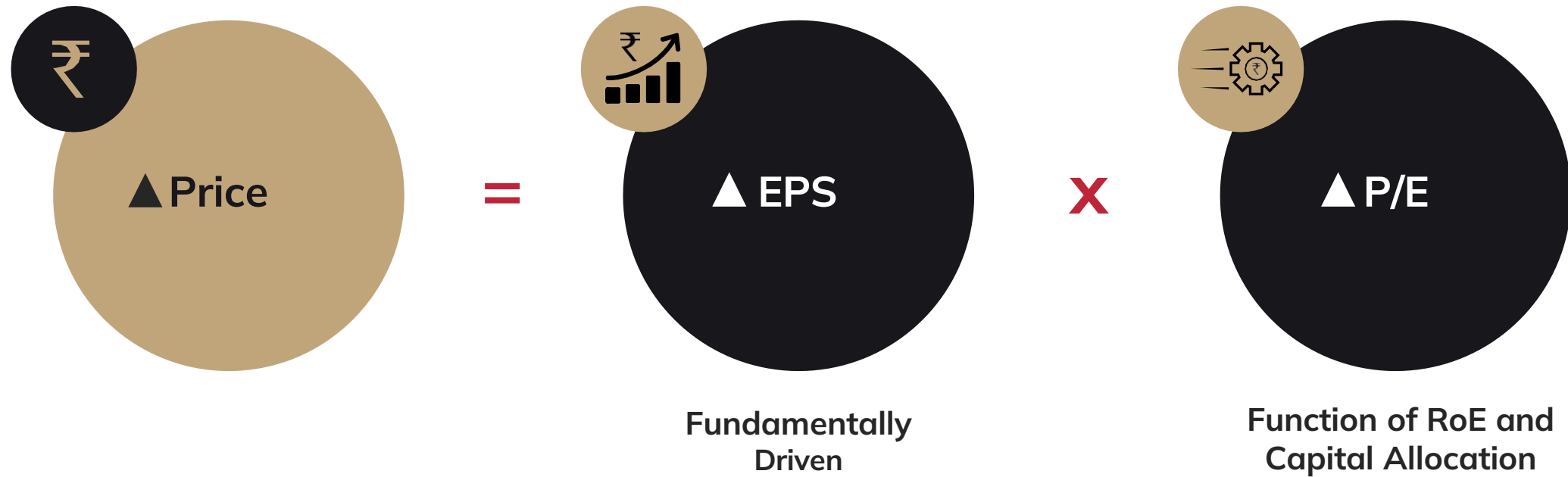
III Presenting ICICI Prudential PMS Contra Strategy

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Key Drivers of Stock Price

Drivers of Stock Price



Price Benefitting from Both Earnings growth & P/E rerating.

Markets Reward Companies with Earnings Potential

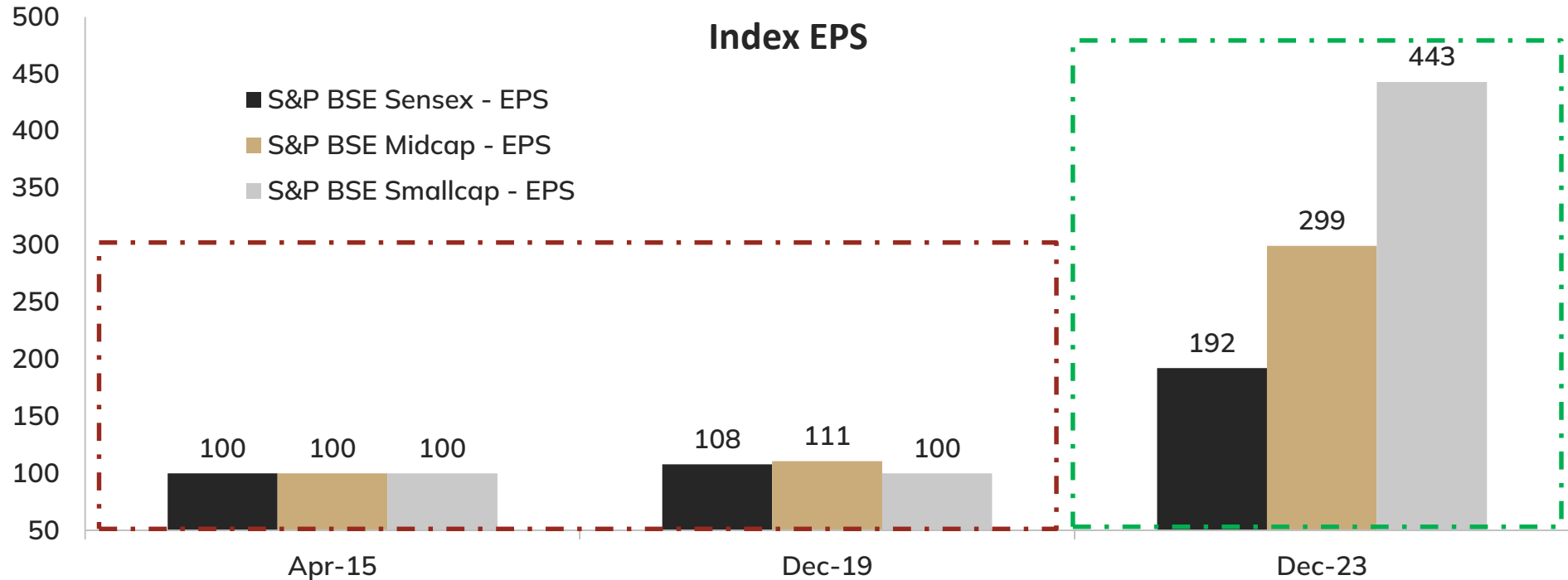
Universe of top NSE 500 Companies by Market Cap (Dec 2007 – Dec 2023)

	15-Year CAGR ↓	No. of Companies	PAT Growth	Median ROE		Median P/E		
				2007	2023	2007	2023	
Focus to Identify	>15%	130	17% ↑	20.99	18.68 ↑	19.43	46.03	PE Rerating
	0% - 15%	260	11%	21.42	12.29	23.81	24.50	
Aim to Eliminate	-15% - 0%	93	1%	19.16	1.54	41.92	13.79	PE Derating
	<-15%	17	Negative Growth	20.77	Negative Earnings	28.6	Negative Earnings	

Source: Nuvama, NSE | Data as on Dec 31, 2023 | Profit Growth: Reported Profit After Tax. Return/Market Cap between December 31, 2007 to December 31, 2023 | Universe of top 500 NSE Listed companies by Marketcap over the 15 year period. Past Performance may or may not sustain in future.

The Trend has Changed

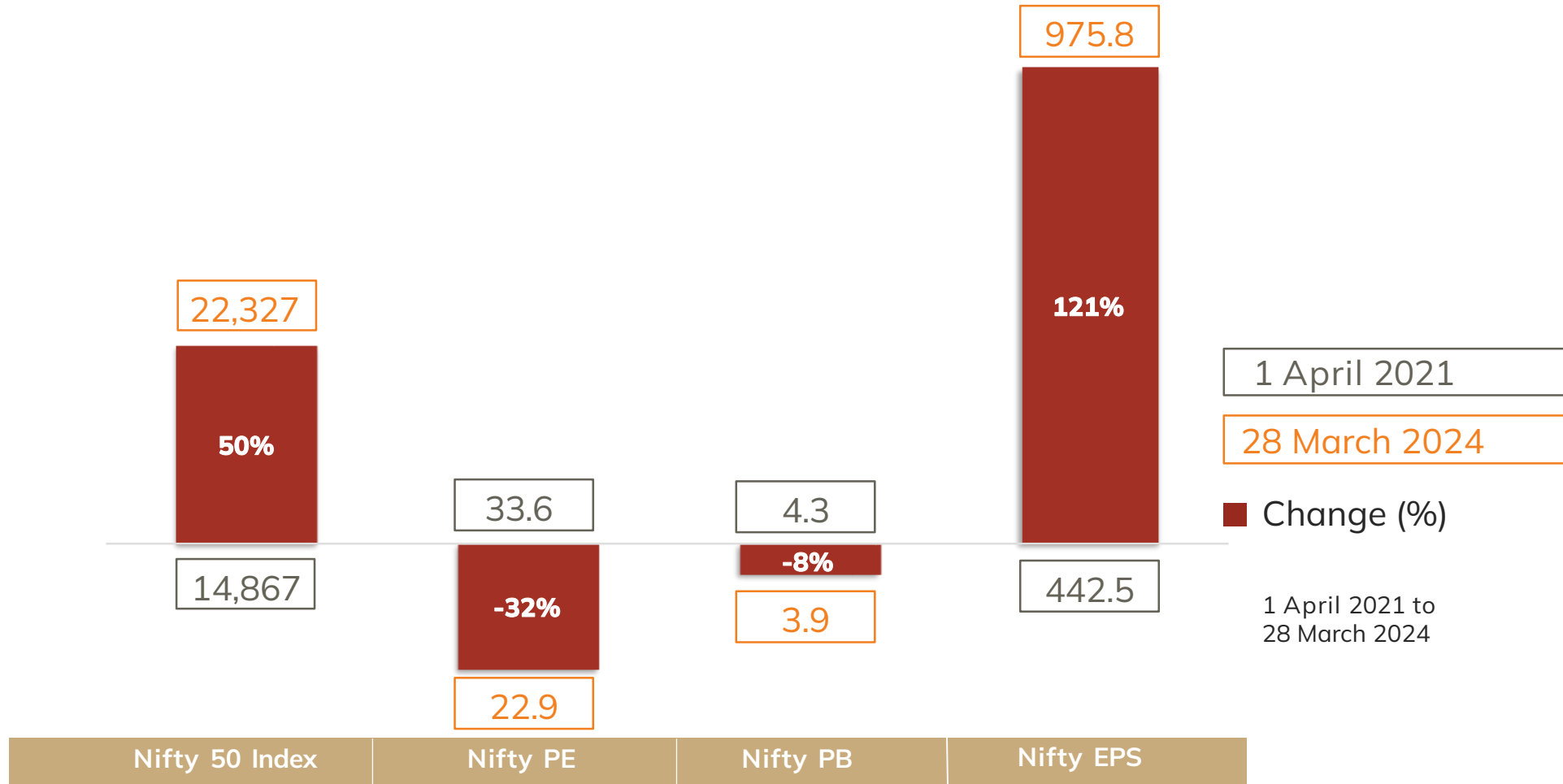
*“There are decades where nothing happens; and there are weeks where decades happen”
- Vladimir Ilyich*



Index	Apr 30, 2015 to Dec 29, 2023		April 30, 2015 to Dec 31, 2019		Dec 31, 2019 to Dec 29, 2023	
	Price CAGR	EPS CAGR	Price CAGR	EPS CAGR	Price CAGR	EPS CAGR
S&P BSE Sensex	12.0%	7.8%	9.5%	1.6%	15.0%	15.5%
S&P BSE Midcap	15.7%	13.5%	8.1%	2.2%	25.2%	28.2%
S&P BSE Smallcap	17.0%	18.7%	4.9%	0.0%	32.8%	45.1%

Source: BSE. Data as on December 29, 2023. EPS – Earnings per Share of Index constituents. Past Performance may or may not sustain in future.

Nifty 50 Index Movement

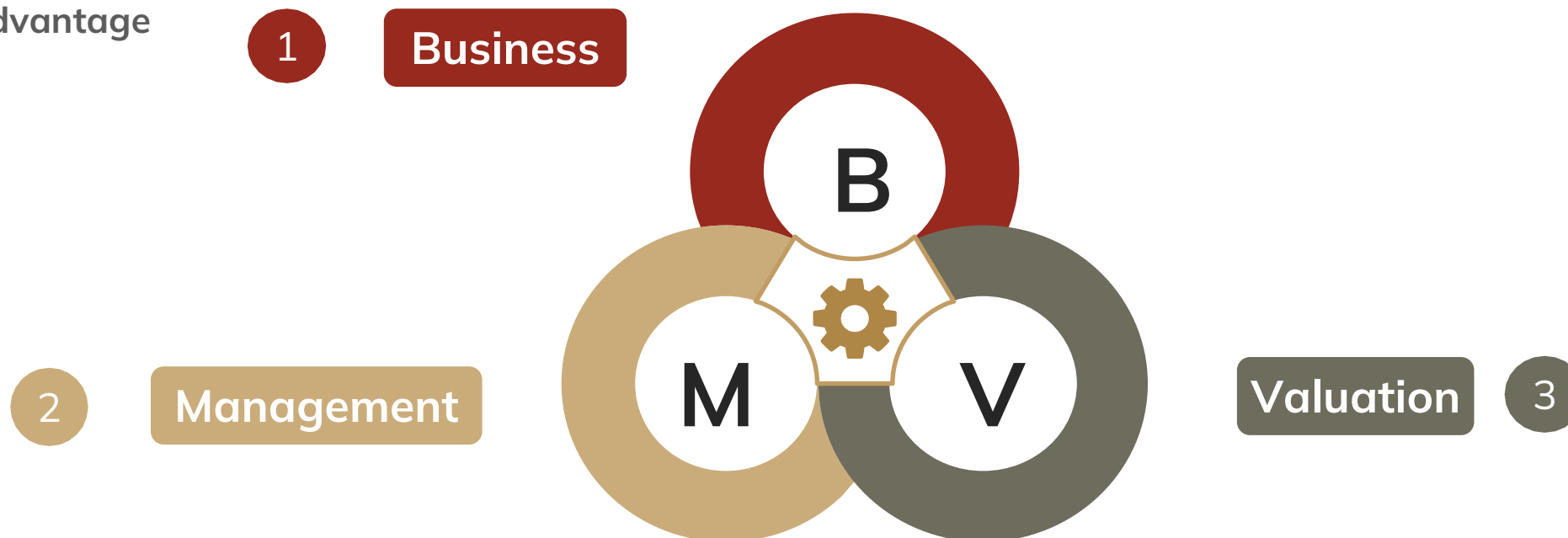


Source: Index Values -NSE India Limited. Data as on March 28, 2024. PE – Price to Earnings of Nifty 50 Index constituents | EPS – Earnings per Share of Nifty 50 Index constituents. Past Performance may or may not sustain in future

Investment Framework

Investment Framework

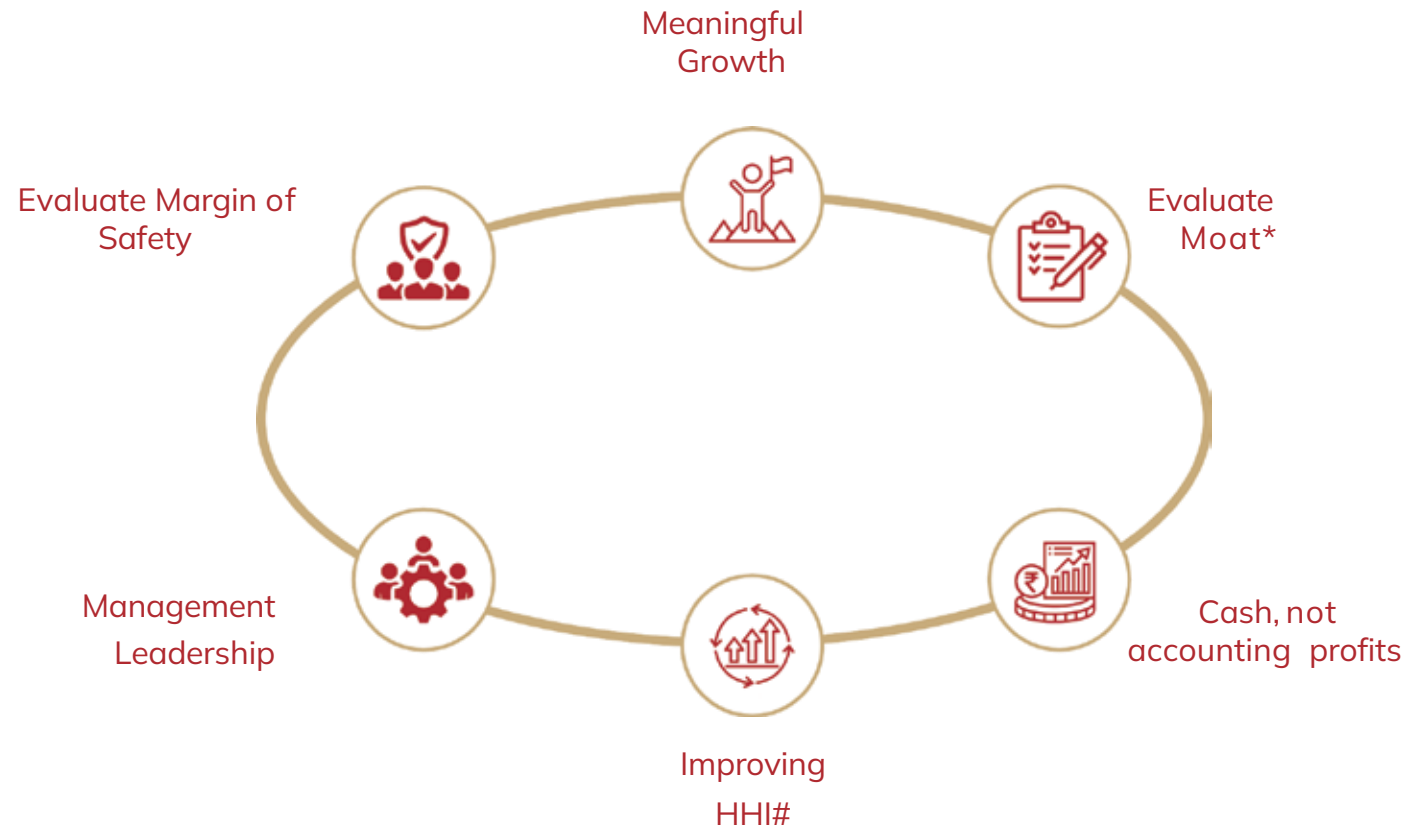
In search of companies with meaningful earnings growth and sustainable competitive advantage



**Aims to Identify Prominent businesses, with
Competent Management, at Reasonable Valuations**

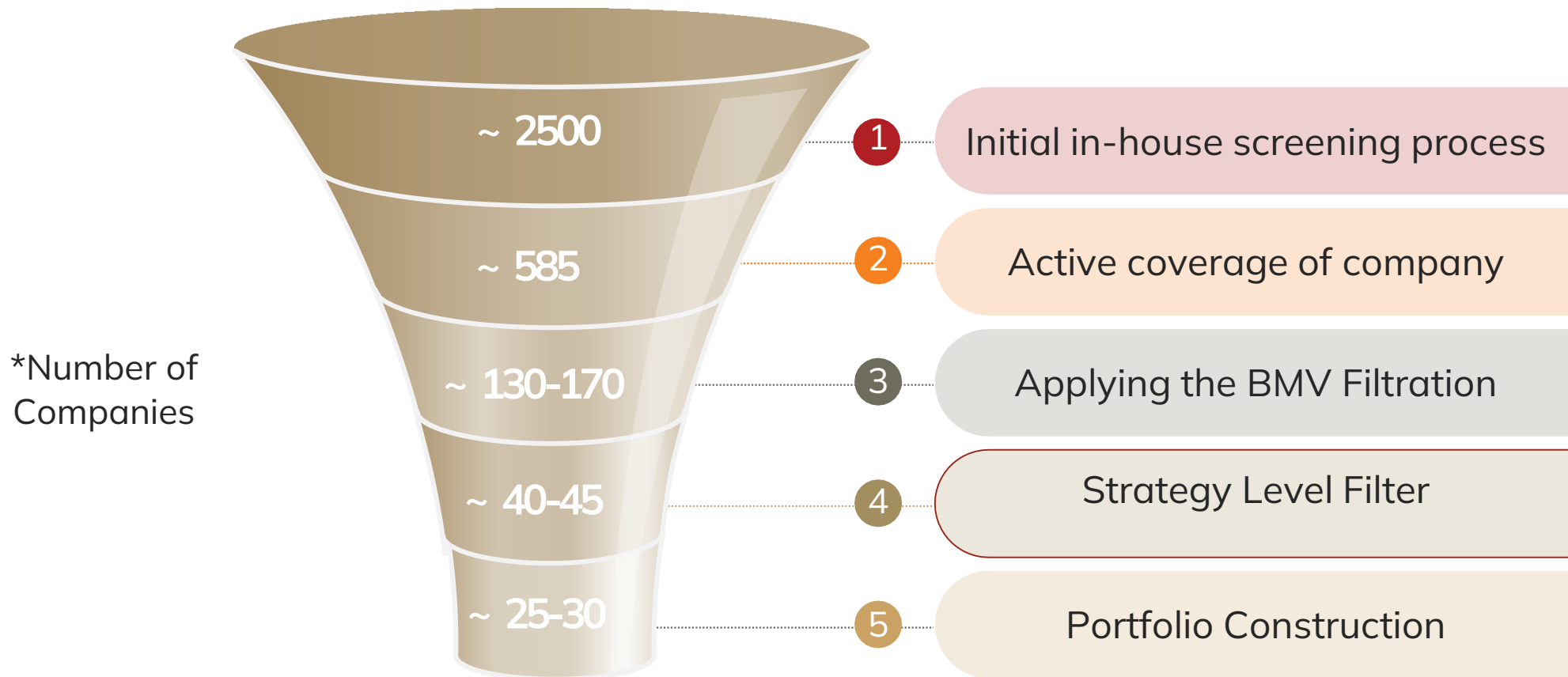
Please note that BMV framework mentioned above is developed in house and only indicative in nature. The strategies offered by the Portfolio Manager may or may not follow the above framework at all times. The framework is developed in order to select the right companies through a filtration process and endeavor the strategy to attain their investment objective. These models are based on various broad market parameters prevalent in the market and are dynamic in nature.

The Circle of Competence



The aforesaid factors/framework are only indicative. There may be other factors that may be relevant for identification/selection of stock. All these factors may not be applicable for the investment approach, The factor shall be referred as applicable. #HHI refers to the Herfindahl–Hirschman Index, a commonly accepted measure of market/segment concentration. *Moat: A competitive sustainable advantage

Evaluation, Selection and Sizing



Key Themes for CY2024

Rising Energy Intensity

Increased power connectivity expansion driving higher investments in the energy value chain.

Increasing Urbanization

India's low urbanization sparks urban center opportunities, revitalizing organized real estate after a decade long down cycle

Government Capex on Strategic Sectors

Policy-maker-led digital adoption boosts GST collections, focusing on strategic sectors like defense and railways.

Financialisation on Digital Backbone

Innovation in financial services amid rising income levels and demand for financial products.

Experiential Consumption

Shift towards experiential consumption, with people preferring experiences over goods consumption.

Beneficiaries

- Power sector (Generation, Transmission and Distribution)
- Capital goods equipment manufacturers
- EPC (Engineering, Procurement & Construction) solution providers Financiers

- Construction
- Real Estate
- Fast Moving Electrical Goods
- Job creation

- EPC players
- Mobility equipment makers
- Defence equipment makers

- Banks
- Asset managers
- Insurance companies Exchanges
- Wealth managers
- NBFCs
- Telecom players and Tech providers

- Aviation
- Hospitality
- Tech solution
- Providers
- Real estate

Research Team

A team of over 27 analysts, with a combined experience of over 7 decades, the research team covers as many as 585 companies across 20+ sectors (highlighted below).



*The above mentioned sectors does not represent a list of exhaustive sectors. Research team which includes Equity Research analysts across the business activities engaged by the AMC. IPAMC: ICICI Prudential Asset Management Company Ltd. Note: Investment team shall be supported by the dealing team and common research team

Portfolio Management Team



ANAND SHAH
Head – PMS & AIF Investment

Fund Managers



**Chockalingam
Narayanan**
Sr. Fund Manager
PMS & AIF



**Geetika
Gupta**
Fund Manager
PMS & AIF



**Sandip
Santdasani**
Fund Manager
AIF



**Manan
Shah**
Fund Manager
PMS

Equity Research Analysts**

**We have an integrated common research team which includes Equity Research analysts across the business activities engaged by ICICI Prudential Asset Management Company Ltd. Note: Portfolio Managers form a part of the Investment team and they shall be supported by the dealing and research teams

— PRESENTING —

ICICI Prudential PMS

CONTRA STRATEGY

Contrarian Investing: How it works?



High Entry Barriers Businesses going through Unfavourable Business Cycle:

Investing into sector or companies where prevailing sentiments are not positive at the time of purchase. **Aims to invest into Competent Players / Survivors within the sectors.**



Consolidation in Industry:

Industry challenges leading to reduction in players. Distress exits may create growth opportunities for existing players.



Special Situations:

This may include, Mergers, Acquisitions, Changes in Holding-Subsidiary company, Product or department spin offs, etc.

Contrarian Investing: How it works?



Identification of sectors or companies which are facing temporary headwinds.



Parameters such as RoE, RoCE, Market Cap by Cash Profit, P/E, Corporate Governance & Capital Allocation Track Record are used to determine investability.



Concentrated portfolios of high conviction ideas.

Key Features of the Investment Approach

Investment Objective: ICICI Prudential PMS Contra Strategy (the “Contra Strategy”) seeks to generate capital appreciation by investing predominantly in equity and equity related instruments through contrarian investing.

Strategy : Equity

Types of Securities: The Contra Strategy predominantly invests in listed equity and equity related securities. The Contra Strategy may also take exposure to exchange traded derivative instruments for hedging purpose. For liquidity or defensive considerations or pending deployment, the Portfolio Manager may invest in debt, money market instruments, mutual fund schemes or debt ETFs.

Key Features

Investment Horizon:
4 Years & Above

Benchmark Index:
S & P BSE 500 TRI

Investment across
Market capitalisations

Minimum Investment Amount:
Rs. 50,00,000

The investment strategy, approach and the structure of the Contra strategy herein involves risk and there can be no assurance that specific objectives will be met under differing market conditions or cycles. The investment strategy and the composition of the portfolio as stated herein is only indicative in nature and is subject to change within the provisions of the disclosure document and portfolio management services agreement. Please refer to the disclosure document & portfolio management services agreement for details and risk factors. The details of investment approach mentioned here are brief subset of details mentioned in the Disclosure Document(DD). Clients should refer the DD before investing and the same is available on the website of Portfolio Manager – <https://iciciprualternates.com/Investor> .The investment process mentioned above are indicative in nature. There may be other investment process for stock selection.

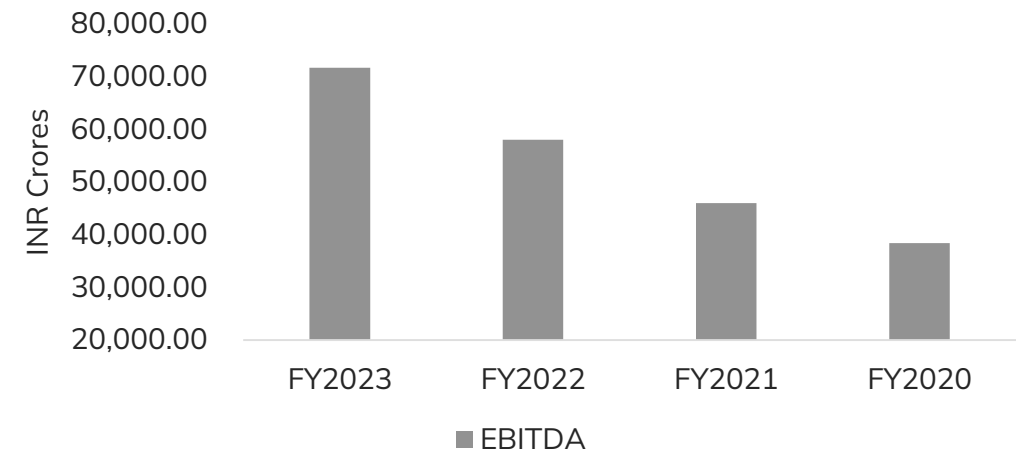
Some Alpha Stories

Consolidation in Industry: Telecom Sector

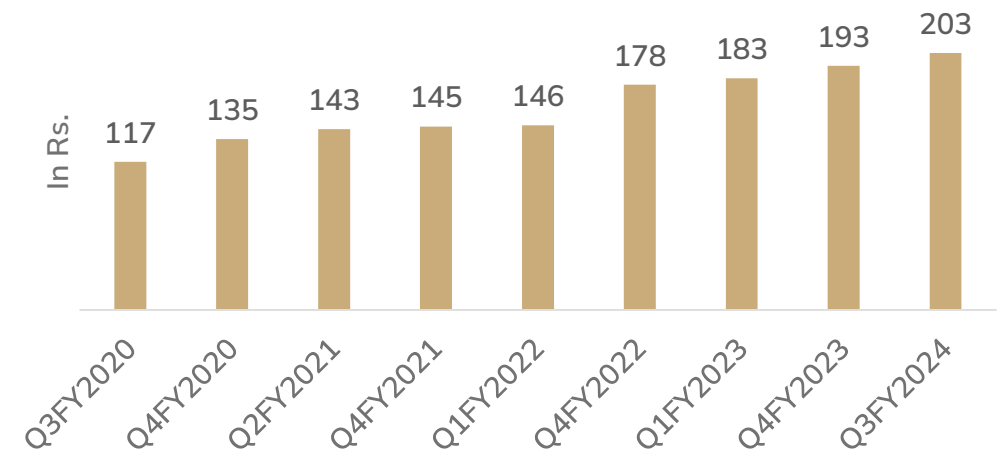
Bharti Airtel Limited

- Bharti Airtel ranks among the top three mobile service providers globally in terms of subscribers. The Top 2 companies in the telecom sector account for over 70% of the wireless market share, one of them being Bharti Airtel (36% share) as on April 30, 2023 in India, which is its all time high.
- As on March 31, 2023 the company had a 20%YoY jump in data traffic and a 69% growth in data subscribers since September 2016.
- ARPU at Rs203 is up 95% from lows in Q2FY19 of 103.
- The Company is ramping up 5G services alongside; since its 5G launch in October 2022 its data subs addition at 14 million.

Increased EBITDA over the years



ARPU (Rs.) 74% rise in 4 Years



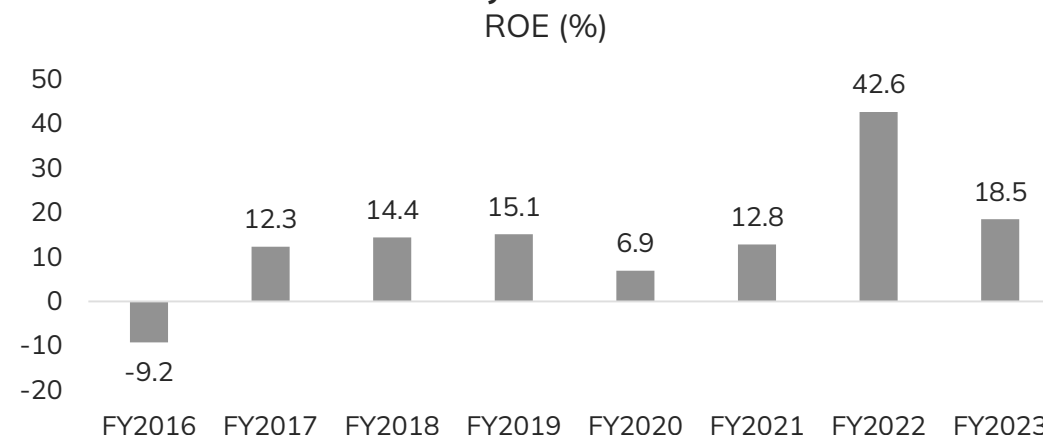
Source: Company Research Report by CLSA Limited, Industry Report (FY2023) by Telecom Regulatory Authority of India, Company Update. EBITDA: Earnings Before Interest Tax, Depreciation and Amortisation; ARPU – Average Revenue Per User. The Stock(s)/Sector(s) mentioned in this material do not constitute any research analysis or recommendation of the same and portfolio may or may not have any future positions in these stock(s)/Sector(s). As on March 31, 2024, the portfolio has an exposure to Bharti Airtel Ltd.

Consolidation in the Supply Chain: Ferrous Metals

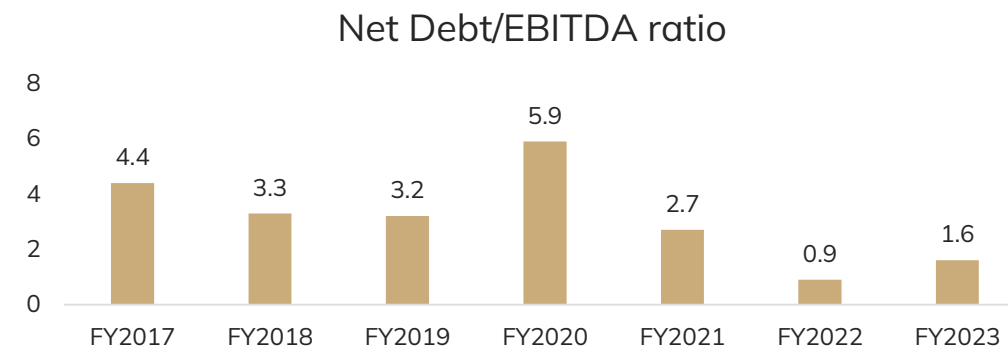
Tata Steel Limited

- There is consolidation in the steel sector globally due to China's carbon neutral move, inventory tightness and removal of VAT Rebates on exports by the Chinese Government.
- Tata Steel Limited has presence across the entire value chain of steel manufacturing from mining and processing iron ore and coal to producing and distributing finished products.
- Due to captive iron mines owned by the Company it has a resource moat as it can procure raw materials at low costs.
- The consolidated adjusted net leverage falling below 3.0x, on a sustained basis, are some of the factors which may be positives in the future, for the growth of the Company.

ROE is likely to continue to rise



Leverage reduces sharply with improvement in earnings



Source: Tata Steel Limited Annual Reports

Source: www.nseindia.com, Company Research report by Kotak Securities, Stock Updated by CITI Research

EBITDA – Earnings Before Interest Tax Depreciation and Amortization | ROE – Return on Equity

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Current Portfolio Positioning

Portfolio Statistics

As on March 31, 2024



- Aggregate earnings growth with improved capital efficiency (ROE) over three years
- Earnings growth outpacing stock returns, positions risk-reward favourably

	3 Year PAT Growth ¹ (CAGR)	3 Year Returns CAGR	ROE		P/B	P/E
			FY21	FY23		
ICICI Prudential PMS Contra Strategy	37.55%	29.17%	14.84	15.70	2.37	15.37
S&P BSE 500	33.90%	19.30%	10.76	14.27	3.87	23.49

¹TTM PAT of companies declared results up to December 2023 vs corresponding TTM period three years ago

Source: Financial data from Nuvama Securities, www.bseindia.com, Morning Star | Profit Growth - Aggregate profit after tax growth (TTM vs TTM PY) of portfolio companies under each Strategy as on December 31, 2023 | P/E – Price to Earning | P/B – Price to Book Value | Valuations are of the aggregate portfolio under each Strategy. The portfolio data mentioned above is of the oldest client and data of an individual client may vary significantly from the above. The Strategy features mentioned herein involves risk and there can be no assurance that specific objectives will be met under differing market conditions or cycles. Please refer to the disclosure document & client agreement for details and risk factors. Above details represents dated facts of the underlying portfolio companies depending on the varied prevailing market and economic conditions. Past performance may or may not sustain in future.

ICICI Prudential PMS Contra Strategy

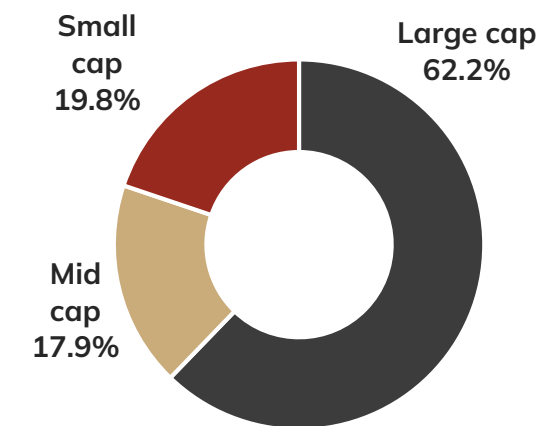
as of March 31, 2024



Top 15 Holdings	% Assets
State Bank of India	7.99
Larsen & Toubro Ltd	7.93
Bharti Airtel Ltd	7.90
ICICI Bank Ltd	6.73
Tata Steel Ltd	6.21
Jindal Steel and Power	4.47
Tata Communications	3.93
Hindalco Industries	3.90
RepcO Home Finance Ltd	3.84
Power Finance Corporation	3.81
Vardhman Textiles Ltd	3.72
Godawari Power and Ispat	3.57
Interglobe Aviation	3.52
Apollo Tyres Ltd	3.35
Bank Of Baroda	3.23

	Sector	% Assets	Total
Financial Services	Banks	24.9	34.5
	Finance	7.7	
	Capital Markets	2.0	
Manufacturing	Ferrous Metals	17.2	29.9
	Non - Ferrous Metals	3.9	
	Textiles & Apparels	3.7	
	Auto Components	3.4	
	Cement & Cement Products	1.7	
Other Consumption Play	Telecom - Services	11.8	15.9
	Retailing	4.0	
	Construction	7.9	
Manufacturing Allied	Transport Services	3.6	14.9
	Industrial Products	1.9	
	Petroleum Products	1.5	
	Transport Services	3.5	
Experiential Consumption	Transport Services	3.5	5.6
	Realty	2.1	

Market Cap Break –up



The portfolio data and related statistical analysis mentioned above is of the oldest client of the Strategy, the portfolio of other clients of the Strategy may vary significantly. The stocks / sectors mentioned hereinabove should not be construed as an investment advice or a forecast of their expected future performance. These stocks / sectors may or may not form part of the portfolio in future.

Strategy Performance

As on March 31, 2024



Aggregate Returns

	1 Month	3 Months	6 Months	1 Year	2 Years CAGR	3 Years CAGR	4 Years CAGR	5 Years CAGR	Since Inception*
Contra Strategy	2.59%	7.36%	20.73%	53.82%	27.89%	29.17%	40.80%	23.30%	22.10%
S&P BSE 500 TRI	0.86%	4.49%	17.40%	40.16%	17.84%	19.30%	31.97%	17.40%	15.63%

Calendar Year Returns

	CYTD 2024	2023	2022	2021	2020
Contra Strategy	7.36%	34.83%	20.03%	36.12%	17.65%
S&P BSE 500 TRI	4.49%	26.55%	4.77%	31.63%	18.41%

For performance relative to other Portfolio Managers within the Strategy by Association of Portfolio Managers in India (APMI) visit: [APMI \(apmiindia.org\)](http://apmiindia.org).

Performance data provided herein is not verified by SEBI.

Contra Strategy – ICICI Prudential PMS Contra Strategy

*Inception Date: 14-Sep-18

Inception Date of the Strategy is the date of onboarding of first client of the Strategy | Since inception return from March 31, 2007 or Inception Date, whichever is later.

Index Data Source: www.bseindia.com | Strategy performance mentioned above is the aggregate performance of all Clients in the Strategy using the Time Weighted Rate of Return (TWRR) methodology and the performance of an individual Client may vary significantly from the above. Returns for one year or less are on absolute basis, while returns more than one year are on annualized basis. All the returns calculated above are after deduction of the applicable expenses. Past performance may or may not be sustained in future and is no guarantee of future results. Please note that performance of your portfolio may vary from that of other clients and that generated by the Investment Approach across all clients because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints. Past performance may or may not be sustained in future and is no guarantee of future results. clients may note that the entity level performance of the Portfolio Manager is disclosed in the Disclosure Document and the same is available on the website of Portfolio Manager - <https://iciciprualternates.com/Investor>

Key Highlights of The Investment Approach

Investment Objective: ICICI Prudential PMS Contra Strategy (the “Contra Strategy”) seeks to generate capital appreciation by investing predominantly in equity and equity related instruments through contrarian investing

Strategy : Equity

Types of securities: Predominantly invests in listed equity and equity related securities. The Strategy may also take exposure to exchange traded derivative instruments for hedging purpose. For liquidity or defensive considerations or pending deployment, the Portfolio Manager may invest in debt, money market instruments, mutual fund schemes or debt ETFs.

Basis for Selection of securities: The Portfolio Manager follows ‘Contra’ style of investing which involves taking contrarian bets on equity stocks i.e. taking calls/exposure on stocks which are currently not in favour in the market but are expected to do well in the long run. The Portfolio Manager may also select stocks of companies in sectors where entry barriers are high, sectors in consolidation or of companies in special situation.

Investment Horizon: 4 years and above | **Inception Date:** September 14, 2018 | **Benchmark:** S&P BSE 500 TRI | **Minimum Investment:** ₹ 50 Lacs

The investment strategy, approach and the structure of the strategy herein involves risk and there can be no assurance that specific objectives will be met under differing market conditions or cycles. The investment strategy and the composition of the portfolio as stated herein is only indicative in nature and is subject to change within the provisions of the disclosure document and client agreement without any prior notice to investors. Please refer to the disclosure document & client agreement for details and risk factors. Investment Objective in line with Disclosure Document (DD). Basis of selection of securities, Risks associated with Strategy specific investment approach mentioned here are brief subset of details mentioned in the DD. Investors should refer the DD before investing and the same is available on the website of Portfolio Manager – <https://iciciprualternates.com/Investor>

Strategy Specific Risks & Disclaimer

Risks associated with ICICI Prudential PMS Contra Strategy investment approach:

- The Contra Strategy predominantly select stocks following a Contrarian style of investing.
- There could be time periods when securities selected based on their relevancy to the investment style followed by the Portfolio Manager underperform relative to other stocks or the overall markets. This could impact performance.
- The Contra Strategy aims at maintaining a diversified portfolio without any undue concentration in any sector or stock and the portfolio may underperform relative to concentrated portfolios during certain periods of time.
- The Contra Strategy invests across market capitalisations. Hence, risks relevant to investing in small and mid-cap stocks are also applicable for the strategy.
- In addition to the above, the Portfolio would be subject to the following risks, which are elaborated in the Risk Factors section of the Disclosure Document:
 - Risks related to equity and equity related instruments
 - Risks related to derivative investments
 - Risks related to investments in debt and debt related instruments

Risk Factors & Disclaimers

Mr. Anand Shah is the Head of PMS & AIF Investments. He oversees all PMS Strategies offered by ICICI Prudential Asset Management Company Limited (the AMC/ Portfolio Manager). The performance of the stock across Individual portfolios may vary significantly from the data depicted above. This is due to factors such as timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters which may have a bearing on individual portfolio performance. No claims may be made or entertained for any variances between the above performance depictions and that of the stock within individual client portfolios. There is no assurance that the value may be unlocked during our holding period of the stock. Investor's may note that the entity level performance of the Portfolio Manager is disclosed in the Disclosure Document and the same is available on the website of Portfolio Manager – www.iciciprups.com. Performance data provided herein is not verified by SEBI.

Direct Option Investor's may invest with us directly as well. To invest in any of our PMS strategies directly, kindly write to us at PMS@icicipruamc.com

Investment in securities involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. The value of the portfolio may be affected by changes in the general market conditions, factors and forces affecting capital market. There can be no assurance that the objective of the Portfolio would be achieved. Investors are advised to refer to the Disclosure Document, Portfolio Management Services Agreement and other related documents carefully and consult their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing/ redeeming under this Portfolio, before making a decision. Please note that performance of one investor in the portfolio may vary significantly from that of other investors and that generated by the Investment Approach across all investors because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints.

The details pertaining to the investment approach mentioned herein is a subset of details specified in the Disclosure Document. Kindly refer the Disclosure Document for the detailed investment approach, including specific risk factors, before investing. The stock(s)/Sector(s) mentioned in this material do not constitute any recommendation of the same and the portfolios may or may not have any future positions in these Stock(s)/Sector(s). The composition of the portfolio is subject to changes within the provisions of the Disclosure Document. The benchmark of the portfolios can be changed from time to time in the future in accordance with the regulatory provisions. No claims may be made or entertained for any variances between the performance depictions and individual portfolio performance or for any losses (notional or real) or against any loss of opportunity for gain under various PMS Strategies. The Portfolio Manager (including its affiliates) and any of its employee/officers', directors shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient(s) alone shall be fully responsible/are liable for any decision taken on the basis of this material. The investments discussed in this may not be suitable for all investors. Please note that past performance of the financial strategies, instruments and the portfolio does not necessarily indicate the future prospects and performance thereof. Such past performance may or may not be sustained in future. The investors are not being offered any guaranteed or assured returns.

In the preparation of this material, the Portfolio Manager has used information that is publicly available, including information developed in-house. Some of the material used herein may have been obtained from members/persons other than the Portfolio Manager and/or its affiliates and which may have been made available to the Portfolio Manager and/ or to its affiliates. Information gathered and material used herein is believed to be from reliable sources. The Portfolio Manager however does not warrant the accuracy, reasonableness and/or completeness of any information. For data reference to any third party in this material no such party will assume any liability for the same. The Portfolio Manager has included statements/opinions/recommendations in this material, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions, that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, the money and interest policies of India, inflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the industry.

All data/ information used in the preparation of this material is dated as mentioned in the portfolio data and may or may not be relevant any time after the issuance of this material. The Portfolio Manager takes no responsibility of updating any data/information in this material from time to time. ICICI Prudential Asset Management Company Limited is registered with SEBI as a Portfolio Manager vide registration number INP000000373.

Thank You