SiMPL
Portfolio Management

Securities Investment Mgmt Pvt Ltd

Portfolio Management Service

September 2026

SiMPL Small Cap Value Portfolio (SSCVP)

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Introduction

- Incorporated in 2007 SiMPL is a SEBI registered PMS firm
- Promoted by Mr. Rajashekar Iyer
- Operated under single “Multi Cap Value Portfolio” scheme with AUM of Rs.1359 Cr as of September’26 ending.
  - Discretionary scheme invests across universe of listed stocks
  - Successfully managed by Mr. Ravi Purohit since inception
- With an aim to tap into companies in early stage of evolution, we launched a new scheme in May 2023
  - *SiMPL Small Cap Value Portfolio*
    - *Follow similar process being practiced all these years*
    - *With focus on smaller capitalization companies in listed space*

Core Portfolio Features

- Our universe will include companies that cross profit range of Rs 25 Cr+
    - In Market cap terms the focus will be on **Small Cap Companies**
    - Lot more focus on sustainable profits ~ *Execution record key filter*
  - Sustainability driven by strong business model
    - Strength of Business model: Measured by sustainable ROE >20% and steady cash flow generation.
        - For banks/NBFCs sustainable ROE >15%
  - Driven by focused and ethical management
    - Where outcomes are visible through market share gains/sustenance
    - Who understand efficient capital allocation
    - And can grow while maintaining strength of Balance sheet or Cash flows
  - Track record of compounding earnings
    - Enough opportunities to scale in existing segment

Portfolio Construction Approach

- Majority of portfolio to meet the defined criterion
  - Investment in companies outside criterion typically when
    - End business enjoys strong economics
    - We have tracked and met management sufficiently long to build confidence on approach
- Investment holding period to range from 3-5 years
- Position sizing in stock to be driven by risks associated with each investment
  - Target segment impacted by additional risks of liquidity and volatility
  - Price volatility induced by market behavior
- Our selling will be induced by
  - Either our hypothesis for investment not playing out or
  - Valuation running ahead of business delivery turning risk: reward unfavorable

Benchmark and Return

- Focus would be on absolute return while maintaining low absolute risk
  - Larger focus on preservation of capital
- Valuation and purchase prices are the key source for risk protection
- Valuation to be driven by a mix of valuation methodologies:
  - Current earnings below sustainable earnings profile led by temporary factors
  - Valuation at significant discount to historical valuation bands in established businesses
  - Discount to cash-flow based discounting models
- Benchmark index would be BSE 500 TRI as mandated by SEBI

Risk Mitigation

- Every investment carries 2 major risks
  - Business economics influenced by external environment
    - Can be reduced by careful attention paid on individual business economics
  - Market risk defined by volatility and liquidity
    - Small cap companies can see markets risks getting amplified
    - We cannot remove it but reduce it
      - By taking smaller positions
      - Our strategy will entail a larger portfolio basket 30-35 companies
      - Staying patient and making our investments with enough margin of safety
- Being patient and wait for opportunities
  - May result in larger cash holding

Performance Track Record

Annual TWRR Returns (net of fees & expenses)		
	SiMPL Small Cap	BSE500 TRI
FY24*	19.2%	31.8%
FY25	17.4%	6.0%
FY26	5.2%	-3.1%
Q1'FY27^	25.7%	12.1%
Q2'FY27^	2.2%	-3.6%
Cumulative Return (net of fees & expenses)		
	SiMPL Small Cap	BSE500 TRI
FY24*	19.2%	31.8%
FY25	40.0%	39.6%
FY26	47.2%	35.3%
Q1'FY27^	85.0%	51.6%
Q2'FY27^	89.1%	46.2%
Compounded Annual Gain since inception		
	SiMPL Small Cap	BSE500 TRI
CAGR (3.38 yrs)	20.7%	11.9%

* - Return for period 15th May 2023 to 31st March 2024

^ - Unaudited

Business growth of SiMPL Small Cap Value Portfolio

Year	Number of Clients	Funds Managed (Rs. Crore)
FY24	6	22
FY25	38	58
FY26	77	87
Q1'FY27^	95	132
Q2'FY27^	124	158

^ - Unaudited

SiMPL Fund Management and Research Team

Rajashekar Iyer - Promoter Director

- Chartered Accountant by qualification
- Over 30 years of experience in the field of equity research, advisory & investment management
- Ex Kotak Securities Ltd. as Head of Research and later as Head of its Institutional Broking business

Ravi Purohit – Principal Officer & Chief Investment Officer

- Engineering and Management Graduate
- Part of core team at SiMPL since 2008
- Center for Monitoring Indian Economy (CMIE) between 2003-2006

SiMPL Fund Management and Research Team

Nikhil Upadhyay – Fund Manager

- PGDM IIM Kozikhode
- Part of SiMPL investment team since 2013
- Equirus Securities (Institutional Broking)
- ICICI Bank

Viraj Kacharia – Co-Fund Manager

- M.Sc. Finance & Accounting from London School of Economics
- Part of SiMPL investment team since 2013
- Cayuga Capital Partners (Macro Hedge Fund)
- Credit Research Division JP Morgan

SiMPL Fund Management and Research Team

Aditya Khandelwal - Analyst

- Chartered Accountant
- Part of SiMPL investment team since October 2021
- Internship Deloitte Haskins and Sells LLP

SiMPL Compliance, Operations & Service Team

Hema B. Rajashekar - Director

- Holds an MMS degree from S.P. Jain Institute of Management Studies, Mumbai
- Over 20 years of experience in areas of merchant banking, business journalism and macro industry research
- Former Head-Industry Analysis Service at the Center for Monitoring Indian Economy (CMIE)

Fahima Malik – Chief Operating Officer & Compliance Officer

- Chartered Accountant by qualification
- Part of SiMPL team since May 2018
- Nomura, J P Morgan and Citi between 2008 and 2017

SiMPL Compliance, Operations & Service Team

Pushpa Ram – Senior Executive PMS Operations & Customer Care

- Holds a Master's Degree in Commerce
- Part of SiMPL team since July 2019
- Over 3 years of work experience as Audit & PMS Operations

Jyoti Valmiki – Senior Executive Customer Care & PMS Operations

- Holds a Bachelor's Degree in Commerce
- Part of SiMPL Team since April 2022
- 4 years of work experience as an Equity Dealer & Relationship Manager

SiMPL Compliance, Operations & Service Team

Nidhi Pawar – Executive Customer Care & PMS Operations

- Holds a Master's Degree in Commerce
- Part of SiMPL Team since May 2024
- Over 2 years of work experience in Custody Operations & Relationship Manager.

Vaibhav Bhogale – Executive PMS Operations

- Holds a Bachelor's Degree in Commerce
- Part of SiMPL Team since June 2024
- Over 8 years of work experience as Account Assistant & Auditing.

SiMPL Compliance, Operations & Service Team

Hrishikesh Hode – Senior Executive PMS Operations & Dealing Team

- Holds a Post-Graduate Diploma in Management (Finance).
- Part of SiMPL Team since September 2021
- Nearly 3 years of work experience in Audit & PMS Operations

Vinayak Lakhapatri – Executive PMS Operations & Dealing Team

- Holds a Degree in Master of Management Studies (MMS - Finance).
- Bachelor of Accounting and Finance (BAF) from Mumbai University
- Part of SiMPL Team since September 2023

Fee Structure

- Minimum Ticket size **INR 50 Lacs** required even for existing clients in Multi Cap Scheme
- Investors may choose **ANY ONE** from the below mentioned fee options :

    A. **Fixed Management Fee**

    B. **Fixed Management Fee and Performance Fee**

- In addition to above mentioned Fee options, Other expenses will be charged as per Actuals (Custody/Bank/Brokerage etc)
- GST or such other tax as applicable shall also be levied at the applicable rates in force on all charges and fees
- New bank and Demat account to be opened
    - Even for existing clients separate bank and demat accounts will be opened

Fee Structure contd.

- The details of **A. <u>Fixed Management Fee</u>** are as follows :
  - **Fixed Fees – 2% per annum**
  - Charged quarterly at the rate of 0.50% on the daily weighted average portfolio value

Fee Structure contd.

- The details of **B. Fixed Management Fee and Performance Fee** are as follows :

- **Fixed fees – 1% p.a.** *(charged quarterly at the rate of 0.25% on the daily weighted average portfolio value)*

- **Performance Fees - *20% over the hurdle rate of 10%***
  - *Performance fees is charged only when returns in a portfolio exceed 10% in any year,*
  - *The hurdle rate **compounds***
    - *Shortfall on hurdle rate in one year is carried forward to the next year*
    - *Performance fee becomes applicable only when the shortfall has been made up for*

- **High water-mark principle is applied**

Thank You

Ethics and Values

- Client's interest is always first.

- No Soft Dollar Arrangements. All transactions in the clients account therefore have only one purpose: earn absolute returns

- Charge fees for Alpha Generation. Except for the moderate administration fee, our clients pay us only if we perform.

- Our model is such that unless we earn any significant return for our clients, we don't make any for ourselves.

Disclaimers and a few other matters

- No ‘lock-in’ is proposed or enforced of funds placed with us in the PMS Schemes but clients are encouraged to view their account as long term investments and it is suggested that only long term, surplus funds be invested in the scheme. Our investment style is best suited for individuals or families who wish to protect long term capital while investing in equities.
- Equities as a class may under perform other investments in the form of real estate, bond funds, gold etc and we do not hold out any assurance of outperformance against any other investment class
- On account of our emphasis on long term investments acquired at discount to fair value client monies may be retained in interest generating assets such as Liquid BEES or Bank Fixed Deposits until suitable opportunities arise. This inter alia could lead to underperformance of the overall portfolio against performance of the overall stock market as indicated by various indices such as the BSE Sensitive Index, NSE 50 Stock Index, BSE Small cap Index etc
- We look for value and may find it in illiquid stocks of small companies. A portion of your portfolio will be invested in such stocks which carries with it attendant liquidity risk apart from company specific risk.
- No hedging strategies are adopted to protect against currency depreciation or market fluctuations in either direction

Disclaimers and a few other matters

- Clients are mailed a Monthly Statement of Transactions, Holdings and Valuation.
- Past Performance statistics are available in this presentation and will also be updated in the Disclosure Document filed with SEBI. Past performance is no indication of target returns and should not be relied upon as indicative of achievable returns or target returns for the future. The past performance statistics are based on unaudited financial statements, and they have not been verified by SEBI.
- Investments are often made and held directly by promoters and other key employees in the same stocks in which the portfolio manager invests for clients. Such investments may be made by promoters, directors or by entities controlled by them. In all such cases a pre-clearance procedure is in place and priority is accorded to clients' investments both in the purchase and sale of securities in accordance with internal policies adopted for this purpose. Clients are entitled to receive a copy of the Internal Guidelines on this matter for perusal.
- Performance fees are not charged for certain categories of customers like Promoter Director(s)/ Director(s)/ Shareholder(s)/ Employees of the Portfolio Manager/ Clients introduced by Registered Investment Advisors/ Clients opting for Fixed Management Fee option.

Securities Investment Management Pvt Ltd

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