



PGIM
India Mutual Fund

Gain from experience

PGIM INDIA MIDCAP OPPORTUNITIES FUND

(Mid Cap Fund - An open-ended equity scheme predominantly investing in mid cap stocks)

March 2024

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Why Midcaps?

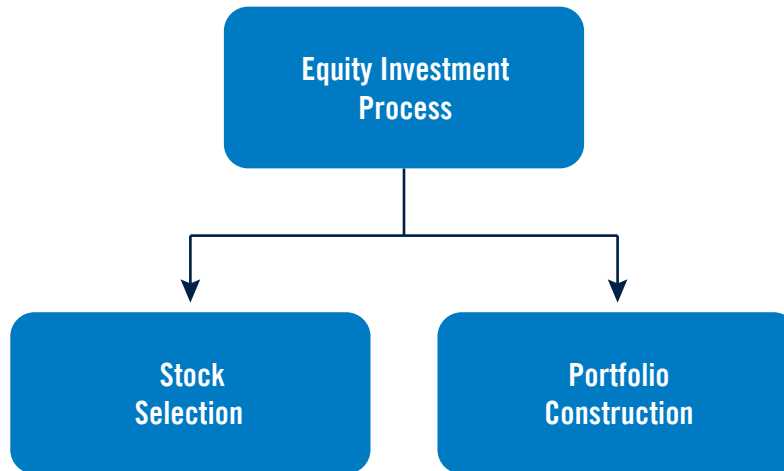
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Why PGIM India Midcap Opportunities Fund?

PGIM India – Equity Investment Process

PGIM India – Equity Investment Process

Our investment process is based on the following pillars:



Stock selection: Criteria to build fund house universe

- The starting point for our fund house universe will be all companies with market cap greater than Rs.1,000 crores (including any IPOs)
- As of Dec-2022, there are 1037 companies with market capitalization greater than Rs 1000 crores*
- We then look at the following 3 parameters to further filter the universe:



Quality

- Higher than peer average RoE
- Sustainable RoE



Growth

- Higher than peer group growth in earnings
- Sustainable earnings growth

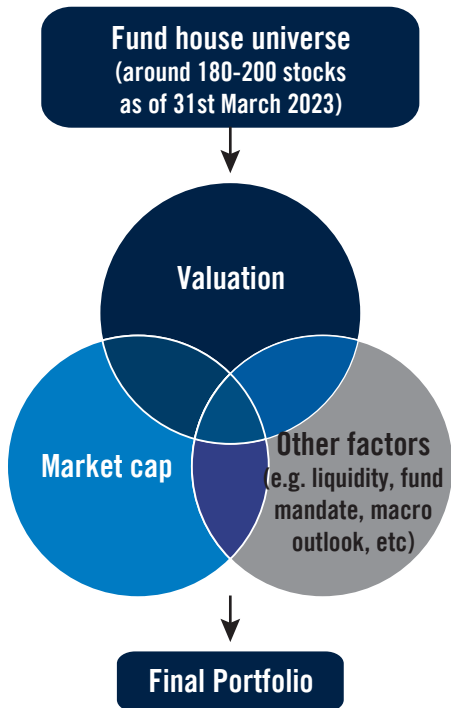


Management

- Good quality management
- Good capital allocation track record
- Operating cash flow positive in 7 out of 10 years (ex financials) (In companies with less than 10 years of data available, at least 70% of the years should have generated positive operating cash flows)

*Source: AMFI

Portfolio Construction: Designing an optimal portfolio



Portfolio construction principles

-  **Diversification**
-  **High Active Share**
-  **Lower portfolio turnover**
-  **True to mandate**

Why Midcaps?

Many Themes / Sectors where Midcap companies have presence compared to Large Caps – providing unique opportunities



SOFTWARE PRODUCT DEVELOPMENT COMPANIES

India is seeing emergence of some interesting IT product companies. Different from the normal IT Services companies



WATER & WATER TRANSPORTATION

Water will increasingly become a critical element in the eco-system of India. Higher population & erratic monsoons will require water transportation & river linking



DISCRETIONARY RETAIL

This segment is a beneficiary of rising per capital GDP and higher discretionary spends. Many sub segments find no representation in large caps: Footwear, Clothing brands, Food & Retail chain



HOSPITALITY

Increasing incomes will lead to people travelling more and holidaying. The need for hotel rooms & airlines will grow manifold

These are based in the Fund Managers outlook and are subject to change. The scheme may or may not invest in above themes. These themes may change depending upon the market conditions.

Many Themes / Sectors where Midcap companies have presence compared to Large Caps – providing unique opportunities



REAL ESTATE

Housing will be a long-term story in India. Post RERA, the transparency has gone up and overtime the competition will come down



CHEMICALS

The sector is seeing a lot of vibrancy in terms of growth and profitability as China clamps down on pollution. Lots of business is flowing to India



HOME BUILDING

As a corollary to the real estate sector, as the sector takes off, there will be a good demand of tiles, sanitary ware, etc. There is very little representation of large caps in the segment

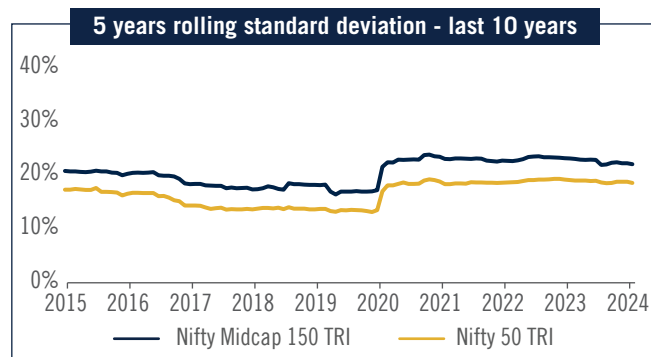
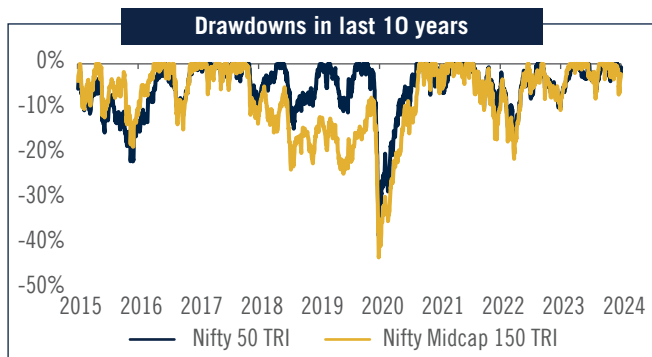


STAFFING

Manpower management is moving from unorganised to organised and the trend to outsource non-core activity will be a big theme, as corporates will focus on core activities and profitability

These are based in the Fund Managers outlook and are subject to change. The scheme may or may not invest in above themes. These themes may change depending upon the market conditions.

Historically midcaps have been more volatile than large caps; risk appetite may be a consideration for investing



- During periods of contraction, midcaps in general witness a greater drawdown compared to large caps
- However, midcaps also tend to recover quickly as and when the economy revives

- Midcaps are more volatile compared to their largecap counterparts
- Investors should have an appropriate risk appetite before investing in this category

Source: ICRA, Internal Analysis. The above chart is for understanding purpose only. Past performance may or may not sustain in the future. (Midcap represented by Nifty Midcap 150 TRI and large cap represented by Nifty 50 TRI). Chart data as of 28 March 2024.

Why PGIM India Midcap Opportunities Fund?

PGIM India Midcap Opportunities Fund

- The scheme invests at least 65% of its net assets in Midcap stocks and maximum of 35% each in Equity & Equity Related Instruments of other companies and Cash, Money Market, Debt Securities, Liquid & Debt schemes of Mutual Fund. Midcap stocks are defined as stocks between 101 to 250 ranked as per market capitalization
- The fund tends to offer you greater growth potential as compared to large cap stocks, and also with less volatility and risk as compared to small cap stocks
- The fund looks to identify quality midcap stocks which can benefit from a favourable economic environment, based on extensive research and thorough selection process
- The fund predominantly invests in midcap stocks in accordance with the investment objective and asset allocation. Fund Manager will select equity securities on a top-down and bottom-up, stock-by-stock basis, with consideration given to valuation parameters as well as growth, margins, asset returns, and cash flows, amongst others
- Stocks are selected on the basis of, amongst others, the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know-how and corporate governance

Investment Approach : PGIM India Midcap Opportunities Fund



The zebra in the centre is the safest, but gets low quality grass which is stamped by the hoof of other horses



The zebra in the outer periphery has the risk of being attacked by lions but has access to the greener grass.

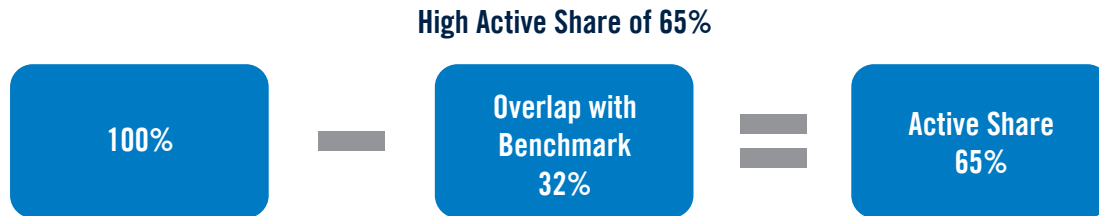


The zebra, which is aware of the risk and stands at the outer periphery gets the best grass and is risk aware

In the Midcap, we are the risk aware zebra, standing at the periphery

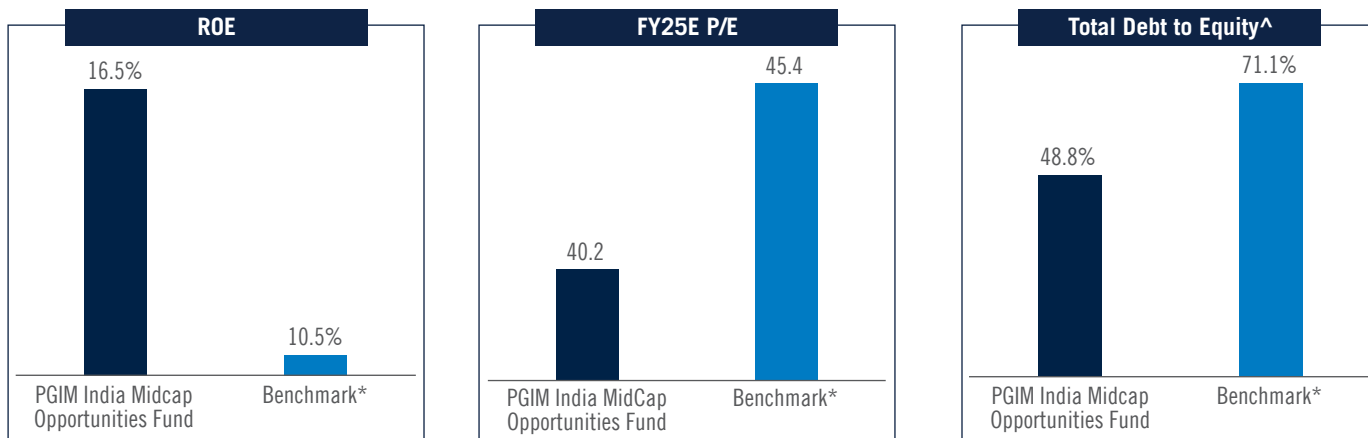
Approach leads to High-Conviction portfolio with Low Overlap

Top 10 Holdings (% of net assets)	
PGIM India Midcap Opportunities Fund	26.9%
Benchmark*	15.9%



*Nifty Midcap 150 TR Index. W.e.f. December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TR Index to NIFTY Midcap 150 TRI. Numbers may not add up to 100% due to rounding. Data as on 28 March 2024

Portfolio Metrics - Portfolio with Higher profitability, Lower valuations and Lower Leverage

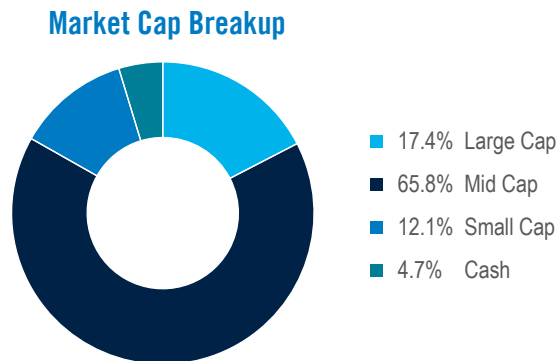


A portfolio with higher profitability (ROE), lower valuations (FY25E P/E) and lower leverage (debt-to-equity ratio) v/s the benchmark index

Data as on March 28, 2024. *Nifty Midcap 150 TR Index ^Ex Financials Source: Bloomberg.
W.e.f. December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TR Index to NIFTY Midcap 150 TRI.

Portfolio Metric – Current Sector and Stock Positioning

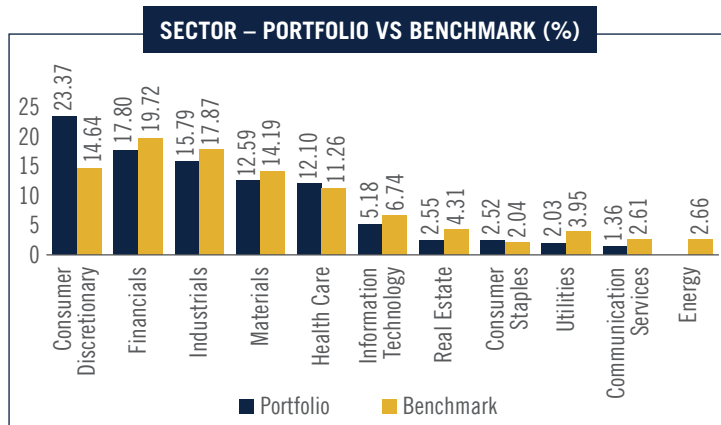
Stock (Top 10)	% Holding
Max Healthcare Institute Ltd.	3.26
Dixon Technologies (India) Ltd.	3.01
The Phoenix Mills Ltd.	2.55
Persistent Systems Ltd.	2.45
Cholamandalam Investment & Finance Company Ltd.	2.42
Tube Investments Of India Ltd.	2.20
Kotak Mahindra Bank Ltd.	2.15
Solar Industries India Ltd.	2.09
HDFC Bank Ltd.	2.08
UNO Minda Ltd.	2.06



The above weights are in comparison to the benchmark. W.e.f December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TR Index to NIFTY Midcap 150 TRI. These are based on the Fund Manager’s outlook and are subject to change Source: Bloomberg. Data as on 31 March 2024.

Portfolio Metric – Current Sector and Stock Positioning

Top 5 Stocks Overweight #	% Overweight
Cholamandalam Investment & Finance Company Ltd.	2.41
Kotak Mahindra Bank Ltd	2.15
HDFC Bank Limited	2.08
TVS Motor Co Ltd	2.03
Dixon Technologies India Ltd	1.96
Top 5 Stocks Underweight #	% Underweight
Suzlon Energy Ltd	1.59
Cummins India Ltd	1.52
Yes Bank Ltd	1.51
Lupin Ltd	1.45
BSE Ltd	1.26



The above weights are in comparison to the benchmark. We.f December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TR Index to NIFTY Midcap 150 TRI. These are based on the Fund Manager’s outlook and are subject to change Source: Bloomberg. Data as on 31 March 2024.

To Summarize

PGIM India Midcap Opportunities Fund

A quality portfolio with

- Companies with
 - Respect for capital
 - Good Quality management

- Broadly three types of companies
 - High growth
 - Stable growth
 - Turn around

- Characteristics of
 - High ROE
 - Low Debt to Equity Ratio

Fund Performance

	Fund		NIFTY Midcap 150 TRI [^]		NIFTY 50 TRI [#]	
	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*
PGIM India Midcap Opportunities Fund-Reg(G)						
Last 1 Year	29.24	12,906	57.93	15,754	30.27	13,008
Last 3 Years	19.86	17,204	26.56	20,245	16.35	15,736
Last 5 Years	23.97	29,303	23.31	28,530	15.27	20,356
Since Inception	17.70	53,830	22.16	78,972	14.54	40,629
PGIM India Midcap Opportunities Fund(G)-Direct Plan						
Last 1 Year	30.90	13,071	57.93	15,754	30.27	13,008
Last 3 Years	21.74	18,022	26.56	20,245	16.35	15,736
Last 5 Years	25.97	31,744	23.31	28,530	15.27	20,356
Since Inception	19.20	61,330	22.16	78,972	14.54	40,629

Data as on March 28, 2024

Date of Inception: Regular Plan: December 02, 2013; Direct Plan: December 02, 2013. CAGR – Compounded Annual Growth Rate. [^] Scheme Benchmark. [#] Standard Benchmark. We.f. December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TRI Index to NIFTY Midcap 150 TRI. *Based on standard investment of Rs.10,000 made at the beginning of the relevant period. All the above returns are in CAGR. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Vinay Paharia (Equity Portion) is managing this fund since April 01, 2023, Mr. Anandha Padmanabhan Anjeneyan (Equity Portion) is managing this fund since August 19, 2023 and Puneet Pal (Debt Portion) is managing this fund from July 16, 2022. For fund performance of schemes by other managers, please refer to the next slides.

Performance of other schemes managed by Vinay Paharia

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
Top 3 Schemes Performance (%)				
PGIM India Small Cap Fund*	30.11	–	–	April 01, 2023
NIFTY Smallcap 250 TRI^	64.60	–	–	
PGIM India Flexi Cap Fund*	27.12	15.34	18.46	April 01, 2023
NIFTY 500 TRI^	40.75	19.32	17.19	
PGIM India Large Cap Fund*	27.08	13.22	12.87	April 01, 2023
NIFTY 100 TRI^	35.01	17.00	15.50	
Bottom 3 Schemes Performance (%)				
PGIM India Equity Savings Fund*	9.52	7.62	7.31	April 01, 2023
NIFTY Equity Savings Index^	15.49	9.53	9.66	
PGIM India Balanced Advantage Fund*	17.35	9.86	–	April 01, 2023
CRISIL Hybrid 50+50 Moderate Index^	22.79	12.11	–	
PGIM India Hybrid Equity Fund*	20.99	11.19	10.61	April 01, 2023
CRISIL Hybrid 35+65 - Aggressive Index^	27.43	14.09	14.10	

^ Scheme Benchmark. All the above returns are in CAGR. CAGR – Compounded Annual Growth Rate. The performance provided is for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Vinay Paharia is managing 9 schemes of PGIM India Mutual Fund. *PGIM India Large Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion) and Bhupesh Kalyani (Debt Portion). *PGIM India Flexi Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt Portion). *PGIM India Small Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion), Harsh Kothari (Equity Portion), Chetan Gindodia (Overseas) and Puneet Pal (Debt Portion). *PGIM India Equity Savings Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion), Chetan Chavan (Equity Portion) and Puneet Pal (Debt Portion). *PGIM India Hybrid Equity Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). *PGIM India Balanced Advantage Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Chetan Chavan (Equity), Chetan Gindodia (Overseas) and Bhupesh Kalyani (Debt). Please refer to www.pgimindiamf.com for details on performance of all schemes including direct plans. Performance as on March 28, 2024.

Performance of another scheme managed by Anandha Padmanabhan Anjeneyan

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
Top 3 Schemes Performance (%)				
PGIM India Small Cap Fund*	30.11	–	–	April 01, 2023
NIFTY Smallcap 250 TRI^	64.60	–	–	
PGIM India Flexi Cap Fund*	27.12	15.34	18.46	June 01, 2021
NIFTY 500 TRI^	40.75	19.32	17.19	
PGIM India Large Cap Fund*	27.08	13.22	12.87	August 19, 2023
NIFTY 100 TRI^	35.01	17.00	15.50	
Bottom 3 Schemes Performance (%)				
PGIM India Equity Savings Fund*	9.52	7.62	7.31	May 12, 2022
NIFTY Equity Savings Index^	15.49	9.53	9.66	
PGIM India Balanced Advantage Fund*	17.35	9.86	–	April 01, 2023
CRISIL Hybrid 50+50 Moderate Index^	22.79	12.11	–	
PGIM India Hybrid Equity Fund*	20.99	11.19	10.61	August 19, 2023
CRISIL Hybrid 35+65 - Aggressive Index^	27.43	14.09	14.10	

^ Scheme Benchmark. All the above returns are in CAGR. CAGR – Compounded Annual Growth Rate. The performance provided is for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Anandha Padmanabhan Anjeneyan is managing 9 schemes of PGIM India Mutual Fund. *PGIM India Large Cap Fund is co-managed by Vinay Paharia (Equity Portion) and Bupesh Kalyani (Debt Portion). *PGIM India Flexi Cap Fund is co-managed by Vinay Paharia (Equity Portion), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt Portion). *PGIM India Small Cap Fund is co-managed by Vinay Paharia (Equity Portion), Harsh Kothari (Equity Portion), Chetan Gindodia (Overseas) and Puneet Pal (Debt Portion). *PGIM India Equity Savings Fund is co-managed by Vinay Paharia (Equity Portion), Chetan Chavan (Equity Portion) and Puneet Pal (Debt Portion). *PGIM India Hybrid Equity Fund is co-managed by Vinay Paharia (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). *PGIM India Balanced Advantage Fund is co-managed by Vinay Paharia (Equity), Chetan Chavan (Equity), Chetan Gindodia (Overseas) and Bupesh Kalyani (Debt). Please refer to www.pgimindia.com for details on performance of all schemes including direct plans. Performance as on March 28, 2024.

Performance of other schemes managed by Puneet Pal

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
Top 3 Schemes Performance (%)				
PGIM India Small Cap Fund*	30.11	–	–	April 01, 2023
NIFTY Smallcap 250 TRI^	64.60	–	–	
PGIM India Flexi Cap Fund*	27.12	15.34	18.46	April 01, 2023
NIFTY 500 TRI^	40.75	19.32	17.19	
PGIM India Hybrid Equity Fund*	20.23	10.63	11.59	April 01, 2023
CRISIL Hybrid 35+65 - Aggressive Index^	26.58	14.08	15.07	
Bottom 3 Schemes Performance (%)				
PGIM India Ultra Short Duration Fund*	6.65	5.01	6.60	December 13, 2017
CRISIL Ultra Short Duration Debt A-I Index^	7.61	5.75	5.94	
PGIM India Overnight Fund*	6.70	5.10	–	July 16, 2022
NIFTY 1D Rate Index^	6.84	5.23	–	
PGIM India Arbitrage Fund*	6.95	5.01	4.84	July 16, 2022
NIFTY 50 Arbitrage Index^	8.17	5.72	5.10	

^ Scheme Benchmark. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The above mentioned earlier are for Regular Plan - Growth Option. Above returns are in CAGR – Compounded Annual Growth Rate. Different plans have a different expense structure.

Mr. Puneet Pal is managing 16 schemes of PGIM India Mutual Fund. *PGIM India Flexi Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Vinay Paharia (Equity) and Chetan Gindodia (Overseas Investment). *PGIM India Ultra Short Duration Fund is co-managed by Mr. Bhupesh Kalyani (Debt). *PGIM India Hybrid Equity Fund is co-managed by Vinay Paharia (Equity), Anandha Padmanabhan Anjeneyan (Equity) and Chetan Gindodia (Overseas Investments). *PGIM India Small Cap Fund is co-managed by Vinay Paharia (Equity), Anandha Padmanabhan Anjeneyan (Equity), Harsh Kothari (Equity Portion) and Chetan Gindodia (Overseas). *PGIM India Arbitrage Fund is co-managed by Chetan Chavan (Equity). *PGIM India Overnight Fund is co-managed by Bhupesh Kalyani (Debt). Returns for the benchmark have been calculated using TRI values. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on March 28, 2024. Performance as on March 28, 2024.

Fund Facts

Scheme Name	PGIM India Midcap Opportunities Fund
Type of scheme	Mid Cap Fund - An open - ended equity scheme predominantly investing in mid cap stocks
Investment objective	The primary objective of the Scheme is to achieve long-term capital appreciation by predominantly investing in equity & equity related instruments of mid cap companies.
Plan / Options	IDCW** (Payout of Income Distribution cum Capital Withdrawal option / Reinvestment of Income Distribution cum Capital Withdrawal option) and Growth.
Exit Load	For Exits within 90 days from date of allotment of units : 0.50%. For Exits beyond 90 days from date of allotment of units : NIL
Fund Manager	Mr. Vinay Paharia (Equity Portion), Mr. Anandha Padmanabhan Anjeneyan (Equity Portion), Mr. Utsav Mehta (Equity Portion) and Puneet Pal (Debt Portion)
Benchmark Index	Nifty Midcap 150 TR Index (W.e.f. December 01, 2021, the benchmark of the scheme has been changed from Nifty Midcap 100 TRI Index to NIFTY Midcap 150 TRI).

**Income Distribution cum Capital Withdrawal option

PGIM INDIA MIDCAP OPPORTUNITIES FUND

Mid Cap Fund- An open ended equity scheme predominantly investing in mid cap stocks

This product is suitable for investors who are seeking*:

- Capital appreciation over long run
- To achieve long term capital appreciation by predominantly investing in equity and equity related instruments of mid cap companies
- Degree of risk – VERY HIGH

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

Scheme Riskometer



Investors understand that their principal will be at very high risk

Benchmark Riskometer



Nifty Midcap 150 TR Index
Benchmark riskometer is at very high risk



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