ALCHEMY SMART ALPHA MICRO & SMALL CAP

Unlocking Hidden Gems in India's Small Cap Market

November 2026

Alchemy Smart Alpha Micro & Small cap is one of the Portfolio Management Services products managed by M/s Alchemy Capital Management Pvt. Ltd., a SEBI registered Portfolio Manager. Until May 29, 2025, the Investment Approach name was Alchemy Smart Alpha Small & Micro cap.

Alchemy Smart Alpha Micro and Small cap strategy aims to uncover the hidden gems within India's dynamic Small and Micro cap market, where growth opportunities may abound for discerning investors. A unique Quant and Active management style meticulously researches and analyses companies with strong fundamentals, compelling growth prospects, and solid management teams.

WHY MICR0 AND SMALLCAP STRATEGY?

India is a land of a billion opportunities and a long runway of growth.

This growth gets better captured in riding the journey of successful companies morphing from micro to small to mid to large. This whole journey has potential to create lot of wealth/returns.

Over the last 10 years, while Nifty 50 TRI has delivered 12.0% CAGR, the comparative number for Nifty SmallCap 250 TRI is 15.1%.*

**Source: ACE MF | Note: Data as of August 31, 2026*

WHY ALCHEMY CAPITAL?

Expertise: Our seasoned team possesses deep knowledge and expertise in navigating the nuances of India's small-cap landscape.

Research-driven Approach: We use a unique blend of Quant + Active styles.

Diversification: We believe in a well-diversified portfolio strategy to mitigate risk and capture growth opportunities across various sectors.

Active Management: We actively monitor and manage our portfolio to capitalize on emerging trends and swiftly adapt to market dynamics.

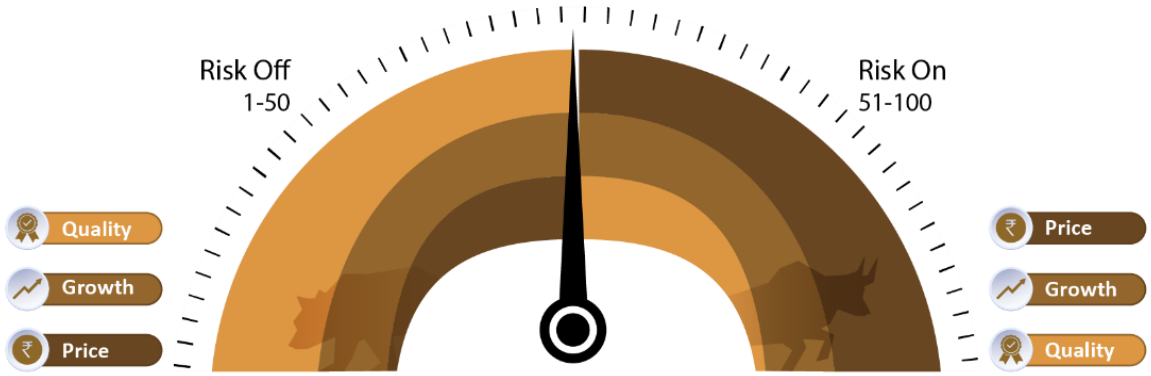
PORTFOLIO CONSTRUCTION PROCESS

1. Our universe generally consists of bottom 750 out of top 1000 stocks by market cap
2. For each company, we have scores for Q, G, P
3. The weights for Q, G, P are based on e-score
4. We consider the weighted average score for each company
5. Top 25* companies with highest score make their way to the portfolio
6. Rebalancing is an on-going process

**Usually portfolio consists of 25 stocks but it may go upto 50.*

OUR PRORPIETARY FRAMEWORK

Environment Meter



eQGP - Environment

The philosophy of the product is to get aggressive in a risk-on environment and defensive in a risk-off environment. Our rating band on the environment is based of multiple factors. Few of them are:

- Liquidity conditions in the market
- Interest rate conditions in the market
- Improving or deteriorating macro growth
- Improving or deteriorating macro balance sheet
- Price action parameters in multiple sections of the market
- Trends in corporate profits
- Currency situation
- Policy level support

eQGP - Quality

The quality of a business comes from multiple attributes. The higher the number of these attributes in favour, the higher the quality. Our quality rating band is based of multiple factors. Few of them are :

- Capital efficiency - absolute & relative
- Leverage ratios - absolute & relative
- EVA generation track record
- OCF generation track record
- Consistency in profit generation
- FCF track record
- Credit rating
- Management quality

eQGP - Growth

All good things in the company need to culminate into business growth. Our growth rating band is based of multiple factors. Few of them are:

- Profit growth - absolute and relative
- Operating efficiency - absolute and relative
- Business growth
- Market share gains
- Consistency of growth

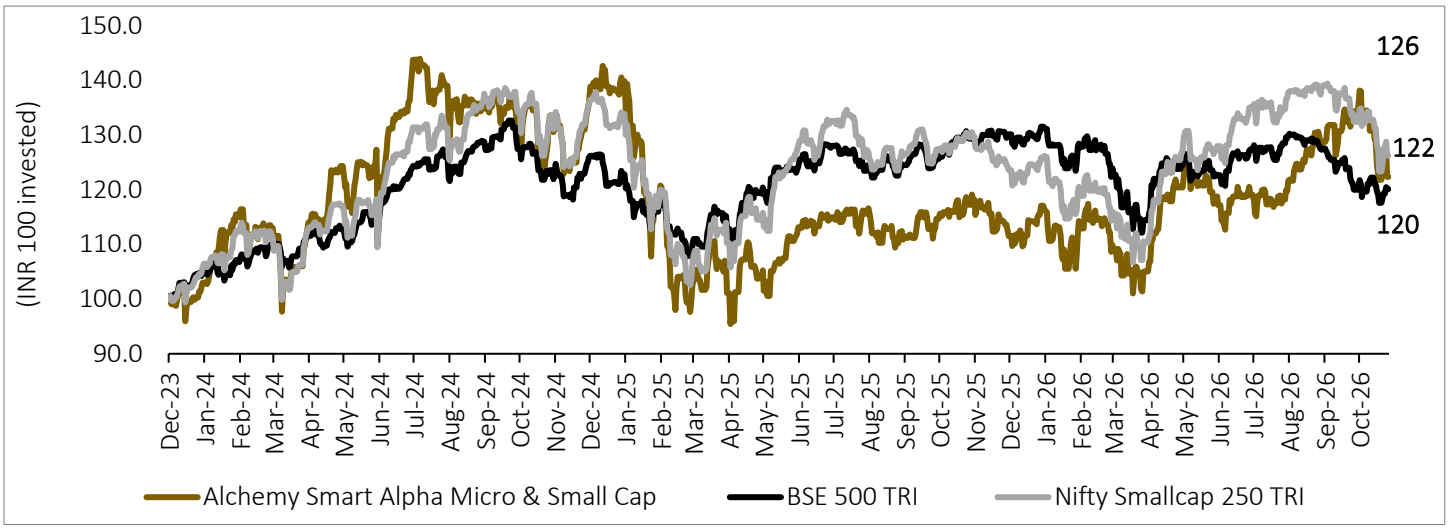
eQGP - Price Action

Returns come from price action and movement. Our price action rating band is based of multiple factors. Few of them are:

- Tailwinds in the price behaviour - absolute and relative
- Ownership trends
- Consistency of outperformance
- Liquidity
- Risk reward potential

PORTFOLIO PERFORMANCE

NAV - Based Performance#



Periodic Returns

Period	Alchemy Smart Alpha Micro & Small Cap^	Nifty Smallcap 250 – TRI	BSE 500 TRI	Alpha over Secondary Benchmark*
1 Month	-9.0%	-5.8%	-0.9%	-3.2%
3 Months	3.5%	-6.3%	-6.5%	9.8%
6 Months	1.6%	0.6%	-3.0%	1.0%
1 Year	4.3%	-2.6%	-7.1%	6.9%
2 Years	-3.7%	-2.3%	-1.1%	-1.4%
Since Inception^^	7.2%	8.4%	6.5%	-1.2%

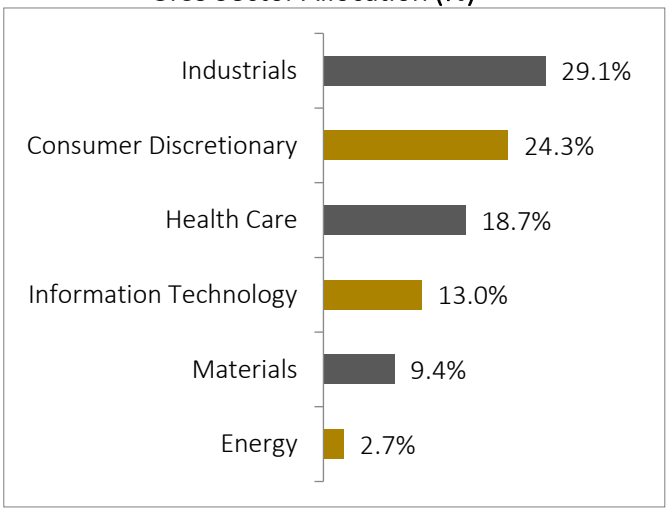
Top Holdings

Top 10 Stocks by Weight	% Weight
Craftsman Automation Ltd	5.2%
Sigma Advanced Systems Ltd	5.2%
Bliss GVS Pharma Ltd	4.9%
Sansera Engineering Ltd	4.9%
Krishana Phoschem Ltd	4.9%
Steel Strips Wheels Ltd	4.8%
Jayaswals Neco Industries Ltd	4.5%
Sky Gold And Diamonds Ltd	4.5%
Finolex Cables Ltd	4.5%
IOL Chemicals And Pharmaceutical Ltd	4.3%

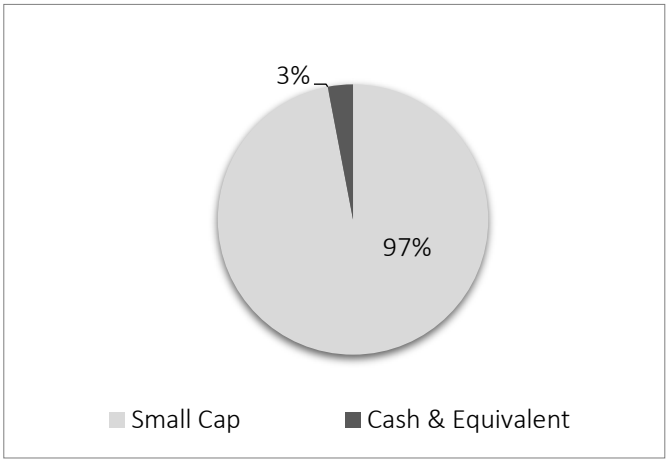
Ratio Analysis

Ratio	Since inception ^^
Upside Capture Ratio##	99%
Downside Capture Ratio##	103%
Capture Ratio##	96%

GICS Sector Allocation (%) †



Market Cap Allocation^



*Data as on October 31, 2026| ^^Inception Date: December 6, 2023 |*Primary Benchmark (as per regulatory requirement): BSE 500 TRI. Secondary Benchmark (more reflective of the strategy's investable universe): Nifty Smallcap 250 TRI, since the strategy primarily invests in bottom 750 out of top 1000 stocks by market capitalisation.|*

#Performance related information provided herein is not verified by SEBI. *| Returns are net of fees, expenses, and taxes (if applicable). | Returns less than 365 days: Absolute, greater than 365 days: Compounded (using TWRR methodology).| Past Performance is not indicative of future performance. | The above performance figures are aggregate of all discretionary clients; the investor's actual portfolio may differ.| Please refer the below link for viewing Performance relative to other portfolio managers: https://www.apmiindia.org/apmi/welcomeiaperformance.htm?action=PMSmenu |*

^ Source - AMFI | † Source : Bloomberg | ##Calculated using Geometric Mean of monthly returns. | The sectors and stocks mentioned here may or may not form part of Client's portfolio

KEY FUND TERMS

Objective: To generate long term risk adjusted returns.

Philosophy & Strategy:** A High-Risk High Return oriented strategy which aims at generating long term alpha consistently by investing predominantly in small cap & microcap companies. The investment philosophy follows Growth at Reasonable Price/ Premium (GARP) approach with a blend of quant and active management.

Risk associated with Product/Investment approach^^: High Risk

Description of types of securities: Equity (primarily) and other permissible securities

Basis of selection of types of Securities as part of the Product/ Investment Approach: Equity stocks are chosen for investment on the basis of following factors: 1. The company fundamentals, as reflected in reported numbers.

2. Investment strategy research regarding various market cycles. 3. Risk & Reward ratios.

Deployment of funds in other securities: In addition to the above, the Portfolio Manager, considering the market conditions and investment opportunities, may deploy funds in permissible securities other than equity.

Allocation of Portfolio across types of Securities: Upto 100% in equity. The Portfolio may also invest though not exceeding 10% of the Asset Under Management (AUM) in securities other than equity, which shall inter alia include Real Estate Investment Trusts ("REITs"), Infrastructure Investment Trusts ("InvITs"), commodity-linked ETFs (e.g., gold, silver, crude), debt, liquid funds, bonds and permissible securities under the applicable laws.
For the avoidance of doubt, the aforesaid limit of 10% shall be maintained at the time of making investments (whether initial or additional).
It is clarified that any subsequent variation in the percentage of such investments beyond the aforesaid limit, arising solely on account of (i) market movements, (ii) corporate actions, or (iii) client-driven transactions like partial redemptions by Clients, shall not be construed as a breach of this limit ("Passive Breach").
However, if such Passive Breach results in the exposure to the aforesaid securities exceeding 20% of the AUM at any time, the Portfolio Manager shall, on a best-efforts basis and subject to market conditions and liquidity, take necessary corrective actions to bring such exposure within the said limit of 20% of AUM within a period of thirty (30) days from the date of such breach.

Benchmark: Primary: BSE 500 TRI Secondary: Nifty Smallcap 250 TRI

Basis for choice of benchmark: Given that the investment approach is categorized under the 'Equity' strategy, the benchmark has been selected in accordance with APMI Circular APMI/2022-23/02 dated March 23, 2023 and SEBI circular dated October 3, 2024.

Investment horizon: 3 to 5 years

Fund Manager: Alok Agarwal

***The investment objectives, strategy and allocation are indicative and there are no assurances that it will be achieved. Investors are advised to take independent tax, legal, risk, financial and other professional advice.*
^^ All product/ investment approach attract various kinds of risks. Please read the relevant Disclosure Document/ Client Agreement carefully before investing.

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To read the disclaimer

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Alchemy Alternative Investment Trust, Category III AIF registration number: IN/AIF3/17-18/0381

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