



Market Highlights

- ✓ Festival cheer for taxpayers as the GST Council, chaired by Finance Minister, approved a **simplified two-tier rate structure**. The Council also **exempted individual health and life insurance** premiums from GST, while **rationalizing** rates across several categories, including notable tax reductions on **renewable energy, essential goods and small cars** are among others.
- ✓ Effective Aug 27, 2025, the U.S. imposed an **additional 25% tariff** on Indian goods, taking effective duties to **50% on select goods**. While this raises concerns over export competitiveness, India has consciously **prioritized energy security** through continued **Russian imports**.
- ✓ India and Japan have deepened their strategic partnership with Tokyo **committing 10 trillion yen (~USD 65 billion)** in investments over the next five years.
- ✓ India's **GDP grew 7.8%** in Q1FY26, with real growth remaining strong despite a slower 9.4% nominal expansion. The strength in real GDP was supported by a **softer GDP deflator**, indicating **lower inflationary pressures** & highlighting the resilience of economic activity.

Market Performance (%): Negative to Flat

INDEX	1M	3M	1Y	FY26
NIFTY 50	-1.4%	-1.3%	-3.2%	3.9%
SENSEX 30	-1.7%	-2.0%	-3.1%	3.1%
NIFTYMIDCAP150	-2.9%	-1.8%	-5.4%	8.5%
NIFTYSMALLCAP250	-3.7%	-1.9%	-9.2%	9.3%

Source: NSE

as of 31th Aug 2025

FII/DII Activity

Domestic Institutional Investors (DIIs) continued their strong buying streak in Aug with ₹94,829 crore in net inflows. In contrast, Foreign Institutional Investors (FIIs) pulled out ₹46,903 crore during the month. Despite ongoing FII selling, sustained DII participation reflects solid domestic confidence.

INR cr*	1M	3M	6M	1Y
FII	(46,903)	(87,081)	(70,558)	(381,712)
DII	94,829	228,442	361,898	730,134

Source: NSE*FII Cash

as of 31th Aug 2025

Global Market

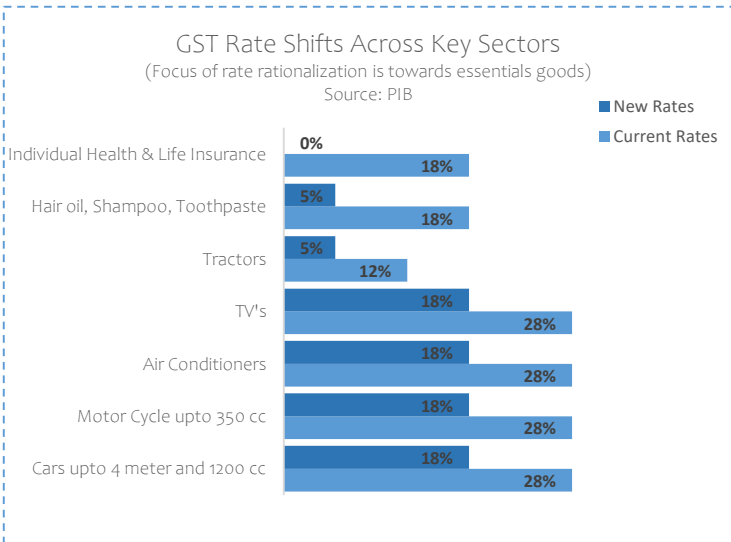
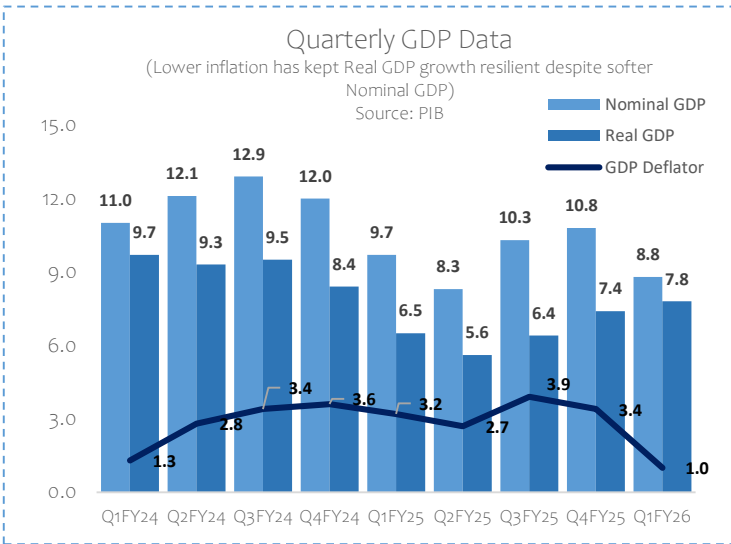
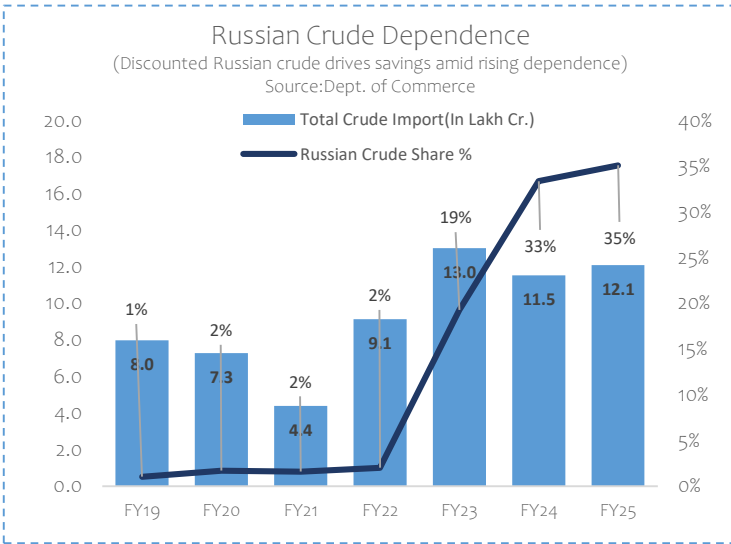
Global equities were mixed in August. U.S. markets held firm with the Dow (+3.2%) and NASDAQ (+1.6%) supported by earnings and tech momentum, while Europe lagged as the DAX (-0.7%) reflected political and macro headwinds. Asia saw selective strength with Hang Seng (+1.2%) aided by policy easing hopes, underscoring a rotation where U.S. resilience contrasts with European caution and tentative Asian recovery.

INDEX	1M	3M	6M	1Y
DOW JONES	1.2%	7.7%	9.3%	39.4%
FTSE	-0.7%	-0.4%	6.0%	26.4%
HANG SENG	1.6%	12.3%	13.8%	21.1%
DAX	0.6%	4.7%	4.3%	9.7%
NASDAQ	3.2%	7.7%	3.9%	9.6%
NIFTY 50	-1.4%	-1.3%	10.4%	-3.2%

Source: Investing.com

as of 31th Aug 2025

Interesting Data Points - 1





Sectorial Performance

In August 2025, Autos (+5.8%) rose on GST cut anticipation, while Consumer Discretionary (+2.5%) and Durables (+2.0%) gained on festive demand and restocking. Infra (-4.7%), Oil & Gas (-4.7%), and Power (-4.6%) fell on profit booking, policy overhang, and weaker demand signals.

S&P BSE TOP 3 (%)	1M	3M	6M	1Y
Auto	5.8%	7.0%	22.0%	-5.2%
Consumer Discretionary	2.5%	4.5%	18.4%	-7.5%
Consumer Durables	2.0%	4.6%	14.5%	-4.6%

S&P BSE BOTTOM 3 (%)	1M	3M	6M	1Y
Infra	-4.7%	-5.9%	11.9%	-23.0%
Oil & Gas	-4.7%	-5.5%	13.1%	-22.6%
Power	-4.6%	-6.1%	10.9%	-22.3%

Source: BSE

Important Events

- ✓ India’s August Services PMI hit a **15-year high** of 62.9, pushing the Composite PMI to a **17-year peak** of 63.2, driven by strong orders, exports, and resilient demand—highlighting consumption and services as key growth drivers.
- ✓ On August 21, 2025, Parliament passed the **new Income Tax Act**, marking a major reform aimed at **simplifying the tax structure** and improving compliance. The law, **effective April 1, 2026**, is expected to enhance transparency and support long-term economic growth.
- ✓ At the **SCO Summit** in Tianjin, India’s vision of “One Earth, One Family, and One Future” was adopted, reinforcing its role in regional trade and connectivity. Closer **cooperation in energy, infrastructure, and technology** could open long-term opportunities for India despite near-term global trade frictions.

Market Outlook

- ✓ Markets turned **cautiously weak in Aug-2025**, as global tariffs and FPI outflows weighed on sentiment. The **recent GST rate cuts** are set to ease prices and lift consumer appetite, while the **upcoming festive season** should further support discretionary demand. Outlook stays stronger for **consumption, renewables, and financials**, but **export-led IT, pharma, and large-cap manufacturing** remain under pressure from global headwinds.

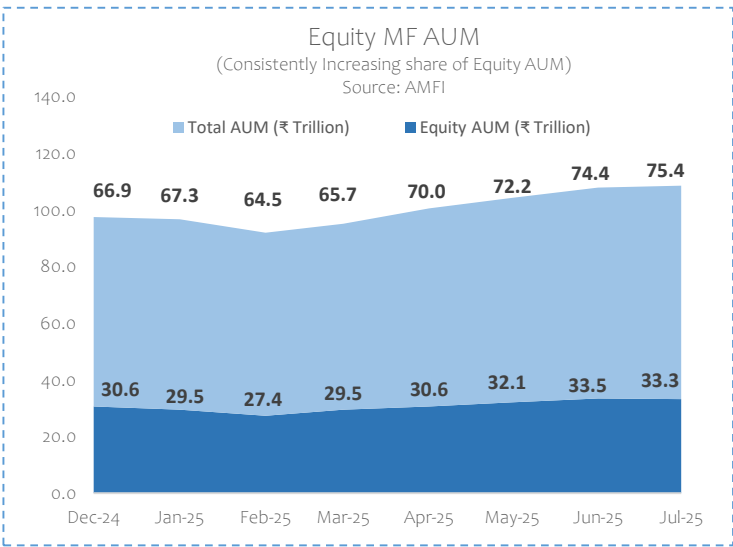
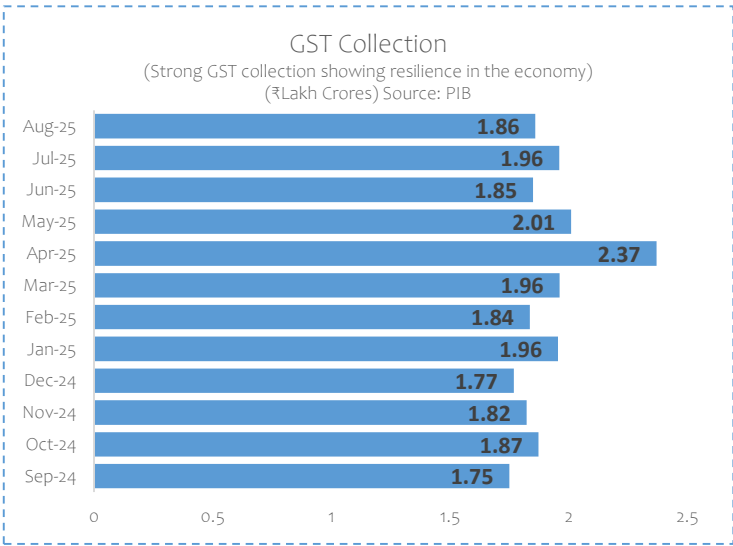
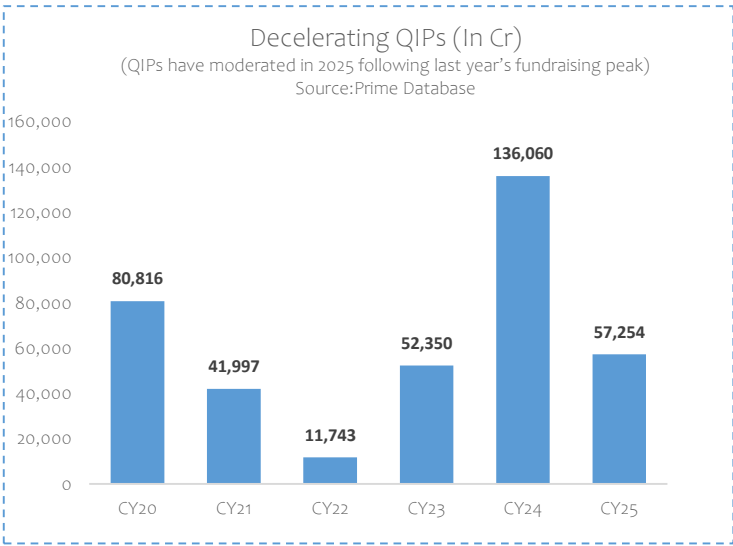
Nifty 50	Q1/26	Q4/25	Q3/25	Q2/25
Sales Growth (YoY)	5.9%	7.2%	7.3%	6.4%
PAT Growth (YoY)	6.9%	10.0%	12.7%	8.9%

Nifty Midcap 150	Q1/26	Q4/25	Q3/25	Q2/25
Sales Growth (YoY)	7.2%	8.7%	10.0%	10.6%
PAT Growth (YoY)	17.2%	25.6%	39.8%	13.9%

Nifty Smallcap 250	Q1/26	Q4/25	Q3/25	Q2/25
Sales Growth (YoY)	6.9%	8.4%	8.0%	7.9%
PAT Growth (YoY)	-12.1%	13.6%	12.6%	-9.3%

Source: Ace Equity

Interesting Data Points - 2





An Easy Understanding of recent Developments

Building Trust: SME Boards with Investor Safety in Focus

From stricter profitability norms to promoter lock-ins and transparent fund usage, SEBI and exchanges have designed SME listing rules that safeguard investors while supporting India's fastest-growing entrepreneurial companies.

Minimum Profitability & Cash Flow norms:-

- SEBI requires SMEs to have positive EBITDA of at least ₹1 crore in 2 of the last 3 years.
- NSE Emerge additionally requires positive free cash flow (FCFE) in 2 of 3 years.

✓ **Investor benefit:** Only financially viable SMEs can list, reducing the risk of weak companies entering.

Stricter Use of IPO Proceeds:-

- Funds for General Corporate Purpose (GCP) capped at 15% of issue size or ₹10 crore.
- IPO money cannot be used to repay loans to promoters or related parties.

✓ **Investor benefit:** Greater transparency and assurance that IPO funds are channeled toward business growth.

Offer-for-Sale (OFS) Restrictions:-

- Promoters & early investors can sell no more than 20% of issue size, and not more than 50% of their stake.

✓ **Investor benefit:** Ensures promoters remain invested in the company post-IPO, aligning interests with new investors.

Higher Minimum Investment Size:-

- Application size is now minimum 2 lots worth ₹2 lakh+.

✓ **Investor benefit:** Encourages participation from serious, long-term investors, keeping out speculative punters and reducing volatility.

Migration Path to Mainboard:-

SMEs can migrate to the mainboard once they:

1. Have been listed ≥3 years AND
2. Operating Profit: Positive operating profit from operations for at least 2 out of 3 financial years AND
3. Average capitalization shall not be less than INR 100 crores

✓ **Investor benefit:** Clear growth path from SME to mainboard creates value discovery and potential for strong re-rating.

Regulatory Oversight & Transparency:-

SEBI & exchanges closely monitor SME IPO pricing, subscription, and disclosures.

Both platforms (BSE SME & NSE Emerge) enforce quarterly compliance reporting, similar to mainboard firms.

✓ **Investor benefit:** Brings SME-listed companies under strong governance standards early on.

Source: - https://www.sebi.gov.in/media-and-notifications/press-releases/dec-2024/sebi-board-meeting_90042.html

Document PR No.36/2024

<https://nsearchives.nseindia.com/content/circulars/CML67671.pdf>

<https://www.nseindia.com/companies-listing/raising-capital-public-issues-emerge-eligibility-criteria>

Market Outlook on Broader Markets:

Investor sentiment toward SME and micro-cap companies has softened in recent months. After a strong run in 2023 and early 2024, many newly listed SME stocks have corrected, with several delivering negative post-listing returns. Elevated valuations, particularly high P/E ratios in the micro-cap space, have led to greater caution and selectivity.

Even so, the long-term outlook remains supported by structural drivers such as make in India, rising domestic consumption, and increasing private equity participation. In today's market, investors are prioritizing profitability, governance, and sustainable models over growth stories alone. Early-stage businesses in high-potential sectors, backed by credible promoters, continue to offer attractive opportunities through selective stock picking.



1. Factsheet DREAM (Multi-Cap)

Investment Rationale:

Strategy 1 :- DYNAMIC RESEARCH & EMERGING ASSET MANAGEMENT

With a robust and extensive stock selection process, DREAM offers a dynamic Multi-cap strategy that balances the resilience and stability of large caps with the faster growth and new opportunities of small & mid-caps.

- ✓ Investments in equities cash segment with a mix of stable and growth-oriented companies having strong fundamentals.
- ✓ Our Multi-cap strategy rests on two pillars- Steady picks for large cap for resilience, stability, and long-term wealth and Growth for Small & Mid-caps for capturing new opportunities & potential multi-baggers.
- ✓ We make dedicated efforts to find attractively valued firms with sustainable business models to capture new and dynamic opportunities.
- ✓ In order to minimize concentration risks, we ensure optimal sector diversification.

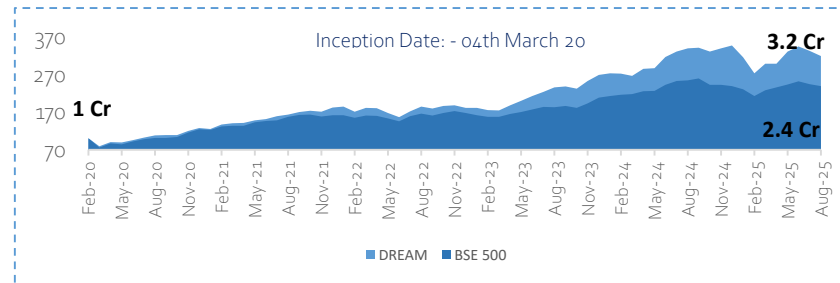
Fund Details

Fund Manager: Mohit Nigam | **Inception Date:** 04th March 2020 | **Structure:** Discretionary PM | **Benchmark:** S&P BSE 500

Performance

Period	Dream	S&P BSE 500
3 Year (CAGR)	20.0%	13.0%
5 Year (CAGR)	24.4%	18.8%

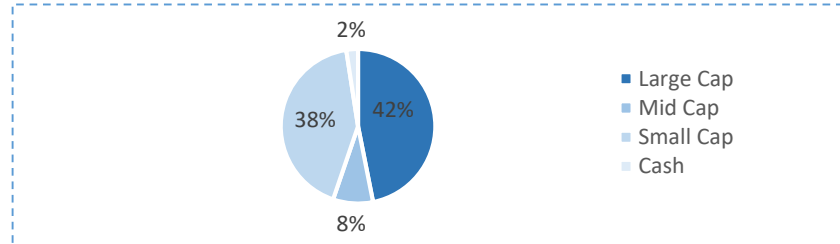
DREAM Monthly Performance with Benchmark



Dream Portfolio

Stats	Dream	S&P BSE 500
Annualized SD	20.36	18.92
Sharpe Ratio	1.15	0.94
Beta	0.97	1.0
Sortino Ratio	3.7	2.5
Portfolio Turnover	0.49	

Risk Ratio



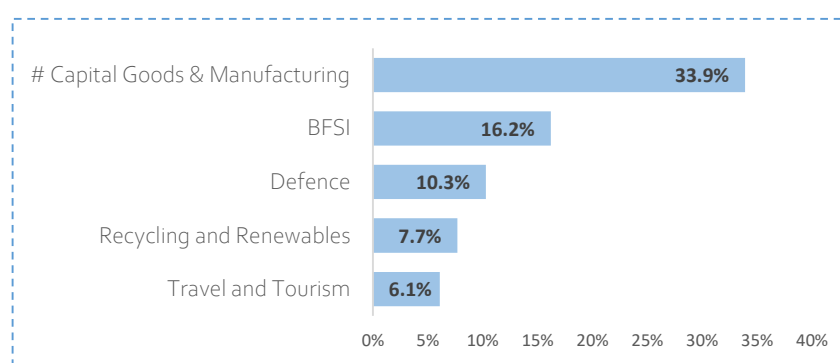
Return Table

Performance	FY20	FY21	FY22	FY23	FY24	FY25	FY26 (Till Aug)	CAGR (Since Inception)
DREAM	-20.8%	76.8%	29.4%	-3.6%	52.6%	12.1%	6.8%	23.5%
Benchmark	-24.9%	76.7%	20.9%	-2.3%	38.4%	4.8%	5.1%	17.2%

Top 10 Portfolio Holding

Period	% of AUM
Bharat Electronics Limited	4.2%
Hindustan Aeronautics Limited	3.7%
ICICI Bank Limited	3.5%
InterGlobe Aviation Limited	3.3%
EFCL Limited	2.8%
Mahindra & Mahindra Limited	2.8%
Goodluck India Limited	2.8%
Larsen & Toubro Limited	2.8%
KEI Industries Limited	2.8%
HBL Engineers Limited	2.6%

Sector Allocation



Capital Goods Includes Railways, Construction, Logistics and EMS

All Returns and data mentioned are as of 31st August 2025 & not verified by SEBI.





Factsheet IRSS (SMALL & MICRO CAP - SME)

Investment Rationale:

Strategy 2 :- INDIA RISING SME STARS

Benefitting investor through fast growing Micro-Cap & SME markets of India We focus our investment strategy on high growth companies that have distinct selling points and a strong niche.

- ✓ Niche SME & Small Cap based PMS launched in February 2022.
- ✓ Exclusive selection of high conviction bets from SME & microcap space.
- ✓ It is a high risk & high return strategy and therefore suitable for investors having high risk appetite

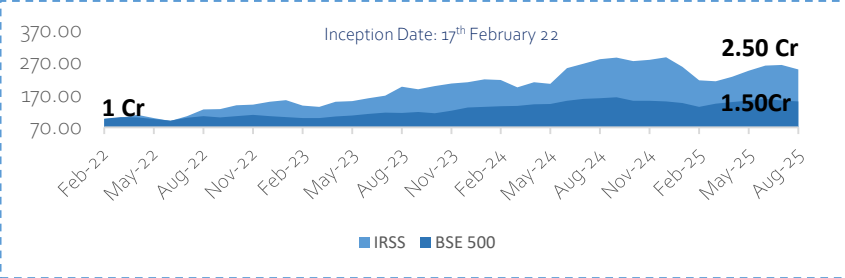
Fund Details

Fund Manager: Mohit Nigam | Inception Date: 17th February 2022 | Structure: Discretionary PM | Benchmark: S&P BSE 500

Performance

Period	IRSS	S&P BSE 500
3 Year (CAGR)	26.0%	13.0%

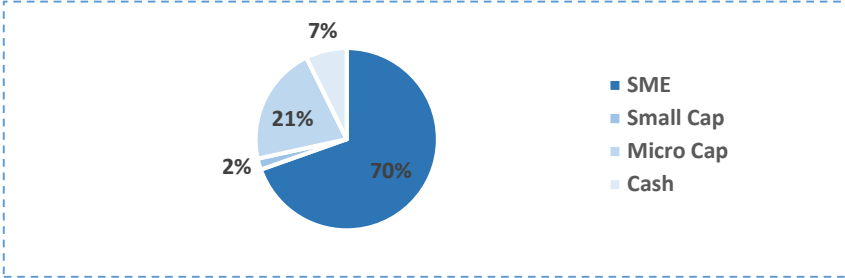
IRSS Monthly Performance with Benchmarks



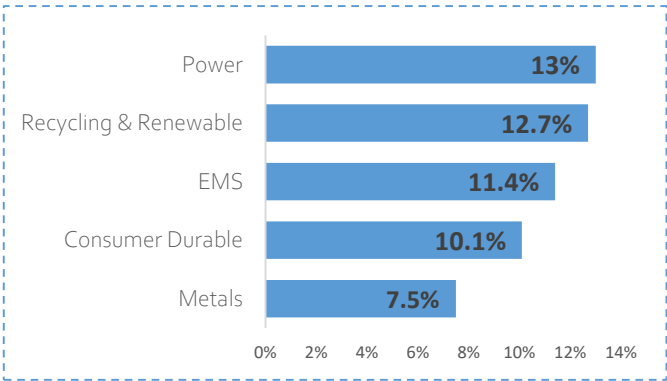
Risk Ratio

Stats	IRSS	S&P BSE 500
Annualized Standard Deviation	29.53	12.16
Sharpe Ratio	1.04	0.88
Beta	1.24	1
Sortino Ratio	4.03	1.93
Portfolio Turnover	0.68	

IRSS Portfolio



TOP 5 Sector Allocation



Return Table

Performance	FY22	FY23	FY24	FY25	FY26 (Till Aug)	CAGR (Since Inception)
IRSS	-0.7%	34.3%	45.4%	10.0%	17.2%	29.6%
Benchmark	0.8%	-2.3%	38.4%	4.8%	5.1%	12.2%

All Returns and data mentioned are as of 31st August 2025 and not verified by SEBI
Categorization: - SME- Listed on SME Exchange; Small Cap-Companies ranked between 251 to 500 as per AMFI as per market cap; Micro Cap-Companies ranked below 500 as per AMFI



Return Table:-

DREAM

Performance	CY20	CY21	CY22	CY23	CY24	CY25 (Till Aug)
DREAM	27.1%	42.7%	0.1%	48.1%	29.1%	-8.1%
Benchmark	23.8%	30.1%	3.3%	24.8%	14.6%	0.3%

IRSS

Performance	CY22	CY23	CY24	CY25 (Till Aug)
IRSS	49.66%	40.61%	36.62%	-13.14%
Benchmark	3.34%	24.85%	14.55%	0.28%

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#Capital Goods Includes Railways, Constructions, Logistics and EMS

*The data presented are indicative in nature and can change without prior notice.

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Added Disclaimer for IRSS

- The fund will make investments in SMEs and small-cap stocks, which might be illiquid at the time of your exit (depending on market conditions). If we are not able to liquidate stocks at the time of your exit, then we will transfer the stocks to your demat account.
- Please refer to our account opening kit for our compliance policy on the allocation of securities in specific/exceptional circumstances.
- Since SME stocks are traded in lots, the lots purchased/sold at a specific time are proportionally allocated among all the clients. The allocation is done in a manner that ensures fair and equal treatment among all clients.
- Every reasonable effort is taken by us to execute the trade at the best available price. However, due to the higher bid-offer spread in SME stocks, there may be limitations or challenges in achieving optimal execution.
- The determination of the performance fees shall be made on the Inception Anniversary Date / Closing Date / Partial Withdrawal Date, whichever is earlier.
- Statutory charges and other operational expenses will be charged as per actuals.
- Fees are calculated on the average daily portfolio value payable on a quarterly basis at the end of each calendar quarter.
- SME and Small Cap are riskier investment instruments and are best suited for investors with a high-risk appetite.
- IRSS Inception Date: 17th February 2022