

Dear Investors and Well-wishers,

**Equity Intelligence turns 20!** If anyone would have told me in 2003 that, in next 20 years, we would end up creating a pioneering portfolio management firm in the Indian equity market it would have been hard to imagine. Over these years, Equity Intelligence has compounded wealth for thousands of clients. Surely, it has been a very gratifying journey over two decades.

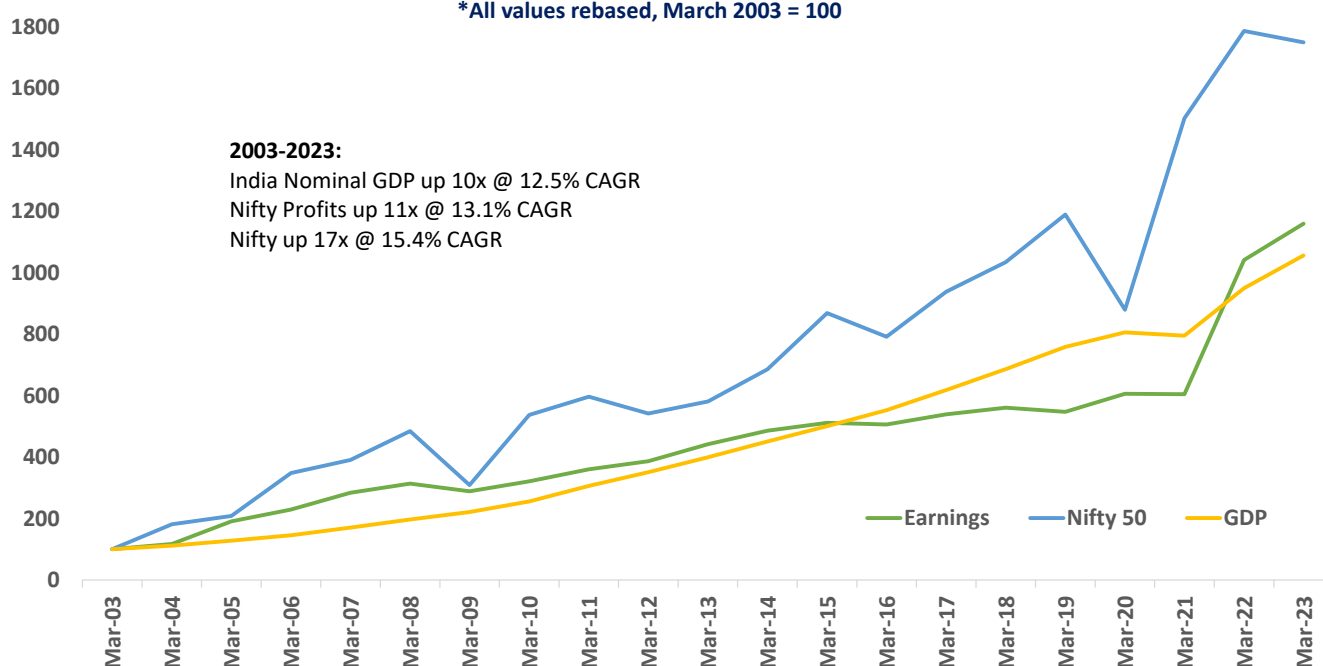
I started the journey with a very modest beginning in terms of capital and team. Over the years, we have built a fantastic team with the right mix of talent, experience, and passion for equities. From a few crores to Rs. 1,700 crores under management now, we have scaled our business; thanks to the faith reposed by thousands of investors over time.

EQ has lived through multiple bear-bull cycles since 2003, saw several elections and political turmoil, experienced the treacherous global financial crisis of 2007-08, learnt from a host of budgets, reforms, rollbacks & blunders. We have felt the pain of many wars, once in a century pandemic and witnessed several scams and frauds along the way. The last two decades have seen the sentiment pendulum swing between greed and fear many times. We have managed to avoid getting caught at the wrong end of the pendulum most of the time but sometimes we may have faltered too. **And all this has led to cumulative learnings that very few organizations in Indian capital markets can claim to have amassed.**

Investing as a craft always involves stepping into a future filled with uncertainties. No investment house or investor can escape the occasional underperformance despite all the right actions and intentions. Emotional intelligence to deal with this wild ride of markets can only be learnt by several years of practice. EQ, over the 20 years, has accumulated rich intelligence – both emotional as well as intellectual.

### Comparison of India GDP, Nifty and Nifty Profits over the last 20 years

\*All values rebased, March 2003 = 100



We now stand strong with immense cumulative learnings and resources to carry on the path of wealth creation journey for our investors. When EQ was founded; China was the rising story of the Global Economy. In fact, 2003-2008 global bull market was pre-dominantly driven by capital formation in China. Last 20 years, India nominal GDP had grown at 12.5% CAGR, Nifty earnings had grown 13% CAGR and for investors, Nifty had delivered 15.4% CAGR. This proves the belief of a value investor that in the long run, prices are slaves of earnings even though daily quotes fluctuate constantly reacting often illogically to all sorts of temporary and trivial influences.

**We feel that the next 20 years will be the rising phase of India in the Global economic landscape.** India should breakout with substantially higher per capita GDP and bring prosperity of immense proportion. Nifty and Indian equities, in general, would have even more stupendous rise on back of potential much faster economic growth and corporate earnings. To convince investors to think and stay invested for long; Warren Buffet said "Nobody buys a farm based on whether they think it's going to rain next year. They buy it because they think it's good investment over 10 to 20 years". We hope that this one advice is taken home by lot more Indians to generate generational wealth for their families over next 10 to 20 years; especially when we see India rising.

We hope our cumulative learnings and rising prosperity of India would help us generate even more wealth for our Investors. Our team and I are excited to step out of our teens and are ready to do our best with utmost transparency and ethics.

No organization can claim to survive and thrive 20 years without the help and support of all its stakeholders which include all our investors, employees, vendors, regulators & friends, and no amount of gratitude towards them is enough.

**Once again, deep gratitude to all our investors from Team EQ for trusting us with your capital.** We would continue to strive to create wealth through long term value investing for all of you with zeal and integrity.

Thank You

**Porinju Veliyath**  
Founder and CEO