



## **Renaissance Investment Managers**



**Mr. Pankaj Murarka**

Pankaj has over **25 years of experience** in Indian Equities with excellent performance track record. He has worked with Motilal Oswal, Rare Enterprise (largest Principal Investor in India), Merrill Lynch & Axis AMC.

His last stint was with Axis AMC as CIO, Equities managing and overseeing equity **AUM of \$ 5bn**. Axis AMC emerged as the fastest growing Asset Management Company in India during 5 years from 2011-2016.

Pankaj has managed funds across Large Cap/ Mid Cap/ Small Cap with **stellar track record** of performance across funds.

Pankaj is an avid marathoner and has completed 6 half marathons and 2 ultra-half marathons / endurathon.

**Several accolades to his credit:**

- Recognized by Outlook Money as a **Leading Fund Manager** with 5 years of track record of consistent performance in the year 2015
- **Best Fund Manager – Runner-Up** for Axis Mid Cap Fund in 2014 by Outlook Money (from over 40 funds)
- Axis Small Cap Fund – **Best performing Small Cap fund** in 2014 with 84.3% returns



**Mr. Pawan Parakh**

Pawan has over **15 years of experience** in investment research. He started his capital markets career with Edelweiss Securities as an equity analyst. Over the years, he has worked with several marquee organizations like Deloitte, HSBC and HDFC amongst others.

He actively interacts with company managements and industry experts to gauge the upcoming trends/ disruptions across various sectors. He likes to travel across the country to gain better understanding of ground realities. He has depicted **ability to understand different business models** across multiple sectors.

Over the years, he had **hands-on coverage on multiple sectors** and he has been a highly rated analyst by Asiamoney for his research on sectors like Industrials, Infrastructure and Power.

**Several accolades to his credit:**

- Pawan is a meritorious **Chartered Accountant (all-India 48th Rank-holder)**. He has also cleared all levels of CFA program conducted by CFA Institute (Virginia, USA).



**Philosophy**



Investment Philosophy



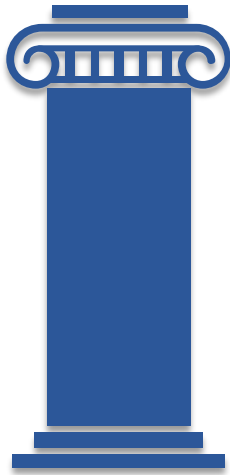
**Process**



Investment Strategy



**People**



**Performance**



Portfolio Strategy

# Have a well articulated **Investment Philosophy**



Investment Philosophy

Investment Strategy

Portfolio Strategy

## Growth Biased



Focused on investing into **Quality** business that can deliver **sustainable** high **growth** over medium term to long term.

Be selective in **cyclical** business

Risk Management is central to Investment Management.

**Sustainable Quality Growth At Reasonable Price (SQGARP)<sup>TM</sup>****Sustainability:**

- Companies with sustainable and durable business models

**Quality:**

- Superior quality businesses as demonstrated by Competitive edge, Pricing power, ROE, FCF
- Good quality and competent management teams

**Proprietary Framework****Growth:**

- Business that can deliver superior growth over medium to long term

**Price:**

- Ability to invest at reasonable valuations. Fair value approach to valuations.
- Focus on economic value of business

Investment Philosophy

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## Follow a fine-tuned repeatable process

## 1) Investment Universe

Identify companies with sustainable earnings growth potential, credible management & long-term growth prospects

## 2) Research Companies

Analyze fundamentals of the company and industry to assess attractive segments within our universe

## 3) Stock Selection

Portfolio is constructed bottom-up based on careful analysis and taking advantage of volatility, crisis, or unusual circumstances

## 4) Portfolio Management

In order to ensure investment objectives are met, ensure effective governance, active involvement and timely intervention

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The fund managers will strive to manage the following risks:

Type of Risk	Risk Description	Risk Management Strategy
Quality Risk	Investing in unsustainable/weak companies	Experienced investment professionals to help limit investment universe to carefully selected high quality business
Price Risk	Overpaying for a company	Detailed in-house research to enable “Fair Value” based investment recommendations
Management Risk	Inability for management to drive growth	Assess quality of team and their focus on creating shareholder value
Financial Risk	Overleverage or dependent on a critical revenue stream	Monitor overall financial risk and leverage of investee company
Event Risk	Risk due to company or sector specific event	Effective and timely response to uncertain events enabled through in-depth understanding of businesses

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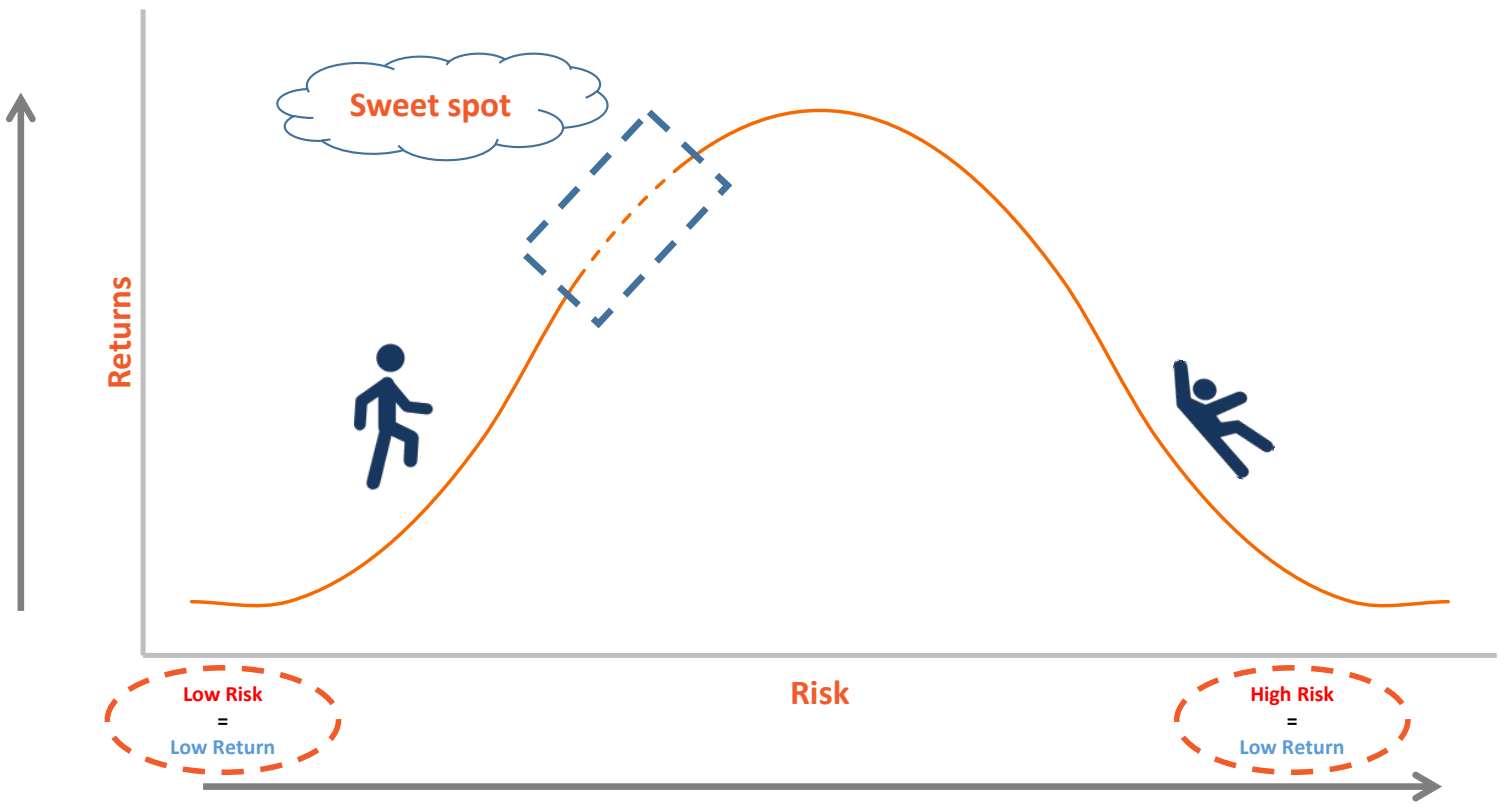


“  
**Focus on  
Superior Risk  
Adjusted  
Returns**  
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Investment Philosophy

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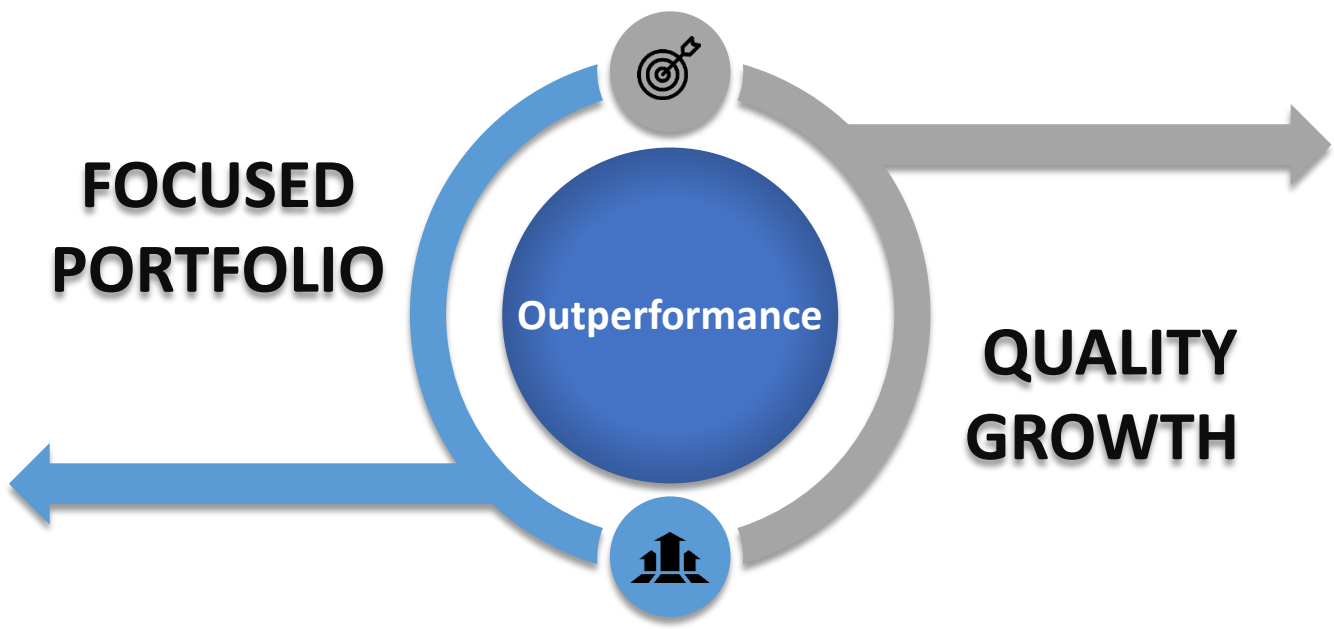
Portfolio Strategy

RENAISSANCE  
**OPPORTUNITIES** PORTFOLIO

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FOCUSED **LARGECAP**  
PORTFOLIO

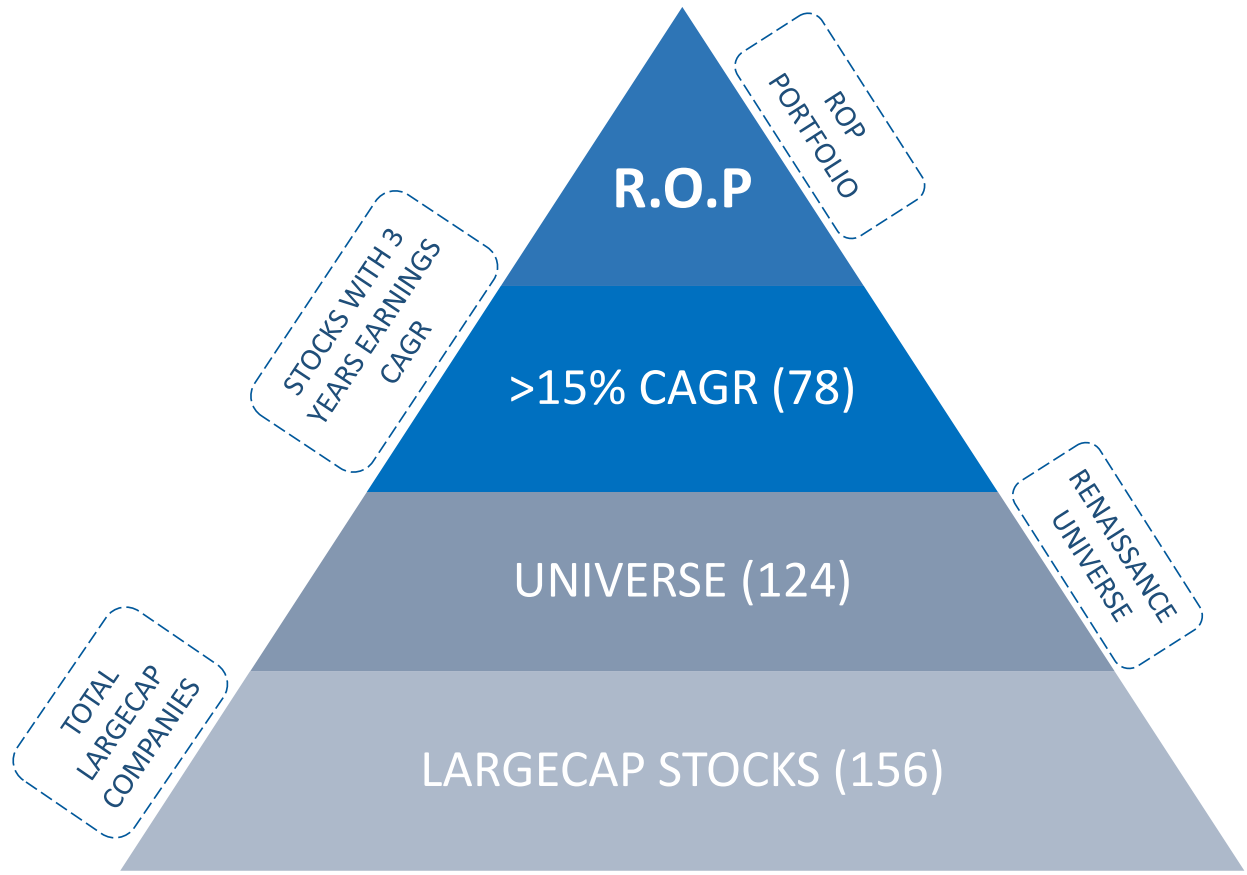


Significant underperformance of Large Cap MF leading to drive towards ETF

Investment Philosophy

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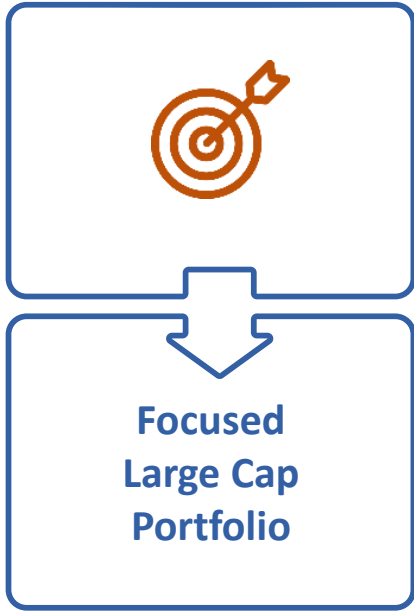
Portfolio Strategy



Investment Philosophy

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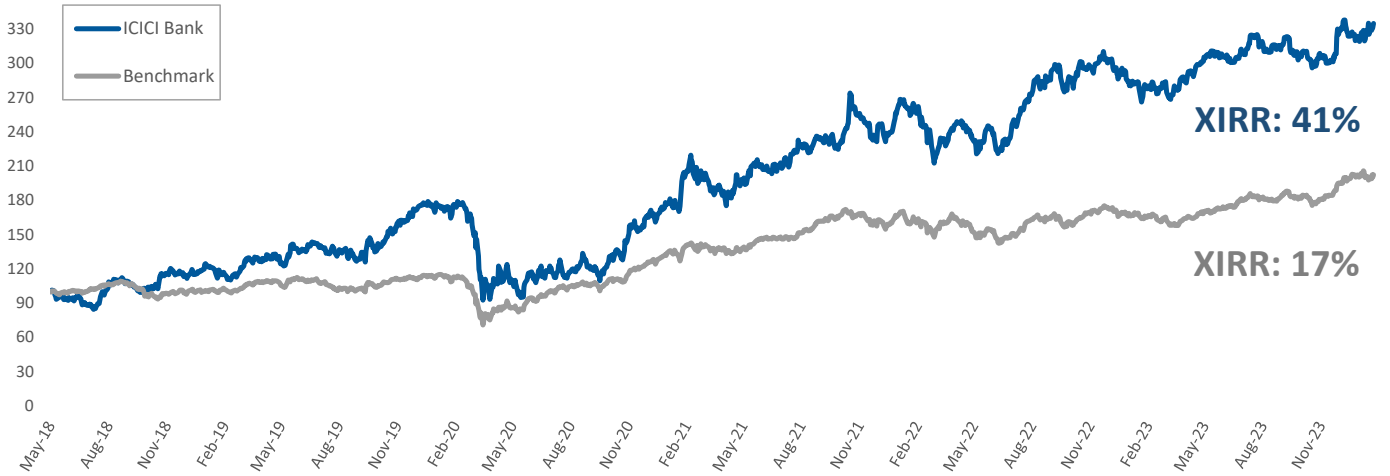


- A focused Portfolio build on best opportunity basis
- Blend of Growth & Quality

Investment Philosophy

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Data as on 31<sup>st</sup> January 2024

Launch of **Neo Bank** for GenZ Customers

**Sizeable share** of secured loans and continued healthy growth

**Leveraging technology** to expand its customer base

Growth driven by retail business and the share of **high profit making products**

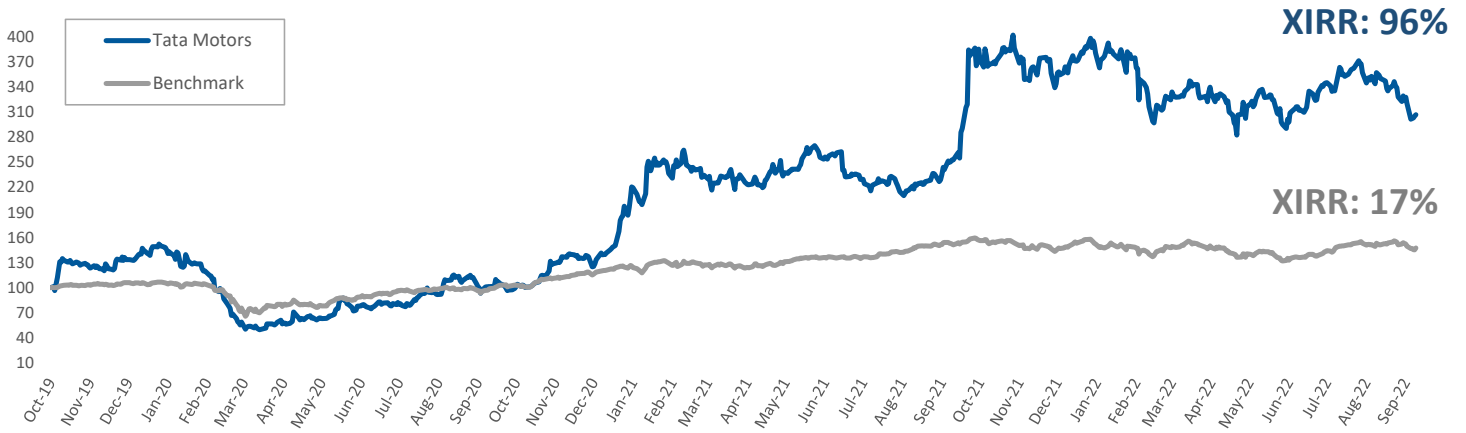
Management **focus on improving RoE** through operational efficiency

Investment Philosophy

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Data as on 12<sup>th</sup> Oct 2022

**Leader in Indian Commercial Vehicle space with ~45% market share**

**Easing semi-conductor supplies to drive volumes & profitability in JLR**

**#2 player in Indian Passenger Vehicle segment and has leading portfolio of EV's in the country**

**Management has high focus on cash flow generation/ net debt reduction/ ROE improvement**

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Data as on 31<sup>st</sup> January 2024

**One of the Top 2 Telecom service providers in India with operations in over 16 countries across Asia and Africa**

**Oligopoly sector with return of pricing power**

**Co to be FCF Positive and to be ROE of 15% by FY24**

Investment Philosophy

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Company	Comment
Larsen & Toubro	<ul style="list-style-type: none"><li>• Presence across all Verticals across Infrastructure, Oil &amp; Gas, Manufacturing, Power etc.</li><li>• Strong Order Book and Focus on improving ROE</li></ul>
ABB	<ul style="list-style-type: none"><li>• Big beneficiary of revival of Industrial &amp; Infrastructure Capex</li><li>• Big play on Industrial Digitization</li></ul>
Cummins	<ul style="list-style-type: none"><li>• Healthy growth in core business supported with strong exports growth</li><li>• Focus on Clean Energy Solutions</li></ul>

Investment Philosophy

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Company	Comment
Zydus Lifesciences	<ul style="list-style-type: none"><li>• Strong growth revival in US business driven by niche pipeline and potential novel drugs</li><li>• Strong growth in domestic business</li></ul>
Sun Pharma	<ul style="list-style-type: none"><li>• Leading Pharma co in India with healthy growth, strong cash flows</li><li>• US branded business to drive future growth</li></ul>
Alembic Pharma	<ul style="list-style-type: none"><li>• Co has made significant investment in US business with USFDA approved facilities for injectables, derma, oncology and ophthalmology</li><li>• Operating leverage to drive strong profit growth</li></ul>

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Company	Comment
Tata Motors	<ul style="list-style-type: none"> <li>• Sharp turnaround in JLR leading to consistent upward revision in EBIT margin guidance + Strong cash flow generation.</li> <li>• Credible no.3 player in domestic PV market</li> <li>• Leading the EV drive in India – first mover advantage</li> </ul>
Varroc Engineering	<ul style="list-style-type: none"> <li>• Opportunity in increased LED penetration</li> <li>• Exploring the opportunity in supply of catalytic converters and Electronic Fuel Injection (EFI) systems to its existing customers to increase the content per customer</li> </ul>
Exide Industries	<ul style="list-style-type: none"> <li>• Market leader in the auto OEM market with ~60% market share in three/ four-wheeler batteries and ~65% market share in two-wheeler batteries.</li> <li>• Diversification in to Lithium Ion battery</li> </ul>

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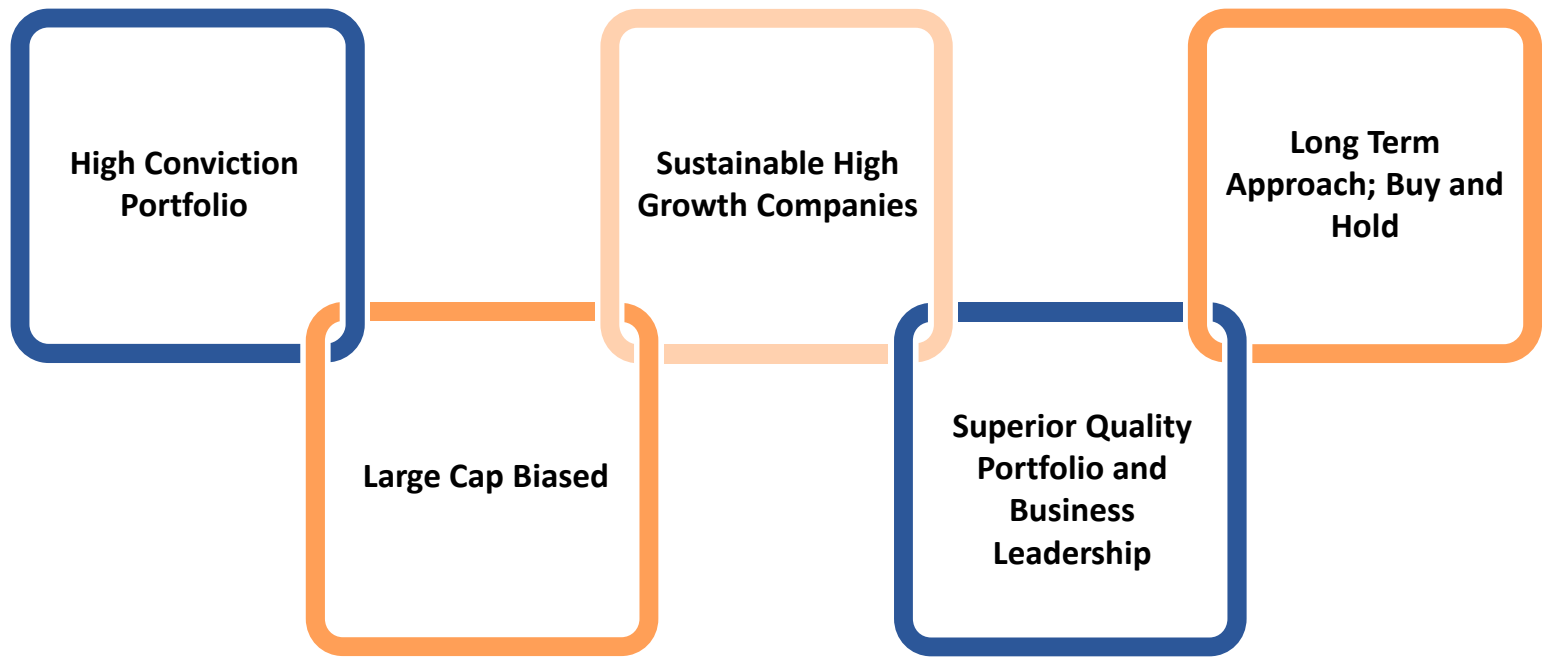
Portfolio Strategy

Company	Comment
ICICI Bank	<ul style="list-style-type: none"> <li>• In the midst of an improvement in operating environment (stressed asset resolution and growth pick- up) and is showing healthy signs of earnings normalization</li> <li>• Impeccable asset quality</li> </ul>
One 97 Communications	<ul style="list-style-type: none"> <li>• Huge Target Addressable Market, immense growth potential</li> <li>• High focus on improving profitability/ cash flows</li> <li>• Digital lending - Growth compounder</li> </ul>
Chola Investment Finance	<ul style="list-style-type: none"> <li>• CIFC has one of the most diversified AUMs in terms of product mix and geographical presence in the NBFC space.</li> <li>• Borrowings at relatively attractive rates given its parentage and strong Balance Sheet</li> </ul>
HDFC AMC	<ul style="list-style-type: none"> <li>• HDFC merger to boost sales</li> <li>• HDFC AMC's proportion of equity oriented AUM to total AUM is at 54%, higher than the industry average of 40%</li> </ul>

Investment Philosophy

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PORTFOLIO  
**ATTRIBUTES**

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**ANALYTICS & COMPOSITION**

SNAPSHOT



## Top Holdings

Company	Weight (%)
Bharti Airtel Ltd	6.61%
Sun Pharmaceutical Industries Ltd	6.58%
Tech Mahindra Ltd	6.47%
HDFC AMC Ltd	5.21%
State Bank of India	5.05%

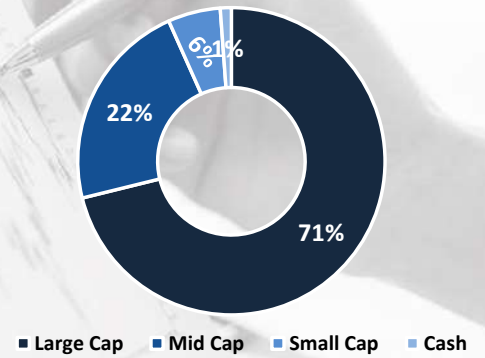
## Top Sectoral Weights

Sector	Weight (%)
BFSI	26.95%
IT & Tech	16.91%
Pharma & Chemicals	13.54%
Industrials	10.68%
Auto & Logistics	10.51%

## Risk Attributes (Last 12 Months)

Ratio	Portfolio	Index
Std Dev	9.71%	10.00%
Information Ratio	2.26	-
Sharpe Ratio	3.13	1.72
Beta	<b>0.80</b>	1.00
Treynors Ratio	0.38	-
Up/ Down Capture	<b>124%/56%</b>	

## Market Cap Allocation



Data as on 31<sup>st</sup> January 2024

Strategy	3 Months	1 Year	2 Years CAGR	3 Years CAGR	5 Years CAGR
<b><u>Opportunities</u></b>	17.47%	37.55%	18.34%	25.89%	18.92%
Nifty 50 TRI	14.00%	24.35%	13.27%	18.19%	16.30%

Data as on 31<sup>st</sup> January 2024

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**Disclaimer:**

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**Statutory Details:**

Renaissance Investment Mangers Private Limited ("RIMPL") is registered under SEBI (Portfolio Managers) Regulations, 1993 as a Portfolio Manager vide Registration No. INP000005455. RIMPL is also an Investment Manager to Renaissance Alternate Investment Fund – Category III which is registered with SEBI as Alternate Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 vide Registration No: IN/AIF3/18-19/0549.

**Risk Factors:**

Renaissance Investment Mangers Private Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme.

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**THANK YOU**

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**HAPPY INVESTING**