



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).

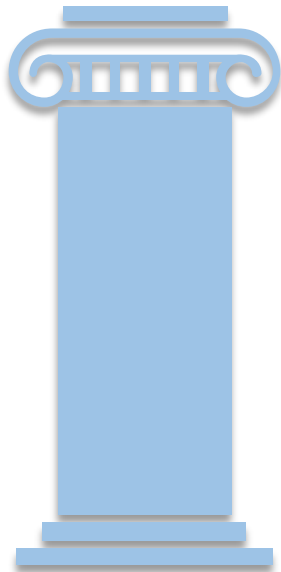
4 Pillars of Investment



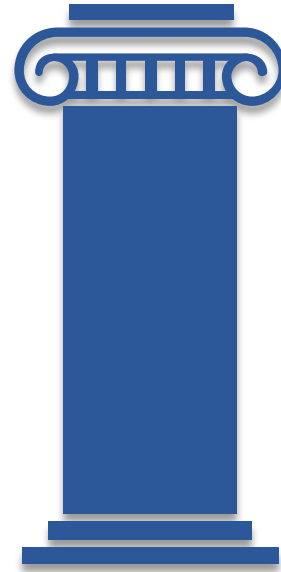
Philosophy



Process



People



Performance



Have a well articulated **Investment Philosophy**



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)TM

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

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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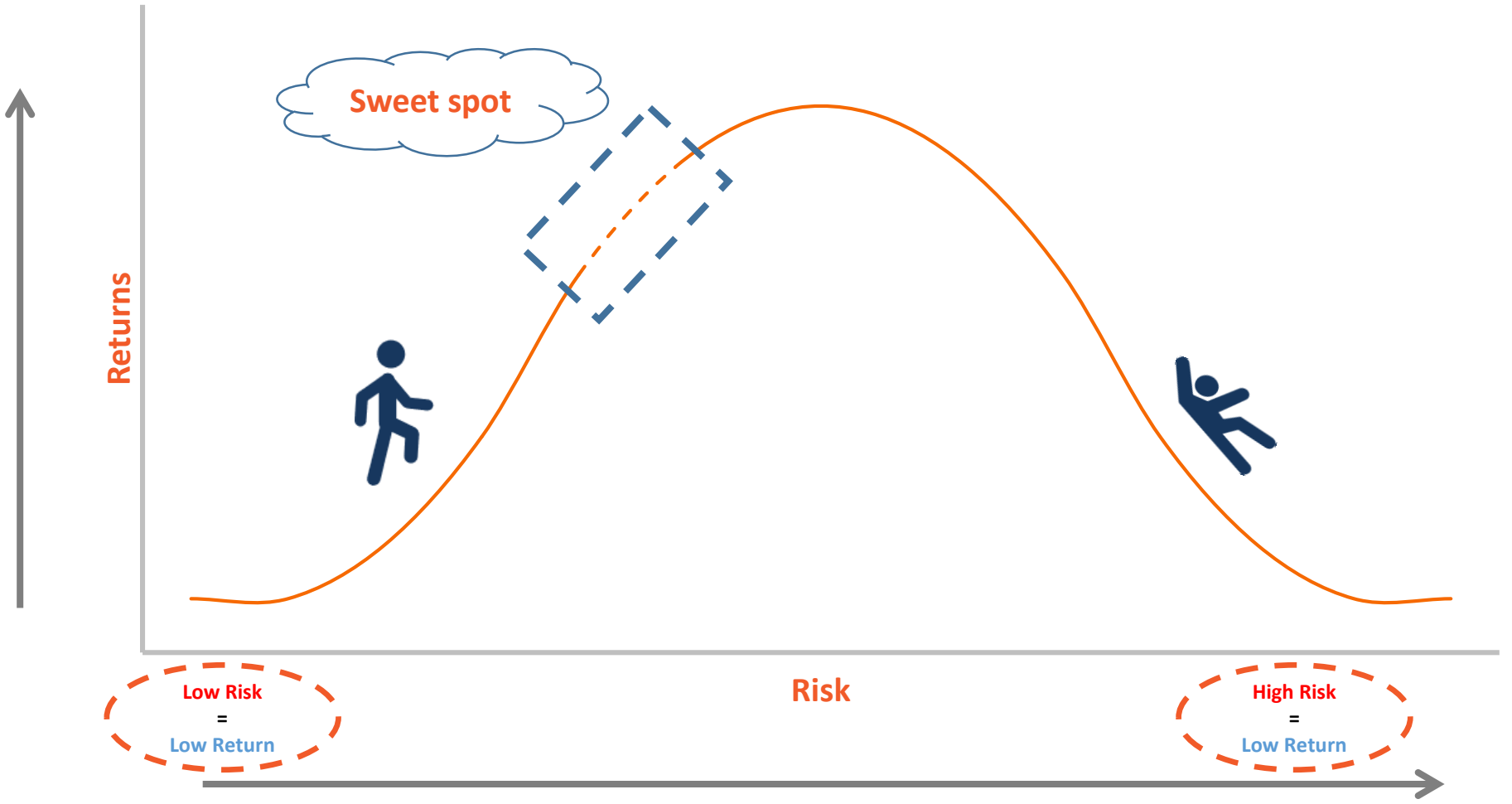
The fund managers will strive to manage the following risks:

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



“
Focus on
Superior Risk
Adjusted
Returns
”

Superior Returns at Moderate Risk



Mortality Risk



Experienced investment professionals to help limit investment universe to carefully select good quality businesses

Monitor overall portfolio volatility and control risk class/sector/stock exposures as needed



Volatility Risk



1

Renaissance Opportunities Portfolio

(Focused Large Cap Fund)

2

Renaissance India Next Portfolio

(Flexi-Cap Fund)

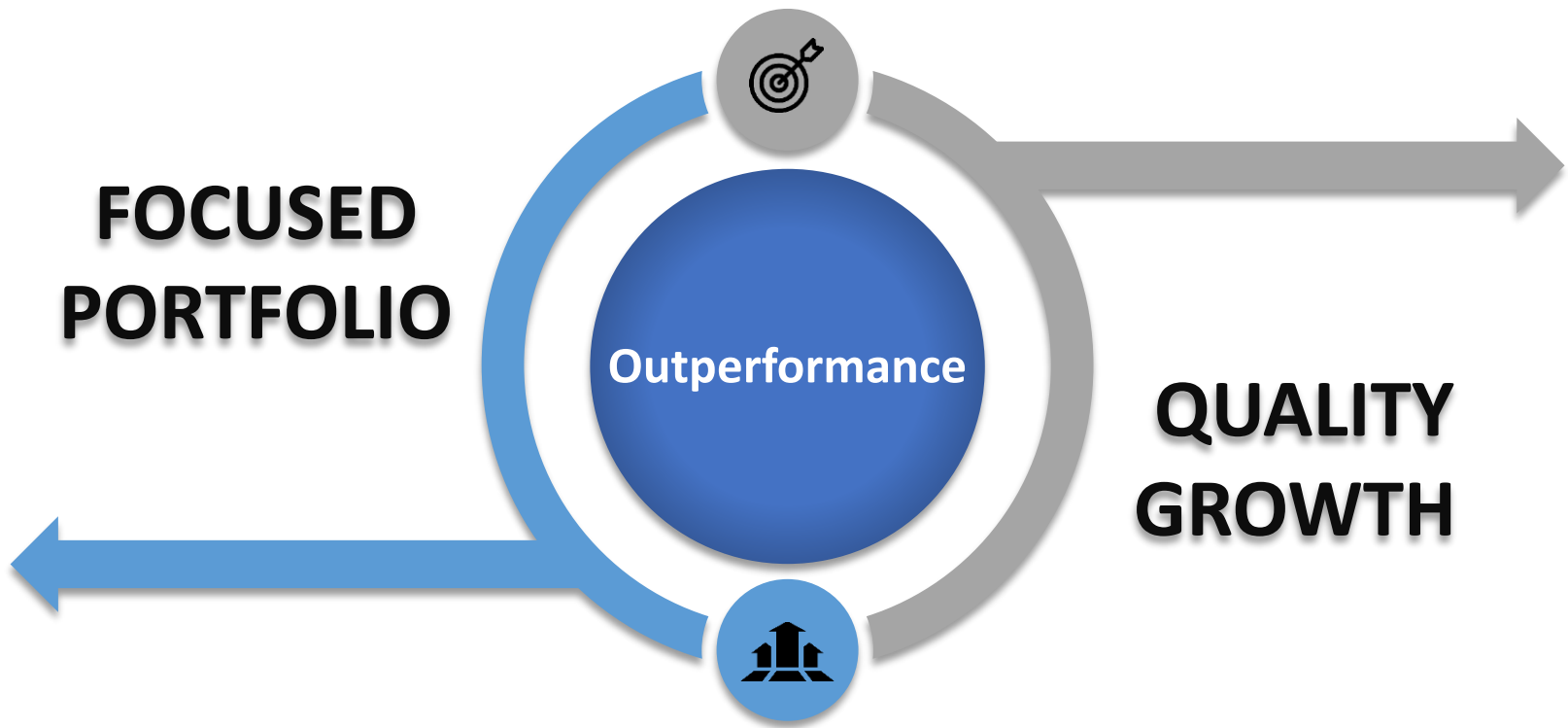
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Renaissance Midcap Portfolio

(Business Leadership Fund)

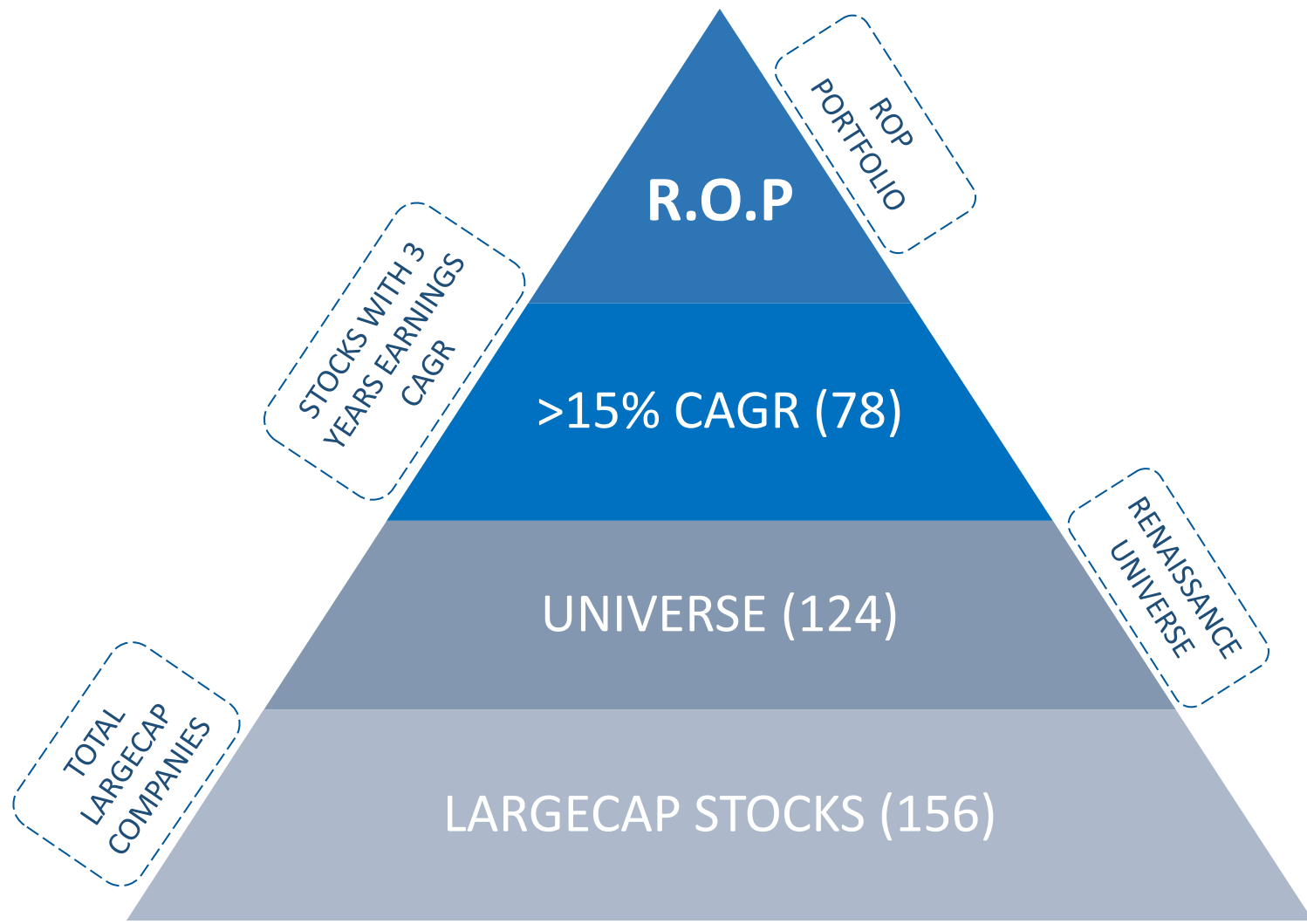
RENAISSANCE
OPPORTUNITIES PORTFOLIO

FOCUSED **LARGECAP**
PORTFOLIO

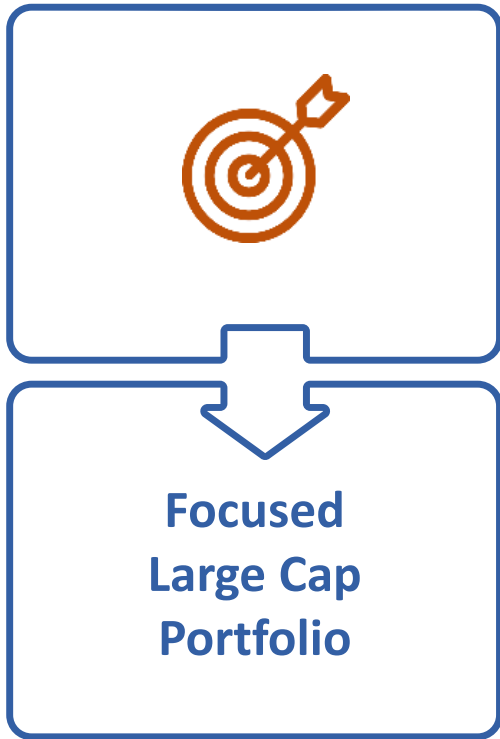


Significant underperformance of Large Cap MF leading to drive towards ETF

High Quality Large Cap Portfolio

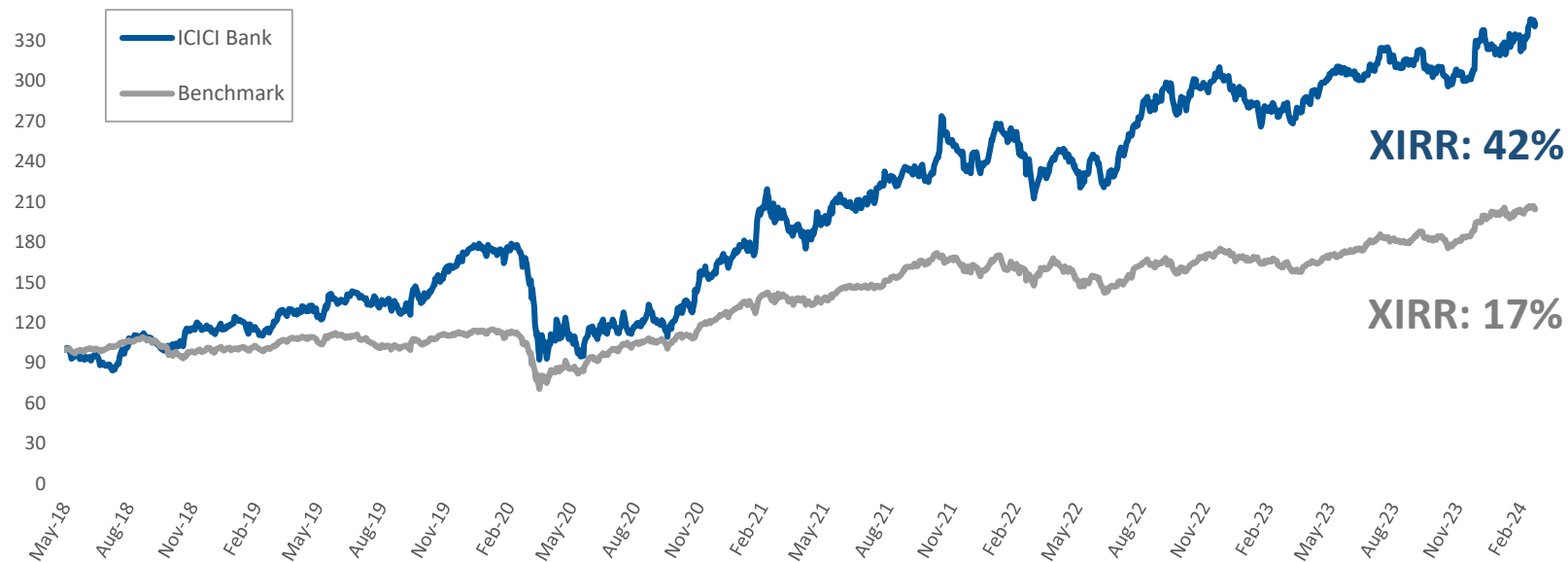


Renaissance Opportunities Portfolio



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

Portfolio Case Study : Private Bank – ICICI Bank



Data as on 29th February 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**

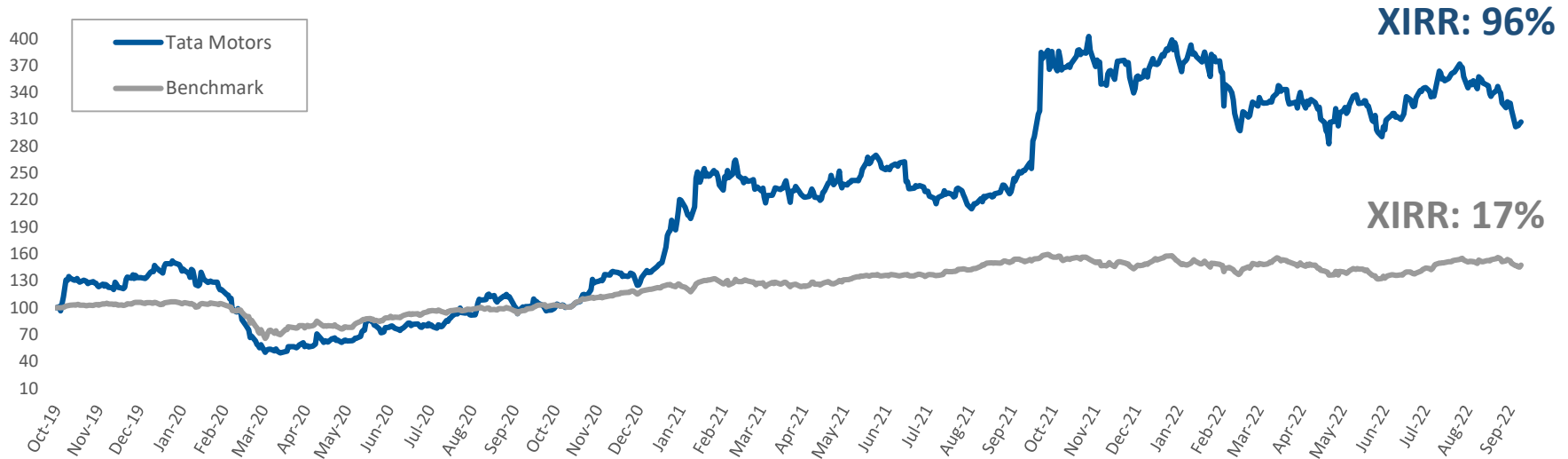
Management **focus on improving RoE** through operational efficiency

Investment Philosophy

Investment Strategy

Portfolio Strategy

Portfolio Case Study : Leading Auto OEM – Tata Motors



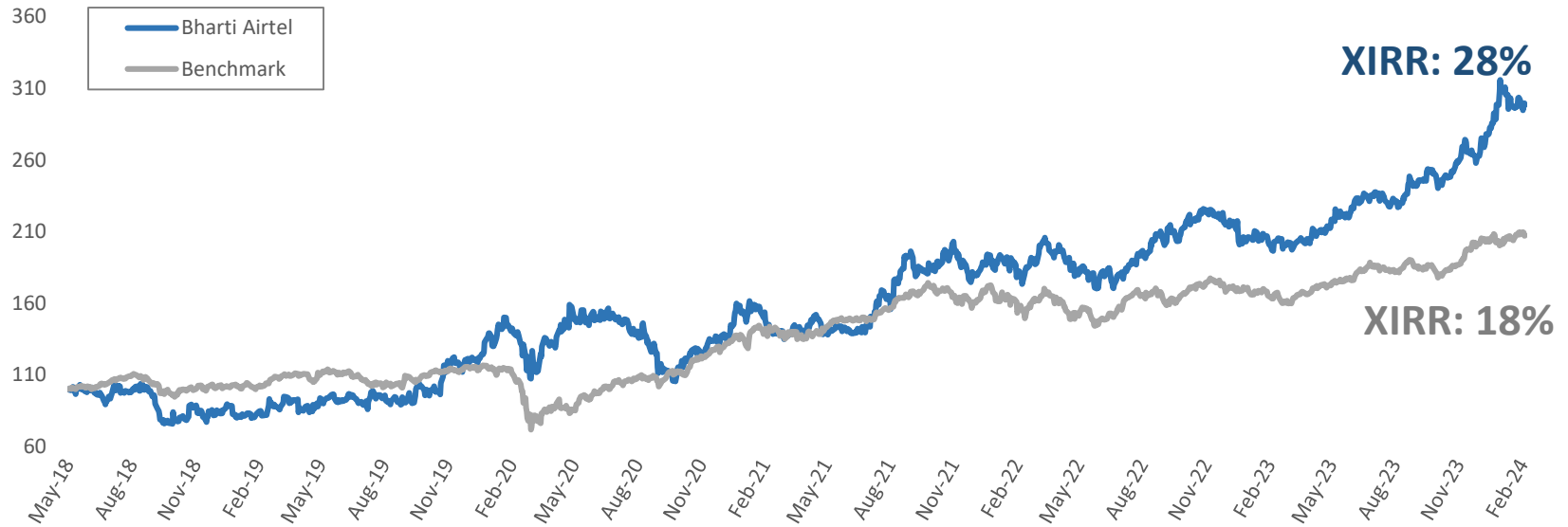
Data as on 12th Oct 2022

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**



Data as on 29th February 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

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

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

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

Company	Comment
Tech Mahindra	<ul style="list-style-type: none"> • Market leader in Telecom; 5Gs spends to drive growth • Focus on integrating capabilities to draw synergies • Management change to bring strategic change (Mohit Joshi as the new MD/CEO)
Birlasoft	<ul style="list-style-type: none"> • New CEO injecting fresh growth momentum • Resilience and scalability of the services portfolio • Company sees strong traction for virtual engagement, Cloud adoption, and digital transformation work
Infosys	<ul style="list-style-type: none"> • Demand for IT Services • Debt free company • Infosys should be able to maintain margins on digital mix, lowering sub-contracting costs
Info Edge	<ul style="list-style-type: none"> • Boom in internet user growth • Growth in the IT sector • Strong demand for new homes

Key Themes of ROP: Financials - Underweight

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

**High Conviction
Portfolio**

**Sustainable High
Growth Companies**

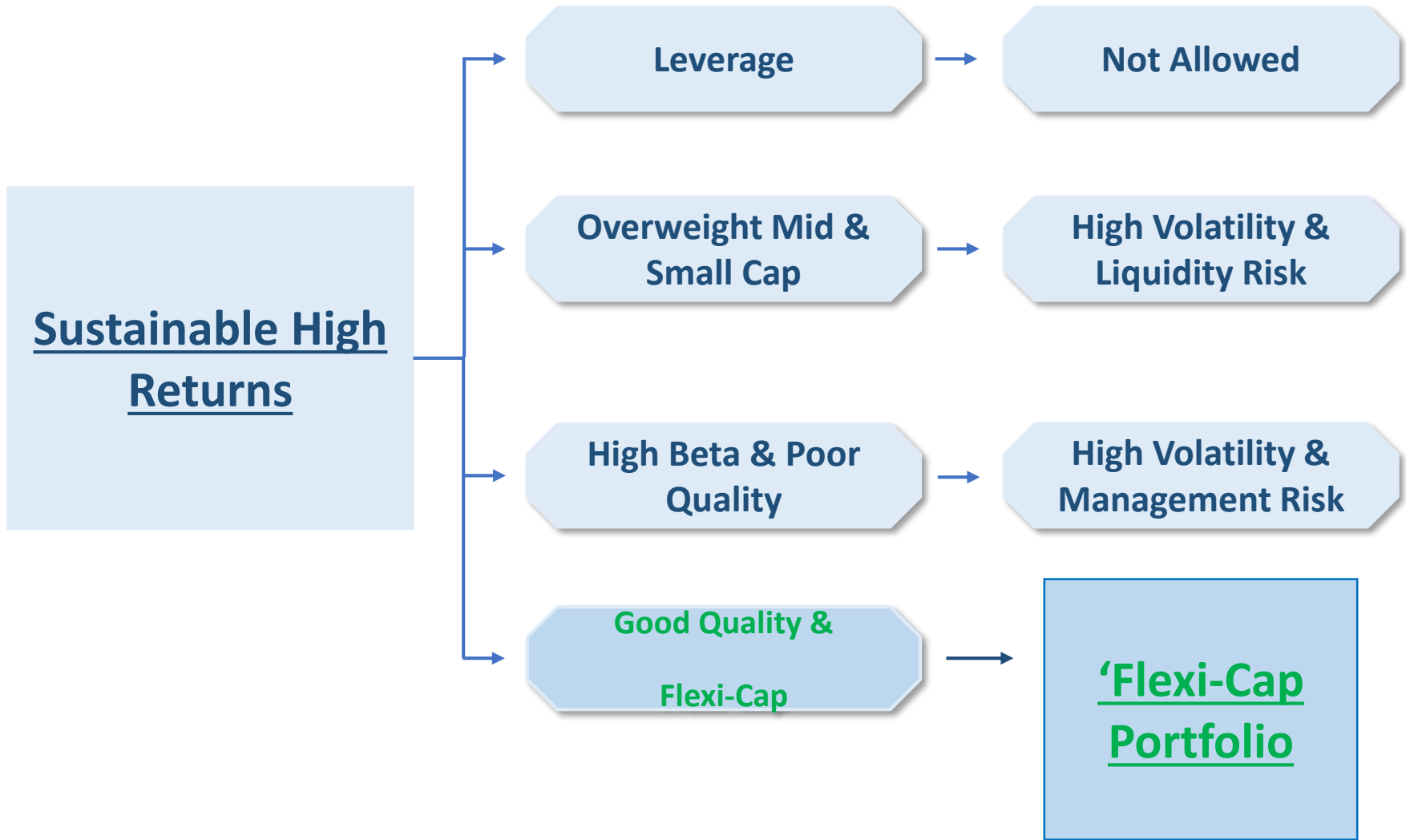
**Long Term
Approach; Buy and
Hold**

Large Cap Biased

**Superior Quality
Portfolio and
Business
Leadership**

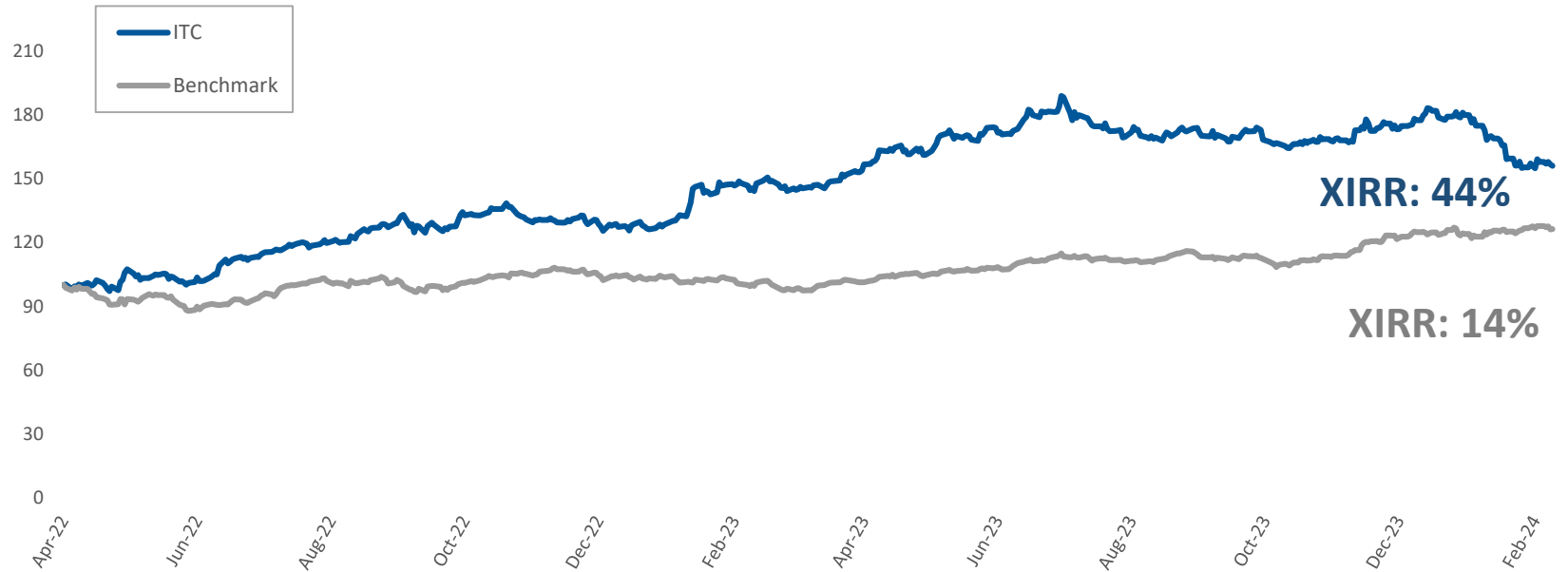
RENAISSANCE
INDIA NEXT PORTFOLIO

Flexi-Cap PORTFOLIO



Key Features

- ❖ Capitalize on the opportunities offered by mid and small cap stocks
- ❖ Manage risk with large cap exposure
- ❖ Optimal portfolio construction which strike balance between risk and reward
- ❖ Diversified Portfolio with No Sector Bias
- ❖ Focused Portfolio of 20-25 stocks
- ❖ Long term Approach; Buy and Hold



XIRR: 44%

XIRR: 14%

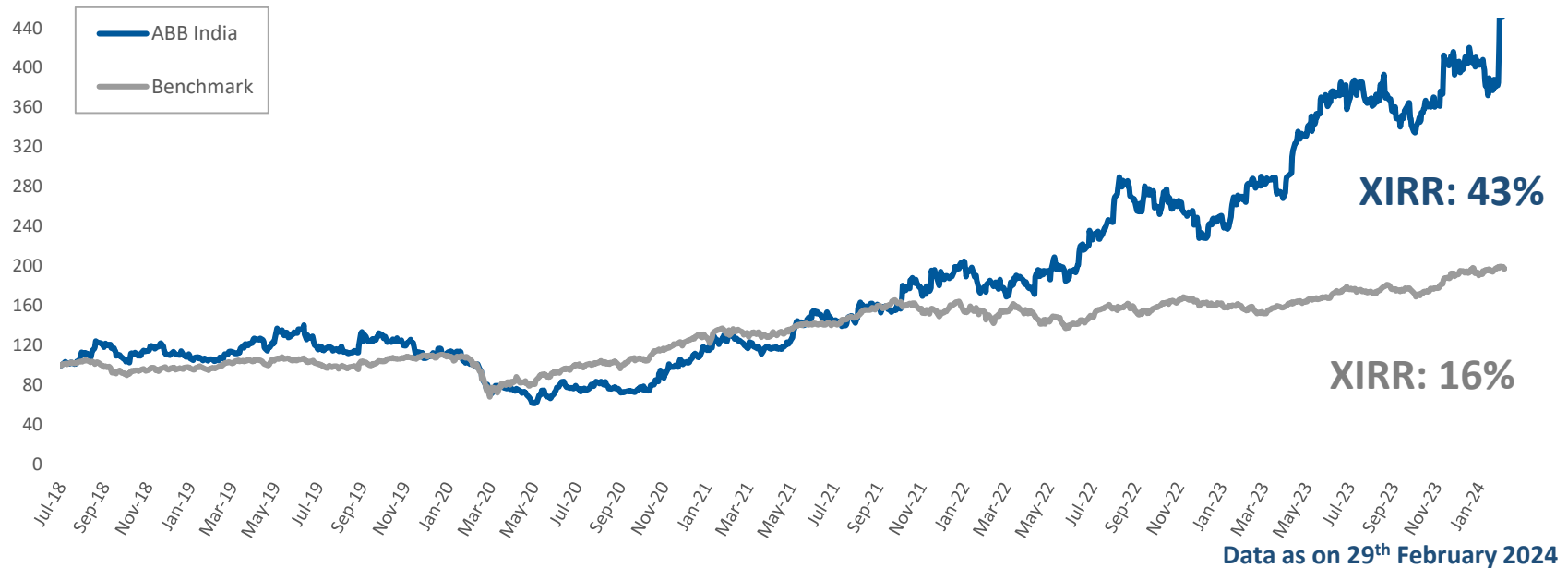
Data as on 29th February 2024

One of the largest FMCG company: Within two decades ITC has become the second largest FMCG Company in India and its distribution is only next to HUL. The company has aggressively expanded its portfolio in packaged food, personal care, stationery, etc.

Whole portfolio of FMCG business: ITC has strong market positioning across several package foods and personal care categories

Other businesses to drive growth: Similarly, Paperboard and packaging business plays a vital role in packaging for FMCG-Others business.

Portfolio Case Study : Capital Goods – ABB India



Unmatched capabilities on the technology front: ABB being part of a large global behemoth has an edge over most other power product peers (except the likes of Siemens and very few others) in terms of technology for high voltage, grid stabilization and automation products.

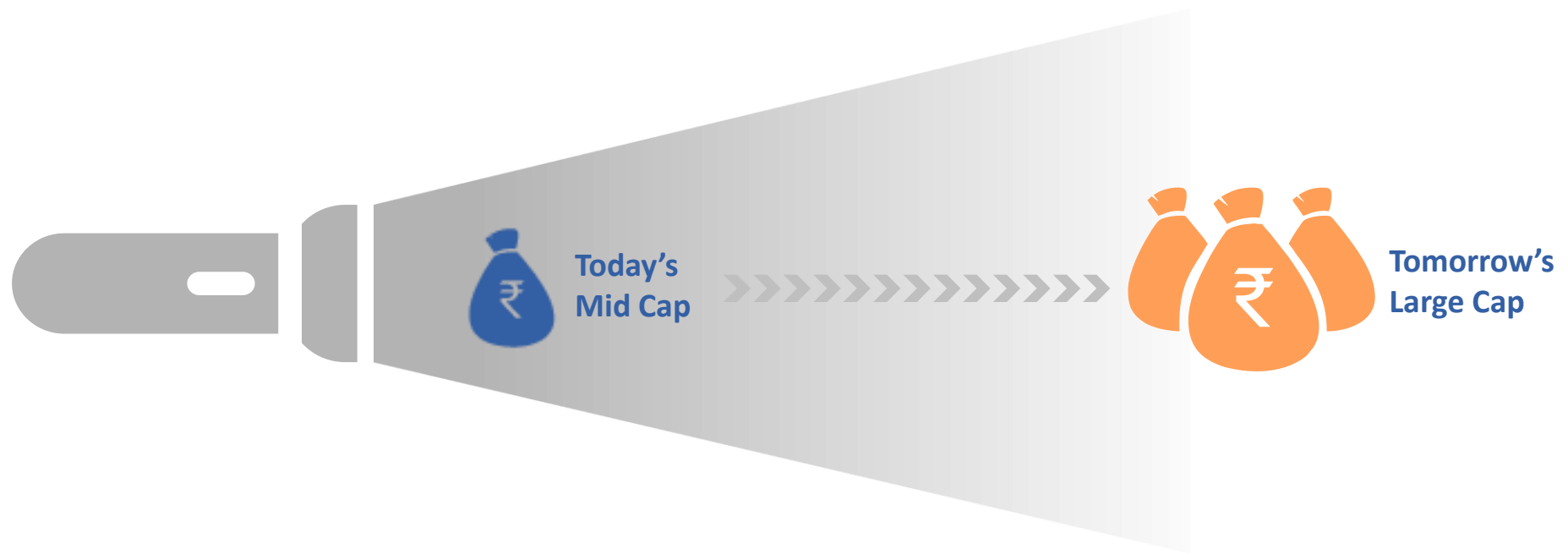
Steady capex in Power T&D and Railways: Over the last 10 years, Power T&D space has seen large and steady capex (led by PGCIL) for grid expansion and strengthening

Exports and services to aid growth: ABB India plans to leverage on the global reach of the parent to drive its exports (over 15% of the overall revenues).

RENAISSANCE
MIDCAP PORTFOLIO

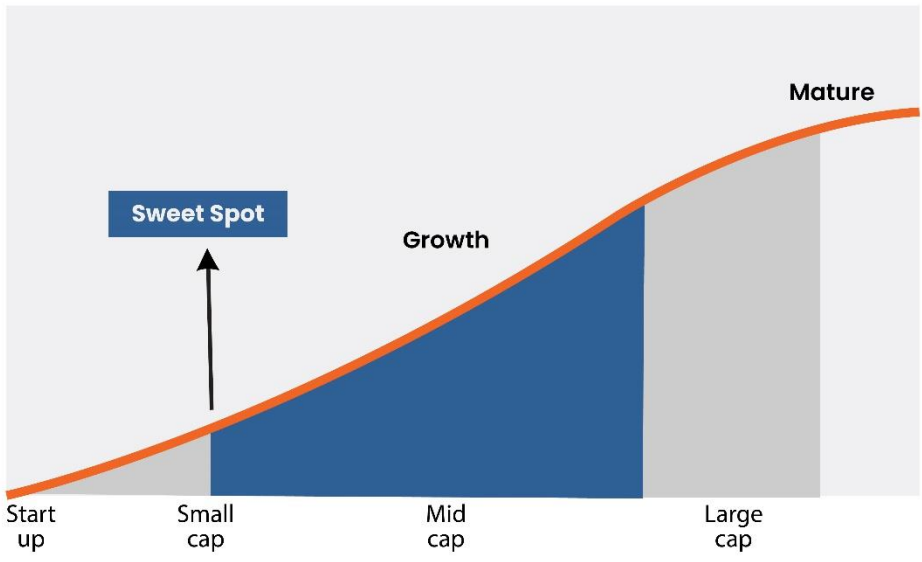
BUSINESS **LEADERSHIP**
FUND


Renaissance Midcap Portfolio – Business Leadership Fund





An opportunity to buy great businesses at an early stage in their lifecycle


Renaissance Midcap Portfolio – Business Leadership Fund





 **Higher growth potential**

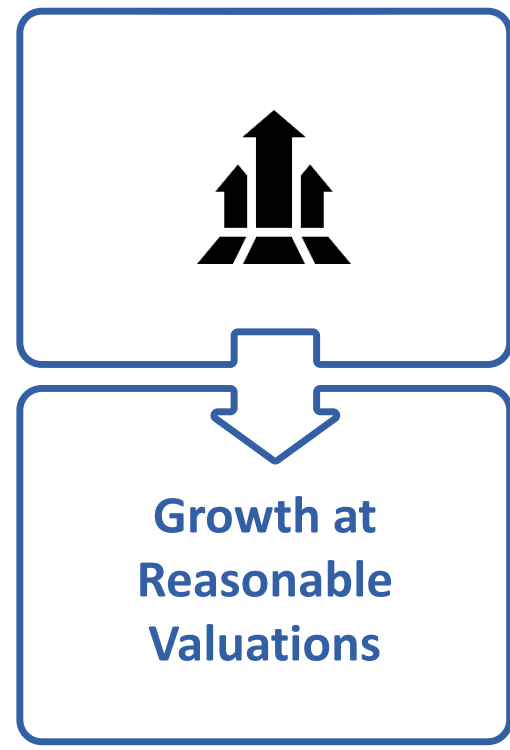
 **Long term wealth creation**

 **Catch them early in life cycle, rewards can be significant**

 **Could be tomorrow's Blue-Chip**

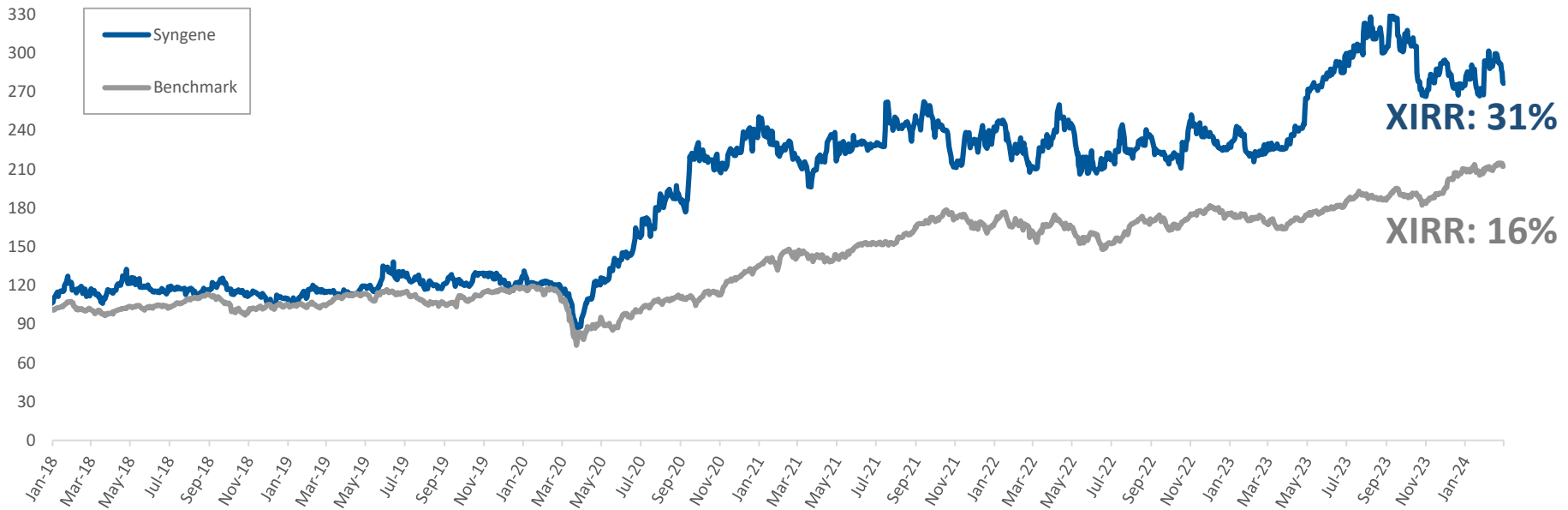
 **Successful companies demonstrate leadership qualities at an early stage in their lifecycle**

 **Established track record**



A focused Portfolio of Good quality growth oriented midcap business which can potentially deliver superior growth over long term

Portfolio Case Study : Leading CRAM's player - Syngene International



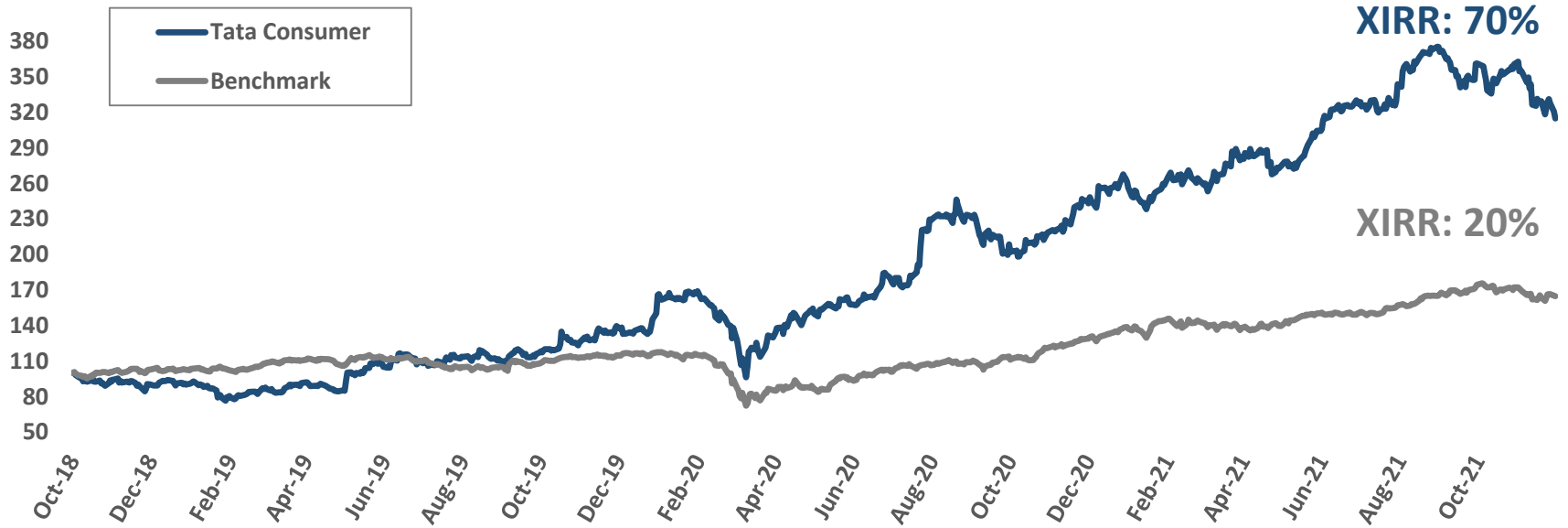
Data as on 29th February 2024

India's **leading CRAM's** with key strength in discovery services

Long standing customer relationship lend stability to business model of the company

Operates **dedicated research centres for Global majors** like Abbott, Baxter etc. which serves as validation for quality services

Syngene's constant growth ahead of the market has made him a **very prominent player all over Asia**



Data as on 14th Dec 2021

2nd market Leader with 20-22% share in India

Present in diversified segments like Tea, Coffee, Staples, Snacks & Water

Expanding their Product Basket every year

Strong brand name “Starbucks” under its portfolio through JV

New MD with proven track record

Expansion of Distribution reach for overall consumer business with merger of Salt business



PORTFOLIO
ATTRIBUTES

ANALYTICS & COMPOSITION

SNAPSHOT

Top Holdings

Company	Weight (%)
State Bank of India	7.02%
Bharti Airtel Ltd	6.29%
Sun Pharmaceutical Industries Ltd	6.17%
Tech Mahindra Ltd	6.13%
HDFC AMC Ltd	5.42%

Risk Attributes (Last 12 Months)

Ratio	Portfolio	Index
Std Dev	9.96%	9.91%
Information Ratio	1.83	-
Sharpe Ratio	3.26	2.16
Beta	0.82	1.00
Treynors Ratio	0.40	-
Up/ Down Capture	121%/62%	

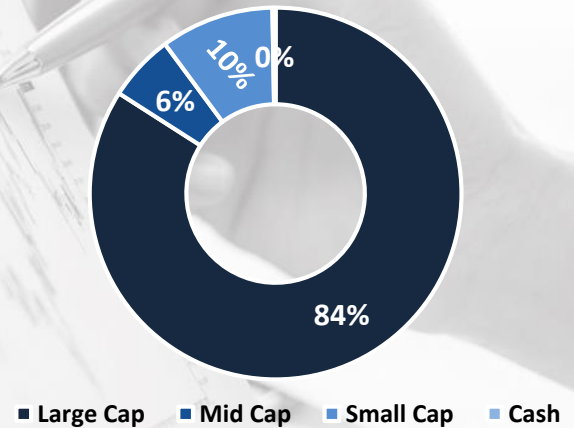
Portfolio Fundamental Attributes

Particular	FY24E	FY25E	FY26E
PAT Growth	22.9%	22.5%	16.1%
ROE	19.3	19.7	20.1
P/E	35.0	35.5	28.6

Top Sectoral Weights

Sector	Weight (%)
BFSI	26.42%
IT & Tech	17.23%
Pharma & Chemicals	14.16%
Industrials	11.76%
Auto & Logistics	10.56%

Market Cap Allocation



Top Holdings

Company	Weight (%)
Motilal Oswal Financial Services Ltd	6.50%
HDFC AMC Ltd	6.48%
Hindustan Petroleum Corporation Ltd	5.44%
Birlasoft Ltd	5.32%
Infosys Ltd	5.27%

Risk Attributes (Last 12 Months)

Ratio	Portfolio	Index
Std Dev	10.59%	9.92%
Information Ratio	1.15	-
Sharpe Ratio	3.42	3.01
Beta	0.92	1.00
Treynors Ratio	0.39	-
Up/ Down Capture	115%/70%	

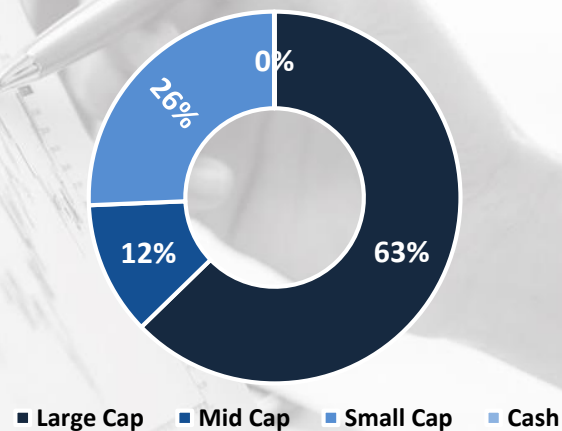
Portfolio Fundamental Attributes

Particular	FY24E	FY25E	FY26E
PAT Growth	31.6%	20.9%	19.1%
ROE	17.4	18.3	19.5
P/E	50.5	35.5	29.3

Top Sectoral Weights

Sector	Weight (%)
BFSI	24.14%
IT & Tech	21.08%
Pharma & Chemicals	12.51%
Industrials	11.15%
Real Estate & Building Materials	7.28%

Market Cap Allocation



Top Holdings

Company	Weight (%)
Inox Wind Ltd	7.35%
Cummins India Ltd	6.23%
Hindustan Petroleum Corporation Ltd	5.70%
Power Finance Corporation Ltd	5.10%
Birlasoft Ltd	4.65%

Risk Attributes (Last 12 Months)

Ratio	Portfolio	Index
Std Dev	13.37%	12.64%
Information Ratio	-1.46	-
Sharpe Ratio	3.38	4.31
Beta	0.94	1.00
Treynors Ratio	0.48	-
Up/ Down Capture	88%/94%	

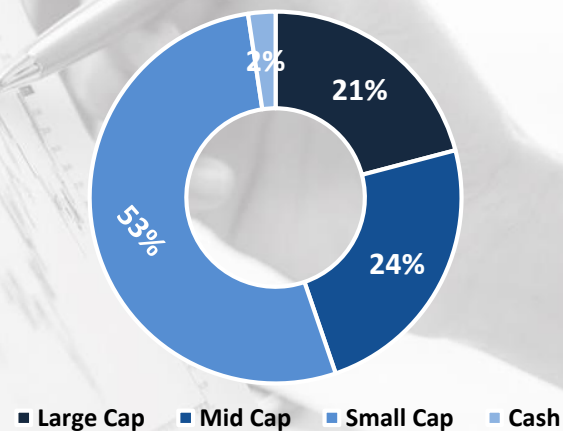
Portfolio Fundamental Attributes

Particular	FY24E	FY25E	FY26E
PAT Growth	25.3%	26.2%	24.4%
ROE	15.2	18.8	20.1
P/E	35.0	31.0	25.9

Top Sectoral Weights

Sector	Weight (%)
BFSI	24.30%
Industrials	17.01%
Consumer Discretionary	13.66%
Pharma & Chemicals	9.94%
IT & Tech	9.64%

Market Cap Allocation



Strategy	3 Months	1 Year	2 Years CAGR	3 Years CAGR	5 Years CAGR
<u>Opportunities</u>	10.93%	39.57%	21.72%	22.34%	19.08%
Nifty 50 TRI	9.38%	28.49%	15.75%	16.16%	16.66%
<u>IndiaNext</u>	12.48%	43.29%	29.60%	33.19%	23.60%
Nifty 200 TRI	11.87%	37.02%	18.43%	18.29%	17.90%
Nifty 50 TRI	9.38%	28.49%	15.75%	16.16%	16.66%
<u>Midcap</u>	10.35%	52.36%	32.43%	28.19%	22.95%
Nifty Midcap 100 TRI	12.78%	61.56%	31.87%	28.72%	24.79%
Nifty 50 TRI	9.38%	28.49%	15.75%	16.16%	16.66%

Data as on 29th February 2024

Disclaimer:

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Statutory Details:

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Risk Factors:

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THANK YOU

HAPPY INVESTING