

PINC

# CLAP

your way to wealth



# We are PINC!

Since our inception in 1985, we have played a significant role in contributing to the growth of the Indian financial ecosystem. For us, it has always been about creating maximum value for our clients by going further to discover opportunities for growth. We have an active, hands-on investment management platform that will assist you in finding these opportunities.

We have a reputation for providing well-managed, consistent, and balanced investment opportunities for our investors, thus letting us measure our success on a human scale; in the clients, investors and teams who know us as trusted partners.



# PINC GROUP STRUCTURE

## Pioneer Investcorp Ltd.

As Category I Merchant Bankers, we provide a bespoke approach to your business and financial needs. We deliver professional expertise and derive maximum value for our corporate clients, advising them on the best growth and financing strategies. We have a deep understanding of the banking and institutional lending landscape and enjoy a closer relationship with global investors. Our wide experience and in-depth knowledge of the local market enable us to provide innovative solutions to diverse needs of clients.

Associate Company  
Subsidiary 100%

### Pioneer Wealth Management Services Ltd.

- Offers a cap-agnostic Equity Portfolio Management Service (PMS) focused on substantially outperforming the market.
- Portfolio around select large caps, high growth mid and small caps with good return potential.

### Pioneer Finserve Pvt. Ltd.

- Tech-enabled AMFI registered distribution channel across various asset classes including Mutual Funds, Stock Broking, Commodities, Structured Products, etc.

### Pioneer Fundinvest Pvt. Ltd.

- Registered Non-Banking Finance Company
- We are arrangers and an underwriter in the domestic institutional debt segment. Being one of the large non-institutional players in the fixed income market, we offer a wide bouquet of products and services in fixed income segment.

### Infinity.com Financial Securities Ltd.

- In equities, we offer broking and research services to domestic and overseas institutional investors with 30+ financial institutions.

Associate  
Company

### Pioneer Insurance and Reinsurance Brokers Pvt. Ltd.

- An IRDAI Registered insurance intermediary providing general and life risk advisory across corporate, retail & global markets. We are also a Lloyd's registered reinsurance broker, with a strong network across the international insurance underwriting community.
- Professional assessment, optimum coverage and fast claim settlement are our key strengths.

# Why Choose Us?

## Objectives

- To provide a high degree of capital safety
- To enhance the wealth of our clients
- To outperform the risk-free rate of return
- To outperform the index return by using a theme-based investment approach

## How We Propose To Achieve It?

- By investing in high quality and well managed companies, at a value below their intrinsic value
- By identifying scalable and high growth potential companies which fetch higher valuations and follow good corporate governance



# Beginning of the Bull Market

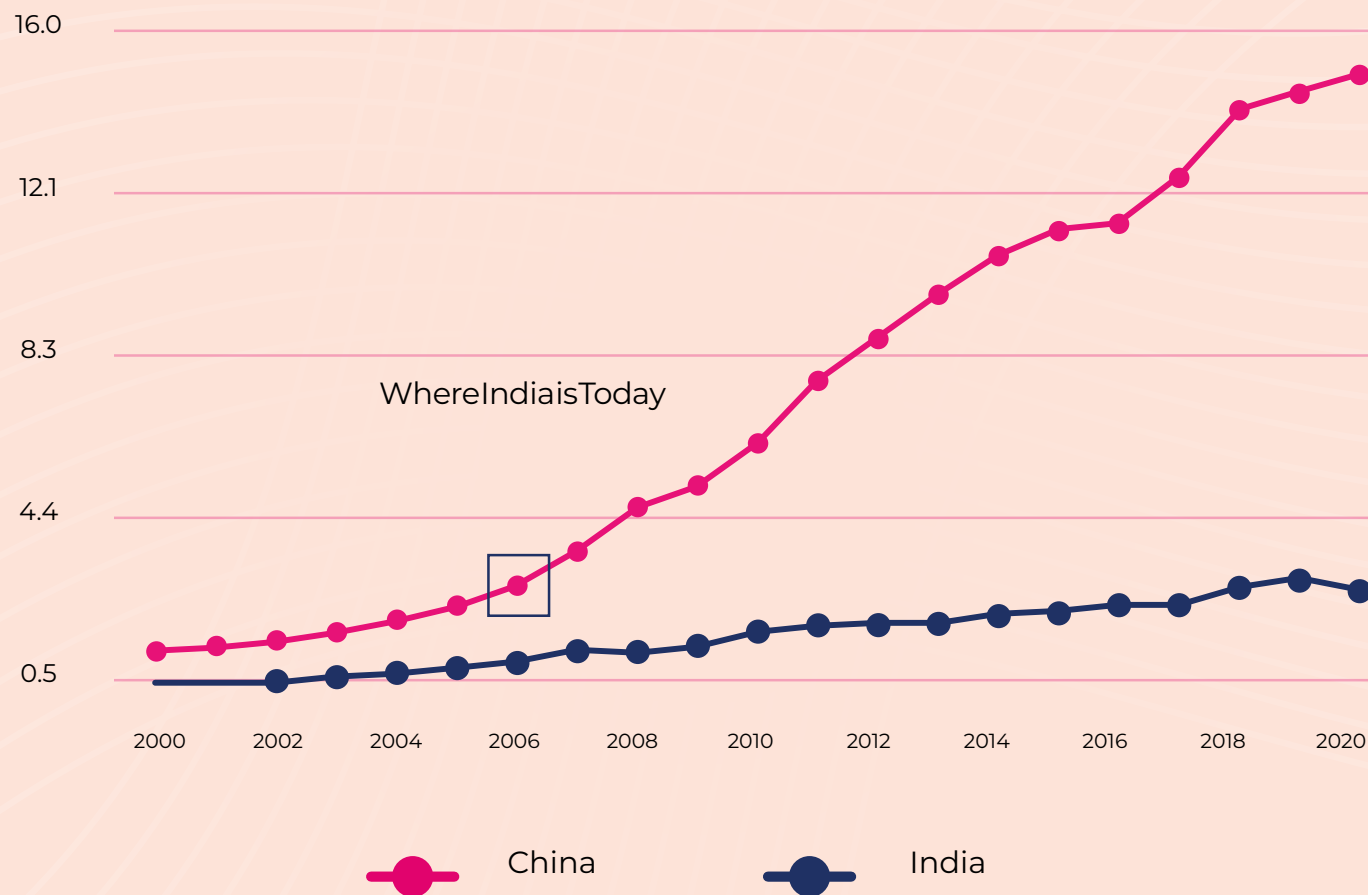
Data suggests that when the GDP of any nation grows from \$2 trillion to \$5 trillion it experiences the biggest bull market.

- **China: In 5 years (2004-2009) Hang Seng grew from 8500 to 32000- 4x gain**
- **USA: In 11 years (1977-1988) Dow Jones grew from 700 to 12000- 15x gain**
- **Japan: In 8.5 years (1978-1986) Tokyo Stock Exchange grew from 2000 to 37000- 19x gain.**

India's GDP is currently worth \$2.75 trillion, with a goal of reaching \$5 trillion this decade.

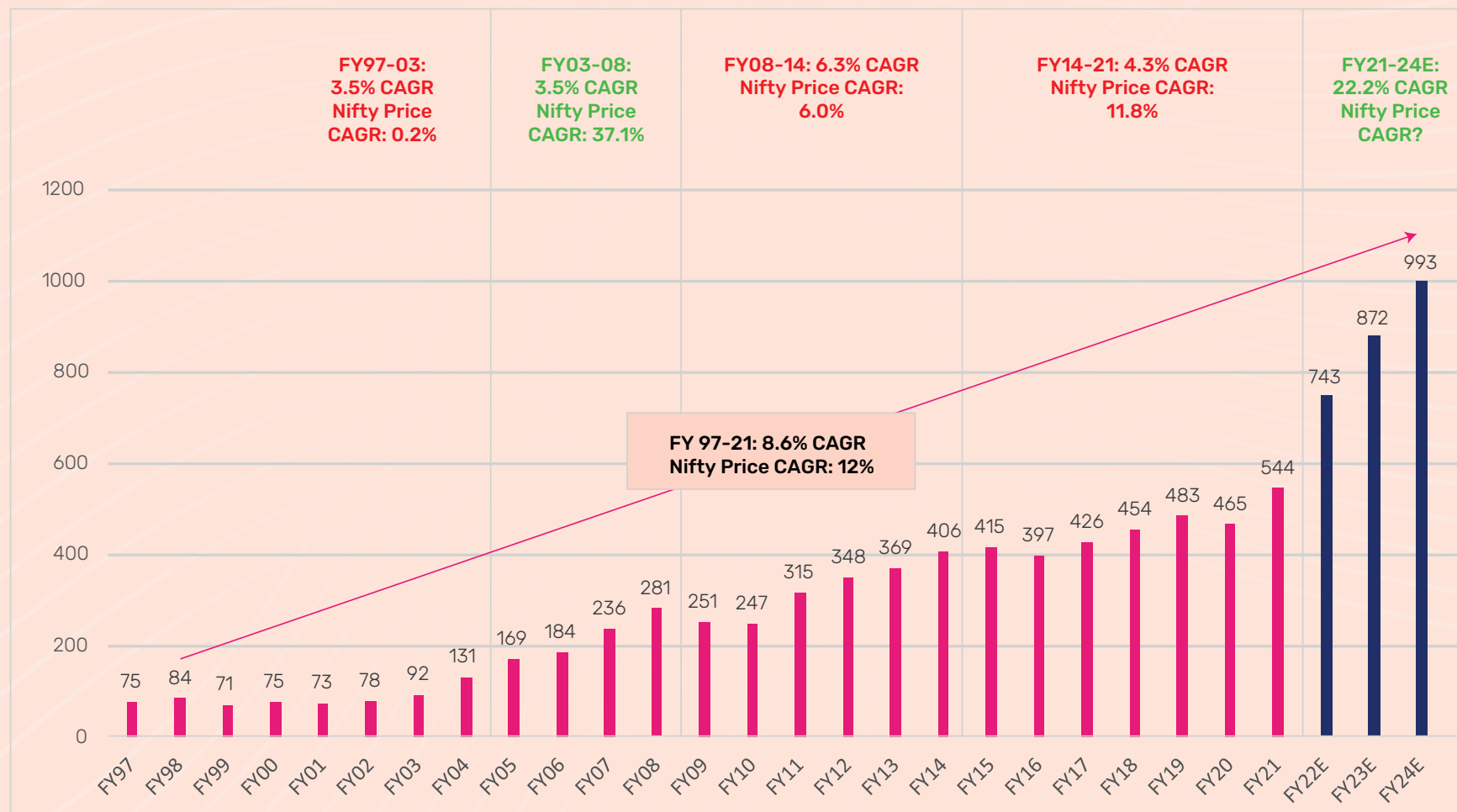


India v/s China - GDP in \$ trillion



- ◆ India is today where China was in 2006
- ◆ From 2006 to 2020 China's GDP grew at a rate of 12.7%

# Nifty EPS



Source: Bloomberg

# Key Triggers for Indian Economy

Favourable odds on the Indian Equity Story

1

Digitization (Digital India scheme)

2

Formalization of economy & tax reforms

3

Demographic dividend (Young median age of population 28-29 years)

4

Policy support (PLI scheme to boost manufacturing)

5

Rising income levels / Better standard of living

6

National Infrastructure Pipeline (\$1.4 trillion)

7

Increase in financial literacy and inclusion

8

Private capex and disinvestment

9

FDI which was negligible in 1991 has grown to US \$ 54 Bn in 2021



# CLAP

your way to Wealth  
Creation with us

“CLAP” can let you see the change between creating wealth and having an investment plan.

“CLAP” could also be the change between higher returns and barely hedging inflation.



### COMPETITIVE ADVANTAGE

- Cost leadership & pricing power
- Wide distribution network



### LOW-DEBT

- Fund significant capex through internal accruals rather than excessive debt
- Ability to generate healthy free cash flow



### ADDRESSABLE MARKET

- Companies with a substantial market growth
- Companies gaining market share from their competitors



### PROMOTER QUALITY

- Proven track record of execution
- Strong corporate governance practices

# How we Shortlist Stocks?



## **Addressable market size:**

Large addressable markets with a dominant market presence



## **Global Industry cues:**

Global market size Vs Indian market size



## **Managerial expertise:**

Management vision and credibility along with strong commitment to corporate governance



## **Sector Tailwind:**

Favorable growth drivers in the industry



## **Business model:**

Robust and resistant to changes in the environment, scale up potential organically



## **Free cash flows:**

Ability to generate free cash flow



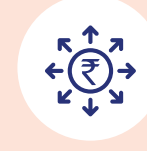
## **Growth Strategy:**

Market penetration, product development, market development & diversification



## **Key Competitive Advantage:**

Pricing power, Cost leadership, Brand loyalty, Backward & Forward integration etc



## **Capital allocation:**

Increasing return ratios with RoE and RoCE above cost of capital



# Our Investment Strategy

## Stocks Screening

- Scalable business model with strong earning visibility
- Free cash flow growth of the last 3-5 years
- Operating cycle of last 3-5 years
- CapEx through internal accruals/ minimal debt

## Management Evaluation

- Annual report analysis (Auditors, remuneration data, related party transaction etc)
- Guidance vs delivery - Past track record of business execution
- Shareholding pattern & pledge history
- Forensic accounting evaluation

## Risk Management

- We are not believers of BAAP (buy at any price) rather we wait for the shortlisted companies to come to the price which offers a relative valuation comfort
- We track the shortlisted investment portfolio on a quarterly performance basis
- We avoid high allocation in cyclical sector as prices and realizations changes are based on external factors
- Companies with promoter pledge less than 20% are preferred

## Our Research Questionnaire

Network

Efficiencies

Products/ Services

Competitiveness  
in the industry

Supplier

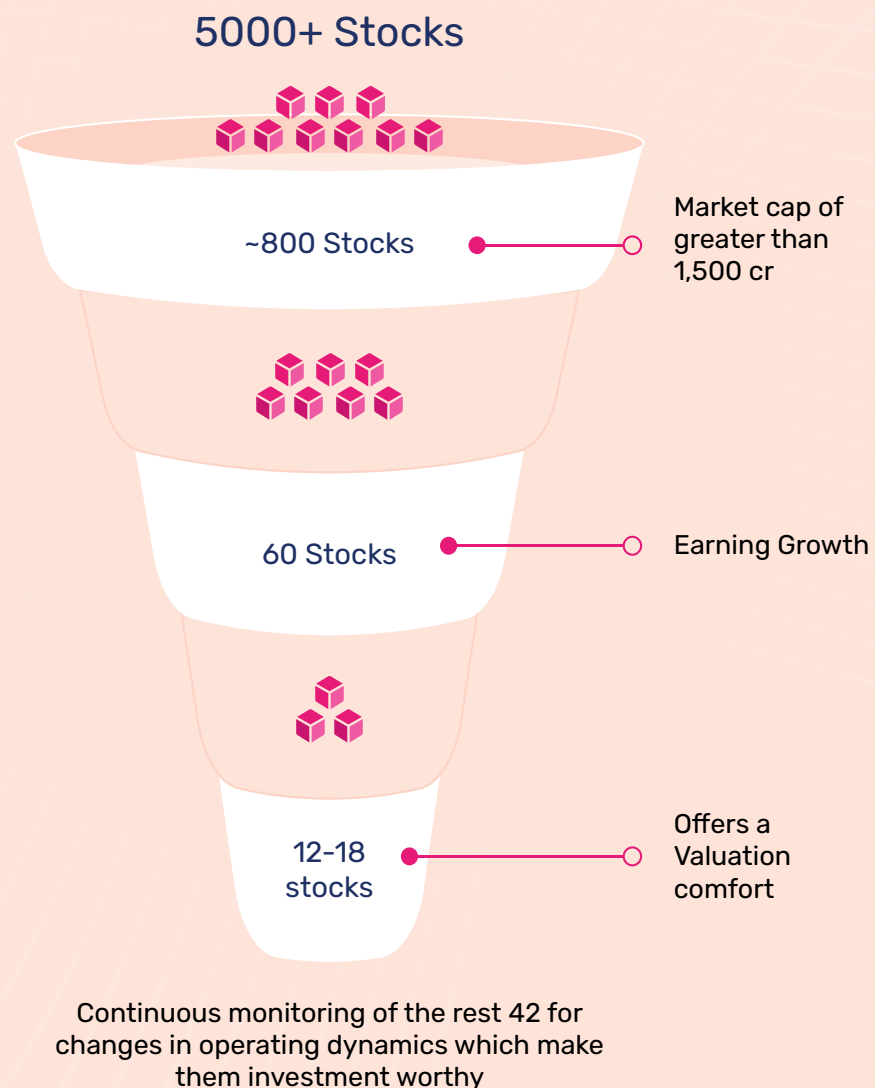
Threat of substitute  
products & key risk

Customers

Key financial  
parameters



# Our Universe Selection Strategy





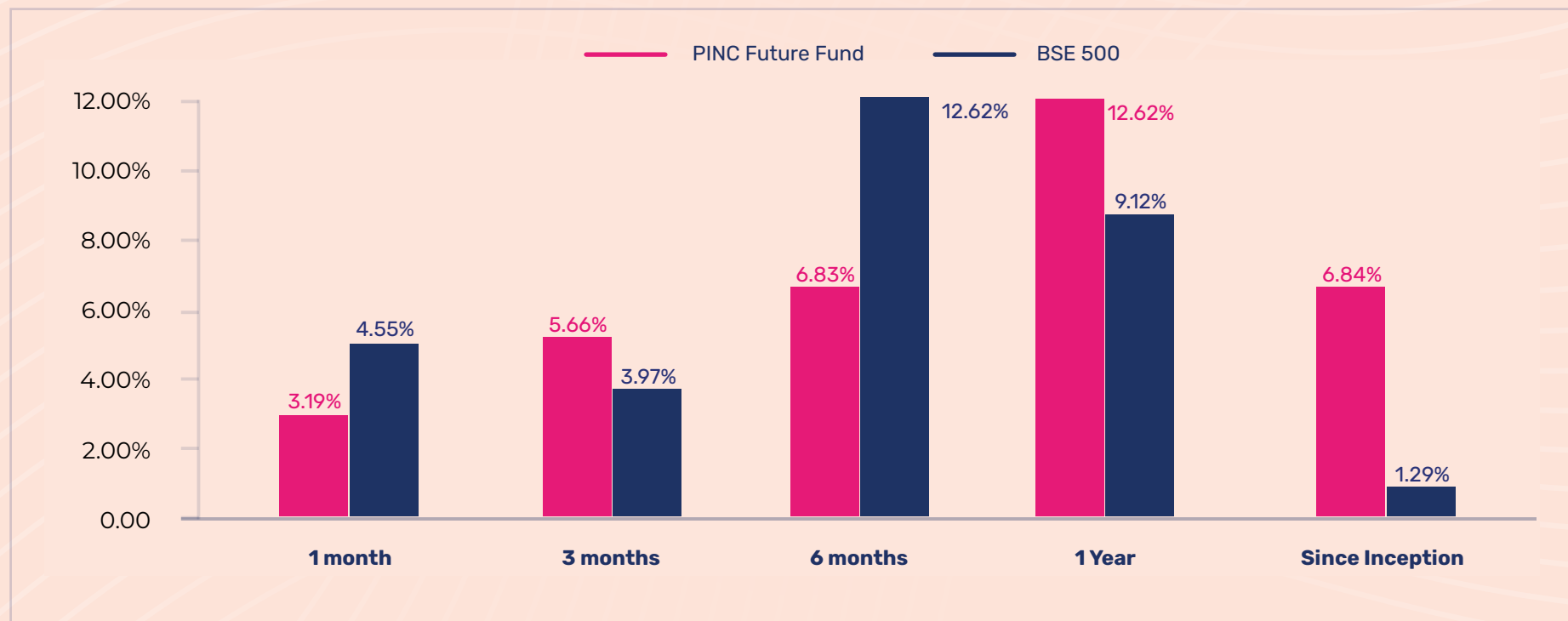
# PINC Future Fund

## Our Allocation Strategy

- ◆ Diversified portfolio (sector agnostic)
- ◆ Maximum number of stocks - up to 18 stocks
- ◆ Maximum stock exposure - 15%
- ◆ Maximum sector exposure - 25%
- ◆ At least 20% allocation in large caps
- ◆ Market cap greater than 1,500 cr
- ◆ Investment Horizon - 3-5 years



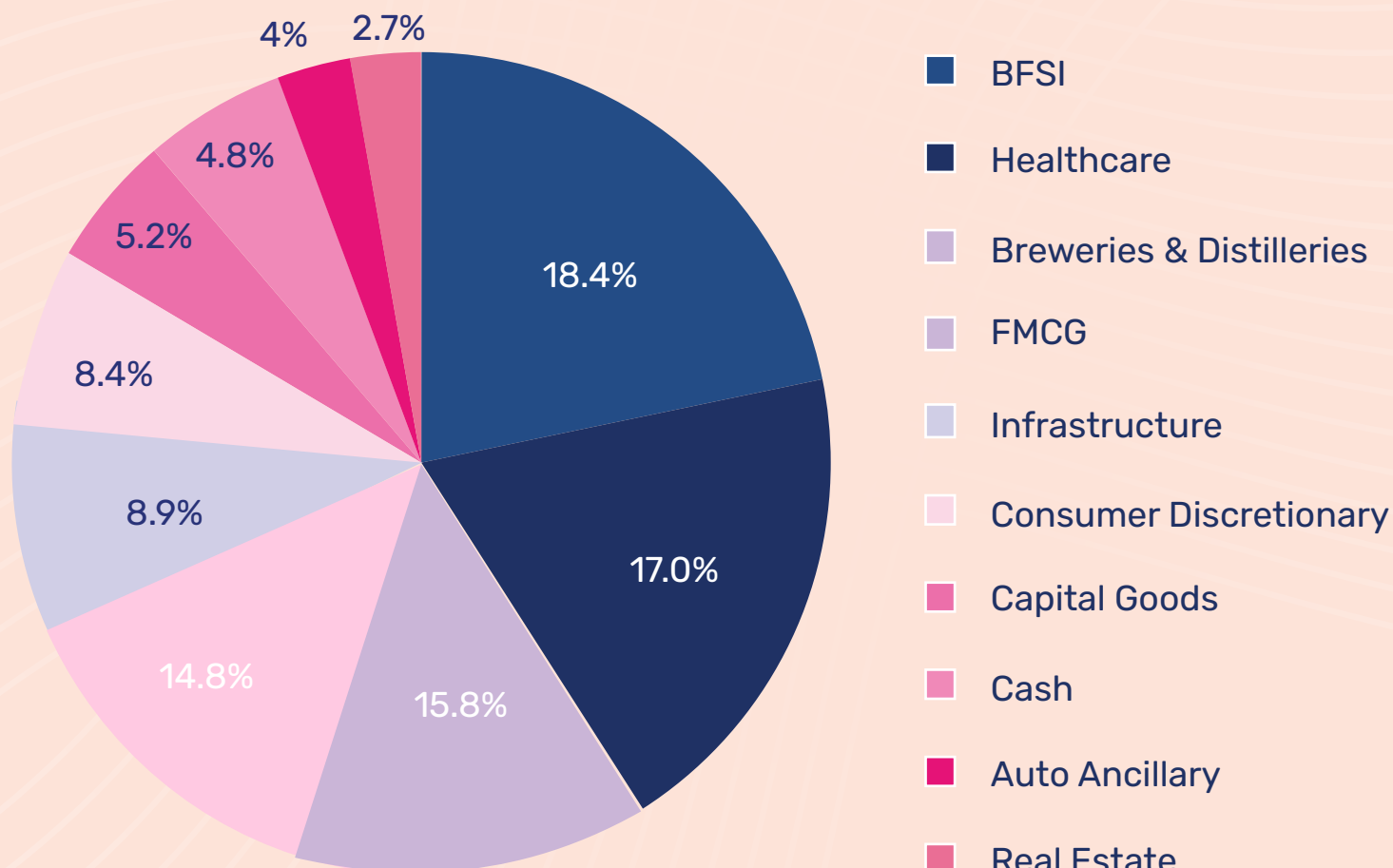
# Portfolio Performance



	1 month	3 months	6 months	1 Year	Since Inception
PINC Future Fund	3.19%	5.66%	6.83%	12.62%	6.84%
BSE 500	4.55%	3.97%	12.62%	9.12%	1.29%

\*As on Oct 2022  
Source: Orbis Financial

## Sector Wise Allocation

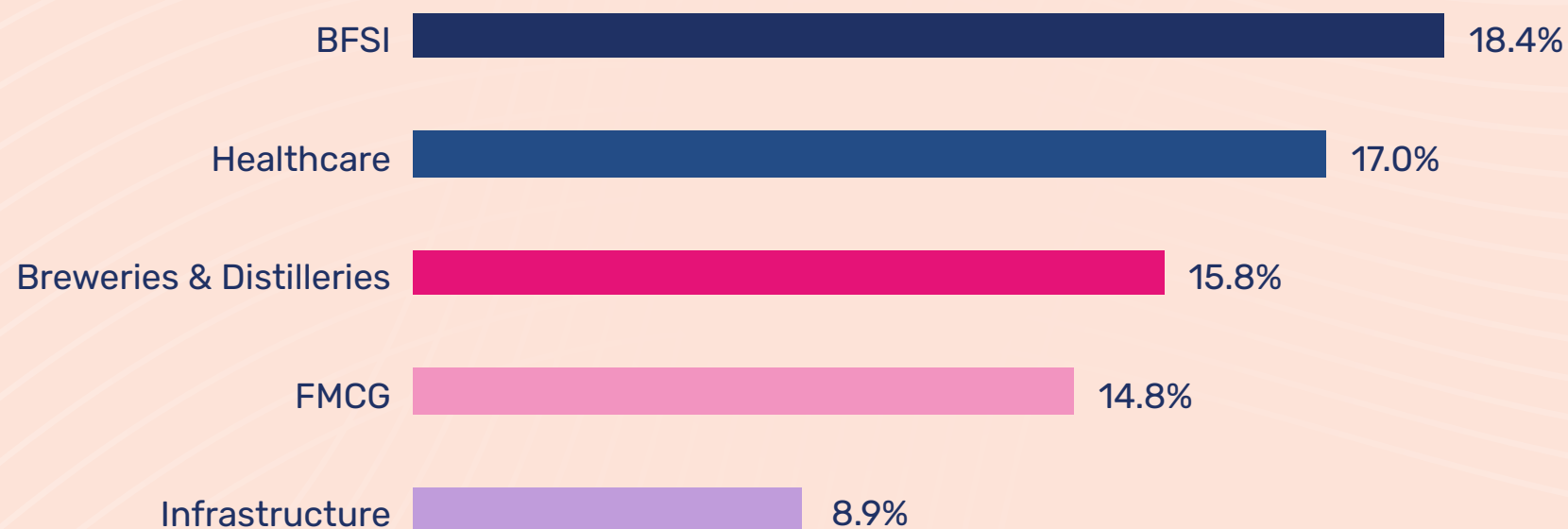


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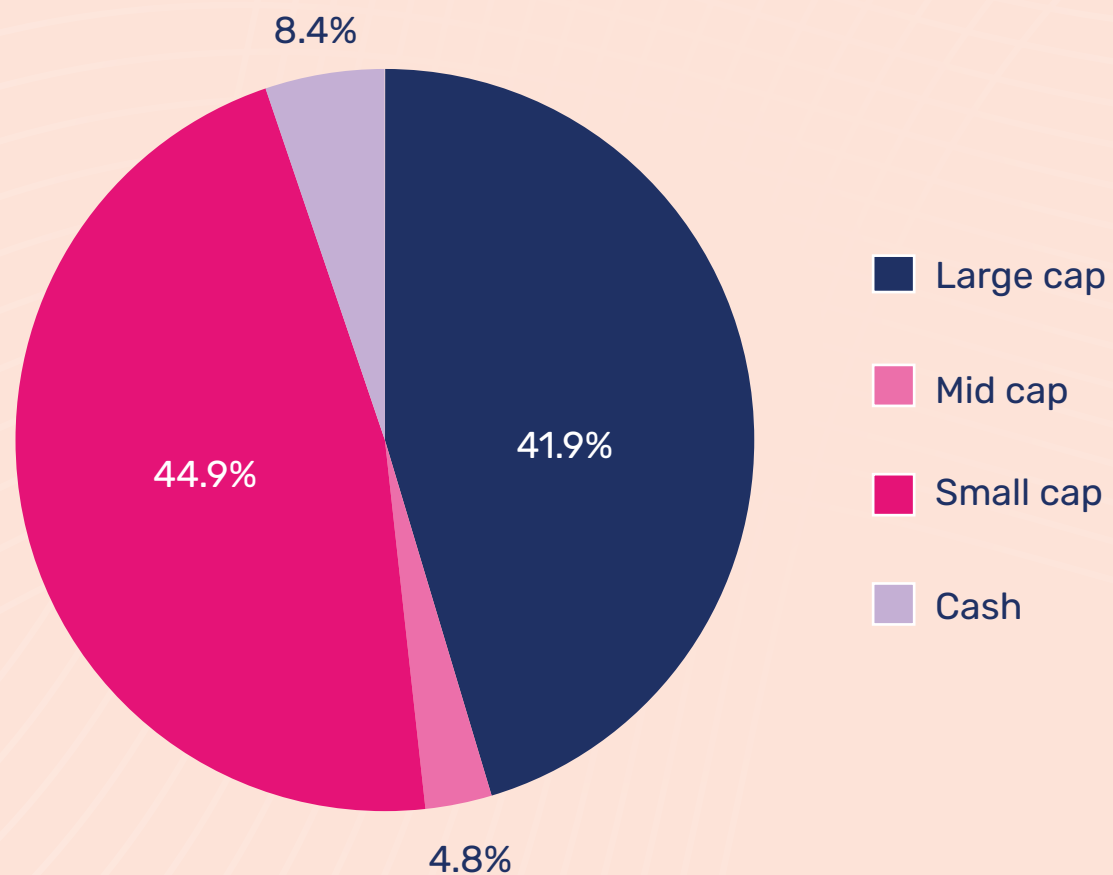
# Sector Wise Allocation

Top 5 Sectors



\*As on Oct 2022  
Source: Orbis Financial

## Market Cap Allocation



\*As on Oct 2022  
Source: Orbis Financial

## Construct and Structure

Fund Type	SEBI registered PMS
Fund Tenure	Open ended
Structure	Discretionary PMS
Minimum investment	INR 50 Lakhs
Stock Selection	Investible universe is stocks that perform well on the two frameworks noted earlier. A further subjective assessment then leads to a more concentrated stock portfolio
Number of stocks	12 - 18 25% per sector, 15% per stock All cap with BSE 500 as the benchmark
Time horizon and turnover	The investment horizon is 3-5 years and longer
Cash calls	Not to take aggressive cash calls; this is keeping in mind the longer term investment horizon of the fund and is suitable from a taxation standpoint



## Leadership Team



**Gaurang Gandhi**

Founder and MD, PINC

Over 4 decades of comprehensive experience in the financial services industry with strong leadership.

Committed to building scalable and sustainable businesses across the financial sector.



**Jaideep Bhattacharya**

CEO, PINC Wealth and Asset Management

Over 3 decades of experience in the financial services sector.

Held leadership position in banking, wealth and asset management companies.



**Shreenidhi P**

Fund Manager , PINC Wealth

Experienced professional in the financial services and technology sector.

Extensive experience in Equity Research and Investment Advisory across the financial services sector.

# Thank you!

**Disclaimer:** Pioneer Wealth Management Services Pvt. Ltd provides Investment Advisory and Portfolio Management Services under the brand name PINC Wealth. The content in this document is provided for informational purposes only. No material should be considered as investment advice directly, indirectly, implicitly, or in any manner whatsoever. Past performance is not an indicator of future results. PINC Wealth accepts no liability whatsoever for any direct or consequential loss or damage arising from any use of any information in this document. The information and content in this document are subject to change without notice.

# Role Of Orbis & Secmark in our PMS

## ORBIS

Orbis has been a leading provider of Securities Services since 2009 to FIIs and DIIs.

- Custodian for our PMS & their services include:
- Client on boarding
- Account opening
- Custody & Clearing services
- Fund Accounting services
- Reporting & Returns calculation

## SECMARK:

Responsible for

- Drafting documents (KYC and Contribution Agreement and Disclosure Document)
- Compliance Related Queries and advice (Monthly report to SEBI, Quarterly report to Client etc.)
- Net worth certificate