ANAND RATHI
ADVISORS LIMITED

Invest in

GLOBAL CONGLOMERATES

listed in India and reap the benefits of MNC Investing

Investment Approach

MNC PORTFOLIO

June, 2026

Objective & Investment Philosophy

MNC PORTFOLIO

Objective

Focus on consistency of return and risk moderation by investing in Multinational Companies listed in India.

Investments into listed companies in India in which the foreign shareholding is over 50% and/or the management control is bestowed in foreign company and/or the technological and managerial know-how brought in by foreign partner/investor.

4P Strategy – Stock Selection

MNC PORTFOLIO

Past Analysis

Business Moat /Market Share
Operating efficiency
Working Capital Management
Balance sheet growth
ROE And ROCE growth etc

Present Analysis

Current vs Historical
Valuation, Margins, leverage, Asset Turnover
Capacity and utilisation
Capex and Cashflow

4P

Pedigree

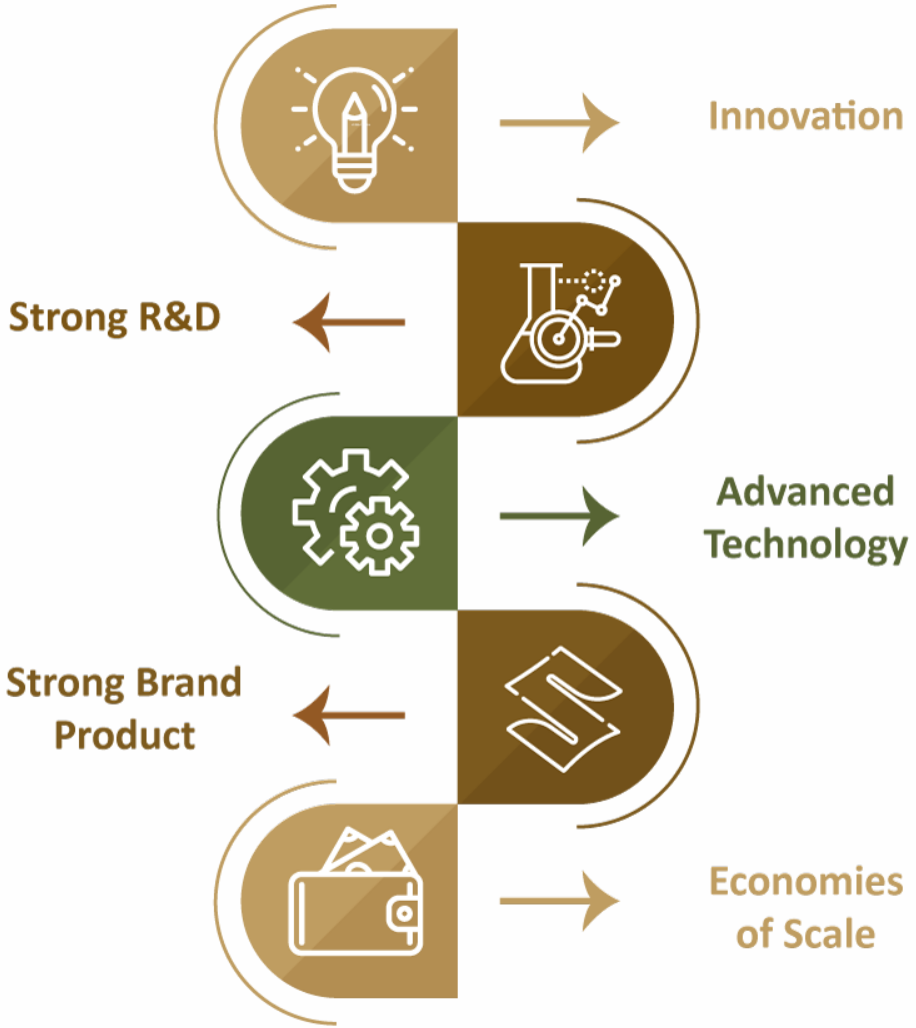
Management Experience and Qualification
Corporate Governance Practices
Shareholding patterns

Potential

Sector Outook Favourable Macro
Sufficient capacity
Outstanding Order Book,
Multi year Contract, Client Addition,
Product Pipeline etc

Companies to undergo 4 P Analysis to make it to the Universe

Successful Business Model



- MNC's benefit from the economy of scales by spreading R&D expenditures and advertising costs over their global sales, pooling global purchasing power over suppliers, and utilizing their technological and managerial know-how globally with minimal additional costs.

- MNC's can use their global presence to take advantage of underpriced labor services available in certain developing countries, and gain access to special R&D capabilities residing in advanced foreign countries

Strong Corporate Governance

- MNC's are generally rated high for their corporate governance standard.
- MNC's depict high transparency and accountability with well laid out policies and regulatory framework, internal control and risk management.
- This provide good comfort for an investor who would not fall prey to any negative impact on investment due to corporate mis-management and fraud.

Healthy Balance Sheet

MNC PORTFOLIO

High Operating Ratio

Most MNC's have better operating ratios compared to its peers, Operating margins would vary depending upon the sector it operates in.

Zero Debt or Low Debt Equity

Most MNC's are zero debt company or Very low on Debt Equity hence. Changes in Interest rate cycle do not affect these companies.

Positive Free Cash Flow

Operating free cash flow is positive in most of them, they are cash rich and regular dividend paying company.

Healthy Return Ratio

Return ratio like ROE and ROCE are also high compare to peer group in most cases. Investors benefit from share premium the share price command on sustain basis.

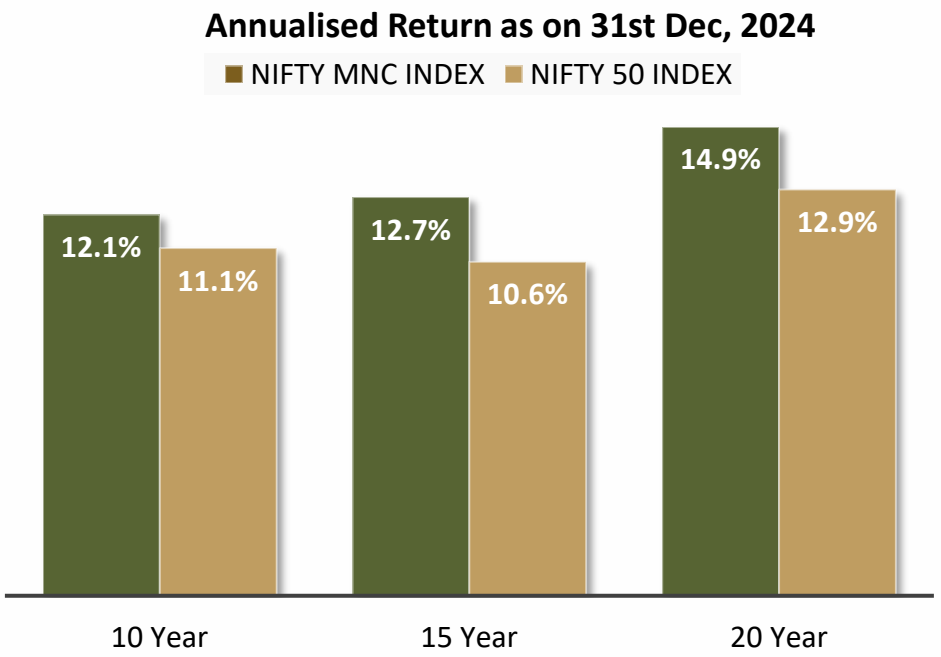
Special Opportunity

MNC companies during the holding period provides healthy dividend and capital appreciation by earnings growth and sometime carries an additional trigger for value appreciation in form of corporate actions like Open offers, Buybacks and Delisting etc. This usually add substantial appreciation to the share price enhancing investors ROI. Below are some illustrations of the same.

Sr.	Company	Corporate Action	Announcement date	Price before Announcement	Date	Price on closure of offer	% Gain
1	Fulford India	Delisting	25-Apr-14	682	30-Jul-15	2400	252%
2	Alfa Laval	Delisting	16-Sep-11	1965	12-Apr-12	4000	104%
3	HUL	Open Offer	29-Apr-13	497.6	04-Jul-13	600	21%
4	Glaxo Consumer	Open Offer	23-Nov-12	3049	30-Jan-14	3900	28%
5	Siemens	Open Offer	28-Jan-11	727	13-Apr-11	930	28%

NIFTY MNC Index Analysis/Study

A study done on Nifty MNC Index which constitute 15 stocks shows favorable risk reward a portfolio of MNC company could deliver.

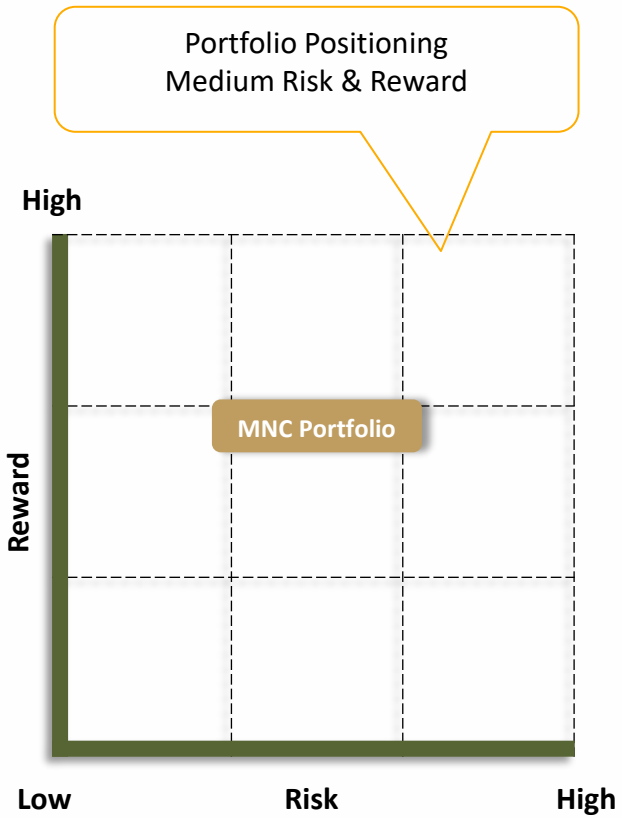


From 2004 to 2024	NIFTY MNC Index	NIFTY 50 Index
Annualised Return	14.91%	12.92%
Average 3 Year Rolling Return p.a.	13.21%	11.49%
Annual Volatility	19.20%	20.99%
Beta with NIFTY 50	0.8	
Correlation with NIFTY 50	0.9	

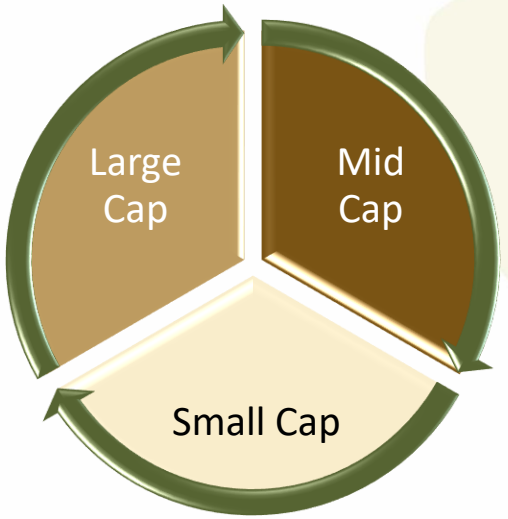
- NIFTY MNC Index has good correlation with NIFTY 50 Index. However the Beta stands at 0.8
- Annualized returns of NIFTY MNC Index is higher compared to NIFTY 50 Index and Volatility is lower.
- This shows a favorable risk reward for NIFTY MNC against NIFTY 50 Index

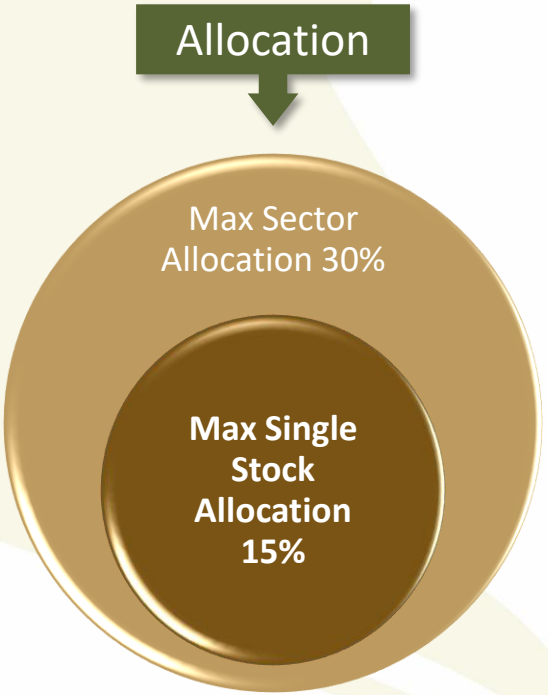
Note: The above study is done on Nifty MNC Index which constitute 15 stocks. The actual portfolio in PMS could deviate compared to NIFTY MNC Index. The above analysis is not an indicative of future performance.

Portfolio Strategy



Multi-cap Style of investment, Fund manager may change the allocation according to market condition.





Re-VIEW Strategy

Valuation Check

A constant check is kept on the valuation of the companies so that any stock whose valuation becomes relatively high, due to any reasons like sentiments or increase in liquidity, is exited before any price correction comes to the stock. We then shift the money to a new stock with a reasonable valuation.

Impact of Events

A stock price can be highly affected by an event or series of events, recent examples: COVID crisis, Russia-Ukraine War, Increase in Crude Price, Interest Rates Hike etc. Our team actively tracks these events and makes timely modifications as per the situation's needs to minimize risks & optimize returns.

Earnings Visibility Changes

Our fundamental research team scrutinizes the quarterly results of the companies to understand the current & future estimated growth. If we are not satisfied with 2 or 3 quarterly results of the company & don't see growth, we take an exit to move to another stock.

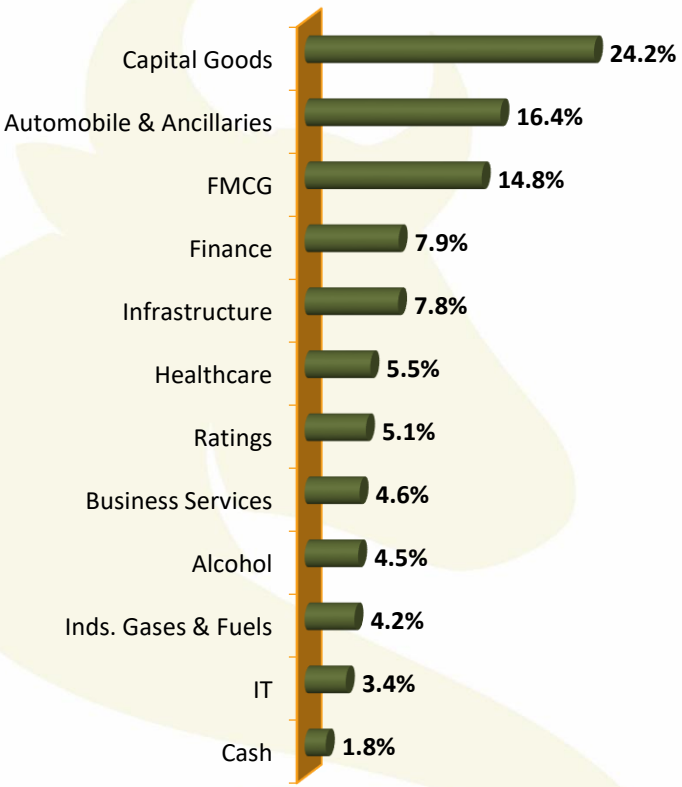
Weightage Check of the Holdings

Every stock & sector has been capped to a certain percentage of the total allocation to limit downside due to any uncertainties and also diversify the portfolio. If any stock or sector reaches near to the decided percent of allocation, we book profits and reduce the weightage and invest into any other stock.

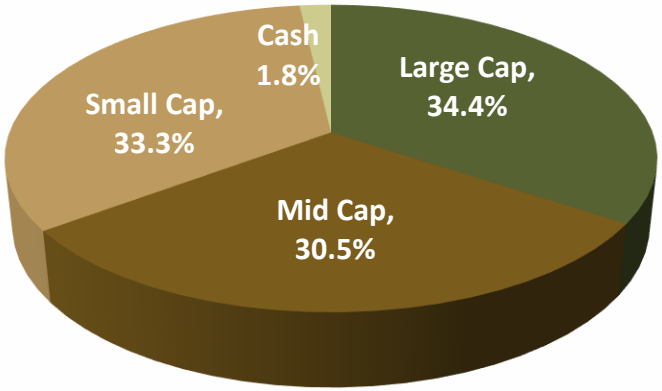
Top Holdings and Allocation

Sr. No.	Top 10 Holdings	% Holdings
1	Cummins India Ltd	8.05%
2	Nippon Life India Asset Management Limited	7.85%
3	Cemindia Projects Limited	7.80%
4	Siemens Energy India Limited	7.46%
5	Maruti Suzuki India Limited	6.61%
6	Glaxosmithkline Pharma Ltd	5.49%
7	CRISIL Ltd	5.12%
8	Nestle India Ltd	4.70%
9	KFin Technologies Limited	4.59%
10	KSB Limited	4.59%

Sector Allocation



Market Cap Allocation



Avg Mkt Cap (cr)	
Large Cap	2,09,160
Mid Cap	57,910
Small Cap	16,235
Overall Portfolio	**97,795**

The current model client portfolio comprise of 20 stocks. Portfolio is well diversified across market capitalization and sector. We have shown top 10 stocks based on current portfolio. Most of the stocks are given more or less equal and sizable weightage in portfolio.

Data as on 30th June, 2026

Key Ratios

Ratios (5 Years Data)						
Particulars	**BETA**	**Std. Deviation**	**Sharpe Ratio**	**Treynor**	**Jenson Alpha**	**Portfolio Turnover**
MNC PMS	0.9	15.40	0.90	15.60	2.64	26.61%
BSE 500 TRI	1	14.47	0.87	12.62	NA	NA

Beta:
It measures how much an investment moves compared to the overall market. Beta of 1 means it moves with the market, less than 1 means less risk and greater than 1 means more risk.

Standard Deviation:
Shows how much the returns of an investment can go up or down. High ratio means the returns can be very different from the average, making it riskier, while a low standard deviation means the returns are more stable and predictable.

Sharpe Ratio:
It tells us how much return we get for the risk we take with an investment. A higher Sharpe ratio means better returns for each unit of risk, making it a good measure of how well an investment compensates for its risk.

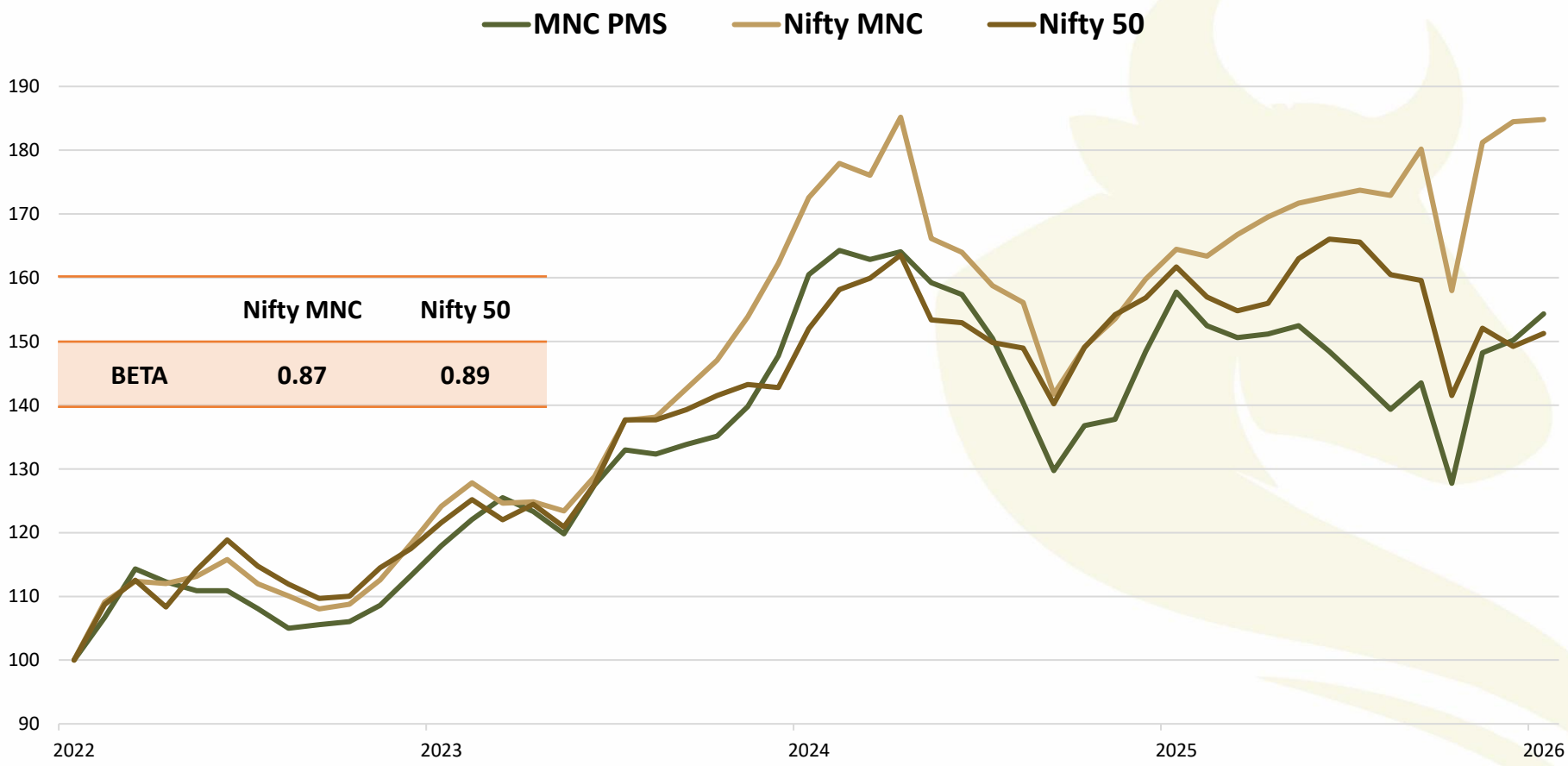
Portfolio Turnover:
Also called as churn ratio, is used to reflect the frequency of transactions done in the portfolio. High turnover means high frequency of trading, while low turnover means the investments are mostly held for longer periods.

Treynor:
It shows how much return an investment gives for the risk taken from market movements. A higher Treynor ratio means better performance for the given risk.

Jenson Alpha:
It is used to determine if a portfolio is earning proper returns for the level of its risk. Positive value means that the fund manager is outperforming the market with their stock-picking skills.

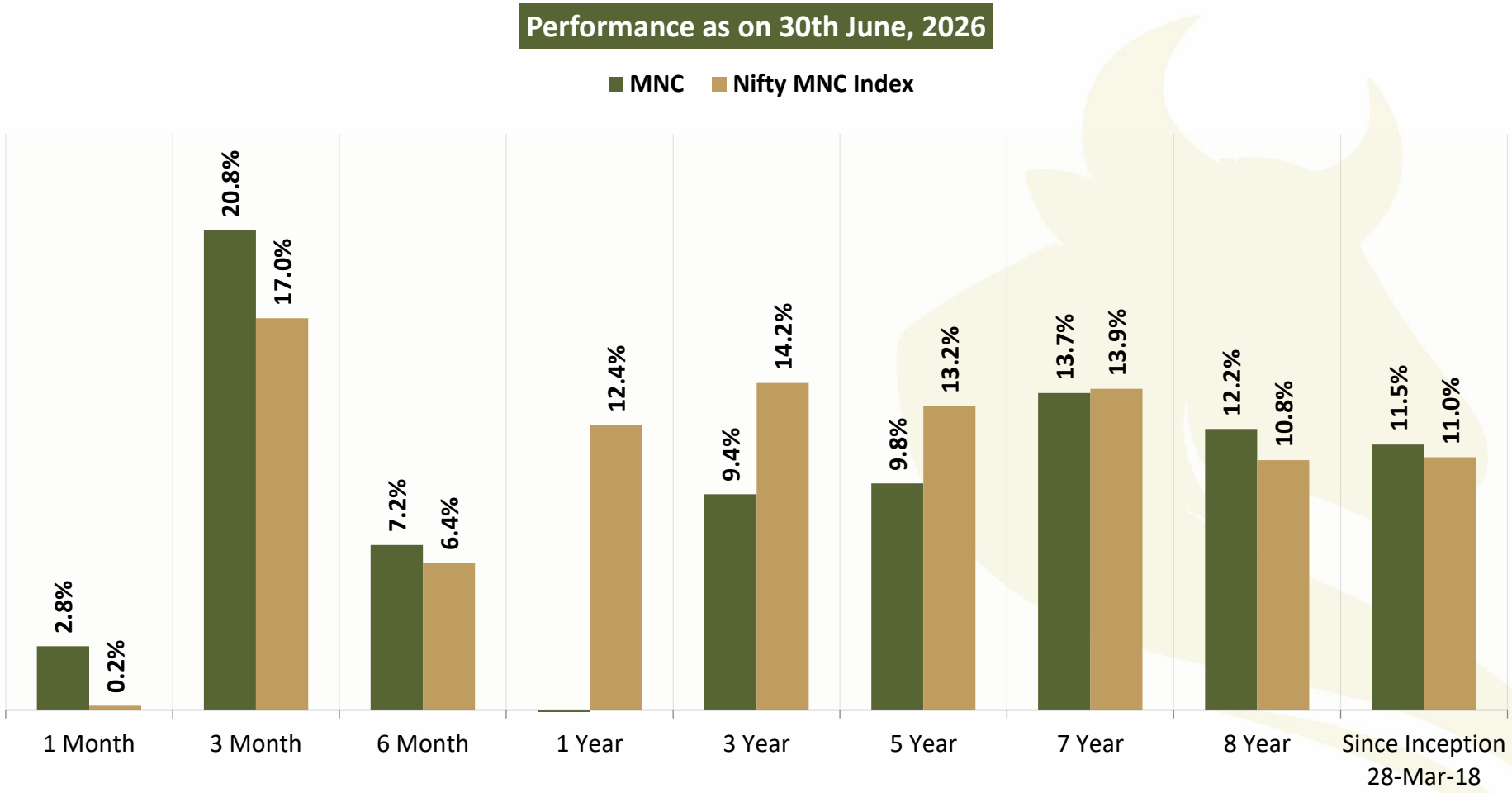
4 Years Past Performance

Data as on 30th June, 2026



The above graph represents how our MNC PMS offering has over-performed compared to 2 indices, namely: Nifty 50 & Nifty MNC. The comparison is of past 4 years where the returns of our PMS are post expenses.

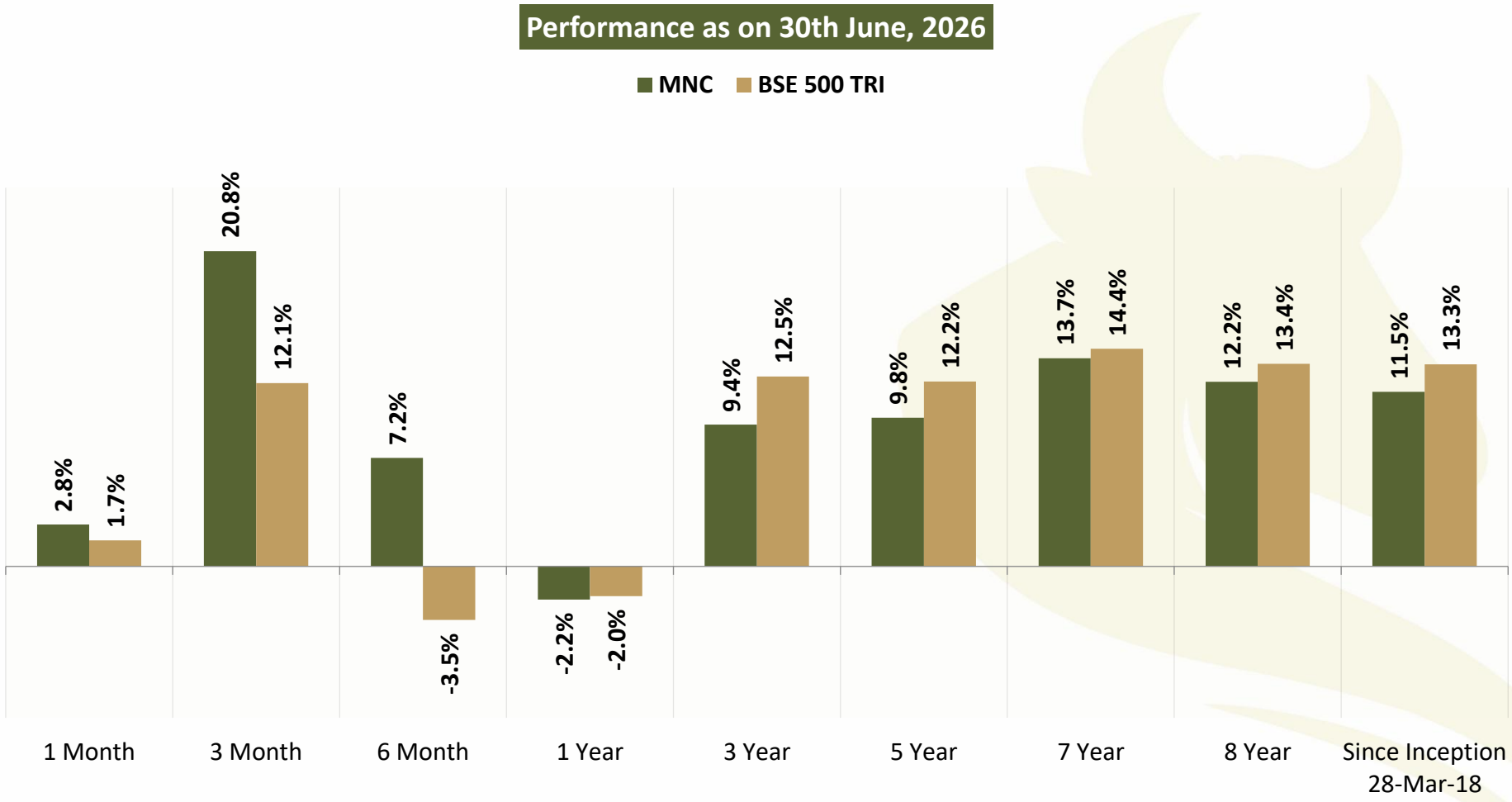
Portfolio Performance



Note: - Returns above one year are annualized. Returns are net of all fees and expenses.

Disclaimer: Past Performance is not necessarily indicative of likely future performance.
Performance mentioned above are not verified by SEBI. We have shown the performance as Aggregate performance of all clients on TWRR basis.

Portfolio Performance



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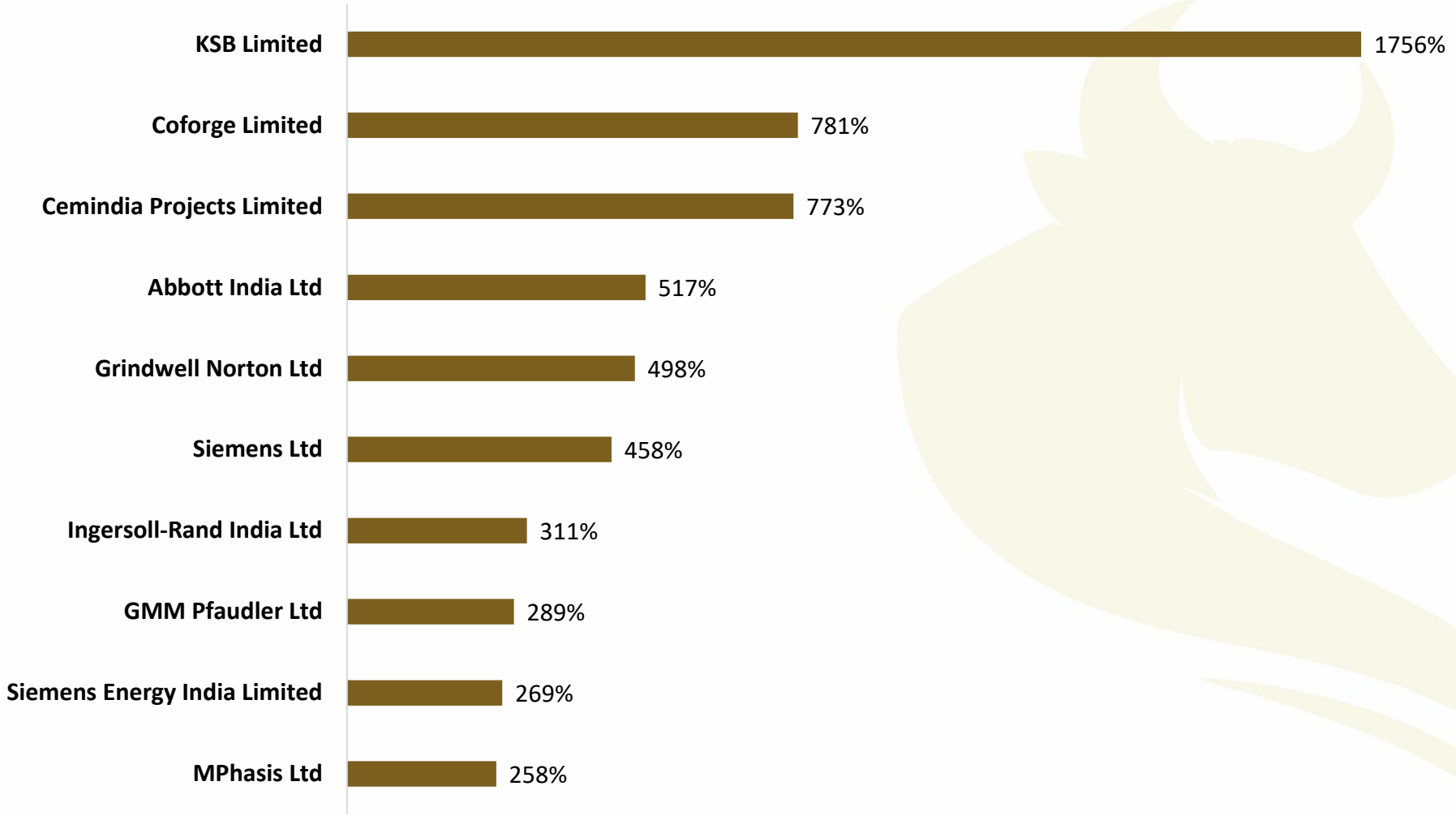
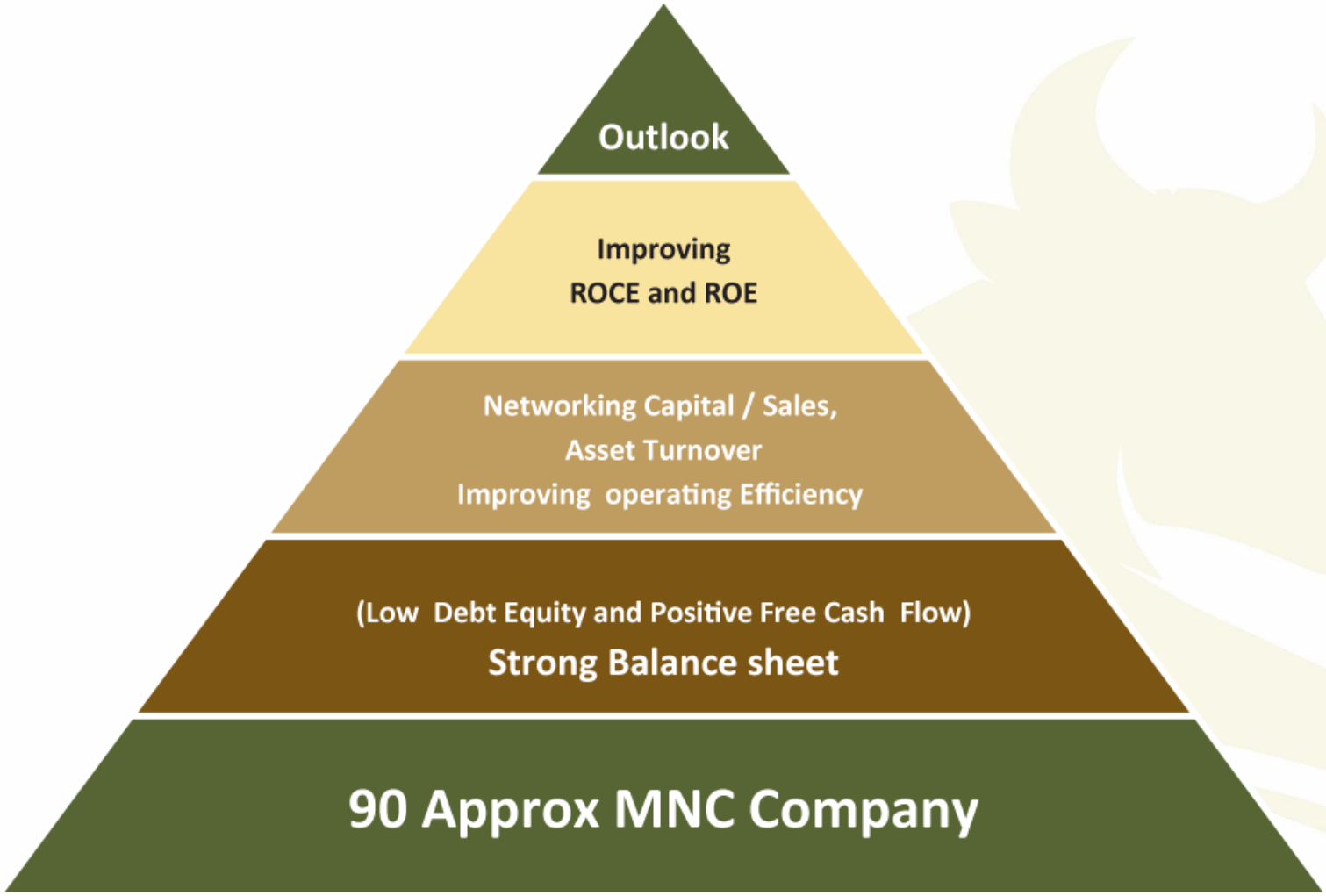
Top Contributors

Data as on 30th June, 2026



PORTFOLIO STRATEGY

Selection Process



Out of 4500 listed Company, there are only 90 odd MNC Companies which are own by Foreign Promoter with more than 2000 cr Market Cap which make the stock universe limited for further evaluation.

Well Balanced Defensive but Growth

MNC PORTFOLIO

Consumer non Discretionary

- Staple and Healthcare
- Companies Like Hindustan Unilever, Nestle, Britannia, Colgate, Glaxo Consumer etc.
- Pfizer, Abbot lab, Glaxo Pharma, Sanofi, Astrzenca.

This Bucket is Expected to show Steady and Nominal growth

Consumer Discretionary

- Auto, Paint, Consumer Durables etc
- Maruti, Wabco, 3M India, Bata, Whirpool, Bosch, Johnson Hitachi, Kansai Nerloac, Akzo Nobel, Castrol, Gulf oil Lubricant etc.

This Bucket Does Well with normal Economic Growth

Cyclical /Others

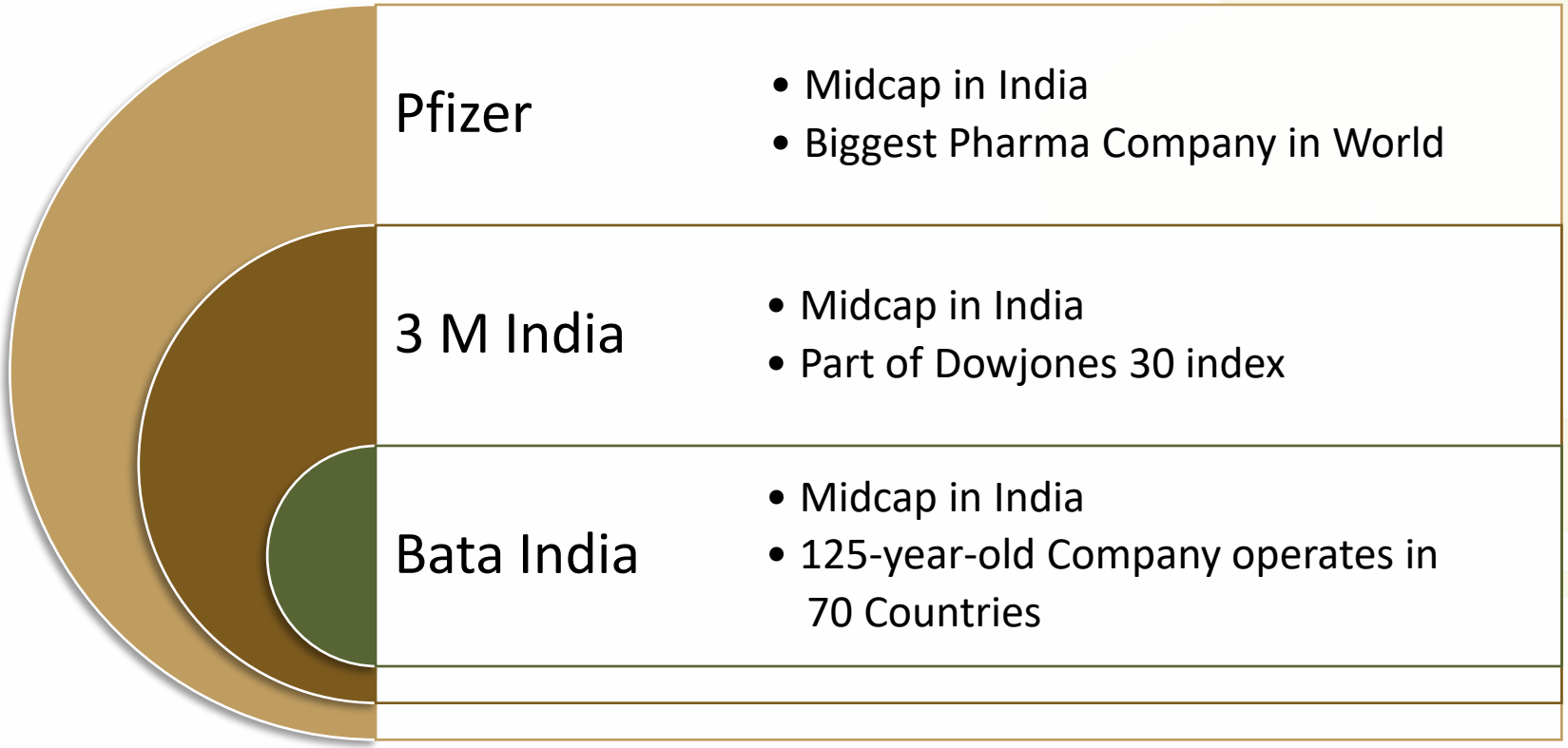
- Cement, Engineering, Electricals, Capital Goods, Metals, IT, Chemicals etc.
- ACC, Ambuja, Heidelberg, Simenes, ABB, Honeywell , Grindwell Norton, GMM Pfaudler, Mphasis, Bayer Crop, BASF, Oracle Financial, Crisil , Schaeffler, SKF etc.

This Bucket Does Well when economic growth is strong

The three bucket strategy with shifting allocation as per the market outlook help to further optimize the returns, However Consumables remains the core part of the portfolio.

Growth like Multicap but Quality like Large Cap

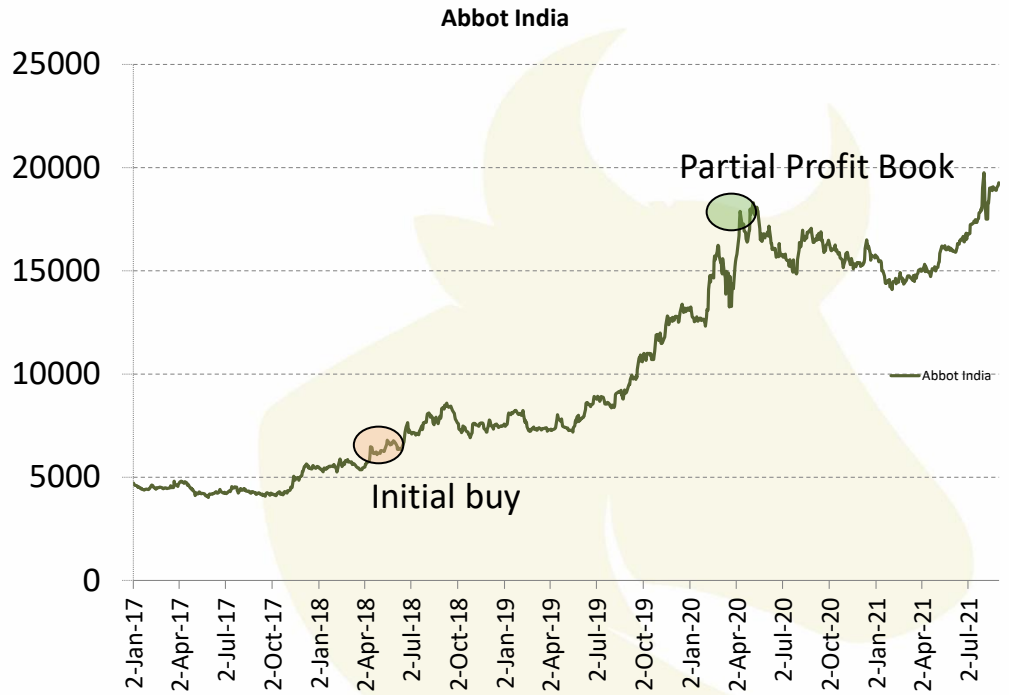
- MNC PMS is a Multicap Portfolio with all market capitalization. (large, Mid, Small)
- There are many companies which by Indian Market Cap Definition are called as Midcap Companies where as by Global Definition these are Large cap.
- One gets benefit of growth like Midcap Companies in India where as Quality of Large Cap. Few Eg given below



Success Stories - Abbott India

Abbott India

- Strong Parentage : Abbott Laboratories USA
- Offering high-quality trusted medicines in multiple therapeutic categories such as women's health, gastroenterology, cardiology, metabolic disorders and primary care.
- Key Brands : Duphaston, Thyronorm, Udiliv, Digene, Cremaffin, Duphalac
- Balance Sheet Strength: Zero Debt, Positive Cash Flow and ROE Maintained above 20% over last 5 years

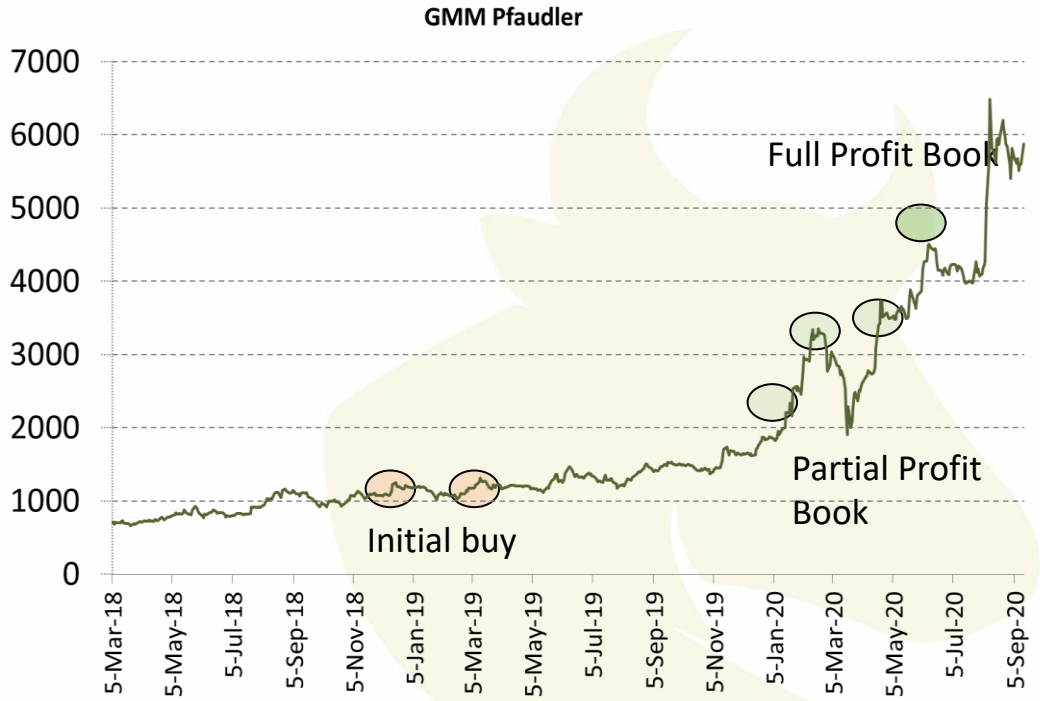


- Focus strategy
  1) to accelerate key brands
  2) Drive therapy leadership
  3) Strengthen Multi-channel and insight driven marketing
  4) Identify new product opportunity
  5) Focus on talent development and engagement
  6) 100+ products Launch in last 10 years and more launches in coming years.

Success Stories - GMM Pfaudler

GMM Pfaudler

- Foreign Promoter: Pfaudler Inc.
- A leading supplier of glass lined based equipment (reactors, storage tanks) in India, commanding > 50% domestic market share, finding critical application in the chemical & pharmaceutical industries.
- Benefit from Domestic Chemical, Pharma and Agrochemical capacity addition post Shut down of industries in China.
- Balance Sheet Strength: Zero Debt, Positive Cash Flow and ROE Maintained above 20% over last 5 years.



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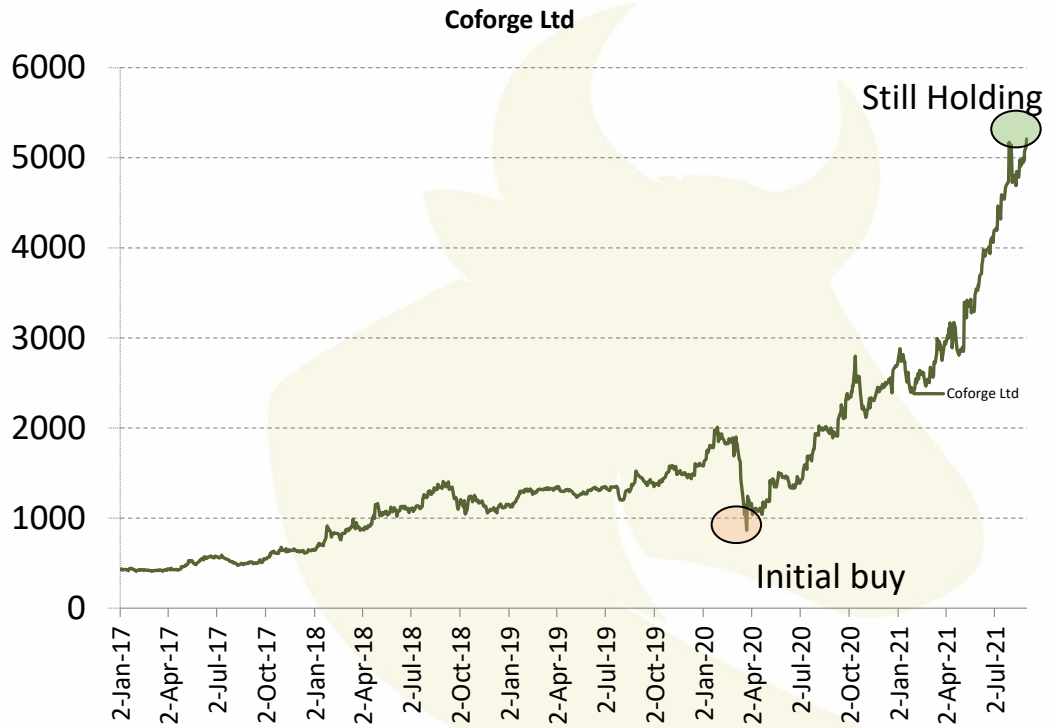
Success Stories - Coforge Ltd.

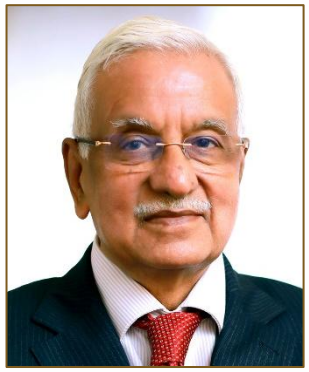
Coforge Ltd.

- In 2019 NIIT ltd sold its stake in NIIT Technology to foreign player Barings. The company rebranded to name it COFORGE ltd.
- Over the Last 5 years Revenues for the company has grown by 10% plus CAGR and PAT has grown by 25% plus CAGR. Operating margin is maintained around 17% throughout.
- The company has three key verticals Banking and Financial contributing (17%), Insurance (30%) , Travel and Transportation (29%) and Others (24%). Geography wise America contributes 48%, EMEA 37%, ROW 15%. In terms of service Mix ADM Contributes 73%, IMS 16% and IP Based 6% and others.



- Despite COVID except for Travel business most business is doing good with constant addition of new clients especially healthcare. Company continues to remain confident about its near- medium-term growth prospects, citing its strong order booking/pipeline and its investments in building strong sales and leadership.

Founder & Promoter (Anand Rathi Group)

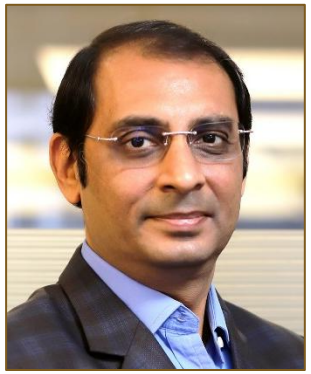


Anand Rathi
Founder & Chairman

Gold medalist Chartered Accountant having more than four decades of rich and varied experience in corporate management, financial & capital markets and corporate & management consultancy.

Served Aditya Birla Group at very senior positions for more than 25 years before starting his own financial services outfit. Shri Rathi was earlier President of BSE for two terms.

Anand Rathi Group derives its strength and vision from legendary leadership of Shri Anand Rathi and charting growth path in his able guidance.



Pradeep Gupta
Co Founder &
Vice Chairman

Over twenty years broad based experience in the securities market and key driver of the Retail and Institutional Equities business of the group.

Under his leadership, the Group's Institutional & Retail Business has won great recognition and many accolades. He has played a pivotal role in the Group's network expansion and pan India growth.

His valuable contribution towards professionalizing the management of the Group has won him immense respect from the corporate world.

Fund Management Team

Mayur Shah
Fund Manager

More than 21 years of rich experience in Investment advisory, Product Development and Portfolio Management.

Working with Anand Rathi since 2007 across Portfolio Management and Private Client Group Equity Advisory.

Started Career with “Kotak Securities Ltd” in 2005 as an Investment Advisor subsequently got into developing Equity products and running the same.

Qualified MBA (Finance) from Mumbai University and Certified Financial Planner.

Vinod Vaya

More than 22 years of rich experience in Investment advisory, Portfolio Management and research.

Worked in past with Standard Chartered Securities, Religare Securities, Enam Securities.

PGDBM from Mumbai.

Product Features

MNC Portfolio

Minimum investment	Rs. 50 lakhs
Portfolio:	15-20 STOCKS, diversified across sectors.
Themes offered	Diversified portfolio of Multinational Companies listed in India with controlling stake with foreign holder
Risk – reward & tenure	Moderate risk reward. Investment tenure preferably 3 years+
Type of instruments	Equity & Equity Related Instruments, Fixed Income Instruments, Cash & Cash Equivalent
Benchmark	BSE 500 TRI

Benefits

- Dedicated Web Login for client to monitor portfolio.
- A relationship manager to cater to investment needs
- Constant monitoring of the portfolio
- Audited statement at year end for tax filing purpose.

Support

- Back office customer service desk to address client queries

Fees & Charges

AMC fees : 2.5% p.a (Charged Pro-rata at end of each quarter)
Brokerage : 0.10% on Equity delivery transaction
Exit Load : 2% - 1st Year, 1% - 2nd Year, NIL after 2nd Year
Other Charges : GST, Other charges levied by Exchange, Custodial charges (3 bps) levied by custodian and any other statutory charges.

MNC PORTFOLIO

Specific Disclaimer

All Investment are subject to Market Risk.

Please read the risk factors before investing in the same.

Past Performance is not necessarily indicative of likely future performance

Registration Details

PMS registered under : Anand Rathi Advisors Ltd.

PMS Registration Number : INP000000282.

Custodian : Orbis Financial Corporation Ltd.

Direct On-Boarding

To invest directly into our PMS, please:

Mail: pmsdesk@rathi.com

Contact: 022-62813851, 52

Or click here:

https://www.anandrathipms.com/contact-us.php

Product Support

Name : Vinod Vaya

Tel : 022 - 6281 3851

Email ID : vinodvaya@rathi.com

Back Office Support

Name : Manan / Sourabh

Tel : 022 – 6281 1556

Email ID : pmsdesk@rathi.com

More Information

Visit Our Website: https://www.anandrathipms.com

Click here for Disclosure Document

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THANK YOU

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