

Twitter Thread by Satwik Jain

Satwik Jain

@jain_satwik



1) Super stoked to go live with my fund, RH #Perennial Fund tomorrow at the beginning of the new financial year. It is inspired by the vision to protect the purchasing power of savers irreplaceable capital, & to increase such value over time in real terms with minimum volatility



2) Our typical holdings exhibit the following characteristics

- Sector leaders in consolidating profit pool industries with favorable economics with a great track record of capital allocation
- Great accounting quality and corporate governance
- Huge growth potential

Top players accounting for > 70% market share



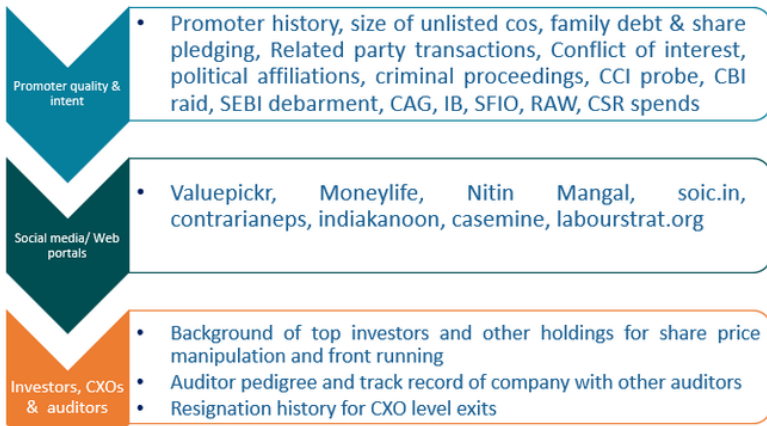
3) We do so by identifying Identify great companies with consistency of growth and economic profits and weeding out fraud companies and promoters with dubious history using proprietary forensic accounting tools and fraud search toolkit.



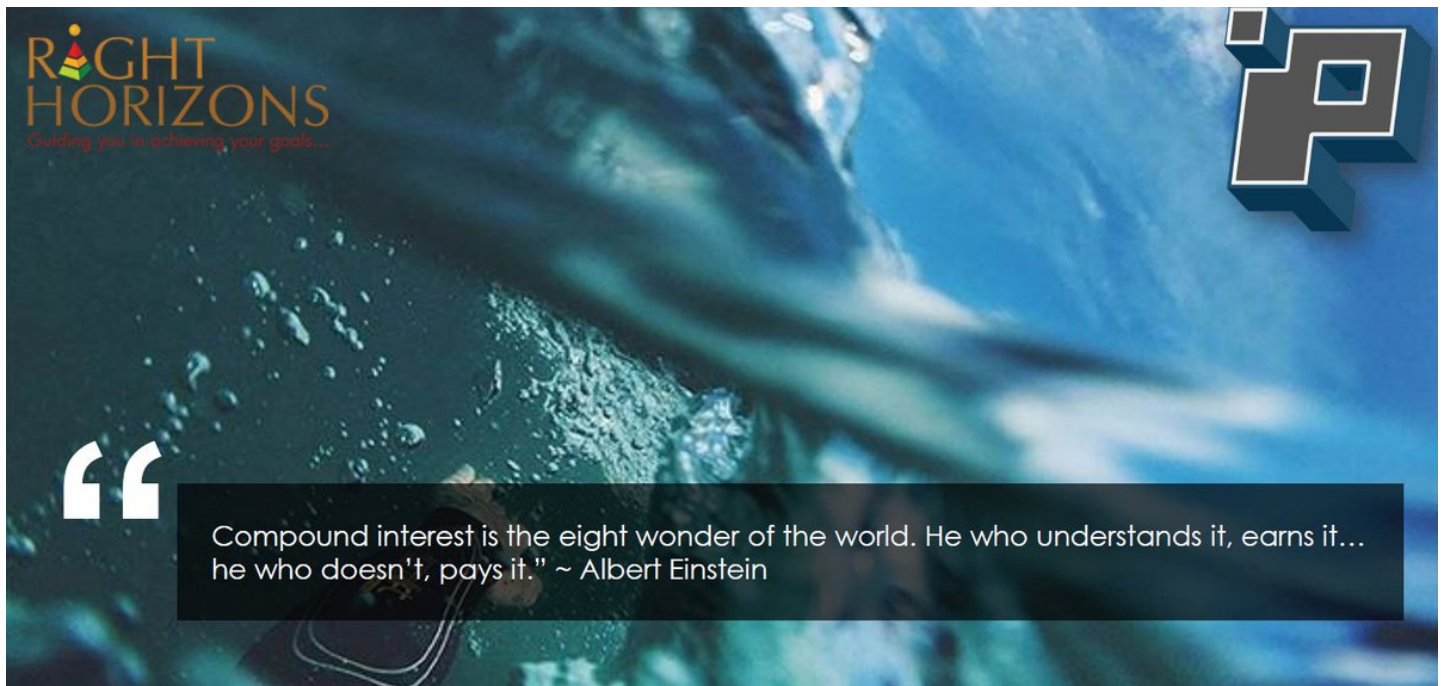
Fraud Search

"In evaluating a common stock, the management is 90 per cent, the industry is 9 per cent, and all other factors are 1 per cent."- Philip Fisher

We run a 150 plus word keyword search to check the intent and vision of the company for minority shareholders weeding out dubious promoters



4) We try to judge companies on the holy quadrangle of wealth creation, namely a) Total Addressable Market b) Market Leadership c) Reinvestment runways d) Management



5) Finally we analyse the competitive advantages of the companies by looking at global wealth creation trends & dissecting the moats of Indian businesses on basis of a) Network effects b) Consumer switching costs c) Intangible assets d) Low cost of production to find #perennials



Identification of Moats

“All information is in the past, but all value is in the future”

Network effects



Low cost producer in a commoditized industry



Consumer Switching costs



Intangible assets



6) While Second Wave has temporarily disrupted the economic recovery, India's medium to long-term economic outlook continues to remain robust. You are invited to join the session by [@jain_satwik](#) (Fund Manager, RH #Perennial Fund) & Vineet Sukumar, (CEO, [@VivritiCapital](#))



**KNOWLEDGE
EMPOWERS
YOU**



Webinar on 8th May 2021

**Surviving the shockwaves
COVID 19 Vs Market**
Time: 12:00 to 01:00 PM

A Session By



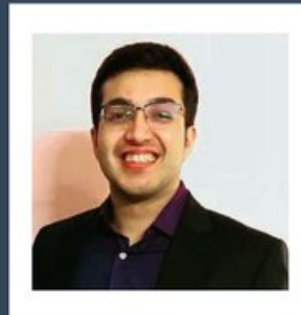
Satwik Jain
Fund Manager
RH Perennial Fund



Vineet Sukumar
CEO Vivriti Capital

Session Moderated By:

Vinayak S Sood
Head- investment banking & structuring
Generational Capital



Important Notice:
Scan the QR code to reserve your seat



7) We cover topics like power of compounding, identifying global megatrends to invest in India, Debt markets in a low-yielding environment, GSAP- India's QE movement, is it the right time to invest?

Session will be moderated by @TheVinayakSood

<https://t.co/WG9Pjl6Uor>



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Y OU



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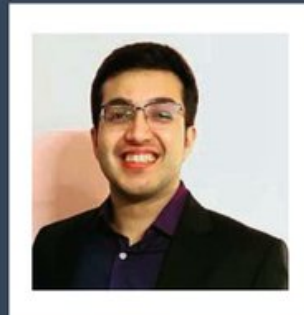
Satwik Jain
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The full recording can be viewed at our YouTube channel

<https://t.co/9aD3ZjW1Ik>

8) Pareto principle, Global megatrends, Theory of reflexivity & need of family offices

Looking forward to session by [@jain_satwik](#) , [@virajmehta16](#) , [@TheVinayakSood](#) [@soicfinance](#) and [@ishmohit1](#)

Reserve your seat at - <https://t.co/pqncM7qZ4F>

(K) NOWLEDGE
(E) MPOWERS
(Y) OU



Webinar on 29th May 2021

Pareto principle, global megatrends, theory
of reflexivity & need of family offices

Time: 12:00 to 01:00 PM

A Session By



Satwik Jain
Fund Manager
RH Perennial Fund



Viraj Mehta
Managing Director -
Equirus PMS



Vinayak S. Sood
Head IB
Generational Capital

Session Moderated By:

Ishmohit Arora
Co- Founder - SOIC



Important Notice:
Scan the QR code to reserve your seat



9) We cover

- Pareto principle, cricket and investing- what's common?
- Identifying global megatrends to invest in India
- Theory of reflexivity- #financialmarkets reflect fundamentals or can alter them?
- Rising India & family offices

Register at <https://t.co/pqncM7qZ4F>

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(Y) OU



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Pareto principle, global megatrends, theory
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Satwik Jain
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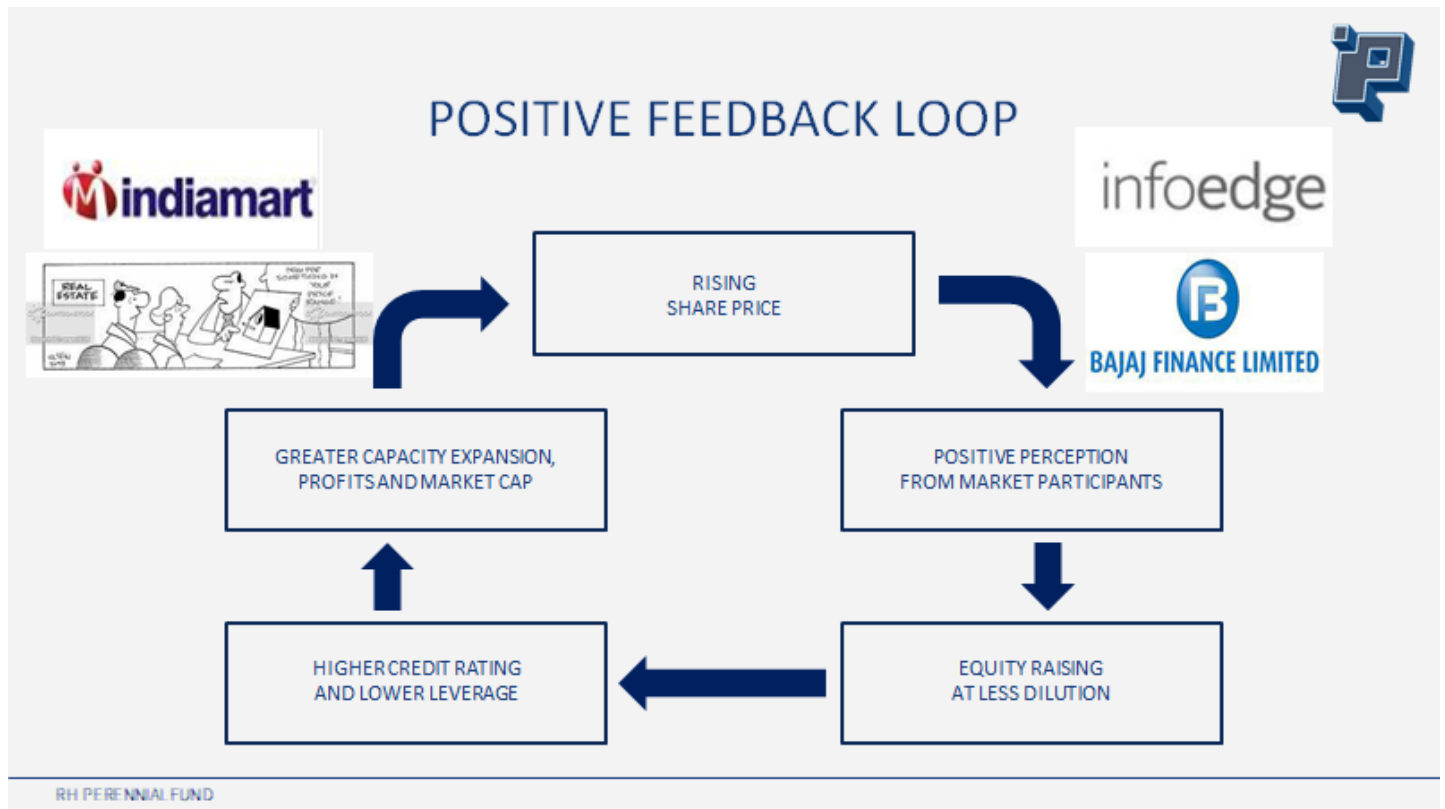
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10) In college we learnt asset prices move towards their fundamentals but can financial markets change it? George Soros, billionaire hedge fund manager who broke Bank of England might have answer.

Blog- <https://t.co/ctBVecGNPp>

Youtube with @ishmohit1 - <https://t.co/kw8CmVt4yn>



11) Read on as we try to apply his frameworks of positive & negative feedback loop in Indian and global context taking examples like Franklin Templeton, ARKK Investments, Bajaj Finance among others to portray boom & bust cycles & our invt framework at <https://t.co/xA7uDvwQAK>



THE PERENNIAL WAY

LENDING FINANCIALS

Imagine a situation like 2018 where all NBFC share prices fell by 40-50%

It will have to do massive dilution as well as leverage of the company will increase raising concerns with lenders and rating agencies

COLLATERAL

Loans are based on borrower's ability to service debt.

Valuation of collateral is supposed to be independent of act of lending but it can affect the value of collateral.

THE PERENNIAL WAY

Ex financials we generally participate businesses which generate huge free cash flows and reinvest them for growth.

In lenders, we stick with the best of best and keep a tab on the price of the businesses as they may be a pre cursor to fundamental deterioration.

RH PERENNIAL FUND

12) We want to extend heartfelt thanks to investors in <https://t.co/dLwRLbQs6U> for partnering us in your wealth creation journey

The fund completed its maiden quarter clocking returns of ~9%

We present a look into our frameworks for perennial compounding

<https://t.co/EEcsz0Zr0t>

13) Super excited to speak to the #Perennial family tomorrow regarding our first quarterly performance, addition of the fastest growing consumer co. in India, portfolio positioning & frameworks

Register at - <https://t.co/pgncM7IzWd>



Satwik Jain
Fund Manager
RH Perennial Fund
Executive Chairman
Generational Capital



4th July 2021



12:00 pm

De-coding RH Perennial Fund

We want to extend our our heartfelt thanks for partnering us in your wealth creation journey.

The RH Perennial Fund completed its maiden quarter recently clocking returns of ~9% . With profound feeling of appreciation, we welcome you for our Quarterly RH Perennial Fund con call.

Our fund manager, Satwik Jain will take you through the performance update, recent addition of the fastest growing consumer company in India, portfolio positioning & frameworks for wealth creation.

Session Moderated By:
Vinayak S Sood
Head-IB
Generational Capital
Founder Bima Plus



Register Now:
<https://perennialfund.in/key>

The recording of our #PMS con call is available at <https://t.co/dMc8RuOL94>

The Q&A session with the #Perennial family was the best part

14) While healthcare remains a good sector to invest in, historical popular notions might not work. We try to learn from one of the best minds in the healthcare sector [@AdityaKhemka5](#)
Register at <https://t.co/pqncM7IzWd>

#equities #healthcare #perennial

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ⓔ MPOWERS
Ⓨ OU



Webinar on 24th July 2021

Indian Healthcare- Dawn of
the breakout decade
Time: 12:00 to 01:00 PM

Speakers



Satwik Jain
Fund Manager
RH Perennial Fund
Executive Chairman
Generational Capital



Aditya Khemka
Fund Manager,
InCred PMS

Session Moderated By:
Vinayak S. Sood



Register Now:
<https://perennialfund.in/key>

15) We cover the following topics:-

- 1) InCred & #Perennial framework for identifying outstanding investment opportunities
- 2) Looking beyond the obvious for Wealth creation
- 3) Healthcare megatrends & Opportunity size
- 4) Identifying anti-fragile growth in the Healthcare sector

Full recording of the webinar is available at <https://t.co/XEILLqs3fL>

Special thanks to [@AdityaKhemka5](#) again for sharing differentiated and actionable insights

16) RH #Perennial Fund factsheet as of July 2021

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As trustee of #Indian savers' hard-earned capital, building <https://t.co/dLwRLbQs6U> transparently in public is the most exciting part of the journey

Investment Objective

Identify major wealth creation trends, monopolistic & fast growing capital efficient franchises with re-investment runways run by able & minority friendly management.

Top Sectors

Consumer Goods	38.91%
Healthcare	22.86%
Technology	16.19%
Financial Services	8.30%
Capital Goods	4.03%

Selected Holdings



Strategy Performance Analysis



Investment Attributes

Market cap & sector agnostic exposure across businesses. The portfolio seeks capital preservation, then appreciation over the long term with volatility much lower than the benchmark. The typical portfolio would invest between 15-25 businesses.

Cap Allocation



Strategy Details

Strategy Type	RH Perennial fund
SEBI Registration No.	IINA200002601
Fund Manager	Mr. Satwik Jain
Category Type	Multi-Cap
Inception Date	1st April, 2021
Benchmark	BSE 500
SIP Available	YES
STP Available	YES
Reporting Structure	TWRR (Pooled Portfolio Basis)
Bankers	HDFC Bank
Custodian	HDFC Custodial Services Ltd

Beta 0.7

Months of Excess Returns 75%

Sales 5Y(%)	EBIDTA 5Y(%)	Earnings 5Y(%)	ROE (%)	Net Debt-Equity FY(%)
15	18	20	27	0.1

RH PERENNIAL FUND

WE WORK, Gurugram

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+91-8920558515

17) We often get asked why we have such high allocation to #healthcare

Read on as we discuss #perennial frameworks for business selection taking eggs of #JBChem #Syngene #SequentScientific

#AbbottIndia #LalPathLabs

Blog- <https://t.co/v8yufYIvy1>

Webinar- <https://t.co/cJE2Tiy2nq>

PF
PERENNIAL FUND

India Healthcare- The Breakout Decade

Dr Lal PathLabs
India's leading and most reputed diagnostic chain

Sequent
Proven Ability In Life Science

Unique
J. B. CHEMICALS &
PHARMACEUTICALS LIMITED

Abbott

Syngene
A Biocon company