

1. Fund Manager's Commentary

The Girik Multicap Growth Equity Strategy is inspired by the CANSLIM philosophy of stock picking developed by American investor William J. O'Neil. The goal of this strategy is to identify leading companies from leading industry groups that show sharp acceleration in earnings, newness in products or change in management and suggests buying them at the right price with enough margin of safety ahead of the company's major stock price advance.

The Indian stock market in 2023 was influenced by a myriad of factors, both domestic and international. In this dynamic landscape, we navigated through volatility until March 2023, a rising rate environment globally and at home, and a year end rally thereafter. We closed the year with CYTD returns of 51.35% compared to the Nifty 50's 21.30% (TRI).

Period	Girik Multicap Growth Equity Strategy	Nifty 50 TRI	Midcap 100 TRI	Small cap 100 TRI
CY23	51.35%	21.30%	47.55%	56.66%

Note: Above returns are post fees and expenses. Performance related information is not verified by SEBI.

To sum it up, the start of the year was challenging, but when a bull market comes along one needs to be prepared to capitalize on it to make it count!

It is important to be able to use poor market conditions to identify leading stocks in leading industries. Capital Goods/EPC/Power/Manufacturing industries were the leaders of 2023. Below we highlight the stocks that we held in these sectors through last year.

Sector	Stocks	Absolute Gains
Capital Goods/EPC/Manufacturing	Elecon Engineering Co. Ltd.	126.30 %
	Kirloskar Brothers Ltd.	118.86%
	Syrma SGS Technology Ltd.	100.25%
	ABB India Ltd.	50.12%
Power & Ancillaries	REC Ltd.	137.61%
	Apar Industries Ltd.	97.31%
	NTPC	71.01%

Note: The above Absolute Gain (%) is for CY23.

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2024 – What to expect?

The Nifty 50 has reached a record-breaking high, surpassing 21,000 points. Valuations at present seem significantly higher than the 10-year average, leading to cautious sentiments. While we could describe the benchmark index as 'aggressively priced' and 'not expensive,' considering India’s growth expectations and earnings visibility, it could always trigger a correction in the near term. We believe that investments made in such markets in a staggered manner could yield higher returns on your portfolio. At Girik, we recommend further deployments be done in the Girik Liquid Strategy (no fees are charged). The funds parked in the liquid strategy continue to earn interest until deployed into the Girik Multicap Growth Equity Strategy as per the fund manager’s discretion. We use this approach as a tool to systematically deploy investor funds at price points we deem appropriate for maximizing returns. Any substantial dips in the markets are viewed as an opportunity to accelerate the deployment, capitalizing on market volatility.

	FY24	FY25	FY26
Nifty 50 Current P/E (x)	22.9x	19.8x	17.9x
Girik Multicap Growth Equity Strategy P/E (x) ¹	21.3x	17.6x	15.5x

Source: Bloomberg ¹ Girik Multicap Growth Equity Strategy P/E (x) is on weighted average basis

The last one year was indeed interesting, not only for the markets but also for Girik! We have strengthened our research team, now comprising 10 members, including four senior analysts assisted by four junior analysts, and two data analysts. In addition, we are delighted to inform you that we are now registered with GIFT CITY and are in the process of launching our Girik Multicap Growth Equity Fund III, an open-ended Fund for NRIs and international investors.

We are most thankful to several of our long-term investors who continue to place their trust in us. Thank you for your support. We stay motivated and persistently work to improve the quality of our people, processes, and systems, striving to deliver optimal results for you!