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.

In January 2024, the Nifty 50 reached a new all-time high. The primary concern among investors today is whether valuations are outpacing fundamentals. The answer is both, Yes and No. Given that drawdowns are a common and inherent aspect of equity markets, it is natural for investors to feel discomfort at such times. The table below highlights the drawdowns of our strategy since inception, each followed by strong recoveries. In short, it is important to be able to use poor market conditions and drawdowns to deploy fresh capital as these have proven to be the best times to deploy.

Girik Multicap Growth Equity Strategy – Drawdown vs Recovery		
Period	**Drawdown**	**Recovery (Subsequent 3 years)**
Dec'11	-19%	42%
Mar'13	-10%	29%
Aug'13	-6%	41%
Feb'16	-19%	22%
Dec'16	-11%	13%
Feb'19	-29%	25%
Mar'20	-17%	21%
Jun'22	-17%	24%

Girik Multicap Growth Equity Strategy – Drawdown vs Recovery	
Drawdown Range	**No. of drawdowns**
-5% to -10%	2
-11% to -15%	1
-16% to -20%	4
More than -20%	1

Note: Above data is since inception. Figures are rounded off to the nearest decimal. Returns of subsequent 3 years are annualised.

Our approach to capital deployment remains disciplined, leveraging market volatility to deploy incremental cash during sharp downticks. Investors dedicated to SIPs over the long term have benefited, this approach helps navigate through market cycles and achieve superior returns.