

FACTSHEET

March 2024



Renaissance Investment Managers

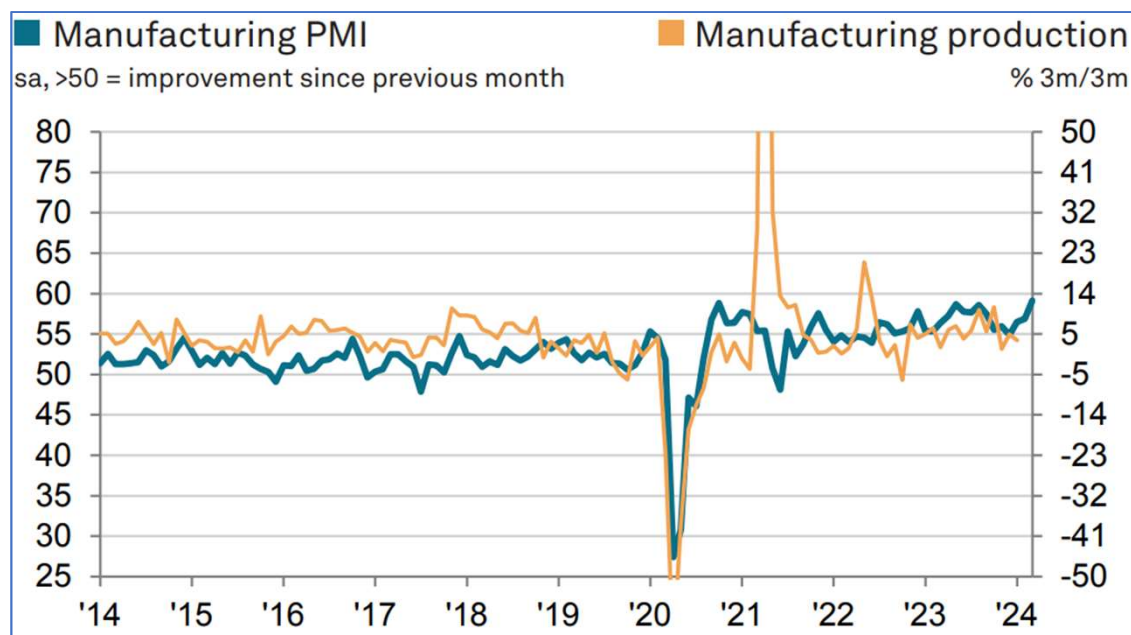
Dear Investors,

Capex front loaded

The central government's capital expenditure continued to be on track and was up by 36.5% YoY in April-February FY24 and at 84.8% of FY24RE versus 81.1% of RE in FY23. Among the key ministries, capex for Road and Highways rose 21.1% YoY and the same for Railways rose 47% YoY. On the other hand, revenue expenditure saw a muted growth of ~1.3% YoY for the same period. Over the last 2-3 years, Govt has shown heightened focus in driving capital expenditure across both public and private sector. The drive towards higher capex is also well supported by strong growth in tax collections. We believe the Govt is on track to meet its overall fiscal deficit target of 5.8% for FY24E, which lends more credibility to the 5.1% target set for FY25E.

Indian economy continues to chart a steady growth path. The manufacturing PMI for the last month of the financial year ended on a strong note with a reading of 59.1 vs. 56.9 in the previous month. India's manufacturing output rose for the 33rd consecutive month in Mar-24 as growth quickened across consumer, intermediate and investment goods sectors. While there exist some cost inflation pressures for businesses (with rise in price crude and other agricultural commodities), most companies have opted to absorb the same rather than passing it on to consumers. This to some extent has ensured that there is no disruption in demand.

India PMI for Manufacturing sector



Source: HSBC, S&P Global

Apart from Manufacturing, Digital India has been a key growth initiative of the government. Within the digital theme, UPI has been a runaway success so far and continues to be the same. UPI transactions in India posted a record 57%/ 44% rise in volume/ value FY24. This was for the first time that UPI transactions crossed 100 bn in volumes and closed at 131bn in a financial year (vs. 84bn in FY23). There has been a strong inverse correlation of UPI with Average Ticket Size (ATS) reducing steadily, signalling that UPI is now being for small ticket items of daily needs. This implies that UPI has now become an integral part of a wide genre of our huge population. This would go a long way in formalising the Indian economy.

In terms of Index returns, Mar-24 was quite a flattish month across both large and midcap indices. However, there was reasonable amount of volatility during the month. We have been highlighting that there is some sort of froth in valuation of select mid/small cap companies and investors should be cautious of such sectors/companies. While we continue to be positive on the India's growth opportunity, we still advice investors to exercise caution while selecting the stocks, as bulk of the stocks now trade above their long term averages. We are invested in companies which have high earnings certainty thereby protecting our portfolio in the event of an intermittent correction. We continue to maintain our disciplined stock selection process to ensure long term sustained returns for investors.

Happy Investing.

Pawan Parakh
Portfolio Manager

Pre-Tax Returns

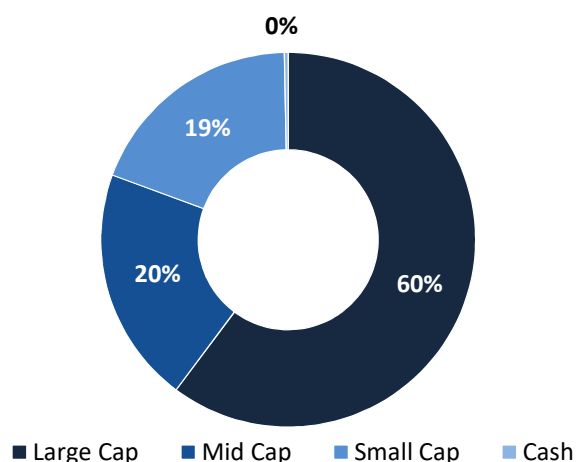
(As on 30th September 2023)

Fund / Index	1 Year	2 Years	3 Years	5 Years
CRISIL AIF Index – CAT III (INR)	15.5%	7.0%	20.6%	13.5%
INDIA NEXT FUND II	15.1%	N/A	N/A	N/A

N/A – As the fund has not completed 2yr, 3yr and 5yr as on 30th September 2023. Returns for more than one year are annualized.

Theme: Brand, Internet, Technology & Science (BITS)

Portfolio Capitalization



Portfolio Highlights

Particulars	FY24	FY25E	FY26E
PAT growth (%)	31.4%	21.7%	24.5%
ROE (%)	16.4	17.5	18.6
P/E	53.8	38.6	34.7

Top Holdings

Company	Weight(%)
Info Edge (India) Ltd	6.65%
Zydus Lifesciences Ltd	5.99%
Birlasoft Ltd	5.20%
ABB India Ltd	4.54%
Motilal Oswal Financial Services Ltd	4.46%

Renaissance India Next Fund II - Risk

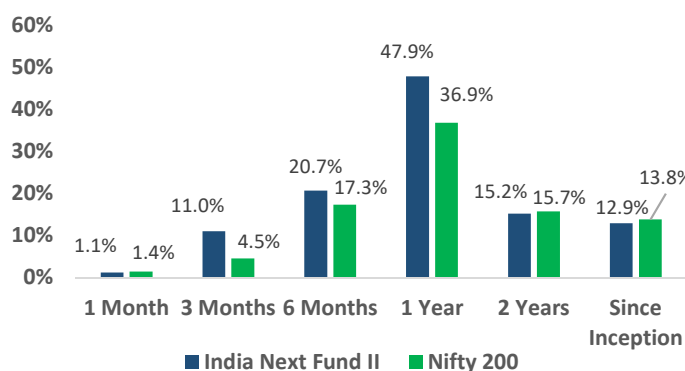
Time Period: Last 12 Months

Calculation Benchmark: IISL Nifty 200

	Portfolio	Index
Std Dev	12.64%	9.96%
Sharpe Ratio	3.23	2.99
Beta	1.03	1.00
Treynors Ratio	0.40	0.00
Information Ratio	1.48	0.00

Returns

Calculation Benchmark: IISL Nifty 200



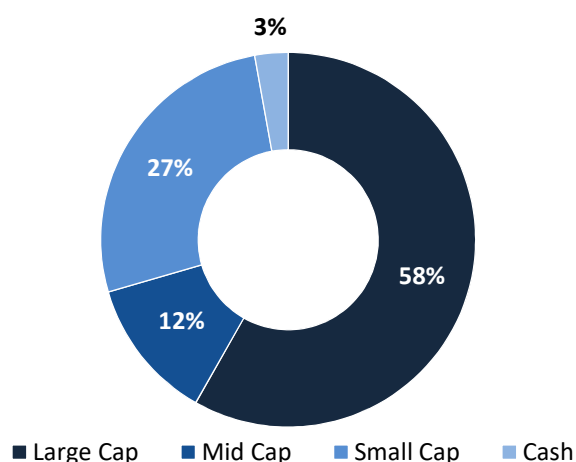
Sectoral Weights

Sector	Weight(%)
IT & Tech	27.20%
BFSI	17.90%
Pharma & Chemicals	17.29%
Auto & Logistics	13.74%
Industrials	10.25%

Fund and Benchmarks returns are Pre-tax

Theme: India Growth 2.0

Portfolio Capitalization



Portfolio Highlights

Particulars	FY24	FY25E	FY26E
PAT growth (%)	24.1%	25.1%	18.7%
ROE (%)	15.5	16.6	17.6
P/E	35.3	30.2	25.3

Top Holdings

Company	Weight(%)
Infosys Ltd	7.46%
State Bank of India	7.07%
ICICI Bank Ltd	5.99%
Tech Mahindra Ltd	5.24%
Info Edge (India) Ltd	5.06%

Renaissance India Next Fund III - Risk

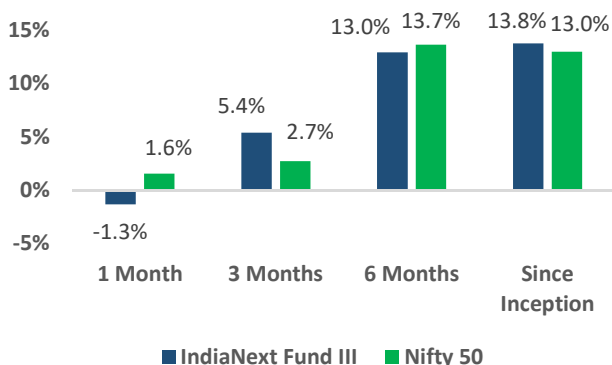
Time Period: Last 12 Months

Calculation Benchmark: IISL Nifty 50

	Portfolio	Index
Std Dev	NA	NA
Sharpe Ratio	NA	NA
Beta	NA	NA
Treynors Ratio	NA	NA
Information Ratio	NA	NA

Returns

Calculation Benchmark: IISL Nifty 50



Sectoral Weights

Sector	Weight(%)
BFSI	27.74%
IT & Tech	24.00%
Pharma & Chemicals	13.47%
Industrials	9.46%
Auto & Logistics	7.26%

Fund and Benchmarks returns are Pre-tax

Investment Philosophy

Sustainable Quality Growth At Reasonable Price (SQGARP)

 Sustainability	Companies with sustainable and durable business models.
 Quality	Superior quality businesses as demonstrated by Competitive edge, Pricing power, ROE, FCF. Good quality and competent management teams.
 Growth	Business that can deliver superior growth over medium term to long term.
 Price	Ability to invest at reasonable valuations. Fair value approach to valuations. Focus on economic value of business.

Statutory Details: Renaissance Investment Mangers Private Limited ("RIMPL") is registered under SEBI (Portfolio Managers) Regulations, 1993 as a Portfolio Manager vide Registration No. INP000005455. RIMPL is also an Investment Manager to Renaissance Alternate Investment Fund – Category III which is registered with SEBI as Alternate Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 vide Registration No: IN/AIF3/18-19/0549.

Disclaimer: The Fund/strategy returns are of a Model Client. The performance related information provided herein is not verified by SEBI. The performance of the stock across individual portfolios may vary significantly from the data depicted above. Returns of individual client may differ depending on timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters which may have a bearing on individual portfolio performance. No claims may be made or entertained for any variances between the above performance depictions and that of the stock within individual client portfolios. Neither RIMPL, nor the Fund/Asset Management Company, its Directors, employees or Sponsors shall in any way be liable for any variation noticed in the returns of individual portfolios.

Performance of RIMPL shall have no bearing on the expected performance of the fund/strategy. Past performance of the financial products, instruments and the portfolio may or may not be sustained in future and should not be used as a basis for comparison with other investments. Fund/Strategy returns shown above are post fees & expenses. Clients are not being offered any guaranteed/assured returns. The stocks / sectors mentioned hereinabove should not be construed as an investment advice or a forecast of their expected future performance. These stocks / sectors may or may not form part of the portfolio in future.

Risk Factors: Investing in securities involves certain risks and considerations associated generally with making investments in securities. The value of the portfolio investments may be affected generally by factors affecting financial markets, such as price and volume, volatility in interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws) or other political and economic developments. Consequently, there can be no assurance that the objective of the Portfolio would be achieved. Prospective investors are advised to review the Disclosure Document, PPM and/or, Client Agreement, and other related documents carefully and in its entirety and consult their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing under this Portfolio, before making an investment decision. RIMPL is not liable or responsible for any loss or shortfall resulting from the operation of the scheme. This document represents the views of Renaissance Investment Mangers Private Limited and must not be taken as the basis for an investment decision. Neither Renaissance Investment Mangers Private Limited nor its affiliates, its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein. RIMPL reserves the right to make modifications and alterations to this statement as may be required from time to time.