

360 ONE

Asset Management

Table of Contents

I Portfolio Positioning & Performance

II Market Overview

III Earnings & Valuation

IV Team & Track Record

V Annexure

Portfolio Positioning & Performance



360 ONE Focused India Fund (UCITS) – Portfolio Quants

Sector Allocation

Sector	Portfolio	Benchmark
Financials	30%	23%
Consumer discretionary	17%	13%
Information technology	12%	11%
Industrials	9%	11%
Materials	5%	9%
Consumer staples	0%	7%
Communication services	9%	3%
Health care	2%	6%
Utilities	5%	4%
Energy	5%	9%
Real Estate	0%	2%
Cash and Cash Equivalent	6%	0%
Total	100%	100%

Segment Breakup

Segments	Portfolio	Benchmark
Secular	33%	15%
Cyclical	23%	14%
Defensives	21%	32%
Value Trap	17%	36%

Market Capitalization

Market cap	Portfolio	Benchmark
Large cap	61%	71%
Mid cap	18%	15%
Small cap	14%	13%
Cash	6%	0%

Portfolio metrics

Metrics	Portfolio	Benchmark
P/E	17.9	23.3
P/B	3.3	3.7
ROE	18.5%	15.8%
EPS Growth (FY23-25E)	26.5%	18.8%

Portfolio Changes - Addition

Stock name	Rationale
REC Limited	<ul style="list-style-type: none"> • Loan growth momentum coupled with undisbursed sanctions pipeline (Rs1.3t) remains strong led by strong growth in underlying segment. • The announcement of REC as the nodal agency for implementation of Roof Top Solar projects is likely to add another growth avenue to the company which along with renewables, RDSS and infra are likely to drive growth in the medium-term. • Asset quality improvement is expected to continue with few more resolutions expected in 4QFY24 and remaining in FY25. High PCR of ~70% on GNPA is likely to keep credit costs benign, while any write-backs from resolutions could provide an additional tailwind to profitability. • Return ratios are expected to remain strong with average RoA/RoE of ~2.5%/~21% over FY24-26, while AUM and profits are expected to compound at a healthy double digit rate
Oil & Natural Gas Corporation Limited	<ul style="list-style-type: none"> • ONGC is an India's largest oil & gas production company. It contributed ~67% and ~60% of India's oil and gas production, respectively in FY23. • We are positive on ONGC as we are likely to witness production growth after witnessing decline over the last 5 years. ONGC would benefit from KG field production commencement from Q4FY24, which would add 10% of crude oil and 15% of natural gas standalone production by FY26 over FY23. • Defensive idea with decent risk reward. It has dividend yield of 6-7% and outlook remains stable of crude prices. This is rerating plus dividend yield idea.

Portfolio Changes - Addition

Stock name	Rationale
Welspun Corp Limited	<ul style="list-style-type: none">• The company is poised for robust earnings growth, fueled by surging demand in both domestic and export markets, particularly in the DI pipes segment.• The recent acquisition of the "Sintex" brand opens up new avenues for expansion in the polymer segment, encompassing both pipes and tanks. This move could potentially unlock non-linear growth opportunities. Keeping a close eye on the execution in the DI pipes and "Sintex" segments is crucial.• At present, the valuations of the company continue to be attractive.
Samvardhana Motherson International Limited	<ul style="list-style-type: none">• Samvardhana Motherson International Limited growth going forward will be led by premiumization, electrification and huge acquisition pipeline along with diversification into Non-Auto verticals like Aerospace, Medical, and Consumer electronics.• We believe the company remains well placed to continue to expand its product offerings and strengthen its global position by leveraging cross-selling opportunities to increase its wallet share.• SAMIL's consumer electronics JV with BIEL would be the largest growth lever, as it will be the only option in India for import substitution in this segment, we believe SAMIL to be able to achieve Rs 120bn from this JV in FY26 itself.

Portfolio Changes - Exits

Stock name	Rationale
HDFC Life Insurance Company Limited	<ul style="list-style-type: none"> • Life insurance demand remains weak in a rising interest rate environment/strong equity markets. In the face of these unfavorable macro conditions/higher base, HDFCLIFE shall struggle to report APE growth. Hence, despite the market share gain in HDFC Bank (~55% in FY23 to ~65% in 9Me), we expect a flat APE in FY24E. • Other Major challenges for the company are : <ul style="list-style-type: none"> i. Major banca channel focusing on deposit mobilization, ii. Intense IRR competition in non-par products in a flat yield curve environment, iii. Fall in contribution of high-margin products, iv. Higher cost ratio v. FY24- 25E op. ROEVs to decline by ~300bps vs. historical levels due to moderate VNB growth & lower operating variance vi. Regulatory interference, (eg draft on surrender value on non PAR).
LTIMindtree Limited	<ul style="list-style-type: none"> • There are no catalysts for revival of growth in the BFSI and Hi-Tech verticals which contribute to ~60% of revenues thereby leading to growth challenges. • There is a company specific issue w.r.t furloughs which is causing a lot of margin pressure. • The company was commanding a valuation premium to its Tier 1 peers because of its higher revenue growth but now since the growth differential is narrowing down the risk reward is becoming unattractive.

Portfolio Changes - Exits

Stock name	Rationale
Data Patterns (India) Limited	<ul style="list-style-type: none"> • Data Patterns is witnessing slowdown in order inflow in FY24e. Slowing order inflow will impact the sales growth ahead. • Increased competitiveness may impact the margins going ahead as Data Patterns current enjoy higher margins than other industry peers. Company is focusing to take system orders which is likely to impact margins. • Risk reward is unfavorable given industry leading valuation and higher working capital.
Tech Mahindra Limited	<ul style="list-style-type: none"> • Growth has slowed down and margins have diminished to mid to high single digits in FY24E. • Company has multiple structural challenges both on growth (Communications exposure) and margins (inefficient pyramid, operating inefficiencies, high onsite revenue, low margin businesses in RoW) • This is a turnaround play with new CEO having strong credibility however, turnaround could take time since tactical levers such as utilization etc. are exhausted • Despite EPS cuts over past 4-5 quarters, stock has gone up driven by hope of turnaround • Outlook for FY25 is weak on growth and margin recovery too would be back ended in FY26/FY27

Top Ten Holdings

Company	Weight	Sector
HDFC Bank Limited	7.9%	Financials
Tata Motors Limited	7.4%	Consumer Discretionary
ICICI Bank Limited	7.4%	Financials
Infosys Limited	5.9%	Information Technology
NTPC Limited	5.2%	Utilities
Larsen & Toubro Limited	4.6%	Industrials
Indus Towers Limited	4.5%	Communication Services
Bharti Airtel Limited	4.2%	Communication Services
Cholamandalam Investment and Finance Company Limited	3.8%	Financials
Motherson Sumi Wiring India Limited	3.6%	Consumer Discretionary

Top Ten Holdings by Active Weight

Company	Active Weight	Sector
Tata Motors Limited	6.2%	Consumer Discretionary
HDFC Bank Limited	4.8%	Financials
Indus Towers Limited	4.5%	Communication Services
NTPC Limited	4.1%	Utilities
Motherson Sumi Wiring India Limited	3.5%	Consumer Discretionary
Cholamandalam Investment and Finance Company Limited	3.4%	Financials
Cyient Limited	3.2%	Information Technology
Sona BLW Precision Forgings Limited	3.2%	Consumer Discretionary
ICICI Bank Limited	3.1%	Financials
Larsen & Toubro Limited	2.7%	Industrials

Hereford Funds – 360 ONE Focused India Fund (UCITS) : Performance

Monthly Performance of UCITS (%) *

	2023												2024			Since Inception (Sept 30, 2022)^	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	Jan	Feb		Mar
360 ONE Focused India Fund (Class L1)	0.2	-2.5	1.2	3.9	1.9	5.2	1.8	-0.2	1.7	-3.6	6.8	5.3	23.4	1.0	2.2	0.2	18.5
MSCI India IMI Index	-2.5	-4.2	0.8	4.4	3.2	5.3	3.7	-0.5	1.5	-2.9	7.2	7.7	25.1	3.1	2.0	-0.2	20.8

Track Record – Reference Strategy (%) **

	1 Year	3 Years	5 Years	Since Inception	Inception Date
360 ONE Focused Equity Fund (direct growth series)	36.3	15.8	17.9	13.8	Oct 30, 2014
MSCI India IMI Index	39.6	13.3	12.3	9.0	
Current investment team's track record					

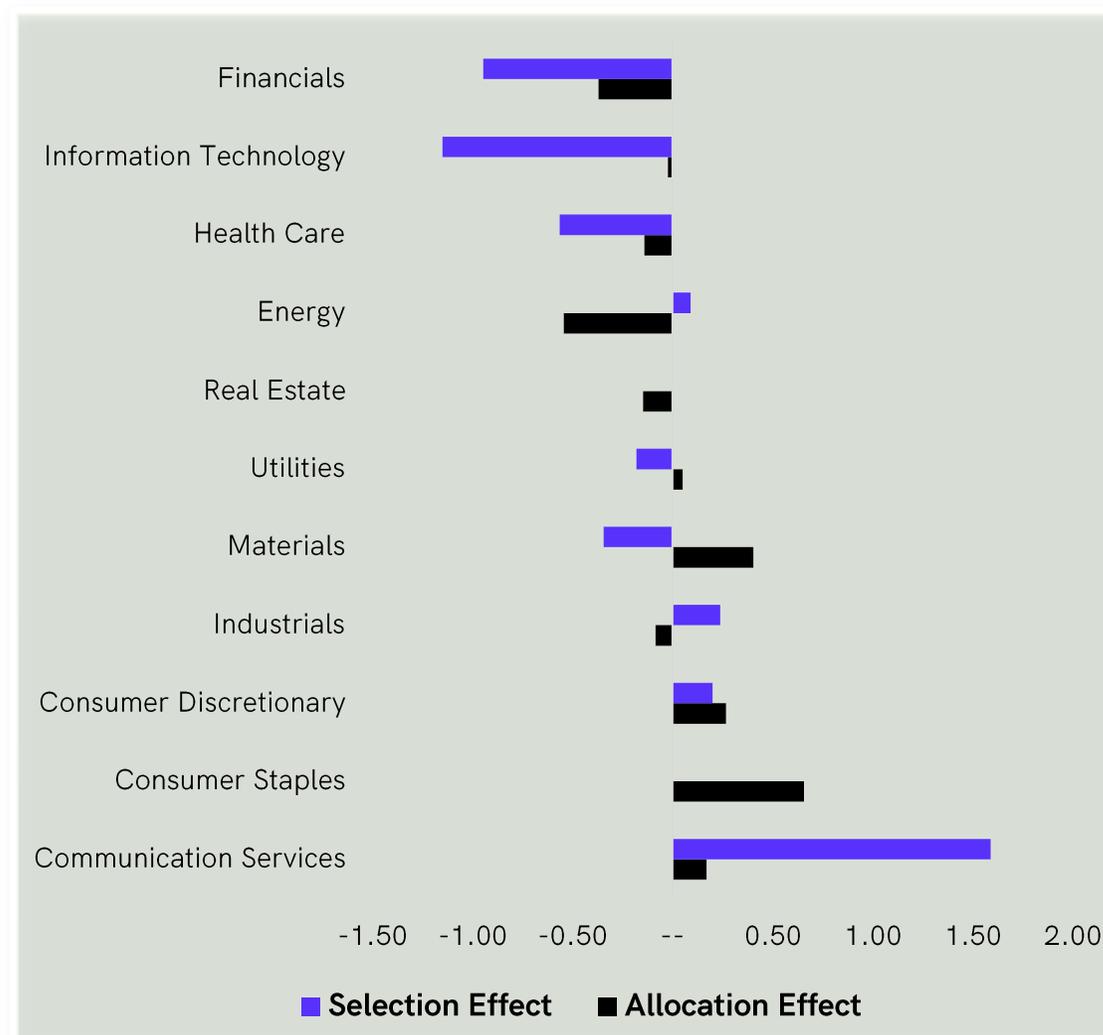
Important Notes:

- *Returns for Hereford Funds – 360 ONE Focused India Fund (UCITS) are net of taxes; ^CAGR
- **Track record represents the performance (gross of taxes) of the reference strategy (360 ONE Focused Equity Fund) managed by the Investment Manager. The current investment team joined the organization in September 2018. This is provided for information purpose only and shall not be considered as a solicitation for making investments as this strategy are not available for investors in the European Economic Area.
- UCITS's investment strategy is similar to the Reference Strategy except for investment restrictions followed as per Indian and Luxembourg regulations. The performance of Reference Strategy and the UCITS Fund are strictly not comparable. The data for Reference Strategy is provided for information purpose only and shall not be considered as a solicitation for making investments as this strategy is not available for investors in the European Economic Area.

Performance Attribution Analysis – 360 ONE Focused India Fund (UCITS)

Attribution analysis for period Dec 31, 2023 to Mar 31, 2024

Sector	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Allocation Effect (%)	Selection Effect (%)	Total Effect (%)
Communication Services	8.13	31.44	2.93	9.08	0.17	1.59	1.76
Consumer Staples	--	--	7.14	-3.76	0.66	--	0.66
Consumer Discretionary	16.22	13.70	12.36	11.87	0.27	0.20	0.47
Industrials	9.62	15.28	10.87	11.93	-0.09	0.24	0.15
Materials	5.77	-8.88	9.44	-4.23	0.40	-0.34	0.06
Utilities	5.29	8.40	4.33	12.49	0.05	-0.18	-0.13
Real Estate	--	--	1.63	15.09	-0.15	--	-0.15
Energy	4.78	18.59	9.11	17.14	-0.54	0.09	-0.45
Health Care	3.88	-4.94	6.29	11.09	-0.14	-0.56	-0.70
Information Technology	14.69	-8.41	11.99	-1.99	-0.02	-1.15	-1.17
Financials	31.62	-2.34	23.14	0.44	-0.37	-0.94	-1.31
Others	--	--	0.76	-0.92	0.05	--	0.05
Total	100.00	4.19	100.00	4.96	0.30	-1.06	-0.77



Source: 360 ONE Asset Management Limited, Factset, Data as of March 31, 2024. Inception Date: Sep 30, 2022. Past performance is not an indication of future performance. The weighted average returns may vary and may not add up to total return. The performance given for fund is gross of expenses and taxes and is in USD terms and hence may vary from the reported performance.

Stock Level Attribution - 360 ONE Focused India Fund (UCITS)

Attribution analysis for period Dec 31, 2023 to Mar 31, 2024

Top contributors	Average weight (%)		Total return(%)		Total Effect (%)
	Portfolio	Benchmark	Portfolio	Benchmark	
Indus Towers Limited	3.85	--	45.94	--	1.39
Tata Motors Limited	7.29	1.17	27.00	27.00	1.20
Cummins India Limited	2.32	0.27	53.78	53.78	0.83
Hindustan Unilever Limited	--	1.57	--	-15.19	0.35
State Bank of India	3.23	0.97	16.91	16.91	0.28
Total	16.69	3.97			4.05

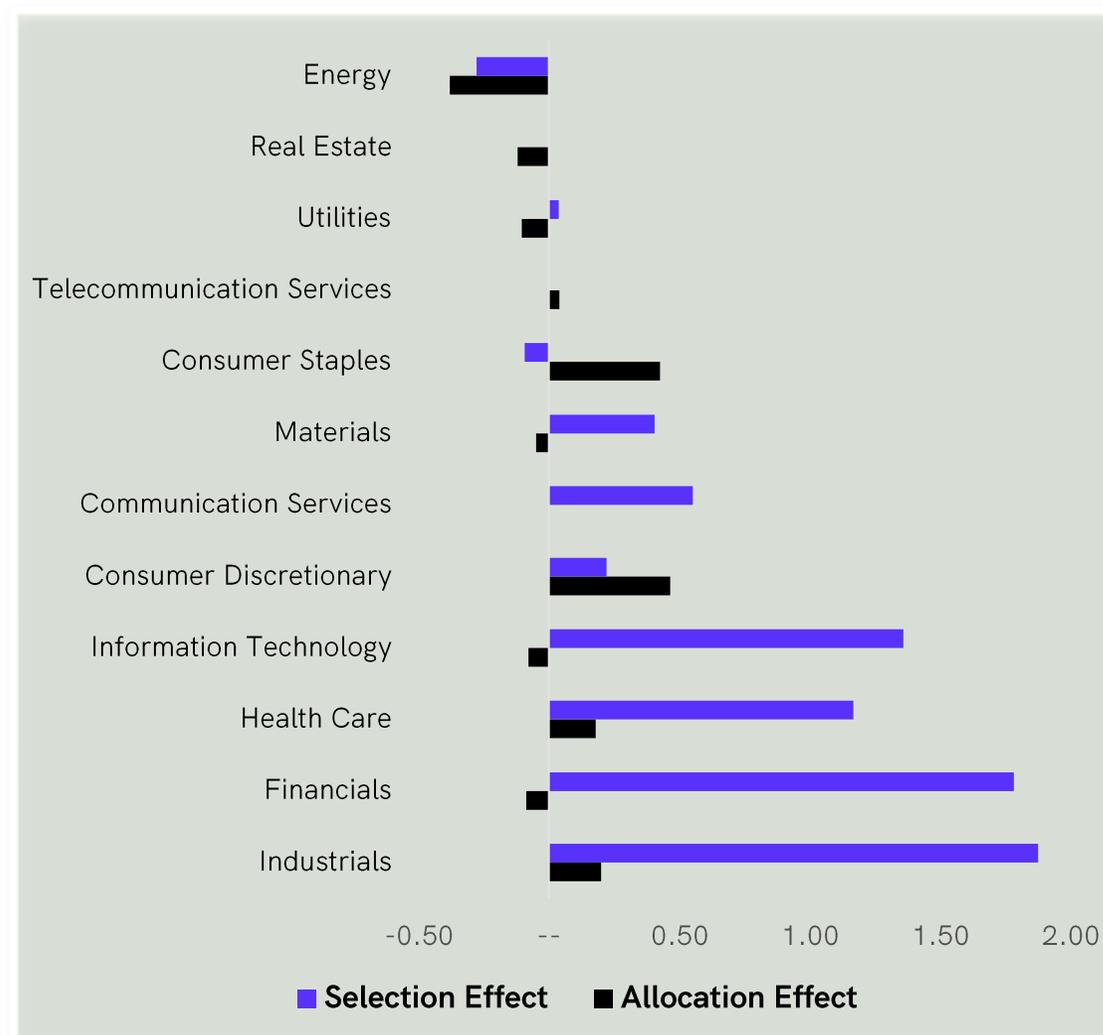
Top detractors	Average weight (%)		Total return(%)		Total Effect (%)
	Portfolio	Benchmark	Portfolio	Benchmark	
HDFC Bank Limited	7.50	3.27	-15.48	-15.48	-0.95
Cyient Limited	3.51	0.14	-13.14	-13.14	-0.66
Reliance Industries Limited	--	6.76	--	14.70	-0.61
Sumitomo Chemical India Ltd.	2.35	0.03	-12.99	-12.99	-0.45
Cholamandalam Investment and Finance Co. Ltd.	3.59	0.38	-8.30	-8.30	-0.42
Total	16.95	10.57			-3.10

Source: 360 ONE Asset Management Limited, Factset, Data as of March 31, 2024. Outperformance and Underperformance is mentioned based on the total effect which is the sum of allocation and selection effect.

Performance Attribution Analysis – 360 ONE Focused Equity Fund

Attribution analysis for period Sep 30, 2018 to Mar 31, 2024

Sector	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Allocation Effect (%)	Selection Effect (%)	Total Effect (%)
Industrials	8.67	47.97	7.55	22.54	0.20	1.87	2.08
Financials	35.14	14.67	31.08	10.27	-0.09	1.78	1.69
Health Care	8.57	19.94	5.56	14.15	0.18	1.17	1.34
Information Technology	13.24	23.58	11.91	14.69	-0.08	1.36	1.28
Consumer Discretionary	10.80	12.29	9.02	15.66	0.47	0.22	0.69
Communication Services	4.32	28.16	2.67	13.07	-0.00	0.55	0.55
Materials	6.60	25.31	9.56	16.17	-0.05	0.40	0.36
Consumer Staples	2.00	2.81	8.92	9.77	0.43	-0.09	0.33
Telecommunication Services	0.06	105.43	--	--	0.04	--	0.04
Utilities	2.26	23.03	3.55	24.64	-0.10	0.04	-0.07
Real Estate	--	--	0.74	26.79	-0.12	--	-0.12
Energy	3.45	3.62	9.43	16.08	-0.38	-0.28	-0.66
Others	4.90	2.12	0.01	2.01	-0.61	0.00	-0.61
Total	100.00	21.26	100.00	14.36	-0.12	7.03	6.91



Source: 360 ONE Asset Management Limited, Factset, Data as of March 31, 2024. Inception Date: Oct 30, 2014. Past performance is not an indication of future performance. The weighted average returns may vary and may not add up to total return. The performance given for fund is gross of expenses and taxes and is in USD terms and hence may vary from the reported performance.

Market Overview



The Quarter That Was (Q1 - 2024)

FY24 GDP estimate revised higher to 7.6% YoY from 7.3% earlier, Dec'23 quarter growth reported at 8.4%

The FY25 Union Budget adheres to fiscal consolidation, targets fiscal deficit of 5.1% of GDP, down from 5.8% in FY24

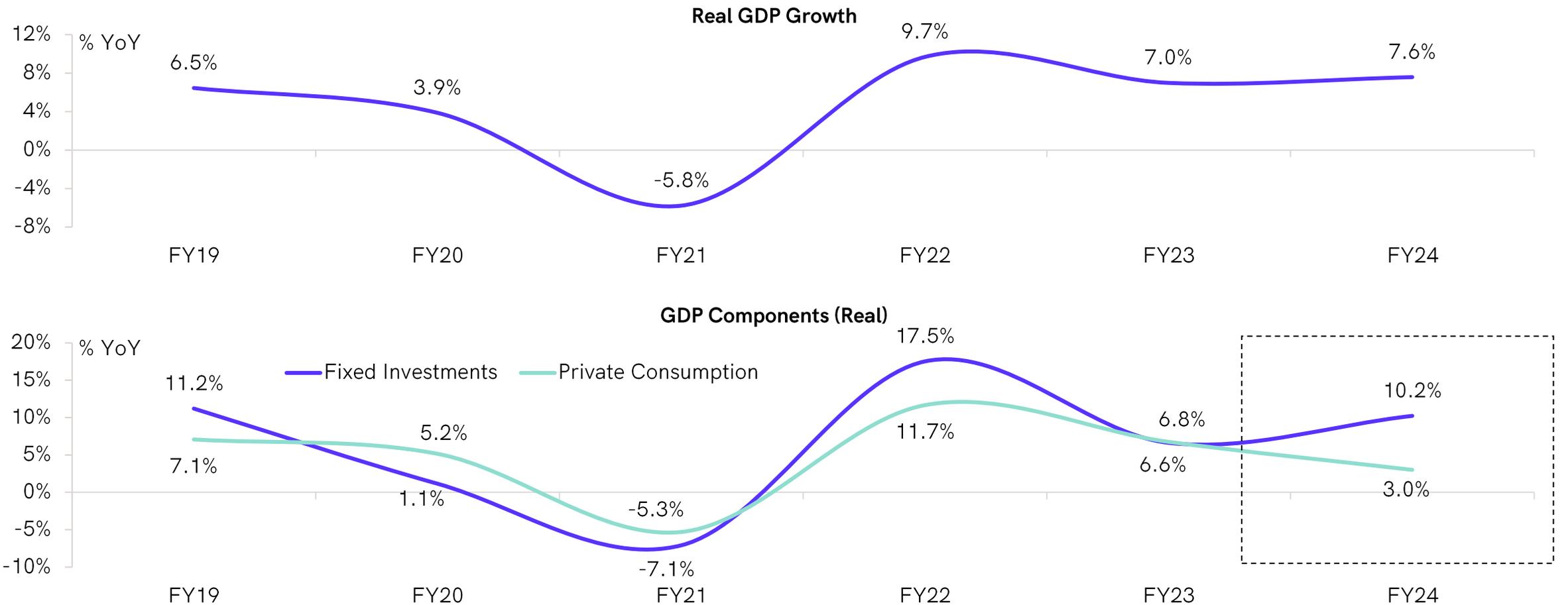
The RBI maintains a pause on account of uncertainty around food inflation, even though core inflation has slowed down considerably

SEBI directed mutual funds to conduct liquidity stress tests on small and mid-cap funds

Equity benchmark indices scaled fresh highs on strong economic momentum and favorable earnings

General Elections are to be held in seven phases from 19 April to 1 June, and the results will be announced on 4 June

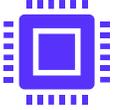
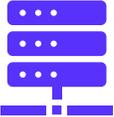
India records strong GDP growth in FY24, driven by investments, while consumption remains weak



Source: MOSPI

Note: FY24 data are second advance estimates, Fixed Investment accounts for 35% of GDP, and Private Consumption accounts for 57% of GDP

Key Capex Announcements

	Project Name	Cost (USD Bn)
	Dholera Semiconductor Fab Plant Project (Tata Electronics)	10.9
	Semiconductor Fabrication Unit Project (Tower Semiconductor)	8.0
	Dholera, Khavda & Banaskantha Renewable Power Project (Tata Power Renewable)	8.4
	Gujarat Hybrid Wind Solar Energy Project (Avvada Energy)	4.8
	Maharashtra Green Hydrogen Manufacturing Plant Project (multiple entities)	33.2
	Thoothukudi (TN) Green Hydrogen Plant Project (Sembcorp Green Hydrogen India)	4.4
	Bangalore Data Centre Park Project (Web Werks)	2.4
	Tamil Nadu Hyperscale Data Centre Project (Adaniconnex)	1.6
	A320neo family (210), A350 (40), 737 MAX (190), 787-9 (20), and 777-9 (10) aircraft (Air India)	70.0
	A320, A321 Neo & A321 XLR (500) Aircraft Purchase Project (Interglobe Aviation)	49.4

Note: The above projects have been announced in FY24

Source: CMIE, 360 ONE Asset Research

BJP Election Manifesto – Key Announcements

Global Manufacturing Hub

- Making India a **global electronics manufacturing hub** and a major player in semiconductor manufacturing
- Positioning India as a global **railway manufacturing hub** and develop commercial aircraft manufacturing
- Vastly **expand domestic defence manufacturing** and exports of Made in India defence equipment
- Making India a global leader in auto and EV mfg., develop **rare earths and strategic mineral industry**
- To support industries like cement, steel, metals & engineering goods to adopt **greener manufacturing**

World Class Infrastructure

- To **add 5,000+ km railway tracks** and expand metro networks
- Strengthen road system to **15,000 km of access-controlled highways**
- Ensure **energy independence by 2047** and become global manufacturing hub in renewable energy
- Expand and modernize airports; to double the share of inland water transport in transportation

Poor & Middle Class

- **Free ration for the next five years** and free electricity to the poor households
- **Enhance Mudra loan limit to INR 2 mn**, expand start-up ecosystem in Tier 2 & Tier 3 cities
- To provide quality **free health treatment upto INR 0.5 mn** under Ayushman Bharat
- Expansion of PM Awas Yojana to ensure every poor family has access to quality housing

Good Governance

- Bringing **Uniform Civil Code**, Making **‘One Nation, One Election’** a reality, Common Electoral Roll

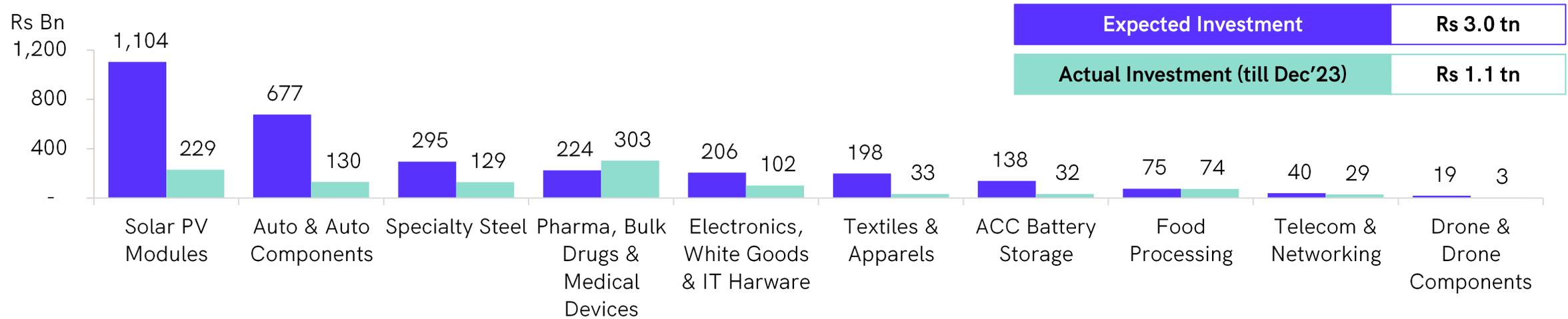
Technology & Innovation

- To set up a fund with an investment of INR 1 tn to provide loans to promote scientific research

Environment

- Improvement in cleanliness of all major rivers; aim to achieve National Air Quality Standards in 60 Cities

PLI Scheme – A Catalyst for Private Sector Investments



Expected Investment	Rs 3.0 tn
Actual Investment (till Dec'23)	Rs 1.1 tn

	Expected	Actual (till Dec'23)
Incentives Outlay	Rs 2 tn	Rs 44 bn
Incremental Production/Sales	Rs 40 tn	Rs 8.7 tn
Employment Generation	6 mn	0.7 mn

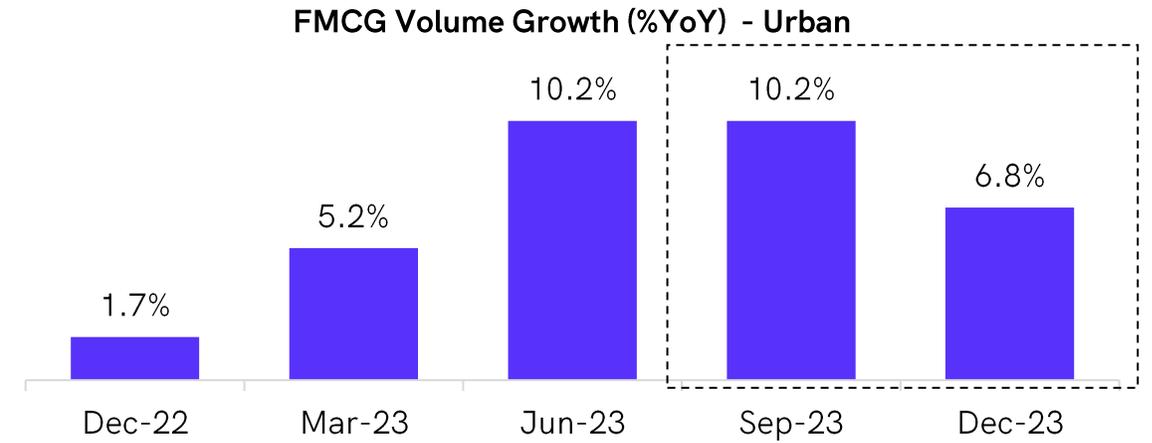
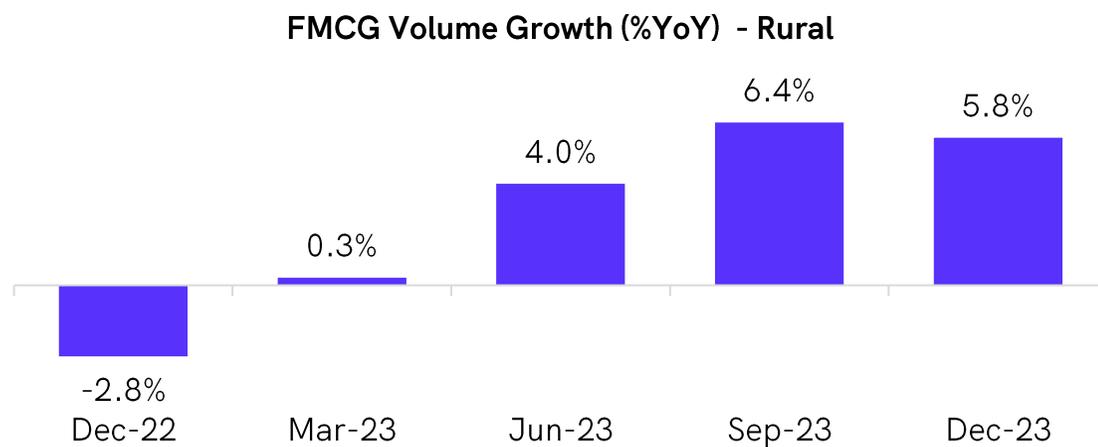
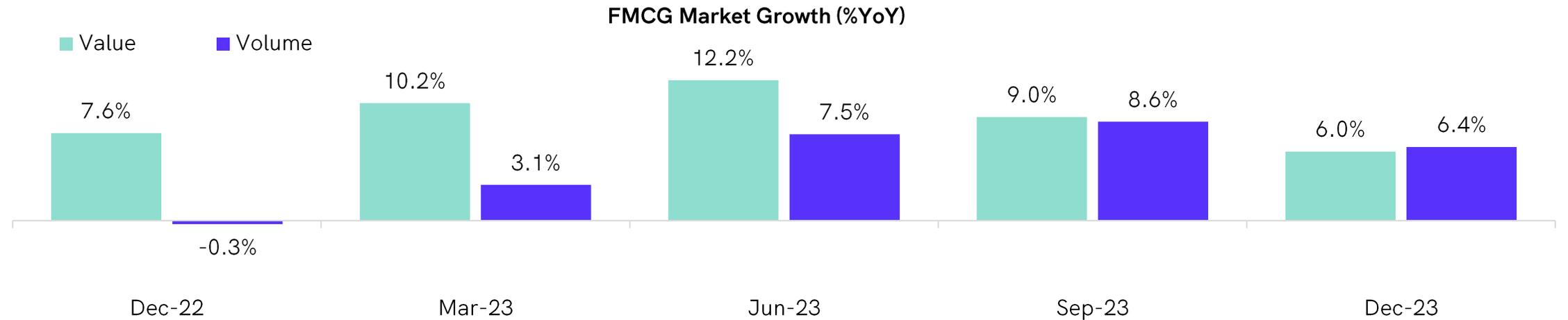
746 applications approved across 14 sectors

176 MSMEs are among the PLI beneficiaries

Several MSMEs are serving as investment partners/contract manufacturers for large corporates

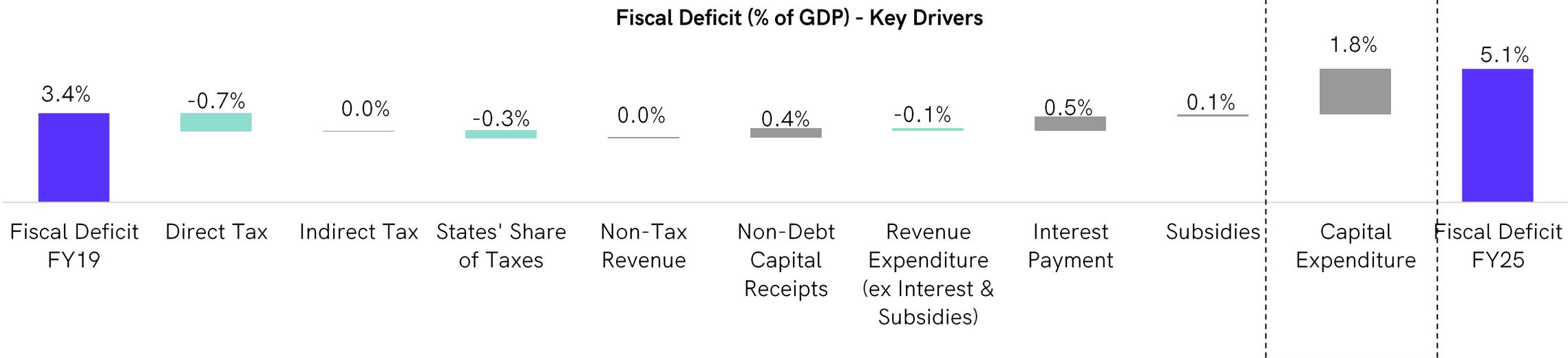
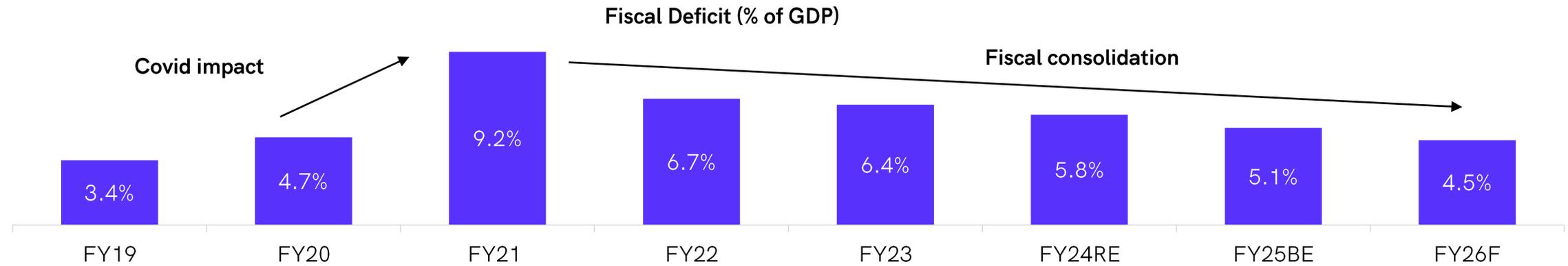
PLI Schemes have witnessed exports surpassing Rs. 3.2 tn

Weak consumption is also reflected in the correction in FMCG sales growth, both in volume and value terms



Source: Avendus Spark, NielsenIQ, Business Standard, 360 ONE Asset Research

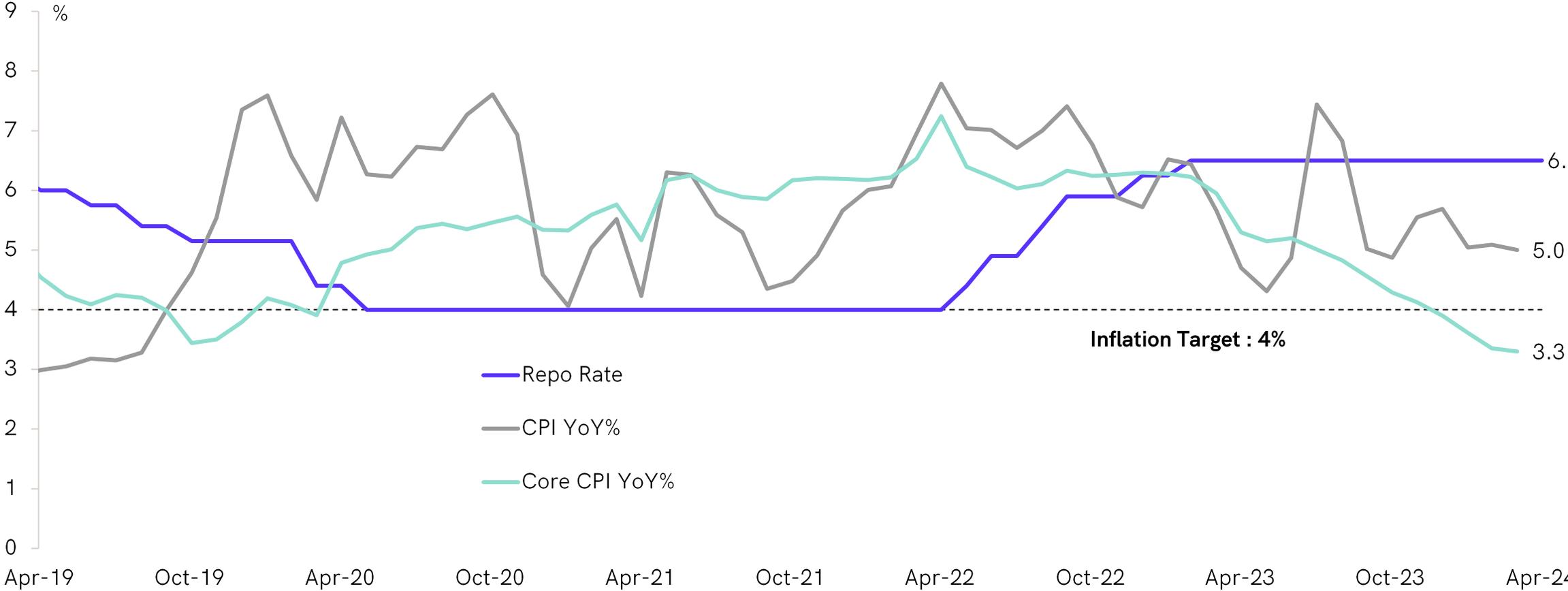
Government sticks to the fiscal consolidation path; Higher fiscal deficit in comparison to FY19 (pre-covid) driven by higher capital expenditure



Source: Budget Documents

Note - RE: Revised Estimates, BE: Budget Estimates, F: Forecast

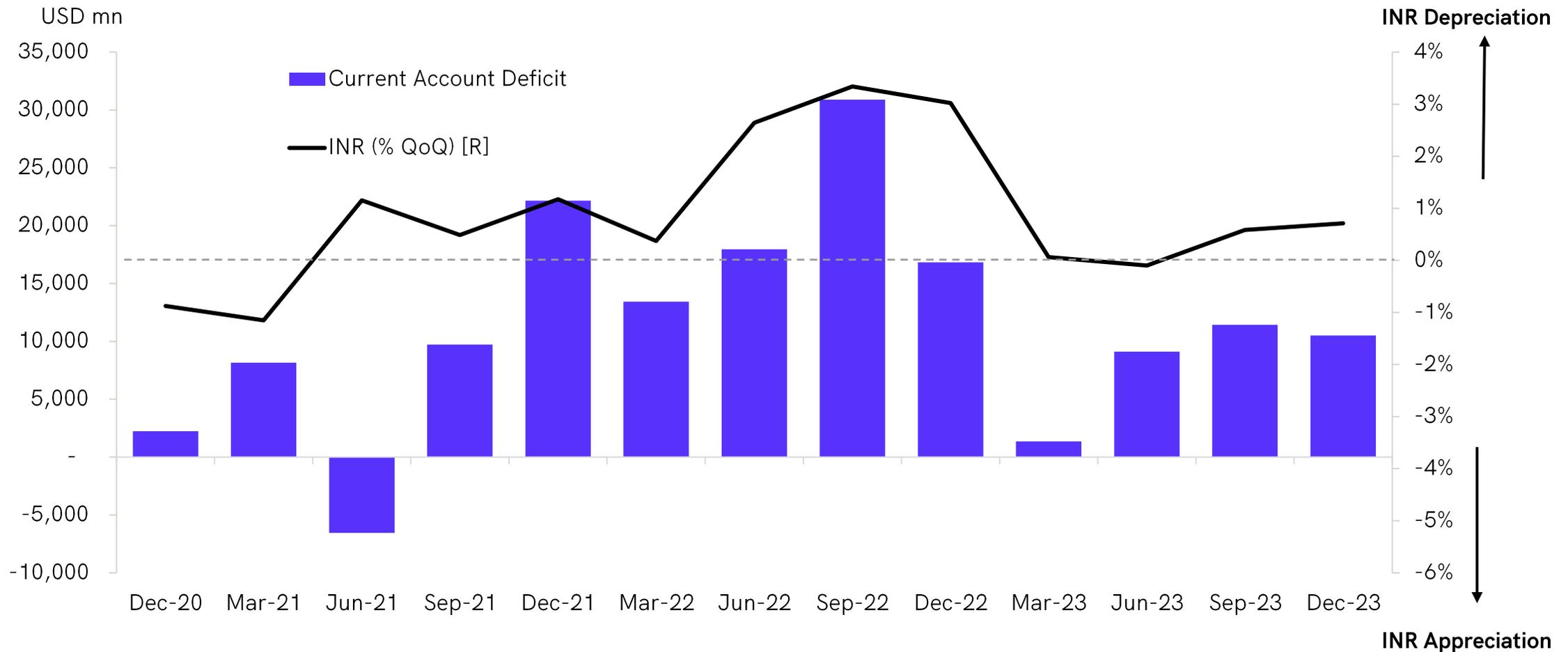
RBI remains cautious, despite a steady decline in core inflation, due to high uncertainty around food inflation



Source: MOSPI, CMIE

Note: March 2024 CPI inflation internal estimate

A moderate Current Account Deficit (CAD) helps to maintain stability in the INR

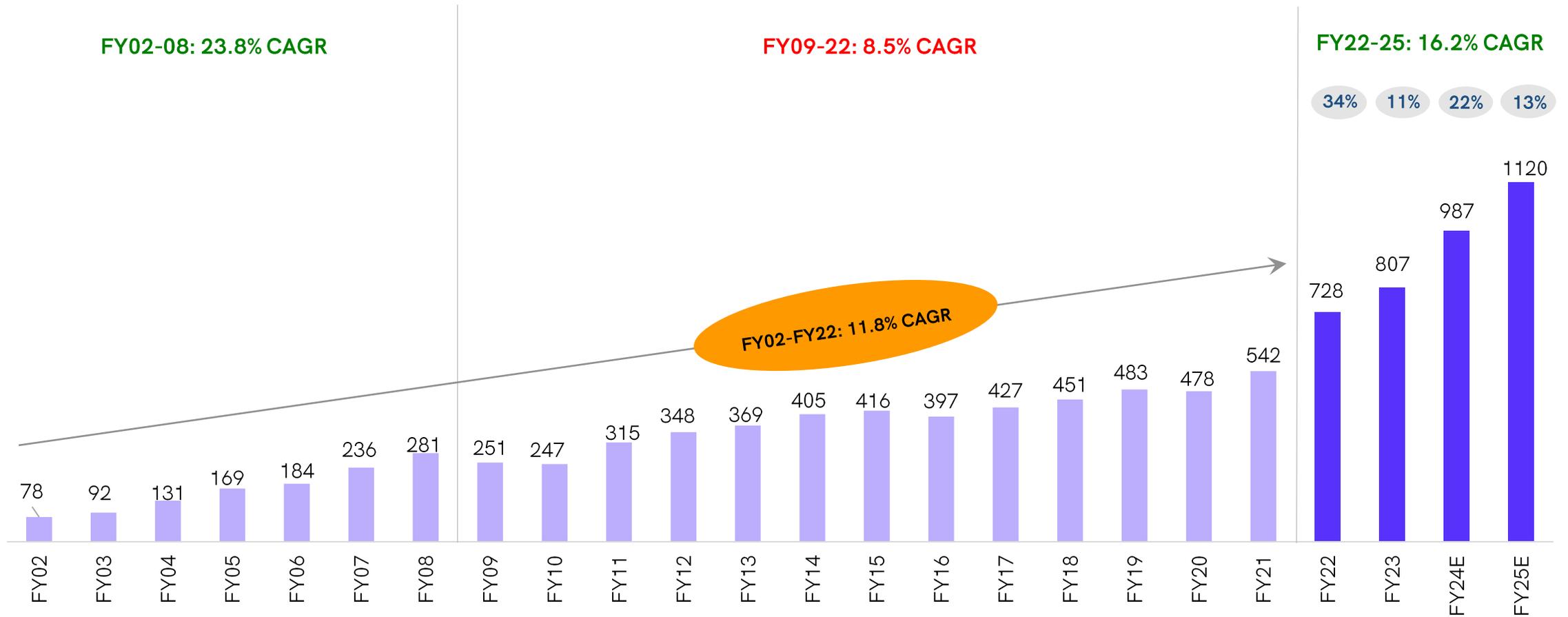


Source: RBI, CMIE

Earnings & Valuation

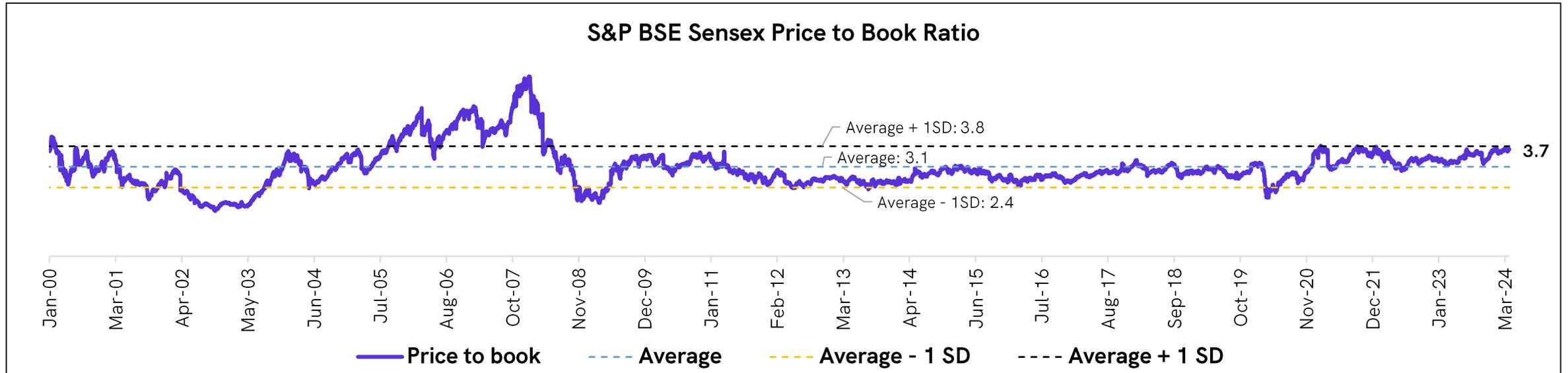


Nifty EPS Growth



Source: Motilal Oswal Financial Services Services (MOFS). Future estimates is taken as the average values provided by MOFS, UBS, Kotak Securities. Past performance may or may not be sustained in future.

Current Valuations



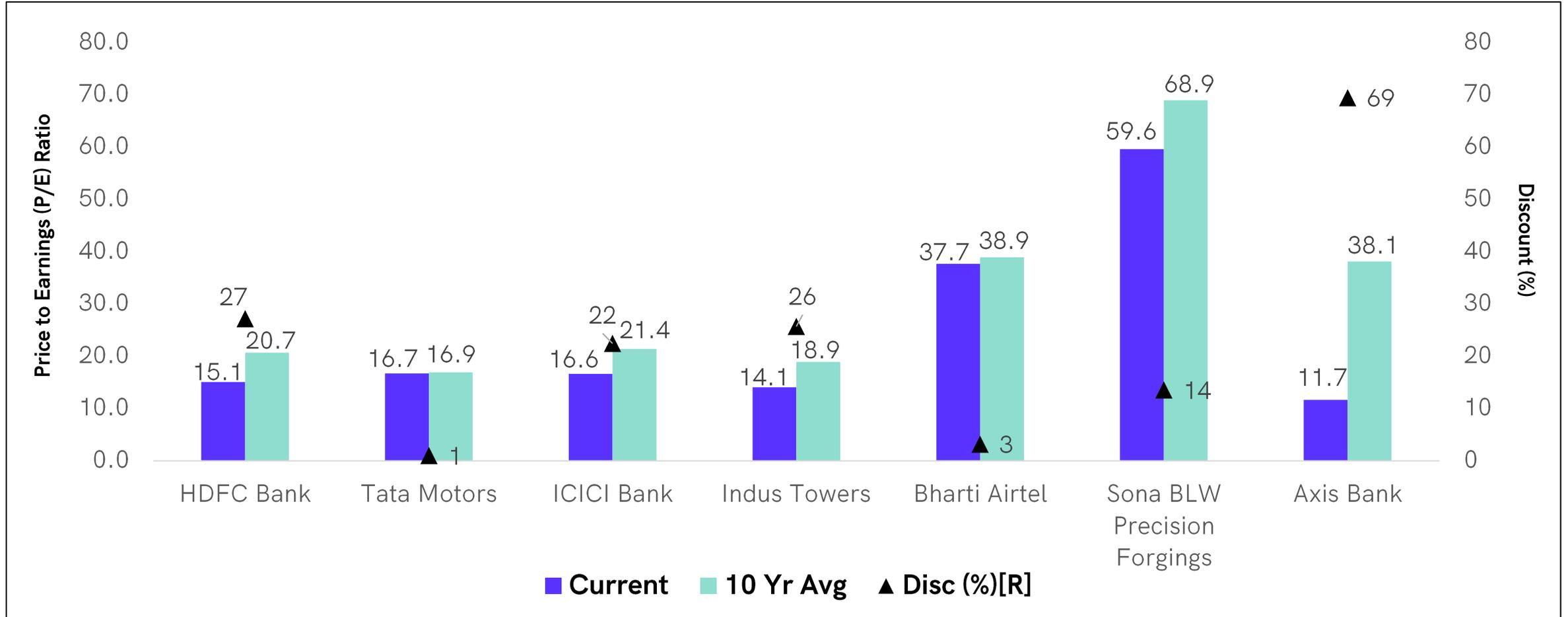
P/B range	5 year returns*	Time spent (%)
Less than 2	40%	4%
Between 2 & 3	13%	46%
Between 3 & 4	11%	40%
Above 4	4%	10%

← *Currently, Sensex P/B in this range*

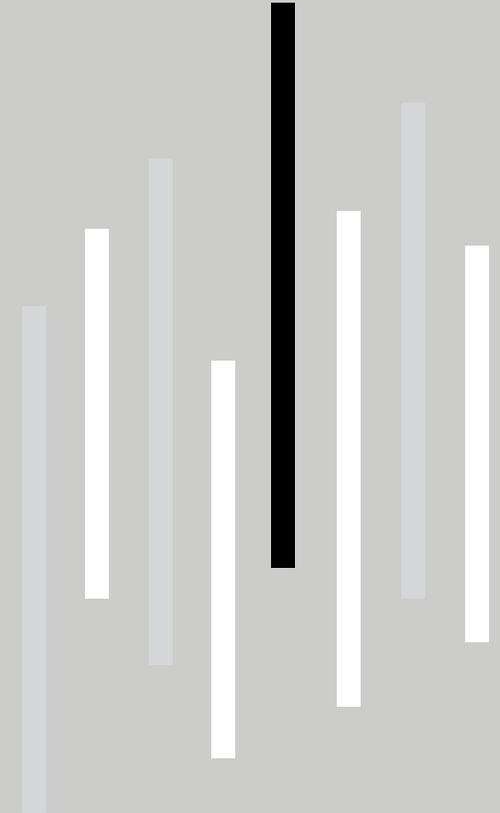
Source: Bloomberg, BSE India. *Median 5-year CAGR. Data from Jan 2, 2000 to March 31, 2024
Past performance may or may not be sustained in future.

Portfolio Constituents - Valuations

Over 50% of portfolio trading at a discount to 10 Year Avg. P/E



Team & Track Record



Public Equity Team Structure : Fund Management

Building A Collaborative Team That Brings Together A Unique Set of Skillsets



Anup Maheshwari- Co-founder & CIO (28)
MBA

- Anup brings with him 28 years of investment experience. He joined 360 ONE Asset Management Limited (formerly known as IIFL Asset Management Limited) from DSP Investment Managers Private Limited (formerly known as DSP BlackRock Investment Managers Private Limited) in August 2018.
- He was associated with DSP BlackRock since July 1997 and was last designated as the Chief Investment Officer, Equities.
- For a brief period between December 2005 and May 2006, he was the CIO at HSBC Asset Management before returning to DSP BlackRock. Previously he was also associated with Chescor, a British fund management firm managing three offshore India equity funds. Anup is an alumnus of IIM Lucknow



Fund Managers



Mehul Jani (19)
(Financials & Consumer Staples)
MSc, CFA



Mayur Patel (18)
(Oil & Gas and Industrials)
CA, CFA



Nishant Vass (14)
(Automobiles, Telecom, Internets)
MBA



Parijat Garg (16)
(Quantitative Research, ESG)
M.Tech, CFA



**Each member of the fund manager possesses at least one sector they specialize in
Number in brackets indicate years of investment experience

Public Equity Team Structure : Research Team

Building A Collaborative Team That Brings Together A Unique Set of Skillsets

Research Team

Alpesh Mehta (17)
(BFSI)
MBA



Aniket Sethi (9)
(Consumer Staples, Discretionary)
MBA



R. Vaidyanathan (8)
(Cement & Building Material)
MBA



Alok Ranjan (6)
(Capital Goods, Infrastructure, Power & Metals)
MBA



Akshay Ramnani (6)
(IT)
CA & CFA



Soumya Turakhia (5)
(BFSI)
CA



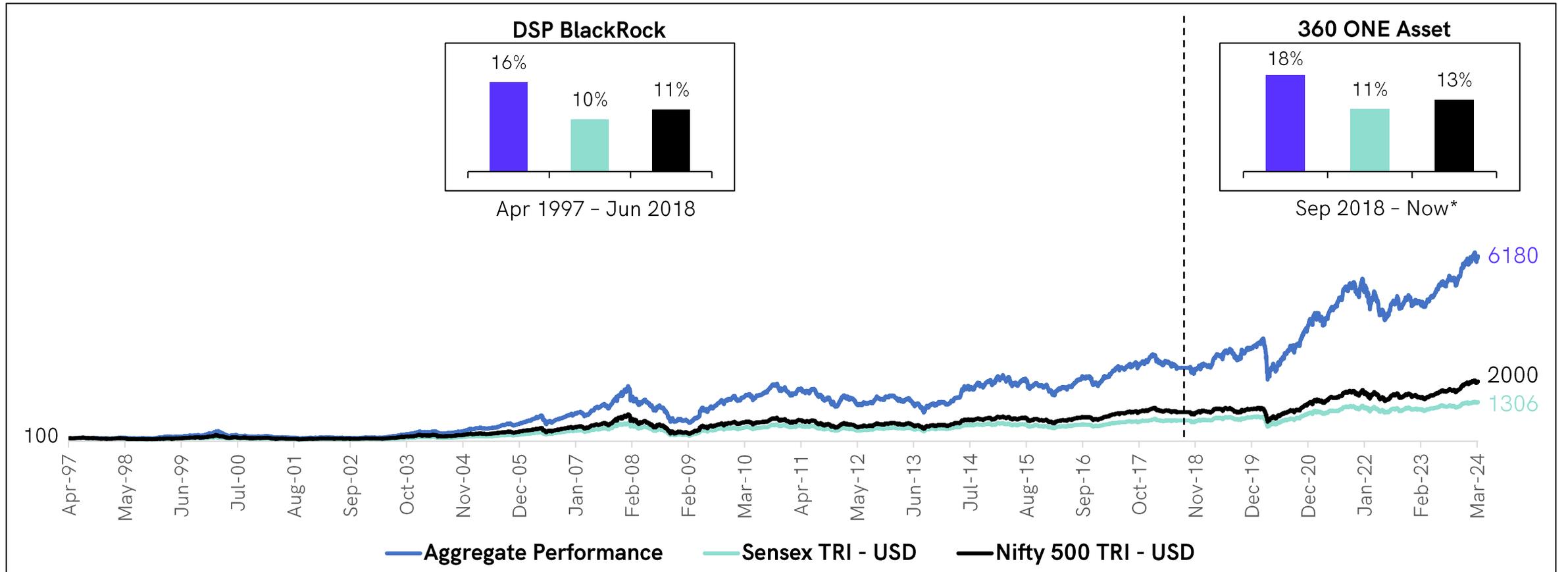
Ashish Ongari* (4)
(Quant Research and Development)
B.Tech



Manu Maharaj. S*
(General Research)
MBA

Simran Suryawanshi*
(General Research)
MBA

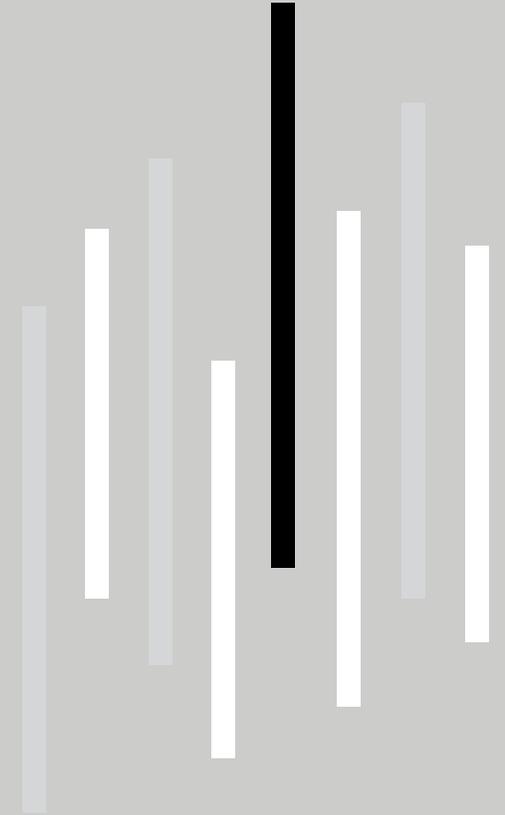
Performance Track Record



Overall Track Record (April 1997 - Now*)		
Aggregate Performance	Sensex TRI - USD	Nifty 500 TRI - USD
17%	10%	12%

Source: 360 ONE Asset Management Limited, Internal, *Data as of March 31, 2024. NAVs of the fund & indices were rebased to 100 for 29th April 1997. All values are in USD. All returns are CAGR. Funds considered are DSP Flagship Multi-Cap Equity Fund (now known as DSP Flexi Cap Fund) and 360 ONE Focused Equity Fund (Formerly known as IIFL Focused Equity Fund). The aggregate performance is net of annual expense ratio for the mentioned funds.

Annexure



Introduction to 360 ONE Wealth & Asset Management

WEALTH MANAGEMENT

- Advisory Services
- Broking Services
- Distribution Services
- Lending & Estate Planning

AUM: \$46.3 bn



**CONSOLIDATED
AUM: \$55.0 bn**

ASSET MANAGEMENT

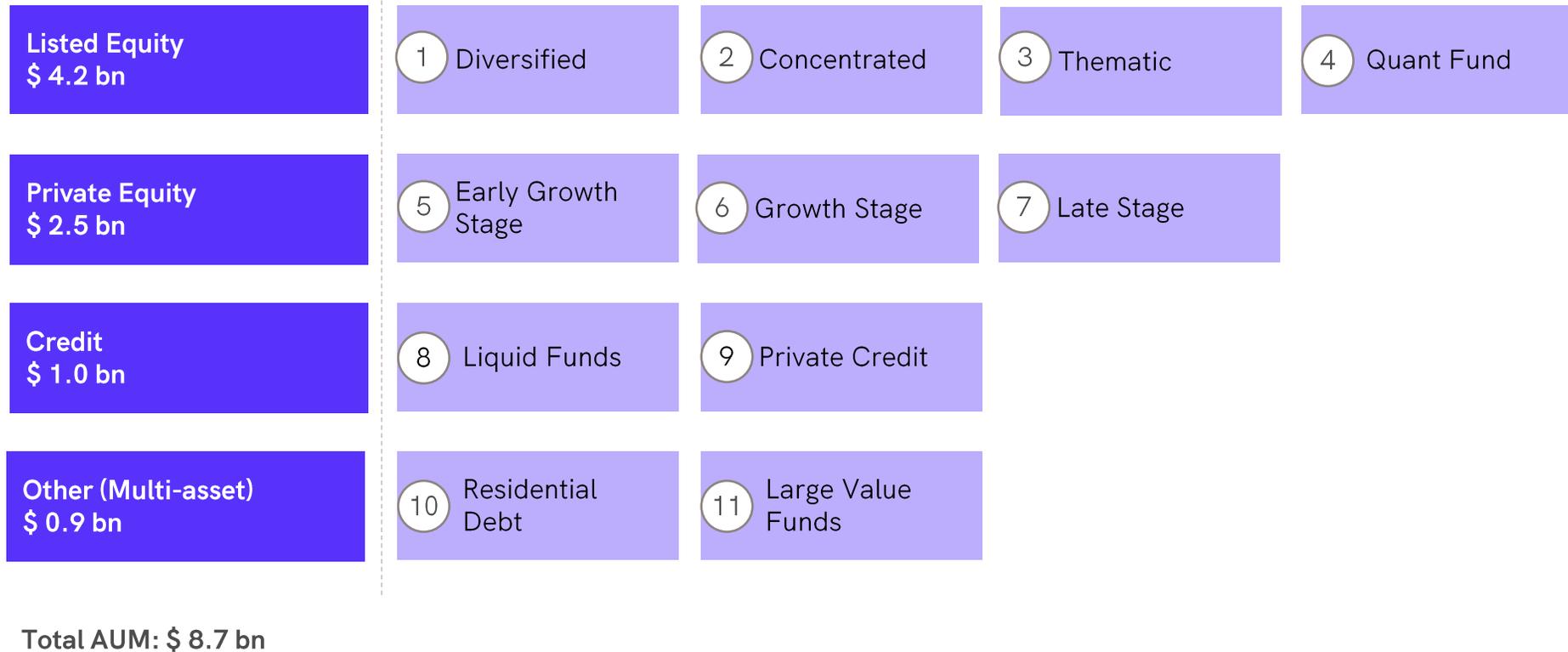
- Alternate Investment Funds
- Separately Managed Accounts (Portfolio Management Services)
- Mutual Funds
- Global Asset Management

AUM: \$8.7 bn

- 360 ONE WAM Ltd (formerly known as IIFL Wealth Management Ltd) is one of the largest wealth management firms in India managing an **AUM of \$46.3 bn across 6,800 families worldwide**
- 360 ONE WAM Ltd was listed on Sep 19, 2019 as a result of demerger of IIFL Finance Ltd
- The market capitalization of the firm is **~\$3.0 bn**

AUM Figures for 360 ONE WAM Ltd includes custody assets and is as on December 31, 2023 and 360 ONE Asset is as on March 31, 2024. Market capitalization as of March 31, 2024. The overall AUM includes AMC assets which have been distributed by 360 ONE WAM. The same has been added and consolidated in the overall AUM

Asset Management Capabilities – Asset Class Wise



Source: 360 ONE Asset Management. Data as on 31 March 2024. AUM for each asset class has been rounded off to the nearest decimal.

Global Leaders on Manufacturing in India

India and its GDP are set for an 'extraordinary run', with the country having the potential to emerge as "one of Apple's largest markets". From education and developers to manufacturing and the environment, we're committed to growing and investing across the country.

- Tim Cook, CEO, Apple (April 2023)

Samsung to continue investment in R&D and manufacturing in India. Samsung is looking at India as a smartphone manufacturing hub for export to other countries.

- TM Roh, President and Head of MX Business, Samsung Electronics (March 2023)

We will increase our manufacturing footprint in India to cater well to the domestic demand. Eventually, we see India manufacturing to help us better serve the rest of the world.

- Enrique Lores, CEO, HP (March 2023)

The opportunity for Honeywell in that as Make in India creates more capabilities and more supply bases, which to my mind is two-way benefit for us. One is that our manufacturing gets even more strengthened. Second, it become a sourcing hub for products and components.

- Vimal Kapur, COO, Honeywell (March 2023)

India will be one of the four major manufacturing hubs for Schneider Electric. The company also sees India as one of its largest export bases.

- Jean-Pascal Tricoire, CEO, Schneider Electric (February 2023)

We are working towards exporting \$10B per year from India by 2027 and are committed to strengthening logistics, skill development & supply chains to make India a global export leader in toys, seafood & other goods.

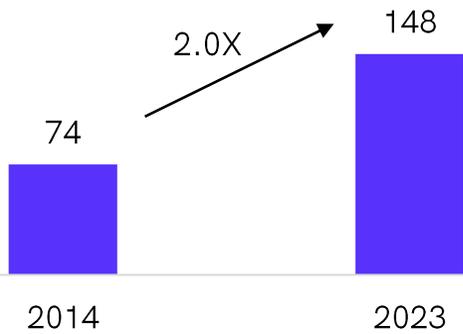
- Doug McMillon, CEO, Walmart Inc. (May 2023)

India would turn into a market as giant as China in the future, as the middle class and the wealthy are growing tremendously. In addition to concentrating production of mass-market air-conditioning products in India, we will also consider making heat pumps in the country that are exported abroad.

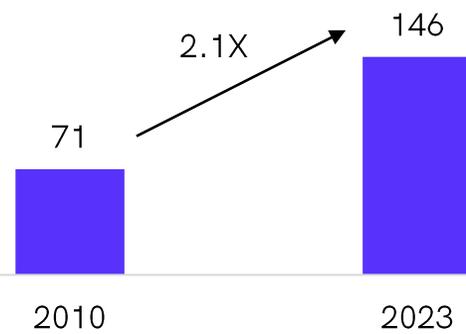
- Masanori Togawa, CEO, Daikin (March 2023)

Significant improvement in infrastructure

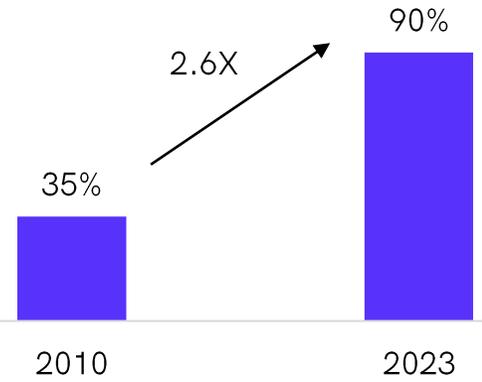
 Number of Airports



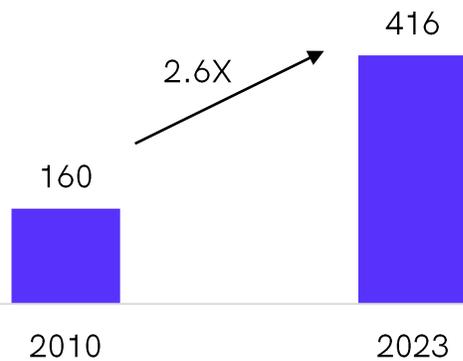
 National Highway Length ('000 Km)



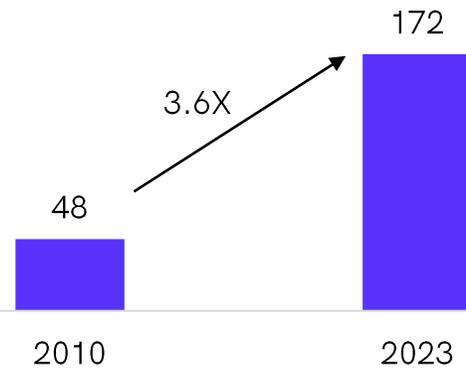
 % of Electrified Raily Route Length



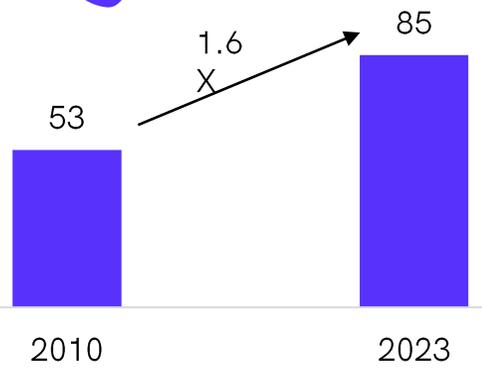
 Installed Plant Capacity ('000 MW)



 Renewable Energy Capacity ('000 MW)



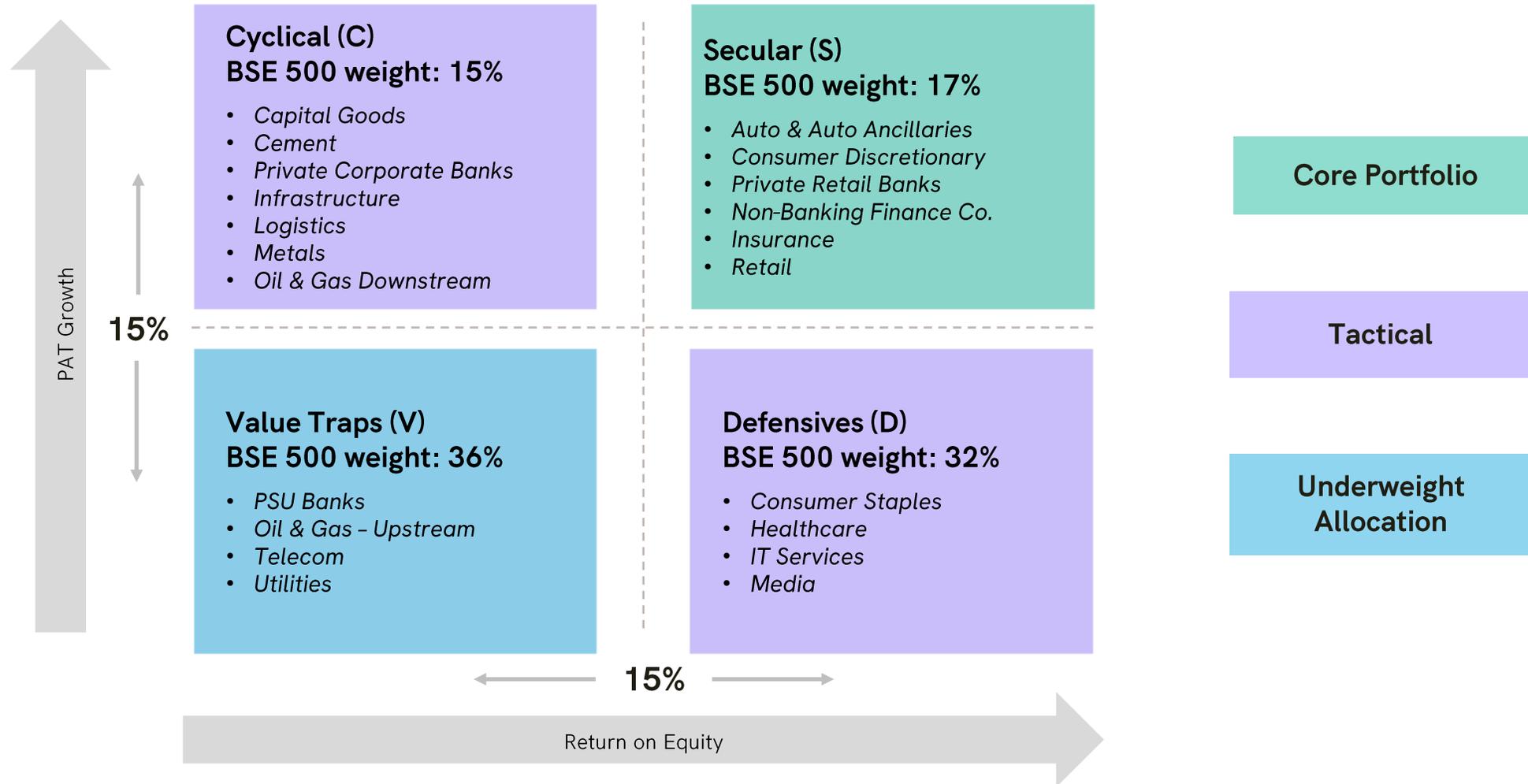
 Teledensity (%)



Note: All data as of financial year end. For ex. 2023 corresponds to March 2023

Source: CMIE, IMF, 360 ONE Asset Research

SCDV Framework



Data as on March 31, 2024

SCDV Historical Performance

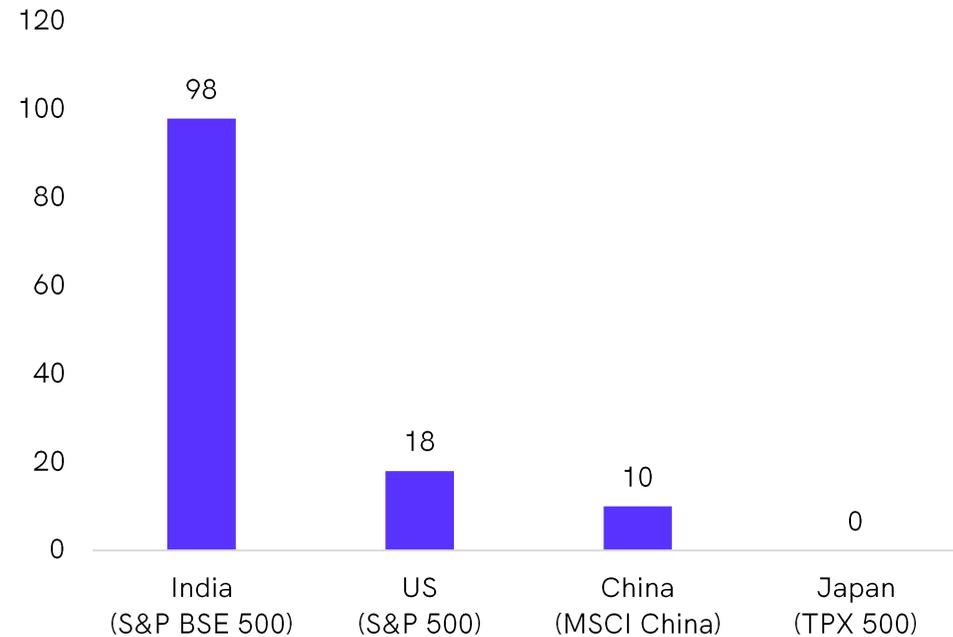
Year	Secular	Defensive	Cyclicals	Value Traps	BSE 200 TRI
2007	44.1%	41.8%	69.3%	110.6%	62.3%
2008	-47.2%	-48.5%	-62.5%	-67.7%	-55.9%
2009	123.0%	108.6%	144.2%	118.0%	90.9%
2010	19.6%	23.7%	10.7%	-2.0%	17.8%
2011	-27.7%	-34.3%	-43.7%	-46.5%	-26.0%
2012	35.8%	31.7%	51.7%	51.9%	33.2%
2013	-2.4%	-1.3%	-18.1%	-12.6%	6.1%
2014	53.6%	50.8%	49.7%	34.5%	37.4%
2015	-0.7%	-5.8%	-4.4%	2.6%	-0.2%
2016	9.1%	0.4%	1.3%	2.5%	5.4%
2017	42.9%	36.2%	39.5%	43.8%	35.0%
2018	-7.0%	-4.6%	-14.1%	-23.5%	0.8%
2019	2.1%	3.3%	-6.5%	-10.2%	10.4%
2020	27.5%	14.1%	6.6%	10.9%	17.9%
2021	34.5%	19.3%	62.8%	57.9%	29.1%
2022	-6.3%	-1.3%	0.4%	18.6%	5.7%
2023	28.6%	41.2%	40.1%	40.6%	24.5%
2024*	-1.3%	6.5%	11.0%	12.2%	4.5%
CAGR[^]	13.9%	10.9%	9.6%	8.8%	12.4%

Returns of equal weighted baskets during calendar years for S&P BSE 200 Index. *Data as on March 31, 2024. ^CAGR is for the period Dec 31, 2006 to Dec 31, 2023. Past Performance may or may not be sustained in future.

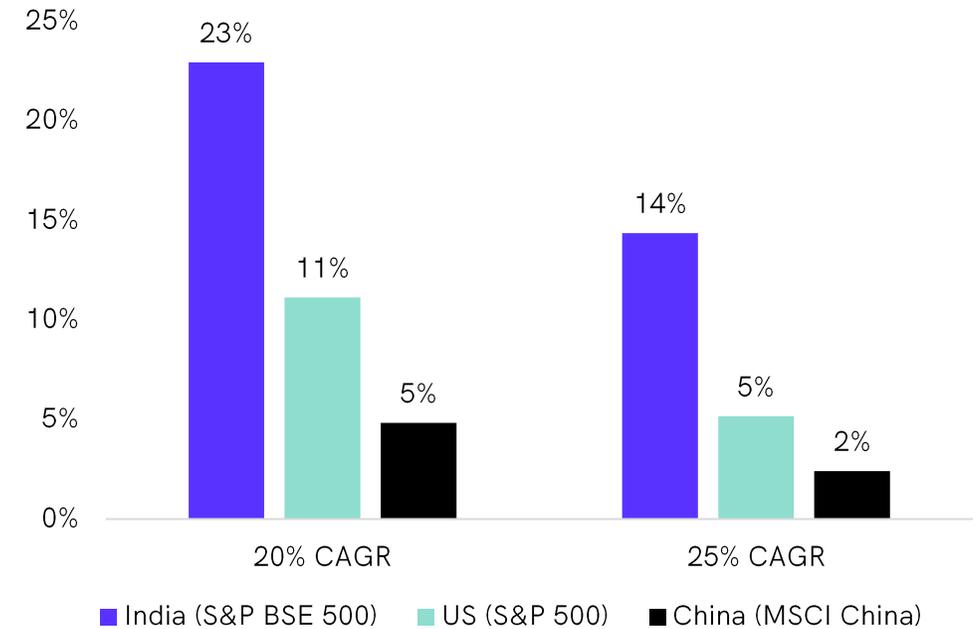
Source: Internal, Bloomberg. Returns for BSE 200 TRI is calculated using the index value

India's Stock Market – A Compounding Machine

20-year 20% Compounding Hit Rate



10-year Compounding Hit Rate (%)

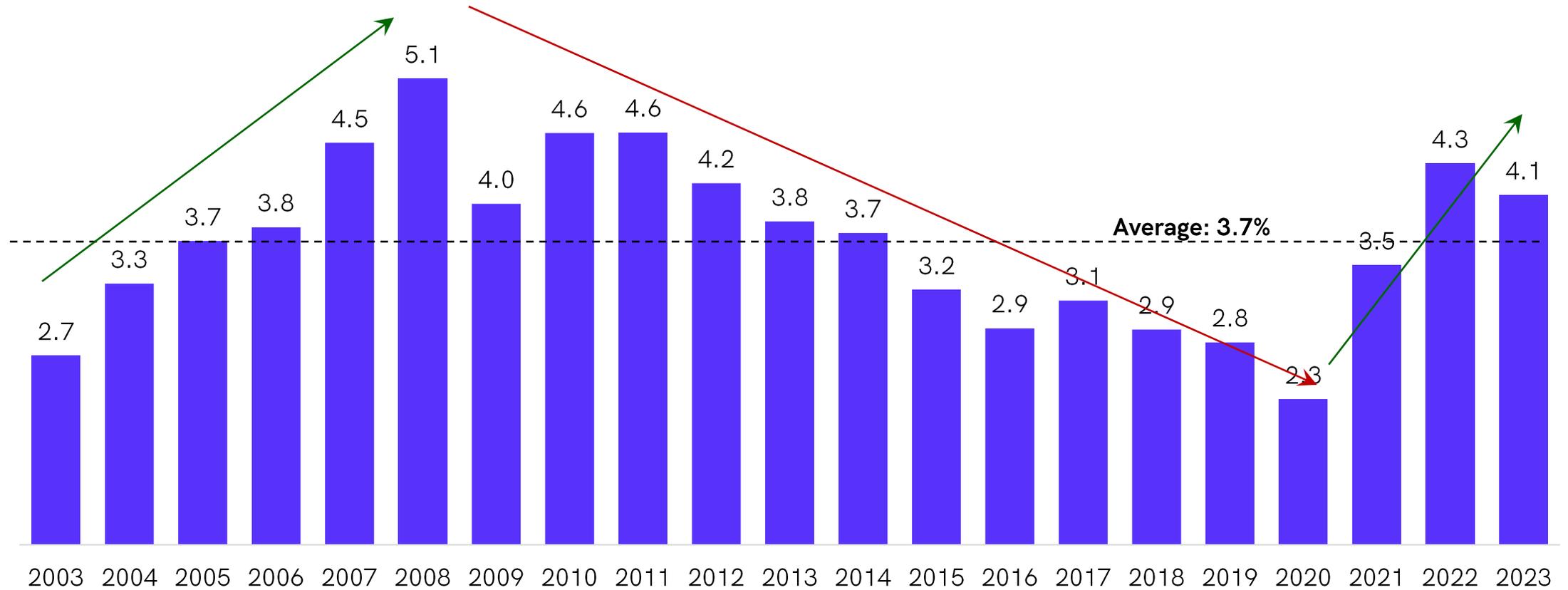


- The importance of investing in compounding stocks is well known
- Indian companies stand out over the long term

Source: Bloomberg. Data as on March 31, 2024.

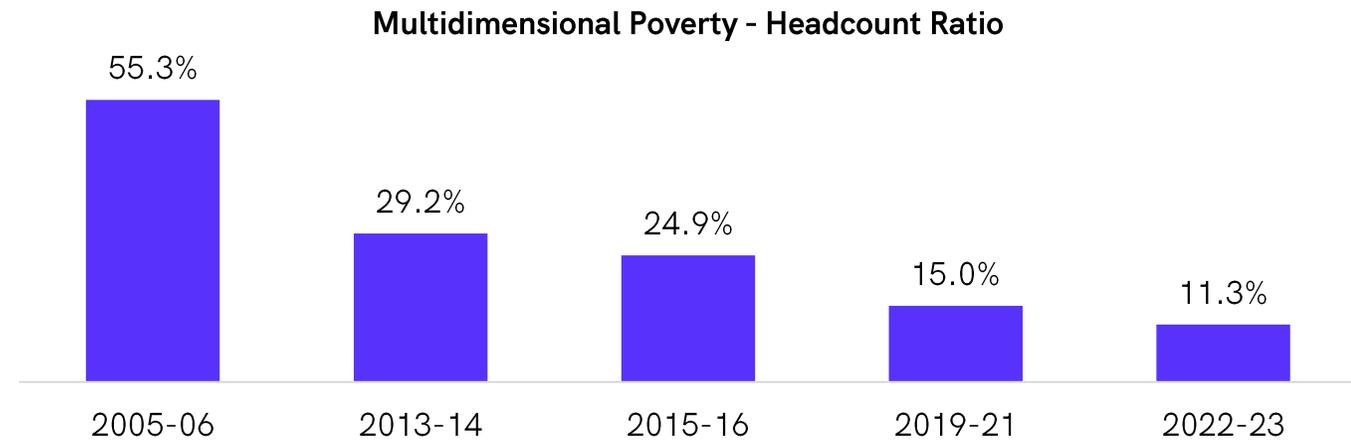
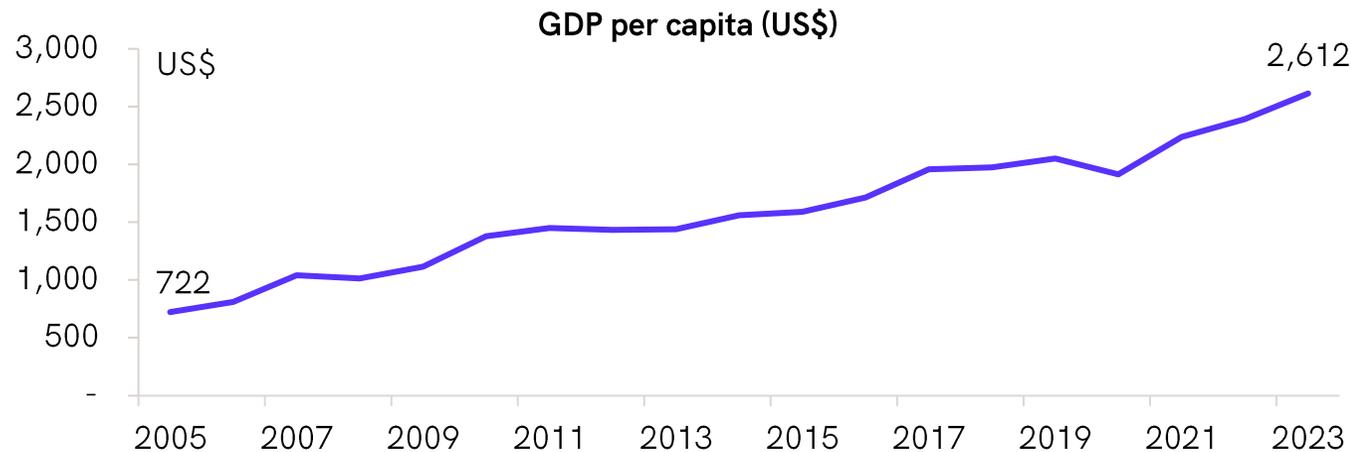
As on March 31, 2024 there were around 661 stocks in the MSCI China index. Past performance is not a guarantee for future returns

Corporate Profits to GDP (%)



Source: Motilal Oswal, Data is shown for Nifty 500

Rising per capita income has led to a fall in poverty and improved access to essential goods & services



Percentage of households with access to various goods/services

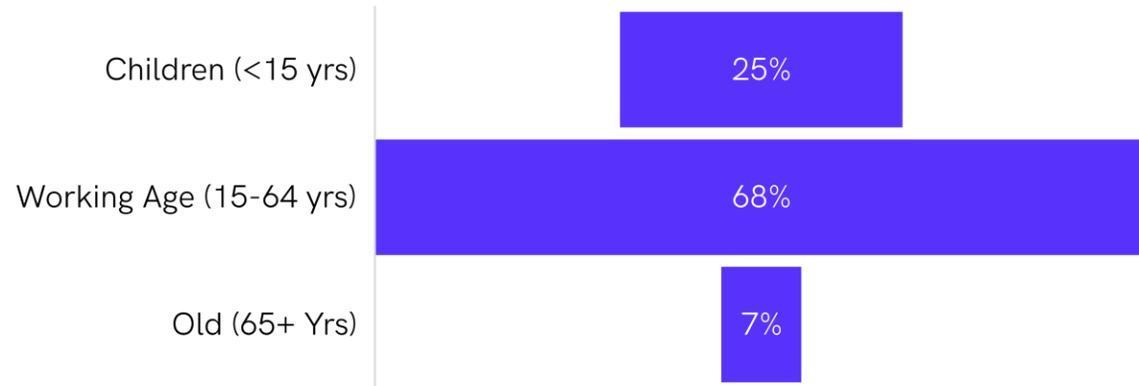
	2006	2021
 Electricity	68%	97%
 Bank Account	40%	96%
 Health Insurance	5%	41%
 Mobile-Phones	17%	93%
 Internet	-	49%
 Two-Wheeler	17%	50%
 Passenger Vehicle	3%	8%

Note: Multidimensional Poverty for 2013-14 and 2022-23 are Niti Ayog projections

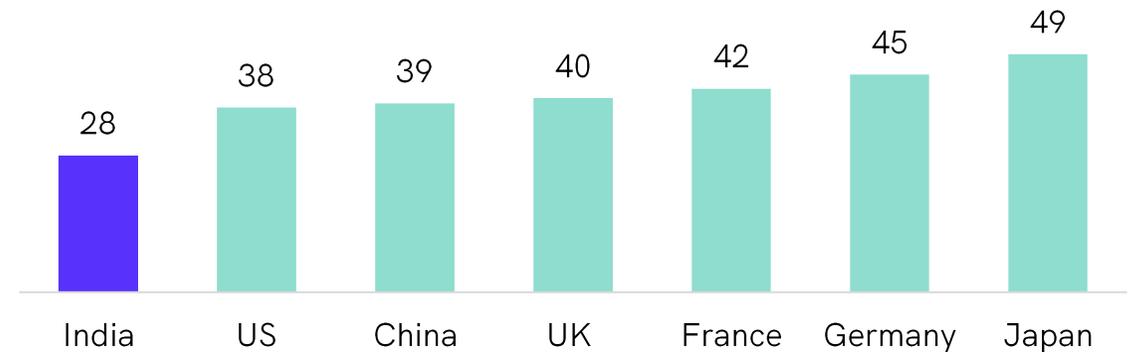
Source: UNDP, National Family Health Surveys, Internal Estimates, 360 ONE Asset Research

India is a young country with 1.4 bn people, accounting for 19% of the world's working-age population

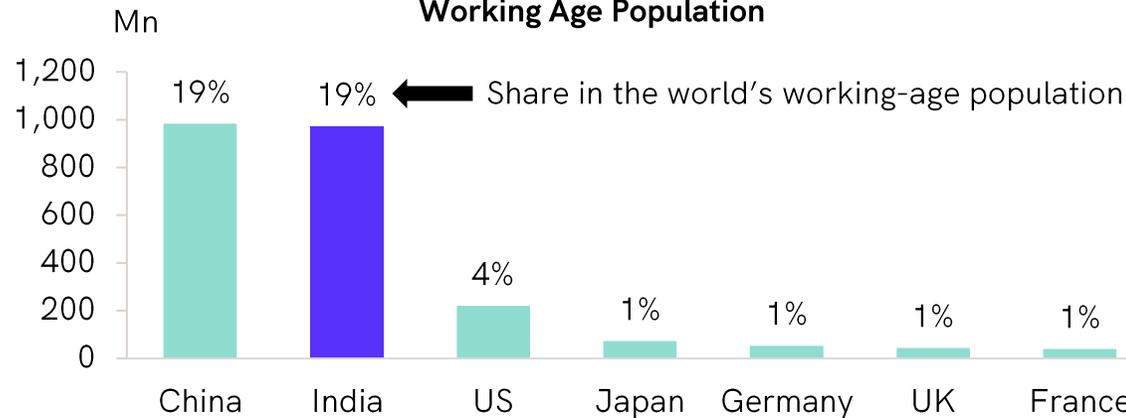
India's Population Distribution



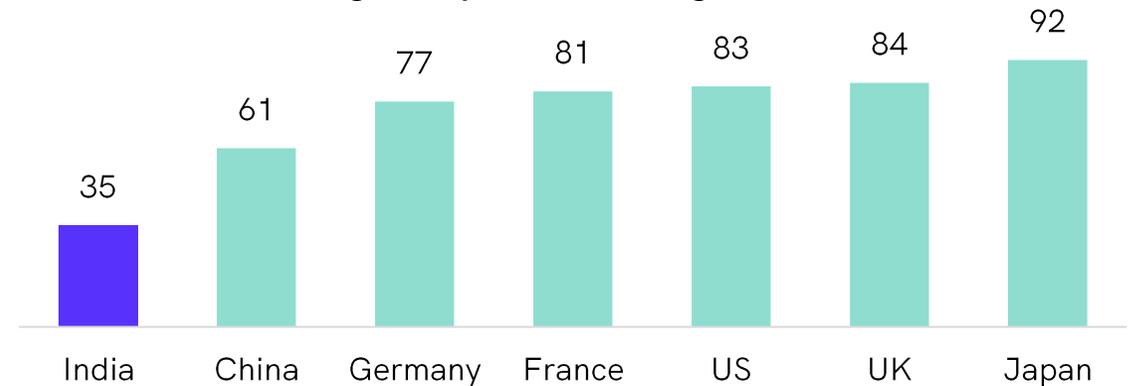
Median Age (years)



Working Age Population



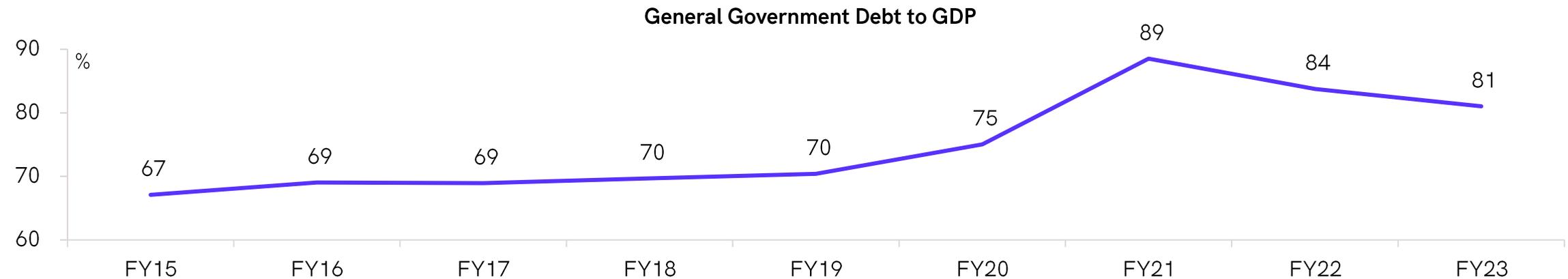
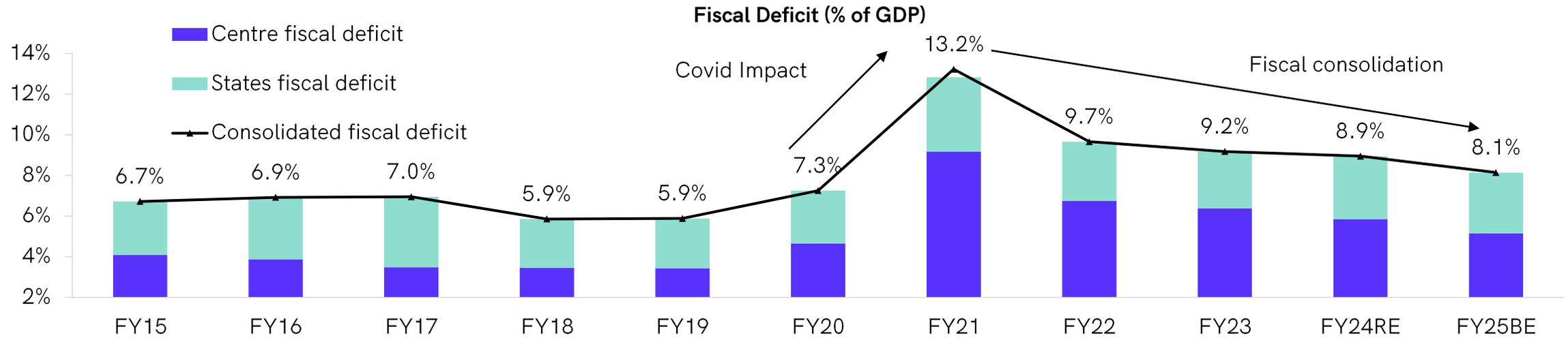
Percentage of Population Residing in Urban Areas



Note: Population distribution, working-age population and median age are 'Medium Variant' estimates for 2023. Percentage of population in urban areas for 2020

Source: UN World Population Prospects, UN World Urbanization Prospects, 360 ONE Asset Research

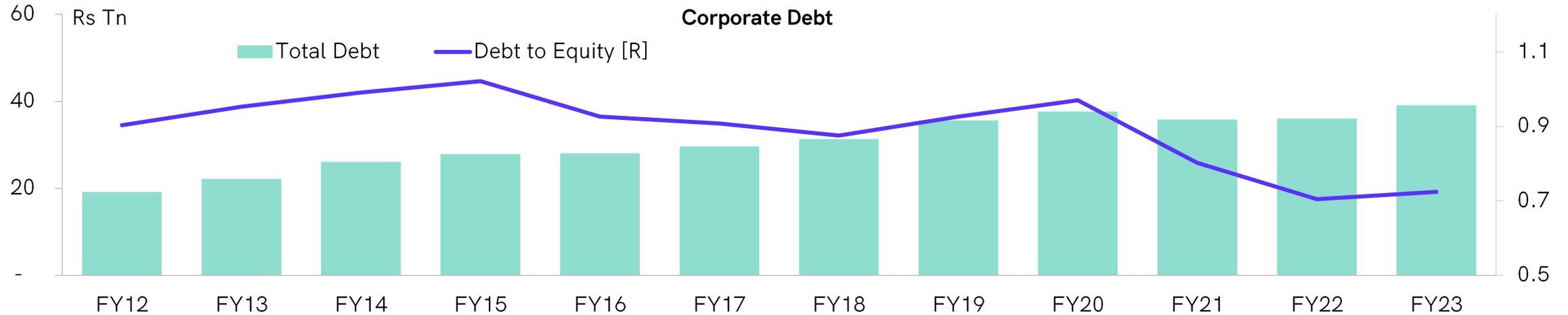
India remains committed to fiscal consolidation after pandemic related splurge



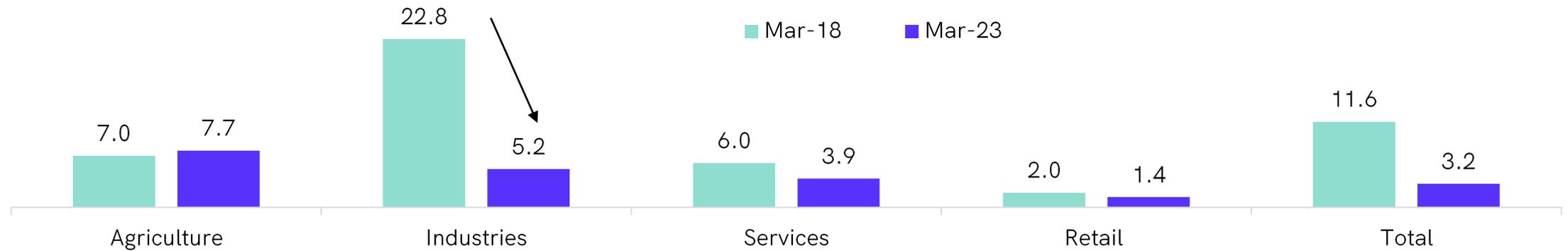
Note: RE - revised estimates, BE- budget estimates

Source: CMIE, IMF, 360 ONE Asset Research

Twin balance sheet strength: Low corporate leverage and healthy bank balance sheets



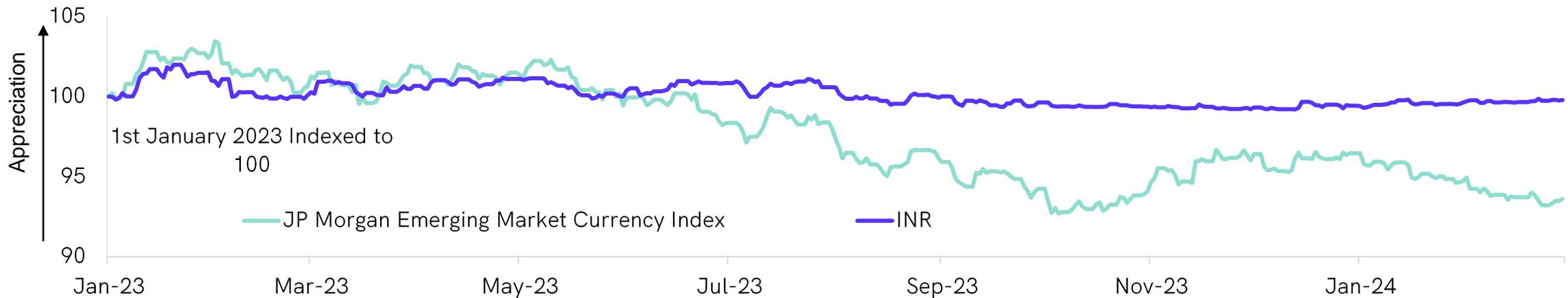
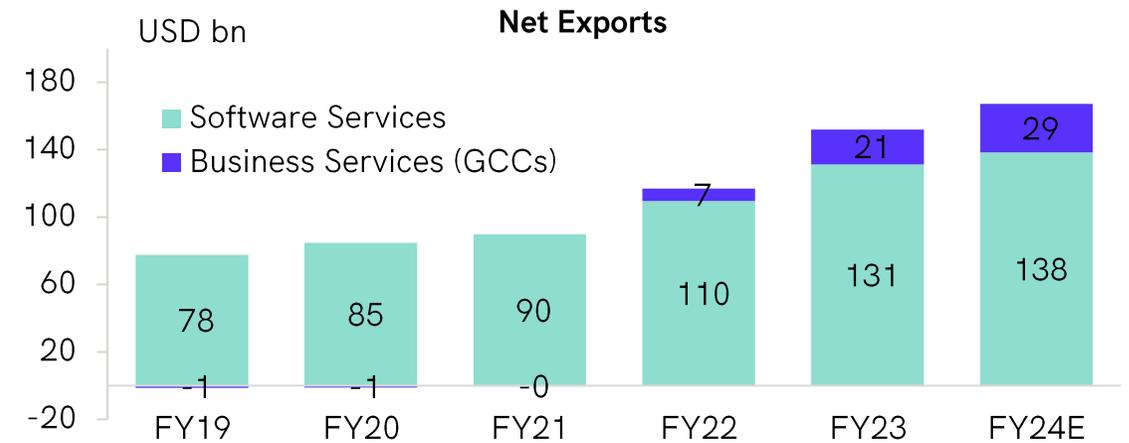
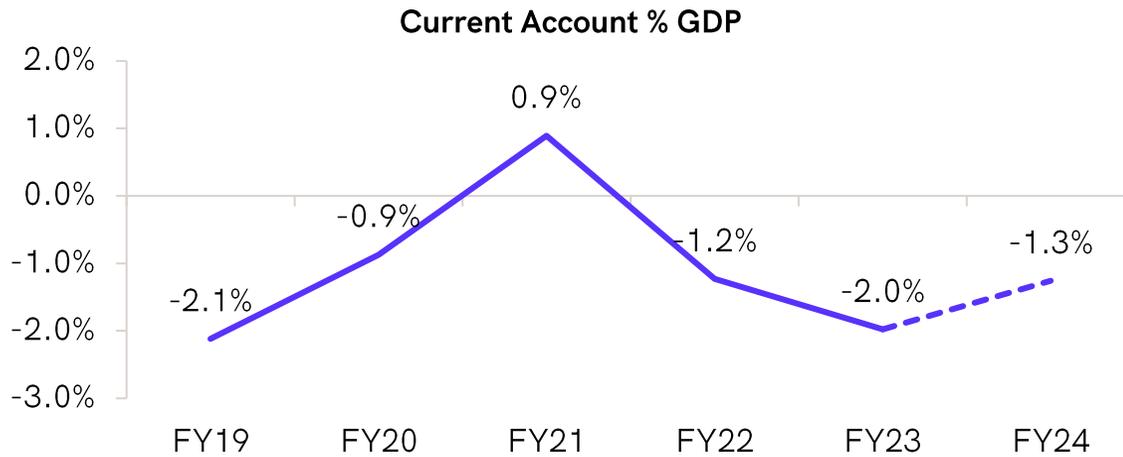
Sector-wise GNPA Ratio (%) of Banks



Note: Corporate Debt based on a sample of 3100+ listed companies

Source: RBI, Ace Equity, 360 ONE Asset Research

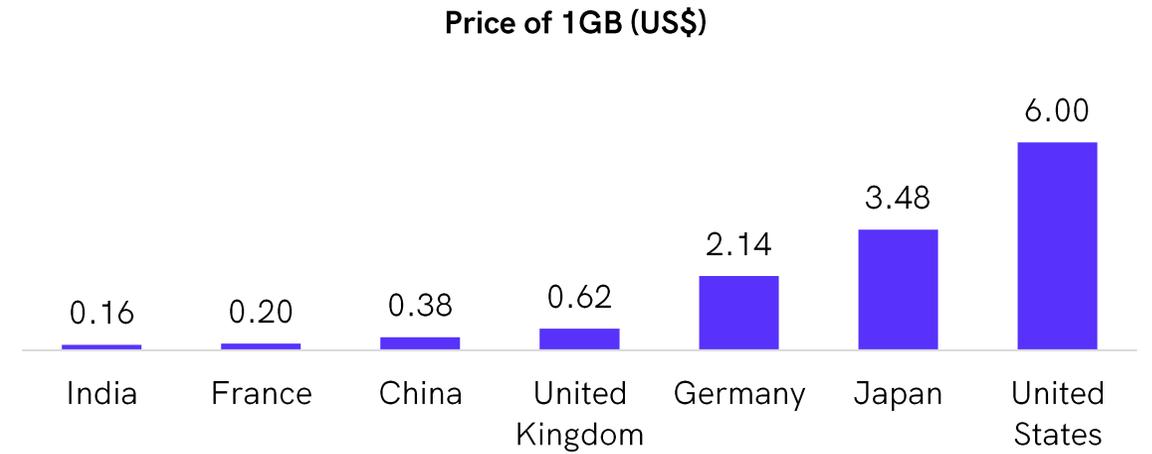
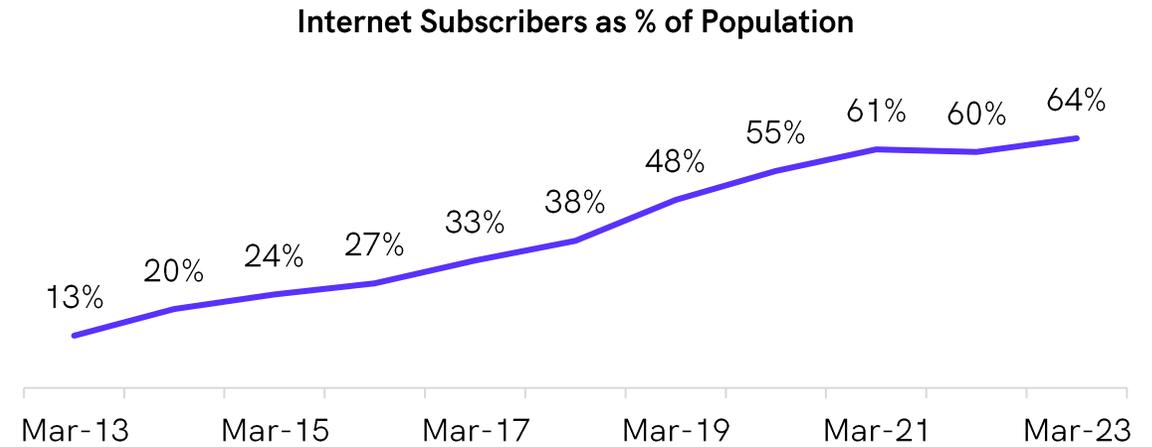
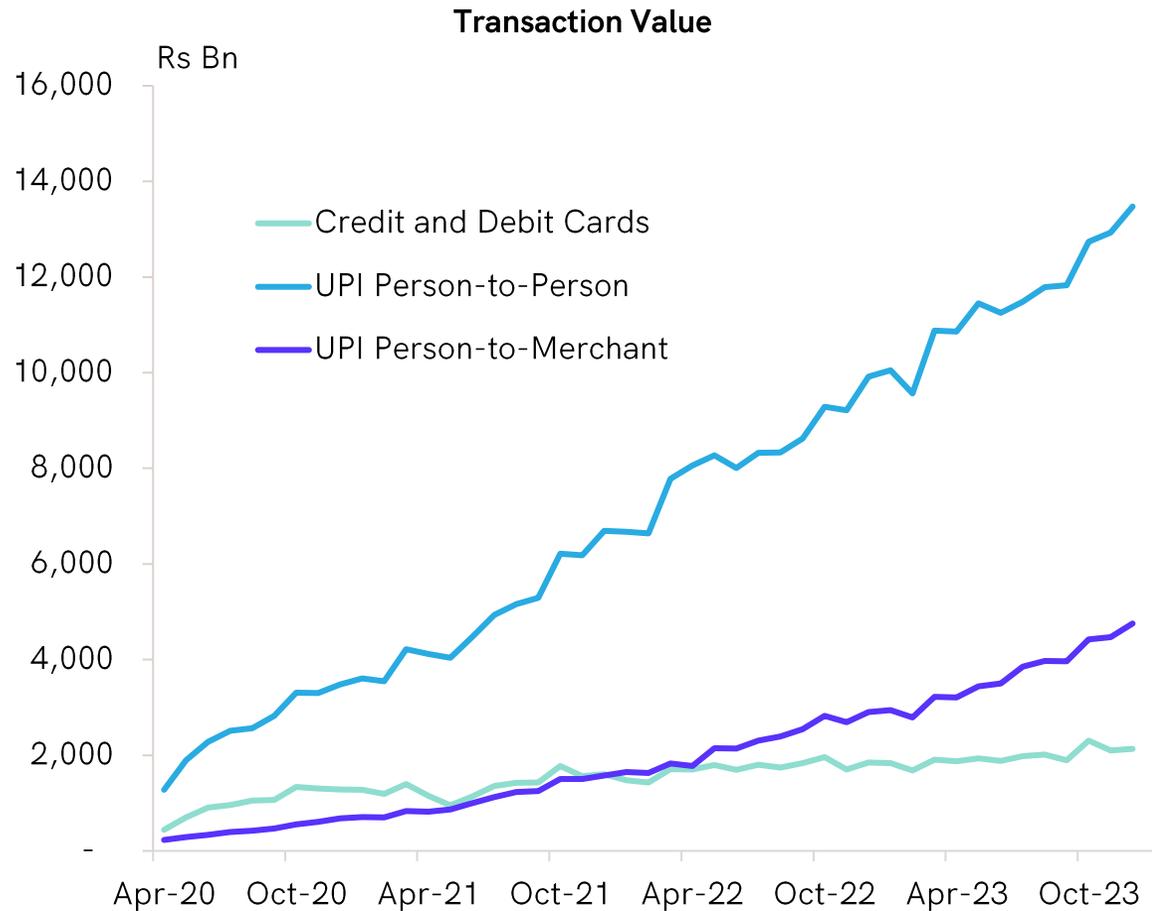
Current Account Deficit remains manageable and INR stable



Source: RBI, Bloomberg, internal estimates

Note: FY24 net exports and CAD are internal estimates, GCC - Global Capability Centers

India's Digital Revolution: Cheap data, rising internet penetration and Unified Payments Interface (UPI)



Note: Price of 1GB data measured in June-September 2023 period

Source: RBI, CMIE, cable.co.uk, 360 ONE Asset Research

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