

Ambit Good & Clean PMS

Investment manager

Ambit Capital Private Limited (ACPL).

Investment philosophy

To generate long term equity returns by investing in firms which are:

- (a) Good- Basis capital allocation track record and quality of improvement in financial metrics; and
- (b) Clean- Based on the quality of their accounts and corporate governance.

The focus on 'good' helps generate upside while not compromising on 'clean' reduces downside risk. Essentially, while our objective is to generate returns, the even bigger goal is to better manage drawdowns because we believe doing the latter successfully is critically vital in achieving the former.

Ambit's proprietary 'forensic accounting' framework helps weed out firms with poor quality accounts while our proprietary 'greatness' framework helps identify efficient capital allocators with a holistic approach to consistent growth.

Fund details

General Information

Fund Type	PMS
Fund Tenure	Open ended
Benchmark	BSE 500
Inception date	12th Mar 2015

Fees

	Option – I	Option – II
Management Fee	2.5 % p.a.	Nil
Performance Fee	NIL	20% of profits subject to hurdle rate
Exit Load	1% if redeemed before 1 year	2% if redeemed before 1 year; 1% if redeemed before 2 years
Hurdle Rate	NIL	Hurdle Rate of 12% p.a with catch up; high water mark applicable

Performance

Returns (%) *	Jun 2015	Since inception (Mar 12, 2015)
G&C PMS	-2.60	-4.07
BSE 500	-1.09	-4.44

* Represents time weighted return of the entire AUM; performance is post brokerage and other statutory charges but before fees.

'Forensic accounting' framework

The framework uses 11 financial ratios across the following four categories of checks:

- (a) P&L misstatement checks,
- (b) Balance sheet misstatement checks,
- (c) Cash pilferage checks, and
- (d) Audit quality checks.

'Greatness' framework

The 'greatness' framework helps identify firms that have been able to relentlessly and consistently:

- (a) Invest capital;
- (b) Turn investment into sales;
- (c) Turn sales into profit;
- (d) Turn profit into balance sheet strength;
- (e) Turn all of that into free cash flow; and
- (f) Invest free cash flows again.

Portfolio manager

Pranab Uniyal
+91 22 3043 3161
pranabuniyal@ambitcapital.com

DISCLAIMER

Ambit Capital Private Limited ("Ambit") is a registered Portfolio Manager with Securities and Exchange Board of India.

This presentation / newsletter / report is strictly for information and illustrative purposes only and should not be considered to be an offer, or solicitation of an offer, to buy or sell any securities or to enter into any Portfolio Management agreements. This presentation / newsletter / report is prepared by Ambit strictly for the specified audience and is not intended for distribution to public and is not to be disseminated or circulated to any other party outside of the intended purpose. This presentation / newsletter / report may contain confidential or proprietary information and no part of this presentation / newsletter / report may be reproduced in any form without its prior written consent to Ambit. If you receive a copy of this presentation / newsletter / report and you are not the intended recipient, you should destroy this immediately. Any dissemination, copying or circulation of this communication in any form is strictly prohibited.

Neither Ambit nor any of their respective affiliates or representatives make any express or implied representation or warranty as to the adequacy or accuracy of the statistical data or factual statement concerning India or its economy or make any representation as to the accuracy, completeness, reasonableness or sufficiency of any of the information contained in the presentation / newsletter / report herein, or in the case of projections, as to their attainability or the accuracy or completeness of the assumptions from which they are derived, and it is expected each prospective investor will pursue its own independent due diligence. In preparing this presentation / newsletter / report, Ambit has relied upon and assumed, without independent verification, the accuracy and completeness of information available from public sources. Accordingly, neither Ambit nor any of its affiliates, shareholders, directors, employees, agents or advisors shall be liable for any loss or damage (direct or indirect) suffered as a result of reliance upon any statements contained in, or any omission from this presentation / newsletter / report and any such liability is expressly disclaimed.

You are expected to take into consideration all the risk factors including financial conditions, Risk-Return profile, tax consequences, etc. You understand that the past performance or name of the portfolio or any similar product do not in any manner indicate surety of performance of such product or portfolio. You further understand that all such products are subject to various Market Risks, Settlement Risks, Economical Risks, Political Risks, Business Risks, Financial Risks etc. You are expected to thoroughly go through the terms of the arrangements / agreements and understand in detail the Risk-Return profile of any security or product of Ambit or any other service provider before making any investment. You should also take professional / legal /tax advice before making any decision of investing or disinvesting. Ambit or Ambit associates may have financial or other business interests that may adversely affect the objectivity of the views contained in this presentation / newsletter / report.

Ambit does not guarantee the future performance or any level of performance relating to any products of Ambit or any other third party service provider. Investment in any product including mutual fund or in the product of third party service provider does not provide any assurance or guarantee that the objectives of the product are specifically achieved. Ambit shall not be liable to client for any losses that you may suffer on account of any investment or disinvestment decision based on the communication or information or recommendation received from Ambit on any product. Further Ambit shall not be liable for any loss which may have arisen by wrong or misleading instructions given by you whether orally or in writing.