AMBIT ASSET MANAGEMENT

April 2021

MONTHLY NEWSLETTER

Ambit Good & Clean Midcap Portfolio **Ambit Coffee Can Portfolio** **Ambit Emerging Giants Portfolio**

FY21:The year to remember (Hits & Misses)

Dear Patron,

If there were a possibility to summarise the year gone by in data and charts, this is what we think it might look like. This time around we take you through some of the notable data points (including Hits and Misses) and talk about the direction in which the data points us to.

Furthermore, while data is available to us all to decipher, what becomes more important is to interpret this data and take decisions based on that data. Keeping this in mind, we also take a closer look into the Hits & Misses that we as a team may have had through this year of uncertainty. While we can be grateful for our **'Hits'** we also make sure to learn from our **'Misses'**

1. Global Macro: Stimulus +Recovery +2nd wave

Exhibit 1: Sharp global recovery seen, huge stimulus buoyed economies. Areas of concern remain around inflation, new waves of Covid and hiccups on vaccination drive

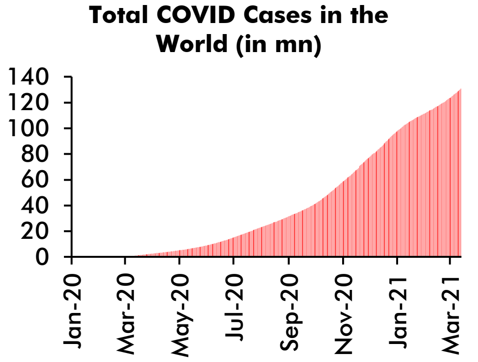
Hit	Miss
▪ Record High Manufacturing PMI in March ▪ Jobless claims in US at 1 year record low. ▪ Improvement Business sentiment Index ▪ Maintain of Accommodative stance ▪ Broader Market Rally from Polarization ▪ Deflation to Reflation on rising growth outlook	▪ Global Yield Hardening due to Inflationary concern ▪ Second & Third Wave of Fresh COVID cases ▪ Inefficiency of few COVID vaccines. ▪ Higher Decline in Retail sales ▪ Rising Commodity prices on shortage ▪ Slower recovery of fuel demand

Source: Ambit Asset management

Exhibit 2: Fed Balance Sheet has expanded ~9x over the years...

Source: Ambit Asset management, Federal Reserve

Exhibit 3: ...recent one being fuelled by rising cases globally...



Source: Ambit Asset management, Our World in Data, as of 3RD Apr 2021

Exhibit 4: Improving vaccine availability a positive

Vaccine	Countries using
Oxford/AstraZeneca	89
Pfizer/BioNTech	79
Moderna	34
Sinopharm	22
Sputnik V	20
Sinovac	14
Johnson & Johnson	2
Covaxin	1

Source: Ambit Asset management, Our World in Data, Note: *Locations where data on doses administered is available*

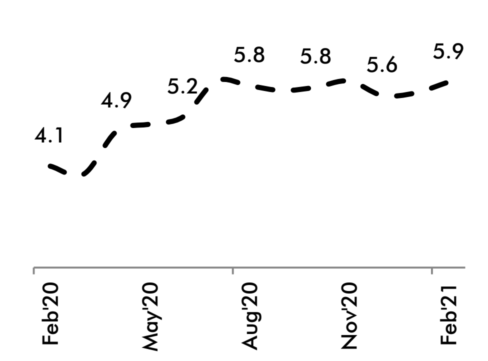
2. India: Overall recovery+watch for Inflation/2nd wave

While Inflation has been inching up, credit growth remains on the weaker side and fiscal deficit is rising, it is reassuring that GST collections are rising, manufacturing PMI is highest in a decade and Fast Tag payments have recovered to 'normal' levels. ***(Exhibit 5, 6 &7)***

While the lifestyle of a 2nd wave of Covid can be potentially high, the vaccine program is likely to pick up pace to combat the rising cases. ***(Ref to Exhibit 11 &13)*** (Also Refer to ***Our take on Covid*** note from [last week])

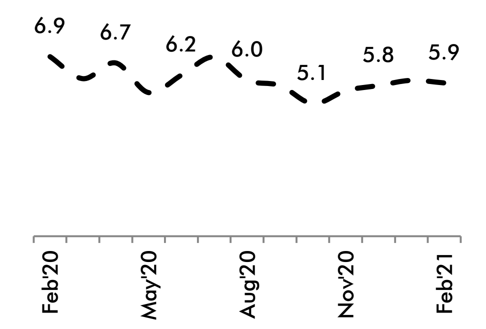
Economic forecasts continue to suggest opening up and business activity likely to normalise and bounce back in coming year. ***(Ref to Exhibit 12)***

Exhibit 5: Core CPI Inflation: Rise on crude & commodities-MISS



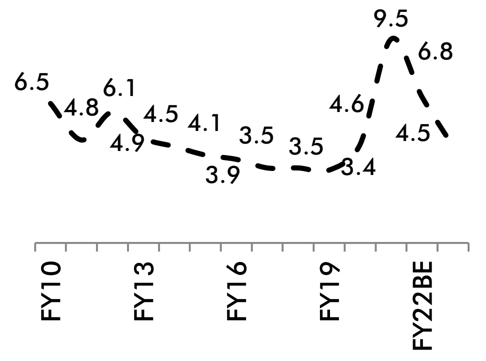
Source: Ambit Asset management, NSO, CEIC

Exhibit 6: Credit Growth (% YoY): Weaker growth & stagnant CD Ratio at 72.3%- MISS



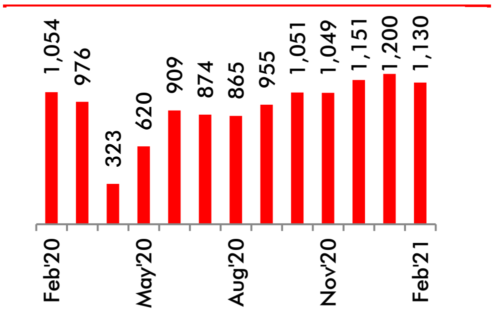
Source: Ambit Asset management, RBI

Exhibit 7: Fiscal Deficit rises before easing- MISS



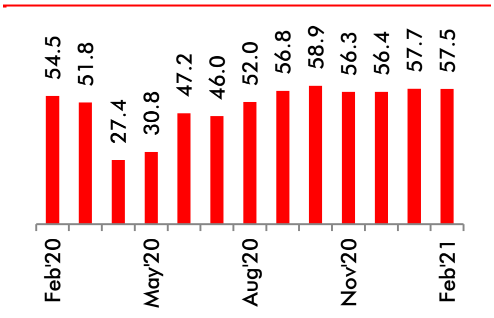
Source: Ambit Asset management, GOI

Exhibit 8: GST Collections, 5 months>Rs1tn-HIT



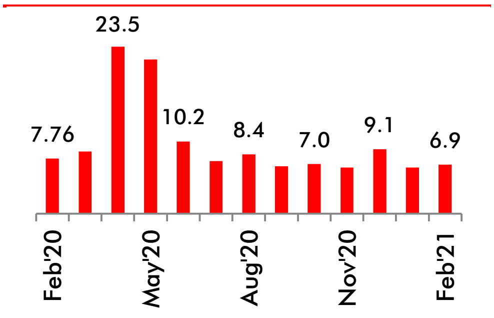
Source: Ambit Asset management, PIB

Exhibit 9: Manufacturing PMI is highest in a decade-HIT



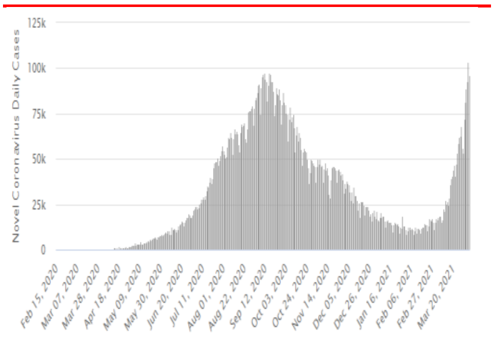
Source: Ambit Asset management, Bloomberg

Exhibit 10: Unemployment reduces to pre-covid levels -HIT



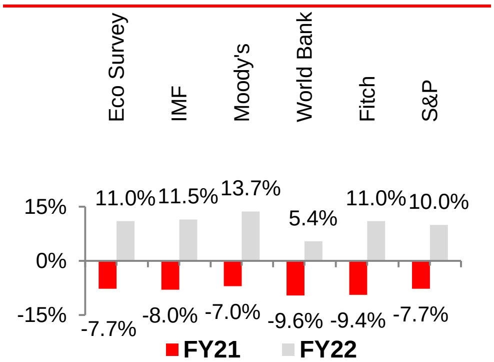
Source: Ambit Asset management, RBI

Exhibit 11: India cases on the rise once again...



Source: Ambit Asset management, worldometers

Exhibit 12: Economic forecasts continue to show sharp recovery



Source: Ambit Asset management, Respective organisation as mentioned in chart

Exhibit 13: India vaccines likely to pick up pace in coming months

	In Cr.	% of Total
Population	138	
20-45 Age Group	55.2	40%
Population in Urban areas	19.3	35%
2 dose vaccination for 20-45 age group in Urban areas		
Scenario	**Doses / day (cr.)**	**Months needed**
Current / Pessimistic*	0.15	9
Base Case	0.26	5
Optimistic	0.38	3

Source: Ambit Asset management *estimate, Wikipedia, *Assumed 2/3rd of daily vaccines being administered are in Urban areas*

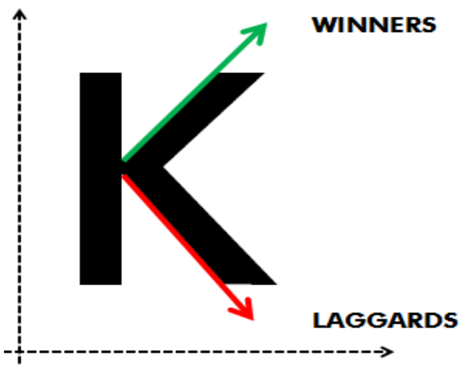
3. Hits & Miss: Behind the scenes

A. Hits: K shaped recovery thesis + Stress testing +remaining Invested

The "K" shaped recovery concept rests on the idea that while the fortunes of some in the economy have nearly or fully recovered (broadly defined), the fortunes of many are still declining, or at least failing to recover nearly as quickly.

Earlier in the year, after Covid struck, we took a different view then from the consensus and strongly believed that the recovery path would not be the same for all. A divergence between companies with winning traits and losing traits amidst the grave hardship in economic and business environment would become fairly evident going ahead and to that effect we called for a "K" shaped recovery ***(Ref to Exhibit 14)*** as the most likely outcome. This led us to identify companies with winning and losing traits ***(Ref to Exhibit 15)*** and take a closer look at our portfolio companies through our Survive & Thrive exercises ***(Ref to Exhibit 17-19).*** *The next step was to remain invested in equities given our (a) awareness on market behavior in past decades, (b) seeing crisis as a time of opportunity to enter quality names and (c) Our steadfast stance as to avoid timing the market in order to generate long term wealth**(Ref to Exhibit 16).***

Exhibit 14: While a variety of shapes of recovery have been spoken about, at the time we had a different and polarizing view, we saw the recovery to be more K shaped above all



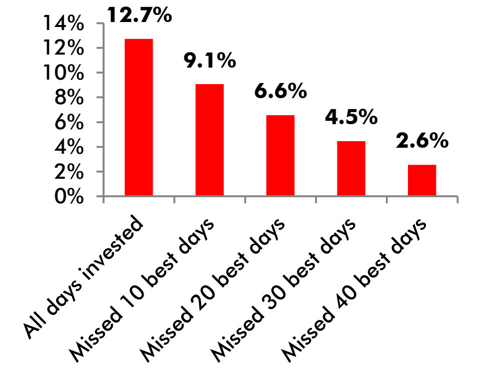
Source: Ambit Asset management

Exhibit 15: Characteristics we identify of companies with winning traits

Winners	Losers
Strong Balance Sheet	Weak Balance Sheet
Low DE	High Debt
Strong brand equity	Low scale and limited reach
Leadership position will help garner market share	Unorganised segment
Adaptability to changes	Low competitive advantage

Source: Ambit Asset management

Exhibit 16: Staying invested allows us to maximize return + minimize risk post stock selection



Source: Ambit Asset management, Sensex performance last 20 yrs upto 31st March 2020

We Stress tested our portfolios through our Survive & Thrive frameworks:

Exhibit 17: Ambit Coffee can PMS

	SURVIVE		THRIVE	
	Risk	Stocks	Likely to capitalize on opportunity	Stocks
GREEN	Low	13	Very well placed	13
AMBER	Average	0	Reasonably placed	0
RED	Above average	0	Slower recovery	0
	LOW	13	GREEN	13

Source: Ambit Asset management, Note: Survive code assesses risk and ability to withstand headwinds for 6 months, Thrive code assesses ability of the business to perform over the coming 2-3 quarters. This exercise was carried out in April & May 2020

Exhibit 18: Ambit G&C midcap PMS

	SURVIVE		THRIVE	
	Risk	Stocks	Likely to capitalize on opportunity	Stocks
GREEN	Low	14	Very well placed	15
AMBER	Average	4	Reasonably placed	2
RED	Above average	1	Slower recovery	2
	LOW/AVG	19	GREEN	19

Source: Ambit Asset management, Note: Survive code assesses risk and ability to withstand headwinds for 6 months, Thrive code assesses ability of the business to perform over the coming 2-3 quarters. This exercise was carried out in April & May 2020

Exhibit 19: Ambit EG PMS

	SURVIVE		THRIVE	
	Risk	Stocks	Likely to capitalize on opportunity	Stocks
GREEN	Low	10	Very well placed	8
AMBER	Average	5	Reasonably placed	7
RED	Above average	1	Slower recovery	1
	AVG	16	GREEN	16

Source: Ambit Asset management, Note: Survive code assesses risk and ability to withstand headwinds for 6 months, Thrive code assesses ability of the business to perform over the coming 2-3 quarters. This exercise was carried out in April & May 2020

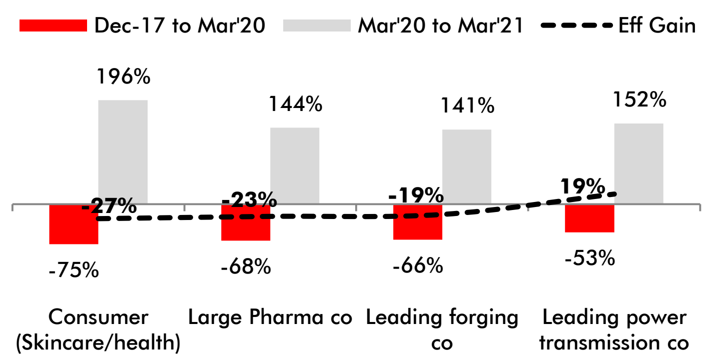
B. Missed: Allocating to certain companies/sectors in 2nd half of the year...

Given our view that consistent returns follow consistent earnings ***(Ref to Exhibit 22 & 23)*** we may have missed allocating towards certain cyclical companies and sectors (also companies with poor corporate governance) which could have given higher returns (as they sharply fell too).We avoided this strategy as it meant (a) taking on higher risk (b) Timing the entry and exit perfectly (which we feel is only possible in hindsight)

Moreover we stuck to our portfolio philosophy which ensures we invest in high quality companies which have the potential to grow consistently and sustainably. ***Exhibit 20*** (below) shows how in the Mar 20- Mar 21 period certain companies which either did not meet our stringent filters or were cyclical in nature could have done optically better in the specified period, however if we consider a longer time horizon these stocks have hugely underperformed their counterparts in ***Exhibit 21*** which resembles the companies we invest in (meeting our Good & Clean framework and are consistent in earning growth which then reflects as better returns as indicated by the black dotted line.

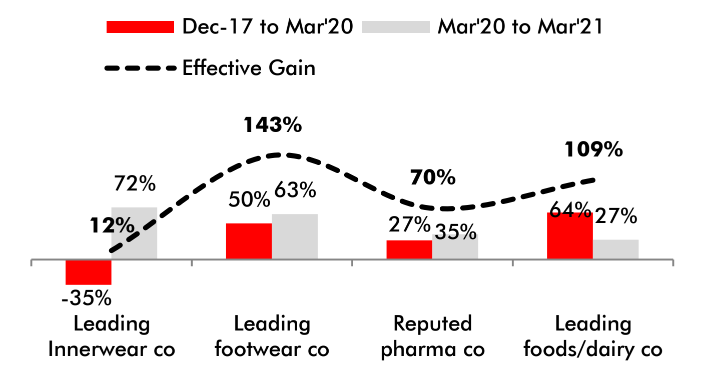
Given our portfolio companies continue to deliver high earnings growth over their peers we think that they are likely to continue to compound going ahead with lower risk to your principal. ***(Ref to Exhibit 23)***

Exhibit 20: Companies with poor ranking on G&C framework or weaker financial ratios...



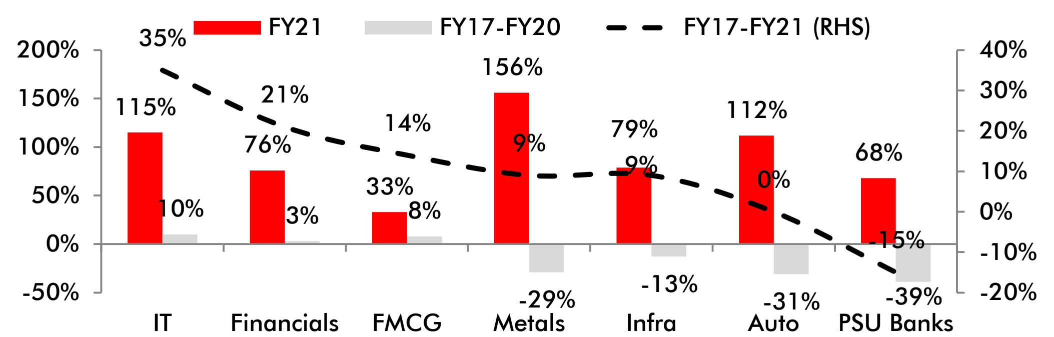
Source: Ambit Asset Management, Bloomberg

Exhibit 21: ...Richly ranking on G&C quantitative and financial framework



Source: Ambit Asset Management, Bloomberg

Exhibit 22: ...similarly cyclicals have done better in 2nd half of FY21(assuming you perfectly timed entry-exit) but over longer time frames returns start to come down



Source: Ambit Asset Management

Exhibit 23: Healthy growth in Revenue and EBITDA across portfolios in the aftermath of Covid 19

	Net Sales YoY%			EBITDA YoY%			PAT YoY%		
Coffee Can PMS	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**
Weighted avg.	6%	7%	13%	19%	20%	30%	29%	4%	33%
Median	7%	9%	12%	17%	18%	25%	24%	4%	19%
Nifty	40%	-10%	-5%	52%	-10%	8%	22%	-10%	11%
Good & Clean PMS	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**
Weighted avg.	5%	2%	9%	5%	10%	30%	-12%	77%	34%
Median	7%	7%	9%	4%	19%	27%	8%	-4%	7%
Nifty Midcap 100	-2%	10%	5%	-9%	16%	23%	2%	7%	27%
Ambit Emerging Giants PMS	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**	**Q3FY20**	**Q2FY21**	**Q3FY21**
Weighted avg.	8%	5%	6%	23%	24%	21%	38%	5%	12%
Median	10%	0%	3%	15%	-2%	7%	33%	-7%	9%
BSE small cap	5%	-3%	4%	1%	48%	47%	16%	29%	26%

Source: Ambit Asset management, Indices data is taken from Bloomberg, NM=Not meaningful

4. Hits & Miss: Our client communications, portfolio strategies/tactics employed

A. What we spoke about + wrote about

Main headings	**Comments**	**Reference**	**Hit/Miss**
Stay Calm, Keep Investing	While staying true to philosophy of time in the market rather than timing the market, we underestimated the impact of COVID on the economy in the near term. However, we were correct on our assessment of market at that point.	FMD Mar-20	●/●
ACT now! Don't try to time	Use the steep discount (~35% in broader market) to invest now, rather than wait for correction and time the market	FMD May-20	●
Importance of our Framework	Accounting framework helps avoid investment in Wirecard type companies while the Coffee Can Filter ensures investment in Quality companies	FMD Jun-20, July-20	●
Early identification of K-Shaped Recovery	Leaders / Winners will see a quicker recovery than Laggards, with the divergence only increasing	FMD Sep-20	●
Do not Bank on external factors	It is difficult to predict market movements based on geo-political factors and events. Focus on time-In-The market rather than Timing the market	FMD Oct-20	●
Time in the market rather than timing the market	Use any correction in the market due to external events to increase equity allocation	FMD Jan-21, Mar-21	NA
Opportunity in Adversity	Steep correction in March-2020 provided an excellent opportunity to invest.	March-20	●
Identifying Risk	Stress testing our portfolio to ascertain their ability to ***Survive*** & ***Thrive***	April-20 & May-20	●
The positives, beyond finance, in an otherwise gloomy situation	We covered stories of positivity, hope and anything but finance allowing us to get fresh perspective.	June-20	NA
Process precedes Performance	Following stringent investment processes	July-2020	●
Avoiding Behavioral Biases	Revisited some core principles that we stick to while investing	Aug-20 & Jan-21	●
Learning from the Best	Lessons from the likes of Warren Buffett, John Templeton, Peter Lynch, Philip Fisher & ***Captain Cool***	Jan-21, Aug-20 & Sep-20	NA
Right-To-Win	Holding on to companies that will be the eventual beneficiary of K-Shaped recovery	October-20	●
Signs of K-Shaped Recovery playing out	Data led by Q3FY21 results and management commentary showed signs of K-Shaped recovery playing out	March-21	●

Source: Ambit Asset Management

B. Stocks & Sectors: Reflecting on some of the steps we took

Exhibit 24: Steps taken during the year: Calls which worked and which didn't!

Portfolio	Particulars	Commentary	Hit/ Miss
Coffee Can Portfolio	Avenue Supermart	▪ Gradually built up positions in when we got an opportunity to enter at reasonable levels and as we got comfort on the economy opening up. The company remained operational through the pandemic and has surpassed its performance YoY in Q3FY21.	🟢
Coffee Can Portfolio & Good & Clean Portfolio	Entered Insurance companies	▪ HDFC Life: Built position in mid-May and June when we got an opportunity to invest in a great franchise at reasonable valuation ▪ ICICI Lombard: Built position in end Nov / early Dec '20 to bet on the general insurance sector on account of lower interest rate cycle led reduced competition intensity and sectoral tailwinds created by Covid	🟢
Good & Clean Portfolio	Bold call to add financials :New addition of Au Small Finance Bank, increased weight in Aavas & Chola	▪ Used the opportunity provided by the BFSI crisis and promoter stake sale to build positions at attractive levels in May/June 2020.The strong management team, granularity of book and consistent performance track record gave us good comfort. ▪ We also increased exposure to Aavas financiers and Chola (as price correction favoured risk to reward payoff)	🟢
Good & Clean Portfolio	Bold call to increase exposure to PVR	▪ Holding on to our PVR investment at the peak of the pandemic was a contra-consensus call and by no means an easy one. We were confident of the company's ability to not only SURVIVE but also THRIVE post the pandemic and be a beneficiary of industry consolidation. ▪ In line with our thesis, we participated in the rights issue at Rs784, ~50% discount to its QIP price in Jan-2021.	🟢
Emerging Giants Portfolio	Exited Sterling tools to enter Sundram Fasteners	▪ Switched from Sterling Tools to the market leader Sundram Fastners around end May '20 at around beaten down levels using the opportunity to enter the stock at reasonable valuations. We also exited Fiem Industries to switch to Sundram Fastners ▪ We felt this made sense given we moved from the No 2 player to the No 1 player with stronger balance sheet and capability and likely beneficiary of recovery in the auto segment post covid	🟢
Emerging Giants Portfolio	Safari Industries when valuation plunged due to Covid led travel disruption	▪ Used the opportunity to enter at reasonable valuations considering the impact on Travel sector. We believed Safari will be able to increase its market share in the post pandemic world and improve Cash Flow	🟢
Emerging Giants Portfolio	GMM Pfaudler-Reduced substantial weightage before price crash on OFS	▪ GMM Pfaudler had high weightage in some of our Emerging Giants client portfolios in Jan/Feb 2020 we systematically brought this down to manage overconcentration risk. ▪ Booked profits on case by case basis in months of Feb '20, May-Jul '20, Aug-Sep '20, selling almost 65% of shares for 1 Yr+ clients	🟢
Emerging Giants Portfolio	Alkyl Amines-limited Profit booking to manage risk, continued to maintain high weightage	▪ Alkyl Amine weightage was as high as 20% in many client accounts given the sharp run up in this multi-bagger over the last 2 years. We booked profits at intervals (Aug '20, Dec '20, Jan '21). The most recent trimming was done in the month of March for some client with higher weightage. ▪ We have however made sure that given the promising future prospects of this company and reasonable valuations (until recently) it continues to be one of the largest holding in most Emerging Giants client accounts.	🟢
Across portfolios	Proxy play on Real estate and Infrastructure theme	▪ While we avoided direct investment in these sectors, we did participatetat theme via proxy play through our investment in quality companies like Kajaria Ceramics, Pdilite, Supreme Industries which have strong balance sheet, cash flows and good corporate governance	🟢
Emerging Giants Portfolio	DCB Bank-segment recovery got impacted by covid	▪ Added in July '20 at what we believed as reasonable price levels utilizing the correction in BFSI stocks ▪ DCB Bank is a modern emerging new generation private sector bank. DCB's target market for credit growth remains the self-employed & small business segments. During the pandemic, the most affected segment was self-employed & recovery run-rate decreased to one-third, both factors impacted loan growth, rising asset quality & lower profitability. The Bank followed a conservative stance in terms of higher provisions and prioritized safety over growth. Due to the segment mix, Collection efficiency across segments was lower than peers (88-94%).These factors led to underperformance of the stock	🔴
Lower exposure to IT across Portfolios	Low exposure to IT in Ambit Good & Clean No IT exposure in EG portfolio	▪ Limited/no exposure to IT stocks in Ambit Good & Clean ▪ Lower availability of potential high quality small cap IT stocks with good growth potential and reasonable valuations led us to look for opportunities in other sectors with more favorable risk to reward ratio	🔴
Across portfolios	Avoided cyclicals	▪ We avoided cyclical stocks such as metals, energy and commodity/gas companies ▪ Avoided low quality BFSI stocks and CV players which saw huge crash due to increased risk but later saw a good bounce back too ▪ ***Refer to Point 3 (b) & Exhibits 20-23***	🔴

Source: Ambit Asset management

5. Conclusion: Learn from data + mistakes +Time is now to Invest responsibly in quality and for the long term and avoid high risk bets

In undertaking this analysis we looked to identify the Hits & Misses of the year gone by-Both externally (Globally, India) and internally (our own communique with investors, our top down and bottom up calls and their impact). Indeed, one year is a short time when one is investing for long term but it serves as a good learning in hindsight.

The data seems to suggest that global cues point towards continued economic recovery, stimulus packages on the positive but the things to watch out for remain rising interest rates and 2nd wave of Covid cases. Closer to home in India the positives of normalizing Fast Tag collections, lower unemployment rates, GST>Rs 1tn, highest PMI in a decade and finally 2 in-house vaccine programs with likely 3rd one in the works will likely outweigh and combat the negatives of a 2nd wave or higher inflation.

We have learnt a great deal as well through the year and all our past and present teachings so tell us that now is the time to invest indeed but invest responsibly. In times such as now the prudent thing to do would be to increase exposure to high quality stocks with strong balance sheets, sustainable competitive advantages and healthy earnings growth so as to continue to participate on the upside growth potential of equity investments without risking your principal. It is time to avoid speculating in cyclicals, poor corporate governance stock ideas, companies with poor earnings potential and highly leveraged companies.

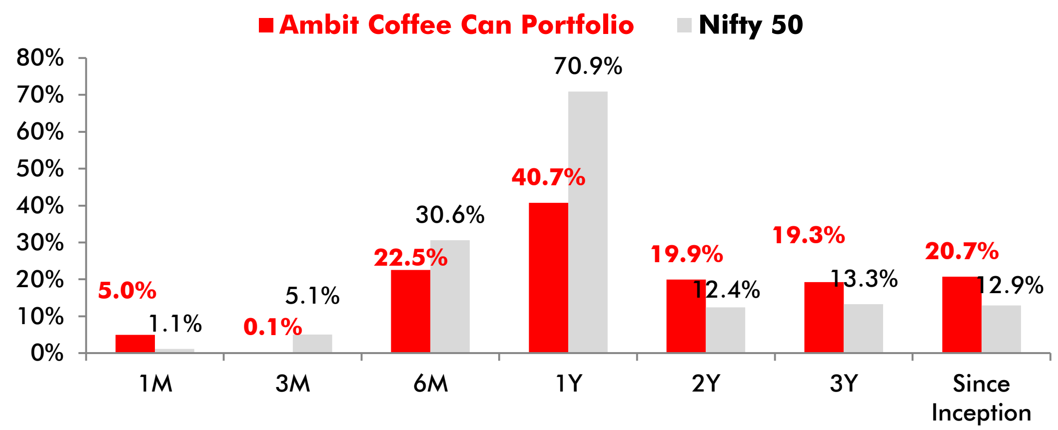
Main headings	Particulars	Hit/Miss
Global Economy	▪ Stimulus by central banks helped contain the impact of pandemic	●
	▪ Global Yield rising because of Inflation concerns. 2nd / 3rd Wave of COVID	●
Indian Economy	▪ Improving Macro Economic indicators - GST Collections, Manufacturing PMI	●
	▪ Rising inflation, weak Credit growth and a 2nd wave of COVID	●
Ambit AM – Broader calls	▪ K-Shaped recovery thesis, Investing in companies with a *'Right-To-Win'*, and remaining invested throughout the volatility	●
	▪ Low / No allocation to certain specific companies/sectors in 2nd half of the year	●
Ambit AM – Investment Decisions	▪ Investment in AU Small Finance, Insurance companies, Avenue Supermart, PVR, Booking profits in GMM Pfaudler and keeping high weightages in Alkyl Amines	●
	▪ Investment in DCB Bank, lack of IT exposure	●
Ambit AM – What we wrote and said	▪ Investments in Mid / Small Caps; Increase Equity allocation; Do not try to time the market	●
	▪ Underestimating the COVID impact in March-2020	●

Source: Ambit Asset Management

Ambit Coffee Can Portfolio

At Coffee Can Portfolio, we do not attempt to time commodity/investment cycles or political outcomes and prefer resilient franchises in the retail & consumption oriented sectors. The Coffee Can philosophy has unwavering commitment to companies that have consistently sustained their competitive advantages in core businesses despite being faced by disruptions at regular intervals. As the industry evolves or is faced by disruptions, these competitive advantages enable such companies to grow their market shares and deliver long-term earnings growth.

Exhibit 25: Ambit's Coffee Can Portfolio performance update



Source: Ambit; Portfolio inception date is March 6, 2017; Returns as of 31st Mar, 2021; All returns are post fees and expenses; Returns above 1 year are annualized; ***Note:*** *Returns prior to Apr'19 are returns of all the Po\ol accounts excluding non-aligned portfolio, and returns post Apr'19 is based on TWRR returns of all the pool accounts.*

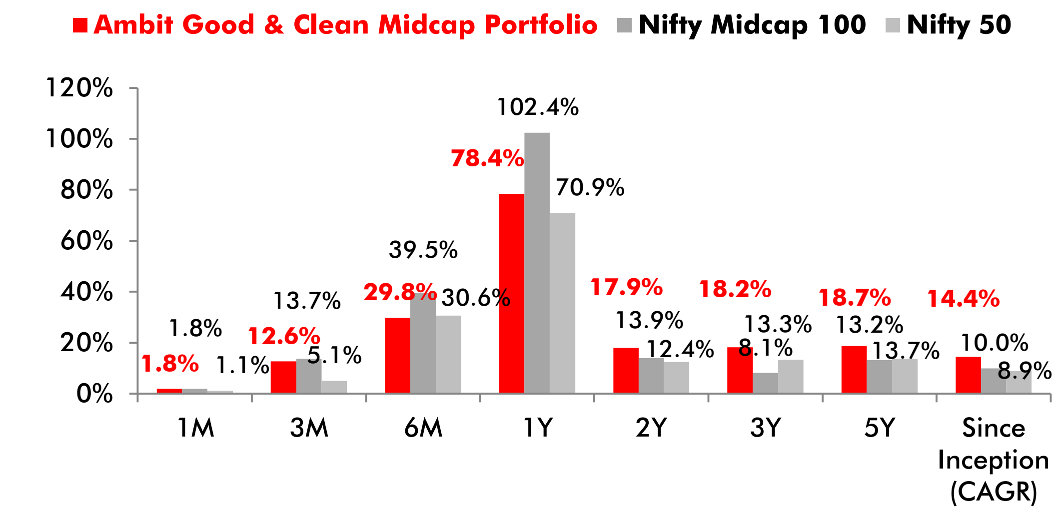
Ambit Good & Clean Midcap Portfolio

GOOD & CLEAN by AMBIT

Ambit's Good & Clean strategy provides long-only equity exposure to Indian businesses that have an impeccable track record of clean accounting, good governance, and efficient capital allocation. 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 for consistent growth. Our focus has been to deliver superior risk-adjusted returns with as much focus on lower portfolio drawdown as on return generation. Some salient features of the Good & Clean strategy are as follows:

- **Process-oriented approach to investing**: Typically starting at the largest 500 Indian companies, Ambit's proprietary frameworks for assessing accounting quality and efficacy of capital allocation help narrow down the investible universe to a much smaller subset. This shorter universe is then evaluated on bottom-up fundamentals to create a concentrated portfolio of no more than 20 companies at any time.
- **Long-term horizon and low churn**: Our holding horizons for investee companies are 3-5 years and even longer with annual churn not exceeding 15-20% in a year. The long-term orientation essentially means investing in companies that have the potential to sustainably compound earnings, with this compounding earnings acting as the primary driver of investment returns over long periods.
- **Low drawdowns**: The focus on clean accounting and governance, prudent capital allocation, and structural earnings compounding allow participation in long-term return generation while also ensuring low drawdowns in periods of equity market declines.

Exhibit 26: Ambit's Good & Clean Midcap Portfolio performance update



Source: Ambit; Portfolio inception date is March 12, 2015; Returns as of 31st Mar, 2021; All returns above 1 year are annualized. ***Returns are net of all fees and expenses***

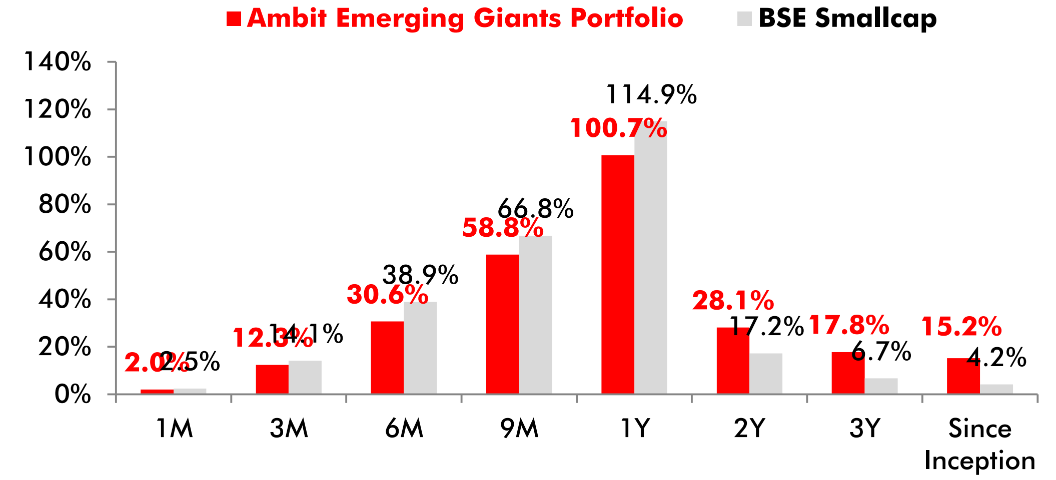
Ambit Emerging Giants

EMERGING GIANTS by AMBIT

Smallcaps with secular growth, superior return ratios and no leverage

Ambit's Emerging Giants portfolio aims to invest in small-cap companies with market-dominating franchises and a track record of clean accounting, governance and capital allocation. The fund typically invests in companies with market caps less than Rs. 4,000cr. These companies have excellent financial track records, superior underlying fundamentals (high RoCE, low debt) and ability to deliver healthy earnings growth over long periods of time. However, given their smaller sizes these companies are not well discovered, owing to lower institutional holdings and lower analyst coverage. Rigorous framework-based screening coupled with extensive bottom-up due diligence lead us to a concentrated portfolio of 15-16 emerging giants.

Exhibit 27: Ambit Emerging Giants performance update



Source: Ambit; Portfolio inception date is December 1, 2017; Returns as of 31st Mar, 2021; All returns above 1 year are annualized. ***Returns are net of all fees and expenses***

For any queries, please contact:

Umang Shah- Phone: +91 22 6623 3281, Email - aiapms@ambit.co

Ambit Investment Advisors Private Limited -
Ambit House, 449, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

Risk Disclosure & Disclaimer

Ambit Investment Advisors Private Limited ("Ambit"), is a registered Portfolio Manager with Securities and Exchange Board of India vide registration number INP000005059.

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. All opinions, figures, charts/graphs, estimates and data included in this presentation / newsletter / report is subject to change without notice. This document is not for public distribution and 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. This material should not be circulated in countries where restrictions exist on soliciting business from potential clients residing in such countries. Recipients of this material should inform themselves about and observe any such restrictions. Recipients shall be solely liable for any liability incurred by them in this regard and will indemnify Ambit for any liability it may incur in this respect.

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. Further, the information contained in this presentation / newsletter / report has not been verified by SEBI.

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 in future. You further understand that all such products are subject to various market risks, settlement risks, economical risks, political risks, business risks, and financial risks etc. and there is no assurance or guarantee that the objectives of any of the strategies of such product or portfolio will be achieved. 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. The investment relating to any products of Ambit may not be suited to all categories of investors. 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 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. The name of the product does not in any manner indicate their prospects or return.

The product 'Ambit Good & Clean Portfolio' has been migrated from Ambit Capital Private Limited to Ambit Investments Advisors Private Limited. Hence some of the information in this presentation may belong to the period when this product was managed by Ambit Capital Private Limited.

You may contact your Relationship Manager for any queries.