

Let's join hands to create wealth!



Purnartha  
EQUITY RESEARCH AND INVESTMENT ADVISORY



We believe in “**Vasudhaiva Kutumbakam**,” that is, what we recommend to our families, we recommend to our clients.

This maxim has guided our dealings leading to trust, commitment and familial ties with our clients.

Since our inception, the journey of 7,500 families has been attached to ours!



## Rahul Rathi, our Chairman and Fund Manager

An MBA graduate from Carnegie Mellon University, USA, Rahul is an industry veteran with over 20 years of experience in investment and risk management. He serves on the board of directors of two listed companies and enjoys equity ownership in Capital Metrics and Risk Solutions. He is also a partner in the Beharay Rathi Group of Companies.

Rahul strongly believes in the credo that "In God we trust, everyone else brings data to the table." He believes in crunching data, analysing it and conducting in-depth research to gauge market trends. His single-minded focus on data science and his personal and professional legacy of creating wealth in the stock market has inspired the firm's fundamental investment philosophy.



## Our investment philosophy

### We select companies that fulfill the following criteria:

- Companies that have demonstrated **consistency**.
  - **Sales growth** - demonstrates pricing power and strong brand pull
  - **Volume growth** - shows that the management has customer centric products, capability to launch new products and manage scale
  - **Operating cash flow growth** - gives a good visibility on payment terms to vendors and suppliers, strengthening the balance sheet
- Companies that have **grown** 1.5x to 3x times the GDP growth in the past 10 years and are likely to show similar growth in the future.
- Companies that have regularly enjoyed a **debt-free status** and have **high management holding** (ensuring a lean balance sheet, less vulnerable to fall, which otherwise happens due to high retail holding).
- Companies that have **lower drawdown and faster recovery** (since the businesses are closely linked to consumption, they exhibit lower drawdown in unforeseen situations and higher recovery due to the strength during drawdown).
- Companies that have built a portfolio cheaper than the Index on **EV/OCF basis** (captures the valuations/cash flow yields - this indicator captures business attractiveness in term of yields when compared with benchmarks like Nifty/bond /FD).



**When markets go down, we fall too.**

- Min 11 years' operating history
- Volume growth of 10% + sales growth of 20%
- Operating cash flow growth of 20%
- Net cash balance sheet (for a non-financial company)
- Promoter's skin in the game

**What you buy is important; Very important.**



**When markets recover, we recover faster and with a larger margin.**

**How much you buy is 100x important.**



**How long you hold is 1,000 times important.**



The power of compounding: ₹25 lakhs invested at 25% return grows to ₹100 crores in 27 years!



## Purnartha performance sheet

FY	Q1	Q2	Q3	Q4	ANNUAL	<b>KEY STATISTICS</b> 1-Apr-09 To 31-Mar-20	
2009-10	51.38	10.82	6.92	34.88	141.94	Macro Index	328 / 2726
2010-11	2.57	24.73	-5.37	-6.21	13.54	End NAV	3091.4
2011-12	7.28	-1.44	-2.98	8.05	10.84	CAGR	37.3%
2012-13	7.97	22.33	16.81	-2.76	50.03	Annualized Vol.	21.7%
2013-14	6.10	6.71	33.84	38.06	109.20	Sharpe Ratio	1.5
2014-15	22.00	23.33	7.39	20.03	93.95	Beta	0.6
2015-16	-11.17	2.49	2.58	-2.34	-8.79	Max. Drawdown	44.0%
2016-17	20.80	8.66	-12.92	32.95	51.96	Recovery(Days)	NR
2017-18	6.25	15.95	11.12	-3.85	31.63		
2018-19	4.15	-12.08	8.46	11.40	10.64		
2019-20	2.52	8.97	3.90	-28.82	-17.37		

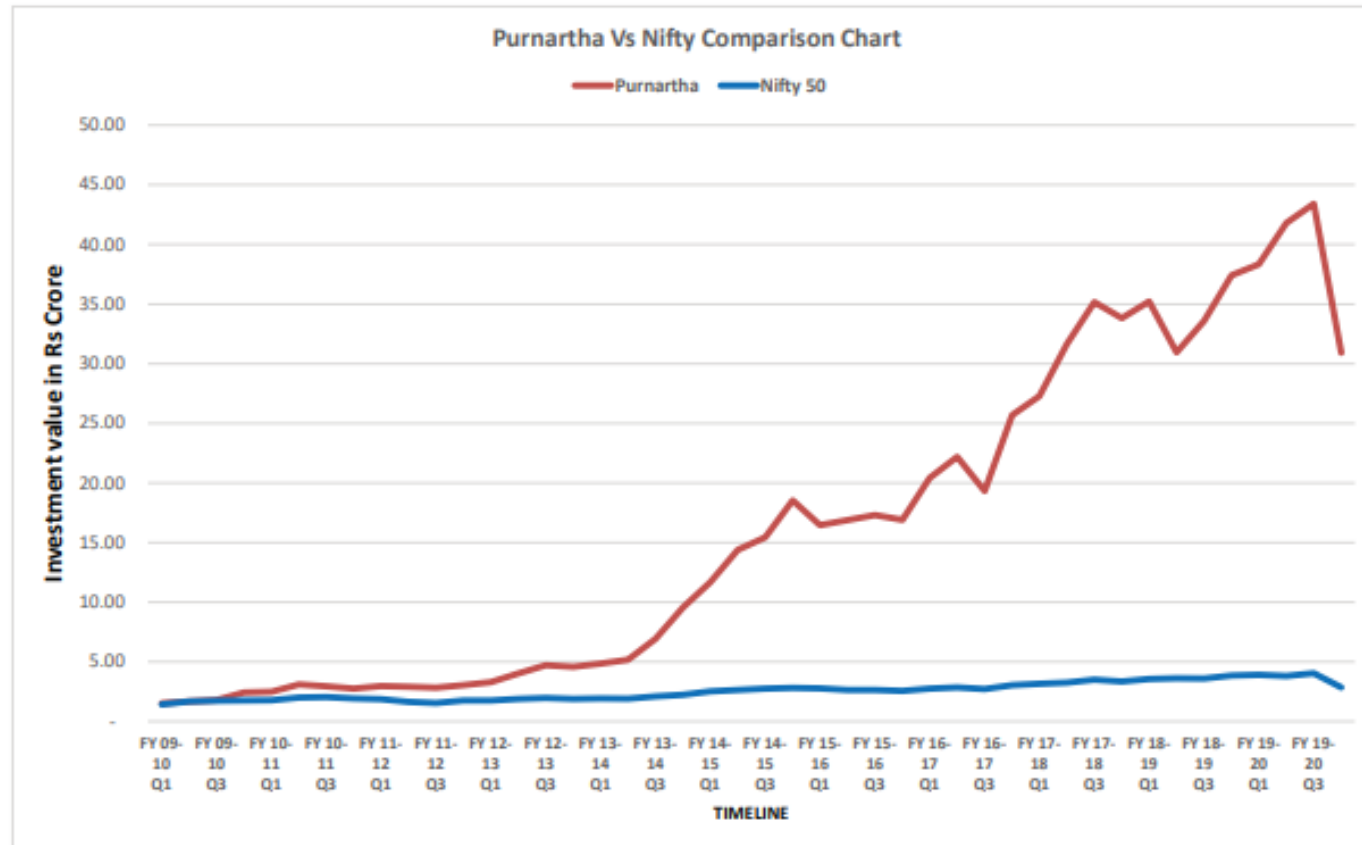
## NIFTY performance sheet

FY	Q1	Q2	Q3	Q4	ANNUAL	<b>KEY STATISTICS</b> 1-Apr-09 To 31-Mar-20	
2009-10	42.04	18.48	2.30	0.92	73.76	Macro Index	149 / 2726
2010-11	1.21	13.50	1.73	-4.90	11.14	End NAV	284.6
2011-12	-3.19	-12.47	-6.45	14.52	-9.23	CAGR	10.1%
2012-13	-0.31	8.04	3.54	-3.77	7.31	Annualized Vol.	18.6%
2013-14	2.81	-1.83	9.92	6.35	17.98	Sharpe Ratio	0.2
2014-15	13.53	4.64	3.99	2.51	26.65	Beta	1
2015-16	-1.44	-5.01	-0.03	-2.62	-8.86	Max. Drawdown	38.4%
2016-17	7.10	3.90	-4.94	12.07	18.55	Recovery(Days)	NR
2017-18	3.78	2.81	7.58	-3.96	10.25		
2018-19	5.94	2.02	-0.62	7.01	14.93		
2019-20	1.42	-2.67	6.05	-29.34	-26.03		

- FY is Financial Year i.e. April to March.
- The performance shown is before charging any fees.
- Audited report available on request.

Managed by industry experts, the Purnartha portfolio has delivered 37.3% CAGR versus 10.1% CAGR of NIFTY from April 2009 till March 2020.

₹1 crore invested with Purnartha in 2009 became ₹30.91 crore versus ₹2.84 crore with NIFTY.



# Client Portfolios Year-wise performance as on 07/07/2020

CLIENT PORTFOLIO RETURNS		
Inception Date	Purnartha CAGR	Nifty CAGR
11-Jul-14	32.85	6.1
06-Jul-15	20.25	4.94
05-Jul-16	14.87	6.57
04-Jul-17	10.58	3.94
03-Jul-18	2.14	0.66
09-Jul-19	15.26	-6.57

Absolute Returns		
Investment Date	Purnartha	Nifty
06-Aug-19	15.16%	-0.58%
04-Sep-19	11.58%	0.02%
09-Oct-19	1.79%	-2.94%
05-Nov-19	0.08%	-9.56%
10-Dec-19	-4.14%	-9.53%
07-Jan-20	-2.93%	-9.95%
04-Feb-20	-8.55%	-7.76%
11-Mar-20	1.53%	3.33%
08-Apr-20	36.03%	22.83%
05-May-20	27.38%	16.21%
02-Jun-20	13.41%	9.91%

Great returns by Purnartha in long term and faster recovery after market corrections



## DID YOU KNOW?




**Purnartha**

EQUITY RESEARCH AND INVESTMENT ADVISORY

On a 3 yr and 5 yr basis Purnartha Investment advisory is No 1 across all leading PMS\*.

	3 Years	5 Years
2 <sup>nd</sup> Best PMS	+4.2%	+9.5%
Worst PMS	-4.8%	-0.67%
<b>Purnartha</b>	<b>+5.4%</b>	<b>+15.2%</b>

\*PMS Schemes should be in existence for minimum 3 years  
Source: PMS Bazaar, PMS Performance, 31 March 2020

**Purnartha is one of the most ethical, credible and client centric investment product.**

Disclaimer: Purnartha Investment Advisers Pvt Ltd provides advisory services under the brand name Purnartha. The content in this document is provided for informational purposes only. No material should be considered as investment advice directly, indirectly, implicitly, or in any manner whatsoever. Past performance is not an indicator of future performance. Purnartha accepts no liability whatsoever for any direct or consequential loss or damage arising from any use of any information in this document. The information and content in this document are subject to change without notice. The data used in this presentation has been taken from sources believed to be credible. Purnartha does not take responsibility for the accuracy or completeness of the information. In case any data or information from this presentation is to be used, we request that the data be independently verified before its use.

## DID YOU KNOW?




Purnartha

EQUITY RESEARCH AND INVESTMENT ADVISORY

**On a 4 yr and 5 yr basis Purnartha Investment advisory is No 1 across all leading Mutual Funds\*.**

	4 Years	5 Years
2 <sup>nd</sup> Best MF	+11.4%	+9.5%
Worst MF	+6.2%	+2.6%
<b>Purnartha</b>	<b>+11.8%</b>	<b>+15.2%</b>

\*MF Schemes should be in existence for 4 years ending. Sectoral and index funds are excluded from the above. Source: Purnartha website, NAV of mutual funds.

**Purnartha is one of the most ethical, credible and client centric investment product.**

Disclaimer: Purnartha Investment Advisers Pvt Ltd provides advisory services under the brand name Purnartha. The content in this document is provided for informational purposes only. No material should be considered as investment advice directly, indirectly, implicitly, or in any manner whatsoever. Past performance is not an indicator of future performance. Purnartha accepts no liability whatsoever for any direct or consequential loss or damage arising from any use of any information in this document. The information and content in this document are subject to change without notice. The data used in this presentation has been taken from sources believed to be credible. Purnartha does not take responsibility for the accuracy or completeness of the information. In case any data or information from this presentation is to be used, we request that the data be independently verified before its use.

## Minimum Ticket Size 25 lacs

**ANNUAL PLANS**

	PLAN 1	PLAN 2	PLAN 3	PLAN 4	PLAN 5	PLAN 6
<b>Annual Fee (% of AUM)</b>	2.50%	2.00%	1.75%	1.50%	1.00%	0.60%
<b>Hurdle Rate (Annual)</b>	25%	15%	12%	10%	6.33%	0%
<b>Profit Sharing % Above Hurdle Rate</b>	20%	20%	20%	20%	20%	20%

Flexible plans with a trade-off between annual fee & profit sharing above hurdle rate

- All plans subject to a minimum subscription fee
- Taxes as applicable
- We follow the High Water Mark principle

# REGULAR

**EXCLUSIVE OFFER**

Minimum Ticket Size	10 lacs
<b>3 years Fees (% of AUM)</b>	7.5%
<b>Hurdle Rate (for 3 years)</b>	75%
<b>Profit Sharing –% Above Hurdle Rate</b>	20%

- All plans subject to a minimum subscription fee
- Taxes as applicable
- We follow the High Water Mark principle

**100% Online**

**DID YOU KNOW?**



Purnartha

EQUITY RESEARCH AND INVESTMENT ADVISORY

Purnartha is the only company in the Investment management space to have 100% **Online On-boarding**.

This makes us the most **#LockdownFriendly product**.

No PMS/AIF is able to sign up due to their offline process.

Ticket size less -Rs 25 Lacs vis-a-vis Rs 50 lacs of PMS and Rs 1 crore of AIF.

**LETS UNLOCK THIS OPPORTUNITY TODAY!**

**Rs 7,000** crores Assets under Advice :  
That's a lot of money!

**7,500** client families : And that's a lot of users.

**100%** Total Satisfaction!

# Investment Philosophy

- Min 11 years' operating history
- Volume growth of 10% + sales growth of 20% (1.5x to 3x times the GDP growth )
- Operating cash flow growth of 20%
- Net cash balance sheet (for a non-financial company)
- Promoter's skin in the game

When markets fall, we go down too.

What you buy is important; Very important.

How much you buy is 100x important.

When markets recover, we recover faster and with a larger margin.

How long you hold is 1,000 times important.

**THE POWER OF COMPOUNDING: ₹25 LAKHS INVESTED AT 25% RETURN GROWS TO ₹100 CRORES IN 27 YEARS!**

We are SEBI Registered Independent Advisors

Ticket size less than 50 Lakhs

100% Online On-boarding  
No separate DP Account.

Underperformance carried to next year

Benefit of Capital Gains Tax for performance fee calculation

Consistently in top 3 across PMS/MFs on a 3-5 year period\*

7500 clients  
AUA -7000 crs

\*As at 31-03-2020 Data Source PMSBazaar & Purnartha

**Purnartha**  
EQUITY RESEARCH AND INVESTMENT ADVISORY



**Pune**



**Mumbai**



**New Delhi**



**Hyderabad**



**Chennai**



**Kolkata**



**Bengaluru**



**Ahmedabad**



# Thank you

Disclaimer: Purnartha Investment Advisers Pvt Ltd provides advisory services under the brand name Purnartha. The content in this document is provided for informational purposes only. No material should be considered as investment advice directly, indirectly, implicitly, or in any manner whatsoever. Past performance is not an indicator of future performance. Purnartha accepts no liability whatsoever for any direct or consequential loss or damage arising from any use of any information in this document. The information and content in this document are subject to change without notice.

The data used in this presentation has been taken from sources believed to be credible. Purnartha does not take responsibility for the accuracy or completeness of the information. In case any data or information from this presentation is to be used, we request that the data be independently verified <sup>4</sup> before its use.