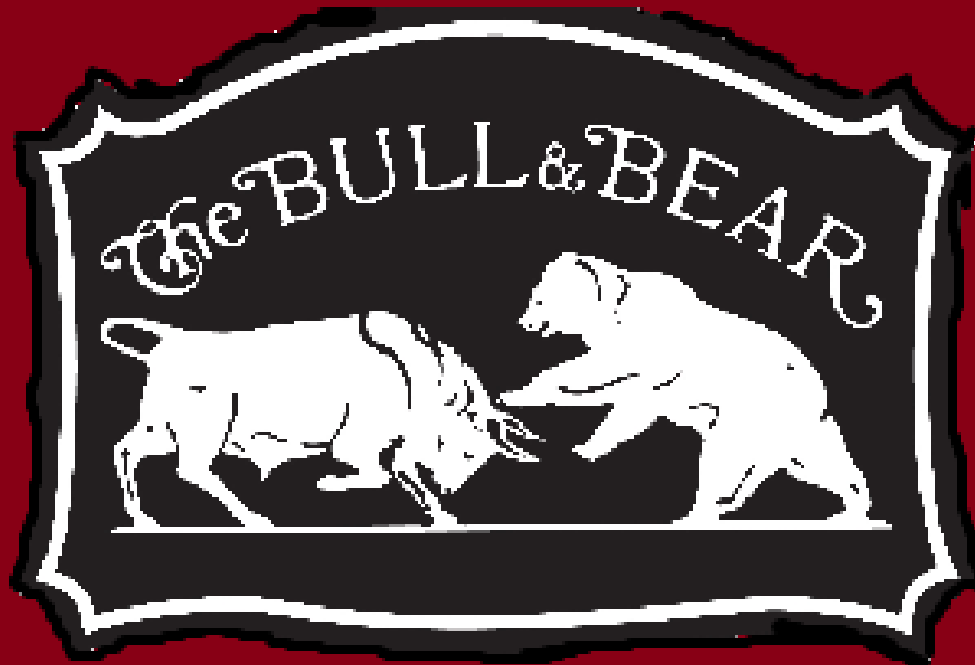


HBJ Hedge Fund Portfolio



- An Opportunistic Absolute return Portfolio

★ Our key objective is to execute the right Equity strategies based on Market conditions to help clients get good absolute returns. Our Fund would be using a wide variety of Investment strategies across various Asset classes to position itself for strong Risk-adjusted returns. This Fund Portfolio needs to be replicated at your end.

Medium Term – Hedge Fund Guidance

- Increase Allocation levels to around 85% Equities :

We are currently invested for only around 25% of our overall Hedge Fund Portfolio. The sharp run up in markets doesn't warrant a rush into higher allocations immediately. We would be aggressively capitalizing on any corrections in the market place. We would be slowly increasing our allocations to Equities to around 85% of our overall Portfolio value by the end of this Financial year.

- Park Cash in good Short Term Liquid Funds to Capitalize on Opportunities :

While the increased allocations would take some time, we would be using such an opportunity to park our Cash in good short term Liquid Funds and earn some interest out of it. This liquidity is encashable anytime and hence over the next 3 months, you will see us buying more liquid funds in our Portfolio. This would allow us to be patient and operate only in case of attractive opportunities.

- Core Portfolio Picks Vs Others ratio to be maintained at 40: 60 in FY-15:

We believe that the current Market conditions is more suited to bet on Tactical positions, Intelligent speculation etc and not Core Portfolio bets. Hence, we believe that our ratio of Core Portfolio picks will continue to languish around 40% this year. While we would eventually like to take it to 60%, we don't see such a situation happening in FY-15.

- Increase allocations to Momentum bets over next 6 Months :

We understand the importance of being present in Momentum businesses in a Bull Market. Hence, we would like to increase exposure to stocks such as V-Mart, SKS Micro Finance which have momentum in terms of Investor attraction, Quarterly results, Growth rates etc. Watch out for more action in this space.

Current Hedge Fund Portfolio

Previous Month Portfolio

Position	Call Type	Entry Date	Quantity	BUY Rate	BUY Value	Current Rate	Current Value	Un-Realized Profit/ Loss	% of Overall Portfolio	Dividends
DB Corp	Core Portfolio Pick	25/06/2014	238	316	75208	328	78064	3.80	2.24	2023
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	361	361	130321	684.6	247140.6	89.64	7.08	21614
PTC India Financials	Momentum Stock	27/03/2015	2375	50.5	119937.5	38.1	90487.5	-24.55	2.59	2375
Sanghvi Movers	Core Portfolio Pick	25/06/2014	532	141	75012	342.15	182023.8	142.66	5.21	266
V-Mart Retail	Mid-Term Bet	25/06/2014	148	340	50320	460	68080	35.29	1.95	370
Ramco Systems	Turnaround Idea	25/06/2014	192	200	38400	766.0	147072.00	283.00	4.21	0
SKS Microfinance	Momentum Stock	25/06/2014	213	275	58575	440.41	93807.33	60.15	2.69	0
JM Financials	Momentum Stock	11/7/2014	6489	35.45	230035.05	37	240093	4.37	6.87	4000
Talwalkars Fintess	Mid-Term Bet	2/7/2014	445	193	85885	250	111250	29.53	3.19	667.5
Vardhman Textiles	Intelligent Speculation	12/8/2014	200	452	90400	762	152400	68.58	4.36	2000
TV Today Network	Coat-tailing/ Cloning	7/10/2014	1000	208	208000	280.2	280200	34.71	8.02	2500
Ratnamani Metals & Tubes	CAPEX Trade	7/11/2014	200	535	107000	514.02	102804	-3.92	2.94	1100
Heritage Foods	Multibagger Bet	12.08/2014	500	271	135500	490	245000	80.81	7.02	1500
Zensar Technologies	Relative Value Call	15/12/2014	175	586	102550	986.95	172716.25	68.42	4.95	1925
Apar Industries	CAPEX Trade	19/1/2015	260	366	95160	470.8	122408	28.63	3.51	910
Indian Terrain Fashion	Tactical Position	23/2/2015	250	627.8	156950	680	170000	8.31	4.87	0
Phoenix Lamps	Mid-Term Bet	21/1/2015	800	110	88000	95.25	76200	-13.41	2.18	0
All Cargo Logistics	Cyclical Trade	5/28/2015	487	320.1	155883.83	353.40	172105.8	10.41	4.93	420
HSIL	Tactical Position	5/8/2015	542	276.5	149884.68	304.20	164876.4	10.00	4.72	1897
Shriram City Union Finance	Tactical Position	8/25/2015	78	1657.0	129246	1667.70	130080.6	0.65	3.72	0
L&T Gilt Fund - Growth Plan	Tactical Position	2/7/2014	7478	30.5	228079	36.93	276162.54	21.08	7.91	0
Treehouse Education	Core Portfolio Pick	29/09/2015	550	292.7272	160999.96	210.45	115747.5	-28.11	3.31	0
Total BUY Value					2671347.02		3438719.32	28.73		46673

Portfolio Updates

Position	Type	Date	Quantity	Price	Transaction Value
Vardhman Textiles	Intelligent Speculation	08-01-16	200	806.9	161380
Sanghvi Movers	Core Portfolio Pick	08-01-16	208	360.1	74901
Shriram City union Finance	Tactical Position	08-01-16	65	1529.0	99385
Kolte Patil Developers Ltd	Tactical Position	08-01-16	517	145.0	74965
Net Transaction Value					61931

HBJ Hedge Fund Portfolio (as on 8th Jan, 2016)

Position	Call Type	Entry Date	Quantity	BUY Rate	BUY Value	Current Rate	Current Value	Un-Realized Profit/ Loss	% of Overall Portfolio	Dividends
DB Corp	Core Portfolio Pick	25/06/2014	238	316	75208	326.3	77659.4	3.26	2.13	2023
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	361	361	130321	735.25	265425.25	103.67	7.28	21614
PTC India Financials	Momentum Stock	27/03/2015	2375	50.5	119937.5	39.7	94287.5	-21.39	2.59	2375
Sanghvi Movers	Core Portfolio Pick	25/06/2014	324	141	45684	360.1	116672.4	155.39	3.20	266
V-Mart Retail	Mid-Term Bet	25/06/2014	148	340	50320	547	80956	60.88	2.22	370
Ramco Systems	Turnaround Idea	25/06/2014	192	200	38400	743.1	142675.20	271.55	3.91	0
SKS Microfinance	Momentum Stock	25/06/2014	213	275	58575	531.35	113177.55	93.22	3.11	0
JM Financials	Momentum Stock	07-11-14	6489	35.45	230035.05	43.2	280324.8	21.86	7.69	4000
Talwalkars Fintess	Mid-Term Bet	07-02-14	445	193	85885	258.8	115166	34.09	3.16	667.5
TV Today Network	Coat-tailing/ Cloning	10-07-14	1000	208	208000	330.45	330450	58.87	9.07	2500
Ratnamani Metals & Tubes	CAPEX Trade	11-07-14	200	535	107000	529.35	105870	-1.06	2.91	1100
Heritage Foods	Multibagger Bet	12.08/2014	500	271	135500	562.75	281375	107.66	7.72	1500
Zensar Technologies	Relative Value Call	15/12/2014	175	586	102550	1075.75	188256.25	83.58	5.17	1925
Apar Industries	CAPEX Trade	19/1/2015	260	366	95160	513.75	133575	40.37	3.67	910
Indian Terrain Fashion	Tactical Position	23/2/2015	250	627.8	156950	710.5	177625	13.17	4.87	0
Phoenix Lamps	Mid-Term Bet	21/1/2015	800	110	88000	108.3	86640	-1.55	2.38	0
All Cargo Logistics	Cyclical Trade	28-05-15	487	320.1	155883.83	374.80	182527.6	17.09	5.01	420
HSIL	Tactical Position	08-05-15	542	276.5	149884.68	296.30	160594.6	7.15	4.41	1897
Shriram City Union Finance	Tactical Position	25-08-15	143	1598.8	228628.4	1529.30	218689.9	-4.35	6.00	0
L&T Gilt Fund - Growth Plan	Tactical Position	07-02-14	7478	30.5	228079	36.257	271129.846	18.88	7.44	0
Treehouse Education	Core Portfolio Pick	29/09/2015	550	292.7272	160999.96	159	87450	-45.68	2.40	0
Kolte Patil Developers Ltd	Tactical Position	08-01-16	517	145	74965	145	74965	0.00	2.06	0
Total BUY Value					2725966.42		3585492.3	31.53		44673

Portfolio Statistics

Portfolio value	3585492.30
Current Cash Position	58864
Dividends	44672.5

Realized Profits/ Losses	240158.06
Total Profits/ Losses	1144356.436
Overall Portfolio Value at CMP	3644356.436

Current Asset Allocation

Allocation in Hedge Fund Portfolio(as on 8th Jan, 2016)

Current Portfolio Break - Up	
Total Number of Positions	22
<u>Allocation %</u>	100%
Cash	1.62
Liquid Funds	7.44
Core Bets	26.65
Non-Directional Positions	0
Speculative Bets	64.29

Historical Transactions till date

Historical Transactions in the Portfolio

Portfolio	Type	Date	Quantity	Price	Transaction Value
DB Corp	Core Portfolio Pick	25/06/2014	238	316	75208
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	198	279	55242
NHDC	Core Portfolio Pick	25/06/2014	414	181	74934
Sanghevi Hovers	Core Portfolio Pick	25/06/2014	532	141	75012
T-Hart Retail	Mid-Term Bat	25/06/2014	148	340	50320
Ramco Systems	Turnaround Idea	25/06/2014	250	200	50000
Ballie India	Tactical Bat	25/06/2014	223	224	49952
SKS Microfinance	Momentum Stock	25/06/2014	363	275	99825
Teluskar Fitness	Mid-Term Bat	07-02-14	445	193	85885
L&T Gilt Fund - Growth Plan	Tactical Portfolio	07-02-14	10000	30.5	305000
Indiabulls Housing Finance	Core Portfolio Pick	07-08-14	400	353	141200
JH Financials	Momentum Pick	07-11-14	5000	34	170000
Vaibhav Global	Mid-Term Bat	08-05-14	200	838	167600
Vardhman Textiles	Intelligent Speculation	08-12-14	200	452	90400
Heritage Foods	Multibagger Bat	08-12-14	500	271	135500
Kitex Garments	Core Portfolio Pick	26/8/2014	350	340	119000
Bajaj Electricals	Relative Bat	09-09-14	350	281	98350
TV Today Network	Cost-tailoring/ Closing	10-07-14	500	208	104000
Ratnamani Hotels & Tubes	CAPEX Trade	11-07-14	200	535	107000
Zenarr Technologies	Relative Value Call	15/12/2014	175	586	102550
Apar Industries	CAPEX Trade	19/1/2015	200	366	73200
Phoenix Lamps	Mid-Term Bat	22/1/2015	800	110	88000
Ballie India	Tactical Bat	22/1/2015	223	231	51513
Indian Terrain Fashions	Tactical Call	23/2/2015	150	620	93000
Kitex Garments	Tactical Call	23/2/2015	150	514	77100
NHDC	Core Portfolio Bat	27/3/2015	414	125	51750
SKS Micro Finance	Momentum Stock	27/3/2015	150	443	66450
PTC India Financial Services	Momentum Stock	27/3/2015	2375	50.5	119937.5
Apar Industries	CAPEX Trade	29-03-15	60	346	20760
Kitex Garments	Core Portfolio Pick	28-05-15	200	827	165400
Indian Terrain Fashions	Tactical Portfolio	28-05-15	100	639.5	63950
All Carpa Logistics	Cyclical Trade	28-05-15	300	323.0	96900
Indiabulls Housing Finance	Core Portfolio Pick	10-08-15	95	631.6	60000.1
Ramco Systems	Turnaround Idea	05-08-15	58	1034.5	60000
All Carpa Logistics	Cyclical Trade	05-08-15	187	320.9	60000
Indiabulls Housing Finance	Core Portfolio Pick	05-08-15	95	789.5	75000
NSIL	Tactical Portfolio	05-08-15	254	295.3	75000
NSIL	Tactical Portfolio	25-08-15	288	260	75000
Shriram City Union Finance	Cyclical Trade	25-08-15	45	1647.0	75000
L&T Gilt Fund - Growth Plan	Tactical Portfolio	25-08-15	1420	35.2	50000
Indiabulls Housing Finance	Core Portfolio Pick	29/09/2015	47	744.7	35000
L&T Gilt fund Growth Plan	Tactical Portfolio	29/09/2015	1102	36.3	40000
Trackware Education	Core Portfolio Pick	29/09/2015	240	312.5	75000
Trackware Education	Core Portfolio Pick	29/10/2015	310	277.4	86000
Vardhman Textiles	Intelligent Speculation	03-01-16	200	808.9	161380
Sanghevi Hovers	Core Portfolio Pick	03-01-16	208	360.1	74901
Shriram City Union Finance	Tactical Portfolio	03-01-16	65	1529.0	99385
Kulfa Patil Developers Ltd	Tactical Portfolio	03-01-16	517	145.0	74965



HBJ Hedge Fund Portfolio

- An Opportunistic Absolute return Portfolio

Directional
Stratergies

Multi Directional
Strategies

Non-Directional
Stratergies

Momentum
Investing

Tactical
Positions

Intelligent
Speculation

Long Term
Investments

Earnings
based Bets

Swing
Trades



Event
Driven

Relative
Value

Risk
Arbitrage

Special
Situation

Deep Value
Bets

Dividend
Yield Plays



SPIN-OFF
To
PAY-OFF

THANK YOU