

# ASK, taking the India story to global investors

*Leading India focused funds and wealth manager targets foreign investors with growth figures in equities and real estate that show sound, sustainable returns*

**I**F THE CHOICE IS BEING GOOD AT EVERYTHING or being great at a few things, India-focused money manager ASK Group goes with the latter. From the India, Dubai and Singapore licensed firm's perspective, this means focusing on only two investment asset classes - India long only public equities and real estate.

Following this investment strategy, ASK has gone from strength to strength since it was founded in 1983 by Asit

and Sameer Koticha, from whose initials the firm's name is derived.

Choosing a niche and focusing on it has not only helped ASK win clients across its wealth and asset management businesses, but also amass substantial assets under management (AUM).

For a money manager that offers products under just two investment verticals along with their domestic wealth management team, its AUM at over USD 5.5 billion to date is recognition of its strengths in its chosen field of action.

"There is so much opportunity in India and our team are experts in this market. We don't want to be all things to all people," Evan Gallagher, ASK Capital Management's CEO and head of ASK Group's International operations and strategy said. "Our desire is to ensure that investors, not only in India, but across the globe view ASK as the Indian investment expert of choice for public equities and real estate, to which our tremendous track record exemplifies."

ASK is taking this strategy further afield to drive the group's global presence and under Gallagher's leadership are taking big steps in that direction. He has a personal target to raise USD 1 billion in assets under management in the near term from offshore markets, mainly institutions, distributors and family offices abroad, as ASK does not target retail investors directly.

Since his arrival at ASK, the focus has been on building strong foundations for ASK internationally including building out a strong international team, securing the appropriate licenses and developing new globally



EVAN GALLAGHER  
ASK Capital Management

recognised structures to access the Indian market. This included the strategic investment by globally renowned Private Equity house, Advent International in December 2016.

**India shining** In striving to reach their lofty targets, Gallagher is betting on India's sound economic fundamentals along with ASK's market leading investment performance to attract foreign investors. "The Indian government deserves a great deal of credit for their efforts in improving transparency, removing red tape, building infrastructure improvements and bringing in solid regulatory and tax reforms," Gallagher commented.

The new real estate regulations, in particular, which are aimed at bringing clarity and fair practices to protect buyers and cut red tape, will go a long way towards making the group's real estate strategies more lucrative to both local and offshore investors. Gallagher believes that India's potential for stable growth is the most crucial aspect of the India story; growth that sets the country apart from other emerging markets.

Gallagher noted "The Indian markets today are less susceptible to volatility induced by foreign funds coming and/or leaving the country, thanks in part, to the support of greater domestic flows offering improved stability to investors in otherwise choppy emerging markets. From our perspective, at the end of the day, the India story is not about a quick hit, but about long-term sustained growth."

**The ASK advantage** ASK's strategy for tapping this opportunity is ruled by its strong conviction in long-only bottom-up approach and this philosophy is the common thread that binds all the firm's investment strategies, whether they are dealing in public equities or private equity in real estate. For a stock to be included in any ASK portfolio, high quality sustainable growth is a paramount factor as is the size of opportunity, quality of business and the ability of its management to maximise opportunities on an ongoing basis.

"We have a very concentrated approach. There are approximately 20 stocks in a portfolio and every stock has to pull their weight and provide long term market leading results. We do not take a rockstar approach for any stock, but expect all stocks to deliver outperformance which has resulted in solid Alpha through good as well as challenging times for the markets," Gallagher added.

The firm's flagship public equities vehicle is the Indian Entrepreneur Portfolio that mainly looks at listed entities where the founders still have a substantial in-

volvement in managing the business. A new product built along similar lines is the ASK India Opportunities Fund 1 (AIOF1), which was launched in July as a Singapore domiciled, daily liquidity vehicle denominated in USD and aimed at international accredited investors.

A sub-fund of the ASK Investment Fund, a unit trust domiciled in Singapore and regulated by the Monetary Authority of Singapore, AIOF1 follows the same investment theme as the Indian Entrepreneur Portfolio, but is aimed at foreign investors looking to tap the equities market in India.

Gallagher views "the importance of providing international investors with access to India through a leading, transparent and well regulated market such as Singapore as an essential aspect for our growth and that is already paying off."

**WE WANT INVESTORS TO VIEW ASK, NO MATTER WHERE THEY ARE FROM AND NO MATTER WHAT THEIR SIZE, AS A SAFE SET OF HANDS TO ACCESS THE INDIAN OPPORTUNITY.**

**The year ahead** ASK's global expansion plans, however, are not without challenges, not least due to being a relatively unknown brand on the global front, coupled with the fact that many investors have had tough experiences with emerging markets before and are unsure about exposure to a single country, single asset class which requires extra effort by the manager. One of the ways Gallagher is looking to change this perception is through education and testimonials about the firm's capabilities and achievements in terms of returns on investments.

"We want to take investors away from the negative headlines of the past and show the actual content and performance of what is happening on the ground now and what we as a company have achieved in over 30 years of operations. For example, our real estate team have never lost a dollar of investors' money, and we have consistently invested, managed and exited deals with stellar returns.

That level of quality is unheard of by many foreign investors and we take pride in delivering this message and noting the favourable reaction from those that take the time to do their due diligence on us. It is always a

good feeling to surprise on the upside on a consistent basis whether it be for our Real Estate or Public Equities offerings.” Gallagher said.

Although still a relatively new player in the offshore funds and wealth management arena, Gallagher believes ASK has what it takes to woo large private banks and institutions.

The proof is in the pudding with ASK recently being on-boarded by Citigroup’s Private Bank and Wealth Management platform for distribution across the globe. “Citi are the Gold standard of distribution in our eyes and until recently, whilst providing Indian exposure for their clients, had never on boarded a purely Indian manager, though many had tried. We went through an extensive process with them as you would expect of such a high calibre organisation such as Citi and we happily came through with flying colours.

In addition to this, 2017 has seen ASK’s Singapore office receive our first mandates from large international institutions from new regions and have a solid, growing pipeline in place for the near term.”

“Private banks are looking for more than a big brand and size, especially for emerging markets. They look for high quality, sustainable alpha generating track record and future capacity. They want stability, operational capabilities and safety in terms of KYC norms, compliance, adherence to anti-money laundering regulations and what your support teams can provide,” he explained.

Yet his team are not chasing after big deals alone. Family offices, boutique firms and smaller distributors are just as important in the growth plan as large private banks. “We want to cover a range of investor groups rather than put all our eggs in one basket. We are not just going elephant hunting, but providing a range of entities high quality access to the Indian opportunity.” says Gallagher. ■

