



# GREEN PORTFOLIO

GREEN PORTFOLIO SPECIAL FUND – March 2024

GREEN PORTFOLIO SUPER 30 FUND – March 2024



# FUND MANAGER'S NOTE

During the month ended 31st March 2024, our Green Portfolio Special Fund was down by -7.79% and Super 30 Fund was down by -9.80% while the benchmark (BSE 500 TRI) was up by 0.86%.

While we aren't elated by our short-term performance, we are extremely delighted to march towards the 5-year performance mark having delivered exceptional returns – outperforming the outperformers. We are obsessed about the performance of the underlying business more than anything, and of the firm belief that the stock price will reflect the performance of the business even if it takes a long time.

Some of the portfolio companies especially in the chemical and pharma space did face some headwinds in terms of export order and rise in input material. From management commentary and our analysis, we realise these are short-term impediments. We have a soft corner for manufacturing companies and maintain a skewness towards this area.

As facetious it may sound, we are counting on deglobalisation. Supply chains are being disentangled from China. Many European and US firms are bringing back home their supply chains, while some are shifting to India and other third-world countries. 80% of the companies we are invested in are facing tailwinds arising from these sentiments.

The broader market have been stagnant since the last eighteen months, and we firmly believe a marvellous rally is inevitable. The companies doing marvellous value addition and having a moat in the market will lead the pack during the rally, and we want to heavily incline our portfolio towards companies doing value addition and limit exposure to commodity-type manufacturers.

**DIVAM SHARMA**  
CEO & Co-Founder





**CA DIVAM SHARMA**  
CEO & Co-Founder

With over 15 years of experience in managing investments in the stock market, he is an MBA from Indian School of Business, Hyderabad. Divam is a member of The Institute of Chartered Accountants of India. Divam has been the driving force of the company since its inception.

He is responsible for customer management, business development and has played a pivotal role in strategic decisions.



**CA ANUJ JAIN**  
CIO & Co-Founder

Anuj functions as the research head and leads the investment committee. With 16 years of experience in stock market investing and financial consultancy, he brings aboard an extensive skillset.

He is a member of The Institute of Chartered Accountants of India, and a graduate from Delhi University.

Anuj Jain has been mentioned on international media and has delivered lectures on subjects of professional interest at various business forums.

# AT A GLANCE

Launched in **July 2018**

Team strength **28**

Active distributors **30+**

# OUR CLIENTS

South Korea  
Singapore  
Hong Kong  
India  
UAE  
Qatar  
Canada  
Nigeria  
Germany  
United Kingdom  
Belgium  
Australia  
United States



**530+**  
**CRORES**  
**AUM**

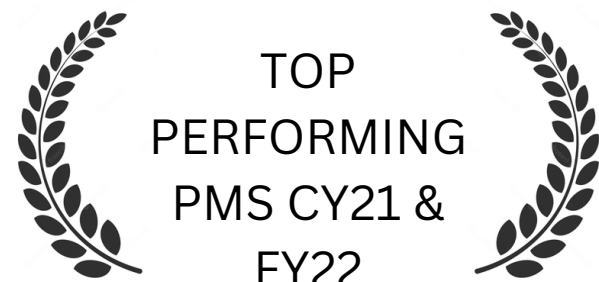
**350+**  
**CRORES**  
**AUA**

**7**  
**FAMILY**  
**OFFICES**

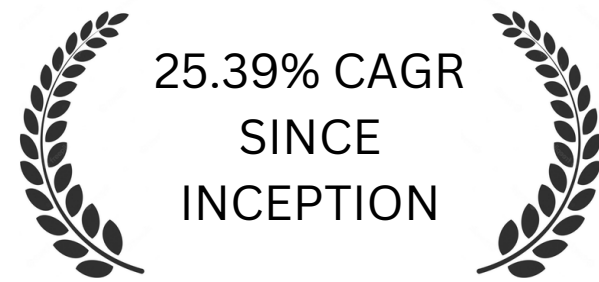
**10,000+**  
**RETAIL**  
**INVESTORS**



AWARDED  
5-STAR  
RATING



TOP  
PERFORMING  
PMS CY21 &  
FY22



25.39% CAGR  
SINCE  
INCEPTION



10,000+  
CUSTOMERS



LEADING  
SMALLCASE  
MANAGER

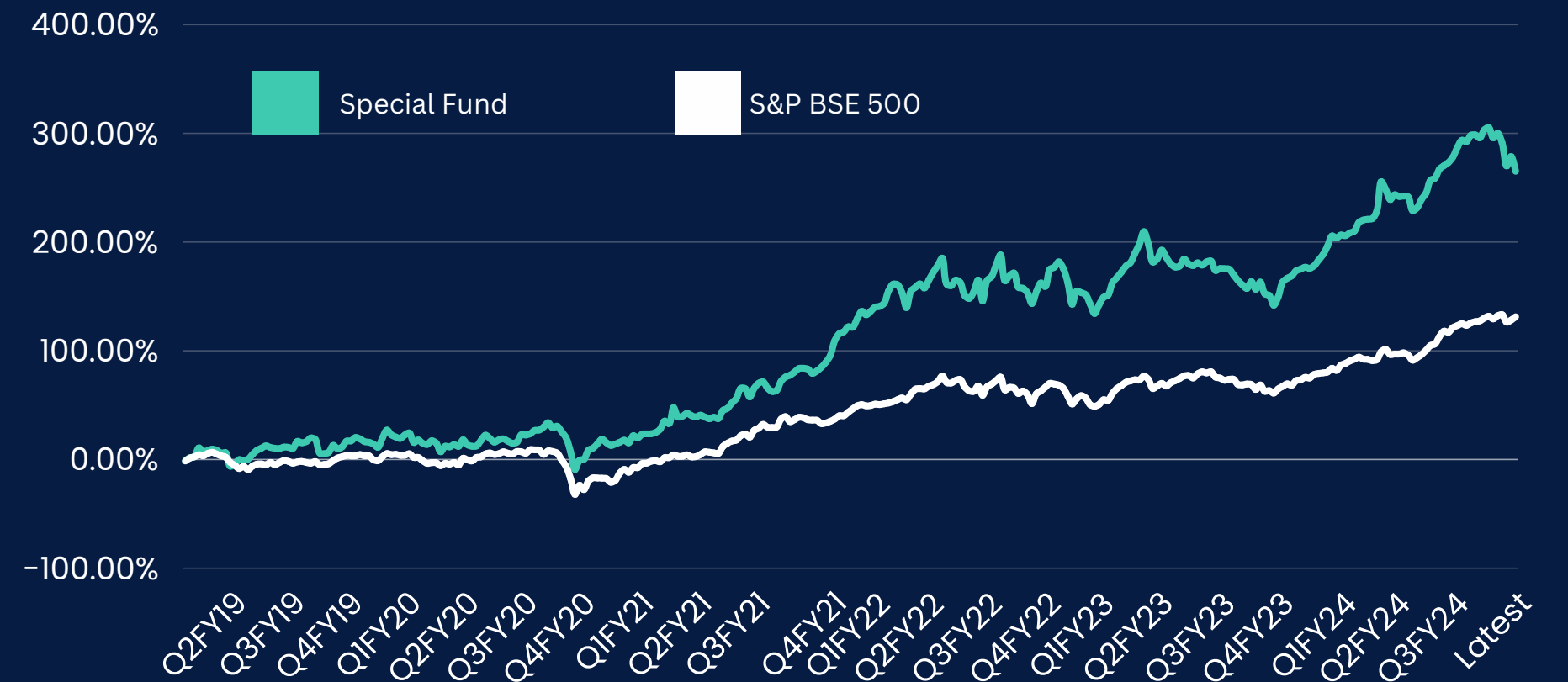
# OUR ACHIEVEMENTS

# PERFORMANCE – SPECIAL FUND

*Flexi-cap fund with heavy inclination towards Small and Midcap with strong parentage and strong business fundamentals.*

## ₹3.65 Crore

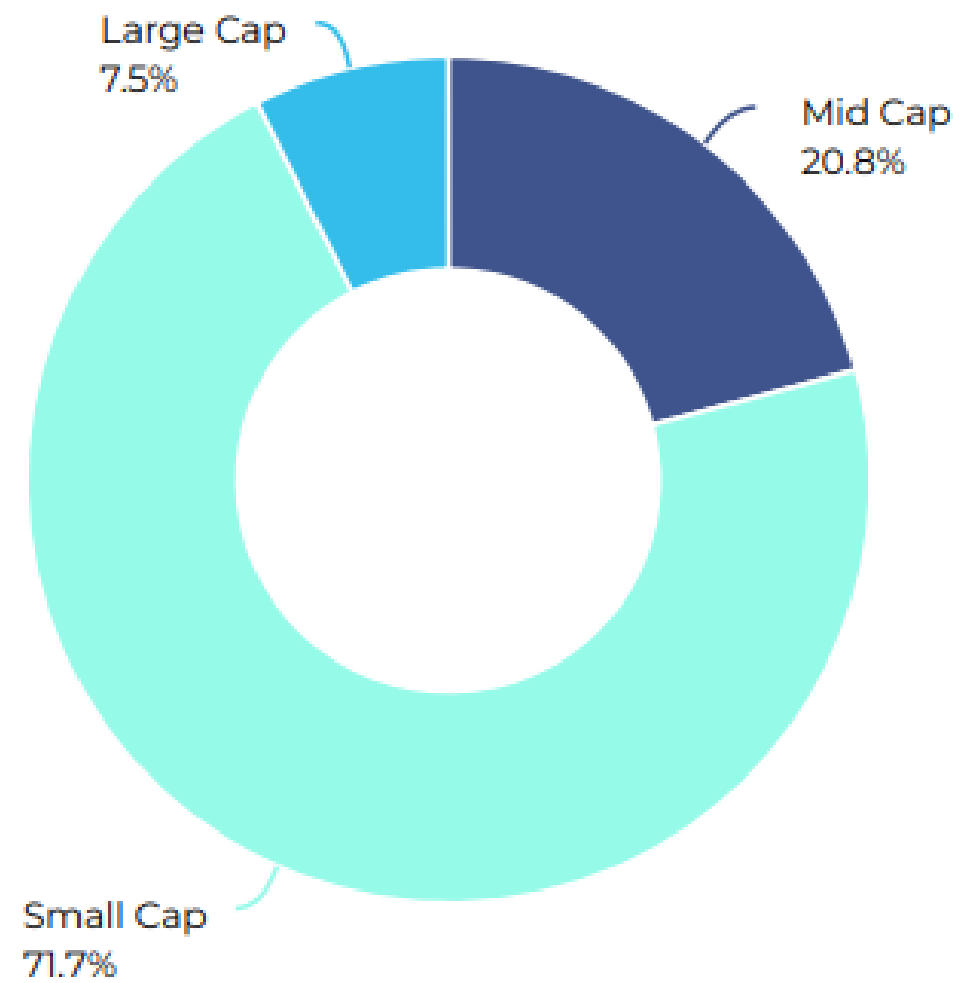
Value of ₹ 1 Crore invested on Fund Inception Date



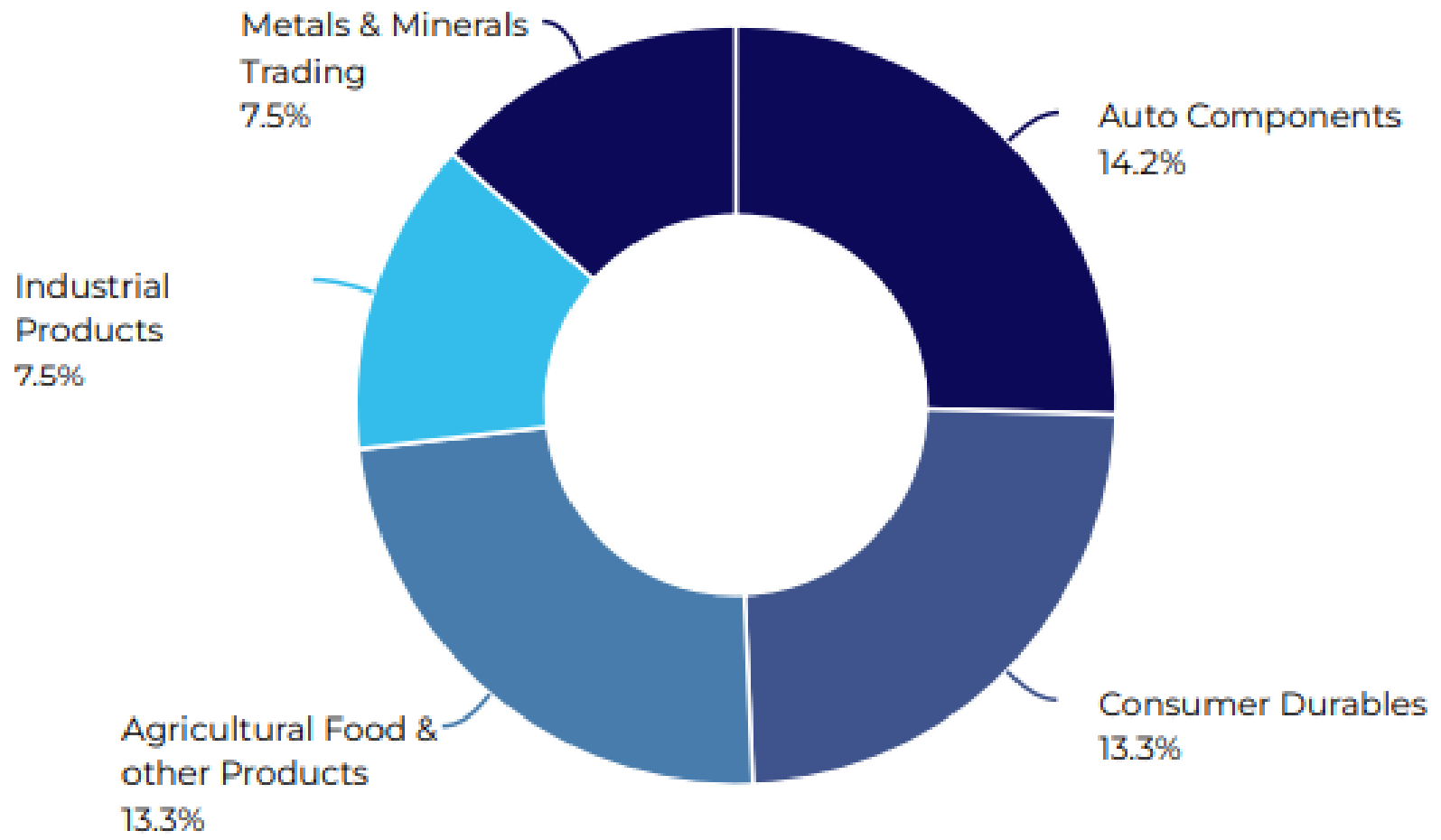
Investment Approach	1 Month	3 Month	6 Month	1 Year	2 Year (CAGR)	3 Year (CAGR)	Since Inception (CAGR)
Green Portfolio Special Fund	-7.79%	-3.47%	6.28%	46.22%	18.68%	26.76%	25.39%
S&P BSE 500 TRI	0.86%	4.49%	17.40%	40.16%	17.85%	19.30%	15.78%

\* Inception date-12th July 2018  
 \*Performance calculated net of expenses and fee on TWRR basis  
 \*For performance of other PMSs please visit [www.apmiindia.org](http://www.apmiindia.org).

# ALLOCATION - SPECIAL FUND



**MARKET CAP ALLOCATION**



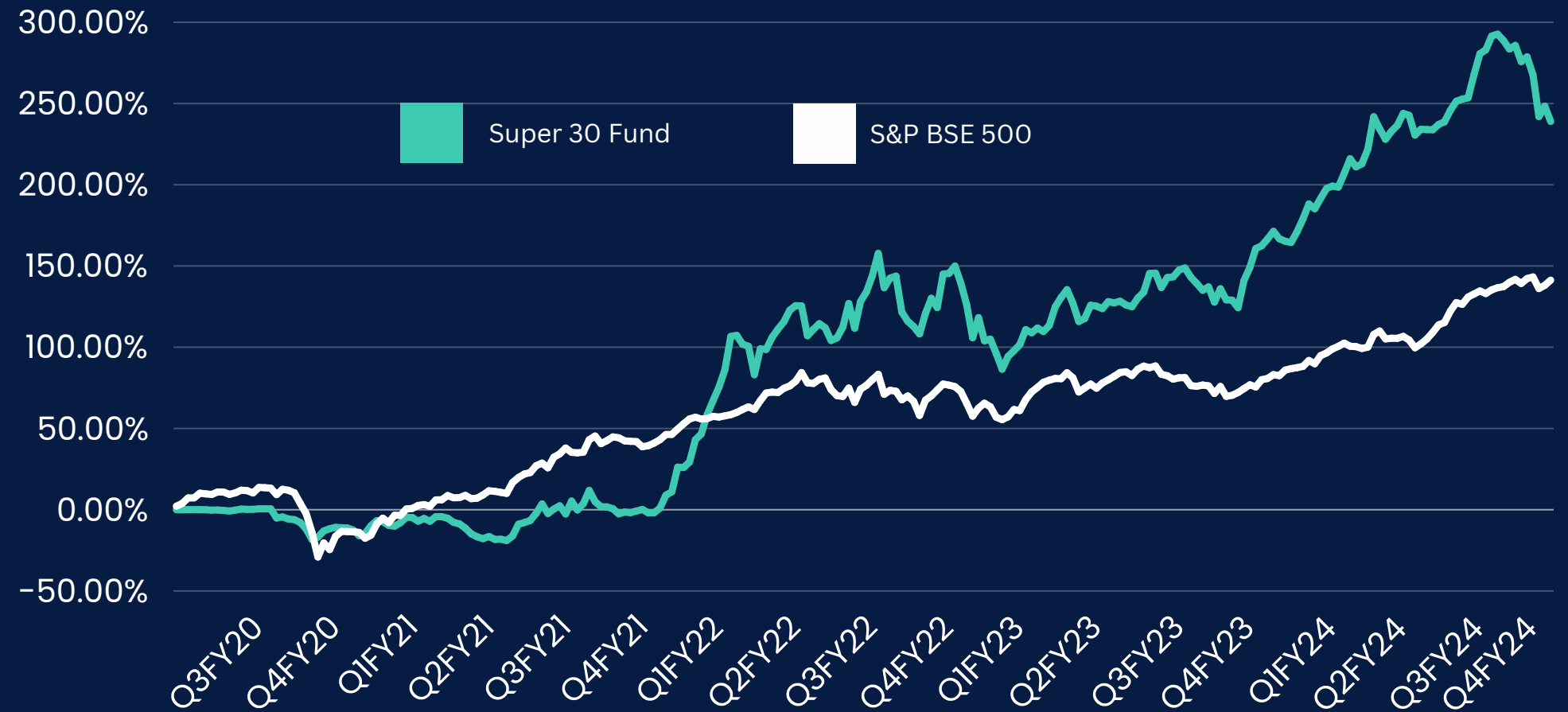
**TOP 5 SECTORS**

# PERFORMANCE – SUPER 30

Purely **Smallcap** oriented fund focused on turnaround stories and special situations.

## ₹3.37 Crore

Value of ₹ 1 Crore invested on Fund Inception Date

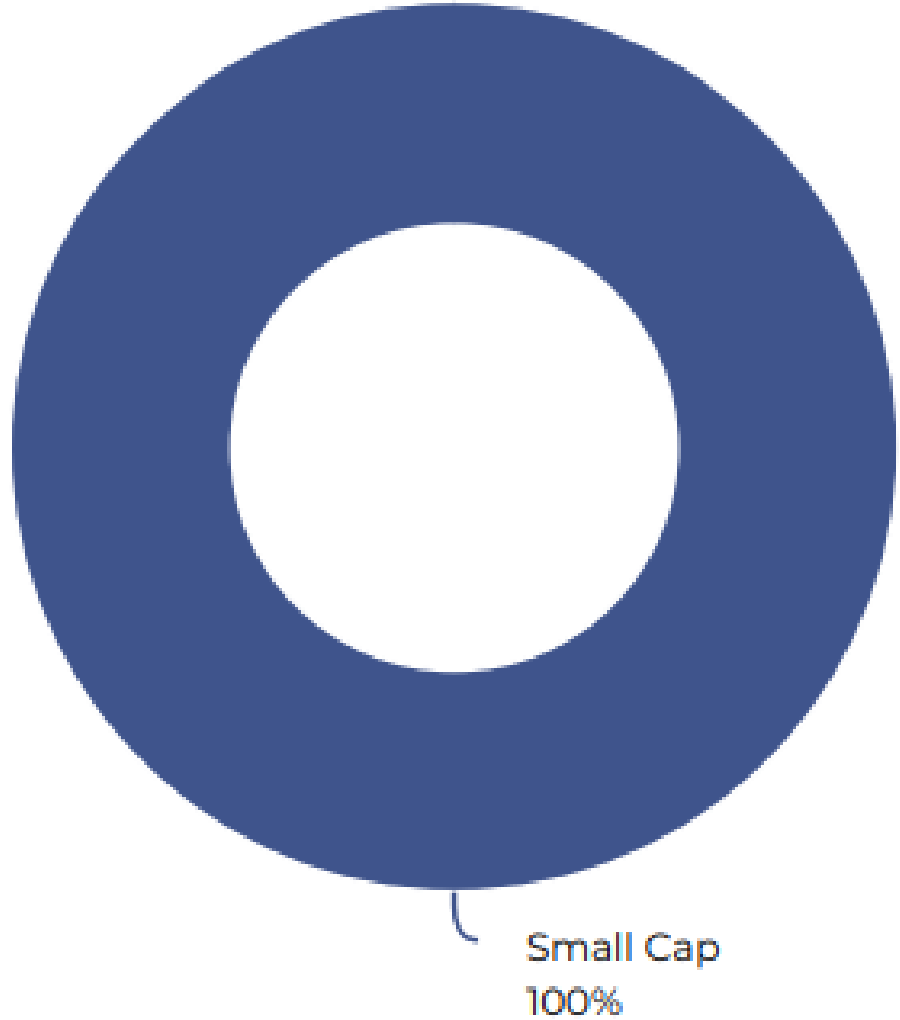


Investment Approach	1 Month	3 Month	6 Month	1 Year	2 Year (CAGR)	3 Year (CAGR)	Since Inception (CAGR)
Green Portfolio Super 30	-9.80%	-4.12%	1.82%	51.10%	22.89%	51.13%	30.98%
S&P BSE 500 TRI	0.86%	4.49%	17.40%	40.16%	17.85%	19.30%	19.65%

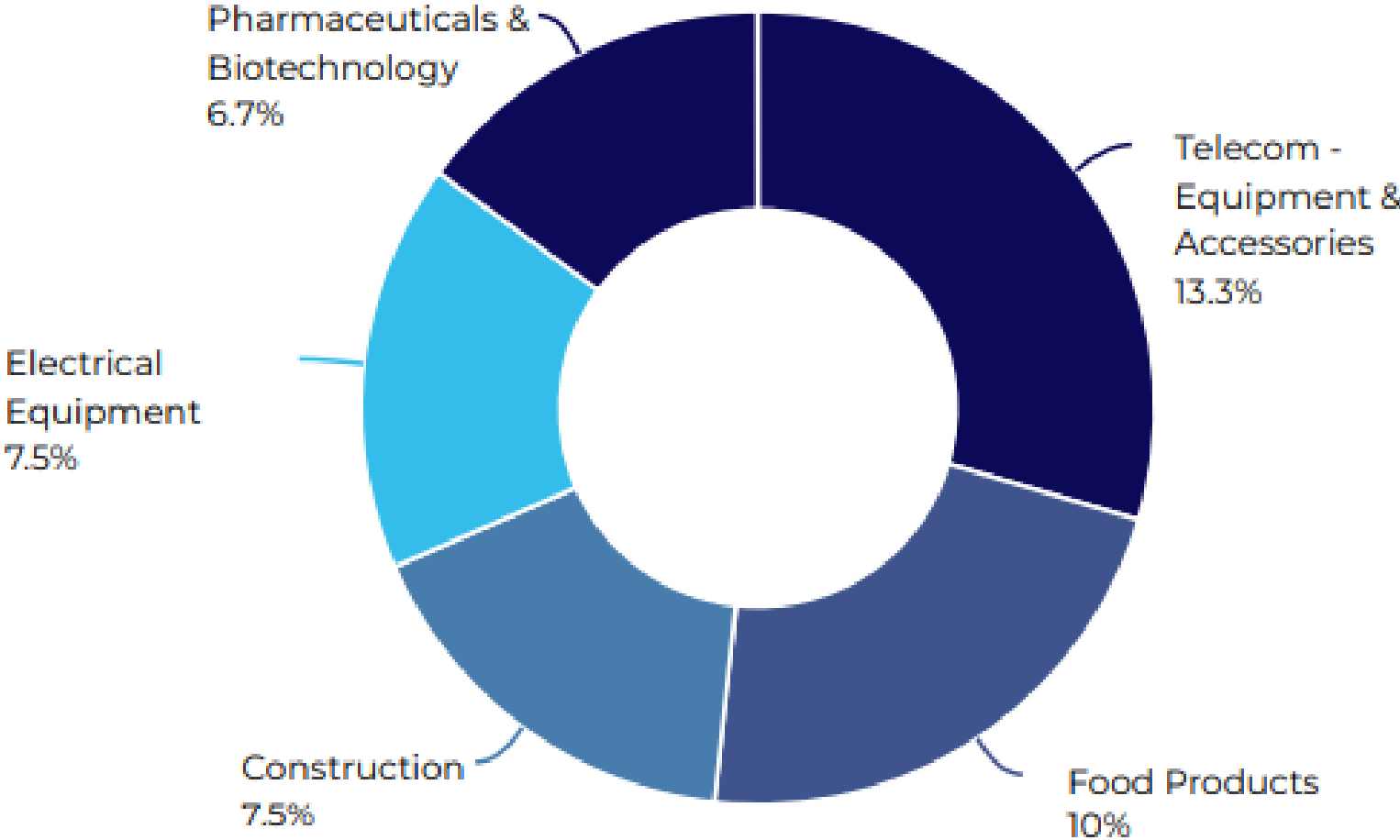
\* Inception date-23rd September 2019  
 \*Performance calculated net of expenses and fee on TWRR basis  
 \*For performance of other PMSs please visit [www.apmiindia.org](http://www.apmiindia.org).



# ALLOCATION - SUPER 30



**MARKET CAP ALLOCATION**



**TOP 5 SECTORS**

# PORTFOLIO CONSTRUCTION

## GROWTH AT RIGHT PRICE

Manufacturing oriented growth companies having highest margin of safety and highest differential between current and forecasted market cap.

1

## LARGE CAPS OF TOMORROW

Stocks picked are under the radar names that are poised to become the large and mega caps of tomorrow. PSU's are strictly refrained from in this strategy.

2

## CONSTANT RE-EVALUATION

Frequent discussion with managements and factory visits aid in identifying deviations from the original investment thesis if any.

3

## CONCENTRATED PORTFOLIO

Consists of 17-25 stocks depending on market conditions and opportunities identified.

4

## SELECTION

Underlying companies with extraordinary economics and management; strong demand flow; and capex led growth.

5

# INVESTMENT PROCESS

## MACRO FACTORS

Global sentiments; valuation; and sectoral tailwinds are thoroughly considered.

## VALUATION

As traditional as it may sound, normalised price-to-earnings and cash flow based metrics must calibrate a 2-3x margin of safety.

## FINANCIAL ANALYSIS

Debt levels, balance sheet strength and cash flow position must meet our screening metrics.

## CORPORATE GOVERNANCE

Board structure, exorbitant related party transactions, promoter holdings, their history, and many other areas are considered.

This is our main focus when it comes to analysing companies.

## BUSINESS MOAT

We prefer names who are leaders in niche industries and have an edge over their competitors.

## EVALUATION

Through constant tracking, physical factory/facility visits, and management engagements, we yearn to constantly question our initial thesis, and make adjustments to our target price if needed.

## SELL DISCIPLINE

We sell companies due to either of the following reasons:

- Target price range met for the stock
- The investment thesis played out before expected share appreciation, or
- Failure in investment thesis

# DELIVERING IMPACT

## CHEMICALS



### Valiant Organics

- Emerging opportunity because of China +1 theme. China has 20% of global share and even a small 5% shift away from China to India could translate to an US\$8 Billion opportunity.
- Strong material capturable tailwinds, key backward integration, market leadership in many chemistries, capex on board, experienced management and attractive valuation augurs well for the company.

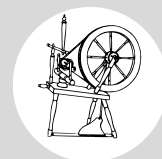
## PHARMA



### Aarti Pharmalabs

- Diversified product portfolio spread over API, intermediaries, Xanthine derivatives and speciality chemicals segments - with a number of high-margin products under trial run
- A demerged entity of Aarti Industries.
- New capex's and product launches paving the way for sizable growth in top and bottom line

## TEXTILES



### S.P Apparels

- India's large raw material base has given textile industry an edge in the globally competitive market through value chain
- Strong demand due to supply chain disruption from countries like Pakistan, Myanmar, Bangladesh and China+1 sentiments floating in.
- Strong revenue visibility baked by expansion via new stores and stability of raw material prices going forward.

## INFRA



### Titagarh Rail System

- One of India's largest wagon manufacturing company.
- The only Indian company with experience, capacity and know-how to manufacture carbon steel, stainless steel and aluminium coaches. Strong order book worth over 12,000 Cr for the next 3 years, with several long-term contracts.
- Healthy balance sheet and low debt despite being in an asset-heavy industry.



# FUNDAMENTAL FACTORS

## TRIGGERS

- PLI Scheme
- Free Trade Agreements
- Supply Chain Diversification
- Strengthening Infrastructure
- Domestic Consumption
- Multiplier Effect

## FINANCIAL PARAMETERS

- Return on Equity > 15%
- Effective tax rate ~ Statutory tax rate
- Operating Margins > 15%
- Debt/Equity < 1x
- Prudent Cash Flow management

## ESG PARAMETERS

- Strong Corporate Governance
- Environmental Impact
- Related Party Transactions
- Succession Plan
- Diverse Board of Directors

# PERFORMANCE YOY

Investment Approach	FY2024*	FY2023	FY2022	FY2021	FY2020	FY2019	Inception Date
<b>Green Portfolio Special Fund</b>	46.22%	-3.67%	44.62%	80.40%	-15.00%	16.87%	12th July 2018
<b>Green Portfolio Super 30 Fund</b>	51.10%	-0.05%	128.57%	12.93%	-13.06%		30th September 2019
<b>S&amp;P BSE 500 (TRI)</b>	40.16%	-0.91%	22.26%	78.63%	-26.46%	3.69%	12th July 2018

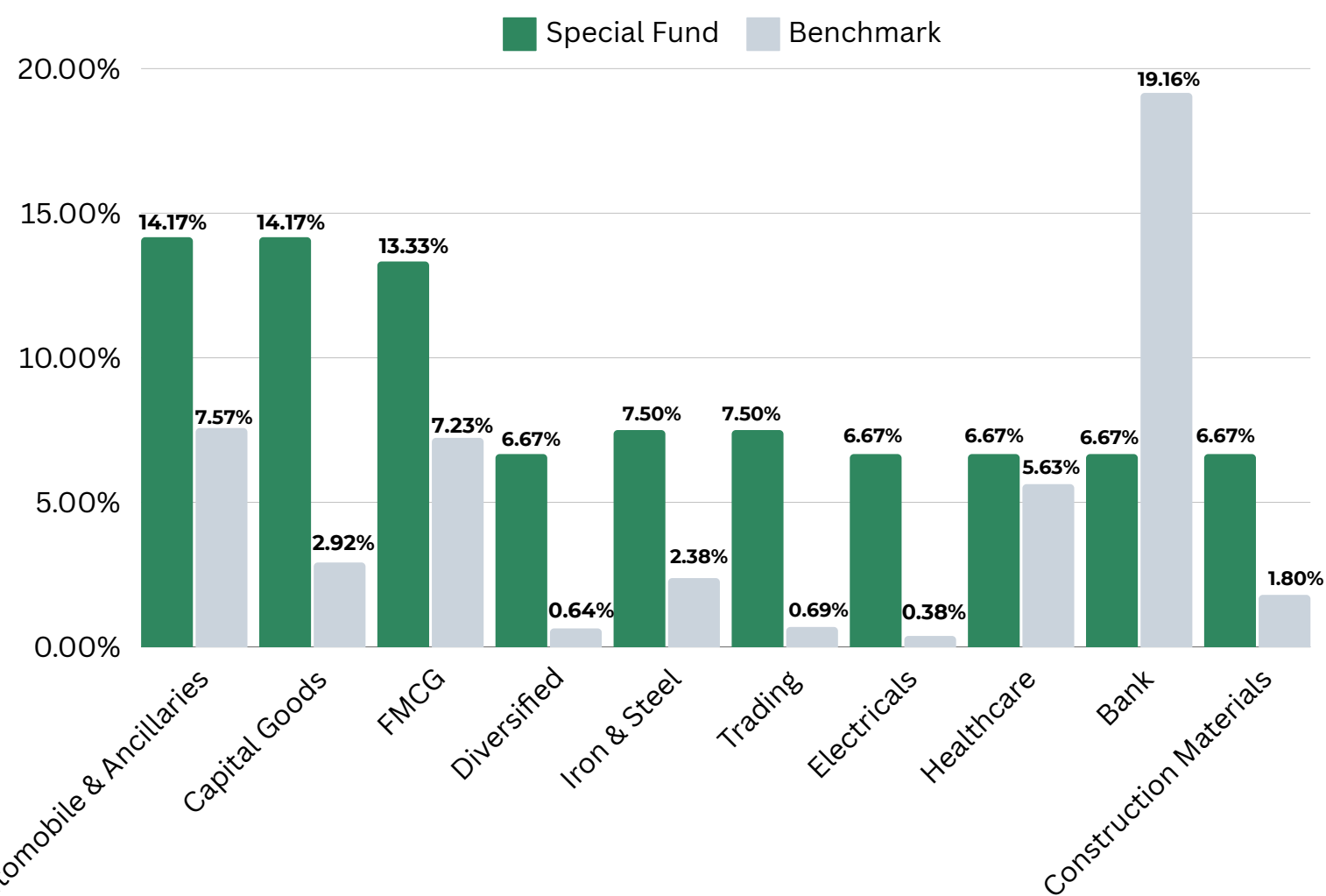
Key Metrics	Special Fund	Super 30 Fund	S&P BSE 500 (TRI)
<b>Maximum Drawdown</b>	-32.08%	-19.19%	-38.10%
<b>Peak to Valley</b>	February 2020 - March 2020	January 2020 - March 2020	February 2020 - March 2020
<b>Full Recovery Period</b>	5 Months	9 Months	9 Months

\*As on 31st March 2024

\*Performance presented are absolute returns unless mentioned  
\*FY24 returns are basis absolute returns until latest month end only

# RISK AND RETURN METRICS – SPECIAL FUND

Portfolio Characteristics	Portfolio
Top 10 Stocks	36.42%
Average Market Cap.	49,443 Crores



Quants	Portfolio	S&P BSE 500
CAGR	25.39%	15.78%
Beta	0.99	N/A
Standard Deviation	6.86%	5.39%
Sharpe Ratio	2.94	1.60
Price/Earnings	22.6	25.5
Price/Book	3	4.1
Dividend Yield	0.5%	1.2%

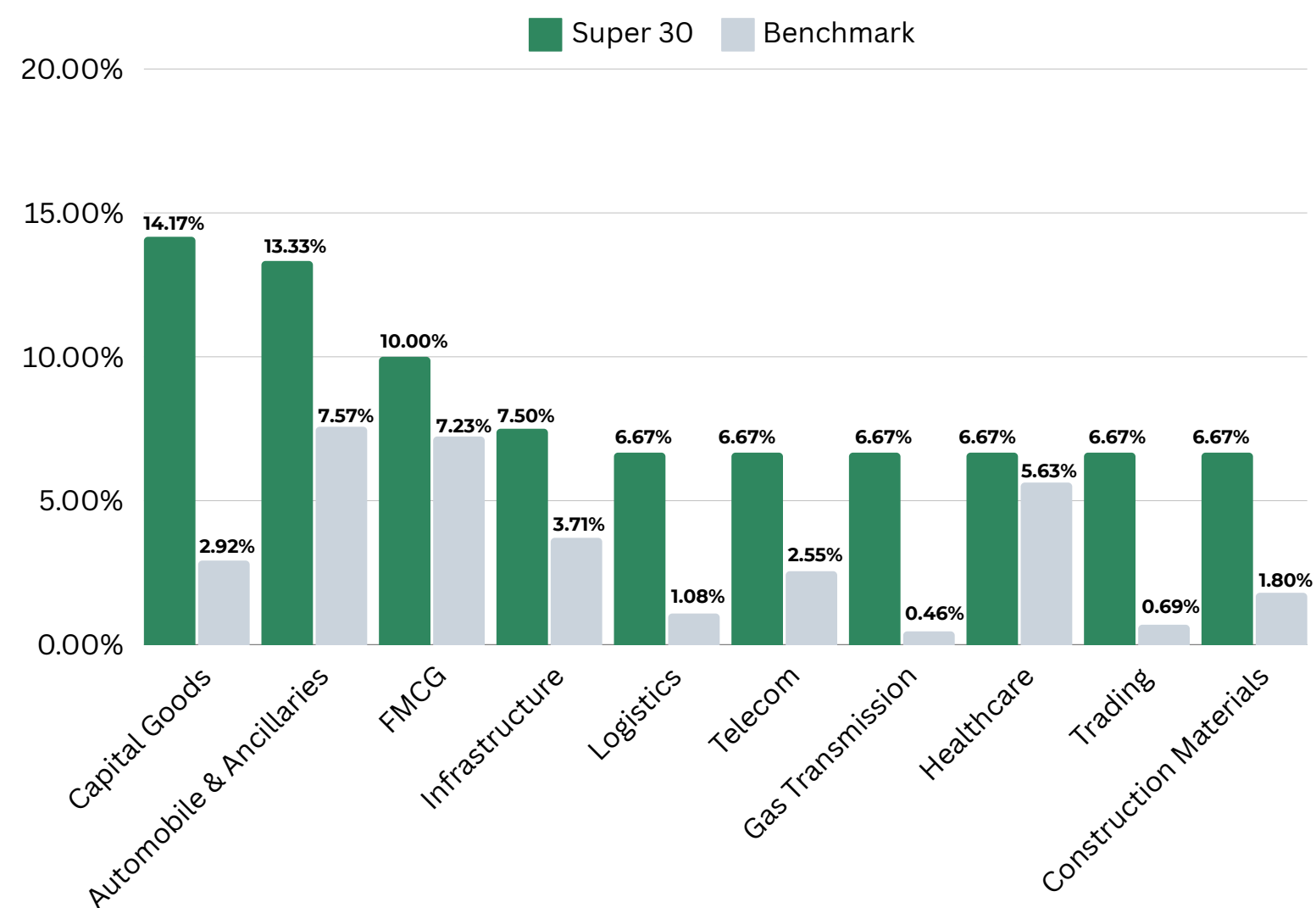
\*As on 31st March 2024

\*Data presented above is basis the 'model portfolio' and not the actual aggregate fund level portfolio.

\*Data represented on the above bar graph only shows the top 10 sectors.

# RISK AND RETURN METRICS – SUPER 30

Portfolio Characteristics	Portfolio
Top 10 Stocks	39.98%
Average Market Cap.	883 crores



Quants	Portfolio	S&P BSE 500
CAGR	30.98%	19.65%
Beta	0.62	N/A
Standard Deviation	8.57%	5.62%
Sharpe Ratio	3.13	2.52
Price/Earnings	21.6	25.5
Price/Book	2	4.1
Dividend Yield	0.5%	1.2%


\*As on 31st March 2024

\*Data presented above is basis the 'model portfolio' and not the actual aggregate fund level portfolio

\*Data represented on the above bar graph only shows the top 10 sectors.



# FUND ELEMENTS



<b>Fund Name</b>	Green Portfolio Special Fund
<b>Investment Manager</b>	Mr Divam Sharma & Mr Anuj Jain
<b>Fund Description</b>	Multicap, focused towards small and mid cap
<b>Fees</b>	Fixed only, Performance only, Hybrid
<b>Investment Horizon</b>	3-5 Years
<b>Minimum Investment</b>	INR 50,00,000
<b>Custodians</b>	Nuvama, ICICI, Orbis Financial
<b>Auditor</b>	Lodha and Associates

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# DISCLAIMER

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## INVESTMENT OBJECTIVE

- **SPECIAL FUND** The investment objective of the PMS business is to consistently grow our investor's wealth through disciplined selection and allocation of investment capital while ensuring protection from capital erosion. Over the years our Fund Managers have consistently compounded wealth by identifying and investing in Multi-Bagger stocks. This is a Growth at Reasonable Price strategy with utmost importance on corporate governance, growth prospects, industry dynamics, key company fundamentals, valuations and promoter integrity. We also emphasise the company's marketing strategy, R&D spend, product capabilities, competition, feedback from stakeholders. **Indicative tenure/Investment horizon: 3 years.**
- **SUPER 30** The objective of this fund is to provide a very high reward but with a higher than usual risk. The businesses chosen in this fund are turnarounds that lead to a spike in performance due to a special situation forming such as a change in key management, M&A, deleveraging etc. We aim to provide substantial gains in the medium to long term, with a minimum time horizon of three years. And throughout this investment period, we provide comprehensive research reports on a quarterly basis. **Indicative tenure/Investment horizon: 3 years.**

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# DISCLAIMER

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Past performance is not a guarantee of future performance. Performance presented is calculated net of expenses and fee on TWRR basis, and returns reported are absolute returns unless mentioned.

The data contained in this document is based on the information until the 31st of March 2024. We are not responsible for any transactions nor investments conducted privately by the recipient, based on the above data. All investment decisions must be conducted with due diligence and after seeking advice. The performance reported above is not verified by SEBI. Investors can directly invest by contacting us through the above-mentioned platforms. This document is produced using the 'Green Portfolio Special' and 'Green Portfolio Super 30' fund data. This document does not constitute personal advice. Anyone considering using the service should seek financial advice.

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Sector allocation and valuation metrics presented on respective slides are based on Model Portfolio of a potentially new client and not the actual fund's portfolio. For stocks with a negative or invalid PE, '20x' figure has been substituted in order to calculate the model portfolio PE.

Risk metrics except Beta have been calculated basis the inception performance of the fund. Beta is basis the trailing 12 month performance.

Risk free rate taken for calculation of Sharpe ratio is as per the 10 year bond yields of respective markets.

