



I am happy to share with you that Negen Capital PMS has earned a return of +13.63% vs Benchmark Index S&P BSE 500 TRI earned a return of +4.59% for the month of April 2023. Over the past 3 years, Negen Capital PMS has earned a CAGR of 56.60% vs S&P BSE 500 TRI earned a CAGR of 25.47%. We have maintained the highest '5 Star' rating as PMSBazaar and CRISIL rankings for Q3FY23 and remained India's top performing PMS in the Multicap category.

## 1. Our Investment Philosophy

- Idea Generation:** Most of our portfolio companies have a unique combination of Special Situation Investing. We look for ideas from Demerger and Promoter Change with Better Management. These situations have delivered Alpha Returns.
- MEGA Trends:** We identify Mega Trends and invest in the companies benefitting the most from them. We have been investing in Consumer Tech companies and being early in this, we generated Alpha returns.
- Conservative Approach:** We stay away from PSU and Cyclical Investments. We have maintained ~7% CASH and are looking for future investment opportunities.

Portfolio Manager: Mr. Neil Bahal

Total Experience: 23 years

## Performance vs Benchmark- S&P BSE 500 TRI (Time-weighted rate of return - TWRR)

Period	1 Month	1Yr (TTM)	2Yr	3Yr	4Yr
Strategy	13.63%	-1.87%	19.61%	56.60%	25.51%
Benchmark S&P BSE 500 TRI	4.59%	4.23%	12.30%	25.47%	13.60%

**Negen Capital Services Pvt Ltd**

Corp. Office: City Hall Building, next to passport office, Kamala Mills Compound, Lower Parel, Mumbai 400013

Contact: +91 98202 86538; +91 98205 80420

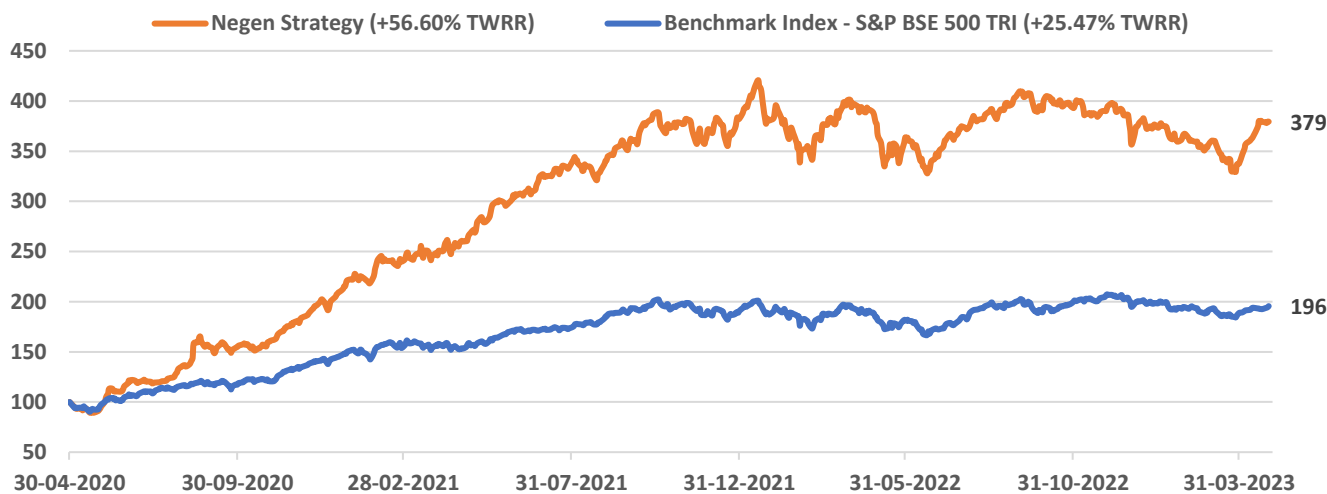
SEBI Reg. No: INP000005414

Grievance & Compliance Office: Yogen Lavari

Ph. – 022 6757 4427



**Negen Strategy vs Benchmark - S&P BSE 500 (3Yr TTM)**



**Comparative performance of Negen Capital vs Benchmark – S&P BSE 500 TRI**

**Market Cap Graph & Input (Weighted Avg market cap)**

Top 5 Sector-Holdings		Top 5 Stock-Holdings	
Pharmaceuticals	15.44%	Aarti Pharmalabs Ltd	
Speciality Chemicals	12.72%	Camlin Fine Sciences Ltd	
Tech- Fintech	8.69%	Sapphire Foods India Ltd	
Restaurants - QSRs	7.43%	Sundaram Clayton	
Financial Services	5.38%	Cholamandalam Investments and Finance Ltd	

AuM Info	In ₹ Cr	Portfolio Characteristics	Fund
Aggregate Portfolio	490.5	Investment	92.65%
		Cash	7.35%

**Negen Capital Services Pvt Ltd**

Corp. Office: City Hall Building, next to passport office, Kamala Mills Compound, Lower Parel, Mumbai 400013

Contact: +91 98202 86538; +91 98205 80420

SEBI Reg. No: INP000005414

Grievance & Compliance Office: Yogen Lavari

Ph. – 022 6757 4427



## 2. Our Strategy

### 2.1 Strategic Risk Management

1. The PMS has been following a conservative approach and has been keeping cash as well for the uncertainties.
2. We take less risk by avoiding cyclical, commodities and PSUs.
3. We stick to Technology, IT, Demergers and Promoter change.

### 2.2 Uniquely Placed

#### 1. Special Situations: Value investing with a trigger

- I. Demergers
- II. Change in promoters

#### 2. Technology: A permanent super-cycle

- I. Indian Tech
- II. Global Tech (FAANG plus)

### 2.3 What is So Special About Tech?

1. The internet adds 3 new users EVERY SECOND.
2. 15 smartphones are sold globally EVERY SECOND
3. Due to Jio, India has seen 'Internet-i-fication'.
4. We are in the midst of an early technology revolution in India
5. A technology super cycle is in front of our eyes
6. Every single decent sized business is going to upgrade its IT infrastructure in the next few years.
7. Pure technology platforms and even the IT product & services companies should see unprecedented, structural growth.
8. These companies are typically debt free, have high RoIC, high FCF, and best of all, they have Growth.

### 2.3 Is Value Investing Still Alive?

1. Yes, but in a new avatar. They are called Special Situations.
2. Demergers & Promoter Change are two themes we closely follow.
3. A Demerger is done to unlock value.
4. New promoters buy companies to achieve big returns. This creates value for shareholders.
5. Berkshire Hathaway is the poster boy of what promoter change can do. Warren Buffett bought at \$14 and it is today at \$408,000.

6. Adani Group is a big example how a large conglomerate can incubate smaller businesses and demerge them out which creates immense value for shareholders.
7. So NO, we do not buy random, cheap stocks from market. These kinds of stocks are cheap for good reasons.
8. We buy Cheap stocks only if they demerge or if a new promoter buys the company to create value.

### 3. About the Founder

We are a Team of 10 professionals in Negen Capital PMS, led by:

**Portfolio Manager Name: Neil Bahal – 38 Years.**

**Started early at 15, having experience of 23 years into investing.**

**Education:** Studied at SP Jain Institute of Management & Research.

**We are the first adopters of Tech & Special Situation combination**

#### 3.1 Meet the Founder- Mr. Neil Bahal

**Twitter:** [twitter.com/NeilBahal](https://twitter.com/NeilBahal)

**Neil Bahal's Newsletter URL:** [Subscribe to Newsletter](#) - I share my best thoughts on the market, stocks & business trends regularly

**YouTube:** <https://www.youtube.com/c/neilbahalnegen>

**WhatsApp:** [WhatsApp Me](#)

**Contact number:** +91 9820286538

**Website Link:** <https://negenpms.com/>

**Negen AIF Website:** <https://negenaif.com/>

Have a look at our strategy on YouTube:



# Negen Capital

(Portfolio Management Service)

April-2023



**Disclaimer:**

This document is issued by Negen Capital, Portfolio. This presentation has been prepared and issued on the basis of internal data, publicly available information and other sources believed to be reliable. It is produced for information purpose only and should not be construed as investment advice to any party. It does not constitute a prospectus or offer document or an offer or solicitation to buy any securities or other investment. All opinions, figures, charts/graphs, estimates and data included in this presentation are as on date and are subject to change without notice. While utmost care has been exercised while preparing this document, Negen does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information. The statements contained herein may include forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Readers shall be fully responsible / liable for any decision taken on the basis of this presentation. Distribution Restrictions – 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. performance related information provided therein is not verified by SEBI. This communication is for private circulation only and for the exclusive and confidential use of the intended recipient(s) only. Any other distribution, use or reproduction of this communication in its entirety or any part thereof is unauthorized and strictly prohibited. Investments in Securities are subject to market and other risks. Negen does not offer any guaranteed or assured returns. Please read the Risk Disclosure Document (RDD) carefully before investing. RDD may be downloaded from <https://www.negenpms.com>. All clients have an option to invest in the products / investment approaches directly, without intermediation of persons engaged in distribution services.

**Negen Capital Services Pvt Ltd**

**Corp. Office:** City Hall Building, next to passport office, Kamala Mills Compound, Lower Parel, Mumbai 400013

**Contact:** +91 98202 86538; +91 98205 80420

**SEBI Reg. No:** INP000005414

**Grievance & Compliance Office:** Yogen Lavari

**Ph. –** 022 6757 4427