GREEN LANTERN CAPITAL LLP

OCTOBER 2026

SEBI REGISTRATION : INP000005829

www.greenlanterncapital.in

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GREEN
LANTERN
CAPITAL
LLP

WHO ARE WE?

We are a team of seasoned investment professionals united by a shared philosophy: margin of safety, seek asymmetric opportunities, and research-based investment.

> ***"The three most important words in investing are: margin of safety."***
>
> **– Warren Buffett**

This principle sits at the core of everything we do.

It guides how we evaluate businesses, manage risk, and make decisions with patience and conviction.
Our approach is built on trust:

- ✓ trust in a process that prioritizes downside risk mitigation,
- ✓ trust in our ability to stay rational through cycles,
- ✓ and trust that we act only when the margin of safety is unmistakable.

At Green Lantern Capital, we don't just manage money - **we steward long-term wealth with responsibility, clarity, and unwavering discipline.**

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OUR TEAM

85+ Years of Cumulative Experience



NILESH DOSHI

CEO & Managing Partner

- **35+ years of experience** across industry, equity research, and investment
- **IIT Bombay** alumnus with a B.Tech in **Chemical Engineering**
- Former **Head of Equity Research** at **Way2Wealth** and **Head of Mid-Cap Research** at **Edelweiss Securities**
- Advised leading domestic institutions like UTI MF, Tata MF, Reliance PMS, insurers, bank treasuries and a large retail/ HNI network
- Strong manufacturing background working with companies like **Pidilite, Praxair, Jesons**, etc. with expertise across **projects, production, marketing, supply chain & global trade**



ABHISHEK BHARDWAJ

Managing Partner & Principal Officer

- **20+ years of experience** in equity fund management, research, and portfolio strategy
- **Chartered Accountant**
- Former **Equity Portfolio Manager** at **Star Union Dai-Ichi Life Insurance**, managing key equity mandates
- Held senior roles at FIIs; **Head of Research** at **Heritage Capital India** and **Senior Analyst** at **Monsoon Capital**
- Previously part of **Reliance MF & Reliance PMS**; promoted to Portfolio Manager for strong performance
- Began career as a **Credit Rating Analyst** at **CARE Ratings**, building a solid foundation in credit assessment



PRADEEP GOKHALE

Partner & Fund Manager

- **23+ years of experience** in fund management, equity research, credit evaluation & ratings
- **Chartered Accountant** and **CFA** (CFA Institute, USA)
- Former **Head of Equity** at **ITI AMC**; helped scale AUM to **INR 3,000+ crore** and built the firm's investment & research framework
- Spent **15 years** at **Tata Asset Management** as **Senior Fund Manager**, managing multiple flagship funds with **INR 5,000+** crore AUM
- Earlier roles at **CARE Ratings**, **Bombay Dyeing**, **Tata International & Lubrizol**, adding strong cross-industry experience



NITIN PANDEY

Partner & Business Development Head

- **20+ years of capital market experience** across leading institutions
- **PGDBA** with strong expertise in **portfolio management, macro analysis, and sector research**
- **Specialist** in **Behavioral Finance**, helping investors enhance long-term outcomes
- Former **Investment Manager** at **Miras Investments**, a **USD 2B** global family office in Oman

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WHAT TO EXPECT FROM US?

DOs

- ✓ Margin of safety
- ✓ Disciplined approach
- ✓ Rigorous research and due diligence
- ✓ Long-term focus
- ✓ Skin in the game
- ✓ Transparency & regular communication

DON'Ts

- ✓ Chasing expensive valuations
- ✓ Speculation
- ✓ Compromise with quality
- ✓ Investing for the sake of investing
- ✓ Benchmark hugging

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INVESTMENT APPROACH

QUALITY COMPANIES IN GROWTH MARKETS

- High-quality franchises with ethical leadership
- Large growth runways, durable moats, and superior ROE
- Established industry leaders
- Clear drive and hunger to scale

RISK CONSCIOUS APPROACH

- Valuation Risk
- Earnings Risk
- Balance Sheet Risk
- Over-ownership risk

DEEP RESEARCH & FLEXIBILITY

OUR INVESTMENT PRINCIPLES

- Absolute return mindset
- Asymmetric risk-return approach
- Focus on undiscovered or underperformed opportunities
- Disciplined and process-driven approach to selling

FLEXIBLE APPROACH

- Combining top-down and bottom-up frameworks
- Capitalizing on occasional tactical opportunities
- Using cash strategically as a hedge

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INVESTMENT APPROACH

RIGOUR OF BUYING A BUSINESS

BUSINESS SELECTION

Our investment process begins with a deep, fundamental understanding of each business. We think like business owners — investing only in high-quality companies we know well and that are positioned to deliver sustainable improvement in earnings and cash flows, while avoiding those facing structural headwinds.

JUDGEMENT OF BUSINESS CYCLES

Our perspective on global macroeconomics and business cycles helps us stay ahead of the curve. We may enter positions early and allow time for the thesis to play out, but our experience shows that such investments often result in strong long-term IRRs.

MARGIN OF SAFETY

Identifying themes and companies early gives us the margin of safety we seek before deploying capital. We are willing to be contrarian when we can clearly see catalysts for earnings improvement or potential re-rating of sectors or stocks.

Thus, investing in quality, growing businesses with desired margin of safety ensures lower drawdown risk, lower volatility and generates superior returns over a period of time.

OUR APPROACH HELPS US FOCUS ON...



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OUR PRODUCTS

GROWTH FUND

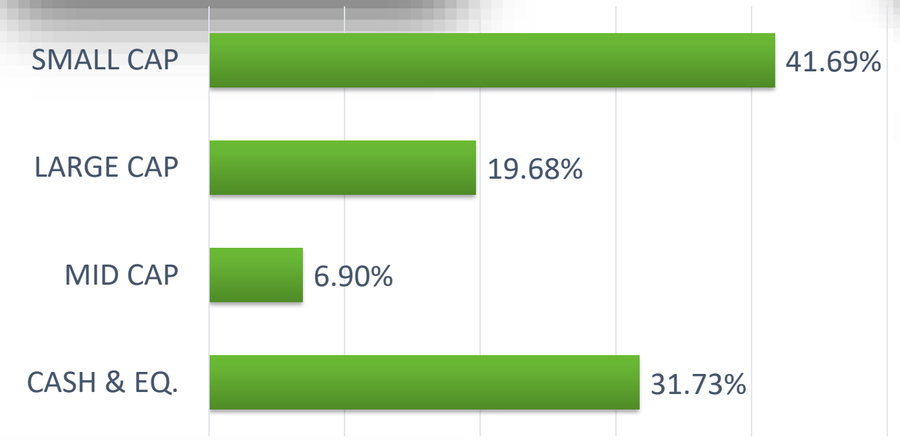
SMALL & MID CAP

The fund's strategy is designed to deliver superior risk- adjusted returns across varying market conditions by focusing predominantly on mid- and small-cap companies. These segments often offer significant growth potential, yet require disciplined research and prudent selection to manage inherent volatility.

The portfolio is carefully constructed around businesses that are industry leaders or emerging leaders within their sectors, demonstrate the ability to consistently generate healthy returns on equity (ROE), and are available at valuations that provide a significant margin of safety.

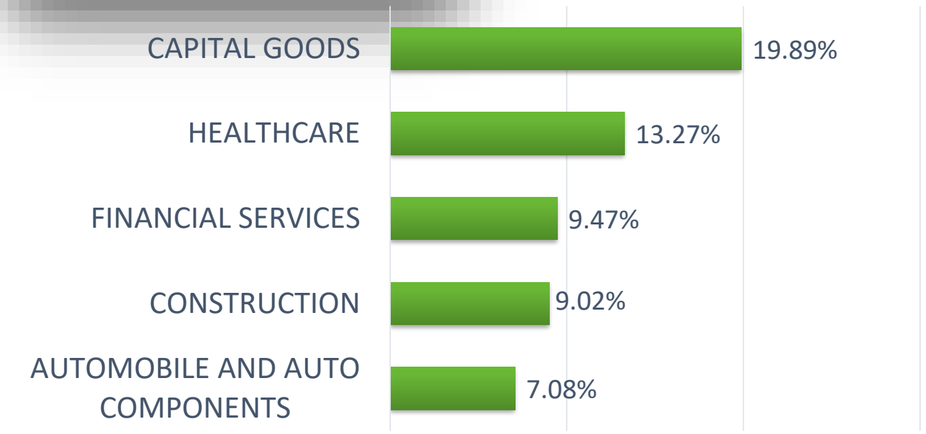
Portfolio Structure	Horizon	No. Of Stocks	Default Position	Benchmark
• Large Cap: 0% – 35% • Small & Mid Cap: 25% - 100%	• 3 – 5 Years	• 20 – 30	• Cash	• BSE 500 TRI

MARKET CAP



Source: AMFI Categorization as per SEBI Circular "SEBI/HO/IMD/DF3/CIR/P/2017/114"

TOP 5 SECTORS



Source: www.nseindia.com

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OUR PRODUCTS

ALPHA FUND

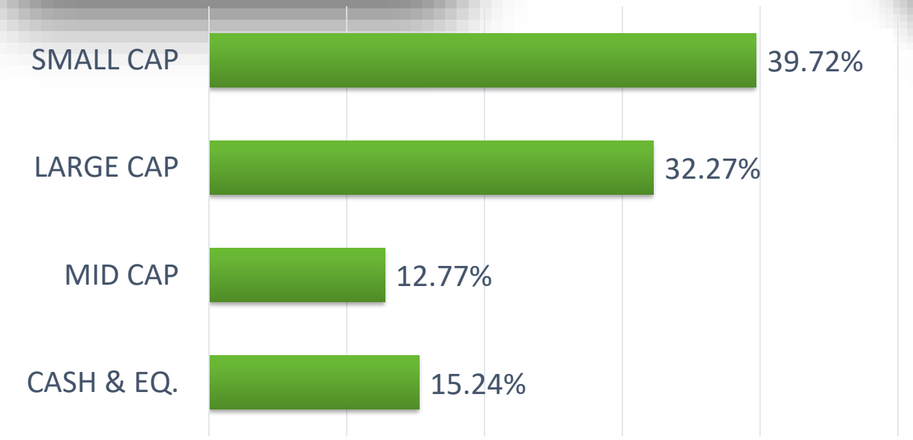
LARGE & MID CAP

The fund's strategy seeks to deliver superior risk-adjusted returns across diverse market conditions by investing primarily in large-cap and large mid-cap companies, within the flexibility of a broad multi-cap allocation framework. This approach combines the stability of established businesses with the growth potential of rising leaders, creating a balanced and resilient portfolio.

The fund focuses on building a carefully curated basket of market leaders - companies distinguished by robust balance sheets, strong earnings growth, and consistent free cash flow generation. By emphasizing financial strength and sustainable performance, the strategy aims to generate steady compounding and invest capital consciously while capturing growth opportunities across sectors.

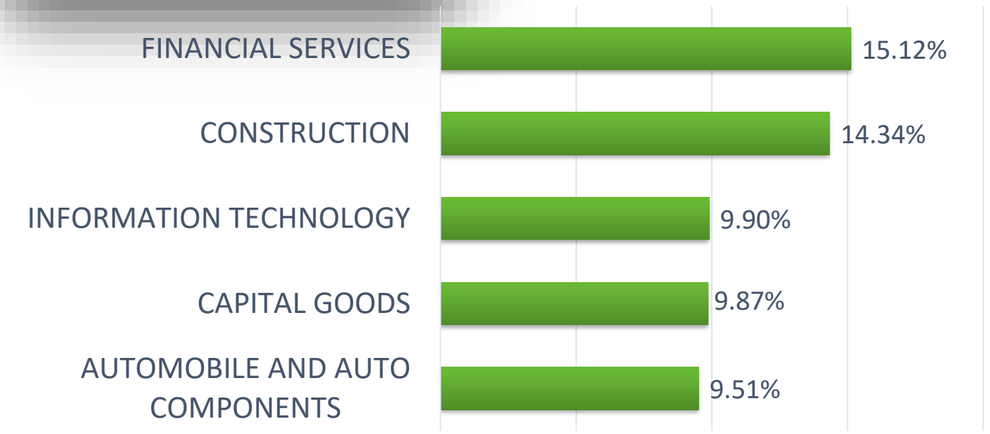
Portfolio Structure	Horizon	No. Of Stocks	Default Position	Benchmark
• Large Cap: 0% – 60% • Mid Cap: 20% - 40% • Small Cap: 0% - 30%	• 3 – 5 Years	• 20 – 30	• Cash	• BSE 500 TRI

MARKET CAP



Source: AMFI Categorization as per SEBI Circular "SEBI/HO/IMD/DF3/CIR/P/2017/114"

TOP 5 SECTORS



Source: www.nseindia.com

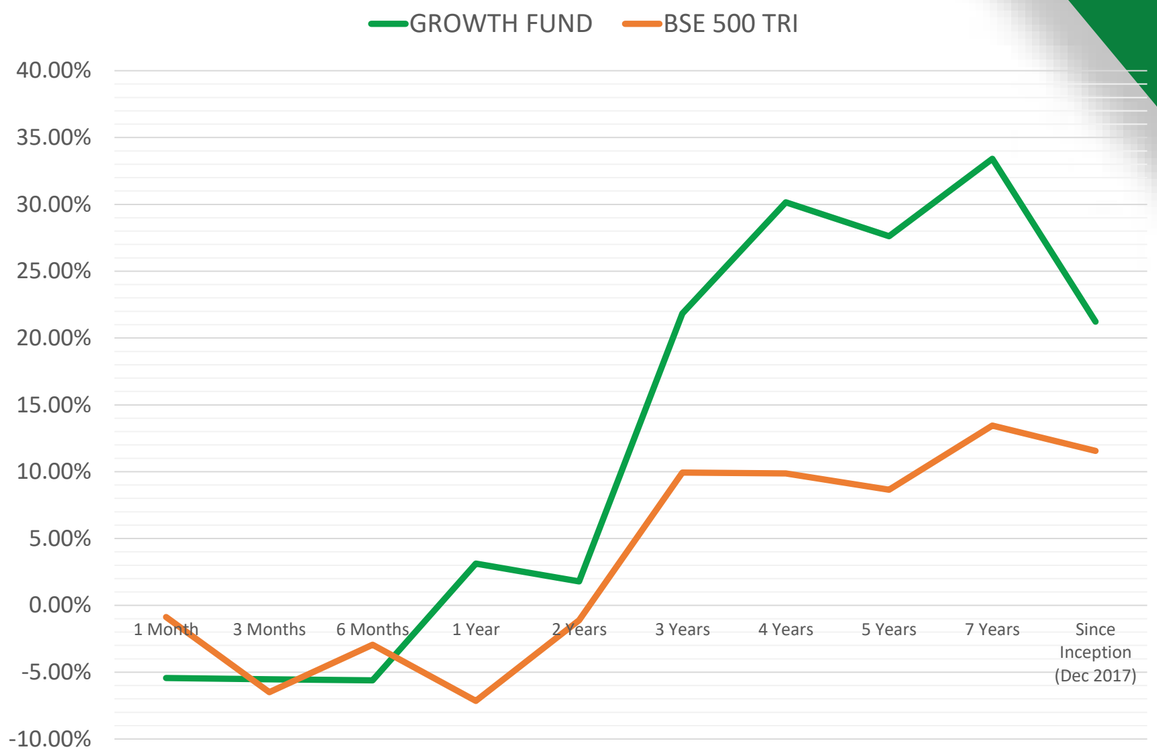
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PERFORMANCE

GROWTH FUND – OCTOBER 2026

TIMELINE	GROWTH FUND	BSE 500 TRI	OUTPERFORMANCE
1 Month	-5.43%	-0.87%	-4.56%
3 Months	-5.53%	-6.49%	0.96%
6 Months	-5.61%	-2.95%	-2.66%
1 Year	3.12%	-7.15%	10.27%
2 Years	1.79%	-1.11%	2.90%
3 Years	21.83%	9.94%	11.89%
4 Years	30.16%	9.87%	20.29%
5 Years	27.61%	8.65%	18.96%
7 Years	33.41%	13.45%	19.96%
Since Inception	21.22%	11.56%	9.66%



AUM	INR 1,940.34 Crs

5 Years	GROWTH FUND	BSE 500 TRI
Sharpe Ratio	1.46	0.65
CAPM Beta	0.89	1.00
Std. Deviation	17.87	14.53

	1 MONTH	1 YEAR
Churn Ratio	0.05	0.71

As per SEBI, i.e. Higher of Purchase or Sales in the month/ Average AUM

Note:
All returns are calculated using TWRR and reported net of fees and expenses.
Returns for 1 year and below are presented as absolute, while returns for periods above 1 year are annualized.
All data points are since inception, unless stated otherwise.

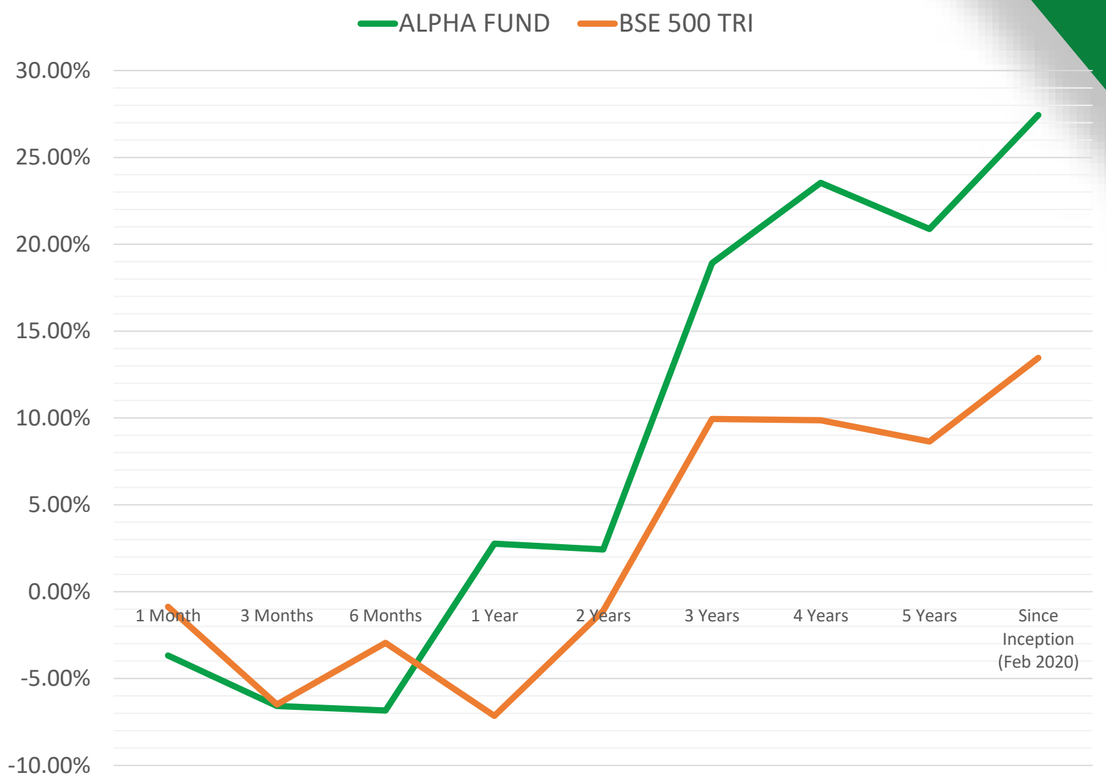
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PERFORMANCE

ALPHA FUND – OCTOBER 2026

TIMELINE	ALPHA FUND	BSE 500 TRI	OUTPERFORMANCE
1 Month	-3.67%	-0.87%	-2.80%
3 Months	-6.58%	-6.49%	-0.09%
6 Months	-6.84%	-2.95%	-3.89%
1 Year	2.76%	-7.15%	9.91%
2 Years	2.43%	-1.11%	3.54%
3 Years	18.91%	9.94%	8.97%
4 Years	23.54%	9.87%	13.67%
5 Years	20.88%	8.65%	12.23%
Since Inception	27.44%	13.46%	13.98%



AUM	INR 70.54 Crs

5 Years	ALPHA FUND	BSE 500 TRI
Sharpe Ratio	1.27	0.65
CAPM Beta	0.96	1.00
Std. Deviation	16.05	14.53

	1 MONTH	1 YEAR
Churn Ratio	0.03	0.61

As per SEBI, i.e. Higher of Purchase or Sales in the month/ Average AUM

Note:
All returns are calculated using TWRR and reported net of fees and expenses.
Returns for 1 year and below are presented as absolute, while returns for periods above 1 year are annualized.
All data points are since inception, unless stated otherwise.

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IN MEDIA

The many routes to PMS alpha



DEEP DIVE. PMS investing is primarily a manager-selection decision, not merely a choice between strategies. Here's a peek into the PMS industry, where we analyse 530 SEBI-registered portfolio managers

PMS IN BRIEF

- PMS is designed mainly for affluent investors, family offices and institutions seeking a separately managed portfolio rather than units in a pooled fund.
- **Minimum investment:** ₹50 lakh
- **Direct ownership:** Securities are generally held in the investor's demat account and cash remains in a designated bank account
- **Discretionary PMS:** The manager makes and executes investment decisions on the client's behalf
- **Non-discretionary PMS:** Transactions require the client's approval
- **Advisory PMS:** The manager gives advice, while the client makes and executes the decisions
- **Customisation varies:** Many providers run model strategies, although PMS can offer more flexibility than standardised mutual fund categories

Dhuralvel Gunasekaran
bl. research bureau

Portfolio Management Services (PMS) managers have greater freedom to run concentrated portfolios, although sustained benchmark outperformance has varied across strategies. A bl.portfolio analysis of 554 active PMS strategies shows that category-average returns beat the relevant benchmarks in three of the six equity categories examined over five years. Mid-cap stood out as a challenging segment, as no strategy managed to surpass the Nifty Midcap 150 TRI. Multi- and Flexi-cap was the standout, with both the category average and about 2 out of 3 strategies in the sample beating the Nifty 500 TRI.

The wide gap between category averages and the best-performing managers carries a second message. PMS investing is primarily a manager-selection decision, not merely a choice between strategies. A concentrated portfolio can produce exceptional alpha when the manager is right, but it can magnify stock-specific losses, drawdowns and tax costs when the calls go wrong.

As of June 2026, India had 530 SEBI-registered portfolio managers. The industry served about 2.2 lakh investors and managed ₹8.9 lakh crore (excluding EPFO assets) across discretionary, non-discretionary and advisory portfolios. This is a broad industry figure, covering different client segments and mandates.

HOW WE DID IT

The Association of Portfolio Managers in India (APMI) lists about 1,570 PMS strategies, including active and inactive offerings. This bl.portfolio analysis uses PMSBazaar data covering 554 active model portfolios or primary strategies across 15 categories.

Equity strategies were assessed on five-year returns ended June 30, 2026. Debt, multi-asset, MF-PMS and arbitrage strategies were ranked on three-year returns because only a few offerings in these segments had a five-year track record. Performance is reported using the Time-Weighted Rate of Return (TWRR), which is designed to separate the manager's investment performance from the timing of client cash flows. Category averages are calculated using a simple average. Category labels may reflect a strategy's mandate even when its current portfolio has moved materially away from that label. Published performance is net of management fees. Investor-level capital gains tax is not captured by TWRR.

COST AND TAX

Before we delve into PMS performance, understand three important things.

One, headline management fees don't reflect the full cost of PMS investing. Schemes use fixed (0.25–2.5 per cent), performance-linked (gains above a hurdle rate), or hybrid structures. However, operational expenses including brokerage, custody, demat, audit fees, and GST, further reduce net returns. For performance-linked plans, scrutinise high-water-mark rules, catch-up clauses, and fee-reset conditions.

Two, portfolio churn can create tax even without a withdrawal. In an equity mutual fund, tax generally arises when the investor redeems units. In a PMS, securities are bought and sold in the client's own account. Portfolio churn can, therefore, crystallise short- or long-term capital gains even when the client has not withdrawn money.

Two strategies reporting similar pre-tax returns can deliver different post-tax outcomes.

Three, flexibility creates opportunity and concentration risk. Mutual funds operate within standardised category rules. A large-cap mutual fund, for instance, must invest at least 80 per cent of its assets in the top 100 companies and cannot invest more than 10 per cent of the scheme's corpus in a single stock. PMS managers have greater freedom to build concentrated portfolios, with some strategies allocating 20-30 per cent to one company and holding a few stocks.

PMS PERFORMANCE

Here is how categories performed:

Large-cap: *Outperformance was uneven*

Large-cap PMS strategies produced a mixed result. The category delivered an average annualised return of 10.4 per cent over five years, slightly ahead of the Nifty 100 TRI's 10.3 per cent. Yet, 44 per cent of the strategies beat the benchmark. The category average, therefore, does not indicate broad-based alpha.

Tulsian PMS topped the category with 25.2 per cent, followed by Asit C Mehta's ACE Bluechip at 16.8 per cent and ICICI Prudential Large Cap Strategy at 16 per cent. Tulsian's current portfolio illustrates both sides of the PMS proposition: Nearly half of the portfolio was concentrated in its top five holdings.

Large- and mid-cap: *Wide split*

The large- and mid-cap category returned an average 13.4 per cent a year, trailing the Nifty LargeMidcap 250 TRI's 14.3 per cent. About half of the strategies outperformed the benchmark, suggesting a wide split rather than uniform category weakness. Green Lantern Capital's Alpha led with 24.8 per cent, followed by Care Portfolio's Large & Midcap Strategy at 17.3 per cent and Samvitti Capital's LT Growth Strategy at 15.8 per cent.

Mid-cap: *Weakest of the lot*

Mid-cap was the weakest equity PMS category in the study. Its five-year average annualised return of 12.6 per cent trailed the Nifty Midcap 150 TRI's 18.3 per cent. None of the qualifying strategies outperformed the index.

Sundaram Alternate Assets' SELF Portfolio topped the category with 17.4 per cent, followed by Right Horizons' Super Value at 17.1 per cent, Nippon India AMC's Emerging India at 16 per cent and NAFA Asset Managers' Emerging Bluechip Portfolio at 15.7 per cent.

Small- and mid-cap: *Some exceptional managers*

The small- and mid-cap category delivered an average return of 16 per cent a year, slightly below the Nifty MidSmallcap 400 TRI's 16.8 per cent. About one-third of strategies beat the benchmark.

Green Lantern Growth Fund generated 33.7 per cent, followed by Waltfort Diversified Fund at 25.8 per cent and Asit C Mehta Ace Ten Trillion Opportunities at 24.6 per cent. The long distance between the leaders and the category average is telling.

Small-cap: *Costs bite*

The small-cap category returned an average 19.1 per cent a year, beating the Nifty Smallcap 250 TRI's 16.8 per cent by 2.3 percentage points. About 50 per cent of small-cap strategies outperformed the benchmark. Aequitas's India Opportunities Product led with 33.1 per cent, followed by Counter Cyclical Investments' Diversified Long Term Value at 31 per cent and Green Portfolio's Super 30 Dynamic Fund at 26.9 per cent.

Multi-cap and flexi-cap: *Broadly better*

Multi-cap and flexi-cap strategies delivered an average annualised return of 13.4 per cent, outperforming Nifty 500 TRI's 12.3 per cent. Around 61 per cent of the strategies beat the benchmark, making this one of the more broadly successful categories. New Berry Capitals' Seeking Alpha led with 27.3 per cent, followed by Stallion Asset's Core Fund at 24.6 per cent and Samvitti Capital's PMS Active Alpha Multicap at 24.2 per cent.

BEYOND PURE-EQUITY PMS

Multi-asset: *Good returns*

Multi-asset PMS strategies can move dynamically across equities, debt, gold and silver exchange-traded funds, and permitted overseas funds. Unlike multi-asset mutual funds, they are not required to maintain at least 10 per cent in each of the three asset classes. That flexibility also makes a single benchmark less meaningful because two strategies can carry very different equity, commodity and credit exposures. Based on the three-year returns, Asit C Mehta's ACE Multi Asset led with 24 per cent, followed by ithought Financial Consulting's SPHERE at 21.8 per cent and Moat Financial Services' UpperCrust Growth Fund at 19.9 per cent.

Debt: *Yield meets risk*

Debt PMS strategies may pursue capital preservation, regular income or yield enhancement, with materially different levels of interest rate, credit, concentration and liquidity risk. Deserv's Dynamic Debt Strategy and Karvy Capital's Excel topped the three-year ranking with 10.4 per cent each, followed by Scient Capital's Aries PMS at 6.8 per cent. Deserv and Karvy allocated roughly half their portfolios to single-A-rated bonds and maintained average maturities of about 1.5-2 years. The higher yield must be viewed alongside the additional credit risk. Debt PMS strategies are also not bound by the same issuer- and sector-level exposure limits as debt MFs. Only one arbitrage strategy qualified in the PMSBazaar universe, so no category-level conclusion can be drawn. Estee Advisors' 1 Alpha delivered an annualised return of 10.7 per cent over three years.

MF-PMS: *The layered structure*

MF-PMS offerings manage portfolios made up entirely of mutual funds for affluent investors who want professional asset allocation, fund selection and rebalancing. PMSBazaar data shows Deserv's Alpha Focus Strategy leading the category with a three-year annualised return of 21.6 per cent, followed by Valtrust Partners' Equity Hybrid Funds at 17.7 per cent and Kotak AMC's Pioneer Model Strategy Aggressive at 15.5 per cent. Investors need to bear in mind that they will incur the expense ratios of the underlying direct plan funds as well as the PMS manager's fees and account-level charges.

With inputs from Kumar Shankar Roy

TWRR measures the manager; XIRR measures the investor

TWRR breaks the investment period into sub-periods whenever money is added or withdrawn. It calculates each sub-period's return separately and compounds the results. This removes the effect of the timing and size of external cash flows, making it useful for comparing managers and benchmarks.

Consider an account funded with ₹50 lakh on January 1. It is worth ₹49 lakh before another ₹20 lakh is added on March 1. It rises to ₹75 lakh before ₹10 lakh is withdrawn on October 1, and ends the year at ₹70 lakh. The three sub-period returns are -2 per cent, about 8.69 per cent and about 7.69 per cent. Compounding the unrounded return factors gives a TWRR of about 14.7 per cent.

XIRR, by contrast, incorporates the exact date and amount of every investment and withdrawal. It therefore measures the investor's personal return. With one initial lump-sum investment and no later cash flows, TWRR, XIRR and CAGR should be the same apart from minor date and rounding differences.

Computation of TWRR

An account is funded with ₹50 lakh on January 1, 2025. On March 1, the client contributes another ₹20 lakh. The account is valued at ₹49 lakh on February 28. On October 1, the client withdraws ₹10 lakh. The account is valued at ₹73 lakh on September 30 and ₹70 lakh on December 31, 2025.

Sub-periods	Sub-period returns	Factor
Jan 1, 2025 to Feb 28, 2025	(49 − 50) ÷ 50 = -2.00%	(1 − 2.00%) = 0.98
Mar 1, 2025 to Sep 30, 2025	(75 − 49 − 20) ÷ (49 + 20) = 8.69%	(1 + 8.69%) = 1.0869
Oct 1, 2025 to Dec 31, 2025	(70 − 75 + 10) ÷ (75 − 10) = 7.69%	(1 + 7.69%) = 1.0769

Cumulative return (TWRR) = (0.98 * 1.0869 * 1.0769) − 1 = 1.15 − 1 = 14.7%

Top performers under major PMS categories

PMS	Strategy	Category	Return (%)
Based on 5-year returns			
Tulsian PMS	Tulsian PMS	Large-cap	25.2
Asit C Mehta Investment	ACE Bluechip		16.8
ICICI Prudential AMC	Large Cap Strategy		16
Green Lantern Capital	Alpha Fund	Mid- & Large-cap	24.8
Care Portfolio Managers	Large and Midcap Strategy		17.3
Samvitti Capital	PMS Long Term Growth		15.8
Sundaram Alternate Assets	SELF Portfolio	Mid-cap	17.4
Right Horizons	Super Value		17.1
Nippon Life India Asset	Emerging India		16
New Berry Capitals	Seeking Alpha	Multi-cap & Flexi-cap	27.3
Stallion Asset	Core Fund		24.6
Samvitti Capital	PMS Active Alpha Multicap		24.2
Green Lantern Capital	Growth Fund	Small- & Mid-cap	33.7
Waltfort Fund	Diversified Fund		25.8
Asit C Mehta Investment	Ace Ten Trillion Opportunities		24.6
Aequitas Investment	India Opportunities Product	Small-cap	33.1
Counter Cyclical Invest	Diversified Long Term Value		31
Green Portfolio	Super 30 Dynamic Fund		26.9
Based on 3-year returns			
Dezerv Investments	Dynamic Debt Strategy	Debt	10.4
Karvy Capital	Excel		10.4
Scient Capital	Aries-PMS		6.8
Asit C Mehta Investment	ACE Multi Asset	Multi asset	24
ithought Financial Consulting	SPHERE		21.8
Moat Financial Services	UpperCrust Growth Fund		19.9
Dezerv Investments	Alpha Focus Strategy	MF-PMS	21.6
Valtrust Partners	Equity Hybrid Funds		17.7
Kotak Mahindra AMC	Kotak Pioneer Model Aggressive		15.5
Estee Advisors	1 Alpha	Arbitrage	10.7

Source: PMSBazaar Value as of June 30, 2026 Computed as per TWRR method as provided by the PMS managers

What SEBI's July 2026 proposals could change

SEBI's July 23, 2026 consultation paper proposes a wider investment framework for PMS providers. These are proposals, not final rules. If adopted, discretionary PMS managers could invest in to-be-listed securities, allocate up to 10 per cent of client assets to investment-grade unlisted debt and access specified overseas equities, debt securities and funds, subject to applicable limits and explicit client consent.

A separate mutual fund-only PMS, or MF-PMS, framework has also been proposed. Such portfolios would invest only in direct plans of mutual funds, ETFs and Specialised Investment Funds. The minimum client investment could be reduced from ₹50 lakh to ₹25 lakh, widening access to mass-affluent investors. PMS-level exit-load provisions may also be waived off to avoid double charging.

The proposals also permit a total exposure of up to 1.25 times client AUM, including limited unhedged short positions and options exposure, with explicit client consent. Easier demat account portability between PMS providers has also been suggested.

How investors should evaluate a PMS

Here are five simple rules with which PMS returns can be assessed.

Start with the return that remains after every cost

Compare performance after management fees, performance fees, operating expenses and transaction charges. A strategy that marginally beats an index before these deductions may leave the investor worse off than a low-cost passive alternative.

Prefer consistency over one point-to-point CAGR

A five-year CAGR can be dominated by the starting and ending dates. If possible, examine rolling three- and five-year returns, the proportion of periods in which the strategy beat its benchmark and whether outperformance persisted under the same portfolio manager and investment process.

Measure the pain taken to earn the return

Maximum drawdown, downside capture and recovery time reveal risks hidden by an annualised return. A concentrated strategy may outperform over a full cycle yet expose the investor to losses that are difficult to tolerate or recover from.

Check concentration, turnover and category drift

Study the top-five and top-10 holdings, sector concentration, cash allocation and annual portfolio turnover. Also check whether the present portfolio still resembles the stated strategy. A product labelled small-cap, multi-asset or debt may have materially changed its exposure over time.

Assess the manager, not just the strategy name

Confirm who generated the historical record, whether that person still manages the strategy and whether the investment process is repeatable. A top ranking becomes less relevant after a manager change, a sharp rise in assets or a significant alteration in the mandate.

Business Standard

Most PMS plans beat Nifty

ASHLEY COUTINHO
Mumbai, 16 August

July was a good month for PMS (portfolio management service) schemes with 252 of the 261 schemes under consideration outperforming the Nifty50. These schemes returned 4.5 per cent on average, better than the 0.3 per cent given by the benchmark.

Better performing strategies in July included Right Horizon's Minerva India Underserved (22.9 per cent), Aequitas Investment Consultancy's India Opportunities Product (14.9 per cent), and Green Lantern Capital's Growth Fund (14.6 per cent), the data from PMS Bazaar showed. Large-cap PMS schemes (average returns of 2.5 per cent), mid-cap schemes (4.7 per cent), multi-cap schemes (4.5 per cent), and small-cap (9.1 per cent) outperformed their respective benchmark index.

On a one-year basis, Negen Capital's Emerging Opportunities Fund (171.8 per cent), Nine Rivers Capital's Aurum Small Cap Opportunity (147 per cent), and Green Lantern Capital's Growth Fund (146.8 per cent) were the top performers.

Returns were calculated on a time-weighted rate of return basis for the schemes. The time-weighted rate of return eliminates the effects of inflows and withdrawals from the schemes to get a clearer sense of the fund manager's performance.

According to the latest regulatory data from Sebi, PMS schemes managed ₹17.97 trillion under discretionary portfolio, ₹1.4 trillion under non-discretionary portfolio, and ₹1.91 trillion under advisory.

The PMS segment invests money on behalf of well-off individuals. The minimum investment that regulations allow is ₹50 lakh.

TOP PERFORMERS IN JULY

AMC	Strategy	Category	1-mth	1-year
Right Horizons	Minerva India Under-Served	Small Cap	23.0	104.0
Aequitas Invest. Consultancy	India Opportunities Product	Small Cap	15.0	146.1
Green Lantern Capital	Growth Fund	Small Cap	14.6	146.8
Bonanza	Value	Multi Cap	14.4	117.5
Icici Pru	Pipe	Small Cap	13.3	103.5
Care Portfolio Managers	Growth Plus Value	S & Mcap	13.2	134.1
Agreya Capital Advisors	Agreya Concentrated Value Discovery Strategy	Multi Cap	11.9	88.0
Centrum Pms	Micro	Small Cap	11.6	125.6
Qed Capital Advisors	Alphabets	Large Cap	10.5	42.0
Abakkus Asset Managers	Abakkus Emerging Opportunities Fund	S & Mcap	10.5	NA

Source: PMS Bazaar

GREEN LANTERN CAPITAL LLP

IN MEDIA

297 SCHEMES TOGETHER GIVE AVERAGE RETURNS OF -0.1%

Over half of PMS schemes underperform Nifty in FY23

FINANCIAL EXPRESS

ASHLEY COUTINHO
Mumbai, April 18

THE MAJORITY OF the portfolio management services (PMS) schemes underperformed the Nifty50 in FY23 amid sustained market volatility. As many as 56%, or 165 of the 297 PMS schemes were not able to beat the returns generated by the benchmark.

The 297 schemes collectively delivered average returns of -0.1%, slightly higher than the -0.6% given by the benchmark. Twenty-two schemes delivered double-digit returns during the year.

This means a typical investor with four-six schemes in his portfolio probably would have not been able to beat Nifty returns in the last year.

Among individual categories, large-cap PMS schemes (average returns of -0.1%), multi-cap schemes (-0.03%) and small-cap PMS schemes (0.5%) outperformed their respective benchmarks. Mid-cap ones (-0.04%) underperformed benchmark Nifty Midcap 100 (1.15%). Most PMS schemes tend to adopt concentrated portfolios, which can work both ways. If few of the calls go wrong, it can hit overall performance, said experts.

Hem Securities' India Rising SME Stars, a small-cap strategy, was the top performer for FY23 with returns of 34.3%, followed by Molecule Ventures' Growth strategy (28.8%) and Green Lantern Capital's Growth Fund (22.1%).

Basant Maheshwari Wealth Adviser's Equity Fund was the worst performer with returns of -26.2%, followed by Turtle Wealth's 212* Growth Mantra (-24.4%) and Lake Water Advisors' India Growth strategy (-20.9%). Three Motilal Oswal strategies — Focused Midcap, IOP and IOP V2 — were among the 10 worst performers.

In 2018-19, a number of wealthy individuals migrated from mutual funds to PMS in search of alpha. Many schemes, barring top performing ones, have not delivered alpha.

"A more meaningful picture will emerge once the respective benchmarks for different PMS categories come into play. To get a better idea of which schemes are performing, they need to get broken down further into specific buckets," said Sameer Kamdar, founder & CEO, Smart Money.

The Association of Portfolio Managers in India has fixed benchmarks for equity, debt, hybrid and multi-asset PMS strategies, which will be effective from April 1.

PMS investors are at a little disadvantage vis à vis mutual funds on the taxation and fees front. Investors have to pay an additional tax of 0.6-0.8% on PMS schemes vis à vis equity MFs since all transactions happen on their respective trading accounts. In certain cases, they have to shell out profit share to the manager if returns are over a certain hurdle rate.

According to experts, quality and growth kind of strategies have particularly suffered in the past year with value stocks gaining the spotlight. PSUs, banks and industrials have done better than quality and growth names in the FMCG and IT space, where stocks have become pricey. IT shares, for instance, rose substantially post-Covid, but corrected in the past year on rich valuations and on realisation that some of the growth assumptions during the pandemic may not materialise going forward.

PMS schemes managed ₹22.9 trillion under the discretionary portfolio, ₹1.7 trillion under non-discretionary, and ₹2.2 trillion under advisory, latest regulatory data showed.

TOP PMS PERFORMERS LAST FISCAL

AMC	Strategy	1-yr returns (%)
HEM SECURITIES	India Rising Sme Stars	34.32
MOLECULE VENTURES	Growth	28.83
GREEN LANTERN CAPITAL	Growth Fund	22.15
FRACTAL CAPITAL INVESTMENTS	Wealth Builder	21.11
UNIQUE ASSET MANAGEMENT	Strategic Fund	20.28
AEQUITAS INVESTMENT CONSULTANCY	India Opportunities Product	19.82
AVESTHA FUND MANAGEMENT	Growth	19.19
COUNTER CYCLICAL INVESTMENTS	Diversified Long Term Value	18.33
GREEN LANTERN CAPITAL	Alpha Fund	13.34
CARNELIAN ASSET ADVISORS	YNG Strategy	13.01

Source: PMS Bazaar



77% of 273 PMS schemes outshone Nifty in April

Seventy seven per cent, or 211 of the 273, portfolio management services (PMS) schemes outperformed the Nifty50 in April. The schemes returned minus 0.15 per cent on average, better than the minus 2.1 per cent given by the benchmark.

Schemes that gave the most returns include Avestha Fund Management (10.6 per cent), followed by Equitree Capital Advisors (9 per cent) and HEM Securities (8.9 per cent), reveals the data from PMSBazaar.

Large-cap PMS schemes (average returns of minus 1.53 per cent), multi-cap schemes (minus 0.47 per cent), and small-cap schemes (2.75 per cent) outperformed their respective categories, while mid-cap schemes (0.2 per cent) underperformed the Nifty Midcap 100 Index.

On a one-year basis, Green Portfolio's Super 30 (146.3 per cent), Counter-Cyclical Investments' Long-Term Value (107.7 per cent), and Right Horizon's Minerva India Underserved (96.3 per cent) were the top performers. Returns were calculated on a time-weighted rate of return basis for schemes under consideration.

PMS schemes managed ₹20.3 trillion under discretionary portfolio, ₹1.7 trillion under non-discretionary, and ₹2.1 trillion under advisory, shows the latest data from the Securities and Exchange Board of India.

ASHLEY COUTINHO

TOP PMS PERFORMERS IN THE MONTH OF APRIL

Asset Management Company	Strategy	Category	Returns (%) 1-mth	1-year
Avestha Fund Management	Growth	Multi-cap	10.65	40.64
Equitree Capital Advisors	Emerging opportunities	Small-cap	9.04	39.23
HEM Securities	India rising SME stars	Small-cap	8.96	NA
Green Portfolio	Super 30	Thematic	7.01	146.30
Green Portfolio	Dividend yield	Thematic	6.77	43.06
Green Lantern Capital LLP	Growth fund	Small & mid-cap	6.69	46.20
Arihant AMC	Electrum laureate portfolio	Small & mid-cap	6.58	53.05
Green Portfolio	Special	Multi-cap	6.38	35.04
Aequitas Investment Consultancy	India opportunities product	Small-cap	6.27	61.20
Asit C Mehta Investment Intermediates	Ace mid-cap	Mid-cap	5.42	27.60

NA: Not applicable

Source: PMS Bazaar

BusinessToday.In

TOP PMS STRATEGIES 2021

PMS	Strategy name	Return in 2021 (%)
GREEN PORTFOLIO *THEMATIC*	SUPER 30	115.54
VALENTIS ADVISORS *SMALL & MIDCAP*	RISING STAR OPPORTUNITY	96.42
RIGHT HORIZONS *SMALL CAP*	MINERVA INDIA UNDER-SERVED	92.20
ROHA ASSET MANAGERS *SMALL & MIDCAP*	EMERGING CHAMPIONS	91.18
GREEN LANTERN CAPITAL LLP *SMALL & MIDCAP*	GROWTH FUND	89.11
NEGEN CAPITAL *MULTI CAP*	SPECIAL SITUATIONS & TECHNOLOGY FUND	82.67
SAGEONE *SMALL CAP*	SMALL & MICROCAP	81.26
ABAKKUS ASSET MANAGERS LLP *SMALL & MIDCAP*	ABAKKUS EMERGING OPPORTUNITIES FUND	80.70
CARNELIAN ASSET ADVISORS *MULTI CAP*	SHIFT STRATEGY	79.24
RIGHT HORIZONS *MID CAP*	SUPER VALUE	78.70
ARIHANT AMC *SMALL & MIDCAP*	ELECTRUM LAUREATE PORTFOLIO	78.20
EQUITREE CAPITAL ADVISORS *SMALL CAP*	EMERGING OPPORTUNITIES	76.98
AEQUITAS INVESTMENT CONSULTANCY *SMALL CAP*	INDIA OPPORTUNITIES PRODUCT	76.87
CARE PORTFOLIO MANAGERS *SMALL & MIDCAP*	GROWTH PLUS VALUE	75.20

Source: PMS Bazaar

Majority of PMS schemes outperformed Nifty, BSE 500 in FY24

Ashley Coutinho
Mumbai

The majority of portfolio management services (PMS) schemes outperformed the benchmark Nifty 50 and BSE 500 in the financial year 2024 amid a rally in mid and small-cap stocks.

As much as 80 per cent or 264 of the 324 schemes were able to beat the returns generated by Nifty, data from PMS Bazaar show. The schemes delivered average returns of 45.2 per cent, higher than the 30.1 per cent delivered by Nifty.

As much as 56 per cent of the schemes outperformed the BSE 500, which returned 40.2 per cent. Only 30 schemes, however, were able to beat the returns of 70 per cent given by Nifty Smallcap 100 in FY24.

Invasset's Growth Pro Max Fund, a multi-cap strategy, was the top performer in FY24 with returns of 128.5 per cent, followed by Green Lantern Capital's Growth Fund (110.8 per cent) and Asit C Mehta Investment Intermediates' Ace -Multicap (102.7 per cent).

Marcellus's Little Champs, a small-cap strategy, was the worst performer with returns of 0.3 per cent. Ambit Investment Advisors' Emerging Giants and Eklavya Capital Advisors' Long Term Value were the other two schemes near the bottom with returns of 11.5 per cent and 13.4 per cent, respectively. Most of the PMS schemes tend to adopt concentrated portfolios, which can work both ways. If a few of the calls go wrong, the overall performance can be hit. In 2018-19, several wealthy individuals migrated from mutual funds to PMS in search of alpha. Many of the PMS schemes, barring the top-performing ones, had struggled to deliver alpha in the following years.

AT A DISADVANTAGE

PMS investors are at a little disadvantage *vis-a-vis* mutual funds on the taxation and fees front. Investors have to pay an additional tax of 0.6-0.8 per cent on the PMS schemes *vis-a-vis* equity MFs since all transactions happen on their respective trading accounts. In certain cases, they have to shell out profit shares to the manager if returns are over a certain hurdle rate.

PMS schemes managed ₹26.9-lakh crore under the discretionary portfolio, ₹2.6 lakh-crore under the non-discretionary portfolio, and ₹2.7 lakh-crore under advisory, latest regulatory data showed.

The PMS segment invests money on behalf of wealthy individuals. The minimum investment under the regulations is ₹50 lakh.

Top PMS performers in FY24

Asset manager	Strategy	Category	1 Year	5 Year
Invasset	Growth Pro Max	Multi cap	128.5	NA
Green Lantern Capital	Growth Fund	Small & Mid cap	110.8	37.9
Asit C Mehta Investment Intermediates	ACE - Multicap	Flexicap	102.7	27.2
Samvitti Capital	PMS Active Alpha Multicap	Multi Cap	98.4	NA
Asit C Mehta Investment Intermediates	ACE - Midcap	Mid Cap	95.6	27.1
Ambit Global Private Client	Alpha Growth	Multi Cap	94.8	NA
Carnelian Asset Management and Advisors	YNG Strategy	Multi Cap	92.6	NA
Investsavvy Portfolio Management	Alpha Fund	FlexiCap	92.2	NA
Bonanza Portfolio	Value	Multi Cap	89.9	23.9
Equitree Capital Advisors	Emerging Opportunities	Small Cap	89.6	18.4

Source: PMS Bazaar *% returns as on March 31, 2024; calculated using Time Weighted Rate of Return

GREEN LANTERN CAPITAL LLP

CONTACT US

ADDRESS

Green Lantern Capital LLP, A-501, Takshashila, Plot No.1, Samant Estate, Goregaon (East), Mumbai - 400 063

PHONE

Mobile : +91 82913 65946

Landline : 022 6946 8700

EMAIL

investor@glcapital.in

REGISTRATION

SEBI Registration Number : INP000005829

LLP Identification Number : AAH-9384

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