

There are decades when nothing happens and then there are years where decades happen – Vladimir Ilyich Lenin

In our journey of being in Equity research for a decade and of managing Public money for the past 7 years, the past year would probably go down as the one which tested the most complex skills of a fund manager. Last year in September, our firm came across the Smallcase platform which had recently started their third-party subscription model and we decided to go live on it.

Since the launch on the platform <https://niveshaay.smallcase.com/> our portfolio has generated 23.29% . However, the journey of our Smallcase portfolio started on a patchy note, the mid and small caps had been underperforming the indices, which however were making new highs. Small and mid cap stocks have generated good return in the period of September'19 to February'20 led by recovery hopes in mid and small cap stocks and underperformance of mid and small cap stocks in past 2 years compared to nifty stocks. But just as the recovery of the mid-cap companies began, the global Covid-pandemic crisis hit us. Subsequently, we are going through a disproportionate recovery as many sectors have surpassed their pre-covid highs and many still are down 25-30 % from their highs.

COVID Crisis was perhaps the most stringent stress test that one could have applied on his portfolio companies. Our heart goes out to our research team which has worked really hard and applied their combined knowledge of 20+ years of researching mid-market companies to wither the storm and have allocation in sector leaders which were able to stand tall and come out even stronger.

Niveshaay Mid and Small Cap focused portfolio vs Index Returns

Index & Niveshaay's Smallcase	1 Year Return
NIFTY 50	6.38%
NSE MIDCAP	12.02%
NSE SMALLCAP	9.06%
NIFTY MID SMALL CAP 400	15.9%
SBI SMALL CAP FUND (BEST FUND IN CATEGORY)	22.34%
HDFC SMALL CAP FUND	4.3%
Niveshaay Mid and Small Cap focused portfolio	23.29%

Positive return in Last 1 Month, 3 Month, 6 Month & 1 Year

Particulars	1 Month	3 Month	6 Month	1 Year
Niveshaay Mid and Small Cap focused portfolio	11.40%	28.15%	1.73%	23.29%

Our Smallcase Portfolio vs Equity Small cap Index

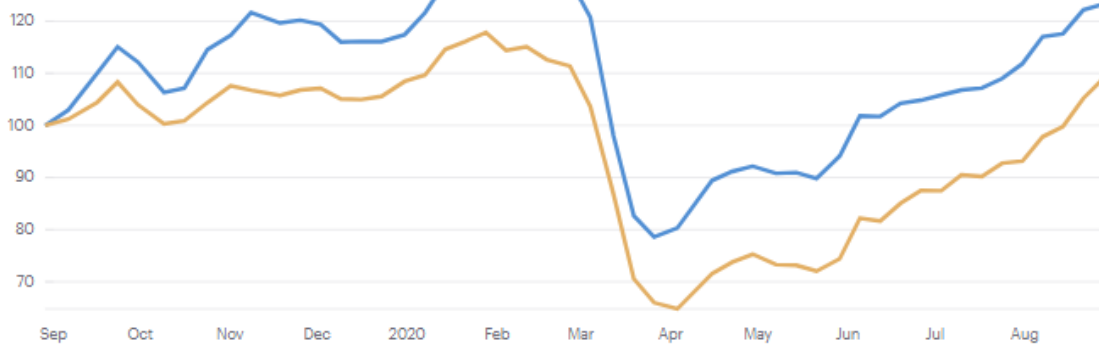
Past Performance vs **Equity Smallcap** ▾

1M 3M 6M **1Y** 2Y 3Y MAX SIP

Current value of ₹ 100 invested once
1 year ago would be

● Mid and Small Cap Foc...
□ 123.29

● Equity Smallcap
□ 109.06



Past performance doesn't guarantee future returns & is inclusive of all rebalances. [Download chart](#)

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Our Smallcase Portfolio vs Nifty Index

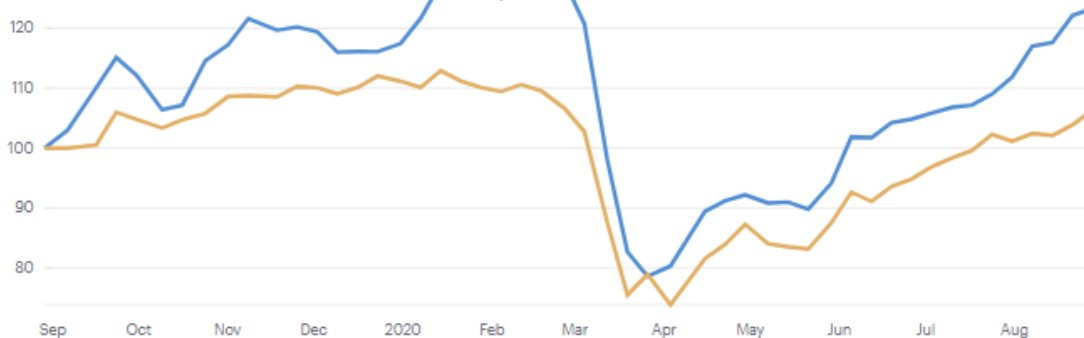
Past Performance vs **Equity** ▾

1M 3M 6M **1Y** 2Y 3Y MAX SIP

Current value of ₹ 100 invested once
1 year ago would be

● Mid and Small Cap Foc...
□ 123.29

● Equity
□ 106.39



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Smallcase Portfolio - In this portfolio, we have covered stocks which are available at reasonable valuations and have huge earning potential upside. It is a portfolio which constitutes more than 50% allocation in quality small-cap scrip's and around 40% allocation in quality mid-cap stocks.

Rebalancing – We review our Smallcase monthly and also do re-balancing on an event basis. In the last full year we rebalanced our Smallcase portfolio 15 times.

Hit & Misses during the Year

Holding winners in portfolio - **CDSL, Deepak Nitrite, Shilpa Medicare & IEX were the clear winners in our portfolio.**

Share	Buy Price	Current Price	Return
CDSL	199	425	113%
Shilpa Medicare	245	556	126%
Deepak Nitrite	269	747	177% (Booked Part at 150%)
IEX	120	192	60%

IDFC First Bank & other finance stocks – Covid 19 pandemic has adversely affected India's banking sector. It made the business outlook negative for finance as a sector. So, in the month of March we reduced our allocation in the banking & NBFC sector from 20% to 7.5%. But, it has negatively impacted returns in our portfolio.

Edelweiss Financial Services – In our investing strategy we try our best not to compromise on quality of management. When the news of Edelweiss chief Rashesh Shah getting ED's summons got published, the same day we exited our holding in Edelweiss Financial Services. Smallcase investors can implement changes by next day only but we went out of the way to inform our subscribers by directly calling them the same day.

Our Strategy - At Niveshaay, we believe to invest where there is low Risk and High Uncertainty. There is a misnomer that entrepreneurs take high risk and hence they are awarded with high returns. In reality, entrepreneurs do everything they can to minimize risk.


The classic trait of Entrepreneurs is that they are great at dealing with uncertainty and are also good at minimizing risks. The same applies to investors in equity markets too.

The Key Mantra should be to invest in a company that has the potential to grow at decent pace, has visibility of sustainable profit and clarity on the leverage.

To know more about the strategy you can watch video on following link
https://www.youtube.com/watch?time_continue=7&v=ut-dB_bAWSo&feature=emb_logo

Conducted webinar for strategy discussion – We also conducted a webinar with our smallcase clients & interested persons in the month of May. Link of webinar-
https://www.youtube.com/watch?time_continue=7&v=ut-dB_bAWSo&feature=emb_logo

Subscription Plans –We are celebrating September as our launch month on the Smallcase platform. We are giving a 40% discount on our 1 year Smallcase subscription plan in the month of September.

simple pricing for everyone				
	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
 Mid and Small Cap Focused ...	—	₹ 1,999	₹ 3,499	₹ 2,999 ₹ 4,999

About Niveshaay - Niveshaay is a SEBI Registered Investment Advisory Firm with a Dedicated Research Team specializing in unearthing high quality undervalued stocks. We focus on few high conviction stocks that exhibit chances to outperform and have out sized impact on the portfolio.

SEBI Registration No. INA000008552