



KARVY III  
CAPITAL

# EXCEL-The Debt Portfolio

SEBI Registration No. : INP000004524  
Portfolio Manager : Karvy Capital Limited

For Information Only

For Private Circulation Only

## Karvy Group

- Incorporated in 1982 with its flagship company “Karvy Consultants Limited”
- Initially started with Consulting and Financial Accounting Automation, and carved inroads into the field of Corporate Shareholder Servicing
- Built a reputation as an integrated financial service provider, offering a wide spectrum of services for over 25 years
- Nation wide presence with over 400 offices in over 300 cities, with close to 10,000 personnel across the country, adding 625 employees a year from 2000 -2015
- Provides indirect employment to about 15000 Business Associates across India

# About Karvy Group

Karvy Stock Broking Ltd

Karvy Comtrade Ltd.

Karvy Computershare  
(P) Ltd.

Karvy Realty (India) Ltd.

Karvy Investor Services  
Ltd.



Karvy Financial Services  
Ltd.

Karvy Global Services  
Ltd.

Karvy Data Management  
Services Ltd.

Karvy Capital Ltd.

Karvy Consultants Ltd.



**Excel – The Debt Portfolio**

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## Statistics

- Typical returns on debt instruments have peaked at 11% in the last few years, despite an overall high interest rate environment.
- A large portion of the total return has been achieved through capital appreciation as bond yields have plunged to historic lows globally.
- There have been hardly any products for generating periodic income through moderate risk-taking.

Views of Karvy Capital Research Desk

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## Excel – The Debt Portfolio

Excel Portfolio is a strategy focused on investing only in rated securities which typically have some form of non-promoter equity interest.

The strategy would strive to prioritize income over capital appreciation in its portfolio.

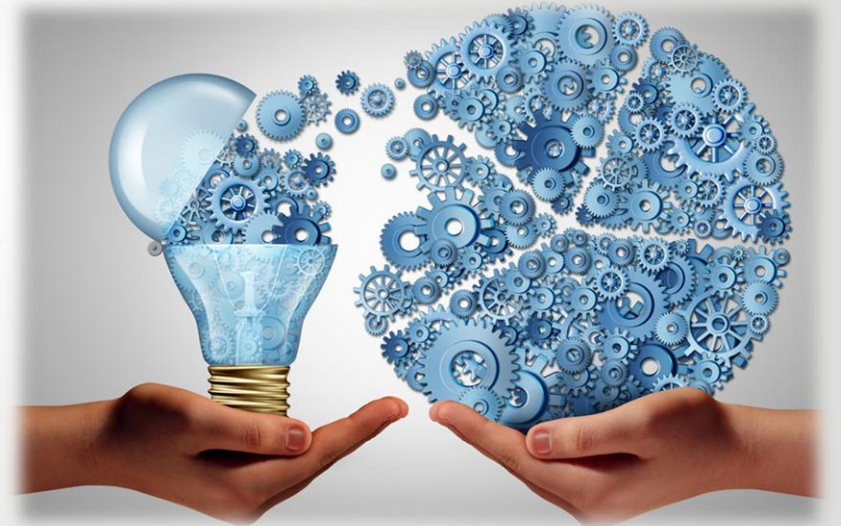
Excel Portfolio is recommended for investors seeking to hold a debt portfolio with low to moderate risk appetite expecting a moderate return over a long term horizon.



## Asset Allocation

Excel is a Debt portfolio and may combine the following instruments in any combination:

1. Non Convertible Debentures
2. Preference Capital
3. Listed Corporate Bonds
4. Commercial Paper (CP)
5. Tax free bonds
6. Pass Through Certificate (PTC)





## Investment Objective

The investment objective of the strategy is to prioritize income over long term capital appreciation through :

- Interest,
- Preference dividend and
- Trading of securities

(both in the short term and over the long term)  
both in primary and secondary markets.



## Phani Sekhar Ponangi, CFA, CAIA , Fund Manager

- Phani Sekhar is a Fund Manager with a strong reputation for identifying fundamentally strong businesses.
- He has been involved with the Indian capital markets for 12 years now with experience both on the sell side and the buy side in Equity and Debt markets.
- Phani Sekhar holds the CFA (Chartered Financial Analyst) charter awarded by the CFA Institute, USA and the CAIA (Chartered Alternate Investment Analyst) charter from the CAIA Association, USA. He also holds a postgraduate degree in Management (MBA) and is an Engineer by training (BE – Mech Engg).

## Kedar Deshpande, Director

- Kedar heads the Karvy Capital business. He has over 19 years of wide-ranging retail broking and market research experience and has been the founder director of Repeat Purchase India Pvt. Ltd., an ecommerce company and COS and Financial Catalysts Private Limited for imparting training for retail BFSI sector.
- Prior to Karvy Capital, Kedar was the country head for Karvy Stock Broking business. Before Karvy. Kedar was associated with ICICI group for period of 7 years where he headed the retail broking business, commodities segment, retail demat business. Kedar also had set up the retail broking business at Edelweiss Financial Services Ltd. and played a key role in designing website to give clients simplified execution.

## Portfolio Structure



### Entry and exit

- The portfolio will be open ended for entry & exit subject to levy of placement fees and exit load as follows:

Placement Fees: Up to 2.5%

Exit Load: 3% in Year 1, 2% in Year 2, 1% in Year 3 and Nil thereafter.

- Recommended long term tenor from the time of entry

## Fee Structure

| <b>Fee Structure*</b> |   |   |   |
|-----------------------|---|---|---|
| <b>Fees</b>           | <b>Charges*</b>   | <b>Frequency</b>                              | <b>Base</b>   |
| Fixed Management Fee  | 1.25% per annum   | Quarterly/ Monthly<br>(as agreed with client) | Daily Average Net Asset Value of the Portfolio<br>(inclusive of all securities and cash/bank balance) |
| Placement Fees        | Up to 2.5%  | On each corpus infusion                       | Corpus  |
| Exit Load             | 3% in Year 1,<br>2% in Year 2, 1% in Year 3<br>and NIL thereafter | On Exit                                       | Net Asset Value of the Portfolio<br>(inclusive of all securities and cash/bank balance)               |

For Other charges levied on actuals, for details refer the RDD.

\* These charges are stated as an example. Actual charges will be levied as per agreement between client and portfolio manager at time of opting for PMS

# Disclaimer

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Thank You!!