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The Indian Debt Market

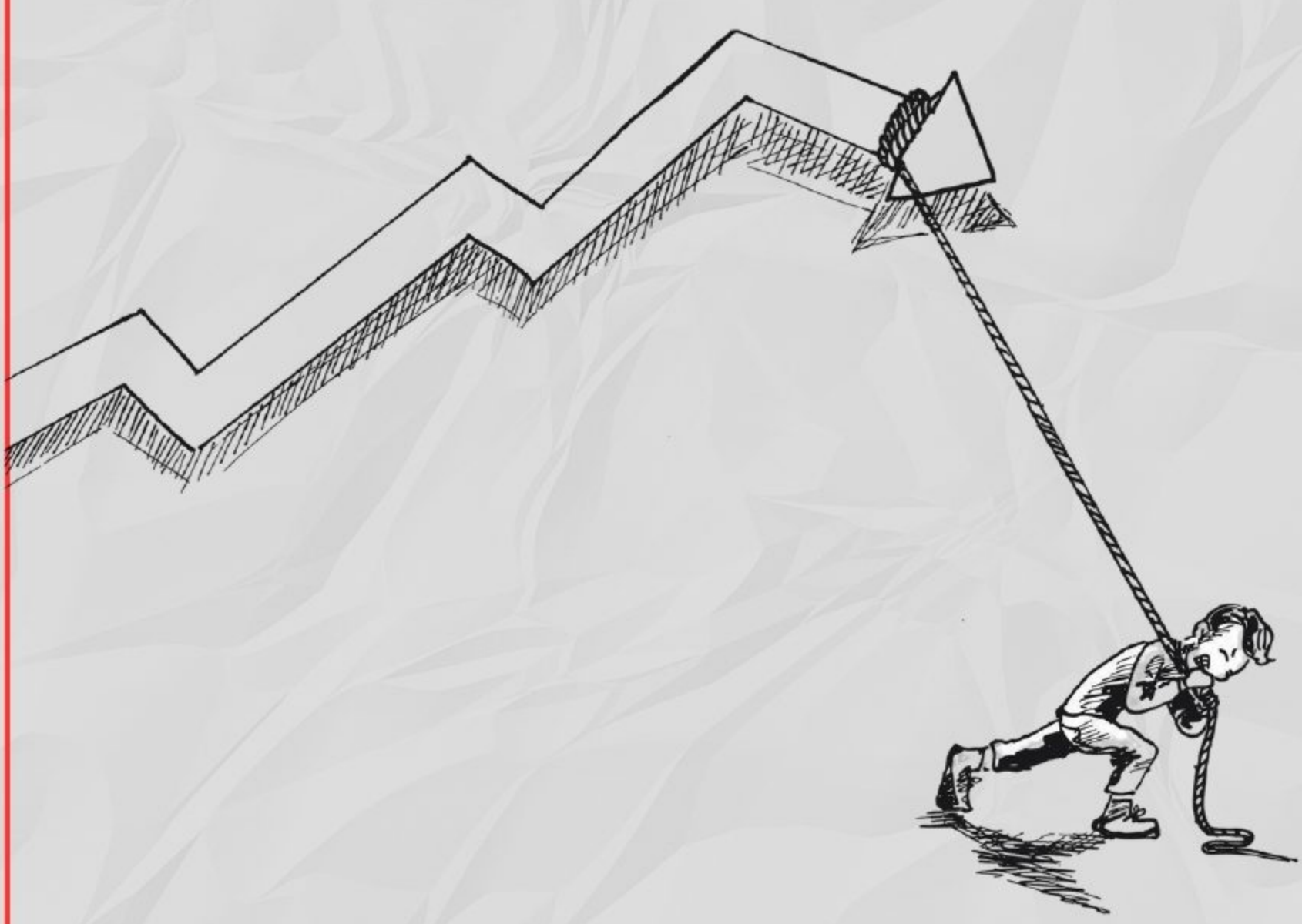
is not a single bucket.

It is a **spectrum**



01

On one end, you have FDs, G-Secs and AAA bonds offering **safety but low post-tax returns.** On the other end, you have stressed borrowers paying 20%+, **where the yield itself is a reflection of underlying stress.**



02

The real question is:

where does the most efficient risk–return trade-off actually lie?

In our view, it lies in the
upper investment-grade segment:

A and BBB rated corporate and NBFC debt.
This is the space where businesses are profitable, growing, institutionally backed and often on a listing trajectory - yet still willing to pay 11–13% for capital.

The spreads are meaningful. The default risk, when evaluated correctly, is not commensurately high.

03

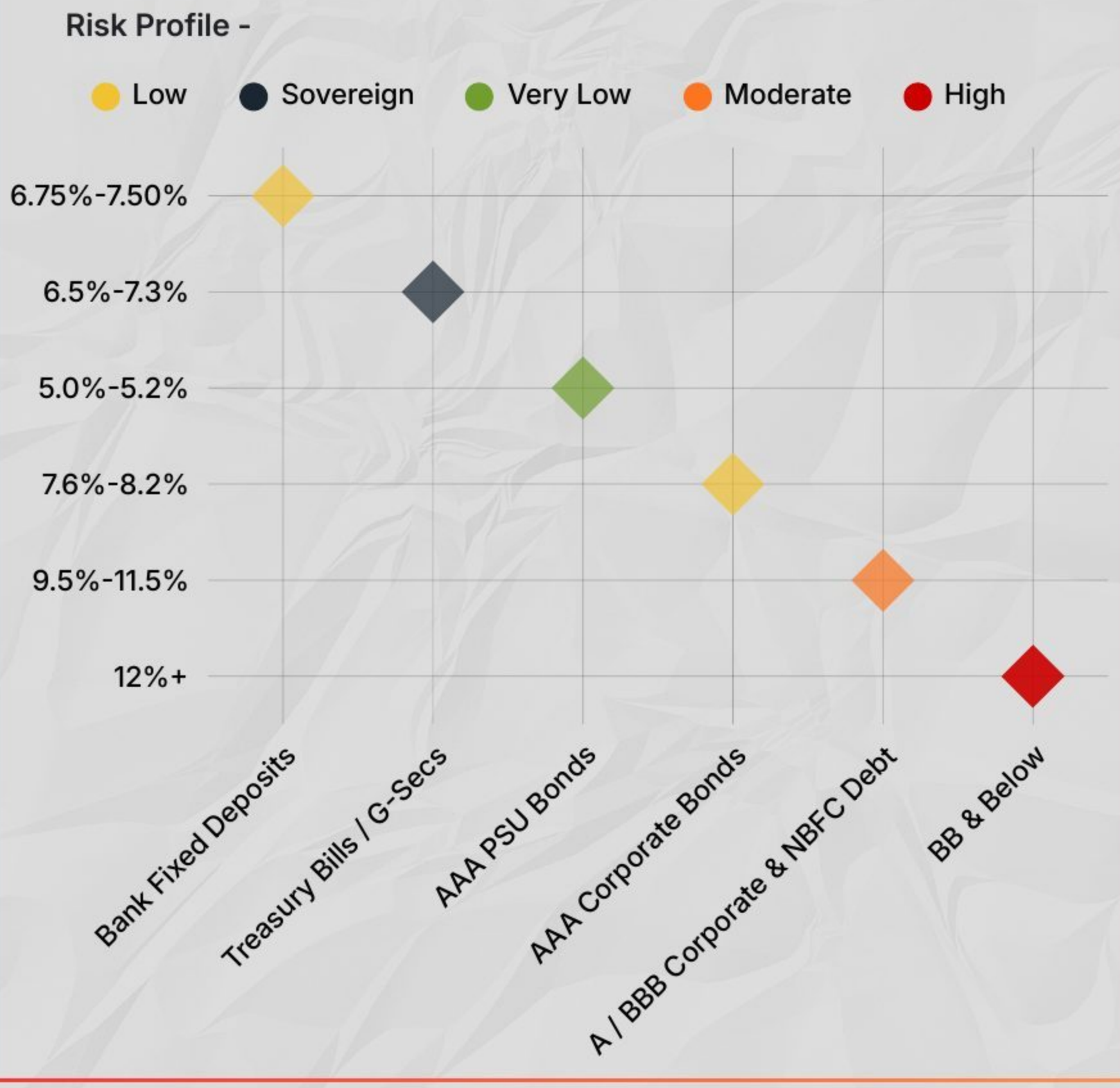
This is precisely where our Credit Opportunities Portfolio operates.

For over 12–13 years, we have followed a **"fixed income with an equity lens"** philosophy, focusing not just on ratings, but on business strength, management quality, balance sheet resilience and growth trajectory.

In a world where high-quality debt gives you 4-5% post tax, and stressed debt offers 20% with obvious risk, we believe this middle ground: **11-13% from fundamentally strong borrowers is where capital can work hardest,** without taking disproportionate risk.

04

Indicative Yield Landscape (India - December 2025)



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