Spark Capital
Private Wealth Management

India Investment Strategy

January 2026

Key Highlights of CY25 : Global Markets

Global Equities (in USD)	1-yr returns
MSCI ACWI	22.64%
MSCI World (DM)	21.85%
MSCI Asia Pacific	27.84%
MSCI EM	33.03%

Global Fixed Income (in USD)	1-yr returns
MSCI US Govt. Bond Index	6.37%
MSCI Global IC Corporate Bond Index	0.10%
MSCI Global High Yield Corporate Index	0.11%
MSCI EM Sovereign Bond Index	0.12%

Major Currencies (vs USD)	1-yr returns
Krona (Sweden)	20.21%
Swiss Franc	14.64%
Euro	13.16%
Danish Krone	13.0%
Norwegian Krone	12.93%

Commodities (in USD)	1-yr returns
Silver	157.5%
Platinum	138.5%
Palladium	78.8%
Gold	66.6%
Copper	41.6%

Source : Bloomberg | India Equities in INR Terms – rest all in USD | Based on data from 31 Dec 24 – 29 / 30 Dec 25 | Indian Indices are TRI

Key Highlights of CY25 : Domestic

Market Cap	1-yr returns (%)
Nifty - TRI	11.07
Nifty 100 – TRI	9.38
Nifty Midcap 150 – TRI	4.96
Nifty Smallcap 250	-6.57
Nifty 500 - TRI	6.84%

Top Sectors	1-yr returns (%)
Nifty Metal - TRI	28.04
Nifty Auto - TRI	23.27
Nifty Banks – TRI	17.27
Nifty Oil & Gas - TRI	12.27

Worst Sectors	1-yr returns (%)
Nifty Realty – TRI	-17.07
Nifty Consumer Durables – TRI	-13.10
Nifty IT – TRI	-10.17
Nifty Pharma – TRI	-3.04

Yields as on	31-Dec-24	29-Dec-25
12M-Tbill	6.68%	5.53%
3-yr G-sec	6.72%	6.05%
3-yr AAA Bond	7.58%	6.98%
10-yr G-sec	6.76%	6.59%
15 yr G-sec	6.87%	7.02%

Source : Bloomberg | ACE MF | India Equities in INR Terms – rest all in USD | Based on data from 31 Dec 24 – 29 Dec 25 | Indian Indices are TRI

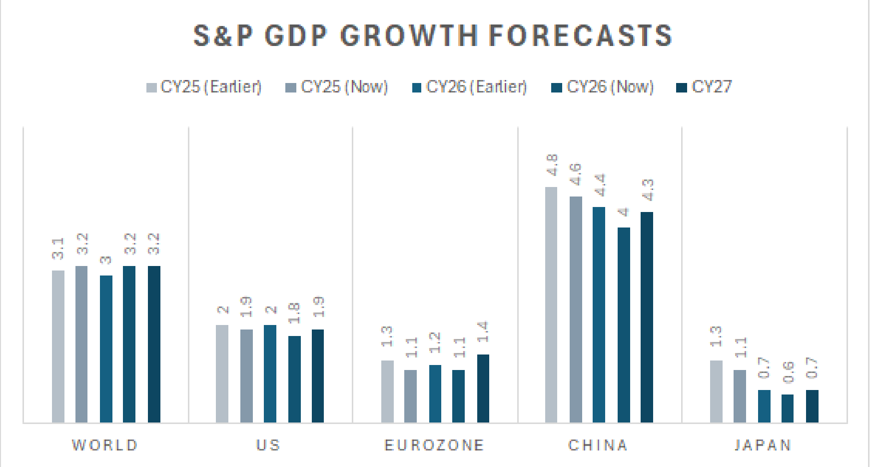
INDEX

Spark Capital
Private Wealth Management

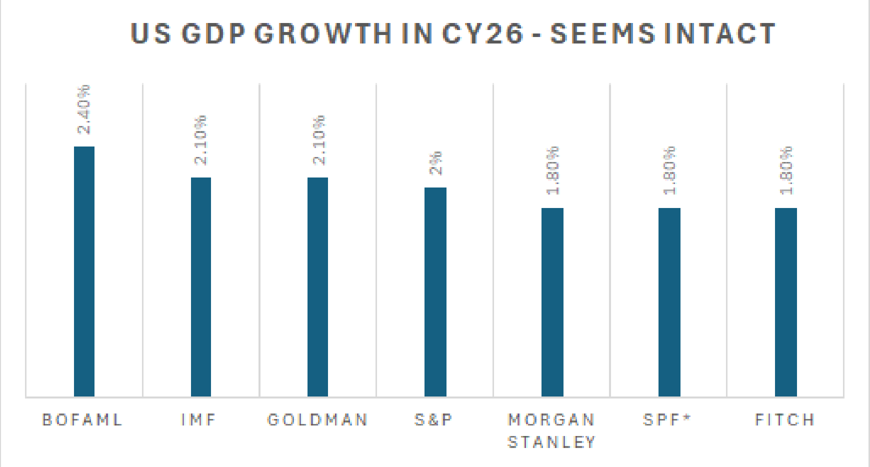
External Cues – Global Growth: Steady into CY26 – Led by multiple tailwinds

Global growth sentiment has improved in recent months, driven by: i) US tariffs less adverse than feared (~16% effective vs 25%+ previously assumed) ii) Acceleration in US AI capex, with spillovers to global tech exports and related supply chains iii) Easier financial conditions & iv) Lower oil prices

1 GDP forecasts revised modestly higher for CY25–CY26



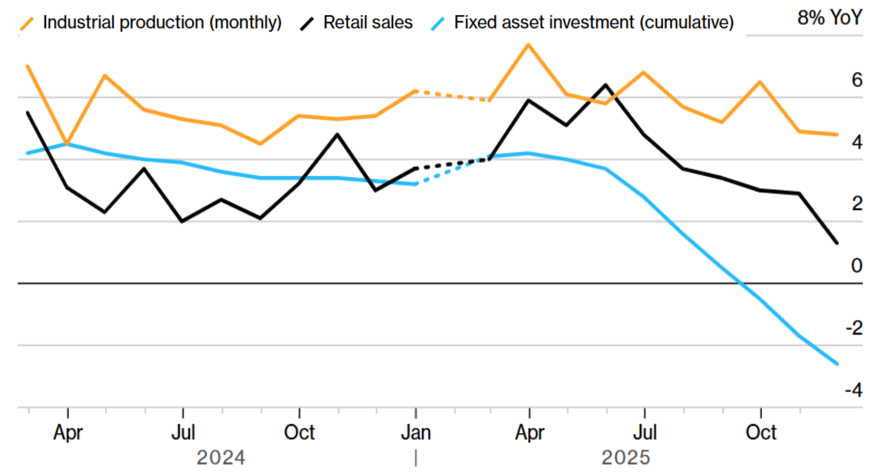
2 US: CY26 likely a "two-speed" year (H1 soft, H2 re-acceleration)



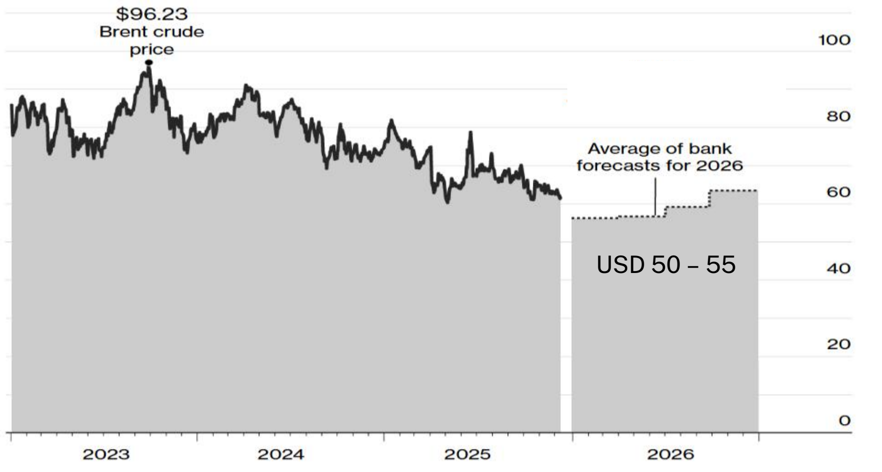
While latest very strong GDP growth print (4.3% in Q3) is in line with expectations, growth is expected to slow into H1-CY26, reflecting residual drag from the federal shutdown in 4Q-CY25 and unemployment peaking (~4.6%). The consensus expects momentum to recover in H2-CY26, supported by monetary easing and a fiscal impulse via OBBBA* (estimated at ~1% of GDP in CY26).

China's CY25 growth has been supported by a surge in exports, which could re-ignite trade frictions (including with the Eurozone) and weaken the export impulse into CY26. Policymakers have signalled intent to support domestic consumption, but a meaningful step-up in stimulus is yet to be announced.

3 China: export-led lift fading; domestic demand remains the key watchpoint



4 Oil: lower-for-longer prices — an important growth and disinflation tailwind



Crude prices are widely expected to average ~US$ 50–55/bbl in CY26, with supply outpacing demand (IEA estimates surplus at ~3.8 mb/d). Lower energy prices should extend disinflation into CY26 and ease external pressures — a net positive for India, given a more complex external balances backdrop.

Source : S&P, Bloomberg, Publicly available information

External Cues – Global Growth

Facts

- **Global growth steady, but moderate** (~3.0–3.2%); base case does not embed a major recession. **US growth broadly resilient** (~2%), but likely 1) two-speed: softer H1-CY26, firmer H2-CY26 and 2) K-shaped: wealth effect at play. **AI-led capex remains the key macro anchor for US** (and therefore global) growth; non-AI activity remains softer, with potential lift if policy support broadens.
- **Eurozone growth outlook remains steady** (1.2 – 1.4%) led by stronger defense / infra spending by Germany as well as France & Spain
- **China growth remains tepid** at ~4.5% for CY25. Industrial profits were up just 0.1% for the year until Nov'25
- **S&P 500 EPS growth set to re-accelerate in CY26** (12.8% vs 11.6% in CY25), with narrowing gap between AI & non-AI earnings growth.

Assessment

- Global macro setup currently best described as "**moderate growth + disinflation**" - '**goldilocks phase**' but uneven in breadth
- Regional divergence persists: **US remains the anchor**, Eurozone is structurally constrained, **China remains the key swing factor**, while India seems relatively strong in the global context.

Implication

- A steady **growth backdrop is constructive for risk assets**, but the US H1/H2 asymmetry implies some front-loaded caution and potential improvement in risk appetite if the H2 rebound materializes.
- If US earnings momentum remains strong and non-AI earnings broaden, **global capital could continue to gravitate toward US equities**, sustaining elevated valuations.
- China's export strength may elevate trade friction risk (notably with the Eurozone) and could accelerate the policy push to rebalance toward domestic consumption.

Risks

- ✕ **AI capex funding risk**: with >50% of the ~US$ 3tn AI/data-centre capex over the next ~3 years expected to be debt-funded, financial stability risks rise if AI revenues/monetization under-deliver
- ✕ **Rates/credit shock**: a renewed rise in global bond yields and/or spread widening could reverse currently supportive financial conditions and weaken the growth impulse.

Global growth remains resilient but moderate into CY26, supported by US fiscal impulse, AI-led investment and lower crude — amid persistent divergence (notably China's slowing, policy-dependent path), with key downside risks from an AI-spend slowdown / weaker-than-expected monetization and disruptive rise in rates

What's in store for CY26 – Summary Views from Major Global Banks & Brokers

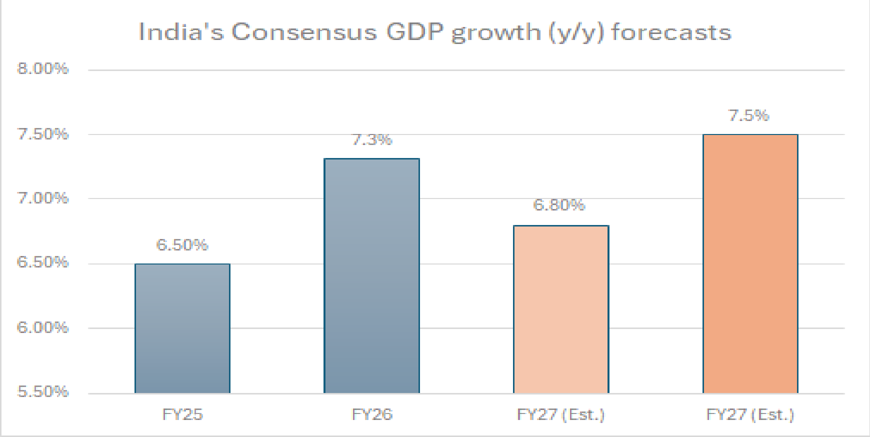
	Growth	Inflation, Rates	Equities	AI / Gold
Goldman Sachs	▪ Expects 'sturdy' global growth ; Growth estimates across most regions above consensus including China	▪ Core inflation set to decline and policy rates for major DMs to ease and converge	▪ Constructive on US equities ; index returns to be lower vs CY25 amidst a broadening bull market | Constructive on EMs	▪ Bullish on Gold (pegged at USD 4900/oz), Silver to outperform | AII – Shift towards AI- enabled revenue potential from AI infra
JP Morgan	▪ Resilient global growth led by front-loaded fiscal support (i.e. in US) | 35% probability of a US / global recession in 2026	▪ Inflation to decline, monetary policy outcomes to decouple across regions and DM yields to grind higher	▪ Double digit returns expected across both DM and EMs buttressed by earnings growth, rate cuts & continued rise in AI	▪ Bullish on Gold (pegged at USD 5055/oz), Silver to outperform | AI – Focus to shift towards AI monetization & productivity gains
Morgan Stanley	▪ Some moderation in global growth vs CY25 – led by consumption and business spending | US – key driver of global growth	▪ Disinflation to continue leading policy rates lower – with the exception of Japan	▪ US seen to outperform global peers, followed by Japan | Within EMs – India seen as a key recovery play	▪ Bullish on Gold (pegged at USD 4800 / oz), Silver expected to lag gold | AI theme to be 'choppier' , caution on valuations & excesses
BoFAML	▪ Above consensus GDP growth on both US and China	▪ US treasury yields to surprise on the downside into CY26 led by Fed cuts & lowering of inflation	▪ Strong EPS growth but index returns muted ; Likely shift from consumption driven bull market to capex driven ; Positive on EMs	▪ Bullish on Gold (pegged @ USD 5000) and Silver (pegged at USD 65/oz) | Concerns of AI bubble overstated – AI investments to continue at a solid pace into CY26

Source: Respective Websites ; Excerpt / Takeaways from the CY26 outlooks issued by the above agencies until 22nd Dec'25

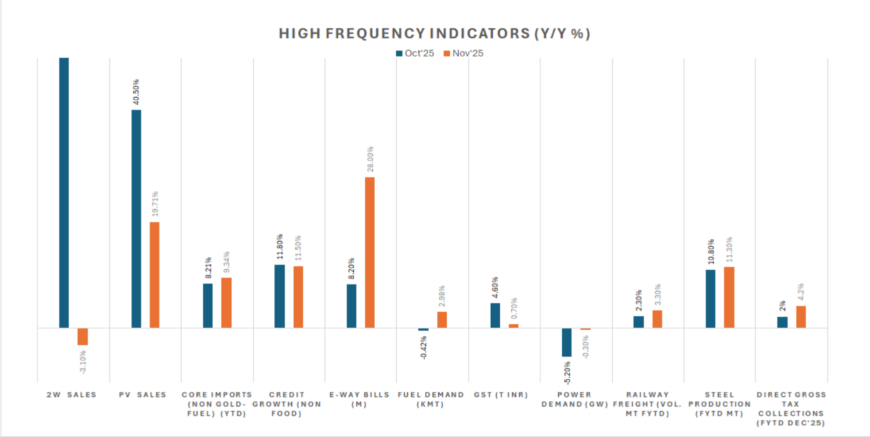
Local Cues – Growth: FY27 India growth outlook resilient, led by domestic drivers

FY26 momentum to extend into FY27, supported by easier financial conditions (lagged **RBI transmission**), ongoing **regulatory reforms**, and improving **private capex intent**. Fiscal consolidation is expected to be gradual, limiting the drag on aggregate demand. Consensus expectations continue to cluster in the high-6s to mid-7s with **domestic demand still doing the heavy lifting**.

1 FY27: India expected to remain among the fastest-growing major economies



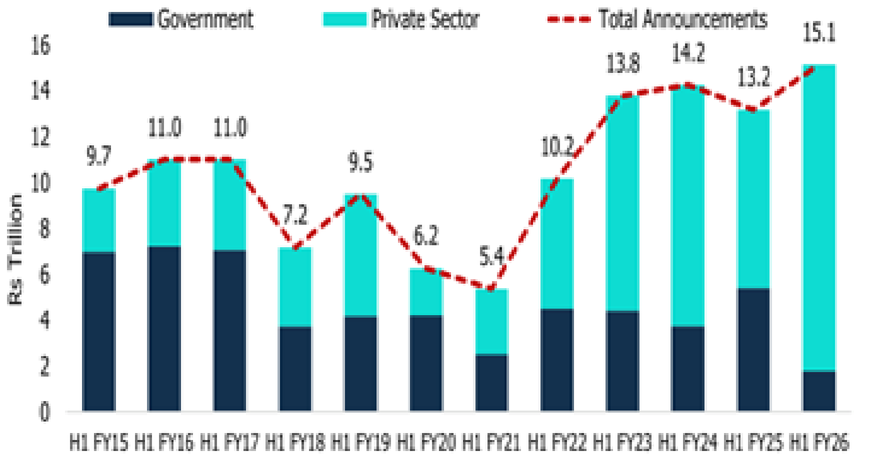
2 High-frequency indicators: consumption softening; investment-linked activity improving



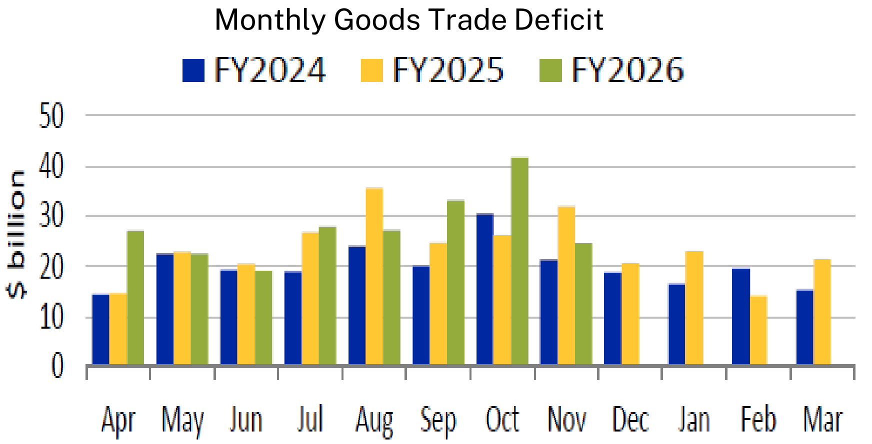
Consumption pulse is mixed: auto sales have softened post the festive peak, even as non-food credit growth remains firm.. Rural improving - **MNREGA demand has declined meaningfully** (~35% y/y), consistent with better rural conditions. **Activity indicators are supportive**: e-way bills are higher boding well for Dec'25 GST collections. **Investment proxies are turning up**: improvement across steel, rail freight, core imports and related indicators.

New investment announcements rose ~15% y/y in 1H FY26, with **private sector accounting for ~88%** of the pipeline. **Manufacturing is the key driver**, led by **metals and chemicals** — suggestive of a broader capex thaw. However, on completion / execution, **government-led capex remains the anchor**, with an estimated **~63% share**. 1HFY26 growth for Pvt. Capex was tepid at 3% yoy.

3 Private capex: Intent improving; manufacturing leads



4 External balance: near-term relief — durability is the question



Goods trade deficit compressed to a ~5-month low in Oct'25 (~$25bn), aided by **lower gold/silver imports** and a **broad-based export pickup. US linkages strengthened:** exports to the US rose **~23% y/y** (notably electronics), while imports from the US also increased (**~38% y/y**). Net-net, the **trade surplus with the US has improved only modestly (~8% FYTD)** — highlighting that the external tailwind may be **less one-way than it appears.**

Source : NDTVProfit, MoneyControl, PIB websites, Newspaper/Industry websites, CARE EDGE

Spark Capital
Private Wealth Management

Local Cues – Growth

Facts

- **FY27 real GDP growth expectations: ~6.8%–7.5%** — momentum sustained as **fiscal consolidation eases**, **monetary stance turns more supportive**, and **reform velocity improves**.
- **Nominal GDP growth in FY27: ~10%–11%**, supportive for **corporate earnings momentum**, **equity valuation durability**, and **fiscal arithmetic**.
- **Capex breadth is improving: capacity utilisation above pre-COVID levels** alongside **strong capital goods order books** points to a broadening investment cycle across **industrials, autos, metals, energy/utilities, consumption and healthcare**.

Assessment

- **Multiple tailwinds are aligning for FY27:** GST rationalisation (including rate cuts), **greater financing flexibility for banks**, regulatory reforms (e.g., **labour reforms / minimum wage floor** potentially adding **~20 bps** to growth), a **real-estate upcycle**, **lower/stable crude**, a **competitive INR**, and a widening network of **FTAs (7 as of Dec'25)**.
- **India's capex profile remains "real-economy" led** (defence, manufacturing, energy, infrastructure) versus the US where capex is increasingly **AI-led** — positioning India as a **diversifier/hedge** against any reversal in global AI-capex exuberance.
- **Macro monitorable:** INR may remain **under pressure** until clearer progress on the **India–US trade agreement** (now expected to extend into end-FY26), amid **persistent FII outflows (~US$8bn in FY26TD).** That said, the external position is **manageable** with **CAD guided at ~1.0% of GDP in FY27 vs ~1.2% in FY26E**, helped by expectations of **soft crude into CY26**.

Implication

- **Near-term policy thrust is likely to lean toward demand revival** (Govt/RBI), especially given the **absorptive constraints** of incremental public capex in certain segments (roads/railways). A **consumer-led pickup** also provides a buffer against global uncertainty.
- **Earnings risk-reward improves into FY27:** breadth in macro traction and capex intent increases the probability of **upgrade cycles**, with **FY27/FY28 EPS estimates** positioned for **catch-up upgrades** after a multi-quarter lull.

Risks

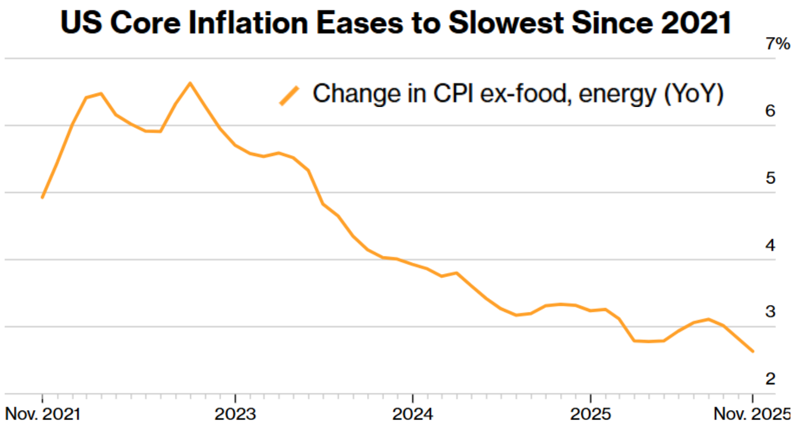
- × **Import competition:** intensified **dumping of Chinese goods** could compress margins and disrupt the domestic manufacturing upcycle.
- × **Trade-policy risk: India–US trade deal** fails to materialize or underwhelms — esp. if effective tariffs settle near **~25%** (higher than peers).
- × **Demand durability: GST-cut-led consumption impulse fades**, leaving growth reliant on investment and policy support.

FY27 growth is likely to stay resilient and domestically led — supported by easing policy and broadening capex — while the key swing risks remain demand durability and trade/external shocks.

Inflation & Interest Rates – Global: Easing cycle closer to its end, terminal rates seen higher

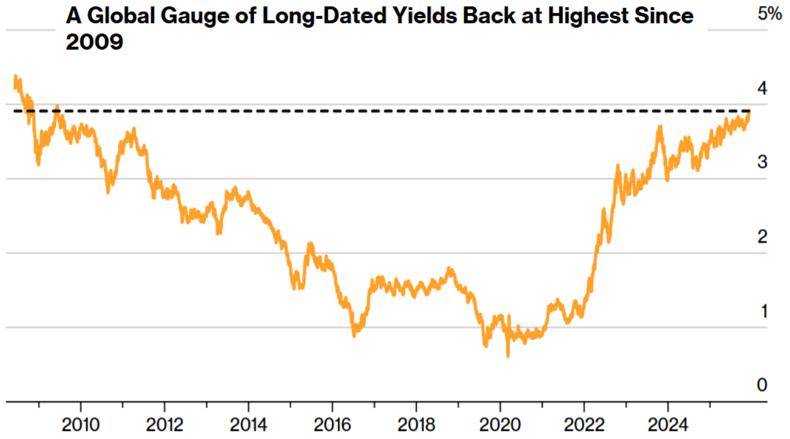
1 **1–2 additional Fed cuts priced, but FOMC dissent is rising**

Latest US CPI print is widely viewed as **distorted by one-offs (shutdown-related)**, but the **disinflation trend appears intact.. Labor market cooling is more evident** (unemployment at a post-COVID high), strengthening the case for **incremental easing**, while latest strong Q3 GDP growth has weighed on rate cuts bets . For now, Fed remains data dependent & has avoided pre-committing to further cuts



2 **Global yields drifting higher as rate-cut expectations fade**

As the **end of the rate cutting cycle** comes into view and **fiscal/debt concerns** re-enter focus, the **term premium is rebuilding**, pushing **long-dated yields higher**.



Facts

- US **Fed delivered a third consecutive cut**, taking policy rates to **3.50%–3.75%**.
- **Eurozone:** likely **on hold through at least 1H CY26; UK: 1–2 additional cuts** still plausible
- **Japan:** continued **normalisation** via **rate hikes and quantitative tightening**, supported by **stickier inflation** and **above-potential growth.**
- **EMs:** most central banks are positioned to **ease cautiously into CY26** as inflation moderates & fiscal settings are broadly supportive of growth.

Assessment

- The global easing cycle is increasingly seen as **late-stage**, with **cuts likely to conclude in CY26** & at **higher terminal levels** than previously expected.
- The Fed's guidance implies **limited remaining room**: the Fed signals ~**1 more cut**, while markets intermittently price ~**2** (versus **3–4** earlier).
- **Meaningful tail risk of a hike by ECB by end-CY26. Japan also to remain with** the hiking bias , likely to persist into CY26 after the Dec'25 move
- Near-term rate cut pricing esp. for US Fed will remain highly sensitive to incoming inflation prints given data related constraints.

Implication

- The most visible consequence is the **reset higher in global long bond yields**, now near levels last associated with the **post-GFC era.**
- Higher yields and policy divergence are likely to **re-shape cross-border capital flows** — with **Japan** (a historical anchor of global carry) a critical swing factor. Marginally tighter financial conditions likely into CY26

Risks

- × **Cuts priced out further:** markets downgrade the remaining easing path (especially the **Fed**),
- × **Yield shock:** a disorderly rise in global long-end yields triggers broader risk-off dynamics across credit, equities and EM flows.

Rate debate likely shifting from "how many cuts" to "how soon the cycle ends

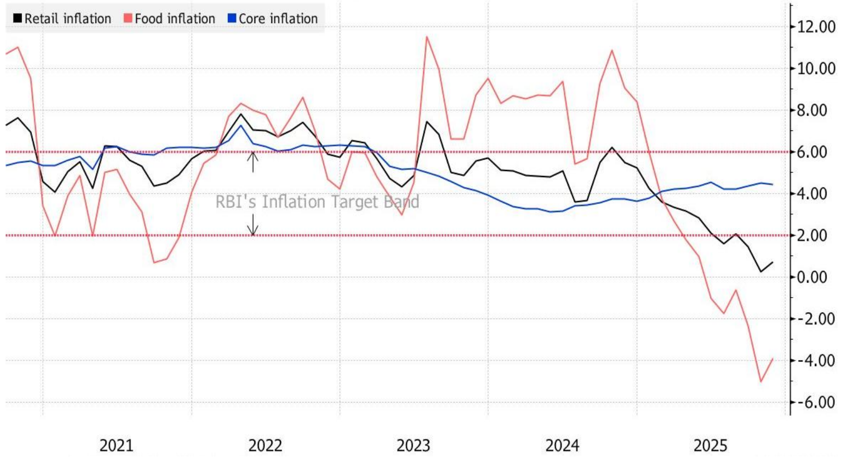
Source : Bloomberg

Inflation & Interest Rates – Local: RBI stance to remain 'pro growth'; 1 more rate cut likely

1

India's inflation off lows but comfortably within the target corridor

Headline CPI printed 0.7% in Nov'25 (from 0.25% in Oct'25), reflecting sharp decline in food esp. veggie prices (~22%). Core inflation remains contained; overall inflation expectations remain well below target. RBI's near-term base case is for CPI to drift higher toward ~3% over the next few months as base effects normalize



2

Long-end has hardened on supply; easing is concentrated at the front-end

As expectations for aggressive easing have been pared back — and amid higher state-led issuance and mixed OMO signaling — the long end of the yield curve has repriced higher despite benign inflation.

Facts

- RBI **cut the repo rate by 25 bps to 5.25% in Dec'25** — the first move in six months — while maintaining confidence that inflation will stay benign.
- Policy stance remains **'neutral'**, with a **dissenting vote** favouring a shift toward **'accommodative'**
- RBI complemented the cut with measures aimed at **easing system liquidity**, **supporting OMO operations**, and **limiting INR volatility**.
- **G-sec yields have firmed to ~9M highs**, reflecting **supply concerns**

Assessment

- RBI appears comfortable with the inflation trajectory, with inflation expected to **re-converge toward ~4% in FY27** alongside a gradual growth pickup.
- Market pricing in **one more cut in FY26**; beyond that, **the bar is high**, requiring either a sustained inflation undershoot or renewed growth shocks
- Policy bias to remain **growth-supportive**, executed through **durable liquidity conditions** and **active curve management**, rather than multiple rate cuts
- INR weakness is increasingly seen as **structural and policy-decoupled**, driven by **trade-related uncertainty** and **persistent FII outflows**, limiting the signaling value of INR-USD moves for the rate path

Implication

- **Front-end rates** to ease as liquidity improves and transmission strengthens; in near term **long-end yields** may remain **sticky** given global term premia, elevated supplies, and constrained fiscal headroom ; however, these yields are also likely to ease into mid-2H FY27.
- a **steeper curve bias**, favouring **carry at the front/middle** while maintaining caution on **duration** until supply dynamics clear.

Risks

- × **Sharper-than-expected INR depreciation** vs USD forces a more cautious policy/lending stance and tightens financial conditions at the margin.
- × **Fiscal slippage risk:** if the recent improvement in tax collections does not sustain, borrowing needs rise and further **pressure the long end**.

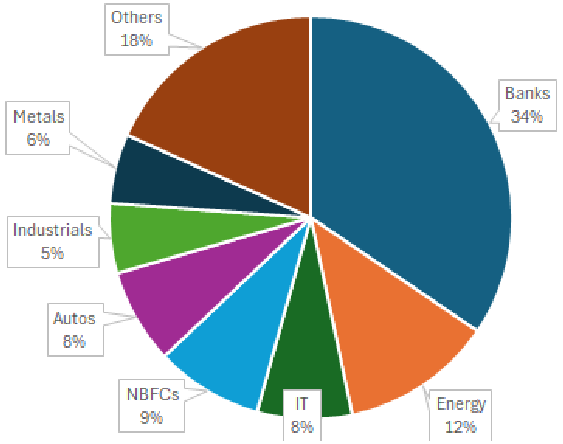
With fiscal room constrained, monetary policy and liquidity management are likely to do the heavy lifting for supporting growth.

Source : Bloomberg

Valuation & Earnings: Stars aligning for a FY-27 earnings upgrade cycle

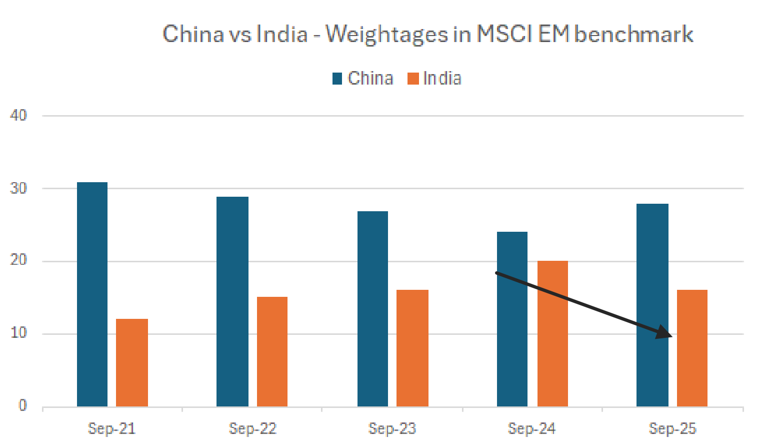
1 Nifty EPS FY27 – Key Components

Financials expected to lead the incremental EPS growth into FY27 amidst improved credit growth and stable rates



2 India's fall weightage in EM benchmark – key trigger for FII outflows

India saw **one of the sharpest earnings estimate cuts in CY25 (~15%)** versus EM peers, contributing to underperformance and a **relative weight reset** in EM benchmarks. A stabilising-to-improving earnings cycle into CY26/FY27 can aid **benchmark weight normalisation**, potentially improving **structural FII flows** at the margin.



Facts

- The **15-month earnings downgrade cycle** (since Aug'24) **appears to have** bottomed **in Q2-FY26**, with consensus **Nifty EPS for FY26/FY27/FY28 revised higher by ~0.3%/0.7%/1.1%**.
- **FY26–FY28 EPS growth estimates currently pegged 15%.** The index currently trades at **~21x 12-month forward earnings** — **elevated**, making earnings breadth and upgrades critical to sustain multiples.
- Upgrades expected to be led by **Banks/Financials (~50% of incremental growth)**, followed by **Metals, Autos, Industrials and Telecom**

Assessment

- The downgrade phase was driven largely by **Banks** (softer credit growth and rate-cut/NIM compression concerns), alongside **Consumer Discretionary and IT** — most of these headwinds now appear **largely priced / bottoming**.
- The early upgrade cycle is **narrow**: a meaningful share of Nifty constituents still face **downward EPS revisions for FY27**, suggesting the next leg requires broader demand visibility.
- After a sustained period of relative underperformance, **India's valuation premium vs EM/World is now lower than long-term averages** — a credible **earnings recovery**, incremental **reform triggers (Budget)** & greater clarity on the **India–US trade deal** could support markets into FY27.

Implication

- Market outcomes are likely to be driven by **a mix of earnings upgrades, sector rotation and stock selection**, as growth recovery remains **uneven and sequential** across sectors.
- With **policy support (reforms + monetary)** likely to remain constructive into FY27, the market setup skews to **macro-sensitive leadership**, where **SMIDs typically tend to outperform disproportionately**

Risks

- ✕ **Earnings momentum undershoot** if demand recovery is delayed
- ✕ **Policy disappointment**, external shocks

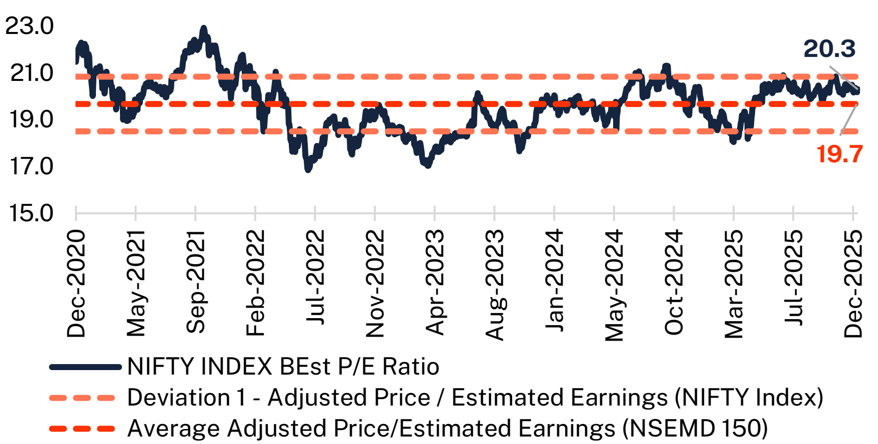
With the downgrade cycle likely behind us, FY27 market outcomes should be driven by earnings delivery and broader upgrade breadth, while flows and sector leadership remain the key swing factors

Source : Publicly available articles on MoneyControl, Bloomberg, NDTVProfit.com

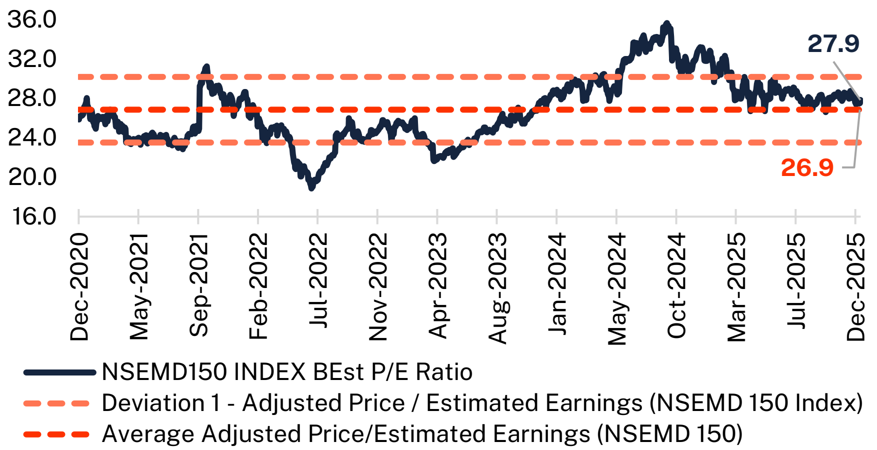
Valuation & Earnings: Decoding Valuations

Large-caps trade near +1SD above the long-term averages while mid-caps are slightly stretched above the mean. However, small-caps valuations remain well elevated above +1SD and warrant caution

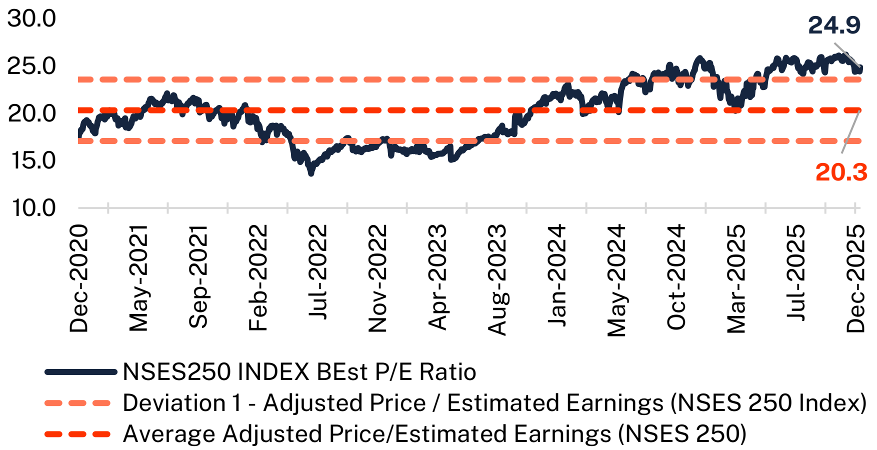
Nifty 50



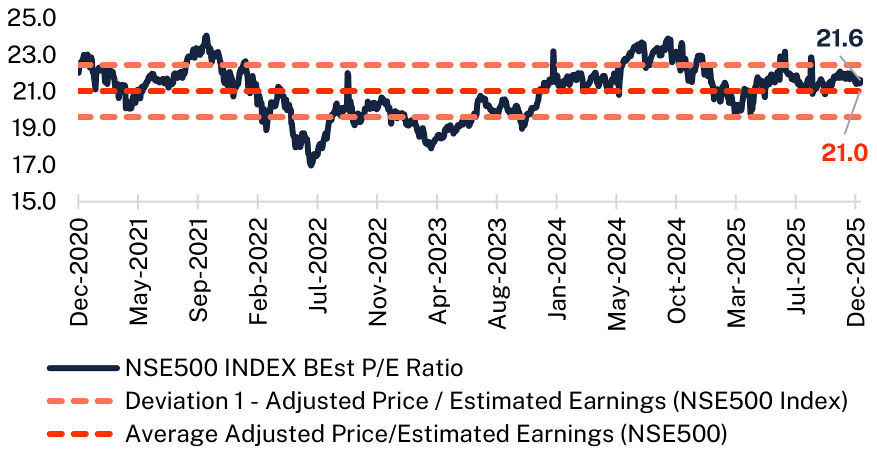
Nifty Midcap 150



Nifty Smallcap 250



Nifty 500



Large Caps:

- Large Caps are currently trading at +1SD of their 5-year average valuations.

SMID Caps:

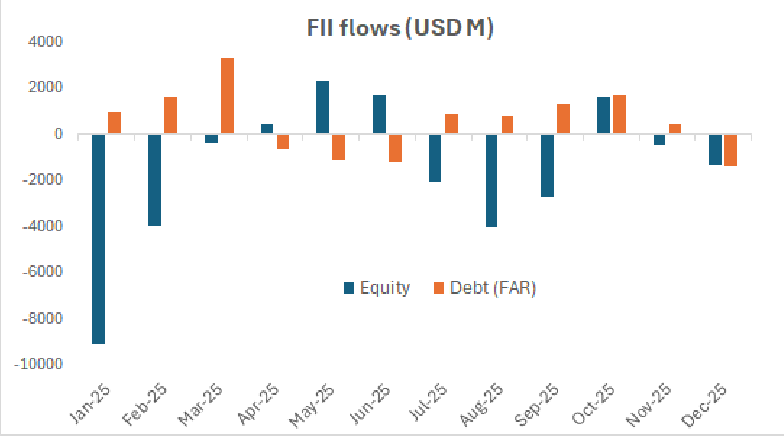
- Small-cap stocks continue to trade above their long-term fair valuation multiples, hovering above +1SD, while mid-caps are trading slightly above their 5-year averages.
- We maintain the view that the current environment remains a stock-picker's market, where fundamentals, earnings visibility, and balance sheet quality will drive alpha rather than broad-based multiple expansion

Source: Bloomberg, Spark PWM

Allocation of Capital: FII flows episodic, domestic flows remain the key anchor

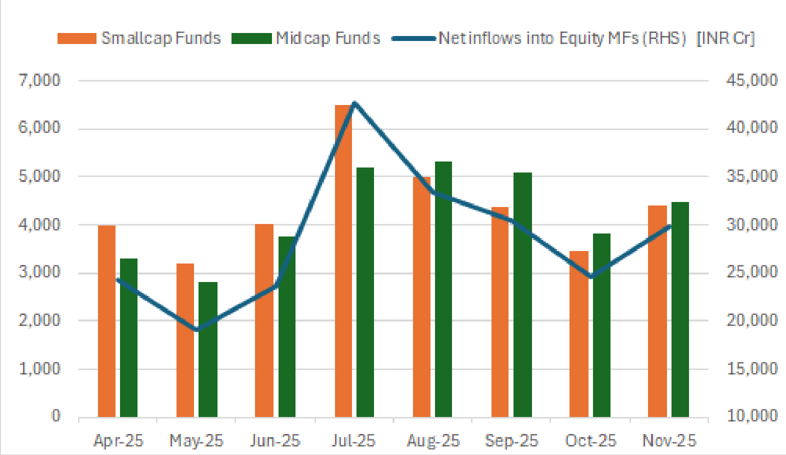
1 FII flows: ebb-and-flow persists; conviction on India still forming

FIIs appear to be trading India tactically rather than rebuilding structural exposure; clarity on the US–India trade deal remains the key swing variable. FII debt flows have seen a sharper sell-off, consistent with the weakening INR and "end-of-rate-cycle" concerns



2 Mutual fund flows: recovery after a soft patch; SMID participation remains firm

Resurgence in equity MF flows is reassuring, reinforcing the domestic liquidity support. Sustained small/midcap participation suggests retail risk appetite remains resilient despite a soft performance patch over the last 12–15 months.



Facts

- **FII flows improved into late-Dec'25**, coinciding with a broader global shift back toward risk assets.
- **Equity mutual fund inflows rebounded in Nov'25 (~+20% m/m)** to around **₹30,000 cr**, with a visible tilt toward **SMID** categories; early indications suggest **Dec'25 remained healthy**.

Assessment

- **FII recovery is plausible into mid-CY26**, supported by improving growth visibility, a more **competitive INR**, and a potential global rotation as **AI-led concentration risk** is reassessed — positioning India as a relative **diversifier**.
- **Domestic risk capital remains robust:** steady **SIP and insurance flows** should continue to provide a strong bid, and are viewed as capable of absorbing a large **equity supply pipeline in CY26** (estimated at upwards of INR 5T) (IPOs, promoter block deals, release of anchor lock-ins etc.).
- SIP discontinuation/closure ratios remain elevated (~**75%**), warranting tracking through periods of volatility.
- **NFO appetite has moderated:** while the number of NFOs stayed broadly steady (~**225 in CY25**), the **amount mobilised halved (~₹64,000 cr)**, pointing to a more selective investor stance.

Implication

- **Equity MF cash levels near FY26 lows (~5.1%)**, indicating managers are running **leaner cash buffers,** reflecting improving conviction despite valuation noise. Market stability is increasingly a function of **domestic flow persistence with** FII conviction as yet fragile — trade-deal clarity is likely the key swing factor.

Risks

- Global risk-off trade ; spike in bond yields
- Further sharper INR weakness
- Delays or adverse outcomes in US–India tariff negotiations
- Earnings recovery falls short of expectations

With FIIs still intermittent, domestic SIP/insurance flows remain the key shock-absorber, especially amid a heavy CY26 equity supply calendar

Source : Bloomberg, NSDL, AMFI, Moneycontrol

Where the Money's Moving: Sector-Wise FII Trends

FII flows remained mixed over the last fortnight, with notable inflows into Telecom, Oil, Gas & Consumable Fuels, Capital Goods, and Consumer Durables, while FMCG, Financial Services, and Automobile & Auto Components witnessed net outflows during the same period

Breakdown of Fortnightly FII Flows to Indian Equities by Sectors (INR Crs)

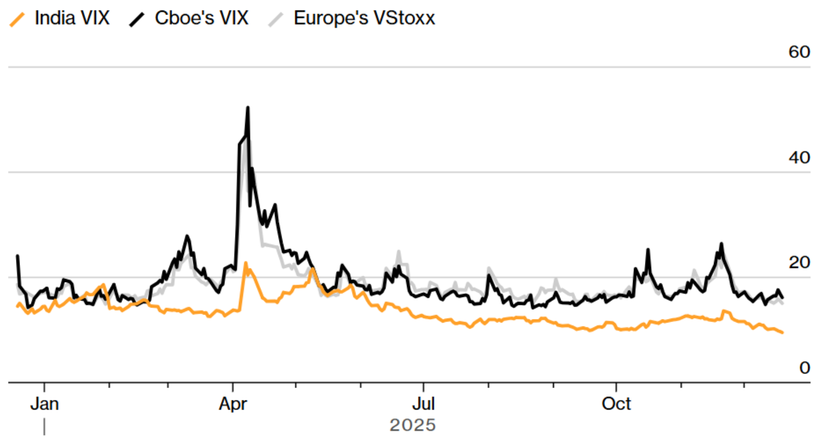
SECTOR / DATE	15-Jul	31-Jul	15-Aug	31-Aug	15-Sep	30-Sep	15-Oct	31-Oct	15-Nov	30-Nov	15-Dec
Automobile and Auto Components	(1,134)	(2,425)	(814)	1,908	2,617	1,560	1,733	(385)	(593)	611	(1,257)
Capital Goods	899	(624)	1,118	1,518	757	(875)	1,484	782	169	(1,224)	1,707
Chemicals	168	961	410	23	1,161	(316)	(406)	(518)	(608)	(23)	(660)
Construction	(137)	(1,316)	1,378	130	-	640	725	(331)	1,589	(176)	(112)
Construction Materials	136	193	1,690	(1,193)	785	(94)	(220)	(369)	(1,180)	(1,125)	(510)
Consumer Durables	(1,292)	(1,322)	(1,133)	(326)	(836)	(213)	(3,301)	(1,379)	(1,543)	401	1,273
Consumer Services	949	1,992	(948)	(3,246)	490	(1,785)	(114)	(2,918)	(1,677)	(50)	(1,075)
Diversified	(22)	(35)	(58)	(34)	(55)	(34)	(198)	46	(70)	(80)	10
Fast Moving Consumer Goods	(1,428)	2,986	(1,150)	(1,092)	53	(2,992)	(3,110)	(2,042)	(1,267)	(1,419)	(2,722)
Financial Services	1,458	(7,841)	(13,758)	1,039	(12,018)	8,546	328	(2,006)	5,381	(8,551)	(1,526)
Forest Materials	14	25	(21)	(9)	(27)	77	(48)	(12)	17	(54)	(29)
Healthcare	(757)	700	(2,095)	(1,601)	678	(2,739)	(4,521)	(2,526)	(355)	(2,351)	743
Information Technology	(5,479)	(14,422)	(6,380)	(2,014)	(4,905)	(1,927)	(4,036)	(4,598)	(267)	(3,331)	(921)
Media, Entertainment & Publication	(91)	(106)	(14)	(16)	179	87	93	(148)	(133)	(39)	(161)
Metals & Mining	1,709	1,717	606	1,394	(1,266)	1,380	446	(109)	1,752	807	(571)
Oil, Gas & Consumable Fuels	854	(4,204)	(4,091)	(1,528)	(2,043)	1,087	775	2,992	8,043	2,897	4,177
Power	165	(161)	(2,359)	(2,003)	(1,607)	1,048	(421)	(2,484)	(142)	(2,129)	(90)
Realty	(752)	(3,657)	(1,402)	(2,095)	720	(308)	(123)	24	1,279	(306)	(640)
Services	2,734	654	2,880	(3,188)	1,867	280	(1,321)	(617)	29	(3,238)	(382)
Telecommunication	283	1,190	7,446	(1,505)	(1,680)	73	(718)	9,413	2,087	(879)	4,713
Textiles	234	42	(228)	(119)	(422)	(203)	(39)	(186)	(156)	(263)	(140)
Utilities	(9)	(9)	(24)	(46)	9	1	11	8	14	(13)	21
Sovereign	8,234	(1,348)	5,203	7,993	5,036	5,725	1,965	4,019	10,195	(6,998)	46
Others	2,481	12,255	2,034	(757)	1,708	1,899	5,246	3,800	2,119	2,518	485
Total	**9,217**	**(14,755)**	**(11,710)**	**(6,767)**	**(8,799)**	**10,917**	**(5,770)**	**456**	**24,683**	**(25,015)**	**2,379**

Source: Bloomberg, NSDL, Securities & Exchange Board of India, Spark PWM

Trends & Sentiment: Low volatility masks narrow rally, heavy supply & muted FII participation

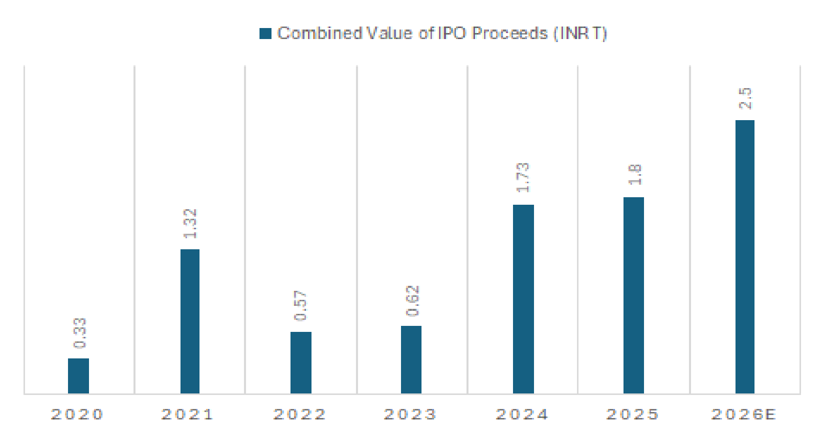
1 **Nifty VIX at record lows — Complacency or Lack of Clarity ?**

India volatility has compressed sharply to record lows, materially below US and Europe, Volatility is expected to rise here-on as the event window opens into Jan'26



2 **Supply: CY26 issuance pipeline is large and already visible**

Primary market supply is stepping up materially into CY26E, already tracking well above recent years - can **absorb incremental liquidity** and moderate secondary-market momentum, especially without meaningful FII participation.



Facts

- **Nifty VIX has fallen to a record low (~9.5)** after staying broadly range-bound around **11–13** over the last year — implying **muted near-term swing expectations** and a market awaiting fresh triggers
- Despite index strength, **participation remains narrow** — large caps have materially outperformed broader indices, capping actual returns across most retail portfolios.
- **CY26 primary market pipeline remains heavy**, estimated at ~**₹2.5 tn** versus ~**₹1.6 tn in CY25**,

Assessment

- The volatility compression appears driven in part by **regulatory tightening in derivatives**, including the scrapping of weekly options, which has reduced derivatives turnover (**~35% vs 2024**) and is feeding through into realized volatility in the cash market.
- From here, volatility is **more likely to rise than fall** as markets enter an **event-heavy window from mid-Jan'26** — Q3 earnings season followed by the **Union Budget**, alongside ongoing global macro risks.

Implication

- **Lower volatility reduces the return potential of option-premium harvesting strategies** as implied premiums compress.
- A heavy supply calendar — across **IPOs, block deals & anchor lock-in expiries** (incl. large marquee names) — is likely to **cap near-term upside** in the secondary market even if underlying demand remains supportive.
- the market may stay **range-bound with rotation**, until earnings breadth improves and flows (especially FIIs) stabilize.

Risks

- ✕ **Renewed spike in global bond yields** (notably JPY-led)
- ✕ **MF flows soften**, weakening the key buffer against supply & FII outflows
- ✕ **Event risks :** Budget outcomes, Q3 results, and the US–India trade negotiations — any disappointment can quickly reprice sentiment.

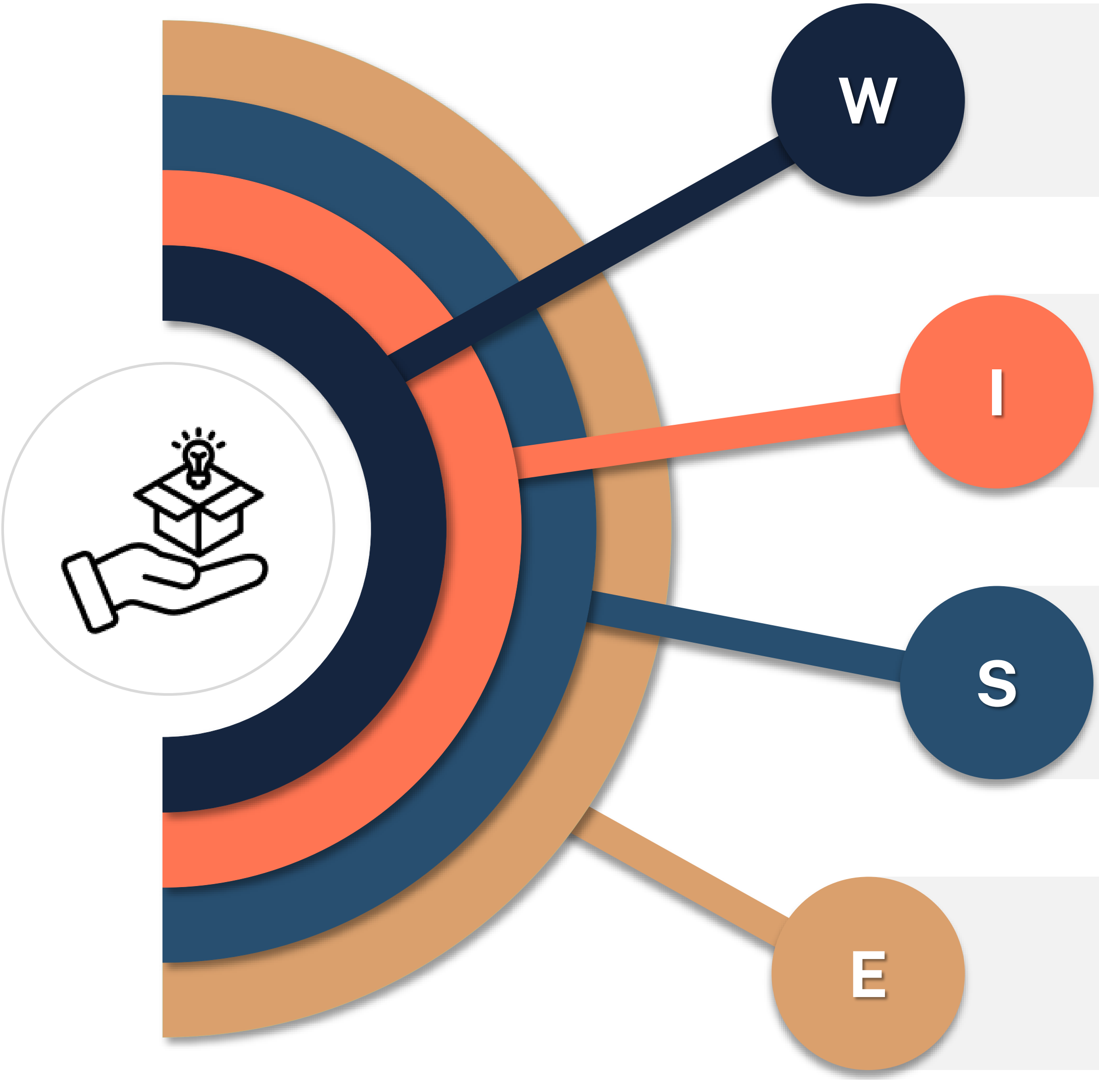
Record-low volatility may not suggest comfort — narrow leadership and a heavy CY26 supply calendar make sentiment vulnerable as the event window opens.

Source : RBI, Moneycontrol, Bloomberg

Guidance on Portfolio Strategy – Equities

- As we exit CY25, several headwinds that India faced seem to have been priced in by markets. Given that India was at the unfavorable end of US tariffs, was not seen as a critical part of the global supply chain or the AI value chain, Indian equities were largely neglected, missing the CY25 global upswing and ended up being under-owned by global investors. Of course, the earnings downcycle amidst elevated valuations further weakened the case.
- However, we seem to be entering CY26 on a stronger note, holding out hopes for renewed attention from global investors ; this is premised on revival of the earnings cycle backed by strong fiscal, monetary and governance measures and a relatively cheaper currency. Specifically, post the 2QFY26 results season, earnings estimates have seen a minor uptick. Record low levels of inflation and the expected softening in crude price, open up space for policymakers to stimulate the economy. CY26 seems to be holding promise for a better year than CY25.
- In this backdrop, the SIGC has retained its constructive outlook on domestic equities.
- Risks to this view emerge from 1) further elongation of the US tariff agreement (a sentiment drag), 2) lack of sustenance of the consumption revival seen from the festive season and 3) a global/US market meltdown
- Key factors to watch out for – 1) Budget, reform announcements, 2) US trade agreement 3) Earnings momentum 4) INR/USD
- Within equities
  - Prefer multicap ideas vs flexicap fund – reflecting a broadening out of the growth across sectors and market caps
  - Higher active share strategies i.e. bottom-up stock selection-oriented products | Sector rotation oriented ideas
  - Leadership businesses across market caps (i.e. with the potential to increase market share etc.) – prefer mid-large caps over smallcaps given the elevated valuations of the latter
- Global equities – prefer Emerging Market oriented ideas that offer the comfort of growth coupled with valuations
- Alternate ideas across PE/VC/Late Stage – A combination of late stage/pre-IPO/Secondaries that offer good valuations and medium-term liquidity coupled with early stage deeptech ideas, can help increase the potential alpha through long period compounding.

W.I.S.E. Equity Product Offering Framework



Wealth Core Allocation

Focus on strategies and products designed to compound wealth and minimize risk in the portfolio

Index Investing

Utilizing investment vehicles that track a specific market index, offering broad market exposure

Strategic Allocation

Invests in companies poised to benefit from long-term trends & structural shifts within the economy or specific industries

Enhancers

Differentiated alpha generating ideas to enhance the overall return profile of the portfolio

Source: Spark PWM

W.I.S.E. – Preferred Equity Portfolio Allocation (1/2)

<table>
<tr><th>Products</th><th colspan="2">Brief Rationale & 3-Month Attribution</th></tr>
<tr><td>ICICI Pru Large Cap Fund</td><td>▪ A combination of growth & quality and value styles of investing
▪ Has been one of the most consistent performers within the large cap funds space</td><td>▪ The fund underperformed the Nifty 100 TRI. This can be attributed to:
– An overweight stance on Healthcare, Real Estate
– An underweight stance on Financials
– Stock selection in Financials, Materials, Utilities</td></tr>
<tr><td>Bandhan Nifty100 Low Volatility 30 Index Fund</td><td>▪ Factor-based exposure within the large cap space
▪ Builds a portfolio 30 stocks which exhibit the lowest volatility over the last 12 months
▪ Rebalanced on a quarterly basis</td><td>▪ The fund underperformed the Nifty 100 TRI. This can be attributed to:
– A higher skew towards Healthcare, Consumer Staples
– A lower skew towards Energy
– Performance of Materials, Healthcare, Financials stocks</td></tr>
<tr><td>ICICI Pru Large &
Midcap Fund</td><td>▪ A countercyclical investing style with a bias towards large caps
▪ The fund manager takes positions in stocks where there is valuation comfort and business improvement is expected</td><td>▪ The fund underperformed the Nifty Large & Midcap 250 TRI. This can be attributed to:
– An overweight stance on Consumer Discretionary, Consumer Staples
– An underweight stance on Financials
– Stock selection in Communication Services, Consumer Staples, Industrials</td></tr>
<tr><td>Alchemy Smart Alpha 250</td><td>▪ Quant Driven Approach that aims to dynamically managing weights to factors such as Quality, Growth and Momentum in the top 250 stocks
▪ The fund is rebalanced daily and selects the top 25 stocks as per the ranking of the model, with minimal fund manager intervention</td><td>▪ In last quarter , the fund has outperformed the BSE 500 TRI. The key contributors were Hitachi Energy, Narayana Hrudayalaya Ltd, BSE, MCX and Motlal Oswal.</td></tr>
<tr><td>Spark@75 Core and Satellite</td><td>▪ Flexi cap mandate managed by a fund manager with over 3 decades of experience across Indian and global markets
▪ The fund manager dynamically rotates across sectors and market cap, while taking a valuation conscious approach towards portfolio construction</td><td>▪ In last quarter, the fund performance is inline with the Nifty 50 TRI. Key contributors were the banking bets undertaken by the fund manager with picks such as Canara Bank, Federal Bank, State bank of India along with key financial bets such as PNB Housing Finance Ltd, SBI Life and Auto exposure through M&M & Ashok Leyland. The key detractors were Techno electric and EID Parry</td></tr>
<tr><td>ICICI Contra /Abakkus All cap/ Buoyant/ Renaissance India Next</td><td>▪ ICICI Contra
– Flexi cap mandate to cherry pick the high conviction ideas via contrarian approach.
– In last quarter , the fund has underperformed the BSE 500 TRI. The key Detractors were Ultratech Cement, Balrampur Chini Mills Ltd, Medplus Health Services Ltd, Sarda Energy & Minerals Ltd and Trent Ltd
▪ Abakkus All cap
– Flexi cap portfolio managed by Mr. Sunil Singhania with bias towards large and mid caps; employs a bottom-up approach towards portfolio construction
– In last quarter , the fund has outperformed the BSE 500 TRI. The key contributors were IIFL Finance Ltd, Aditya Birla Capital Ltd, Axis Bank Ltd, State bank of India, Indus Towers Ltd and IDFC Ltd.</td><td>▪ Buoyant
– Managed by 3 FMs who bring their unique set of expertise to manage the portfolio with a flexi cap mandate
– A core and satellite approach is followed, and the fund manager has flexibility to take cash calls
– In last quarter , the fund has outperformed the BSE 500 TRI. The key contributors were Shriram Finance Ltd, Vedanta, IDFC First, SBI Life, Asian Paints, Navin Fluorine International Ltd, State Bank Of India and Axis Bank Ltd.
▪ Renaissance
– Managed by an experienced fund manager with a sector-agnostic approach
– Focuses on key themes that will drive the economy - Manufacturing, Exports, Revival of Investment Cycle, Technology Adoption, Digital Ecosystem
– In last quarter , the fund has Underperformed the Nifty 50 TRI. The key Detractors were Tata Motors, Crompton Greaves Consumer Electricals, Balrampur Chini Mills Ltd, Jubilant Foodworks Ltd, Exide Industries Ltd, Ltd Godrej Consumer Products Ltd, ITC,.</td></tr>
</table>

3-month attribution is as on November 30, 2025
Source: Bloomberg (for Equity MFs), Spark PWM Products

W.I.S.E. – Preferred Equity Portfolio Allocation (2/2)

Products	Brief Rationale & 3-Month Attribution	
Nippon India Multi Cap Fund	▪ Exposure spans multiple themes, sectors, and stocks ▪ Skewed toward large caps to minimize downside risk ▪ Minimum 50% exposure to the broader markets	▪ The fund underperformed the Nifty500 Multicap 50:25:25 TRI. This can be attributed to: – An overweight stance on Consumer Discretionary – An underweight stance on Energy, Financials – Stock selection in Consumer Discretionary, Industrials, Materials
Parag Parikh Flexi Cap Fund	▪ A valuation-conscious and low churn approach aimed at minimizing downside risk ▪ Offers exposure to international stocks, which helps in diversifying geographical risk	▪ The fund underperformed the Nifty 500 TRI. This can be attributed to: – An overweight stance on Consumer Discretionary, Utilities – An underweight stance on Industrials – Stock selection in Financials, Consumer Discretionary, Industrials
WhiteOak Capital Flexi Cap Fund	▪ Growth style of investing followed with emphasis on bottom-up stock picking ▪ Key stock selection parameters include Superior return on incremental capital, Scalable long-term opportunities, Strong governance and Price at a substantial discount to intrinsic value	▪ The fund underperformed the Nifty 500 TRI. This can be attributed to: – An overweight stance on Consumer Discretionary, Real Estate – An underweight stance on Energy – Stock selection in Financials, Healthcare, Communication Services
Old Bridge Focused Fund	▪ Investment approach lays emphasis on value as a style and is skewed towards broader markets ▪ The fund manager may select contrarian and turnaround plays as well ▪ The portfolio construct predominantly comprises market leaders and export-focused players	▪ The fund outperformed the Nifty 500 TRI. This can be attributed to: – An overweight stance on Communication Services – An underweight stance on Consumer Discretionary, Utilities – Stock selection in Financials, Healthcare, IT
Spark Bespoke/HCI	▪ Bespoke solution for UHNI clients who would require higher touch of engagement with Fund Manager(s)	▪ In last quarter, Bespoke has underperformed index and HCI outperformed index
AAA Budding Beast	▪ Diversified portfolio of high quality, established, and emerging leaders with low debt and net profit greater than Rs 50 crore	▪ In last quarter , the fund has underperformed the BSE 500 TRI. The key detractors were Suven Pharmaceuticals Ltd, Sudarshan Chemical Industries Ltd, Concord Enviro Systems Ltd, JK Cement, One source specialty pharma, and R Systems International Ltd
Carnelian Shift PMS/Franklin India Opportunities Fund	▪ **Carnelian** – Theme exposure to Manufacturing and IT with a flexi cap mandate while having a mid and small cap bias across 25- 30 stocks – In last quarter , the fund has underperformed the BSE 500 TRI. The key Detractors were Dhanuka Agritech Ltd, Concord Biotech Ltd, R Systems International Ltd, Innova Captab, PCBL Chemical and Kirloskar Pneumatic Company Ltd	▪ **Franklin India Opportunities** – Exposure spans themes across market capitalization, such as Rising Affluence, Digitalization, Make in India, Sustainable Living (Energy) – The fund underperformed the Nifty 500 TRI. This can be attributed to: • An overweight stance on Consumer Discretionary, Healthcare • An underweight stance on Energy, Financials • Stock selection in Materials, Healthcare, Consumer Discretionary

3-month attribution is as on November 30 2025
Source: Bloomberg (for Equity MFs), Spark PWM Products

Suggested PE & VC Ideas

Particulars	Parameters	Samara Capital Fund III	ValueQuest Scale Fund II	Navam Capital Fund I	Neo Secondaries Fund
Stage	**Early Stage**	-	-	Seed, Series A and Series B	-
	Growth Stage	-	Yes	-	-
	Late Stage	-	Yes	-	Yes
	Buyout	Yes	-	-	-
Fund Details	**Min Investment**	1 Cr	2 Cr	1 Cr	1 Cr
	Tenure	10+1+1	8+1+1	10+1+1	6+1+1
	Spaces	Consumer, Financials, Healthcare, Business Services	Classic Sectors: Consumer, Pharma, Niche Manufacturing, BFSI New-Age Economy Sectors: Energy Transition, Tech Driven Businesses	Deep Tech – Agri Tech, Space Tech, AI, Drone tech, Biotech, Robotics and Data Science	Secondaries (focuses on investing in high growth companies , EBITDA positive companies from existing investors in space such as Healthcare, IT/ITES, Consumer, BFSI and Industrial Services)
	Commitment Period	~5 years	3 to 4 years	3 Years from first close (Extendable By 1 Year)	Upto 3 Years
	Ideal Stake	51-100%	8-10%	3 to 5% with rest reserved for follow on rounds	Deal Specific
	Exit (Indicative)	5th Year Onwards	4th and 5th Year Onwards	6th Year Onwards	3rd year Onwards
	Avg Holding Period	5-6 Years	2 -2.5 Years (Late Stage) 3.5-4 Years (Growth Stage)	6-7 Years	3-4 Years
	Average Ticket Size	INR 500-1,500 Cr (Including Offshore + Co Investment)	INR 150 - 400 Cr	INR 12-15 Cr	Ideally INR 100 -250 Crs
	No. of Investments	8 - 10	12 - 15	12 - 15	10-12 (Can go up to 15)
	Taget IRR	25%	25-30%	30-35%	25%
	Target Corpus	INR 2,000 Cr	INR 3,000+1,000 Cr	INR 250+150 Cr	INR 2000 Cr

Navam Capital Fund I

Why we like Navam Capital Fund I?

Firm

- **Expertise** : Backs original thinker who are shaping India IP led future
- **AUM:** Raising first fund of INR 250 Cr + INR 150 Cr
- **Stake:** ~1.5% to 19% stake
- **Experience**: **2** Investment Partners and **5** member Advisory team
- Highly **experienced team** to identify high potential IP led tech ideas in the **early-stage space and deep tech** space
- Backing of marquess LPs such as **Godrej Family office, Enam Family office, TCIL**
- Proprietary deal flow from academia, R&D institutions, and industry networks.
- **Ability to** leverage network and relations hip across Academia, Incubators, and Industry thought leaders
- Access to later stage capital through relationship built

Fund Manager/Advisory Members

- Rajeev Mantri has demonstrated ability to source and stitch deals in **Early stage and Deep tech space** (9 pre fund and 7 investment in Fund I)
  - E.g. Ather Energy, Alyssum, Vyom Therapeutic, Agnikul Cosmos, Fasal
  - Understand Technical nuances i.e. difference between Drone Assembly and IP led Drone technology
  - Blend of **Investing** and **Operating** experience
  - Prior Stints: Lux capital, US based Deep tech VC
  - **Investment Partner**: Dr. Anjan Ray, ex CSIR Director, Phd in Chemistry, led R&D in sustainable fuel powered aircraft in India
  - **Strong Advisory Board** led by **Dr. R.A. Mashelkar** (Padma Vibhushan), Ex DG CSIR; **Dr. Shiladitya Sengupta** –inhouse Biotech expert; **Amay Mashelkar** Head of JioGenNext (Reliance's accelerator to early-stage tech start ups); **Malav Dani** (Co-Promoter Asian Paints) and **Tarun Mehta** (Co-founder &CEO Ather Energy)

Fund

- Cat II AIF
- **Differentiated Early-stage** VC fund built to capitalize on opportunities led by India's transformation into **Knowledge driven Innovation led** economy
- Target Fund raise: INR 250+150 Crs
- Tenure: 10+1+1 year
- Min Ticket size: INR 1 Crs
- Investment time frame : By Jan'27 (extendable by 1 yr)
- Exits is likely to start be from 6th year onwards
- Drawdown Schedule: Current 40% and rest expected by Jan'27
- Focus Stage: Seed, Series A and opportunistic Series B bets
- **Capital arbitrage** combining cost efficient structure with quality tech talent pool available in India
- **IP-led differentiation** with strong technical moats and scalable global use cases.

Samara Capital III

Why we like Samara Capital III?

Firm

- **Expertise** : 15 years of experience in Mid market PE space in India
- **Scale:** Invested INR 10,000 Cr till date
- **Stake:** 51 to 100% stake in a company
- **Experience:** 9 senior MDs with cumulative ~136 years of experience
- **Stability** and **continuity** of the team
- Presence of **Offshore Institutional** and **Global Family offices** in the
- Ability to **source proprietary** deals
- **Network of CEOs** who have proven track record of business transformation
- Track record of creating market leading businesses such as **Sapphire Foods, First Meridian, Marengo Asia**
- **Ability to source exits** in tough times
- **Strong inhouse** research team
- Inhouse **Operating partner** team

Manager

- Ability to execute **Rollup** plays in sectors ripe for consolidation
  - E.g. Sapphire, First Meridian & Iron Mountain
  - **Valuation conscious**
  - Not lost money in any deals made **since 2010**
  - Expertise in **Consumer, Financial, Healthcare & Business Services**
  - **Value addition** framework enables to replicate success
  - Ability to **onboard high-quality CEOs** to transform portfolio companies
  - Key traits of delas made:
    - INR 300-2000 Cr Revenue
    - Profitable with **20% ROIC**
    - Growing at **15% p.a.**
    - Preference for control
    - Exit orientation

Fund

- Cat II AIF
- Focus on Buyout deals and Roll-up Plays
- 10+1+1 year time Tenure
- Investment time frame : 4 years
- Exits will be from end of 5th year
- Drawdown Schedule: 65% in first 2 years and rest in Year 3 and 4
- Current Drawdown is 15%
- Average expected holding period is **4-6** years
- Investment Themes:
  - **Unorganized to Organized**
  - **Rising penetration on the back of awareness**
- Fees:
  - 2% management fees
  - 10 % Hurdle and 20% profit share with catchup

ValueQuest Scale Fund II

Why we like ValueQuest Scale Fund II?

Firm

- **Expertise** : Public & Private market expertise developed over the course of firm's 15+ year history
- **Scale:** Raised INR 1,300 Cr till date in Fund I
- **Stake:** ~10% stake
- **Experience:** 9-member team of senior MDs and mid level associates with a cumulative ~90 years of experience
- Highly **experienced team** in **Private Equity** Segment
- Presence of **Family offices and Institutional** clients
- Consistent **source of deal flows**
- **Ability to source exits** through IPOs (5 companies listed in Fund I, 2 have filed for DRHP) out of **14 investments**
- **Strong pedigree of IC members** (All Fund managers in listed and Private Equity space in ValueQuest)

Manager

- Ability to source and stitch deals in mid market PE segment across both **Late Stage** and **Growth stage**
  - E.g. Waree Energies, TBO tek, RR kabel
  - **Valuation conscious**
  - Ability to execute large ticket size deals at earlier stints
  - Prior Stints: Oman India Joint Investment Fund, Khazanah National, TVS Capital, Mckinsey, Fidelity
  - Expertise in **New Age and Classic Economy sector**
  - Performance Track record of **SCALE Fund I is Gross IRR 35%** and **Net IRR of 32%**
  - S.C.A.L.E approach by identifying **Scalable** companies, that exhibit **Competitive Advantage**, **Adaptive** to changing dynamics as well as tap into new avenues with a **long runway of growth** coupled with **superior Execution** on the back of **Quality of Management team and Balance sheet**

Fund

- Cat II AIF
- **High Quality** companies across both **Late and Growth** stage
  - **Growth Stage Companies** - Established business model, product market fit and positive unit economics with a 4–5-year investment horizon.
  - **Late-stage Growth Companies** – Similar as growth stage but will be potentially larger with a preferable timeline to IPO within 24-30 months.
- Target Fund raise: INR 3000+1000 crs
- Tenure: 8+1+1 year
- Min Ticket size: INR 2 crs
- Investment time frame : 4 years
- Exits will be likely from 4th to 5th year onwards
- Drawdown Schedule: 1/3rd every year and 305 drawdown at the time of subscription
- Focus Stage: ~60% Growth Stage and ~40% Late Stage

Neo Secondaries Fund

Why we like Neo Secondaries Fund

Firm

- Neo AMC - Manager sponsored by Neo Group with over INR 15K cr of assets across fixed income, structured credit and real assets
- Group set up with the partnership of high-quality investors including MUFJ Japan, Peak XV & Euclidean FO - US
- Team of Founders includes highly pedigreed investment professionals and investment bankers from Edelweiss, Kotak, Macquarie, Deutsche Bank and is comprised of over 35 investment professionals currently
- Supported by a very strong ecosystem of family offices & offshore ; for instance - over INR 650 cr has already been raised in the current fund from the Group Anchor investors and their GIFT fund
- Well entrenched in the PE ecosystem and strong capability to source proprietary deals

Manager

- **Experience**: Fund Manager has solid track record of over 2 decades in the PE industry with CLSA and Motilal, prior to heading TPG New Quest in India
- **Expertise :** Secondaries experience in India is as yet limited – but Nitin Agarwal – Head Seo Secondaries has led this strategy at TPG New Quest and therefore, has good experience in this space and comes with deep networks in the industry as well. Supported by the Neo Founders team who are seasoned deal makers / investment bankers in their own right
- Fund Manager has never lost money on any deal in the past 20 years
- Current portfolio and the active deal pipeline is predominantly proprietary – access to most of these deals will be possible only via this Fund route

Fund

- Cat II AIF
- **Late Stage, Growth Oriented Secondaries Fund**
- **"Secondaries are funds that mainly acquire equity stakes in businesses acquired from existing PE / VCF investors at meaningful discounts"**
- Target Fund raise: INR 2000 crs
- Tenure: 6+1+1year | Min Ticket size: INR 1 crs
- Investment time frame : Min. 6 years
- Exits will be likely from 4th to 5th year onwards
- Drawdown Schedule: 40% now & balance over next 12 - 15M
- Focus Stage: Late stage with 2 – 3 yrs to IPO
- **Scale:** Raised INR 1,400 Cr till date – of which ~INR 650 cr has come from Sponsors and Anchor investors of the Neo Group
- Not a blind pool – of the targeted 10 – 12 deals, 5 deals already in the portfolio at very attractive valuations.
- Very robust deal pipeline, predominantly proprietary

Whiteoak GEM Ex India –GIFT CITY CAT III AIF

Why we like Whiteoak Gem Ex India

Firm

- Whiteoak AMC is a boutique asset management company with approximately USD 10 billion in assets under management across domestic mutual funds, alternate strategies, and offshore mandates
- Founded in 2017 by Mr. Prashant Khemka, former CIO and Lead Portfolio Manager at Goldman Sachs Asset Management (GSAM)
- The firm employs its proprietary Opco-Finco framework to value companies — a model based on asset-light multiples that facilitates comparisons across industries and geographies
- The firm has a large investment team comprising of 50-members. Within this, over 22 members focus on emerging markets, with 15 out of 22 members exclusively dedicated to opportunities outside India.
- Built a stable and experienced team, skilled in bottom-up research across both Indian and emerging market mandates.

Manager

- **Experience**: Hiren Dasani serves as the Chief Investment Officer (CIO) for Emerging Markets at White Oak, bringing 24 years of experience to the role
- **Expertise :** Mr. Dasani's professional background provides significant institutional credibility, particularly from his previous tenure at Goldman Sachs Asset Management (GSAM), where he held senior roles, including Co-Head of Global Emerging Markets Equity
- He oversaw portfolios totaling approximately $22 billion across various strategies, including Global EM, EM ex-China, and India equities
- The scale and diversity of his previous mandates at a leading institutional asset management firm underscore his capability to manage large pools of capital and adeptly navigate the complex geopolitical and market dynamics of emerging markets

Fund

- **Sharp, well-articulated strategy & clear approach** – Exposure to Sectoral leaders while being opportunistic in the mid and small cap segment in Emerging markets excluding India.
- Positioned to benefit from exposure to sectors in Emerging markets such as **Semiconductor Value Chain (For e.g. Taiwan), Select opportunities available through Latin America markets as well as High End discretionary consumption play opportunities bigger than ones present in India**
- Fund offer opportunities to own high quality companies that are available at reasonable valuations.
- The portfolio emphasizes markets where corporate governance, corporate structure and fundamentals are showing tangible improvement such as China private sector reform, Korea corporate governance enhancement, Taiwan tech dividend yield opportunities - rather than purely macro or index bets
- Strategy can be positioned as a **Core/All Seasons** allocation, aiming to capture both visible earnings growth and potential valuation re-rating, rather than a cyclical or tactical bet on emerging markets

Guidance on Portfolio Strategy – Fixed Income & Gold

- **Rates / Liquidity backdrop:** The domestic rate cutting cycle appears to be in its last phase, with **one last cut** likely through FY26/1QFY27. RBI's intent to keep **system liquidity comfortable**, alongside **OMO support**, should help keep **bond yields broadly anchored** with a modest downward bias near term. **Union Budget signals on borrowings** remain the key medium-term factors.
- Within Fixed Income, we therefore suggest
  - **Accrual / carry as the core:** Prioritize **locking in attractive carry** while liquidity conditions improve, which should gradually support **spread compression**. Focus on **high-quality corporate bond / short-to-medium term accrual strategies**, with selective exposure to **performing credit** and select, **well-structured,** RE strategies
  - **Real Assets / Hybrid yield strategies:** Maintain a constructive bias to **income-oriented real assets (REITs/InvITs)**. Hybrid approaches that target **"debt-plus" accruals** via **market-neutral / derivative-led overlays**, with **defined downside guardrails** and **tax efficiency**, remain increasingly relevant in portfolio construction.
  - **Duration as a tactical overlay:** Duration strategies could be more **opportunistic rather than structural.** Long-end yields are likely to remain **range-bound and event-driven**, reacting to **OMO actions, state supply, Budget expectations, FII flows**, and **global rate cues** — creating intermittent pockets of opportunities and also heightened volatility across the curve
  - **Gold (strategic hedge):** A supportive medium-term setup — **lower global real rates, sticky inflation, sustained central-bank buying**, and **geopolitical uncertainty** — keeps gold relevant as a **portfolio hedge**. Near term, **price consolidation is plausible** after the outsized CY25 rally, but the strategic role remains intact.

Real Estate Credit AIF: Sundaram Alternates Real Estate Credit Fund V

Product Overview

Category	**Category II AIF**
Target Corpus	INR 1000 to 1500 Crs
Min Investments	INR 1 Cr
Management Fees	Up to 2% p.a.
Targeted Yield (Gross)	18% - 20% IRR (Pre-taxes and Pre-expenses)
Carried Interest	20%, no catch-up
Hurdle Rate	12%
Distribution	14-16% p.a on quarterly basis
Tenure	5 years + 2 years
Operating Expense	At actuals, up to 0.25% p.a.
Sponsors	Sundaram Finance
Sponsor Commitment	Up to 15%* of aggregate capital commitment

Highlights of the Fund

- Sundaram Alternates Real Estate Credit Fund V, is a 5-year, Cat II AIF providing structured credit to brownfield residential projects led by credible mid-market and select Grade A developers.
- Portfolio to comprise of structured debt lent against RERA approved, post launch, mid-income residential RE projects with proven sales momentum
- Key geographies include south cities plus selectively Mumbai & Pune
- 15-20 deals with amortizing structures and an average deal size of INR 40 – 120 Cr
- Every deal to be secured by at least 2 independent, cash flow generating assets
- Single Investment limit of 10-15% and 25% limit on single geography
- Quarterly distribution of cash coupon, capital distributions after 4th year
- Sponsor commitment of upto 15%

Past RE Fund :Sundaram AMC

No. Of Funds:
4 (2 has matured, 2 are deployed)

AUM Garnered:
~INR 2,600 Cr

Gros IRR - Matured Funds
Fund 1: ~15.20%
Fund II: ~17.01%

Gros IRR - Deployed Funds
Fund III: ~17.60%
Fund IV: ~18.30%

100% capital recovery with zero defaults

Fund Manager Details

Manoj Mahadevan

Arjun Sankar

Combined Work Experience of *2 plus decades*

Source: Sundaram Alternates
**Subject to Sundaram Finance Board Approvals*

Credit AIF: Spark Equitized Credit Solutions Fund III (SpECS III)

Product Overview

Fund	**SpECS III**
Category	Category II AIF
Target Corpus	INR 750 Crs + Greenshoe option INR 250 Crs
Min Investments	INR 1 Cr; in multiple drawdowns
Management Fees	1.5% on drawn down capital
Targeted Yield (Gross)	15.0%+ (Pre-taxes and Pre-expenses)
Hurdle rate	10.0% IRR (INR terms)
Carried Interest	15.0% over hurdle rate; no catch-up
Tenure	5+1+1 years
Set-up cost	Capped at 0.5% of committed capital
Nature of Investments	Structured Debt in the form of NCDs, FCDs, CCPS
Sponsors	Spark Asia Impact Pvt. Ltd.

Highlights of SpECS Fund III

Product Positioning	Private Structured Credit for Mid-market enterprises
Ticket Size	**INR 15-120 Cr**
Investee Segment	Mid-market corporates of Revenues between **INR 50-2,000 Cr**
Sectors	Predominantly in Manufacturing, Consumer, Business & Technology services, Pharma & Healthcare, BFSI#
Concentration	**< 25% of fund's corpus** in single group
Collateral	**Primary** - operating cash flows and escrows **Secondary** - Hard assets, Pledge of shares
Take-outs	Upfront fees + coupon + back-ended premium/ warrants
Investing Instruments*	NCD, OCD, CCD, CCPS, OCPS
Tenor	**24-48** months

SpECS II Details (Previous Fund)

First Close: **Nov 2022**

AUM Garnered: **~INR 594.5 Crs**

100% amount drawn to date

18 Investments made including redeployment

Amount distributed: **INR 166.1 Crs**

Portfolio **IRR: 14.8% (Gross)**

Fund Manager Details

Kapil Ramamurthy
Co-founder, Spark Capital

Work Experience
25+ *years*

Previous Stints
HDFC Bank & Standard Chartered Bank

Source: Spark Alternative Assets Advisors India Pvt Ltd

Sundaram Performing Credit Opportunities Fund (PCOF) Series I – rated AA+ SO by CARE

Product Overview

Category	**Category II AIF**
Target Corpus	INR 1500 Cr + 500 Cr greenshoe
Min Investments	INR 1 Cr
Management Fees	Up to 1.85% p.a.
Targeted Yield (Gross)	15% - 16% IRR (Pre-taxes and Pre-expenses)
Distribution	Quarterly distribution of 2.0-2.5%
Tenure	5 years + 2 years
Operating Expense	At actuals, up to 0.25% p.a.
Sponsors	Sundaram Finance
Sponsor Commitment	Up to 15%* of aggregate capital commitment

Highlights of the Fund

- The fund aims to invest in high yielding debentures (including equity warrants) to MSME / SME / Fintech / Manufacturing / Services companies backed by a combination of business cash flows, promoter assets, guarantees, share pledges and other security structures
- Portfolio of ~12 – 15 investments over fund life
- Quarterly distribution of cash coupon, capital distributions after 4th year
- Sector/Geography:
- Focus on 'core sectors' with group synergies
- 'Growth' focus on MSME/SME, bridge funding to larger companies
- Pan India Focus on urban and major cities
- Single investment concentration limit: 10-15%**. Single Industry Concentration limit: 25%**
- Balance between short-term quick churn & HTM to maximize portfolio returns

Past Fund :Sundaram AMC

No. Of Funds:
5 (1 has matured, 4 are deployed)

AUM Garnered:
~INR 3,150 Cr

Portfolio
IRR (Gross): ~15.2% (Matured Funds)

Portfolio
IRR (Gross): ~17% (Deployed Funds)

Fund Manager Details

Vaatsal Tandon
Fund Manager, PCOF-I Fund

Work Experience
12+ years

Previous Stints
JM Financial, ARKA Fincap Ltd

Source: Sundaram Alternates
**Subject to Sundaram Finance Board Approvals*
***Additional concentration limit of 5% in one-off situations with higher thresholds of approval*

Real Asset AIF: ICICI Pru Office Yield Optimizer Fund II

Product Overview

Fund	**ICICI Pru OYO Fund II**
Category	Category II AIF
Target Corpus	INR 2000 Cr + 500 Cr green shoe
Min Investments	INR 1 Cr
Management Fees	Upto 2% p.a.
Targeted Yield (Gross)	15% - 18% (Pre-taxes and Pre-expenses)
Tenure	6+1+1 years
Operating Expense	At actuals, 0.1% - 1% of AUM
Nature of Investments	Listed and Unlisted Equity and Debt instruments
Sponsors	ICICI Trusteeship Services Limited

Highlights of ICICI Pru OYO Fund II

- The Fund will invest in equity, equity-linked, and debt instruments in companies that own, construct, or operate commercial properties in major Indian cities, aiming to earn rental income and benefit from yield compression and rising rents.
- The target properties include offices, retail assets, logistic parks, life-sciences facilities, warehouses, and data centers.
- Investment in companies which owns or will own :
  - Pre-leased commercial real estate with potential for capital appreciation
  - Not more than 30% of the fund to be invested in companies which owns or will own built-to-suit / completed - vacant properties
- Significant skin in the game – Sponsor contribution of 10% of the fund size
- Average Investment Value of INR 100 - 300 Cr
- Average investment tenor of 36 – 60 months

OYO Fund I Details (Previous Fund)

First Close: **Oct 2022**

AUM Garnered: **~INR 1,716 Mn**

Fully deployed

4 Investments made

Avg Investment Value: **INR ~400 Mn**

Portfolio **IRR: 13% (Gross)**

Fund Manager Details

Vishal Gupta
Principal - Investments, ICICI Pru AMC

Work Experience
19+ years

Previous Stints
Kotak Mahindra Prime & ICICI Bank

Source: ICICI Pru Alternates

Privately Listed InvIT: National Highways Infra Trust InvIT “NHIT InvIT”

Product Overview

Product	**National Highways Infra Trust InvIT “NHIT InvIT”**
Category	Privately Listed InvIT
Sponsor:	National Highways Authority of India (NHAI)
Industry	Toll Road Assets
Revenue Model	Toll Collection from Road Assets
Portfolio Assets	26 Operational Road Assets covering 41 Toll Plazas
Length	2,345 Kms (~12,000 Kms) across 13 Indian States
Concession Period	20.5 Years (Wt. Avg.)
Distribution Yield	5.7% for FY25
Past Returns	~14.5% CAGR Since Inception* *Including NAV Gains and Distributions*
Target Investor Profile	Stable and rising yields with potential for capital appreciation

Highlights of NHIT InvIT

- India’s only road-focused InvIT that is backed by the Government of India.
- Its main goal is to own, operate, and manage toll road assets, offering stable and rising returns to investors while supporting the government’s push for infrastructure monetization.
- Has raised 46,350 Crores since inception across four structured rounds to acquire operational toll roads.
- Continues to expand its portfolio, with Round 4 completed in April 2025 — backed by key investors and adding 11 operational toll road assets.
- Since inception, NHIT has distributed a total of ₹2,018 crore, amounting to ₹21.4/unit to its unitholders.
- Upside potential from factors such as a decline in interest rates, accelerated portfolio growth through new acquisitions, and increased leverage at the trust level — all of which can contribute to higher distributable income.

Key Investors

Canada Pension Plan Investment Board	**25%**
Ontario Teachers’ Pension Plan Board	**25%**
Government of India (via NHAI)	**15%**
Other Key Institutions (SBI, Nippon, EPFO)	**8%**
Retail & Others	**27%**

Target Returns

Target Returns **IRR: 15-16%** over 3 years

HTM Yield: **12-13%**

InvIT Management Details

Mr. Mr. Rakshit Jain

Managing Director & CEO

Work Experience

30+ *years of diverse infrastructure experience across roads, power, transport, utilities, and strategic asset management.*

Previous Stints

Autostrade Indian Infra, GVK Group, Nxt-Infra Trust.

Data as on 31st March 2025

**Returns are indicative. Past performance does not guarantee future returns*

Privately Listed InvIT: Cube Highways InvIT

Product Overview

Product	**Cube Highways InvIT"**
Category	Privately Listed InvIT
Sponsor:	Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd.
Industry	Highways InvIT
Revenue Model	Toll Collection from Road Assets and Annuity/HAM Revenue
Portfolio Assets	27 Toll Plazas, 9 BOT and DBFOT, 9 TOT, 3 Annuity and 6 HAM Assets
Concession Period	19.4 Years (Wt. Avg.)
Distribution Yield	7.9% for FY25
Target Investor Profile	Stable and rising yields with potential for capital appreciation

Highlights of NHIT InvIT

- **April 2023:** Public Listing & Portfolio Consolidation: CHT successfully listed on NSE and BSE, consolidating 18 SPVs under the Trust.
- **June 2023:** Debt Market Access: Issued ₹10.3 billion NCDs subscribed by IFC at 7.49%.
- **June 2024:** Portfolio Expansion & Refinancing: Acquired six HAM assets (51%) and completed HAM debt refinancing — a ₹1,600 crore term loan (20 years) and ₹648 crore NCD issuance at 7.95%
- **December 2024:** Full HAM Portfolio Acquisition: Expanded control to 100% in six HAM assets
- **February 2025:** Strategic Acquisitions & Innovative Funding: Acquired 100% stake in NAM Expressway Limited (NAMEL)
- Cube issued India's first Sustainability-Linked Bond in the road sector, raising ₹860 crore from IFC, alongside ₹600 crore NCDs (19-year tenor)

Key Investors

Sponsor and Sponsor Group	**31%**
Institution – Foreign Body	**25%**
Non-Institution - Body Corporate	**15%**
Clearing Member	**11%**
Mutual fund & Others	**18%**

Target Returns

Target Returns **IRR: 14-15%** over 18-24 months

HTM Yield: ~**11-12%**

InvIT Management Details

Cube Highways Fund Advisors Private Limited ("CHFAPL") has been appointed as the Investment Manager for Cube InvIT

Cube Highways and Transportation Assets Advisors Pvt. Ltd. ("CHTAAPL") has been appointed as the Project Manager for Cube InvIT

Privately Listed InvIT: Capital Infra InvIT (CIT)

Product Overview

Product	**Capital Infra Trust**
Category	Publicly Listed InvIT
Sponsor:	Gawar Construction Limited (GCL)
Industry	Highways InvIT
Revenue Model	Hybrid-Annuity-Model
Current Portfolio	9 HAM Assets
Concession Period	11.3 Years (Wt. Avg.)
Distribution Yield	10-12% guidance per year (Paid out quarterly)
Target Investor Profile	Stable yields with potential for capital appreciation

Highlights of Capital Infra InvIT

- **March 2024:** The Trust had been registered with the SEBI as an InvIT under the SEBI InvIT Regulations, on March 07, 2024.
- **Jan 2025:** Capital Infra Trust (CIT) got listed on NSE and BSE on January 17, 2025, at an issue price of ₹99 per unit.
- **Nov 2025:** CIT did a preferential issue of Rs 345.01 crore Rs 79.75 per unit (higher than market price), exclusively to sponsor (GCL). Proceeds were used for partial prepayment of existing NCD which brought down the debt levels.
- **Strong Pipeline:** CIT has a total of 17 ROFO HAM Assets in Pipeline (Including the upcoming acquisition of 3 assets) and is targeting to reach ~₹11,000 crore of AUM by FY27 (AUM = ₹4,912 crores as of 31st Mar 2025)
- The trust is raising a QIB round, the proceeds of which will be used to acquire 3 of the 17 ROFO assets in the pipeline.
- Cumulative distribution per unit of ₹23.89 in FY25 (Q4), ₹3.61 and ₹3.25 in Q1 and Q2 of FY26 is in line with full year guidance of Rs. 14.61/- unit

Key Investors

Sponsor and Sponsor Group	42%
Corporates	11%
Insurance	11%
Mutual Funds	9%
Public	9%
Pension Fund	4%
Others	14%

Target Returns

Target Returns **IRR: ~12%** over 24-36 months

HTM Yield: ~**10-11%**

InvIT Management Details

Gawar Investment Manager Private Limited is the investment manager of the Trust

GCL has been appointed as the "Project Manager" of CIT

Alpha Alternatives - Multi Strategy Absolute Return Fund (MSAR)

Fund Information	
Investment Manager	Alpha Alternatives Finserve Solutions LLP
Sponsor	Alpha Alternatives Fund Advisors LLP
Sponsor Commitment	5% of fund or Rs.10 crore whichever is lower
Nature of fund	CAT III AIF, Open ended
Taxation	Interest* taxable in the hands of investor and profits to be taxed at LLP level at ~35% Charged at actuals and shall not exceed 0.5% of Capital Commitment
Redemption	Monthly with 30 days' notice
Exit Load	1% up to 3 months; No exit load post 3 months
Target Return	Gross 12% pa

Investment Philosophy & Strategy

Low-risk strategies (50-100% allocation, avg. 60%):

Target annual return: 8-9%

- Arbitrage Strategies: Capturing pricing inefficiencies between the spot and futures in Agri & Metal commodities and equities markets.
- Fixed Income: Investments in G-Secs and liquid corporate bonds with a credit rating of AA and above.

Medium-risk strategies (0-50% allocation, avg. 40%):

Target annual return: 16-18%

- Absolute return strategies: Active market non-directional strategies across commodities and equity products. (Option Strategies, Special Situations, Long-Short, etc.).
- These strategies typically have a low correlation to each other.

Annualized Returns	1M	3M	6M	1Y
MSAR	9.6%	10.7%	8.6%	11.9%
Nifty 50 Arbitrage Index	7.5%	7.1%	6.9%	7.6%

Strategy-risk wise Breakup

MSAR Portfolio as of 30/11/2025	Weights %
Low Risk Deployment	**54%**
Comm Arb (Agri, Metals, Bullion)	12%
Fixed Income (G-Secs, High grade corporate AA & above)	42%
Treasury Management (Cash, Liquid funds, CD/CP, Repo)	-
Others	-
Medium Risk Deployment	**46%**
Equity Absolute Returns (EQAR)	29%
Commodities Absolute Returns (CAR)	15%
Quant	2%
Others	-
Total AUM	**100%**

Risk Ratios	
Annualized ITD returns	12.3%
Annualized Volatility	2.2%
Risk Free Rate	5.8%
Sharpe Ratio	3.0
Max Drawdown	-2.3%

Risk Free rate is an average of 52-week treasury bills since inception.
Returns calculated pre fees pre-tax returns. Individual client performance may differ based on fee schedule and date of funding. pre-fee. Returns as of November 2025
 # ITD – Inception to Date

Altiva Hybrid Long-short SIF

Fund Details	
Fund managers	Bhavesh Jain Bhavesh Lahoti Dhaval Dalal Pranavi Kulkarni Amit Vora
Strategy's Inception Date	20-Oct-2025
AUM (INR Cr)	750
Taxation	Long term @ 12.5% post 12 months
Exit Load	0.5% within 3 months, Nil after that
Min. application	INR 10 lacs
Subscription	Daily
Redemption	Twice Weekly – Monday & Wednesday

Investment Philosophy & Strategy

Positioned as Debt-oriented strategy – seeking to deliver low volatile, debt plus returns (post tax) across market cycles | Strategy is constructed to prioritize capital preservation, income stability, and tax efficiency, while selectively enhancing returns through market-neutral equity and income oriented derivative strategies

Core Strategy:
Target annual return: 7-7.5%

Cash-future arbitrage & Covered call: (20-40%)
Arbitrage strategies aiming to capture low-risk returns.

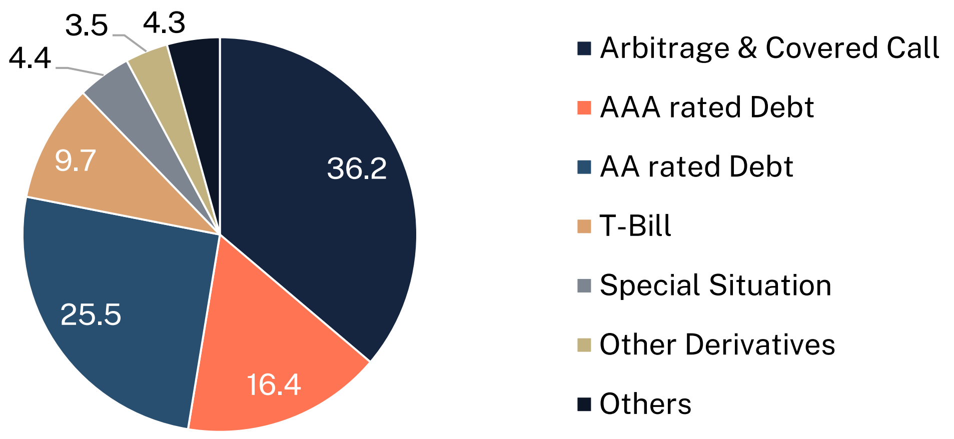
Fixed Income: (40-60%)
Invest in quality debt instruments aiming to generate accrual and potential price appreciation

Enhanced Drivers:
Enhance the core portfolio returns by 2.5-3%

Special Situations: (0-10%)
IPO, Open Offer, Buyback, Merger/Demerger, QIP, Index inclusion/Exclusion etc.

Derivative Strategies: (10-20%)
Long-Short equities, Straddle, Strangle, Put-call Parity etc.

Asset Allocation



Portfolio Quants

YTM (%)	7.78
Average maturity (years)	2.38
Modified duration (years)	2.10

Source: ACE MF.
Portfolio details as on 30th November 2025
Past track record are not an indicator of future performance

Ecozen

Details of the Issuance	
Issuer Name	Ecozen Solutions Private Limited
Type of Instrument	Secured, Unlisted, Unrated, Redeemable and Non-Convertible Debentures (‘NCDs’)
Rating	Unrated
Face Value/Debenture	INR 10,00,000
Printed Coupon	11.50% - Payable Monthly
Investor Yield (Yield to Put)	12.25% XIRR
Principal Payout	Principal shall be repayable upon exercise of Put option or Maturity.
Interest Payout	Monthly
Put Option Exercise Date	16th Feb 2027 (14 months from deemed allotment)
Maturity Date	16th Mar 2028 (27 Months from Deemed Allotment)
Trade date	TBC
Covenants	1. Total Debt / Tangible Net Worth <2x 2. Total Asset / Total Debt >1.2x 3. Total Debt / EBITDA <3x 4. Minimum equity infusion – at least USD 15 million before March 31, 2026
Security Cover	**Facility shall be secured by:** ▪ Second ranking charge on all existing and future fixed and current assets of the Issuer. ▪ Corporate Guarantee from Ecofrost Technologies Private Limited. ▪ Post-dated cheques for the interest and principal repayment ▪ Cover provided in the form of hypothecation of moveable fixed assets and current assets at least 1x of the outstanding amount during the continuation of facility

Smile Electronics Limited (SEL)

Details of the Issuance	
Issuer Name	**Smile Electronics Limited ("SEL")**
Type of Instrument	Secured, Unlisted, Rated Non-Convertible Debentures (NCDs)
Rating	CRISIL BBB+ Stable
Printed Coupon / XIRR	11.00% pa.pm. (XIRR 11.57%)
Face Value/Debenture	1,00,000 per NCD
Investor Yield to Put	12.00% YTP
Principal Payout	Principal shall be repayable in 9 quarterly instalments (~11.11% each quarter) after a moratorium period of 12 months i.e. from 31stJuly 2026 and quarterly thereafter. *55.5% shall be paid at the end of 24 months from allotment date upon exercise of Put Option by the Debenture holders.*
Put Option Exercise Date	31st July 2027 (24 months from deemed allotment)
Allotment Date /Maturity Date	30th July 2025 / 30th July 2028 (36 Months from Deemed Allotment)
Step Up Coupon Rate	▪ **Downgrade:** If the credit rating of the debenture or the company falls, the coupon increases by 0.50% per notch downgrade. ▪ Once the rating is restored to "CRISIL BBB+", the interest rate returns to the original level.
Covenants	**Issuer:** ▪ Total Outside liabilities / Tangible Net Worth should not exceed 3x, tested annually. ▪ Issuer must maintain positive EBITDA and PBT, tested annually. **Guarantor:** ▪ Zetwerk Manufacturing Businesses Private Limited (ZMBPL)- Parent Entity, must stay EBITDA positive from FY2025 onwards, tested annually. ▪ Consolidated Debt-to-Equity must not exceed 0.5x, tested half-yearly
Security	**Exclusive Charge on Shares**: 1.5x shares held by ZEPL in the Issuer - SEL (in the form of an NDU Based on 2024 valuation; adjusted if future funding is at a lower price. **Asset Charges**: Exclusive charge on Plant & Machinery (~₹9 Cr from issuance proceeds) and Second charge on current & movable fixed assets . **Guarantee** Corporate guarantee by Zetwerk Manufacturing Businesses Private Limited (ZMBPL). **Security Cover**: 1.2x shall be maintained on all debt obligations of the Issuer – Total current assets + total fixed assets (Net block) shall be 1.2x of all outstanding financial obligations at all points in time **Cash Margins**: 10% FD with commercial bank.

Nuvama Gold MLD – Multiplied returns on the Upside, Principal Protection on the Downside

Issuer	**Nuvama Wealth Finance Ltd.**
Credit Rating	Rated PP-MLD ICRA (AA)/ Stable
Secured	**Yes, with a minimum 1x paripassu charge on Receivables, loans, securities, investments and other financial assets**
Listing	Listed on a leading stock exchange
Underlying	Near month future of Gold on the MCX
Principal Protection	Principal amount is protected at maturity, to the extent of Face Value
Face Value	Rs. 1,00,000/-per debenture
Tenor in Months	36/42M
Max Coupon	44% Abs coupon basis face value
Entry Level	Average of official closing levels of MCX Gold as on primary trade date and F&O expiry of next three months
Exit Level	Average of official closing levels of MCX Gold as on F&O expiry of 33rd month to 36th month from primary trade date
Return Profile	If Underlying returns >=15%; 44% absolute return basis Face Value If Underlying returns 5 -15%; 4.4x of Underlying returns If Underlying returns <= 5%; face value

**NWFL is rated AA-/Positive by CRISIL and AA/Stable by CARE; rating mentioned on the term sheet would be either of*

Disclaimer

Spark PWM Private Limited *(formerly known as Spark Family Office and Investment Advisors (India) Private Limited)* ("Spark PWM") is registered with SEBI as a Portfolio Manager, Stock Broker, Research Analyst, and Mutual Fund Distributor with Association of Mutual Funds of India.

Spark PWM makes no representation or warranty, express or implied, as to the accuracy, completeness or fairness of the information and opinions contained in this document. The contents of this document are not intended to provide any advice and / or recommendation relating to taxation, legal, business or investment matters and readers are encouraged to seek professional advice on same. The information and opinion expressed in this document do not constitute an offer or an invitation to make an offer, to buy or sell any securities. This document does not contain details of any exchange traded products and Spark PWM may act as a distributor, and hence disputes arising under, out of, or in connection with the contents of this document shall not have access to exchange investor redressal or Arbitration mechanism. This document is provided / distributed by Spark PWM on a strictly confidential basis for the exclusive use of the recipient and has been obtained from published information and other sources, which Spark PWM or its affiliates consider to be reliable.

Each recipient of this document should make such analysis as it deems necessary to arrive at an independent evaluation with respect to the information provided in this document and should consult their own advisors to determine the merits and risks of such information. Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This document is not directed or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Spark PWM and/or its affiliates to any registration or licensing requirement within such jurisdiction. Persons in whose possession this document may come are required to inform themselves of and to observe such applicable restrictions.

This document has been prepared and dependent entirely on the information, which is already available in publicly accessible media, without independent verification on the accuracy and completeness of the information. All valuation amounts or opinions as to valuation and other financial parameters (if any) specified herein are only indicative and are not intended to be relied upon as a certificate of valuation of the Company, a fairness opinion or any certification or opinion of Spark PWM on the fair value or valuation of the Company and may not be used as such by the Company or any Recipient or any other person for the purposes of any law or regulation, including the Companies Act, 2013, SEBI regulations or foreign exchange regulations. The securities quoted, if any, are for illustration purposes only and are not recommendatory in nature.

Neither Spark PWM nor its affiliates or their respective directors, employees, agents or representatives shall be responsible or liable in any manner, directly or indirectly, for views or opinions expressed in this document or the contents or any errors or discrepancies herein or for any decisions or actions taken by relying on the document or the inability to use or access our service or for any loss or damages whether direct or indirect, incidental, special or consequential including without limitation loss of revenue or profits that may arise from or in connection with the use of or reliance on this document.

Spark PWM Private Limited (*formerly known as Spark Family Office and Investment Advisors (India) Private Limited*). Registered Office: No. 1, 3rd Floor, First Crescent Park Road, Gandhi Nagar, Adyar, Chennai 600 020; CIN: U93000TN2012PTC086696; Telephone No.: +91 44 69250000; Website: www.sparkcapital.in; Correspondence Address: Solitaire Corporate Park, unit 1252 , Building no 12, Andheri Kurla Road, Chakala, Andheri (East), Mumbai 400 093; Telephone No: +91 22 62916700; SEBI Registrations (Stock Broker: INZ000285135; Portfolio Manager: INP200007274; Research Analyst: INH200008954; Depository Participant: IN-DP-757-2023); AMFI – Registered Mutual Fund Distributor: ARN 86685. Compliance Officer details: Mr. Anupam Mohaney; Tel: +91 22 62916700 or email: pwm.compliance@sparkcapital.in.

Our Offices

Chennai
No. 1, 3rd Floor,
First Crescent Park Road,
Gandhi Nagar,
Adyar,
Chennai – 600 020

Mumbai
Unit – 301, 302, Windsor House,
2, Kolivery Village,
MMRDA Area, Kalina,
Santacruz East,
Mumbai – 400 098

11th floor, C Wing, ONE BKC,
Unit Nos. 1116,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051

Delhi
No. 23, 1st Floor,
Community Centre,
Basant Lok,
Vasant Vihar,
New Delhi – 110 057

Bengaluru
No. 2, 3rd Floor,
Prestige
Emerald,
Lavelle Road,
Bengaluru – 560 001

Hyderabad
No. 25 & 42, 3rd Floor,
Lumbini Avenue,
Near Preston Prime Mall
Main Road, Gachibowli,
Hyderabad – 500 032

Pune
No. 7/352 1st Floor,
Elbee House,
Boat Club Road,
Sangamvadi,
Pune – 411 001

Ahmedabad
No. 409, 4th Floor,
Venus Amadeus,
Near Jodhpur Cross Road,
Satellite,
Ahmedabad – 380 015

Kolkata
No. 9A-1 & 9B-1,
9th Floor,
No. 95A,
Park Street,
Kolkata – 700 016

Kochi
Dotspace Business, G-161,
2nd Floor Near Panampilly Nagar
Central Park,
K V Nagar,
Kochi – 682 036

Thiruvananthapuram
2nd Floor,
Mankulangara Tower,
Kuravankonam,
Pattom P.O.,
Trivandrum – 695 004

Lucknow
Unit No.6, 3rd Floor
Marigold Building,
Sapru Marg Shahnajaf Road,
Hazratfang,
Lucknow – 226 001

Kanpur
Unit No 205, 2nd Floor,
Imperial Square,
16/105,
MG Road,
Kanpur – 208 001

Spark Global PWM Private Limited
Unit number- GV-00-04-03-BC-24, Gate Village Building
04, Dubai International Financial Centre (DIFC), Dubai, UAE