

Investment Objective

- An intermediate yield fixed income strategy focusing on suitably chosen debt assets can offer significant risk-adjusted returns over Indian G-Sec investments in the next 3-5 years.

Benchmark

- S&P BSE India Corporate Bond Index

Minimum Investment

- Initial investment of INR 25,00,000/-.
- Additional Investment of INR 1,00,000/-.

Ideal Investment Horizon

- 3 - 4 years

Fund Manager

- Ramesh Rachuri
- Total Experience: Over 14 years

Investment Style Maturity

Short	Medium	Long	Yield	
				Low
				Medium
			High	

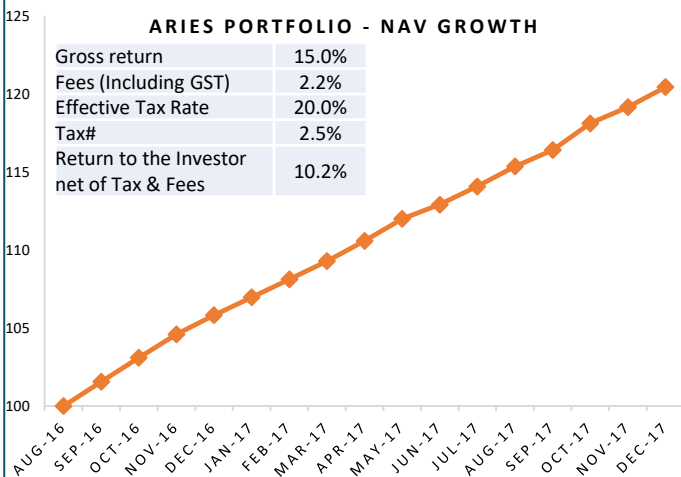
The target gross yield for the portfolio will be in the range of 12% – 16% and the portfolio duration will be 3 – 4 years.

Aries PMS focusses investing in intermediate yield credit including papers with rating between AA and BB and other equivalent assets/securities. This space covers debt assets between two extremes - the relatively but low-yield sovereign/AAA debt on one hand and the unrated/B-rated real estate backed NCDs on the other.

**The target gross yield is a mere statement of expectation of portfolio manager based on reasonable assessment of current scenario. Actual returns may vary from the targets stated above.*

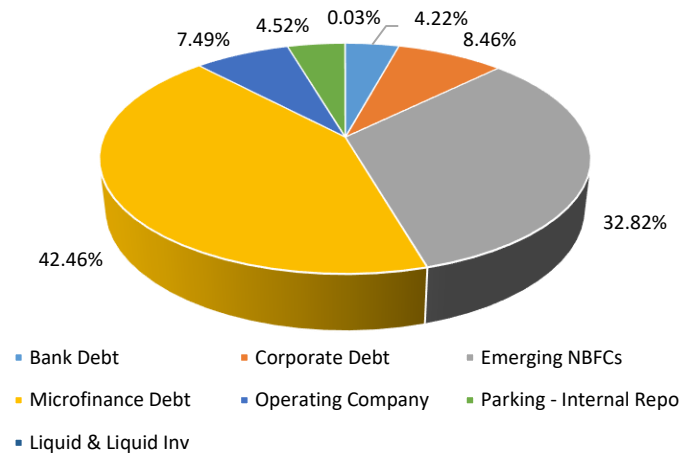
ARIES PORTFOLIO - NAV GROWTH

Gross return	15.0%
Fees (Including GST)	2.2%
Effective Tax Rate	20.0%
Tax#	2.5%
Return to the Investor net of Tax & Fees	10.2%



Tax rate is computed using the applicable tax rate for different underlying instruments. For full tax bearing instruments like NCD, it is assumed the investor pays the maximum marginal tax of 35.5%

PORTFOLIO MIX



Portfolio Construction Methodology:

The portfolio will invest in a mix of fixed income securities with allocation being decided on three parameters:

- **Credit Risk**
The portfolio is invested in fixed income instruments of various companies majorly including NBFCs with credit rating in the range of "AA" to "BB", with most of the papers being in the credit range "A" to "BBB". The portfolio seeks to generate higher risk adjusted returns by way of superior credit selection.
- **Duration**
Portfolio duration will be targeted at 3 – 4 years. However, the maturities of the underlying instruments could be spread across the curve and may range from short term corporate bonds with a maturity of a few months to long term (15 years) government securities. Average maturity will be dynamically managed based on the interest rate view, inflation and credit risk.
- **Liquidity**
Investments will be made in securities which are expected to be reasonably liquid. In case of illiquid securities, only those securities which have a maturity period of less than 3 years will be invested in.

Suitable for:

This product is suitable for investors seeking medium term capital appreciation with regular income. Aries is ideal for investors wanting to hold a fixed income portfolio with low to moderate risk appetite expecting a moderate spread of returns over government debt of similar maturity.