

DEBT PMS

Strategy Name	Neo Yield Enhancer	Phillip Conservative Credit Portfolio	
AUM(In Crs)	~ 2,200 Cr.	~ 150 Cr.	
Inception Date	Jan-24	Growth Strategy- Aug 28th, 2023, Regular Income Strategy- Oct 10th, 2023	
Investment Objective	The fund focuses on fixed income, targeting estimated gross returns of 11-12% p.a. through investments in high-quality NBFC bonds rated AAA to A- (80-100%). It emphasizes on strong credit selection, ongoing monitoring, and a mix of core and opportunistic trades to generate additional alpha over traditional fixed income products. Investors benefit from high liquidity, low duration (1–2 years), and quarterly cash flows of 2%. Managed by an experienced team, the fund aims to balance risk and return by focusing on credit quality, governance, and market opportunities in the alternative lending sector.	The strategy targets consistent medium- to long-term returns over government securities with a strong emphasis on capital preservation. It employs a blend of accrual, duration, and selective credit strategies, primarily investing in high-quality, predominantly AA-rated issuers across NBFCs, HFCs, corporates, and state-owned entities. Returns are supported by attractive spreads of ~350–400 bps over G-Secs and potential credit upgrades, backed by a robust risk management framework to ensure low volatility.	
Gross IRR	10.50%-11.50%	~10.00% - 10.50%	
Minimum Investment	1 Cr.	50 Lakhs	
Fund Structure	Open Ended	Open Ended	
Shortlisting Parameters	1) The fund evaluates companies based on their capital resilience and debt composition, setting aside reliance on external ratings with a belief of having a sufficient equity buffer. 2) The fund’s investment framework involves two parts:- Core Portfolio yielding 11% & Alpha Creation yielding an additional 1%, making gross IRR of 12%. Core Portfolio focuses on Alternative NBFCs, Operating Company, Opportunistic Trades, Liquid MFs, AAA investments, whereas Alpha creation focuses on Strategic Trades, Wholesale-Retail Arbitrage & Trading. 3) Neo targets NBFCs with low leverage (D/E ratios of 1.4–3.1x) and strong equity cushions (e.g., KrazyBee with 60% capital adequacy).	1)Credit Quality & Security: Minimum 50% allocation to secured instruments and AAA to AA- rated issuers, with unsecured exposure capped at 50% and A+ & above exposure limited to 50%, ensuring strong credit quality and capital protection. 2) Diversification & Risk Limits: Single issuer exposure capped at 30% and limited to 2% of a company’s total outstanding debt, maintaining prudent concentration and risk control.	
Returns(%)		Regular	Growth
3 M	2.40%	2.60%	2.50%
6 M	5.12%	4.40%	4.30%
1 Yr	10.73%	-	-
3 Yr	-	-	-
Since Inception	11.31%	11.60%	9.40%
Underlying		Navi Finserv Ltd.	
		Kosamattam Finance Ltd.	
		Muthoot Fincorp Ltd.	
		Chaitanya India Fin Credit Pvt. Ltd.	
		Andhra Pradesh Mineral Devl. Corp	
		Hinduja Leyland Finance Ltd.	
		Cholamandalam Finance	
Fee Structure Fixed:	Fixed Fee: Class I: <15 Cr: 1.25% p.a. Class II: >15 Cr: 1.00% p.a. Operating Expenses: 0.10% p.a.	Fixed Fee: Management Fees: 1.00%	
Fund Manager Name	Mr. Puneet Jain	Mr. Vaibhav Singhal	
Exit Load	NIL Post 3 Months (1.00% absolute within Lock-in period)	1% within 1 Year, thereafter NIL	

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