

INVESTMENT PROPOSAL

₹20 Crore — Capital Preservation & Income Strategy

Mehta Household | February 2026

Prepared by your Wealth Management Team

₹125.7 Cr

Current AUM

14.20%

Portfolio XIRR

+0.75%

Alpha Generated

WHAT WE WILL COVER TODAY

01

Your Portfolio Today

Where the ₹125.7 Cr currently stands and key gaps identified

02

The Case for Capital Preservation + Income

Why this strategy fits your current portfolio profile perfectly

03

Proposed Allocation of ₹20 Crore

Instrument-level breakdown with rationale and risk profile

04

Expected Outcomes

Projected income, returns, and risk metrics across scenarios

05

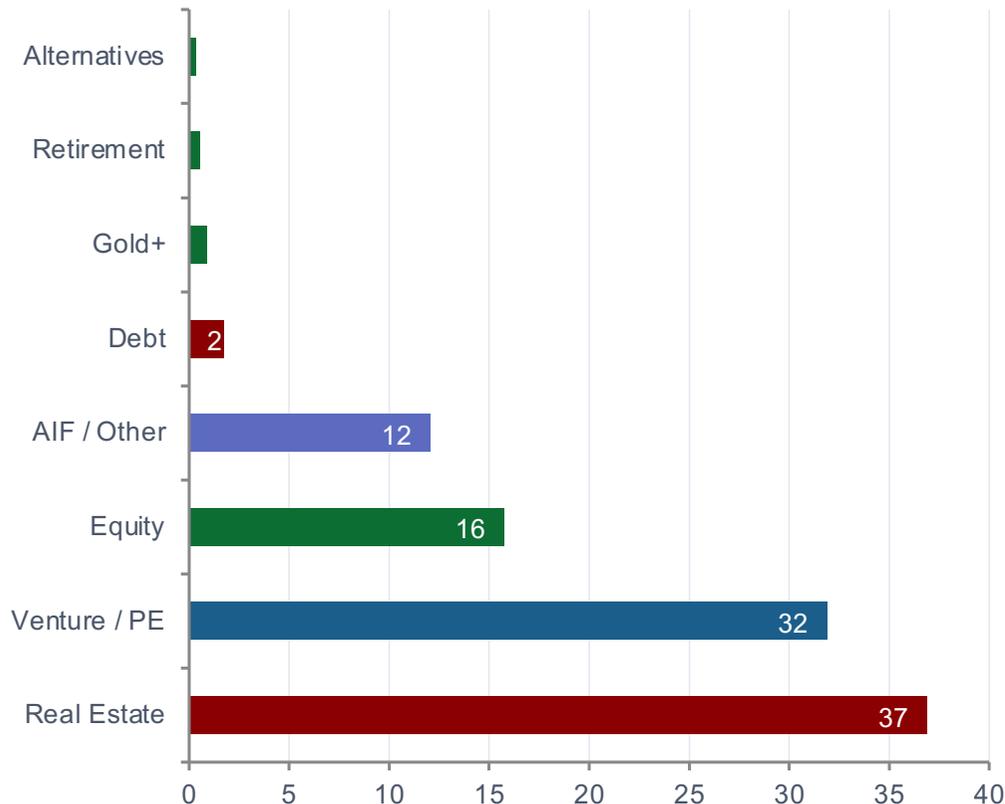
Implementation Plan

Deployment timeline, priority order, and next steps

YOUR PORTFOLIO TODAY — THE GAP ANALYSIS

Three structural gaps this ₹20 Cr deployment will directly address

Current Allocation (%)



Debt Severely Underweight

1.72% vs 8% target

Only ₹2.2 Cr in debt despite benchmark yielding 19.22%. Missing ~₹7.5 Cr of target allocation.

No Liquidity Buffer

68.76% illiquid

Real Estate + Venture are locked up. No buffer for opportunities or emergencies.

Gold Underweighted

0.90% vs 3% target

Gold+ is beating benchmark (+0.84% alpha). Optimal portfolio weighting is ~3%.

WHY CAPITAL PRESERVATION + INCOME?

Your existing portfolio already has aggressive growth covered.

1 Balance Illiquidity Risk

With 68.76% locked in RE + Venture, this deployment provides the liquid, income-generating counterweight your portfolio needs.

2 Capture High Fixed Income Yields

India's debt markets offer 7–9% risk-free to low-risk yields. Your debt allocation (1.72%) is leaving this on the table.

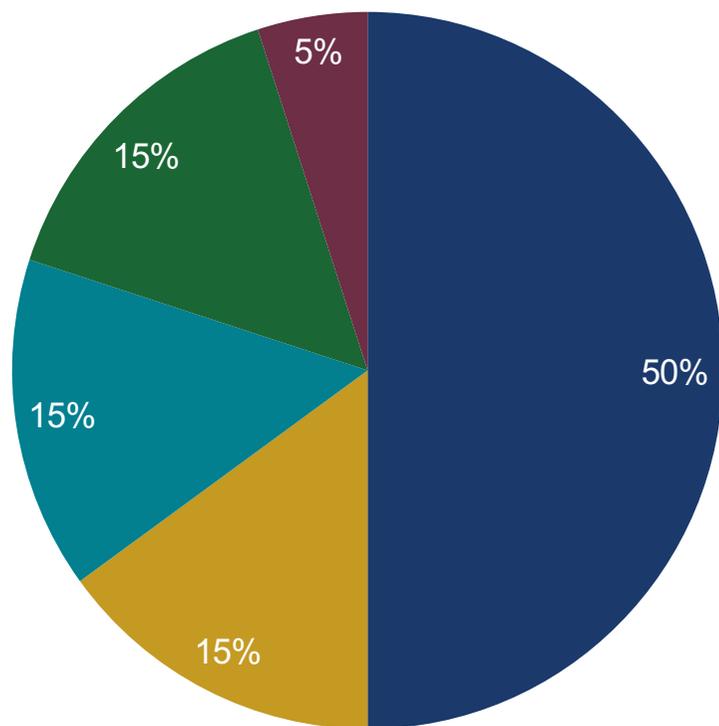
3 Portfolio Resilience

A capital preservation sleeve means you have dry powder if venture positions need follow-on, or real estate requires bridging.

4 Tax-Efficient Income

Target maturity funds and SGBs offer indexation benefits and capital gains treatment superior to FDs.

PROPOSED ALLOCATION — ₹20 CRORE



■ Fixed Income (Debt)
 ■ Sovereign Gold Bonds
 ■ Liquid Funds (Buffer)
 ■ Quality Equity
 ■ Alternatives

Instrument / Bucket	Amount (₹ Cr)	Weight	Expected Yield / XIRR
Fixed Income (G-Secs, AAA Bonds, TMFs)	₹10.0 Cr	50%	7.5 – 9.0%
Sovereign Gold Bonds (SGBs)	₹3.0 Cr	15%	2.5% + Gold Appreciation (~12–15% total)
Liquid / Ultra-Short Funds (Buffer)	₹3.0 Cr	15%	6.5 – 7.5%
Quality Equity (Large-Cap / Index)	₹3.0 Cr	15%	12 – 14% (long-term)
Alternatives (Multi-Asset AIF)	₹1.0 Cr	5%	15 – 20%
TOTAL	₹20.0 Cr	100%	~8.5 – 10.5% blended

FIXED INCOME — ₹10 CRORE (50% OF DEPLOYMENT)

Government Securities (G-Secs)

Zero credit risk. Long duration locks in current high yields ahead of potential rate cuts.

₹4.0 Cr

Allocation

7.2–7.5%

Yield

5–10 yr

Horizon

Sovereign

Risk

AAA Corporate Bonds / NCDs

Incremental yield over G-Secs with top-rated issuers (HDFC, REC, NABARD, etc.).

₹3.0 Cr

Allocation

8.0–8.8%

Yield

3–5 yr

Horizon

Very Low

Risk

Target Maturity Debt Funds

Mutual fund wrapper provides liquidity, indexation tax benefit post 3 years, predictable maturity return.

₹2.0 Cr

Allocation

7.5–8.0%

Yield

3–5 yr

Horizon

Low

Risk

Treasury Bills / Short Bonds

Near-cash instrument for any short-term liquidity needs without sacrificing yield.

₹1.0 Cr

Allocation

7.0–7.4%

Yield

3–12 mo

Horizon

Sovereign

Risk

THE REMAINING ₹10 CRORE — THREE COMPLEMENTARY SLEEVES

Sovereign Gold Bonds

₹3.0 Cr (15%)

Interest: **2.5% p.a.**

Tax on maturity: **Zero CGT**

Total return est.: **12–15% p.a.**

- RBI-backed, zero default risk
- No storage/insurance cost vs physical gold
- Your Gold+ is outperforming — this doubles down with tax efficiency
- 8-year tenor, tradeable on exchange from year 5

Liquid / Ultra-Short Funds

₹3.0 Cr (15%)

Yield: **6.5–7.5%**

Liquidity: **T+1**

Risk: **Very Low**

- Instant liquidity buffer — replaces cash drag
- Yield superior to savings accounts by 300–400 bps
- Ready capital for venture follow-ons or RE decisions
- Reduces portfolio illiquidity risk significantly

Quality Equity — Large Cap / Index

₹3.0 Cr (15%)

Strategy: **Nifty 50 / Index**

Horizon: **5+ Years**

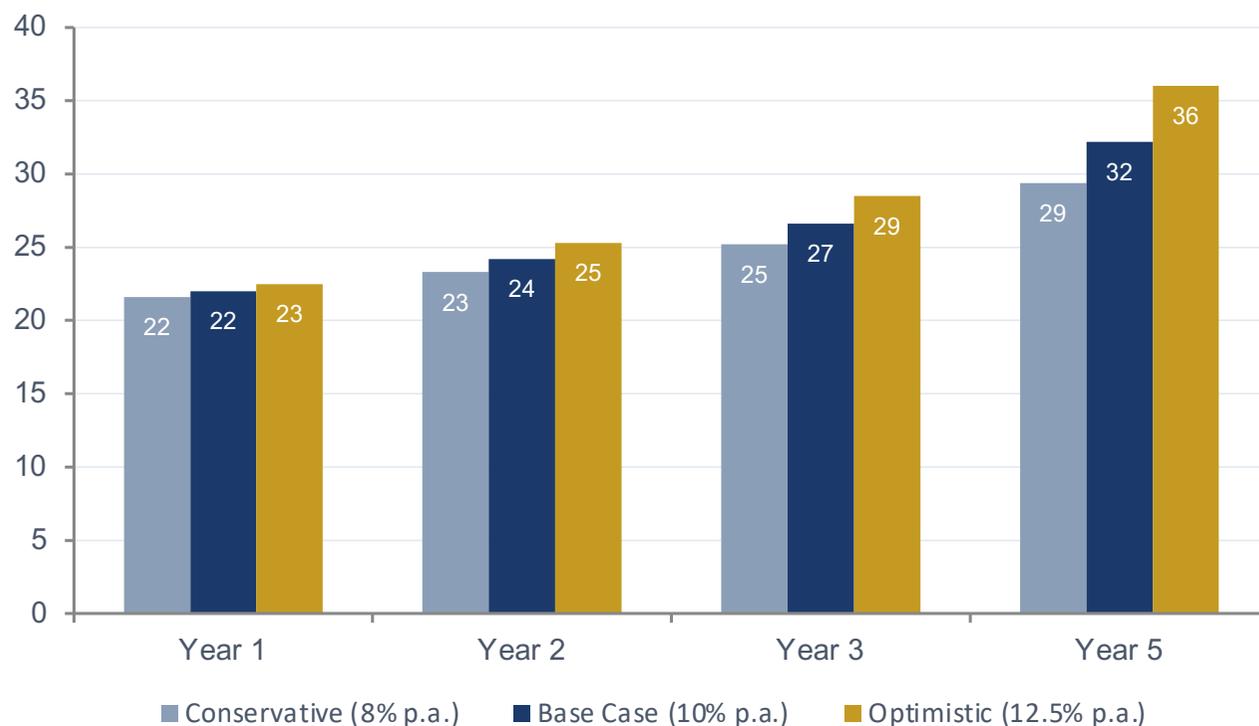
Expected XIRR: **12–14%**

- Adds market exposure without single-stock risk
- Tax-loss harvest opportunity — replaces HDFC Bank / Reliance losses with broad index
- Nifty 50 Index Fund: low cost, liquid, diversified
- Complements existing direct equity positions

EXPECTED OUTCOMES — 3 SCENARIOS

Projections are illustrative. Past performance does not guarantee future results.

₹20 Cr Projected Value (₹ Cr)



₹1.5 – ₹1.9 Cr

Estimated Annual Income (Yr 1)

from coupons, SGB interest, fund distributions

~9.5 – 10.5%

Blended Expected XIRR (Base)

vs current debt allocation of 5.12%

< 5%

Max Drawdown (Est.)

capital preservation focus limits downside

₹6.0 Cr liquid

Liquidity (Day 1)

liquid + ultra-short funds available T+1

IMPACT ON THE OVERALL ₹145.7 CR HOUSEHOLD PORTFOLIO

Asset Class	Before (₹125.7 Cr)	After (₹145.7 Cr)	Change
Real Estate	36.89%	31.85%	▼ -5.04%
Venture / PE	31.87%	27.52%	▼ -4.35%
Equity (incl. new)	15.73%	15.67%	▶ Stable
AIF / Other	12.04%	10.37%	▼ -1.67%
Debt (incl. new ₹10 Cr)	1.72%	8.39%	▲ +6.67%
Gold+ (incl. SGBs)	0.90%	2.82%	▲ +1.92%
Liquid / Alternatives	0.84%	3.37%	▲ +2.53%
ILLIQUID %	68.76%	59.37%	▼ -9.39%

After this deployment, portfolio illiquidity drops from 68.76% → 59.37%, and debt finally approaches its 8% target — improving risk-adjusted return outlook materially.

IMPLEMENTATION PLAN

PHASE 1

Within 2 Weeks

₹6.0 Cr

- ₹3.0 Cr → Liquid / Ultra-Short Funds (T+1 liquidity, immediate yield)
- ₹2.0 Cr → G-Secs / T-Bills via direct gilt or mutual fund route
- ₹1.0 Cr → Sovereign Gold Bonds (next RBI tranche or exchange)

PHASE 2

Weeks 3–6

₹8.0 Cr

- ₹3.0 Cr → AAA Corporate Bonds / NCDs (HDFC, REC, NABARD)
- ₹2.0 Cr → Target Maturity Debt Fund (3–5 year)
- ₹2.0 Cr → SGBs (top up; balance tranche)
- ₹1.0 Cr → Nifty 50 Index Fund (first tranche via SIP)

PHASE 3

Weeks 7–12

₹6.0 Cr

- ₹2.0 Cr → Quality Equity (Index Fund top-up or Large Cap Fund)
- ₹2.0 Cr → G-Secs (longer duration to lock in yields)
- ₹1.0 Cr → Multi-Asset AIF (Alternatives sleeve)
- ₹1.0 Cr → Reserve for tax-loss harvest trades (HDFC, Reliance)

RISK CONSIDERATIONS & MITIGANTS

Interest Rate Risk

Medium

Rising rates reduce bond prices. Mitigant: Ladder maturities across 1, 3, 5, 10 year tenors. Target Maturity Funds held to maturity avoid mark-to-market loss.

Credit Risk

Low

Some corporate bonds carry default risk. Mitigant: Restrict to AAA-rated instruments. 60%+ of fixed income in sovereign/quasi-sovereign issuers.

Inflation Risk

Medium

Fixed income returns may be eroded by inflation. Mitigant: SGBs and quality equity component provide inflation hedge over the long term.

Liquidity Risk

Low

Some instruments (SGBs, NCDs) are less liquid. Mitigant: ₹3 Cr liquid fund sleeve ensures immediate access. Never lock up more than needed.

Opportunity Cost

Low

Lower return vs. pure equity. Mitigant: This is the intended trade-off — the existing portfolio already carries aggressive growth risk.

NEXT STEPS

1

Confirm Investment Goal

Sign-off on Capital Preservation + Income mandate for this tranche

3

Approve Phase 1 Deployment

₹6 Cr to Liquid Funds + G-Secs within 2 weeks of approval

2

Open Demat / Bond Account

If not already in place for G-Secs, NCDs, and SGB trading

4

Tax Review with CA

Coordinate tax-loss harvest on HDFC Bank / Reliance before 31 March

We look forward to deploying this capital effectively for you.

IMPORTANT DISCLOSURES

1. This document is prepared solely for the Mehta Household and is confidential. It is not intended for distribution to any third party.
2. All projections, scenarios, and return estimates are illustrative and hypothetical only. They are not guarantees of future performance. Actual returns may differ materially.
3. Past performance of any instrument, fund, or asset class referenced herein is not indicative of future results.
4. This document does not constitute investment advice as defined under applicable Indian securities laws. Investment decisions should be made in consultation with a SEBI-registered investment advisor.
5. Mutual fund investments are subject to market risks. Please read all scheme-related documents carefully before investing.
6. Sovereign Gold Bonds are subject to gold price risk. Though they carry no credit risk (being RBI-backed), the value fluctuates with international gold prices.
7. Tax treatment referenced herein is based on current Indian tax law and is subject to change. Please consult your tax advisor for personalised advice.
8. This proposal has been prepared for discussion purposes only. It is subject to review and compliance clearance before being acted upon.