



SHRIRAM

Mutual Fund

Nurturing Trust, Shaping Dreams

Fund *F*acts

As on 31 January 2014



Market Review and Outlook

Indian economy has shown resilience in the period under review and scored favorably on crucial macroeconomic indicators despite external adversities.

Following a better coordinated approach the country has successfully brought the twin deficits on account of current account and fiscal imbalances to a far more reasonable level. The current account deficit is likely to close this fiscal year at USD 45 bln or 2% of the GDP . This is certainly aiding to support the Indian Rupee notwithstanding the sharp sell off and rout of the value of currencies in other emerging markets.

On the fiscal front, the Government has stepped up its divestments programme in large PSUs and realized idle cash from profitable entities through a special dividend. The ongoing or recently closed spectrum auction to the the bidding telcos have also met with a favourable response further boosting Government revenues. With an ongoing tight leash on expenditure it is expected that fiscal deficit would be reined in at the target set by the Finance Ministry for the current financial year.

Inflation remains a primary concern of the central bank and rates have been raised to curb inflationary expectations and an upward spiral in prices, wages and rent. Actual levels of price rise measured through Consumer Price Index has recorded a fall over the past two months and although the same is still above the comfort level of RBI the directional movement of this index augurs well for the economy.

One might argue, that high interest rates have delivered a blow to the growth impetus but one needs to consider that long term and sustainable economic growth will only follow when the conditions are congenial to economic expansion.

The country has a tenuous balance to be maintained between equity and growth and if the recent economic management is an indicator then the long term story for India remains robust and intact.

We are confident that over the medium term sound economic management, fiscal prudence, industry friendly policies and regulations would drive economic growth and job creation for equitable distribution.

It is our firm belief that India will overcome the hurdles or bottlenecks posed by the global economic environment from time to time as we have seen in the recent past and the country is geared up to meet these challenges and chart out its own growth trajectory in the years to come.

India is a compelling story and certain select sectors are expected to deliver secular growth in a sustainable manner over the long term. These sectors exhibit excellent economics and are a collection of well managed companies delivering value to the industries to which they belong. The export oriented industries and the outsourced sectors display these characteristics with software and services,

pharmaceuticals, auto components occupying top slots in this space.

While the broad Indian equity market remained fairly volatile in the near term, the portfolio of Shriram Equity and Debt opportunity fund has outperformed its Benchmark, a composite index of Nifty – 70% and CRISIL Composite Bond Fund Index – 30% by a decent margin (alpha of 2.39%) since inception. It is to be noted that while the benchmark lost value in this period of time by over 1.14% the scheme/fund delivered a positive return of 1.25%.

Our conservative investment strategy and high conviction ideas based on business fundamentals mitigate the risk and volatility of uncertain markets and provide a tool for the common investor to build long term wealth over time.

Partha Ray

Chief Investment Officer

Risk Factors:

All Investments in mutual funds and securities are subject to market risks and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market. There can be no assurance that Scheme's investment objective will be achieved. The past performance of the Mutual Fund is not indicative of the future performance of the Scheme. Sponsor is/are not liable or responsible for any loss or shortfall resulting from the operations of the scheme. Shriram Equity and Debt Opportunities Fund is only the name of the Scheme and does not in any manner indicate the quality of the Scheme or its future prospects or returns. There is no guarantee or assurance as to any return on investment of the unitholders. The investments made by the Scheme are subject to external risks on transfer, pricing, trading volumes, settlement risks, etc. of securities. Please refer to the Offer Document/Statement of Additional Information/Key Information Memorandum of the scheme before investing.

Shriram Equity and Debt Opportunities Fund

Ideal for whom: Investors who are hesitant of giving full exposure to equities but simultaneously don't want to miss the upside potential offered by equities.

Date of Inception:

29 November 2013

Fund Manager: Partha Ray

Investment objective: The investment objective of the scheme would be to generate long term Capital appreciation and current income with reduced volatility by investing in a judicious mix of a diversified portfolio of equity and Equity related investments, debt and money market instruments

Type: Open-ended Equity Oriented Asset Allocation Scheme

Plans / Options Available

- Regular Plan
- Direct Plan
- Under Each Plan
- Growth and Dividend Options
- The Dividend Option offers
- Dividend Payout and
- Reinvestment facility

Benchmark:

Equity - CNX Nifty (70%)
Debt - Crisil Composite Bond Fund Index (30%)

Loads: No Entry load

Exit load 1.00% is payable if units are redeemed / switched – out within 365 days from the date of allotment

Minimum investment:

Rs 10,000/- w.e.f. 1st Jan 2014

SIP

For SIP investment Monthly: Rs. 1000/- minimum 12 instalments, Quarterly: Rs. 3000/- minimum 4 instalments

This Product is suitable for investors who are seeking*:-

- Long term capital appreciation and current income
- Investment in equity and equity related securities as well as fixed income securities (debt and money market securities)
- High risk (Brown)

* Investors should consult their financial advisor if in doubt whether the product is suitable for them.

Note : Risk is represented as :

■ (Blue) investors understand that their principal will be at low risk ■ (Yellow) investors understand that their principal will be at medium risk ■ (Brown) investors understand that their principal will be at high risk

Portfolio and other facts as on 31 Jan 2014

Equity portfolio

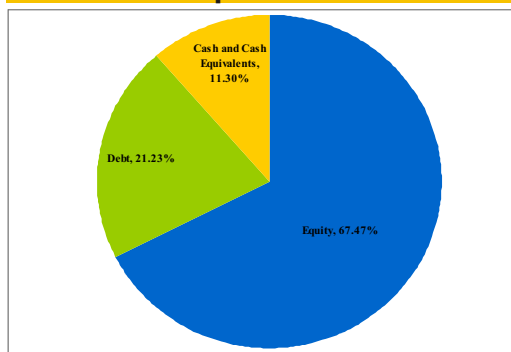
Tata Consultancy Services Ltd.	6.70%
ITC Ltd.	3.84%
HCL Technologies Ltd.	3.82%
Dr. Reddy's Laboratories Ltd.	3.53%
Tech Mahindra Ltd.	3.35%
HDFC Bank Ltd.	3.19%
Sun Pharmaceuticals Industries Ltd.	3.12%
Housing Development Finance Corporation Ltd.	2.90%
Lupin Ltd.	2.66%
Infosys Ltd.	2.27%
Asian Paints Ltd.	2.17%
Maruti Suzuki India Ltd.	2.00%
Idea Cellular Ltd.	1.81%
Larsen & Toubro Ltd.	1.70%
Cipla Ltd.	1.68%
Tata Global Beverages Ltd.	1.66%
Axis Bank Ltd.	1.58%
Reliance Industries Ltd.	1.41%
Mahindra & Mahindra Ltd.	1.39%
Ultratech Cement Ltd.	1.34%
Bajaj Auto Ltd.	1.21%
ICICI Bank Ltd.	1.13%
IPCA Laboratories Ltd.	1.08%
Divi's Laboratories Ltd.	0.98%
Oil & Natural Gas Corporation Ltd.	0.95%
Apollo Hospitals Enterprise Ltd.	0.84%
Pidilite Industries Ltd.	0.78%
Bharat Petroleum Corporation Ltd.	0.75%
MindTree Ltd.	0.72%
Britannia Industries Ltd.	0.69%
Glenmark Pharmaceuticals Ltd.	0.69%
Berger Paints (I) Ltd.	0.63%
Amara Raja Batteries Ltd.	0.61%
Eicher Motors Ltd.	0.58%
Shree Cements Ltd.	0.58%
Oil India Ltd.	0.48%
ING Vysya Bank Ltd.	0.45%
Bata India Ltd.	0.45%
PI Industries Ltd	0.41%
Natco Pharma Ltd.	0.39%
Persistent Systems Ltd.	0.33%
Balkrishna Industries Ltd.	0.30%
Alembic Pharmaceuticals Ltd.	0.18%
EClxer Services Limited	0.14%
Equity Total	67.47%

Debt Portfolio

KOTAK MAHINDRA BANK LTD CD 03FB14 21.23%

Debt total 21.23%

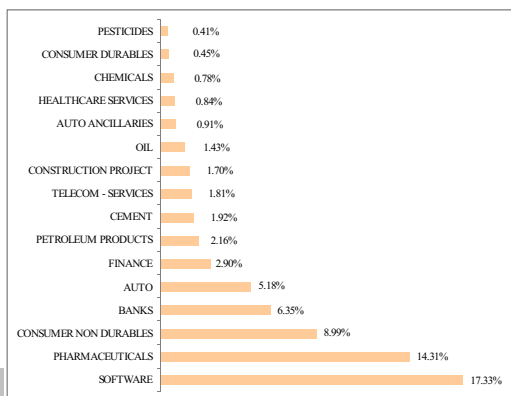
Portfolio composition



NAV details (Rs)

Direct Plan	
Growth Option	10.1024
Dividend Option	10.1002
Regular Plan	
Growth Option	10.0931
Dividend Option	10.0931

Sectoral Allocation





Registered Office : Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

Administrative Head Office : CK 6, 2nd Floor, Sector II, Salt Lake, Kolkata-700091

Website: www.shriramamc.com, email ID: info@shriramamc.com

Phone: (033) 2337 3012; +91-9339787128 Fax: (033) 2337 3014

Statutory Details : Shriram Mutual Fund has been constituted as a Trust under the Indian Trust Act, 1882. **Sponsor :** Shriram Credit Company Limited; **Trustee:** Board of Trustees; **Investment Manager :** Shriram Asset Management Co. Ltd. (AMC). **Risk Factors :** Sponsor is / are not liable or responsible for any loss or shortfall resulting from the operations of the scheme.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

