SHRIRAM
Mutual Fund
Nurturing Trust, Shaping Dreams

Fund Facts

As on 31 January 2016

Economic Commentary and Market Review - January 2016

2016 started with an unpleasant note as the Nifty 50 index went down 4.8% in January. The downturn was largely a reflection of the concerns over the Chinese economy and heavy pressure on crude oil prices, souring the investors' sentiment throughout the month.

Macro Trends, Policy Measures and Outlook

On the domestic front, the latest industrial output data depicted a gloomy scenario. The index of industrial production (IIP) declined for the second consecutive month in December 2015 by 1.3% after contracting by 3.4% in November 2015. Notably, IIP clocked a 5-year high growth of 9.8% in October last year. The downfall is again attributed to poor performances of capital goods and manufacturing sectors, which shrank 19.7% and 2.4% in December, respectively.

However, the recent Purchasing Managers' Index (PMI) data on India's manufacturing sector by Markit Economics revived hope. In January, Nikkei India Manufacturing PMI climbed back to the expansion territory (above 50-mark) after declining to the 28-month low of 49.1 in December. The index rose to the 4-month high of 51.1 in January. Thanks to higher output and new orders, particularly in the consumer goods sector, and resumption of activities at the firms impacted by last year's Chennai flooding. Further, the Nikkei Services PMI continues to paint a pleasant scenario by rising for the 7th straight month above the 50-benchmark level of growth. The index rose to the 19-month high of 54.3 in January from 53.6 in December as output increased in every businesses of the service economy, except Hotels & Restaurants and Transport & Storage. Notably, the Nikkei India Composite PMI Output Index rose to the 11- month high of 53.3 in January from 51.6 in December driven by recovery in manufacturing output and continued growth in services output.

The core industries data for December also looks encouraging. Growth in India's eight core sectors, (including natural gas, coal, crude oil, refinery products, steel, cement, fertilisers and electricity) have picked up to 0.9% in the month after declining at a rate of 1.3% in November. Healthy output of coal, refinery products, fertilizers, cement and electricity led to the rebound in core industries output, partially offset by lagging oil, natural gas and steel production.

The PMI along with core industries data and more importantly retail side inflation and expectation on the fiscal deficit of OROP, Seventh Pay Commission and Food Securities Act have played an important factor for RBI in maintaining the status quo on key interest rates and ratios in its sixth bi-monthly monetary policy review. However, RBI certainly looks for further signs of macroeconomic stability and the upcoming Union Budget for its future policy decisions.

The recent retail inflation data indicating easing of the deflationary trend further strengthened RBI's stance of maintaining status quo on key interest rates. The Consumer Price Index the key indicator for the RBI monetary policy increased for the sixth straight month in January to a 17-month high of 5.69% from 5.61% in December. Food inflation (6.8% in January against 6.4% in December), accounting for 46% of the index, continues to be the driving factor for retail inflation, mainly led by pulses. Notably, the retail inflation for the month remained within the RBI target of 6%.

Surprisingly, the Wholesale Price Index (WPI) depicted a reverse trend during the month. After increasing for the last 4 months, WPI shrank to -0.9% in January led by lower manufactured goods prices and marginal lowering of food articles and fuel from -0.73% in December 2015. Food inflation was 6% in January (against 8.2% in December), comprising 12.5% of inflation in vegetables (versus 20.6% in December), 44.9% of inflation in pulses (versus 55.6% in December) and 5.5% of inflation in onions (versus 26% in December).

It is now pertinent to see the impact of 7th Pay Commission proposal of awarding hefty pay raises to government employees (which has been delayed till the middle of the year) on the inflationary pressure. That pressure would be somewhat negated in case of a possible tightening of expenditure in the upcoming Union Budget in other areas or increasing revenues from other sources.

As far as the government is concerned, it is betting on higher growth for 2016-17 to fund its Pay Commission hikes. It has been maintaining a modest GDP growth projection of 7-7.5% for 2015-16 against the projection of 7.6% made by Central Statistics Office. However, the recent GDP data were disappointing, which showed growth decelerating to 7.3% in the December quarter from 7.7% in the September quarter.

In the last winter sessions of Parliament, it has attempted to pass several bills, among which, the Goods and Services Tax (GST) Bill, 2014 was designed in the same line of growth strategy. GST Bill appears to be a game-changing reform of the indirect taxation in India. It aims to build a uniform and uncomplicated value added taxation system both at the Central level, C-GST, and at the State level, S-GST. GST would mitigate the impact of double taxation by scrapping indirect taxes like excise duty, sales tax and service tax. Per Finance Minister Arun Jaitley, the GST Bill expects to boost India's GDP growth by 1% to 1.5%. However, the government faced strong opposition from Congress in Rajya Sabha while passing the Bill and expects it to be implemented from April 1, 2016, which looks quite uncertain at this time even if the government makes fresh attempts to pass the bill in the upcoming budget session. Two other economically significant bills such as the Bankruptcy Bill and the Real Estate Bill also awaits the assent of the Upper House of Parliament.

The government was fortuitious in managing its fiscal deficit despite spending heavily on capital projects to spur economic growth primarily aided by the 70 % drop in prices of crude that led to a significantly lower import bill.. During April-December 2015, the country's fiscal deficit stood at Rs.4.88 lakh crore compared with Rs.5.32 lakh crore in the same period of previous fiscal year. With this, fiscal deficit narrowed down to 87.9% of the Budget Estimate (BE) for 2015-16 from 100.2% during the same period in the prior fiscal year.

However, India's balance of payments became unfavourable for the second quarter of fiscal 2016 for the first time in nearly two years amid fears of a U.S. rate hike. During July-September 2015, balance of payments account had a deficit of $0.9 billion against a surplus of $11.4 billion in April-June 2015, as per RBI. Notably, balance of payments had a record surplus of $30.1 billion in January-March 2015. Current account deficit in the second quarter of fiscal 2016 stood at $8.2 billion, or 1.6% of GDP, up from 1.2% in the prior quarter due to slowdown in exports.

India's exports declined for the 14th consecutive month in January 2016. The country's exports dipped 13.6% year over year to $21.07 billion ($22.2 billion in

December 2015) due to weak global demand and stark fall in shipments of petroleum products and engineering goods. Imports also shrank by 11% to $28.71 billion ($33.96 billion in December 2015) during the month due to fall in oil imports (39%), non-oil imports (1.4%) and petroleum products (35.2%), partially offset by stupendous rise (85.2%) in gold imports. The steep fall in imports came as a blessing as it brought the trade deficit to the 11-month low level of $7.63 billion during the month against $7.87 billion in January 2015 and $11.66 billion in December 2015. This is expected to ease some pressure on the external value of the Indian currency.

On the global front, the non-cooperation of OPEC countries with regard to maintaining their production levels to control the global supply glut continues to hamper the global crude oil prices. Currently, global oil benchmark Brent and U.S. crude futures are trading near their 12-year low of around $30 per barrel. Global investment banks such as Bank of America Merrill Lynch and Goldman Sachs have even predicted oil prices to dip to $20 per barrel in the near term and the global supply glut unlikely to start waning before 2017. Although ultra low crude oil prices bode well for India as it reduces its import bill, it is sustainable as long as it is useful in correcting the demand-supply imbalance. On the other hand, prolonged period of low oil prices leads to outflow of funds by the oil-rich nations from the financial system.

The U.S. Federal Reserve has kept interest rates unchanged at its FOMC meeting at the end of January. In December, Federal Reserve raised interest rates to the range of 0.25%0.5% from the earlier range of 00.25% that dates back to the 2007-2009 financial crisis era. Global growth concerns and stock market selloff was the primary reason behind the Fed's status quo stance at the January meeting. However, Fed has not abandoned the plan of monetary policy tightening this year and looks out for further economic and financial developments and their impact on the U.S. labour market and inflation.

The global market began 2016 on a bearish note receiving new set of shockwaves again from China instilling fear among investors that worst is yet to come. Weak Chinese Caixin-Markit manufacturing PMI data and muted consumer inflation data for December sparked selling pressure across the global bourses. The trading halt mechanism aka "circuit breaker", which came into effect on the first trading day of the year in Shanghai and Shenzhen stock exchanges in order to reduce volatility in Chinese markets, had to intervene twice within the first 7 days of its inception. The mechanism, designed to halt trading when shares fall 7% at the bourses, led to early closure of the bourses and has been blamed for panic selling by investors. The government-compiled manufacturing PMI data (which differs slightly from Caixin-Markit PMI data) for January was also disappointing. The index contracted from 49.7 in December to 49.4 in January, the lowest since August 2012. Notably, economic growth in China slowed down to 6.9% in 2015, the lowest in 25 years.

Back home, the FII scenario worsened in January following the Fed's lift off announcement and market selloff triggered by concerns for further slowdown in China. In January, India had net outflow of Rs.11,471.16 crore from the equity market compared to net inflow of Rs.205.49 crore in December last year. However, DII data is very encouraging with a net inflow of Rs. 12,874.90 crore in January, about twofold increase compared with Rs. 6,327.64 crore in December.

The deteriorated FII outflow put heavy pressure on the falling rupee in January. The domestic currency depreciated 3.2% against the greenback during the month compared with only 0.4% in December. Nevertheless, rupee is considered as one of the best performing emerging market currencies despite the flight of capital away from them. This indicates some stability in the currency leaving RBI with almost no job to aggressively control it but let it adjust freely with the falling yuan in order to maintain India's export competitiveness in the global market.

As regards the debt market, yield on the 10-year government bonds continues to stay at a stubbornly high level, the phenomenon lately been blamed on the liquidity crunch faced by the banking system. The benchmark 10-year government bond yield recently settled at 7.80%, its highest level since August 2015. To resolve the liquidity issue and ease pressure on the bond market, RBI has already injected Rs.30,000 crore into the banking system through bond purchases under open market operations (OMO) since December last year. However, per Bank of America Merrill Lynch that's not enough as another $5 billion is needed through OMO purchases to restore stability.

Key Sector Performance and Outlook

Banks: Banking was one of the worst performing sectors in January. The Nifty benchmark for the sector dipped 8.3% in the month. The blame goes to negative investor sentiment associated with the sector's sluggish credit growth, bad loans, stressed asset quality and falling rupee contributing to its lackluster performance. The central bank policies aimed at lifting the banking sector performance couldn't help so far but put even more pressure on the stocks. First, banks are seen to be reluctant or slow to adopt the new marginal costs of funding method for determining their base rate as per RBI mandate as it would affect their net interest margin adversely. However, the new marginal costs of funding method is widely expected to reflect the full 125 basis points 2015-to-date cut in repo rate by RBI in bank lending rates and resolve the credit growth issue to a great extent. The latest challenge that RBI faces in this regard is the liquidity deficit issue raised by banks that might be disrupting them from fully absorbing the rate cuts.

Second, sluggish economic growth and project implementation delays are impairing the banks' balance sheet with bad loans and stressed assets. Per RBI data, gross bad loans in the banking sector rose to 5.1% of gross advances as of September 2015 from 3.4% as of March 2013. On the other hand, gross NPA and restructured advances rose to 11.3% as of September 2015 from 9.2% as of March 2013. The significant challenge faced by RBI in this regard is the delay in recognizing bad loans and improper classification of debts by banks. As a result, RBI governor Raghuram Rajan has urged banks with high incidence of bad debts to classify their debts properly and clean up their books by March 2017. There is a possibility that RBI may tighten its rules with respect to 5/25 and strategic debt restructuring (SDR) refinancing schemes the former allowing banks to refinance loans for infrastructure for up to 25 years and the latter allowing debt-for-equity swaps.

Information Technology: The Nifty benchmark for IT inched up only 0.2% in the month. While the sector is supposed to draw huge leverage from the depreciating rupee against the greenback and a recovering U.S. economy, the severe flooding in Chennai at 2015-end held it back. Among the IT giants, Infosys came up with encouraging results for the December 2015 quarter that generated positive momentum in IT stocks. The company reported better-than-expected 6.6% year-over-year growth in net profit and raised its revenue growth outlook for fiscal 2016 to 12.8%13.2% from 10%12% earlier. Another IT giant, Wipro posted third quarter numbers that was in line with consensus estimates. The company's consolidated revenues grew 7.2% year-over-year while net profit went up 1.9%. However, Tata Consultancy Services missed topline growth expectations for the sixth straight quarter owing to Chennai floods and weaknesses in domestic business.

Pharma: After posting a stellar performance in December, Pharma sector disappointed in January. The Nifty benchmark for the sector dipped 1.7% in the month. The sector continues to face regulatory onslaught by U.S. Food and Drug Administration's (FDA) on manufacturing practices. The latest company that came under its scanner last month was Wockhardt for its Shendra plant in Maharashtra. However, the sector holds significant promise owing to numerous FDA approvals for Abbreviated New Drug Applications (ANDAs), launch of new and cheaper drugs as well as weakening rupee.

Auto: The automobile sector put up a dismal performance in January. The Nifty benchmark for the sector fell 7.9% in January. Despite posting a 27.1% year-over-year rise, Maruti Suzuki's net profit of Rs.1,019.3 crore for the December 2015 quarter fell short of analysts' expectations and were lower than Rs.1,225 crore posted in the September quarter. Further, car sales for January depicted a subdued growth trend. Market leader Maruti Suzuki reported a meager growth of 0.8% in car sales during the month, while the next biggest car makers Hyundai Motor and Mahindra & Mahindra recorded sales growth of 9.3% and 12.8%, respectively. Meanwhile, Honda Cars and Tata Motors posted a decline in sales of 6.5% and 17.8%, respectively, during the month.

Consumer Staples/Consumer Non-Durables: The performance of the consumer staples sector was disappointing in January. The Nifty FMCG fell 5.2% in the month. The FMCG industry continues to be plagued by a number of factors including heavy taxation on cigarettes, strict measures against use of tobacco products, Maggi noodles controversy at Nestle and weak monsoon hampering rural consumption. Further, disappointing earnings results by major FMCG company ITC Ltd hampered the performance of FMCG stocks. The company missed bottom line expectations for the December 2015 quarter as its cigarette sales were lower and sales of packaged consumer goods were lagging.

Consumer Discretionary/Consumer Durables: The consumer durables sector performed well in January. The BSE benchmark for Consumer Durables rose 1.5% in the month. The consumer durables industry has been riding on a strong uptick in demand for electronic home appliances, TVs, computers and mobile gadgets. Continued launched of new products, easy finance, festive discounts and convenience of shopping through ecommerce channels fueled the growth in the sector and will continue to do so.

Capital Goods: The Capital Goods sector was the worst performing sector in January. The BSE Capital Goods index nosedived 12.5% in January. The sector, which is closely linked with the broader economic activities of the nation, continues to be a drag performer given the global economic slowdown. Larsen & Toubro, one of the major operators in the capital goods space, posted a profit that was in line with expectations but missed on the top line for the December 2015 quarter. The company continues to see execution challenges at its domestic business, leading to continued margin pressure. Its operating margin for the quarter went down 180 basis points year over year to 10.3% as many projects under execution did not reach their threshold levels.

Global equity markets and the emerging markets in particular where India is classified is passing through turbulent times arising from a slowing Chinese economy, a steep fall in commodity prices particularly again driven by lower than expected growth in global economies. The negative sentiment is being further fuelled by low or negative Interest rates as we see in Japan, Eurozone, Switzerland and Sweden and a possible increase in US Fed rates due to buoyancy in labour markets and domestic targeting of inflation.

In view of the above, we expect heightened levels of volatility with general global risk aversion and fund managers increasing their levels of cash holdings and safer assets like US Treasuries and Gold. Retail investors would do well to take this opportunity of the unpleasant correction and increase their exposure to equity oriented mutual funds such as Shriram Equity and Debt Opportunities Fund through the regular systematic route as well as the one off large one time investments.

SHREDOPP is managed on conservative principles and favours a basket of growth stocks with some fair and rich valuations that are expected to deliver reasonable returns over the long term. The debt portfolio consists of top notch debt securities with near zero credit risk and short to medium term durations that optimize the interest rate risk. The interest rates are poised for movement in either direction with equal probability but with thew central bank clearly signaling their preference for stability over growth we expect that interest rates would not be very soft in the coming months.

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 it's 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.

Indicative Investment Horizon:

3 years & more

Date of Inception:

29 November 2013

Fund Manager: Partha Ray

Experience: Mr. Ray has been in the Banking & Finance sector for over 24 years and joins us from The Royal Bank of Scotland N.V where he held several key positions in the Corporate Banking Department since 1998 including that of a Regional Head in the Bank's wholesale banking division. He has extensive and wide ranging functional experience in managing portfolios of corporate relationships.

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

Average AUM: 36.85 cr.
Latest AUM: 37.03 cr.

Expenses Ratio (Excluding Stax) :

Regular 2.29% Direct 1.74%

Portfolio Turnover Ratio: 155.41%

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 5,000/- w.e.f. 1st April 2014

SIP

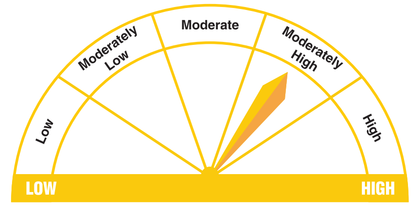
For SIP investment Monthly: Rs. 1000/- minimum 12 instalments, Quarterly: Rs. 3000/- minimum 4 instalments

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)
☑ Moderately High Risk
*** Investors should consult their financial advisor if in doubt whether the product is suitable for them.**

Note : Risk is represented as :

i. Low - Principal at low risk
ii. Moderately Low - Principal at moderately low risk
iii. Moderate - Principal at moderate risk
iv. Moderately High - Principal at moderately high risk
v. High - Principal at high risk

Riskometer



Portfolio and other facts as on 31 Jan 2016

Equity Portfolio

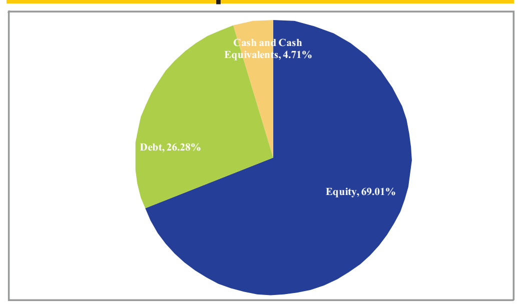
HDFC Bank Ltd.	4.43%
Housing Development Finance Corporation Ltd.	3.77%
Maruti Suzuki India Ltd.	3.73%
Infosys Ltd.	3.39%
HCL Technologies Ltd.	3.33%
Tata Consultancy Services Ltd.	3.26%
LIC Housing Finance Ltd.	3.19%
Axis Bank Ltd.	3.00%
Aurobindo Pharma Ltd.	2.86%
ICICI Bank Ltd.	2.77%
Dr. Reddy's Laboratories Ltd.	2.77%
Kotak Mahindra Bank Ltd.	2.11%
IndusInd Bank Ltd.	1.89%
Bharat Electronics Ltd.	1.84%
Bharat Petroleum Corporation Ltd.	1.80%
Britannia Industries Ltd.	1.76%
Apollo Hospitals Enterprise Ltd.	1.69%
Eicher Motors Ltd.	1.64%
Larsen & Toubro Ltd.	1.50%
State Bank of India	1.39%
ITC Ltd.	1.26%
Asian Paints Ltd.	1.15%
Ultratech Cement Ltd.	1.12%
Reliance Industries Ltd.	1.07%
Tech Mahindra Ltd.	1.06%
Amara Raja Batteries Ltd.	1.05%
Natco Pharma Ltd.	0.91%
Shree Cements Ltd.	0.84%
Lupin Ltd.	0.81%
Mahindra & Mahindra Ltd.	0.77%
Sun Pharmaceuticals Industries Ltd.	0.76%
UPL Ltd.	0.73%
Bharat Forge Ltd.	0.68%
IDFC Bank Ltd.	0.58%
Bata India Ltd.	0.50%
Bajaj Finance Ltd.	0.47%
Bajaj Auto Ltd.	0.45%
IDFC Ltd.	0.45%
MRF Ltd.	0.41%
MindTree Ltd.	0.35%
TVS Motor Company Ltd.	0.30%
Page Industries Ltd.	0.26%
Cummins India Ltd.	0.20%
Blue Dart Express Limited	0.17%
Repco Home Finance Limited	0.14%
The Federal Bank Ltd.	0.14%
Persistent Systems Ltd.	0.13%
Apollo Tyres Ltd.	0.11%
ALKEM LABORATORIES LIMITED	0.02%
Equity Total	**69.01%**

Debt Portfolio Rating

HDFC LTD	CRISIL-AAA	13.14%
LIC HOUSING FINANCE LTD.	CRISIL-AAA/CARE- AAA	12.57%
TATASONS LTD	CRISIL-AAA	0.57%
Debt total		**26.28%**

Cash & Cash Equivalent 4.71%

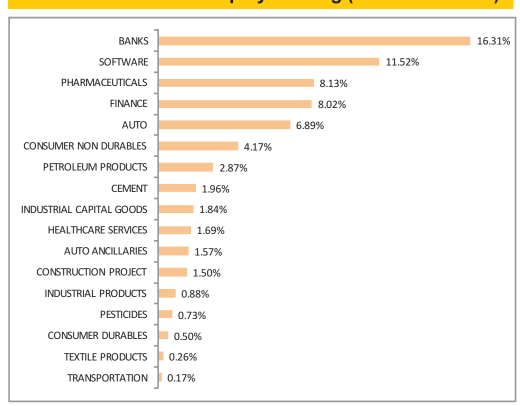
Portfolio composition



NAV details (Rs)

Direct Plan	
Growth Option	12.5811
Dividend Option	10.0397
Regular Plan	
Growth Option	12.4288
Dividend Option	09.9361

Sectoral Allocation of Equity Holding (% of Net Assets)

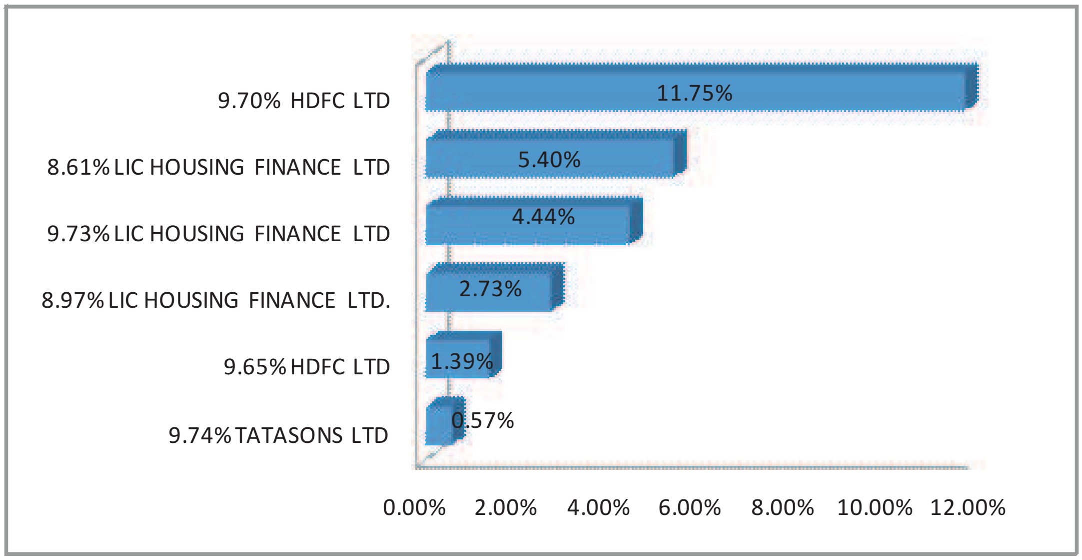


Quantitative Data

Average Maturity*	2.52 years
Modified Duration*	2.06 years
Yeild to Maturity*	8.32%

* Computed on the invested amount of debt portfolio

Debt Portfolio



Dividend History^

Shriram Equity and Debt Opportunities Fund - Direct Plan- Dividend Option

Record Date	Face Value (Rs)	NAV (Rs)	Dividend (Rs.)/Unit
9-Mar-14	10.00	10.4657	0.25
27-Oct-14	10.00	11.9236	1.05
14-Nov-15	10.00	11.4100	1.15

Shriram Equity and Debt Opportunities Fund - Regular Plan- Dividend Option

Record Date	Face Value (Rs)	NAV (Rs)	Dividend (Rs.)/Unit
19-Mar-14	10.00	10.4529	0.25
27-Oct-14	10.00	11.8794	1.05
14-Nov-15	10.00	11.3130	1.15

^Past performance may or may not be sustained in future. There is no assurance or neither guarantees to Unit holders as to rate/quantum of dividend distribution nor that will the dividends be paid regularly. All dividends are on face value of Rs. 10 per Unit. After payment of the dividend, the per Unit NAV falls to the extent of the payout and statutory levy, if any.

Performance of Scheme:

Shriram Equity and Debt Opportunities Fund

Returns of Regular Plan - Growth Option as on December 31, 2015						
Date of inception: 29-Nov-13.						
NAV as on 31.12.15 Rs. 12.8999						
					Value of Investment of Rs.10000	
Date	Period	NAV (Rs.) Per Unit	Scheme Return % (Annualized)	Benchmark Return % (Annualized)	Scheme	Benchmark
December 31 2014	Last 1 Year	12.9039	-0.03	-0.25	9,997	9,975
November 29 2013	Since Inception	10	12.97	12.34	12,900	12,750

Past performance may or may not be sustained in future. The returns are Compounded Annual Growth Returns (CAGR) for periods since Inception and absolute for 1 year and simple annualized for less than 1 year. Performance of dividend option would be Net of Dividend distribution tax, if any. Benchmark is a blend of 70% CNX NIFTY for the Equity part of the Portfolio & 30% of CRISIL Composite Bond Fund Index for its investments in Debt and Money Market Instruments. For computation of since inception returns (%) the allotment NAV has been taken as Rs. 10.00. Load is not considered for computation of returns. In case, the start/end date of the concerned period is a non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period.

Benchmark Index: 70% of Nifty Plus 30% CRISIL Composite Bond Fund Index. Since Inception returns are calculated 70% CAGR of Nifty plus 30% CAGR of CRISIL Composite

SIP Performance

	Since Inception SIP	2 years SIP	1 year SIP
Total Amount Invested (Rs.'000)	250.00	240.00	120.00
Mkt Value as on Dec 31, 1 (Rs.'000)	268.46	255.56	117.76
Returns (Annualised) (%)	6.72%	6.16%	-3.43%
Benchmark Returns (Annualised) (%) #	5.50%	4.88%	-3.88%

Past performance may or may not be sustained in the future. # Benchmark index is constructed by investing Rs. 70 in Nifty and Rs. 30 in CRISIL Balanced Fund Index on the date of allotment. Assuming Rs. 10000 invested systematically on the first Business Day of every month over a period of time. CAGR returns are computed after accounting for the cash flow by using XIRR method (invest internal rate of return) for Regular Plan - Growth Option. Load is not taken into consideration for computation of performance. The above investment simulation is for illustrative purpose only and should not be construed as a promise on minimum returns and safeguard of capital. The AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.

HOW TO READ FACTSHEET

Fund Manager

An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.

Application Amount for Fresh Subscription

This is the minimum investment amount for a new investor in a mutual fund scheme.

Minimum Additional Amount

This is the minimum investment amount for an existing investor in a mutual fund scheme.

Yield to Maturity

The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.

SIP

SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests Rs 500 every 15th of the month in an equity fund for a period of three years.

NAV

The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.

Benchmark

A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the Nifty, Sensex, BSE200, BSE500, 10-Year Gsec.

Entry Load

A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund.

The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is Rs. 100 and the entry load is 1 %, the investor will enter the fund at Rs. 101. (Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor).

Exit Load

Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is reduced from the prevailing NAV at the time of redemption. The investor will receive redemption proceed at net value of NAV less Exit Load. For instance if the NAV is Rs. 100 and the exit load is 1%, the investor will receive Rs. 99.

Modified Duration

Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.

AUM

AUM or assets under management refers to the recent / updated cumulative market value of investments managed by a mutual fund or any investment firm.

Holdings

The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.

Nature of Scheme

The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.

Rating Profile

Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

SHRIRAM
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