Preview to our Recommended Funds

Prepared by: iFAST Research Team

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Recommended Large Cap Funds

ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND

Investment Strategy

The fund's mandate is to invest in large-cap stocks selected from among the top 200 on the National Stock Exchange (NSE) in terms of market capitalization. Though it attempts to restrict the investment in 20 companies, it has the flexibility to increase the number of stocks if the corpus of the scheme crosses INR 1,000 crore. The fund follows the bottom-up approach to choose bargain stocks and scouts for opportunities in the universe of large and established companies. During our period of analysis (July 2010 to June 2013), the number of stocks have been in the range of 19 to 32. True to its mandate, the fund manager has been gradually increasing the holdings in the portfolio as the corpus has grown more than INR 1,000 crore. A perusal of the portfolio holdings shows that there are a few stocks which have been a part of the portfolio during the entire 36 months of analysis. Stocks like ITC, Reliance Industries, Bajaj Auto, ICICI Bank, Bharti Airtel, and Hindustan Zinc have been the all-time favourites of this fund.
On the sectoral front it can be seen that during the entire 3 years of analysis, Banks have emerged as the top pick with an average allocation of around 24%. This has been followed by Computer-software and Refineries/ Marketing whose average allocation stands at 12% and 6%, respectively.

Performance

Our favorite pick in the large-cap space, this fund turned out to be the best performing large-cap fund as per our model in this review as well. Over a period of 3 and 5 years, the fund has generated a CAGR of 6.90% and 14.71% while the benchmark performance has been to the tune of 3.08% and 7.66%, respectively.

Inception Date: May 23, 2008

Fund Managers: Manish Gunwani

Asset Size: INR 4,377 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CNX Nifty

FRANKLIN INDIA BLUECHIP FUND

Investment Strategy

The fund follows a blend of the value and growth style of investing with a bottom-up approach to stock selection. The universe of stocks will be large caps which refer to stocks whose market capitalization is higher than that of hundredth stock in the CNX 500 index. The fund has maintained a judicious mix of 37 to 46 stocks during the 36 months of analysis. The fund maintains a buy-and-hold strategy as can be seen from the fact that as on June 2013 there are 41 stocks of which 22 have found a place in the portfolio continuously for more than 30 months. As far as stock selection goes, it can be seen that 3 stocks - Bharti Airtel, Infosys and ICICI Bank - have been among the top 5 picks during the entire period of analysis with an average allocation of 7%, 7% and 6%, respectively. An analysis of the sectoral trends points to 3 sectors which have been among the top 5 during the entire 36 months under consideration - Banks, Computer-software and Telecom-services with an average allocation of 20%, 10% and 9%, respectively. Since October 2010, Refineries/ Marketing has turned out to be one of the favoured sectors of this fund while Pharmaceuticals has been a part of the top 5 sectors since October 2011.

Performance

A veteran in the large-cap space, this fund continues to be one of the consistent performers in this category. The fund has generated a CAGR of 4.91% and 12.70% over a period of 3 and 5 years. During the same time period, the benchmark has delivered a return of 2.95% and 7.58% respectively.

Inception: December 1, 1993

Fund Managers: Anand Radhakrishnan & Anand Vasudevan

Asset Size: INR 4,939 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE Sensex

DSP BLACKROCK TOP 100 EQUITY FUND

Investment Strategy

The fund's mandate is to invest into the top 100 corporates by market capitalization. The fund will adopt a combination of the top-down and bottom-up approaches to stock selection. During the period of our study (July 2010 to June 2013), the total number of stocks in the portfolio has been in the range of 29 to 44. As on June 2013, the fund held around 30 stocks out of which only 2 have been held for 3 years. These include names like Larsen & Toubro and Bharat Petroleum Corporation whose average allocation over the time period stood at 4% each respectively. This is a clear indication that this is an actively managed fund in the large-cap category. On the sectoral front, as on June 2013, the top 5 sectors were Banks (14%), Refineries/ Marketing (13%), Computer-software (11%), Housing finance (8%) and Pharmaceuticals (6%). In addition, it has been observed that Banks have been among the top 5 sectors during the entire 3 years.

Performance

Despite the short-term volatility, the fund turned out to be one of the better performing large-cap funds on our platform. Over a 3- and 5-year period, the fund has generated a CAGR of 3.25% and 10.20% vis-à-vis the benchmark which delivered 1.81% and 7.32%, respectively.

Inception Date: March 10, 2003

Fund Manager: Apoorva Shah

Asset Size: INR 3,153 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 100

BIRLA SUN LIFE FRONTLINE EQUITY FUND

Investment Strategy

The fund aims at being diversified across various industries and/or sectors as its chosen benchmark index. The fund targets to have the same sectoral weights as the benchmark index on a designated day subject to some predetermined flexibility. The diversification of the portfolio can be seen from the number of stocks held in the portfolio. Over a period of 3 years, the stocks held in the portfolio have been in the range of 54 to 68. As on June 2013, the fund held around 68 stocks in the portfolio of which 34% have been held for 3 years. A detailed look at the portfolio shows 2 stocks - ITC and Reliance Industries, which have been among the top 5 picks during the entire time period of analysis. On the sectoral front, the top 3 sectors as per their average allocation in the portfolio over the last 3 years have been Banks (18%), Computer-software (10%) and Pharmaceuticals (6%).

Performance

The fund has generated a CAGR of 5.35% and 12.95% over 3 and 5 years. On the other hand, the benchmark index returned 1% and 7.17% respectively during the same time period.

Inception Date: August 30, 2002

Fund Manager: Mahesh Patil

Asset Size: INR 3,250 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 200

Recommended Mid Cap and Small Cap Funds

HDFC MID-CAP OPPORTUNITIES FUND

Investment Strategy

The fund’s mandate is to invest in mid- and small-cap companies. The fund will primarily focus on a buy-and-hold strategy. During the last 3 years the fund had an average exposure of 45% into large caps, while 25% of exposure was made into mid caps and 23% was into small caps. The fund, on a regular basis, has a diversified portfolio with the number of stocks in the range of 43 to 72. As on June 2013, the fund held around 66 stocks in the portfolio out of which 30 have been there for the entire 36 months of analysis. On the sectoral front, Pharmaceuticals and Banks have been the favorite picks of the fund manager with their average allocation being to the tune of 15% and 14% respectively during our period of analysis.

Performance

A fourth time entrant into the Recommended Funds List, this fund continues to be one of the better performing mid-cap funds on our platform. Over a 3- and 5-year time frame the fund has generated a CAGR of 6.40% and 15.56% while the benchmark has delivered -3.45%, and 6.99% respectively.

Inception Date: June 25, 2007

Fund Manager: Chirag Setalvad

Asset Size: INR 2,701 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CNX Midcap

DSP BLACKROCK SMALL AND MID CAP FUND

Investment Strategy

The fund’s mandate is to select equities on the basis of the bottom-up approach with consideration given to low price-to-earnings ratio, price-to-book ratio and price-to-sales ratio as well as growth, improving margins, asset turns and cash flows along with other factors. The market capitalization trends show that during the last 3 years, the fund had an average allocation to large, mid and small caps to the tune of 36%, 39% and 20% respectively. However, since December 2012, the fund’s exposure to large-cap stocks has been more than 50% with a month like May 2013 having an exposure to this space as high as 60%. During the 3 years of analysis, the fund held around 45 to 70 stocks in the portfolio. As on June 2013, the fund held around 45 stocks out of which 13 have been held during the entire period of analysis. Looking at the average allocation over the past 3 years, the top 5 sectors are Pharmaceuticals (7%), NBFC (6%), Chemicals-inorganic (5%), Computer-software (4%) and Tea & Coffee (4%).

Performance

This is the fourth time that the fund has found a place in our recommended funds' list. The fund has delivered a CAGR of -0.19% and 11.93% as against the benchmark return of -3.45% and 6.99% over a time period of 3 and 5 years.

Inception Date: November 16, 2006

Fund Manager: Apoorva Shah & Vinit Sambre

Asset Size: INR 953 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CNX Midcap

IDFC STERLING EQUITY FUND

Investment Strategy

The fund will primarily invest in well-managed growth companies that are available at reasonable value. The portfolio would consist of emerging businesses and companies that are aspiring leaders in their respective field of operation. Some part of the portfolio allocation could go into companies which do not have a significant history of being listed. As far as the market capitalization is concerned, the fund had an average exposure of 39%, 20% and 13% into large, mid and small caps, respectively, during the period of study (July 2010 to June 2013). The fund normally holds stocks in the range of 15 to 45. As on June 2013 the fund held 45 stocks of which none of them have been held consistently for a period of 3 years. As on June 2013, the top 5 sectors were Banks (12%), NBFC (8%), Pharmaceuticals (7%), Spinning-Cotton/Blended (7%) and Consumer food (5%). An interesting observation here is that all these sectors had the maximum average allocation during the 3 years under consideration.

Performance

The fund continues to be one of the best performers in the mid-cap space on our platform. Over a 3- and 5-year time frame, the fund delivered a CAGR of 3.60% and 16.62% while the benchmark has delivered -3.45% and 6.99% respectively.

Inception Date: March 7, 2008

Fund Manager: Aniruddha Naha

Asset Size: INR 1,291crore (AUM as on June 2013)

Exit Load: 2% on or before 18 Months, NIL after 18 months

Benchmark: CNX Midcap

SBI EMERGING BUSINESSES FUND

Investment Strategy

The mandate of the fund is to invest into emerging business themes which are based on the export/outsourcing opportunities and/or global competitiveness of such themes. An analysis of the market capitalization trends shows that during the period of study (July 2010 to June 2013) the average allocation to large, mid and small caps has been to the tune of 29%, 20% and 41%. Another observation is that the fund has been gradually increasing its exposure to large caps. In July 2010, the fund's exposure to large caps was only 15%, but rose to 39% in June 2013. The fund maintains a compact portfolio with the number of stocks being in the range of 24 to 33. We have always positioned this fund as an aggressive bet in the mid-cap space and this point is validated here by the fact that out of 27 stocks held in the portfolio in June 2013 only 5 have been held continuously for 3 years. A perusal of the sector allocation shows that during the 3 years under study, the sectors with the maximum average allocation have been NBFCs (8%), Fabrics & Garments (7%), Banks (6%), Investment companies (5%) and Auto ancillaries (5%). However, it needs to be noted here that since August 2011 the fund's exposure into Auto ancillaries has been nil.

Performance

The best performing mid-cap fund on our platform continues its good innings in this review as well. The fund has generated a CAGR of 13.07%, vis-à-vis the benchmark CAGR of 0.24% over 3 years. Over a 5-year period, the fund has delivered a CAGR of 15.66% while the benchmark has delivered a CAGR of 6.56%

Inception Date: October 11, 2004

Fund Manager: R. Srinivasan

Asset size: INR 1,293 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 500

Recommended Multi Cap Funds

UTI OPPORTUNITIES FUND

Investment Strategy

The fund's mandate is to capitalize on opportunities arising in the market. The strategy is to respond to the dynamically changing Indian economy by moving investments among different sectors as prevailing trends change. The fund is biased towards the large-cap space as can be seen from the fact that during the period of our analysis (July 2010 to June 2013) the average allocation to this category has been around 89%. A perusal of the portfolio shows that during the 3 years, the fund held anywhere between 34 and 46 stocks. As recently as June 2013, the fund held around 46 stocks out of which 22 have been a part of the portfolio during the entire period of analysis. This clearly shows that the fund has been following a buy-and-hold strategy. As far as the average sector allocation over the last 3 years is concerned, the top 6 sectors have been Banks (15%), Cement (9%), Computer-software (8%), Cigarettes (7%), and Commercial Vehicles and Pharmaceuticals (5% each). Among these, Banks and Computer-software have been among the top 5 picks during the entire period of analysis. On the other hand, Cement and Cigarettes have been in the top league except for the months of July 2010 and March 2012.

Performance

The fund continues to be the best pick in the multi-cap space in this review as well. Over a 3- and 5-year time horizon, the fund has generated a CAGR of 8.07% and 15% as against the benchmark CAGR of 1.81% and 7.32% respectively.

Inception Date: July 20, 2005

Fund Manager: Anoop Bhaskar

Asset Size: INR 3,485 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 100

MIRAE ASSET INDIA OPPORTUNITIES FUND

Investment Strategy

The fund's aim is to invest in companies which will benefit from Indian economic growth and its structural shifts without any bias towards a particular theme, sector, market capitalization or style in picking investment opportunities. As far as the market capitalization of the fund is concerned, the average allocation of the fund into this space has been around 82% over the 36 months of analysis. The number of stocks in the portfolio has been in the range of 47 to 58 during the entire period of analysis. As per the June 2013 portfolio, around 45% of the stocks have been held for 36 months. As far as the stock allocation is concerned, ICICI Bank, Infosys and HDFC Bank have been among the top 5 picks during the entire period of analysis with an average allocation of 6%, 6% and 4% respectively. Sector-wise, the fund has consistently maintained an exposure to Banks, Computer-software and Pharmaceuticals with an average allocation of 18%, 10% and 8% respectively.

Performance

The fund has entered our recommended funds' list for the third time and continues to be one of the better performing multi-cap funds on our platform. The fund delivered a CAGR of 5.46% and 14.98% vis-à-vis the benchmark return of 1% and 7.17% over a 3- and 5-year time period respectively.

Inception Date: April 4, 2008

Fund Managers: Neelesh Surana & Gopal Agrawal

Asset Size: INR 283 crore (AUM as on June 2013)

Exit Load: 2% on or before 182 days, 1% after 182 days but before 1 year, Nil after 1 year

Benchmark: S&P BSE 200

RELIANCE EQUITY OPPORTUNITIES FUND

Investment Strategy

The fund's focus is on value and growth stocks which will benefit from the ongoing structural changes in the government policies, infrastructure spending and continuous global economic reforms which tries to integrate different economies across the globe. In this regard, the fund will use the top-down approach that is sector-industry-company and is also open to following the bottom-up approach that is company-industry-sector. An analysis of the market capitalization of the fund shows that during the last 3 years, the fund's exposure to large, mid and small caps have been to the tune of 58%, 19% and 11% respectively. The fund keeps a diversified portfolio with stocks being in the range of 30 to 63 during the entire period of analysis. As on June 2013, the fund had around 60 stocks out of which 16 have been held in the portfolio for the entire 3 years. Unlike other recommended equity funds in the diversified category this fund's top sector picks have been Pharmaceuticals with an average allocation of 12% over a period 3 years. This is followed by Banks and Computer-software which has an average allocation of 11% and 10% respectively.

Performance

The fund has made it to our recommended funds' list for the second time. The fund delivered a CAGR of 6.97% and 16.58% over a 3- and 5-year time horizon. During the same time period, the benchmark delivered a CAGR of 1.81% and 7.32%, respectively.

Inception Date: March 31, 2005

Fund Manager: Sailesh Raj Bhan

Asset Size: INR 4,915 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 100

Recommended Value and Contra Funds

ICICI PRUDENTIAL DISCOVERY FUND

Investment Strategy

The fund's mandate is to build a well-diversified portfolio of companies available at a discount to its fair value after taking into consideration several factors like earnings, asset value, free cash flow and dividend yield. As for the market capitalization of the fund, this is managed like a mid and small cap fund as the average allocation towards this segment has been 24% and 25%, while the large cap tilt has been 44% during the period of analysis (July 2010 to June 2013).The diversification is evident from the number of stocks held over the past 3 years - in the range of 57 to 77. As on June 2013, the fund had 68 stocks out of which 31% of them have been held in the portfolio during the entire period of analysis. As far as the sectoral allocation is concerned, Pharma and Banks have been the top picks. During the 36 months of our study, Pharma has been among the top 5 sectors while Banks has also occupied this position with the exception of March 2012. The fund's exposure to Pharma reduced from 10% in July 2010 to 6% in June 2013 while allocation to Banks moved from 6% to 13% during the same period. Another observation is that during the period from January 2013 to June 2013 Automobile batteries have turned out to be among the top 5 sectoral holdings. In this space, the fund had initially taken an exposure into Amara Raja Batteries during the entire 36 months. However, since January 2013 the fund bought Exide Industries whose allocation has increased from 1% to 3% from January 2013 to June 2013.

Performance

The fund continues to be our recommended value fund in this review as well. The fund has generated a CAGR of 4.01% as against the benchmark return of -3.45% during a 3-year time period. On the other hand, if we consider a time horizon of 5 years, then the fund has delivered a CAGR of 16.44% while the benchmark has only returned 6.99%.

Inception Date: August 16, 2004

Fund Managers: Mrinal Singh

Asset Size: INR 2,548 crore (AUM as on June 2013)

Exit Load: 1% on or before 12 months, Nil after 12 months

Benchmark: CNX Midcap

RELIGARE INVESCO CONTRA FUND

Investment Strategy

The fund invests in potentially undervalued stocks across sectors and follows a combination of both top-down and bottom-up approaches to investing. The fund is biased towards the large cap space with an average allocation of around 68% over the last 3 years. On the other hand, the average exposure to mid and small caps has been to the tune of 17% and 10% respectively during the same time period.

The investment strategy of the fund states that it will have a concentrated portfolio which would be around 20 to 50 in terms of the number of stocks per portfolio. In line with this strategy, during the 36 months of analysis, the stocks in the portfolio range between 38 to 51.The fund is actively managed as can be seen from the fact that out of 48 stocks held in June 2013 only 7 of them have been held for 36 months. On the sectoral front, as per the average allocation during the last 3 years, the top 5 sectors are Banks (16%), Computer-software (8%), Refineries/Marketing (6%), Telecom – Services (5%) and Oil Exploration (4%).

Performance

The fund made an entry into our recommended funds' list for the first time in 2012 and has been able to clear all the filters in our model this time as well. The fund generated a CAGR of -0.44% and 11.82% while the benchmark has delivered 0.24% and 6.56% over a 3- and 5-year time frame respectively.

Inception Date: April 11, 2007

Fund Managers: Vetri Subramaniam & Amit Ganatra

Asset Size: INR 45 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 500

Recommended Dividend Yield Fund

BIRLA SUN LIFE DIVIDEND YIELD PLUS

Investment Strategy

This scheme invests in high dividend-paying companies known to provide a substantial degree of protection in a falling market with a possibility of appreciation when the market is in an upward trajectory. As far as the market capitalization is concerned, the average exposure to large, mid and multi caps has been to the tune of 57%, 21% and 13% respectively. Over a period of 3 years, the number of stocks in the portfolio has been in the range of 57-76. An analysis of the portfolio shows that as on June 2013 the fund had an exposure to 71 stocks out of which 28 have been held for around 36 months. Among the sectors, Banks have been the favorite with an average allocation of 17% during the last 3 years and have also been among the top 5 sector picks. A perusal of the average sectoral allocation during the 36 months under consideration shows that Computer-software and Refineries/Marketing have also been in the chart-topper's range with an average allocation of around 7% and 5% respectively.

Performance

The fund entered our recommended funds' list for the first time in January 2013 and continues to be our recommended dividend yield fund in this review as well. Over a period of 3 and 5 years, the fund has generated a CAGR of 1.62% and 15.61% vis-à-vis the benchmark return of 0.61% and 7.09%, respectively.

Inception Date: February 26, 2003

Fund Manager: Nishit Dholakia

Asset Size: INR 1,124 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CNX 500

Recommended Index Funds

FRANKLIN INDIA INDEX FUND BSE PLAN

Investment Strategy

The fund is a passively managed fund which replicates the composition of BSE Sensex.

Performance

A fourth time entrant into our recommended funds' list, this is one of the better performing index funds on the platform. Over a time period of 3 years and 5 years, the fund has generated a CAGR of 3.20% and 7.76% vis-a-vis the benchmark which has delivered a CAGR of 2.95% and 7.58% return respectively.

Inception Date: August 27, 2001

Fund Manager: Anil Prabhudas

Asset Size: INR 61 crore (AUM as on June 2013)

Exit Load: 1% on or before 30 days, Nil after 30 days

Benchmark: S&P BSE Sensex

ICICI PRUDENTIAL INDEX FUND

Investment Strategy

The fund's mandate is to invest into stocks constituting the CNX Nifty index and in exchange traded derivatives on the CNX Nifty Index. The fund will also keep a small portion of the corpus liquid so as to meet redemption requirements.

Performance

The fund has made it to our recommended funds' list for the fourth time. The fund has generated a CAGR of 3.42% and 8.39% over a 3- and 5-year time period respectively. During the same period the benchmark has delivered a CAGR of 3.08% and 7.66% respectively.

Inception Date: February 26, 2002

Fund Manager: Kayzad Eghlim

Asset Size: INR 93 crore (AUM as on June 2013)

Exit Load: 0.25% on or before 7 days, Nil – After 7 days

Benchmark: CNX Nifty

HDFC INDEX FUND - SENSEX PLUS PLAN

Investment Strategy

The fund will be passively managed in such a way that 80-90% of the net assets would follow a similar investment strategy as the Sensex. The balance 10-20% of the net assets will be actively managed and be invested in stocks that have been identified as having a high probability to outperform the Sensex. As on June 2013, the fund has around 15% of the corpus concentrated in stocks outside the index.

Performance

The fund continues to be the best performing index fund on the platform. Over a time period of 3- and 5-years the fund has generated a CAGR of 5.11% and 11.25% respectively while the benchmark has delivered a CAGR of 2.95% and 7.58%.

Inception Date: July 17, 2002

Fund Manager: Vinay Kulkarni

Asset Size: INR 85 crore (AUM as on June 2013)

Exit Load: 1% on or before 30 days, Nil after 30 days

Benchmark: S&P BSE Sensex

Recommended Equity Linked Savings Scheme (ELSS)

FRANKLIN INDIA TAXSHIELD

Investment Strategy

The fund follows a combination of value and growth style of investing. The fund will invest in a portfolio of stocks across sectors and market capitalization and will follow a bottom-up approach to stock selection. The fund is biased towards the large-cap space with the average allocation to the same to the tune of 82% over the last 3 years. On the other hand, during the same time period, exposure to mid and small caps have been 8% and 3% respectively. The fund has a fairly diversified portfolio with the number of stocks being in the range of 44 to 58. An analysis of the portfolio shows that out of the total 48 stocks held in June 2013, 14 have found a place consistently in the portfolio for 3 years. Among them, Bharti Airtel, Infosys and ICICI Bank have been among the top 5 picks for all the 36 months under consideration. On the sectoral front, as on June 2013, the top 5 sectors in the portfolio are Banks (22%), Pharmaceuticals (12%), Computer-software (8%), Telecom-services (7%) and Refineries/Marketing (7%). Among these sectors, Banks, Computer-software and Telecom-services have been among the top 5 sectoral picks during the entire period of analysis with an average allocation of 18%, 10% and 8% respectively.

Performance

One of the best performing ELSS on our platform, this fund has made an entry into our list for the third time. The fund has generated a CAGR of 6.77% and 13.12% vis-à-vis 0.61% and 7.09% of the benchmark respectively over a period of 3 years and 5 years.

Inception Date: April 10, 1999

Fund Manager: Anand Radhakrishnan & Anil Prabhudas

Asset Size: INR 918 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: CNX 500

CANARA ROBECO EQUITY TAX SAVER FUND

Investment Strategy

The fund identifies companies with a strong competitive position in good businesses and quality management. Here the focus is on long-term fundamentally driven values. A perusal of the market capitalization trends shows that during the period of analysis (July 2010 to June 2013), the average allocation to large, mid and small caps has been to the tune of 78% and 8% and 6% respectively. During the 3 years, the fund had stocks in the range of 50 to 60. As on June 2013, the fund had around 58 stocks of which 10 of them have been in the portfolio during all the months of analysis. As far as the average sector allocation of the fund is concerned, the top 5 sectors have been Banks (19%), Computer-software (8%), Pharmaceuticals (8%), Refineries/Marketing (6%) and Engineering-Designing-Construction (6%).

Performance

The fund has been recommended since 2012 and continues to be a part of our recommended funds' list in this review as well. Over a period of 3 and 5 years, the fund has generated a CAGR of 4.60% and 16.07% vis-à-vis the benchmark which delivered 1.81% and 7.32% respectively.

Inception Date: March 31, 1993

Fund Manager: Krishna Sanghavi

Asset Size: INR 564 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: S&P BSE 100

AXIS LONG TERM EQUITY FUND

Investment Strategy

The fund invests in a portfolio of strong growth companies with sustainable business models. The fund has the flexibility to invest across the market capitalization spectrum and across industries/sectors. An analysis of the market capitalization trends shows that the fund has been gradually increasing the allocation to large caps from 54% in July 2010 to 75% in June 2013. Hence, on an average, the allocation to large, mid, and small caps during the 3 years of analysis has been to the tune of 72%, 10% and 8% respectively. During the last 3 years the number of stocks in the portfolio have been in the range of 34 to 45. The fund had 42 stocks in the portfolio as on June 2013 of which only 7 of them found a place in the portfolio during the entire period of analysis. The favorite sectors have been Banks, Computer-software and Housing finance with an average allocation of 16%, 9% and 7% respectively. All the three sectors have been among the top 5 sectoral picks during the last 3 years.

Performance

This fund has found a place in our recommended funds' list for the first time in January 2013 and continues to be the best performing ELSS on our platform in this review as well. The fund has generated a CAGR of 18.42% as against the benchmark performance of 11.3% over a 1-year time period. On the other hand, over a time frame of 3 years, the fund delivered a CAGR of 9.29% as against 1 % generated by the benchmark.

Inception Date: December 29, 2009

Fund Manager: Jinesh Gopani

Asset size: INR 625 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: S&P BSE 200

ICICI PRUDENTIAL TAX PLAN

Investment Strategy

The fund follows an active value-based investment style with a focus on the fundamentals of the business, industry structure, quality of management, sensitivity to economic factors, the financial strength of the company and the key earnings drivers. The average allocation to large, mid and small caps has been to the tune of 68%, 8% and 16% respectively during the period of analysis (July 2010 to June 2013).The fund has a diversified portfolio as can be seen from the fact that the number of stocks in the portfolio have been in the range of 51 to 66 during the entire period of analysis. On June 2013, the fund held 61 stocks of which 14 have been held during the course of the analysis period. Banks and Pharmaceuticals have been among the top 5 sectors during the entire period of analysis with the maximum average allocation of 12% and 10% respectively. The other prominent sectors in this portfolio have been Computer-software, Refineries/Marketing and Oil Exploration with an average allocation of 9%, 8% and 5% respectively.

Performance

A new entrant into our recommended funds' list in January 2013, this fund has made it to the list in this review as well. Over a period of 3 and 5 years, the fund generated a return of 3.07% and 11.57% vis-à-vis the benchmark which generated a CAGR of 0.61% and 7.09%.

Inception Date: August 19, 1999

Fund Manager: Chintan Haria

Asset Size: INR 1,364 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: CNX 500

RELIANCE TAX SAVER (ELSS) FUND

Investment Strategy

The fund is an actively managed fund and has the flexibility to take defensive/aggressive positions depending on the opportunities available in the market. The market capitalization trends of the portfolio is not biased towards any particular category and the average allocation to large, mid and small caps has been to the tune of 54%, 22% and 17% respectively. During the three years of analysis, the number of stocks in the portfolio was in the range of 30 to 49. As on June 2013, the fund had around 49 stocks in the portfolio of which 15 have been a part of this portfolio during the entire period of analysis. Among these stocks, Eicher Motors and State Bank of India have been among the top 5 stock picks during the 36 months of analysis with an average allocation of 6% each. The top 5 favourite sectors as per the average allocation over the last 3 years have been Banks (12%), Power equipment (10%), Commercial vehicles (9%), Pharmaceuticals (8%) and Diesel engines (5%).

Performance

The fund has entered our recommended funds' list for the second time. The fund has generated a CAGR of 3.56% and 12.45% while the benchmark has returned 1.81% and 7.32%, respectively, over a time period of 3 and 5 years.

Inception Date: September 22, 2005

Fund Manager: Ashwani Kumar

Asset Size: INR 1,870 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: S&P BSE 100

Recommended Global Funds

FRANKLIN ASIAN EQUITY FUND

Investment Strategy

The fund will invest in undervalued companies in India and other international markets. The focus of the fund is to find opportunities in the Asia Pacific region (ex-Japan) including India. The stock selection approach will be a combination of top-down and bottom-up with an emphasis on first-hand research. During the 3 years of analysis (July 2010 to June 2013), the fund's average exposure to international and domestic equities has been to the tune of 84% and 12% respectively. During the same time period, the fund maintained an average exposure of 4% to cash and cash equivalents.

Performance

This is the third time that the fund has found a place in our recommended funds' list. Over a 3- and 5-year time period, the fund generated a CAGR of 10.28% and 8.74% vis-à-vis the benchmark returns of 11.51% and 7.78% respectively.

Inception Date: January 16, 2008

Fund Managers: Roshi Jain & Murali Yerram

Asset Size: INR 155 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: MSCI Asia (ex-Japan) Standard Index

DWS GLOBAL AGRIBUSINESS OFFSHORE FUND

Investment Strategy

This Fund of Funds (FOF) will invest in overseas mutual funds which focus on agriculture and/or would be direct and indirect beneficiaries of the anticipated growth in the agriculture and/or affiliated/allied sectors. As on June 2013, the top 5 regions in terms of maximum allocation were United States (37.41%), Canada (10.66%), Germany (9.65%), Brazil (6.84%) and Australia (6.56%).

Performance

We have been recommending this fund since 2012 and it continues to be a part of the recommended funds' list in this review as well. Over a time period of 2 and 3 years, the fund has generated a CAGR of 12.67% and 16.14%, respectively, as against the benchmark which delivered a CAGR of 20.91% and 19.5%.

Inception Date: May 13, 2010

Fund Managers: Akash Singhania & Kumaresh Ramakrishnan

Asset Size: INR 122 crore (AUM as on June 2013)

Exit Load: 1% on or before 12 months, Nil after 12 months

Benchmark: MSCI World Index

JPMORGAN GREATER CHINA EQUITY OFF-SHORE FUND

Investment Strategy

The fund invests in the feeder fund JPMorgan Funds - Greater China Fund, an equity fund which invests primarily in a diversified portfolio of companies that are domiciled, or carry out the main part of their economic activity, in a country of the Greater China region. As on June 2013, the country-wise allocation of this fund is as follows: China (47%), Taiwan (27%) and Hong Kong (25%).

Performance

This is the second time that the fund has made an entry into our list of recommended funds. Over a time period of 2 years and 3 years, the fund has generated a CAGR of 12.39% and 13.62% as against the benchmark which delivered a CAGR of 9.71% and 9.94% respectively.

Inception Date: August 26, 2009

Fund Manager: Namdev Chougule

Asset size: INR 106 crore (AUM as on June 2013)

Exit Load: 1% within 18 months, Nil after 18 months

Benchmark: MSCI Golden Dragon Index (Total Return Net)

Recommended Banking Fund

RELIANCE BANKING FUND

Investment Strategy

The fund invests in equity securities from the banking sector and companies engaged in allied activities relating to the banking sector. The fund's average allocation to the large-cap space has been 82%, while the mid- and small-cap exposures have been 8% and 1% respectively over the last 3 years. The fund normally has a compact portfolio with the total number of stocks being in the range of 16 to 25. As on June 2013, the fund had around 25 stocks out of which 9 have been in the portfolio for 36 months. Among the 9 stocks, 8 of them are banks, while 1 belongs to the NBFC category (Bajaj Finance).
During the last 3 years, ICICI Bank and State Bank of India have been the preferred stocks with an average allocation of around 16% and 11% respectively. As on July 2010, the share of public sector banks was 54% while the private sector banks only had a 26% allocation in this fund. However, the fund has been gradually increasing the allocation to the private sector as can be seen from the fact that since October 2012 this set of banks has got more than half the allocation in this fund. As on June 2013, the fund has around 21% allocated to public sector banks while 58% was invested in private sector banks.

Performance

This fund has been on the recommended funds' list since 2009 and continues to be the best performing fund in the banking space. The fund has delivered a CAGR of 7.16% and 20.61% vis-à-vis the benchmark CAGR return of 6.77% and 18.25%, respectively.

Inception Date: May 28, 2003

Fund Managers: Sanjay Parekh & Shrey Loonker

Asset Size: INR 1,617 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: IISL CNX Bank Index

Recommended Pharma Fund

RELIANCE PHARMA FUND

Investment Strategy

The fund will invest into equity securities of Pharma and other associated companies. The fund has been slowly positioning itself as a large-cap fund with exposure to the same increasing from 41% in July 2010 to 76% in June 2013. During the same time period, exposure to mid and small caps has been reduced from 29% and 19% to 15% and 8%, respectively. Over the last 3 years, the average allocation to large, mid and small caps have been 62%, 19% and 16%, respectively. The total stocks in the portfolio have been in the range of 17 to 24. The fund follows a buy-and-hold strategy which is clearly indicated by the fact that out of the 20 stocks held in the portfolio in June 2013, 13 have been there for 3 years. Over the last 3 years, the top 5 stocks on the basis of averge exposures have been Divi's Laboratories (11%), Sanofi India (9%), Ranbaxy Laboratories (9%), Sun Pharmaceutical Industries (8%) and Cipla (7%). Among these stocks, Sanofi India and Ranbaxy Laboratories have been the favorite picks of the fund manager. Both have been amongst the top holdings with Sanofi India featuring amongst the top 5 picks in all 36 months and Ranbaxy Laboratories too, barring July 2010.

Performance

The fund made an entry into the recommended funds' list in June 2010 and continues its good innings in the current review as well. The fund has delivered a CAGR of 9.63% and 25.86% over a 3- and 5-year time frame, respectively. During the same time period, the benchmark's performance has been to the tune of 15.17% and 16.27% respectively.

Inception Date: June 08, 2004

Fund Manager: Sailesh Rajbhan

Asset Size: INR 687 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE Health Care Index

Recommended Infrastructure Funds

ICICI PRUDENTIAL INFRASTRUCTURE FUND

Investment Strategy

The scheme looks at investing in companies that would get favorably impacted, directly or indirectly, by large expected investments in the infrastructure sector. During the last 3 years, the fund has taken the maximum exposure to large caps with an average holding of 78%, while the average exposure to mid and small caps have been around 7% each. The total number of stocks in the portfolio varied between 37 and 51 over the last 3 years. As on June 2013, the fund had 39 stocks, of which 41% have continuously found a place in the portfolio over the last 3 years. The top 5 sectors in the portfolio are: Banks (21%), Power (11%), Telecom-services (10%), Engineering-Designing-Construction (8%) and Oil exploration (6%). Banks, Oil exploration and Power have been the sectors with the maximum average exposure of 18%, 9% and 9%, respectively.

Performance

The fund has been a part of our recommended funds' list since June 2009 and continues to be one of the better performing infrastructure funds on our platform. The fund has generated a CAGR of -6.70% and 1.18% vis-à-vis the benchmark's return of -12.89% and -7.15% over a 3- and 5-year time period, respectively.

Inception Date: August 31, 2005

Fund Managers: Yogesh Bhatt

Asset Size: INR 1,307 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CNX Infrastructure

PINEBRIDGE INFRASTRUCTURE & ECONOMIC REFORM FUND

Investment Strategy:

The fund's mandate is to invest in companies involved in the economic development of the country as a result of potential investments in infrastructure and unfolding economic reforms. Over the last 3 years, the average exposure to large, mid and small caps was 69%, 11% and 6%, respectively. The small cap exposure has seen a gradual increase from 4% in August 2011 to 11% in June 2013. The total number of stocks in the portfolio has been in the range of 16 to 33. As on June 2013, the fund had around 25 stocks out of which 10 of them have been held for more than 24 months. The top 5 stocks were Larsen & Toubro (10%), Shree Cement (7%), Ultratech Cement (6%), Indraprastha Gas (5%) and Bharat Heavy Electricals (5%). Among these, Indraprastha Gas, Shree Cement and Larsen & Toubro have been held for more than 2 years and have an average exposure of 6%, 4% and 6%, respectively, during the 3 years of analysis. During this period, LPG/CNG/PNG/LNG Supplier, Engineering-Designing-Construction and

Industrial minerals have been the preferred sectors with the average allocation standing at 10%, 10% and 9%, respectively.

Unlike previously, the fund has recently shown a keen interest in taking an exposure to banks with current exposure (June 2013) standing at 10%. After having exited this sector in October 2011, the fund has been gradually increasing exposure to banks since December 2012 and it is now one of the top 5 sectors of this fund.

Performance

This fund made an entry into our recommended funds' list in 2012 and continues to be one of the best performing infrastructure funds on our platform. The fund has generated a CAGR of -5.13% and 4.21% over 3- and 5-year time periods, respectively. The benchmark delivered 1.81% and 7.32% during the same time period.

Inception Date: February 25, 2008

Fund Manager: Huzaifa Husain

Asset Size: INR 71 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 100

DSP BLACKROCK INDIA T.I.G.E.R. FUND

Investment Strategy

The fund will invest in those companies which could benefit from the structural changes brought by the liberalization in economic policies and/or from continuing investments in infrastructure, both by the public and private sector. The fund follows a combination of the top-down and bottom-up stock selection approach. The fund is biased towards the large-cap space with average allocation in the range of 77% while the mid- and small-cap average exposures have been 12% and 7%, respectively. During the period of analysis (July 2010 to June 2013), the number of stocks have varied between 53 and 85. As on June 2013, the fund had 64 stocks out of which 15 have been in the portfolio for 3 years. The top 5 sectors which had the maximum average allocation over the last 3 years have been Banks (19%), Engineering-Designing-Construction (10%), Power (8%), Refineries/Marketing (7%) and Cement (5%).

Performance

After a gap of 1 year the fund re-entered our recommended funds' list in January 2013 and continues to be a part of the recommended infrastructure funds in this review as well. Over a period of 3 and 5 years, the fund has generated a CAGR of -5.50% and 3.40% as against the benchmark returns of 1.81% and 7.32%, respectively.

Inception Date: June 11, 2004

Fund Manager: Rohit Singhania

Asset Size: INR 1,110 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 100

Recommended FMCG Fund

SBI FMCG FUND

Investment Strategy

The fund invests in stocks in the Fast Moving Consumer Goods (FMCG) sector. With exposure to large caps moving from 39% in July 2010 to 80% in June 2013, it is safe to categorize it as a pure large-cap fund. Over the last 3 years, the average exposure to large, mid and small caps has been to the tune of 69%, 9% and 14%, respectively. During the period of analysis, the number of stocks in the portfolio ranged between 11 and 17. As on June 2013, the top 3 stocks were ITC (44%), Hindustan Unilever (8%) and United Spirits (7%). ITC is the only stock which has been held for 36 months with an average exposure of 29% over this period. Hindustan Unilever was held for 35 months (it did not feature in the portfolio in July 2010) with an average exposure of 9%.

Performance

The fund has been in our recommended list since 2011 and it has once again turned out to be the top performer in this category. It has a CAGR of 26.34% and 30.42% over a period of 3 and 5 years, respectively. During the same period, the benchmark generated a CAGR of 26.55% and 25.44%, respectively.

Inception Date: July 14, 1999

Fund Manager: Saurabh Pant

Asset Size: INR 207 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE FMCG

Recommended Technology Fund

ICICI PRUDENTIAL TECHNOLOGY FUND

Investment Strategy

The fund will invest primarily into Technology and technology-dependent companies. An analysis of the market capitalization of the fund shows that over the last 3 years, the fund's exposure to large caps has been reduced from around 67% in July 2010 to 50% in June 2013 while allocation to mid caps has risen from 2% to 20% during the same time period. The fund has a compact portfolio with the number of stocks in the range of 10 to 14 over the last 3 years. As per the June 2013 portfolio, the fund has around 14 stocks out of which 4 of them have been a part of this portfolio for 3 years. Among these stocks, Infosys has been among the top 5 picks although exposure to the same has been reduced from 53% in July 2010 to 26% in June 2013. Average allocation to Computer-software, Software-telecom and IT enabled services have been 80%, 10% and 10%, respectively.

Performance

This fund has turned out to be the best performing technology fund in the current review as well. Over a 3- and 5-year time horizon, the fund has delivered a CAGR of 9.27% and 10.79% vis-à-vis the benchmark return of 5.25% and 9.25% respectively.

Inception Date: March 3, 2000

Fund Manager: Mrinal Singh

Asset Size: INR 102 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE IT

Recommended Speciality Fund

L&T INDIA SPECIAL SITUATIONS FUND

Investment Strategy

The fund is basically a diversified equity fund with a focus on undervalued companies and a focused theme of “special situations”. This term refers to situations that are out-of-the-ordinary and hence presents interesting stock picking opportunities. An analysis of the market capitalization points out that the fund has around 64% allocation to large caps, 13% to mid caps and 11% to small caps. The fund has a fairly diversified portfolio with the total number of stocks ranging from 65 to 85 during the period of analysis (July 2010 to June 2013). As on June 2013, the fund has around 66 stocks out of which 20 of them have been held for 36 months. An interesting observation that came out when we did the sectoral analysis was that there were 4 sectors which have been among the top five picks during the entire period of analysis: Banks (19%), Computer-software (11%), Refineries/Marketing (7%) and Pharmaceuticals (6%).

Performance

The fund has made it to our recommended funds’ list for the second time. Over a 3- and 5-year time frame, the fund generated a CAGR of 5.04% and 11.5% vis-à-vis the benchmark return of 1% and 7.17% respectively.

Inception Date: May 22, 2006

Fund Manager: S. N Lahiri

Asset size: INR 566 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: S&P BSE 200

Recommended Ultra Short Term Funds

TEMPLETON INDIA ULTRA-SHORT BOND FUND

Investment Strategy

The fund strives to strike a balance between regular income and high liquidity through a judicious mix of short-term debt and money market instruments. During the last 12 months the fund has been reducing the exposure to Commercial Paper (CP) from 49% (July 2012) to 26% (June 2013). On the other hand, the fund has been increasing the allocation to corporate debt from 12% to 40% during the same time period. The average allocation to Certificates of Deposit (CDs) during the last 12 months was to the tune of 22%. The fund has also reduced the exposure to deposits from 7% in July 2012 to 2% in December 2012 and has remained nil since January 2013. The average maturity of the fund has seen an increase to 106 days from 88 days during the last 1 year.

Performance

The fund continues to be the best performer in the ultra short-term category. Over a 3 and 5 year time period, the fund has generated a CAGR of 9.31% and 8.31% as against the benchmark which delivered 8% and 7.12% respectively.

Inception Date: December 18, 2007

Fund Managers: Pallab Roy & Sachin Padwal Desai

Asset Size: INR 4,400 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: Crisil Liquid Fund Index

AXIS TREASURY ADVANTAGE FUND

Investment Strategy

The risk- return profile of the fund is such that it is positioned between a liquid fund and short duration fund. The fund manager will follow a strategy wherein he will seek to increase the yield by having a higher maturity and moderately higher credit risk, as compared to a liquid fund, while maintaining a balance between safety and liquidity. The portfolio composition as of June 2013 was skewed towards Certificates of Deposit (CDs) and Commercial Paper (CP) which stood at 47% and 41%, respectively. During the course of 1 year the fund has reduced the exposure to CDs from 57% to 47% (July 2012 to June 2013) while the allocation to corporate debt reduced from 12% to 0.39%during the same time period. On the other hand, the fund has gradually increased exposure to CP from 26% (July 2012) to 41% (June 2013). The fund’s average maturity increased from 58 days to 117 days from July 2012 to June 2013.

Performance

The fund made an entry into our recommended funds' list for the first time in January 2013 and continues its good innings in this review as well. Over a time horizon of 1 and 3 years, the fund delivered a CAGR of 9.1% and 8.84% vis-à-vis the benchmark's CAGR of 8.14% and 8% respectively.

Inception Date: October 9, 2009

Fund Managers: Kedar Karnik & Devang Shah

Asset Size: INR 1,272 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: Crisil Liquid Fund Index

ICICI PRUDENTIAL FLEXIBLE INCOME PLAN

Investment Strategy

The fund will invest in debt and money market instruments while maintaining optimum balance of yield, safety and liquidity. During the last 12 months, the fund's exposure to Certificates of Deposit (CDs) has been showing a declining trend as can be seen from the fact that it has reduced from 53% in July 2012 to 26% in June 2013. The fund has also been reducing the exposure to Commercial Paper (CP) from 28% (July 2012) to 23% (June 2013). However, during the last 1 year, the fund has been showing a preference towards corporate debt and deposits. This is clear from the fact that the exposure to the former has increased from a mere 2% in July 2012 to 28% in June 2013 while the latter's exposure in the fund has increased from 17% in September 2012 to 20% in June 2013. The average maturity of the fund increased from 42 days in July 2012 to 85 days in June 2013 with the month of March 2013 showing the highest average maturity at 115 days.

Performance

The fund is one of the better performing ultra short-term funds on our platform. The fund has generated a CAGR of 8.91% and 8% over the course of 3 years and 5 years, respectively. During the same time period the benchmark delivered a CAGR of 8% and 7.12% respectively.

Inception Date: September 27, 2002

Fund Managers: Rahul Goswami & Manish Banthia

Asset Size: INR 9,402 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: Crisil Liquid Fund Index

Recommended Short Term Funds

TEMPLETON INDIA SHORT-TERM INCOME PLAN

Investment Strategy

The fund focuses on investment opportunities at the short-end of the curve. During the last 12 months, the fund has been mostly tilted towards the corporate debt space. This can be seen from the fact that exposure to the same increased from 43% in July 2012 to 70% in June 2013 with the maximum exposure at 89% during the month of April 2013. On the other hand, the fund's allocation to Commercial Paper (CP) has seen a decrease from 23% to 6% during the time period. Similarly, the fund also reduced the allocation to Certificates of Deposit (CDs) from 18% to 6% during the 12 months of analysis. This fund also takes good exposure to Pass Through Certificates (PTCs) and securitized debt as is clear from the fact that during the 3 years of analysis (July 2010 to June 2013), average exposure to the same has been to the tune of 20% with the maximum exposure being 41% during the month of March 2011. However, since June 2012, the fund manager has tried to maintain exposure to this instrument to single digits and the allocation went down to as low as 2% in May 2013. On June 2013, the fund's exposure to PTCs and securitized debt stood at 11%. The average maturity of the fund has increased from 1 year in July 2012 to 2.3 years in June 2013.

Performance

One of the best performing funds in the short-term space, this is the fourth time that the fund makes its way into our list of recommended funds. The fund has generated a CAGR of 8.91% and 9.69% during the time period of 3 and 5 years respectively. On the other hand, the benchmark delivered a CAGR 7.89% and 7.94% respectively during the same time frames.

Inception Date: January 31, 2002

Fund Managers: Umesh Sharma & Sachin Padwal-Desai

Asset Size: INR 6,774 crore (AUM as on June 2013)

Exit Load: 0.50% on or before 1 year, Nil after 1 year

Benchmark: Crisil Short Term Bond Fund Index

PINEBRIDGE INDIA SHORT TERM FUND

Investment Strategy

The fund's mandate is to invest into debt and money market instruments with a short- to medium-term investment horizon. The fund manager will take an active view on the key drivers affecting the short-term interest rate scenario. This will include various parameters of the Indian economy as well as developments in global markets. The fund normally has a majority of the surplus allocated to Certificates of Deposit (CDs). During the initial 2 years of analysis (July 2010 to June 2012) the average allocation to CDs was to the tune of 84%. However, during the time period July 2012 to June 2013 the average allocation to this instrument stood at 47%. On the other hand, the average exposure to corporate debt was 17% (July 2010 to June 2012) which gradually increased to 29% during the last year of analysis. The fund takes a tactical allocation to G-Secs to create the extra alpha required for the portfolio. As far as the average maturity of the fund is concerned, the fund manager started increasing the same from 1.1 years to 1.2 years from June 2012 to June 2013. During this period, the average maturity went as high as 2.8 years in the month of December 2012. The biggest advantage of this fund is that the fund manager does not compromise on credit as can be seen from the fact the surplus is always invested into AAA and A1+ instruments.

Performance

The fund made it to our recommended funds' list for the first time in January 2013 and continues to be our best bet in the short-term space in this review as well. Over a 3- and 5-year time horizon, the fund has generated a CAGR of 8.83% and 7.22% vis-à-vis the benchmark which delivered 7.89% and 7.94%, respectively.

Inception Date: March 6, 2008

Fund Manager: Vikrant Mehta

Asset Size: Rs 830 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: Crisil Short Term Bond Fund Index

DWS SHORT MATURITY FUND

Investment Strategy

The fund invest in short- and medium-term debt and money market instruments while maintaining a balance between safety, liquidity and return on investments. The fund is generally skewed towards corporate debt. During the last 1 year (July 2012 to June 2013) the fund's exposure to corporate debt increased from 41% in July 2012 to 45% in June 2013. On the other hand, exposure to Commercial Paper (CP) decreased from 34% to 24% during the same time period. However, the fund manager increased the allocation to Certificates of Deposit (CDs) from 15% in July 2012 to 18% in June 2013. During the first 2 years of our analysis, the average maturity of the fund remained in the range of 0.7 years to 1.6 years. However, since October 2012, the average maturity of the fund has been increased from 2 years to 2.3 years in June 2013.

Performance

This fund is again a part of our recommended funds' list after it was removed in the last review done in January 2013.The fund has delivered a CAGR of 8.52% and 9.45% over a 3- to 5-year time horizon. On the other hand, during the same time period, the benchmark delivered 7.89% and 7.94% respectively.

Inception Date: January 21, 2003

Fund Managers: Nitish Gupta & Kumaresh Ramakrishnan

Asset Size: INR 1,584 crore (AUM as on June 2013)

Exit Load: 0.75% on or before 3 months, Nil after 3 months

Benchmark: Crisil Short Term Bond Fund Index

RELIANCE REGULAR SAVING FUND – DEBT Option

Investment Strategy

The fund invests in fixed income securities like central government securities (G-Secs), Treasury Bills (T-Bills), corporate bonds, and CBLOs. The fund maintains a low exposure to G-Secs to reduce volatility. The average maturity of the portfolio will normally range from 1 to 7 years. An analysis of the portfolio shows that the fund is generally skewed towards the corporate debt space. During the last 12 months, the fund's exposure to corporate debt has increased from 68% in July 2012 to 92% in June 2013. As on July 2012, the fund had a 1% allocation to Certificate of Deposits (CDs) which was increased to 7% in May 2013 and finally became nil in June 2013. The fund had actively taken an exposure to Pass Through Certificates (PTCs) and securitized debt, however, over a period of 3 years, allocation to the same has been gradually reduced. In July 2010, the fund had around 14% of its surplus allocated to PTCs and securitized debt which increased to 26% in August 2011. Since then the fund has been gradually decreasing exposure to the same and as on April 2013 it stood at 3% of the entire surplus. Since May 2013, the fund had no allocation to this instrument. The average maturity of the portfolio which stood at 1.6 years in July 2012 has been gradually increased to 1.9 years in June 2013.

Performance

The fund has made an entry into our recommended funds' list for the first time. Over a period of 3 and 5 years the fund generated a CAGR of 8.18% and 7.58% vis-à-vis 7.98% and 7.94% delivered by the benchmark.

Inception Date: June 9, 2005

Fund Manager: Prashant Pimple

Asset Size: INR 2,871 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: Crisil Composite Bond Fund Index

Recommended Dynamic Bond Funds

BIRLA SUN LIFE DYNAMIC BOND FUND

Investment Strategy

The fund will design a portfolio which will dynamically track interest rate movements in the short run by reducing duration in a rising interest rate environment and increasing it in a falling interest rate scenario. The fund manager may also look at curve spreads both on the gilt and corporate bond markets to gain maximum value out of any security. During the last 1 year, the fund had the maximum exposure to corporate debt with the average allocation to this instrument being in the range of 57%. During this period, the fund has also increased exposure to Government Securities (G-Secs) from 4% in July 2012 to 21% in June 2013. On the other hand, exposure to Commercial Paper (CP) and cash and cash equivalents increased from 4% each to 5% and 15%, respectively, from July 2012 to June 2013. The fund's exposure to Certificates of Deposit (CDs) have seen a decrease from 10% in July 2012 to 4% in June 2013. The modified duration of the fund, which stood at 2.6 years in July 2012, increased to 3.3 years in December 2012 and then reduced the very next month to 1.6 years (January 2013). Once again there was an increase to 3 years in April 2013 before being reduced to 2.6 years.

Performance

The fund has been a part of the recommended funds' list since June 2009 and continues to be a part of this review as well. Over a 3- and 5-year horizon, the fund has delivered a CAGR of 9.24% and 9.59% vis-à-vis the benchmark CAGR of 7.98% and 7.94% respectively.

Inception Date: September 27, 2004

Fund Manager: Maneesh Dangi

Asset Size: Rs 18,261 crore (AUM as on June, 2013)

Exit Load: 0.50% on or before 180 days, Nil after 180 days

Benchmark: Crisil Short Term Bond Fund Index

UTI DYNAMIC BOND FUND

Investment Strategy

The fund has the flexibility to counter a dynamic environment by actively managing the portfolio in line with the evolving interest rate scenario. This fund will be positioned between a short-term fund and a medium/long term fund. During the last 1 year, the fund has been gradually decreasing the exposure to corporate debt from 91% in July 2012 to 61% in June 2013. On the other hand, exposure to cash and cash equivalents has increased from 9% to 35% during the same time period. As far as the G-Sec exposure is concerned, during the last 12 months, the fund initially had taken an exposure to this instrument in September 2012 to the tune of 14% which was increased to 51% in February 2013 and finally reduced to around 1% in June 2013. As on June 2013, the fund had a minimal exposure to Certificates of Deposit (CDs) which stood at 4%. During the last 1 year the fund took an exposure to this instrument in March 2013 to the tune of 49% which was drastically reduced to 4% in the next month and has stayed there till June 2013. As far as the average maturity of the fund is concerned it has reduced from 4.7 years in July 2012 to 3 years in June 2013.

Performance

This fund entered our recommended funds' list for the first time in January 2013 and continues to find a place in this review as well. The fund has generated a CAGR of 10.99% and 9.26% over a 1- and 3-year time period. During this time frame, the benchmark delivered a CAGR of 10.73% and 7.98% respectively.

Inception Date: June 16, 2010

Fund Manager: Amandeep S. Chopra

Asset Size: Rs 1,002 crore (AUM as on June, 2013)

Exit Load: 0.75% on or before 89 days, Nil after 89 days

Benchmark: Crisil Composite Bond Fund Index

DSP BLACKROCK STRATEGIC BOND FUND

Investment Strategy

The fund's mandate is to actively manage the portfolio by investing in high quality debt and money market securities. During the last 12 months, the fund has been increasing the allocation to corporate debt from 27% in July 2012 to 38% in June 2013. The fund's exposure into G-Secs have also been showing an increasing trend as can be seen from the fact that it has increased from 1% to 32% during the same time period. However, we have seen a decrease in allocation to Certificates of Deposit (CDs) from 63% in July 2012 to 12% in June 2013. As on June 2013, cash and cash equivalents stood at 17% as against 4% during July 2012. As for the average maturity of the fund, it has increased from 1.2 years to 5.7 years during the last 1 year and went up to as high as 8.1 years in January 2013.

Performance

Over a period of 3 and 5 years, the fund has generated a CAGR of 9.05% and 5.56% respectively vis-à-vis 7.98% and 7.94% delivered by the benchmark.

Inception Date: May 9, 2007

Fund Manager: Dhawal Dalal

Asset Size: INR 4,000 crore (AUM as on June 2013)

Exit Load: 0.1% on or before 7 days, Nil after 7 days

Benchmark: CRISIL Composite Bond Fund Index

SBI DYNAMIC BOND FUND

Investment Strategy

The fund allocates its corpus across debt and money market instruments of various maturities based on the expected interest rate scenario. Since interest rates can be very volatile, the fund will also invest in highly liquid debt and money market instruments. During the last 12 months, the fund has been more skewed towards G-Secs as can be seen from the fact that exposure to the same had increased from 11% in July 2012 to 46% in June 2010. During this time period, exposure to this instrument went as high as 82% in the month of January 2013. The fund's exposure to corporate debt reduced from 51% (July 2012) to 42% (June 2013). On the other hand, allocation to Certificates of Deposit (CDs) stood at 11% on June 2013 as against 1% in July 2012. As for the average maturity of the fund, it increased from 3.9 years in July 2012 to 7.4 years in June 2013.

Performance

A first time entrant into our recommended funds' list, this fund is the best performer in the dynamic bond fund space. The fund delivered a CAGR of 13.36% and 7.43% over 3 and 5 years vis-à-vis the benchmark performance which stood at 7.98% and 7.94% respectively.

Inception Date: February 9, 2004

Fund Manager: Dinesh Ahuja

Asset Size: INR 7,659 crore (AUM as on June, 2013)

Exit Load: 1% on or before 365 days, Nil after 365 days

Benchmark: Crisil Composite Bond Fund Index

IDFC DYNAMIC BOND FUND

Investment Strategy

The fund's mandate is to dynamically track interest rate movements in the short term by reducing duration in a rising interest rate environment while increasing duration in a falling interest rate environment. This will be achieved by actively churning the portfolio in such a manner that positive price movements are captured. The fund has been gradually increasing exposure to corporate debt from 43% in July 2012 to 50% in June 2013. On the other hand, exposure to G-Secs has reduced from 54% in August 2012 to 10% in June 2013. An interesting feature observed here is that during the last 1 year, the fund's exposure to cash and cash equivalents, which stood at 5% in July 2012, went up to as high as 61% in February 2013 and stood at 21% as on June 2013. The average maturity of the fund increased from 1.7 years in July 2012 to 13.6 years in December 2012 after which it was gradually reduced and as on June 2013 stood at 3.7 years.

Performance

This fund is one of the better performing funds in the dynamic bond funds space and hence found a place in our recommended funds' list for the first time. Over a 1-year and 3-year time frame, the fund has delivered a CAGR of 13.32% and 10.32% vis-à-vis the benchmark which has returned around 10.73% and 7.98%.

Inception Date: June 25, 2002

Fund Manager: Suyash Choudhary

Asset Size: INR 7,774 crore (AUM as on June, 2013)

Exit Load: 0.50% on or before 3 months, Nil after 3 months

Benchmark: Crisil Composite Bond Fund Index

Recommended Income Funds

TEMPLETON INDIA INCOME BUILDER ACCOUNT

Investment Strategy

The fund actively manages the portfolio by investing into high quality fixed income instruments. The fund has reduced the allocation to corporate debt from 84% in July 2012 to 38% in June 2013. The fund started taking an exposure to G-Secs in December 2012 to the tune of 20% which was increased to 49% by April 2013 and finally reduced to 9% in June 2013 while exposure to cash and cash equivalents increased from 13% in July 2012 to 34% in June 2013. An interesting observation is that the fund which had a 2% allocation to Pass Through Certificates (PTCs) and securitized debt saw an increase to 9% in November 2012 and finally a drop to 0.12% in May 2013. Thereafter the fund took a fresh exposure to this instrument to the tune of 9% in June 2013. As far as the average maturity of the fund is concerned, it was reduced from 3.1 years in July 2012 to 2.8 years in June 2013.

Performance

The fund continues to be the best performing income fund on our platform. The fund has generated a CAGR of 10.28% and 9.35% over a 3- and 5-year time horizon respectively while the benchmark delivered 7.98% and 7.94%.

Inception Date: June 23, 1997

Fund Managers: Umesh Sharma & Sachin Padwal Desai

Asset Size: INR 1,649 crore (AUM as on 2013)

Exit Load: 0.50% on or before 1 year, Nil after 1 year

Benchmark: Crisil Composite Bond Fund Index

CANARA ROBECO INCOME FUND

Investment Strategy

The fund's mandate is to invest into debt and money market securities of different maturities and risk profiles offering reasonable liquidity and returns, while a portion of the surplus will be invested in rated and un-rated corporate bonds and debentures. The fund has reduced the exposure to corporate debt from 57% in July 2012 to 41% in June 2013 while showing a preference towards G-Secs as can be seen from the fact that the exposure to the same increased from 14% to 50% during the period of analysis (July 2012 to June 2013).As far as cash and cash equivalents are concerned the fund reduced exposure to the same from 10% in July 2012 to 3% in June 2013. On the average maturity front, the same has seen an increase from 4 years in July 2012 to 7 years in June 2013.

Performance

The fund is one of the better performing income funds on the platform. Over a period of 3 years and 5 years the fund has generated a CAGR of 8.81% and 12.05% respectively vis-à-vis the benchmark which has delivered a CAGR of 7.98% and 7.94%.

Inception Date: September 19, 2002

Fund Manager: Akhil Mittal

Asset Size: INR 399 Crore (AUM as on June 2013)

Exit Load: 1% on or before 12 months, Nil after 12 months

Benchmark: Crisil Composite Bond Fund Index

UTI BOND FUND

Investment Strategy

The fund's mandate is to invest into medium- to long-term maturity corporate bonds and G-Secs. The fund manager also has the flexibility to invest in the short-end of the curve if the investment environment is not conducive for long- or medium-duration papers. Over the past 1 year, the fund's allocation to corporate debt reduced from 42% in July 2012 to 37% in June 2013. On the other hand, the fund has increased exposure to G-Secs as can be seen from the fact that it rose from 6% to 23% during the period of analysis (July 2012 to June 2013). Another observation worth noting is that in July 2012 the fund had 33% of the corpus allocated to cash and cash equivalents which was gradually reduced to 5% in May 2013 and finally increased to 33% in June 2013. The fund has been maintaining a very small proportion of the surplus to Pass Through Certificates (PTCs) and securitized debt; the average allocation in the last 1 year being in the range of 0.05%. The average maturity of the fund increased from 3 years in July 2012 to 5.1 years in June 2013.

Performance

The fund has made it to our recommended funds' list for the first time. Over a time period of 3 and 5 years the fund has generated a CAGR of 10.27% and 9.36% respectively vis-à-vis the benchmark which delivered a CAGR of 7.98% and 7.94%.

Inception Date: May 4, 1998

Fund Manager: Amandeep S.Chopra

Asset Size: INR 3,482 Crore (AUM as on June 2013)

Exit Load: 1% on or before 365 days, Nil after 365 days

Benchmark: Crisil Composite Bond Fund Index

Recommended GILT – Short Term Fund

ICICI PRUDENTIAL SHORT TERM GILT FUND

Investment Strategy

The fund invests into gilts of various maturities. The fund's allocation to G-Secs increased from 90% in July 2012 to 97% in June 2013.On the other hand, during the same time period, the fund decreased exposure to cash and cash equivalents from 10% to 3%. As for the average maturity of the fund, it decreased from 4.5 years in July 2012 to 3.8 years in June 2013.

Performance

The fund is the best performing short-term gilt fund on our platform. Over a 3- and 5-year time period, the fund has delivered a CAGR of 7.26% and 9.12% respectively. During the same time frame the benchmark has generated a CAGR of 7.72% and 8.56% respectively.

Inception Date: August 19, 1999

Fund Manager: Rahul Goswami

Asset Size: INR 409 crore (AUM as on June 2013)

Exit Load: Nil

Benchmark: I-Sec Si-BEX

Recommended GILT – Long Term Funds

ICICI PRUDENTIAL LONG TERM GILT FUND

Investment Strategy

The fund's mandate is to invest into gilts of various securities. The fund's exposure to G-Secs has increased from around 82% in July 2012 to 98% in June 2013. The fund manager has actively reduced the cash and cash equivalents component from 18% to 2% during the same time period. The average maturity of the portfolio saw an increase from 11.6 years in July 2012 to 15.5 years in November 2012 after which it decreased to 11.1 years in June 2013.

Performance

The fund is one of the better performing long-term gilt funds on our platform. It generated a CAGR of 9.21% and 11.58% over a 3- and 5-year time period while the benchmark has returned a CAGR of 9.35% and 10.58% respectively.

Inception Date: August 19, 1999

Fund Manager: Rahul Goswami

Asset Size: INR 471 crore (AUM as on June 2013)

Exit Load: NIL

Benchmark: I-Sec I-BEX

BIRLA SUN LIFE GOVERNMENT SECURITIES FUND - LONG TERM PLAN

Investment Strategy

The fund will invest in G-Secs or state government securities and will be managed to maximum rupee weighted duration of seven years. Over a period of 12 months, the fund's exposure to G-Secs saw an increase from 85% to 89% with the maximum exposure seen in the month of May 2013 to the tune of 97%. During the same period, the fund averaged an exposure of 11% to cash and cash equivalents with this component standing at around 11% in June 2013. The modified duration of the fund, which was less than 1 year in July 2012, has been gradually increased to 6.8 years in June 2013.

Performance

The fund continues to be the best performing long-term gilt fund on our platform. Over a 3- and 5-year time frame the fund has generated a CAGR of 9.64% and 12.60% respectively, while the benchmark has delivered 9.87% and 11.17%.

Inception Date: October 28, 1999

Fund Manager: Prasad Dhonde

Asset Size: INR 568 crore (AUM as on June 2013)

Exit Load: 1% on or before 365 days, Nil after 365 days

Benchmark: I-Sec Li-BEX

Recommended Balanced Funds

HDFC PRUDENCE FUND

Investment Strategy

The fund aims to invest in debt instruments like government securities (G-Secs), money market instruments, securitized debt, corporate debentures and bonds, preference shares, quasi government bonds, and equity shares. In the long term, the mix between debt and equity instruments is targeted between 25:75 and 40:60 respectively. The exact mix will depend on interest rates, equity valuations, reserves position and risk-taking capacity of the portfolio. During the last 2 years, the average allocation to equity and debt has been to the tune of 72% and 23% respectively. An analysis of the market capitalization trends shows that that the average allocation to large, mid and small caps has been 48%, 15% and 9% respectively over the 2 years of analysis (July 2011 to June 2013). As far as the fixed income is concerned, the fund is mostly tilted towards G-Secs and corporate bonds whose average allocation is to the tune of 12% and 10% respectively during the period of analysis. This fund is recommended for aggressive investors on account of the higher allocation to equities and G-Secs.

Performance

The fund has been a part of our recommended funds list since it was launched in June 2009. Over a time period of 3 and 5 years, the fund has generated a CAGR of 4.44% and 14.62% respectively vis-à-vis the benchmark which has delivered 5.12% and 8.71%.

Inception Date: February 01, 1994

Fund Manager: Prashant Jain

Asset Size: INR 5,579 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil - After 1 year

Benchmark: CRISIL Balanced Fund

HDFC BALANCED FUND

Investment Strategy

The fund is positioned as a lower risk alternative to a pure equity scheme while retaining some of the upside potential from the equities exposure. Concerning the latter, the investments will be based on the concept of economic earning power and cash return on investments. On the other hand, the fund manager has the flexibility to invest into the entire range of debt instruments and money market instruments. A perusal of the asset allocation trends shows that during the last 2 years the fund on an average had an allocation to equities and debt to the tune of 67% and 23% respectively. As far as the market capitalization is concerned, the fund's average allocation to large, mid and small caps has been 43%, 14% and 9% respectively. An analysis of the fixed income portfolio shows that the fund's exposure to corporate debt, cash and cash equivalents, Certificates of Deposit (CDs) and G-Secs has been 16%, 9%, 7% and 5% respectively during the 2 years of analysis.

Performance

The fund is the best performing balanced fund on our platform. The fund has generated a CAGR of 6.16% and 14.07% over a 3- and 5-year time period while the benchmark has delivered 5.12% and 8.71% respectively.

Inception Date: September 11, 2000

Fund Manager: Chirag Setalvad

Asset Size: INR 1,124 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil after 1 year

Benchmark: CRISIL Balanced Fund

Recommended Monthly Income Plans (MIPs)

RELIANCE MONTHLY INCOME PLAN

Investment Strategy

The mandate of the fund is to maintain a balance between safety, liquidity and profitability of various investments. The fund will primarily invest in fixed income securities, money market instruments, cash and cash equivalents and will have a small exposure to the equity market as well. During the last 2 years, the fund's average allocation to debt and equity has been to the tune of 19% and 77%, respectively. As far as the equity exposure is concerned, the average allocation to large, mid and small caps has been to the tune of 12%, 3% and 3% respectively. On the fixed income side, the fund is mostly skewed towards the corporate bond space and G-Secs. This can be seen from the fact that over the last 2 years, the average allocation to the former has been 43% while the latter has got an allocation of around 20%. The fund, on an average, had an allocation of 8% to Pass Through Certificates (PTCs) and securitized debt and 5% to bonds of public sector units (PSUs) and public financial institutions (PFIs). The average maturity of the fund, which was at 3.5 years in July 2011, increased to 5 years in June 2013 and finally ended at 7.5 years in June 2013.

Performance

A fifth time entrant into our recommended list, this fund is the best performing MIP on our platform. Over a 3- and 5-year time frame the fund has generated a CAGR of 7.82% and 12.96% vis-à-vis the benchmark which has generated 7.43% and 8.39% respectively.

Inception Date: January 13, 2004

Fund Managers: Amit Tripathi & Sanjay Parekh

Asset Size: INR 3,306 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil-After 1 year

Benchmark: Crisil MIP Blended Index

DSP BLACKROCK MIP FUND

Investment Strategy

The fund will primarily invest in quality debt securities while a smaller portion of the corpus will be invested into equity securities. During the 2 years of analysis (July 2011 to June 2013) the fund had an average allocation of around 69% to debt securities and 21% to equities. The market capitalization trends of the portfolio show that the fund had an average allocation of 15% to large caps, 4% to midcaps and 2% to small cap during the 2 years of analysis. As far as fixed income is concerned, the fund, on an average, had an allocation of around 31% to corporate debt, 20% to G-Secs, 15% to Certificates of Deposit (CDs) and 12% to Commercial Paper (CP) during July 2011 to June 2013. On the average maturity front, it decreased from 2 years in July 2011 to 1.7 years in July 2012 after which it has gradually increased to 5.6 years in June 2013.

Performance

The fund continues to be one of the better performing MIPs on our platform. The fund has generated a CAGR of 7.75% and 9.24% as against 7.43% and 8.39% generated by the benchmark over a 3- and 5-year time horizon, respectively.

Inception Date: June 11, 2004

Fund Managers: Dhawal Dalal & Vinit Sambre

Asset Size: INR 545 crore (AUM as on June 2013)

Exit Load: 1% on or before 1 year, Nil-After 1 year

Benchmark: CRISIL MIP Blended Index

Recommended Asset Allocation Fund

AXIS TRIPLE ADVANTAGE FUND

Investment Strategy

The fund's mandate is to invest in equity, fixed income and gold exchange traded funds (ETFs). The fund aims to benefit from asset allocation across various asset classes which have historically had a low correlation with each other. During the 2 years of analysis (July 2011 to June 2013), the average exposure to debt, equity and gold ETFs was to the tune of 30%, 35% and 29% respectively. An analysis of the market capitalization trends shows that the fund had an average exposure of 30% to large caps, 2% to mid caps and 1% to small caps. On the fixed income side, during the last 2 years, the fund's average exposure to corporate debt and G-Secs has been to the tune of 18% and 6% respectively. As on July 2011, the fund had an exposure of 13% to Certificates of Deposit (CDs) which has been reduced to nil in June 2013. The average maturity of the fund has seen an increase from 5 years in July 2011 to 8.5 years in June 2013.

Performance

The fund is a better performing fund in the asset allocation category. Over a time period of 1 year and 2 years the fund generated a CAGR of 4.44% and 7.02%, while the benchmark delivered 3.57% and 6.26% respectively.

Inception Date: August 23, 2010

Fund Managers: R. Sivakumar & Sudhanshu Asthana

Asset size: INR 866 crore (AUM as on June 2013)

Exit Load: 1% if redeemed within 2 years

Benchmark: 35% of CNX Nifty + 35% of Crisil Composite Bond Fund Index + 30% of INR price of gold