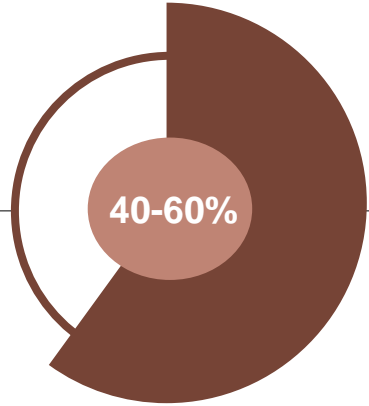


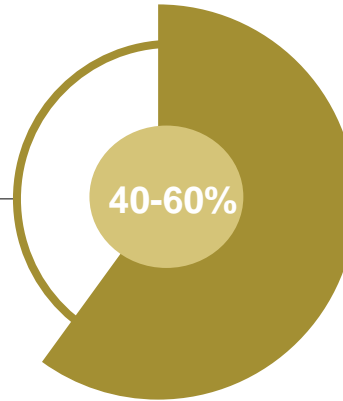
Note on Balanced Hybrid Mutual Funds



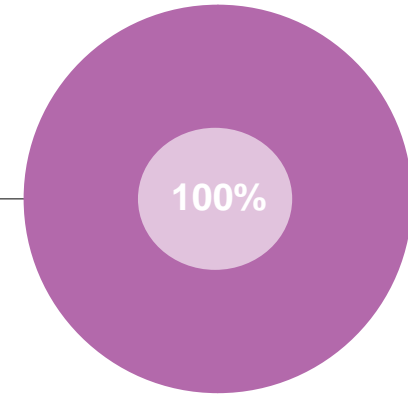
About Balanced Hybrid Fund - Benefit of Both Asset Classes



**Equity Allocation -
seeks to provide
Growth**

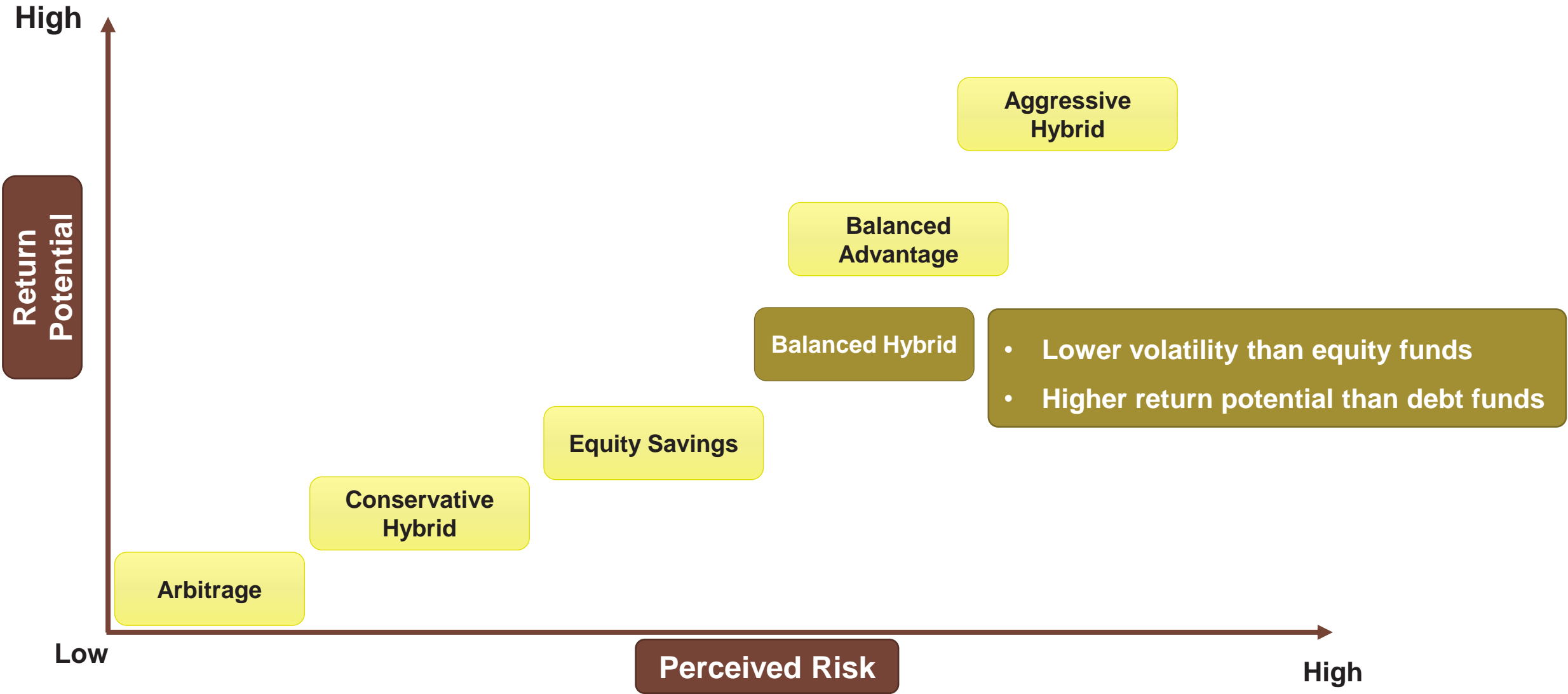


**Debt Allocation-
seeks to provide
Safety & Stability**

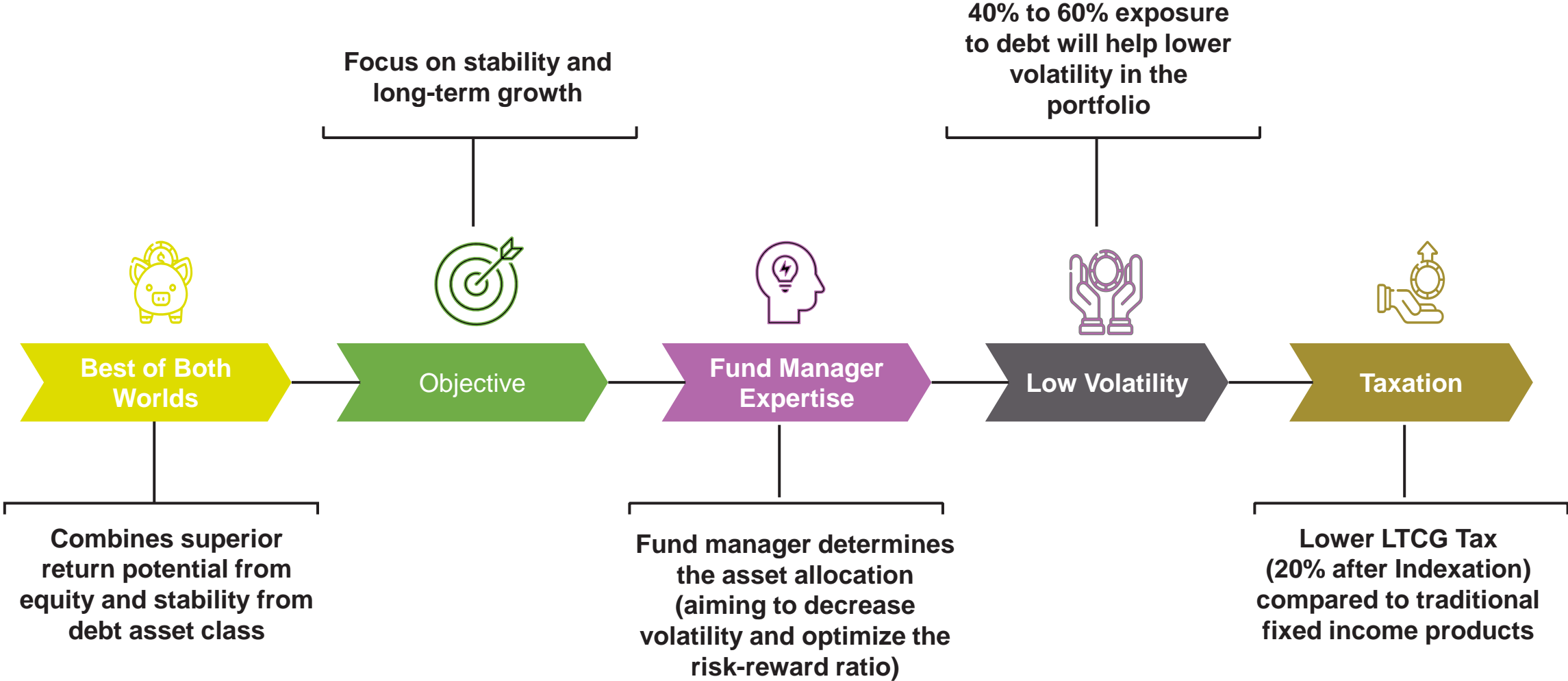


**Balanced Hybrid Fund -
Active strategy between Equity
and Debt to capitalize on evolving
market situations**

Fund Positioning - Hybrid Funds



Features of Balanced Hybrid Fund

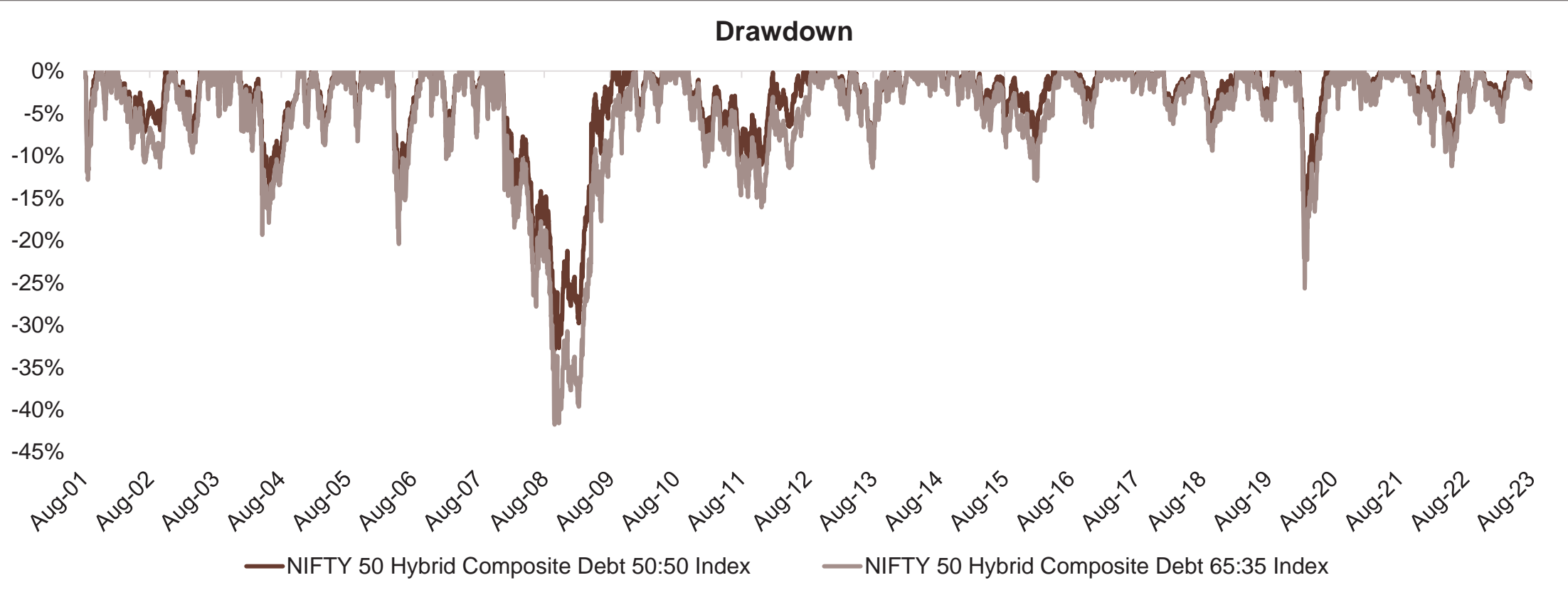


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Lower Drawdowns Compared to Aggressive Hybrid



Balanced Hybrid Index (50:50 - Equity and Debt) experienced lower drawdowns compared to Aggressive Equity Hybrid Index (65:30 - Equity and Debt)



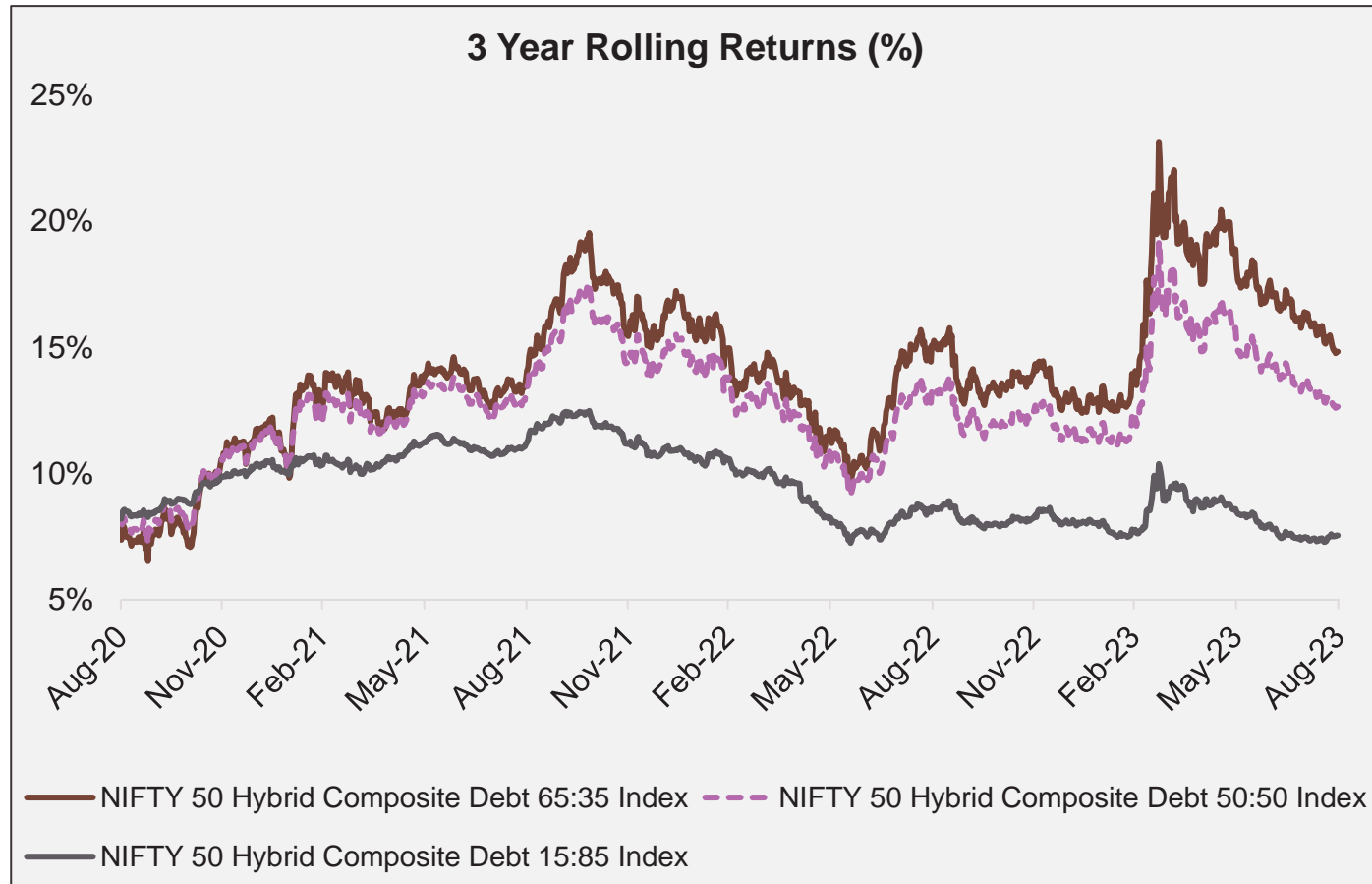
Source: AMFI website

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Rolling Return Comparison

Balanced Hybrid category index generated comparable returns to Aggressive Equity Hybrid Index at lower volatility



Category	Conservative Hybrid	Balanced Hybrid	Aggressive Hybrid
Index	NIFTY 50 Hybrid Composite Debt 15:85 Index	NIFTY 50 Hybrid Composite Debt 50:50 Index	NIFTY 50 Hybrid Composite Debt 65:35 Index
Avg. 3 Yr Return	9.50%	12.77%	13.98%
Std. Deviation	1.4%	2.1%	2.9%
Min	7.25%	7.21%	6.52%
Max	12.48%	19.23%	23.14%
% of returns more than 8%	84%	97%	95%

Analysis is done on the basis of 3 Year CAGR rolling returns from August 2020 to August 2023 on daily basis.
Source: AMFI Website

Mutual Funds Taxation Structure w.e.f. April 01, 2023



Exposure of equity shares to domestic companies	0 - 35%	35 - 65%	>65%
STCG (Short term capital gains)	As per Individual's tax slab irrespective of the holding period	As per Individual's tax slab	15% if held less than 1 year
LTCG (Long term capital gains)		Holding Period > 3 years - 20% with Indexation	10% if held more than 1 year
MF category applicable to:	<ul style="list-style-type: none"> All Open ended and close ended Debt oriented funds Target Maturity funds International funds FOFs (fund of funds) Gold funds/ETFs/FOFs Conservative Hybrid funds 	<ul style="list-style-type: none"> Balanced Hybrid funds# 	<ul style="list-style-type: none"> All domestic equity funds Equity Savings funds Arbitrage funds Balanced Advantage funds Aggressive Hybrid funds

With 40% to 60% exposure to debt, only Balanced Hybrid Funds offer benefit of indexation post changes in taxation

This material has been prepared for informational purposes only. Tax rates mentioned are base rates, Surcharge and cess will be levied as applicable.

As per SEBI, Fund houses are permitted to offer either an Aggressive Hybrid fund or Balanced Hybrid fund.

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Comparison of Post - Tax Returns



Category	Conservative Hybrid	Balanced Hybrid	Aggressive Hybrid
Index	NIFTY 50 Hybrid Composite Debt 15:85 Index	NIFTY 50 Hybrid Composite Debt 50:50 Index	NIFTY 50 Hybrid Composite Debt 65:35 Index
Investment Amount (Rs. Lac)	10.00	10.00	10.00
3 Year Avg Rolling Performance	9.50%	12.77%	13.98%
Current Investment Value (Rs. Lac)	13.13	14.34	14.81
Taxation	30% (Highest tax bracket)	20% after indexation	10% (LTCG equity taxation)
Post Tax Income (Rs. Lac)	12.19	13.61	14.33
Post Tax Return	5.79%	10.83%	12.58%
Volatility (Std. Dev) on basis of 3 Year Avg Rolling	1.4%	2.1%	2.9%
Return to Volatility	4.11	5.06	4.32

Balanced Hybrid Index provides better risk adjusted returns compared to Conservative Hybrid and Aggressive Hybrid Index

Note: The above table is only for illustration purpose and to show taxation impact on returns for investments over 3 years period. Analysis is done on the basis of 3 Year CAGR rolling returns from August 2020 to August 2023 on daily basis. Indexation rate assumed at 7%. Source: AMFI Website

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Who Should Invest?

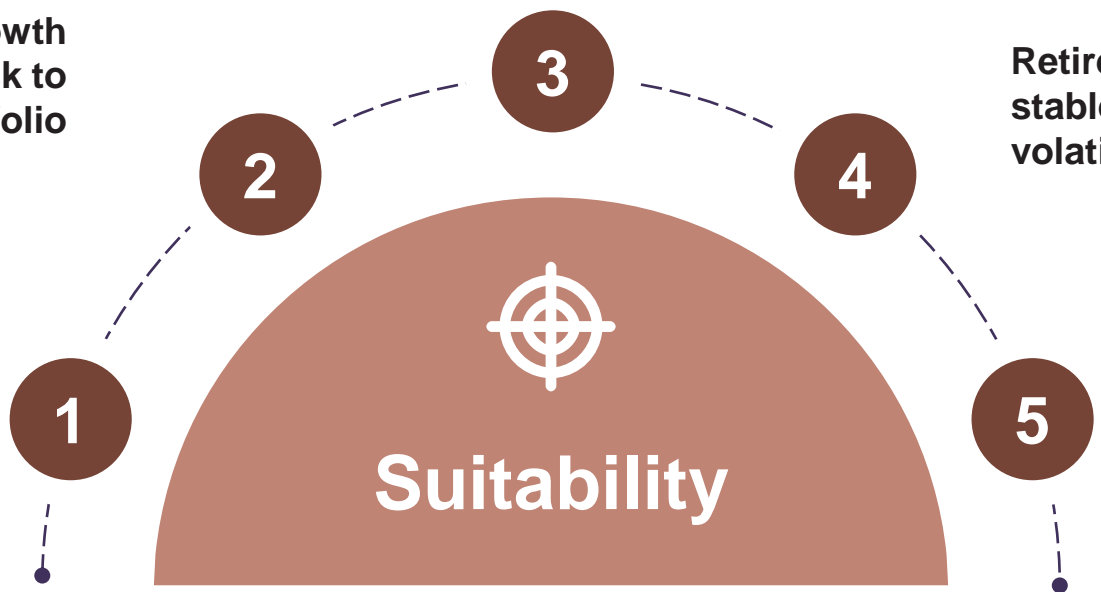


Investors looking for diversification of portfolio with relatively static asset allocation

Investors who want growth with limited downside risk to their portfolio

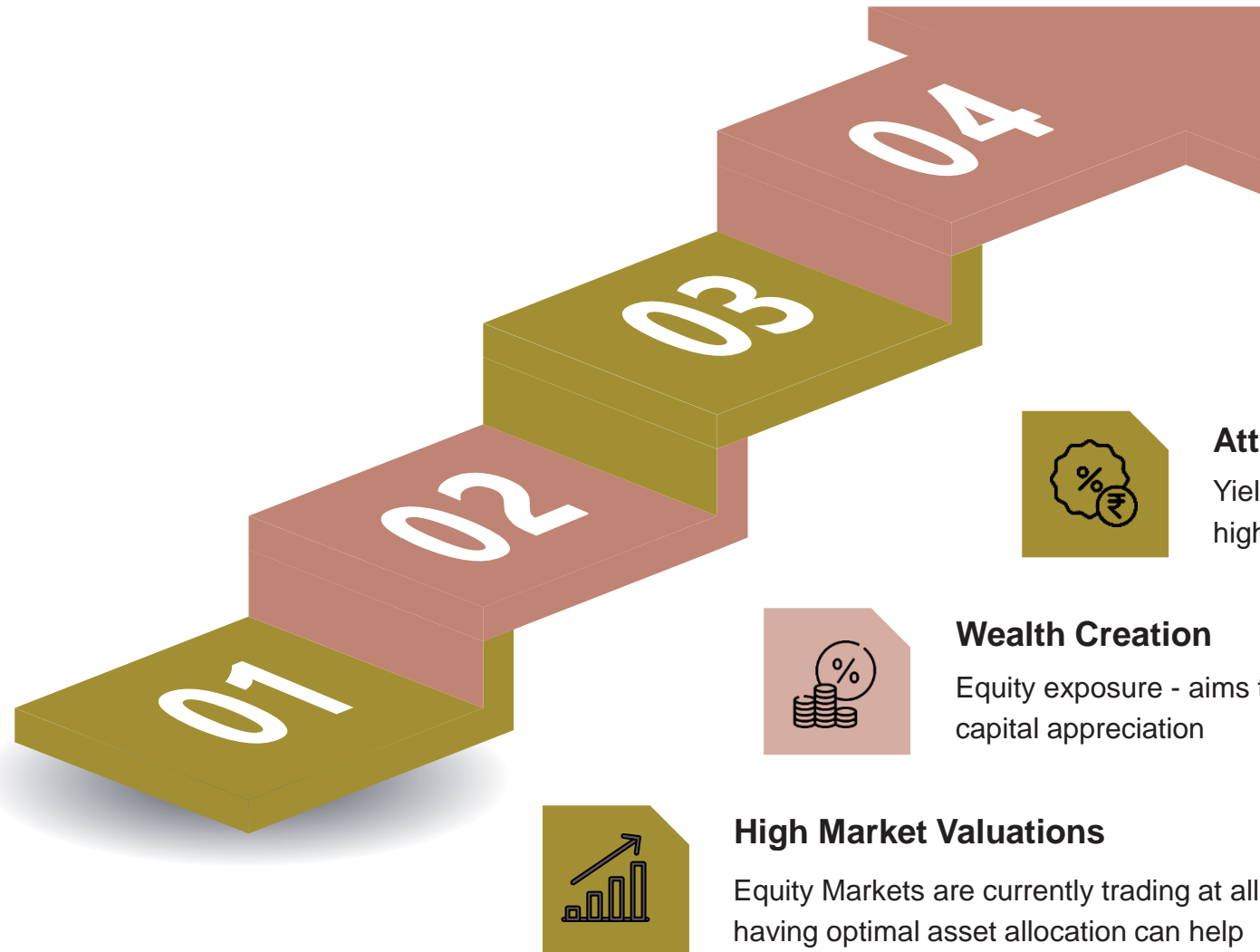
Retirees looking for moderate and stable post-tax returns with low volatility

First time investors, looking for a overall portfolio diversification across equity and debt



Investors looking for limited participation in equities, want lower volatility and wants to earn potentially higher returns than traditional fixed income avenues

Why Invest in Balanced Hybrid Fund Now?



Recent Taxation Changes*

Debt and Debt Hybrid Funds taxed at marginal rate, while Balanced Hybrid Fund still offers Indexation benefit

Attractive Debt Yields

Yields are currently trading at higher levels

Wealth Creation

Equity exposure - aims to provide long term capital appreciation

High Market Valuations

Equity Markets are currently trading at all-time high, having optimal asset allocation can help

**With 40% to 60% exposure to debt, only Balanced Hybrid Funds offer benefit of indexation post changes in taxation*

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Thank You!

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