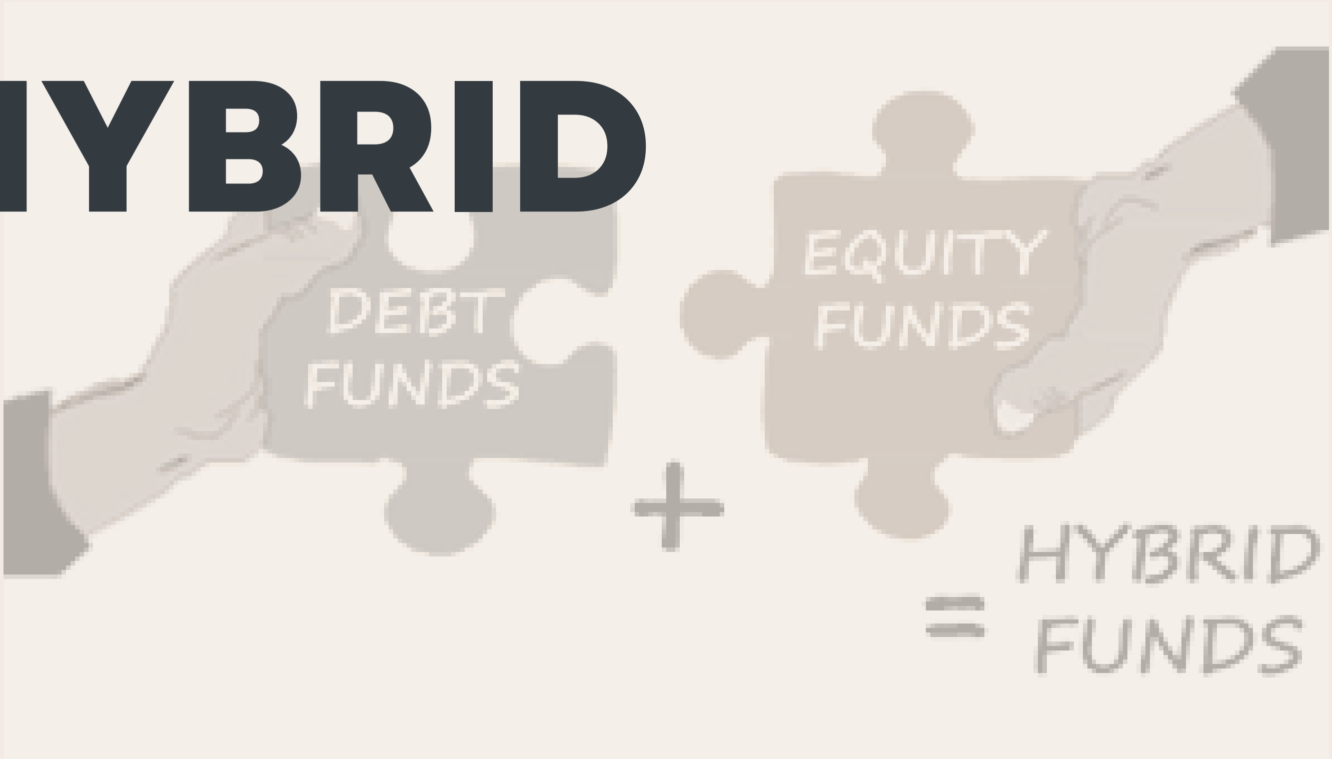
AGGRESSIVE HYBRID



B/408, Dev Aurum, near Anand Nagar cross road Satellite, Ahmedabad 380015
AMFIRegistrationNumber:ARN-245683

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Fund Overview : -

An aggressive hybrid fund is a SEBI-defined mutual fund category that invests 65–80% of its assets in equity and equity-related instruments, and the remaining 20–35% in debt and money-market securities.
Key features:

- Equity-driven but diversified: Most of the portfolio is in stocks (large-, mid-, sometimes small-cap), while debt provides stability.
- Actively managed: Fund managers adjust the equity–debt mix within SEBI’s limits based on valuations, interest rates, and market outlook.
- High risk, high return potential: Riskier than conservative hybrids or balanced funds, but less volatile than pure-equity funds, with potential for equity-like returns over 5+ years

Investment Objective : -

The investment objective of an aggressive hybrid fund can be summarised as:

- Primary objective: To generate long-term capital appreciation by investing predominantly in equity and equity-related instruments, suitable for medium- to long-term goals (typically 5–7 years or more).
- Secondary objective: To manage risk and volatility through the debt and money-market portion, so that the fund does not fall as sharply as a pure-equity fund during market corrections.
- Target investor: Investors with a moderate-to-high risk appetite who want equity-linked growth but prefer a single-fund, auto-rebalancing structure instead of separately managing equity and debt.

☛ Investment strategy : -

Fund managers typically follow a multi-layered strategy:

a) Asset allocation & rebalancing

- Maintain equity between 65–80% and debt at 20–35%, as per SEBI rules.
- Rebalance pro-cyclically or cautiously anti-cyclically:
  - When markets rise, trim equity to prevent weight from crossing 80% and move into debt.
  - When markets fall, gradually buy equity as valuations cheapen, keeping equity above 65%.

This creates a systematic “buy low, sell high” discipline within the fund.

b) Equity-side strategy

- Many schemes use a multi-cap, core-satellite approach:
  - Core: Large-cap / blue-chip stocks for stability.
  - Satellite: Mid-cap and some small-cap stocks for higher growth potential.
- Fund managers:
  - Focus on quality businesses with reasonable valuations.
  - May use arbitrage (cash-futures, index arbitrage) to generate low-risk returns within the equity bucket.

c) Debt-side strategy

- Debt portfolio is used mainly for risk control and income, not aggressive yield chasing.
- Typically:
  - Mix of investment-grade corporate bonds and high-quality government / PSU paper.
  - Some schemes keep part in short-term debt / money-market instruments for liquidity and lower interest-rate risk.

☛ Investment strategy : -

d) Overall risk–return positioning

- Higher risk and return than balanced hybrid or conservative hybrid funds, but lower risk than pure-equity or flexi-cap funds.
- Best utilised:
  - As a core equity-like bucket for moderate-to-aggressive investors.
  - In SIPs over 5–7+ years, where volatility gets smoothed out and equity participation has time to compound.

Risk–return profile : -

⚠ Risk characteristics

- Risk level: High to very high; among the riskier hybrid categories because of the high equity weight.
- Volatility: Typically higher than conservative hybrid or balanced advantage funds, but lower than pure equity funds due to the debt cushion.
- Drawdowns: In sharp corrections, NAVs can fall materially, but the 20–35% debt sleeve often limits downside versus an all-equity portfolio.

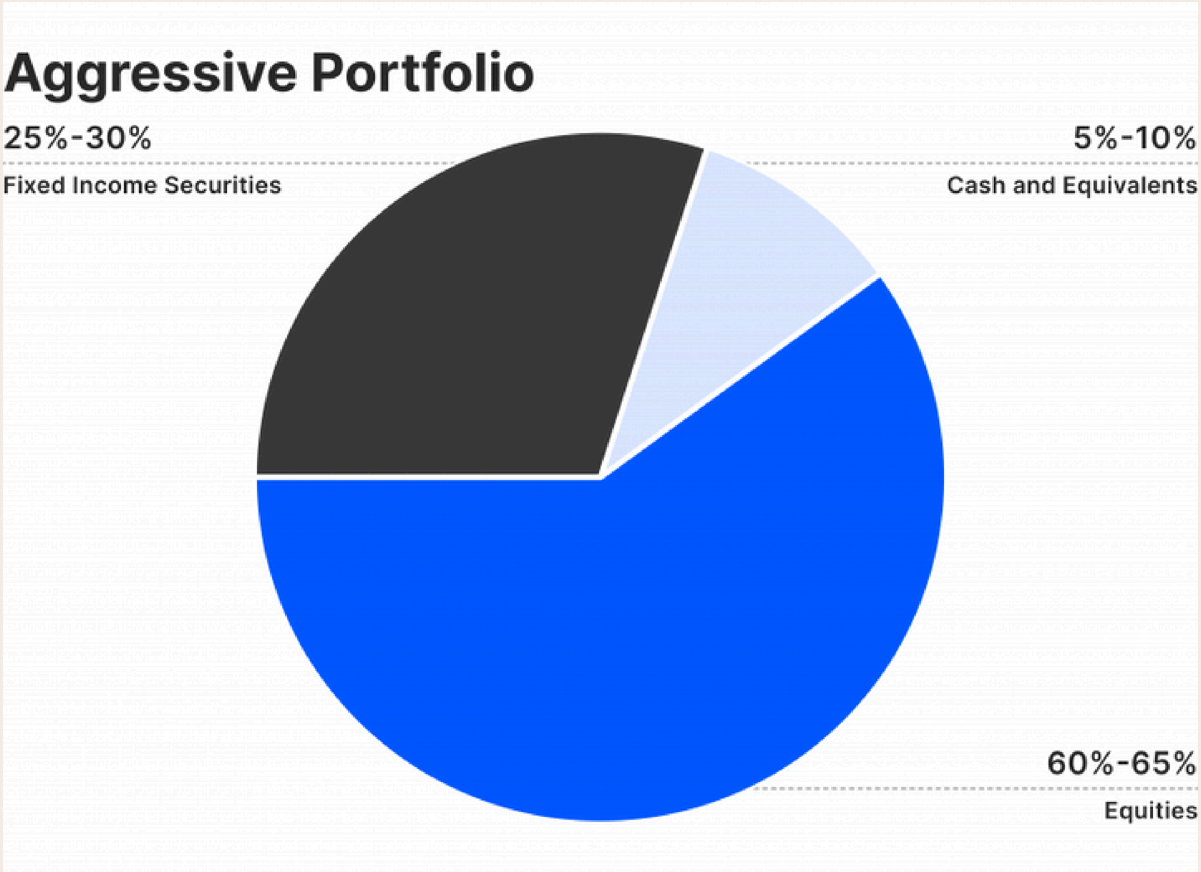
Return expectations

- Over medium- to long-term horizons (5+ years), aggressive hybrids have historically delivered higher returns than balanced or conservative hybrids, thanks to strong equity participation.
- Studies and performance tables show that many top-ranked aggressive hybrid funds have delivered 5-year CAGRs in the high-teens to low-30% range, depending on the period and style (e.g., mid-small cap tilt).

Example-style 5-year CAGR range (illustrative, not fund-specific):

- Mid-small-cap-oriented schemes: often 20–30%+ CAGR in strong cycles.
- Large-cap-oriented equity-debt funds: typically high-teens CAGR with lower volatility

☛ALLOCTION :-


Aggressive Portfolio
25%-30%
Fixed Income Securities
5%-10%
Cash and Equivalents
60%-65%
Equities

Top 5 AMCs in aggressive hybrid funds :-

Rank	Scheme Name	AMC	1Y Return (approx)	3Y Return (approx)	5Y Return (approx)	AUM (₹ Cr, approx)	Risk-o-Meter
1	Bandhan Aggressive Hybrid Fund Reg	Bandhan Mutual Fund	6%	15%	13%	1700+	Very High
2	Kotak Aggressive Hybrid	Kotak Mutual Fund	5%	14%	12%	8000+	Very High
3	SBI Equity Hybrid Fund	SBI Mutual Fund	5%	15-17%	16-18%	80,000+	Very High
4	Canara Robeco Equity Hybrid Fund	Canara Robeco	~6%	16-18%	15-17%	11,000+	Very High
5	Edelweiss Aggressive Hybrid Fund	Edelweiss	3-4%	17%	16%	3,500+	Very High

☛Fund Manger Overview : -

1. **KOTAK MUTUAL FUND : -**

Managed by a team of **Atul Bhole** (equity portion, managing this fund **since January 2024** — about 2+ years tenure on this scheme) and **Abhishek Bisen** (debt/fixed income portion, long tenure **since around 2008-2009 — nearly 17+ years** on debt-related strategies).
Atul Bhole is a B.Com (Hons), Chartered Accountant (CA), and MMS. **He has around 7-8 years of overall experience in fund management** and previously worked with DSP Mutual Fund, Tata Mutual Fund, JP Morgan, and SBI Treasury. Abhishek Bisen holds a BA and **MBA in Finance and has over 20 years of total experience (associated with Kotak AMC since 2006)**. He specializes in fixed income, with prior experience in sales & trading of fixed income products and portfolio advisory. The combination provides strong equity oversight from Bhole and deep debt market expertise from the long-standing Bisen, bringing stability to the hybrid strategy.

2. **Bandhan Mutual Fund : -**

Fund Manager Tenure and Experience: Managed by **a team including Harshal Joshi (since July 2021 — about 4.5+ years** tenure) and **Prateek Poddar (since June 2024 — about 1.5+ years tenure)**. Other names like Ritika Behera or Brijesh Shah may appear in some records depending on the exact mandate.

Harshal Joshi holds a PGDBM from N.L. Dalmia Institute of Management **Studies and has around 5-6 years of overall experience in fund management**, with significant AUM oversight across hybrid and other strategies. **Prateek Poddar is a B.Com, Chartered Accountant (CA), and CFA** charterholder, with about 9 years of total experience. Prior to Bandhan, he gained exposure in equity research and portfolio management. The team approach combines Harshal's relatively longer association with the fund and Prateek's strong academic credentials (CA + CFA) for balanced equity-debt decision making.

3. **Canara Robeco Mutual Fund : -**

This consistent performer (AUM ~₹11,000+ Cr) has maintained good quartile rankings over multiple years, with solid long-term returns driven by balanced allocation. It is noted for persistence in performance metrics.

Fund Manager Tenure and Experience: Co-managed by Shridatta Bhandwaldar (equity, ~9-10 years experience, engineering + MMS), Avnish Jain (fixed income/equity, ~15 years, IIT + IIM), Suman Prasad (debt, long association since 1996, ~14+ years), and Ennette Fernandes (equity). The team combines research depth and long institutional experience for disciplined asset allocation.

4. **SBI Mutual Fund : -**

Managed by a team — R. Srinivasan (Equity), Rajeev Radhakrishnan, and Mansi Sajeja.

- **R. Srinivasan** (since Jan 2013 — ~13+ years tenure on this fund): M.Com + MFM, 19+ years overall experience. Longest serving manager with strong equity oversight. Previously worked with Principal AMC, Oppenheimer & Co, and others.
- **Rajeev Radhakrishna**n (since Nov/Dec 2023 — ~2.3 years): B.E. (Production) + MMS (Finance) + CFA, 10+ years experience. Specializes in fixed income with prior stint at UTI AMC.
- **Mansi Sajeja** (since Dec 2023 — ~2.3 years): CFA + PGDBM, several years experience. Previously a rating analyst at ICRA Limited.

5. **Edelweiss Mutual Fund : -**

Equity portion: Co-managed by **Bhavesh Jain (since October 2021 — about 4.5+ years tenure on this fund) and Bharat Lahoti (since October 2015 — over 10.5 years long tenure)**.

Bhavesh Jain holds an MMS (Finance) from Mumbai University and has over 16 years of overall experience in financial markets. He started his career with Edelweiss in 2008 and has rich experience in arbitrage, hybrid strategies, and factor-based investing. Bharat Lahoti is a B.E. (Electronics & Communication) and MMS (Finance) from N.L. Dalmia Institute. He has around 9-18 years of experience in portfolio management, macro research, and sector analysis, with prior association in fundamental research roles.

Debt portion: Co-managed **by Rahul Dedhia (since July 2024 — about 1.8 years tenure) and Kedar Karnik (since January 15, 2026 — very recent addition, about 2+ months tenure).**

Rahul Dedhia holds a B.E. (Electronics) and PGeMBA (Finance), with several years of experience in fixed income (previously at PGIM India Mutual Fund). Kedar Karnik is a BE with Masters in Management Studies (MMS) from Jamnalal Bajaj Institute. He brings over 19 years of experience in fixed income strategies and financial sector ratings. He previously worked with DSP Mutual Fund, Axis Asset Management, HSBC, and CRISIL before joining Edelweiss in December 2025.

The multi-manager team approach combines long-standing equity expertise (especially from Bharat Lahoti and Bhavesh Jain) , providing balanced decision-making for the aggressive hybrid strategy.

☛ Volatility Measures and Performance:

1. KOTAK MUTUAL FUND : -

St. Deviation (%) : - [redacted] 10.26%
(Moderate volatility – slightly above category avg ~9.8%)

Sharpe Ratio : - [redacted] **0.99 – 1.00**
(Good risk-adjusted return – better than category avg ~0.87)

Beta : - [redacted] **1.15 – 1.17**
(Moves slightly more than the market)

Alpha : - [redacted] **~0.71% to positive**
(Mild outperformance vs benchmark after risk adjustment)

Risk-o-Meter : - [redacted] Very High

Kotak Aggressive Hybrid Fund shows moderate to slightly high volatility (~10%), indicating it moves a bit more than average funds, while its Sharpe ratio near 1 reflects strong risk-adjusted returns. With a beta above 1 (around 1.15–1.17), it is more sensitive to market movements—performing better in rising markets but falling slightly more in downturns. Its alpha is slightly positive, suggesting mild outperformance over the benchmark. Overall, it is a moderate-to-high risk fund that balances equity growth with some debt stability, making it suitable for investors seeking better returns with controlled risk over the medium to long term.

2. Canara Robeco Mutual Fund : -

Standard Deviation (%) : - ████████████ **9.16% – 9.60%**
(Lower volatility than category avg ~9.8%)

Sharpe Ratio : - ███████████ **0.82 – 0.95**
(Decent risk-adjusted return)

Beta : - ██████████████████ **1.09 – 1.10**
(Slightly more sensitive to market)

Alpha : - █████████████████ **~0.35% to 1.50%**
(Mild positive outperformance)

Risk-o-Meter : -
████████████████████████████████████ **Very High**

Canara fund shows slightly lower volatility (~9–9.1%) compared to its category, indicating relatively stable performance, while its Sharpe ratio (0.82–0.95) suggests decent but slightly lower risk-adjusted returns. With a beta around 1.09–1.10, it is moderately sensitive to market movements, meaning it will move in line with the market but not aggressively. The alpha is mildly positive (~0.3%–1.5%), indicating some level of outperformance over the benchmark. Overall, it falls under a moderate to moderately high risk category, suitable for investors looking for balanced growth with relatively controlled volatility.

3. SBI Mutual Fund : -

Standard Deviation (%) **8.49% – 8.53%**
(Lowest volatility among the three – more stable)

Sharpe Ratio **0.99 – 1.07**
(Solid risk-adjusted performance)

Beta **0.99 – 1.08**
(Moves almost in line with the market)

Alpha **~0.70% to 1.90%**
(Positive outperformance after risk adjustment)

Risk-o-Meter
Very High

SBI fund exhibits low volatility (~8.4–8.5%), the lowest among the compared funds, indicating strong stability, while its Sharpe ratio (0.99–1.07) reflects solid risk-adjusted returns. With a beta close to 1 (0.99–1.08), it moves almost in line with the market without excessive fluctuations. The alpha is positive (~0.7%–1.9%), showing consistent outperformance over the benchmark after adjusting for risk. Overall, it is a stable yet efficient performer, suitable for investors seeking balanced growth with relatively lower volatility.

4. Edelweiss Mutual Fund : -

Standard Deviation (%) 9.61%
(Moderate volatility, close to category avg)

Sharpe Ratio 1.02 – 1.14
(Strong risk-adjusted return – better than avg)

Beta 1.12 – 1.13
(Moves a bit more than the market)

Alpha ~0.37% to positive
(Slight outperformance vs benchmark)

Risk-o-Meter
Very High

Edelweiss fund shows moderate volatility (~9.6%), close to the category average, indicating balanced risk levels, while its Sharpe ratio (1.02–1.14) suggests strong risk-adjusted returns, better than average. With a beta around 1.12–1.13, it is slightly more sensitive to market movements, meaning it can outperform in bullish phases but may see higher dips in corrections. The alpha is slightly positive, indicating mild outperformance over the benchmark. Overall, it is a moderate-to-high risk fund with good return potential, suitable for investors comfortable with some volatility for better gains.

5. Bandhan Mutual Fund : -

Standard Deviation (%) : - [redacted] **10.58%–10.71%**
(Slightly higher volatility than category avg ~9.8%)

Sharpe Ratio : - [redacted] **0.95 – 1.05**
(Decent to good risk-adjusted return, close to or above category avg)

Beta : - [redacted] **1.04 – 1.13**
(Moves slightly more than the market)

Alpha : - [redacted] **~1.27 – 1.31**
(positive)
(Mild to good outperformance vs benchmark after risk adjustment)

Risk-o-Meter : -
[redacted] **Very High**

Bandhan fund shows slightly higher volatility (~10.6–10.7%) than the category average, indicating it experiences more price fluctuations, while its Sharpe ratio (0.95–1.05) reflects decent to good risk-adjusted returns. With a beta of 1.04–1.13, the fund is slightly more sensitive to market movements, meaning it can outperform in rising markets but may also fall more during downturns. Its positive alpha (~1.27–1.31) indicates consistent outperformance over the benchmark after adjusting for risk. Overall, it falls under a high-risk category with good return potential, making it suitable for investors who can handle volatility in pursuit of better returns.

☛ CONCLUSION : -

Aggressive Hybrid Funds represent a balanced investment approach by combining the growth potential of equities with the relative stability of debt instruments. With an equity allocation typically ranging between 65% to 80%, these funds are well-suited for investors seeking higher returns than traditional debt products while still maintaining a cushion against market volatility.

From the analysis of leading Asset Management Companies (AMCs), it is evident that fund performance is largely driven by portfolio quality, asset allocation strategy, and fund manager expertise. While these funds have the potential to deliver superior risk-adjusted returns over the long term, they are still exposed to equity market fluctuations, making them more suitable for investors with a moderate to high risk appetite and an investment horizon of at least 3 to 5 years.

The key advantages include diversification, tax efficiency (equity taxation), and relatively lower volatility compared to pure equity funds. However, limitations such as market dependency, interest rate sensitivity (debt portion), and varying fund strategies across AMCs must be carefully considered.

In conclusion, Aggressive Hybrid Funds can be an effective investment vehicle for investors looking to participate in equity markets with controlled risk. A disciplined investment approach, along with proper fund selection based on consistent performance and portfolio quality, is essential to maximize returns and achieve long-term financial goals.

Thank You

connect@sharebrother.com

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