

INVESTMENT PROPOSAL

PREPARED ON :

12 JULY, 2022

RATIONALE

Dividend Yield Funds invest in companies that regularly announce dividends. Such funds invest in companies with high profitability and regular dividend history. A company has to be profitable for it to declare a dividend. Such funds aim to generate long-term capital gains by investing in equities of companies that are profitable and declare regular dividends. However, equity investments always carry high risk, and investors should be willing to experience losses when invested with the fund.

Observing the current market conditions, the share prices of many large-cap companies are trading at high discounts allowing new investors to enter the market and enjoy gains from the recovering markets. During such volatile market conditions, the profitability of companies also gets affected. Profit margins start to decrease with the rise in raw material prices, making it difficult for individual investors to invest in companies. With the help of a fund, a team of experts can help reduce the risk of investing and provide a degree of safety to its investors.

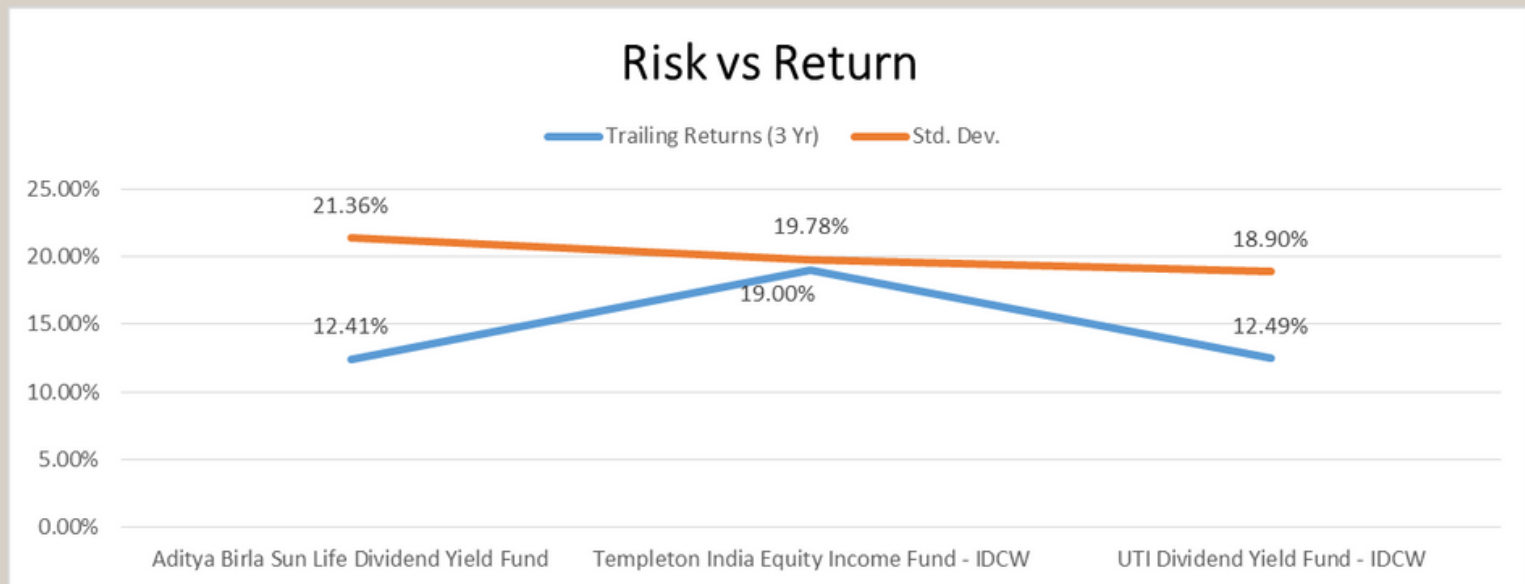
Dividend yield funds allow investors to generate long-term capital gains while providing regular dividends. However, the amount and frequency of the dividends depend on the fund's performance. The fund can also choose to declare no dividend. The following dividend yield funds have offered regular dividends in the past.



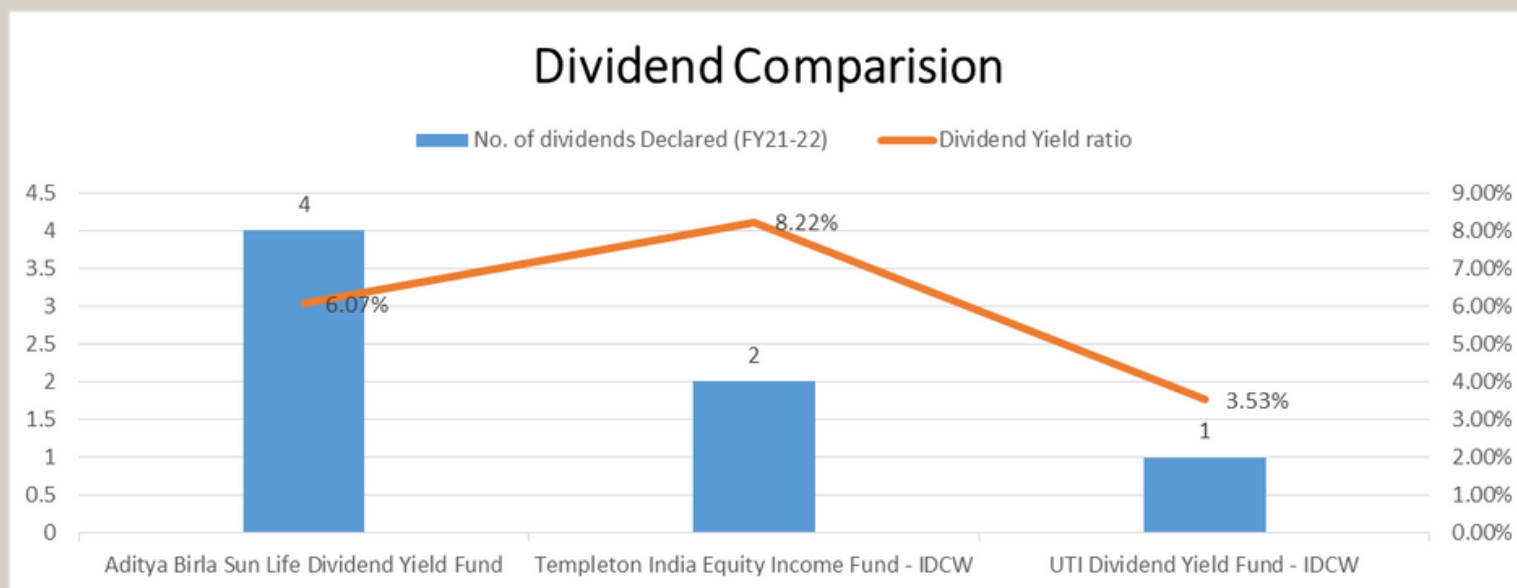
IDEAL SCHEMES



Ideal Scheme	Trailing Returns (3 Yr)	Standard Deviation
Aditya Birla Sun Life Dividend Yield Fund (D)	12.41%	21.36%
Templeton India Equity Income Fund (D)	19.00%	19.78%
UTI Dividend Yield Fund (D)	12.49%	18.90%



Fund Name	No. of dividends Declared (FY21-22)	Dividend Yield ratio
Aditya Birla Sun Life Dividend Yield Fund (D)	4	6.07%
Templeton India Equity Income Fund (D)	2	8.22%
UTI Dividend Yield Fund (D)	1	3.53%



GOALS

To generate long term wealth by

- using the volatile market conditions
- Investing in high return stocks and funds
- Buy funds at discounted prices maximising gain potential