

# AIM FOR SUCCESS BY GROWING WITH THE RIGHT COMPANIES.

## Invest in L&T Emerging Businesses Fund

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**L&T Financial Services**  
Mutual Fund

An open ended equity scheme predominantly investing in small cap stocks.

Historically, small cap companies have outperformed other segments of the market cap in the long term, paving the way for tremendous growth potential for investors. It is a well known fact that while large cap companies are extensively researched, small cap stocks are under researched and under owned. Small cap stocks often present an relatively attractive opportunity in terms of performance from a medium term perspective.

### What are Emerging Businesses?

Emerging businesses are relatively small size companies with the potential to grow at a much faster rate than established businesses. They represent the entrepreneurial economy, typically falling into one of the following categories:

- Companies in evolving industries
- Smaller players in a large industry catering to niche segments
- Smaller players looking to acquire share of unorganized players in a large industry

### Why invest in L&T Emerging Businesses Fund?

Small cap stocks have a higher potential for growth in the long run. L&T Emerging Businesses Fund invests in smaller size businesses in their early stage of development. These businesses have huge growth potential in revenue and profits as compared to broader market with relatively higher risk.

### Key Benefits



Invests in companies that are in the early stage of development and have the potential to grow their revenue and profits at a higher rate as compared to the broader market



Provides an opportunity to invest in undervalued, under-owned, and under-researched segments that can deliver strong growth.



Follows bottom-up stock selection using our proprietary G.E.M investment approach. At least 65% exposure to stocks beyond the top 250, in terms of market capitalisation



Valuation is the most important key - focus on investing in stocks with an adequate margin of safety

### Portfolio Positioning (as on May 31, 2022)

| Sectors               | Commodities | Consumer Discretionary | Energy | FMCG | Financial Services | Healthcare | Industrials | Information Technology | Services |
|-----------------------|-------------|------------------------|--------|------|--------------------|------------|-------------|------------------------|----------|
| <b>Marketcap</b>      |             |                        |        |      |                    |            |             |                        |          |
| Top 100 stocks        |             | 0.5                    |        |      |                    |            |             |                        |          |
| Next 150 stocks       | 5.4         | 4.8                    |        | 0.7  | 1.1                | 0.7        | 7.6         | 2.1                    |          |
| Beyond Top 250 stocks | 5.3         | 28.3                   | 0.4    | 6.6  | 2.2                | 2.2        | 22.4        | 5.3                    | 1.5      |

Market capitalization cut offs (based on SEBI guidelines) used to define Large / Mid / Small cap stocks are as per the AMFI definitions as on December 2021.

## Fund Facts

### Minimum Application Amount

**Lump sum:** Initial investment: Rs.5,000 per application  
Additional investment: Rs.1,000 per application  
**SIP:** Rs.500 (minimum 6 monthly installments or minimum 4 quarterly installments)

### Fund Manager

**Mr. Venugopal Manghat & Mr. Vihang Naik** (w.e.f. Dec 17, 2019) and **Mr. Sonal Gupta** (w.e.f July 5, 2021) (for investments in foreign securities)

### Asset Allocation

65% - 100% in equity and equity-related securities\*(including Indian and foreign equity securities as permitted by SEBI/RBI\*)  
0% - 35% in debt and money market instruments  
**Benchmark:** S&P BSE 250 Small Cap Index TRI.

### Load

**Entry Load:** Not Applicable; **Exit Load:** If the units redeemed or switched out are upto 10% of the units purchased or switched in ("the limit") within 1 year from the date of allotment - Nil. If units redeemed or switched out are over and above the limit within 1 year from the date of allotment - 1%. If units are redeemed or switched out on or after 1 year from the date of allotment - Nil.

\*The Scheme will invest at least 65% of its total assets in small cap stocks. Small Cap stocks will comprise of any equity and equity related instruments of companies that are ranked beyond 250 based on the full market capitalization. This includes investments in equity derivatives up to 50% of the total assets of the Scheme.  
^The Scheme may invest in Foreign Securities upto 10% of its net assets subject to the Eligible Investment Amount.

## Scheme Performance vs. benchmarks (as on May 31, 2022)

| (Regular Plan - Growth)                      | 1 year           |                     | 3 year           |                     | 5 year           |                     | Inception Date | Since Inception  |                     |
|--|------------------|---------------------|------------------|---------------------|------------------|---------------------|----------------|------------------|---------------------|
|  | CAGR Returns (%) | PTP Returns* (in ₹) | CAGR Returns (%) | PTP Returns* (in ₹) | CAGR Returns (%) | PTP Returns* (in ₹) |                | CAGR Returns (%) | PTP Returns* (in ₹) |
| L&T Emerging Businesses Fund (G)             | 20.83%           | 12,083              | 20.29%           | 17,415              | 12.75%           | 18,224              | 12/May/2014    | 19.65%           | 42,452              |
| S&P BSE 250 Small Cap Index TRI <sup>5</sup> | 9.10%            | 10,910              | 17.11%           | 16,068              | 9.28%            | 15,589              |                | 14.27%           | 29,299              |
| S&P BSE SENSEX TRI <sup>6</sup>              | 8.39%            | 10,839              | 13.22%           | 14,518              | 13.69%           | 18,997              |                | 12.74%           | 26,277              |

**Past performance may or may not be sustained in the future.** Returns greater than 1 year period are compounded annualized. Dividends are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration. Different plans viz. Regular Plan and Direct Plan have different expense structure. <sup>5</sup>Benchmark <sup>6</sup>Additional Benchmark  
\*Point-to-Point (PTP) returns on Standard Investment of Rs. 10,000/-.

### Other funds managed by Mr. Vihang Naik

| Period                                    | 1 Year         |                   | 3 Year         |                   | 5 Year         |                   |
|---|----------------|-------------------|----------------|-------------------|----------------|-------------------|
|   | Scheme return% | Benchmark return% | Scheme return% | Benchmark return% | Scheme return% | Benchmark return% |
| L&T Midcap Fund <sup>8</sup>              | 4.53           | 10.60             | 12.86          | 20.86             | 8.72           | 13.76             |
| L&T Focused Equity Fund <sup>9</sup>      | 1.89           | 8.08              | 10.44          | 14.25             | NA             | NA                |
| L&T Flexicap Fund <sup>10</sup>           | 3.85           | 8.30              | 10.05          | 14.65             | 8.34           | 12.68             |
| L&T Balanced Advantage Fund <sup>11</sup> | 2.60           | 4.65              | 7.14           | 10.80             | 6.81           | 10.40             |

### Other funds managed by Mr. Venugopal Manghat

|   |       |       |       |       |      |       |
|---|-------|-------|-------|-------|------|-------|
| L&T India Value Fund <sup>6</sup>             | 8.61  | 8.30  | 13.38 | 14.65 | 9.63 | 12.68 |
| L&T Infrastructure Fund <sup>7</sup>          | 15.06 | 14.50 | 10.95 | 15.42 | 8.10 | 10.63 |
| L&T Business Cycles Fund <sup>8</sup>         | 8.00  | 8.30  | 10.69 | 14.65 | 7.29 | 12.68 |
| L&T India Large Cap Fund <sup>9</sup>         | 3.50  | 8.29  | 10.09 | 13.44 | 9.56 | 12.71 |
| L&T Arbitrage Opportunities Fund <sup>5</sup> | 3.41  | 3.73  | 4.33  | 3.87  | 5.07 | 4.46  |

### Other funds managed by Mr. Sonal Gupta (managing investment in Foreign Securities portion)

|   |      |      |       |       |      |       |
|---|------|------|-------|-------|------|-------|
| L&T Large and Midcap Fund <sup>12</sup> | 6.65 | 8.99 | 10.98 | 16.22 | 7.68 | 13.18 |
| L&T Hybrid Equity Fund <sup>13</sup>    | 1.90 | 5.65 | 8.94  | 11.66 | 7.21 | 11.30 |

<sup>8</sup>Also managed by Mr. Venugopal Manghat. <sup>9</sup>Fund is co-managed by Mr. Vihang Naik and by Mr. Sonal Gupta (for investments in foreign securities). <sup>10</sup>Co-managed by Mr. Vihang Naik. <sup>11</sup>Fund is co-managed by Ms. Cheenu Gupta and by Mr. Sonal Gupta (for investments in foreign securities). <sup>12</sup>Also managed by Ms. Cheenu Gupta. <sup>13</sup>Fund is co-managed by Mr. Praveen Ayathan for equity portion, Mr. Jalpan Shah (Debt Portion) and by Mr. Sonal Gupta (for investments in foreign securities). <sup>14</sup>Fund is co-managed by Mr. Praveen Ayathan for equity portion and Mr. Jalpan Shah (Debt Portion). <sup>15</sup>Co-managed by Mr. Shriram Ramanathan.

**Past performance may or may not be sustained in the future.** Returns greater than 1 year period are compounded annualized. Dividends are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration. Mr. Vihang Naik manages or co-manages 8 schemes, Mr. Venugopal Manghat manages or co-manages 12 schemes and Mr. Sonal Gupta manages or co-manages 8 schemes of L&T Mutual Fund respectively. Performance data of other schemes primarily managed by the fund managers is given in terms of SEBI circular dated March 15, 2017. This performance is on the basis of the 3 years CAGR of Regular plan - Growth. Different plans viz. Regular Plan and Direct Plan have different expense structure.

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Mutual Fund

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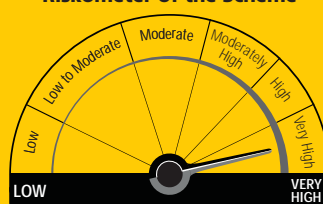
**This product is suitable for investors who are seeking\***

- Long-term capital appreciation
- Investment predominantly in equity and equity-related securities, including equity derivatives in Indian markets with key theme focus being emerging companies (small cap stocks); and foreign securities

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

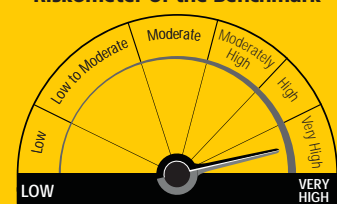
All data mentioned above is as on May 31, 2022, unless otherwise stated above.

### Riskometer of the Scheme



Investors understand that their principal will be at very high risk

### Riskometer of the Benchmark



**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

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