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At the cusp of  
**growth**



Invest in companies that are small today,  
potentially big tomorrow.

## Mahindra Manulife Small Cap Fund

(An open ended equity scheme predominantly investing in small cap stocks)

September 30, 2023

### Why Small Cap Now?

- Potential growth tailwinds in Indian Economy.
- Opportunity to capitalize on Indian Entrepreneurship.
- Opportunity to capture market / economic cycles.
- Potential to create wealth and generate alpha over long-term.
- Small caps are generally under-researched and under-owned and hence provides an opportunity for stock-picking at reasonable valuations.
- Small Caps could be beneficiaries of structural reforms announced from time to time.
- Small caps also provide exposure to companies which are potential market leaders in the industries they operate in (a few examples include textile, paper, sugar, luggage) and have potential to become midcaps of tomorrow as they achieve scale

### Asset Allocation (%)



- 91.94% - Equity Holdings
- 8.06% - Cash & Other Receivables

Data as on September 30, 2023

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	High/Moderate/Low
Equity & Equity related instruments of Small Cap Companies#	65%	100%	Very High
Equity & Equity related instruments of other than Small Cap Companies	0%	35%	Very High
Debt and Money Market Securities (including TREPS (Tri-Party Repo), Reverse Repo)	0%	35%	Low to Moderate
Units issued by REITs & InvITs	0%	10%	Moderately High

The Scheme may take exposure in equity derivative instruments to the extent of 50% of the Equity component. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time under the Regulations and subject to guidelines issued by SEBI/ RBI from time to time.

#Definition of Small Cap Companies: 251st company onwards in terms of full Market Capitalization.

### Portfolio Update for the Month

- Portfolio construction on bottom up stock selection basis.
- Key Overweight sectors/Industries include Power, Automobile & Auto Components and Construction Materials vs the Schemes' Benchmark.
- Key Underweight sectors /Industries include Healthcare, IT and Capital Goods vs the Schemes' Benchmark.
- Carrying Higher cash levels around 8.1% in the portfolio as tight monetary policy in India may continue a bit longer than expected, following higher global policy rates and upside risks to domestic inflation.

### Investment style

Fund may use following criteria for stock selection and aims to invest in growth-oriented businesses with focus on

- Strong Financials and cashflows
- Reasonable valuations
- Scalable Business model
- Emerging Business models
- Management track record
- Global trends

### Top 10 Equity Holdings (as on September 30, 2023)

Security	% to Net Assets
Reliance Industries Limited	2.94%
Godrej Industries Limited	2.50%
Grasim Industries Limited	2.30%
ICRA Limited	2.26%
Cholamandalam Financial Holdings Limited	2.09%
Triveni Engineering & Industries Limited	2.08%
REC Limited	2.07%
CESC Limited	1.97%
Century Textiles & Industries Limited	1.93%
Firstsource Solutions Limited	1.91%
<b>Total</b>	<b>22.04%</b>

### Top 5 Sectors of the scheme (% to Net Assets)

Sector	MMSCF	S&P BSE 250 Small Cap TRI
Financial Services	15.18%	19.31%
Capital Goods	12.52%	16.21%
Automobile And Auto Components	7.79%	4.02%
Fast Moving Consumer Goods	7.28%	4.42%
Chemicals	5.30%	6.21%

Data as on September 30, 2023

## Scheme Details

### Investment Objective:

The investment objective of the Scheme is to generate long term capital appreciation by investing in a diversified portfolio of equity & equity related securities of small cap companies, However, there can be no assurance that the investment objective of the Scheme will be achieved.

### Fund Manager:

**Mr. Abhinav Khandelwal**

**Total Experience:** 14 years | **Experience in managing this fund:** 9 Months (Managing since December 12, 2022)

**Mr. Manish Lodha**

**Total Experience:** 23 years | **Experience in managing this fund:** 9 Months (Managing since December 12, 2022)

**Date of allotment:** December 12, 2022

**Benchmark:** S&P BSE 250 Small Cap TRI

**Option:** IDCW (IDCW Option will have IDCW Reinvestment (D) & IDCW Payout facility) and Growth (D) D-Default

**Minimum Application Amount:** Rs. 1,000 and in multiples of Re. 1/- thereafter

**Minimum Weekly & Monthly SIP Amount:** Rs 500 and in multiples of Rs 1/- thereafter

**Minimum Weekly & Monthly SIP installments:** 6

**Minimum Quarterly SIP Amount:** Rs 1,500 and in multiples of Rs 1/- thereafter

**Minimum Quarterly SIP installments:** 4

**Monthly AAUM as on September 30, 2023 (Rs. in Cr.):** 1,788.27

**Quarterly AAUM as on September 30, 2023 (Rs. in Cr.):** 1,336.69

**Monthly AUM as on September 30, 2023 (Rs. in Cr.):** 2,150.22

**Entry Load:** Not applicable

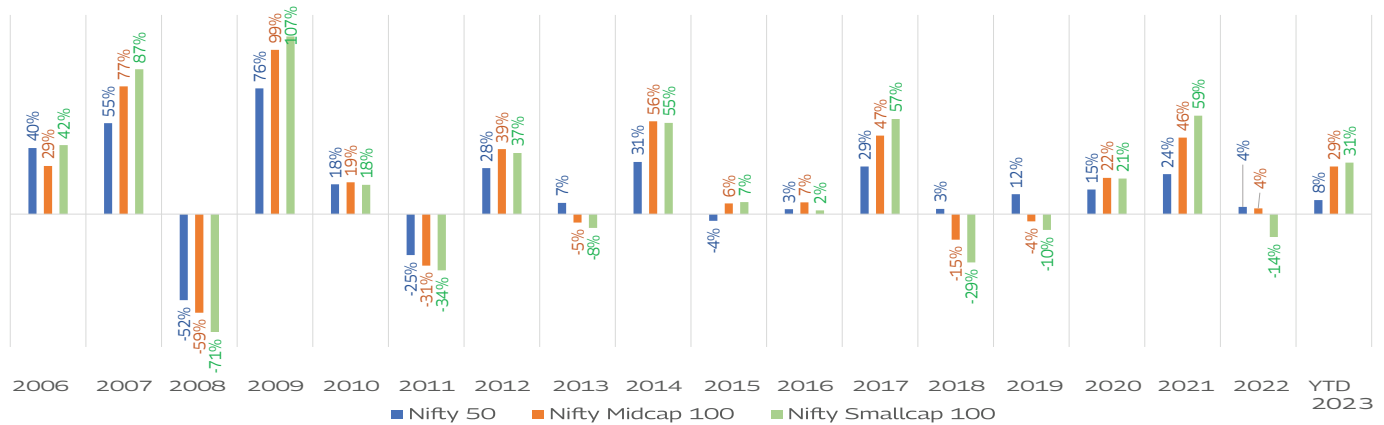
**Exit Load:** • An Exit Load of 1% is payable if Units are redeemed / switched-out upto 3 months from the date of allotment; • Nil if Units are redeemed / switched-out after 3 months from the date of allotment.

## Scheme Performance (as on September 29, 2023)

Mahindra Manulife Small Cap Fund	Simple Annualised Returns (%)		Value of Investment of ₹ 10,000*		NAV / Index Value (as on September 29, 2023)
	6 months	Since Inception	6 months (₹)	Since Inception	
Regular Plan - Growth Option	74.41	43.21	13,196	13,315	13.4446
S&P BSE 250 Small Cap TRI <sup>^</sup>	76.66	33.03	13,281	12,555	6,180.22
Nifty 50 TRI <sup>^^</sup>	28.11	8.91	11,315	10,705	28,807.77

<sup>^</sup>Benchmark <sup>^^</sup>Additional Benchmark. Inception/Allotment date: 12-Dec-22. **Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments.** Since inception returns of the scheme is calculated on face value of Rs. 10 invested at inception. The performance details provided above are of Growth Option under Regular Plan. Different Plans i.e Regular Plan and Direct Plan under the scheme has different expense structure. \*Based on standard investment of Rs. 10,000 made at the beginning of the relevant period.

## Winners keep changing Across Market Caps



Data Source: ICRA. Data period: 1st January, 2006 till 30th September, 2023. Returns are absolute returns (1 year) calculated as of the last business day of every calendar year end (For the CY 2023, the data for the period 1st January, 2023 to 30th September, 2023 has been given). The data provided above is for illustrative purpose only and should not be construed as a promise on minimum returns and safeguard of capital. Mahindra Manulife Investment Management Private Limited/Mahindra Manulife Mutual Fund is not guaranteeing or forecasting any returns. **Past performance may or may not be sustained in future.**

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Scheme Name	This Product is Suitable for investors who are seeking*	Scheme Riskometer	Scheme Benchmark	Benchmark Riskometer
<b>Mahindra Manulife Small Cap Fund</b>	<ul style="list-style-type: none"> <li>Long term capital appreciation;</li> <li>Investment predominantly in equity and equity related securities of small cap companies.</li> </ul>	<p><b>RISKOMETER</b> Investors understand that their principal will be at very high risk</p>	<b>S&amp;P BSE 250 Small Cap TRI</b>	<p><b>RISKOMETER</b></p>

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

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

**Performance of other schemes managed by the Fund Manager(s)**

Scheme Name	Scheme Inception Date	Fund Manager(s)	Managing since	CAGR Returns (%)		
				1 yr	3 yrs	5 yrs
<b>Mahindra Manulife ELSS Fund - Reg - Growth</b>	18-Oct-16	Ms. Fatema Pacha	16-Oct-20	20.07	26.40	14.73
		Mr. Manish Lodha	21-Dec-20			
Nifty 500 Index TRI <sup>^</sup>				17.69	24.14	14.89
<b>Mahindra Manulife Consumption Fund - Reg - Growth</b>	13-Nov-18	Mr. Abhinav Khandelwal	1-Apr-22	12.80	22.83	-
		Ms. Fatema Pacha	21-Dec-20			
Nifty India Consumption TRI <sup>^</sup>				8.43	20.55	-
<b>Mahindra Manulife Equity Savings Fund - Reg - Growth</b>	01-Feb-17	Mr. Manish Lodha (Equity Portion)	21-Dec-20	10.93	13.31	10.02
		Mr. Renjith Sivaram (Equity Portion)	03-Jul-23			
		Mr. Kush Sonigara <sup>§</sup>	03-Jul-23			
		Mr. Rahul Pal (Debt Portion)	Since inception			
Nifty Equity Savings Index TRI <sup>^</sup>				10.37	11.02	9.17
<b>Mahindra Manulife Mid Cap Fund - Reg - Growth</b>	30-Jan-18	Mr. Abhinav Khandelwal	1-Feb-22	31.27	32.03	20.06
		Mr. Manish Lodha	21-Dec-20			
Nifty Midcap 150 TRI <sup>^</sup>				30.77	33.82	20.88
<b>Mahindra Manulife Aggressive Hybrid Fund - Reg - Growth</b>	19-July-19	Ms. Fatema Pacha (Equity Portion)	16-Oct-20	17.77	21.76	-
		Mr. Manish Lodha (Equity Portion)	21-Dec-20			
		Mr. Rahul Pal (Debt Portion)	Since inception			
CRISIL Hybrid 35+65 Aggressive Index <sup>^</sup>				13.25	16.78	-
<b>Mahindra Manulife Large Cap Fund - Reg - Growth</b>	15-Mar-19	Mr. Abhinav Khandelwal	1-Mar-22	15.31	22.31	-
		Ms. Fatema Pacha	21-Dec-20			
Nifty 100 Index TRI <sup>^</sup>				13.37	21.20	-
<b>Mahindra Manulife Large &amp; Mid Cap Fund - Reg - Growth</b>	30-Dec-19	Mr. Manish Lodha	21-Dec-20	21.53	27.91	-
		Mr. Abhinav Khandelwal	1-Feb-22			
NIFTY Large Midcap 250 TRI <sup>^</sup>				22.00	27.52	-
<b>Mahindra Manulife Arbitrage Fund - Reg - Growth</b>	24-Aug-20	Mr. Abhinav Khandelwal (Equity Portion)	1-Apr-22	5.50	3.67	-
		Mr. Manish Lodha (Equity Portion)	21-Dec-20			
		Mr. Rahul Pal (Debt Portion)	Since inception			
Nifty 50 Arbitrage Index <sup>^</sup>				7.49	5.04	-
<b>Mahindra Manulife Flexi Cap Fund - Reg - Growth</b>	23-Aug-21	Ms. Fatema Pacha	Since inception	22.86	-	-
		Mr. Manish Lodha				
Nifty 500 Index TRI <sup>^</sup>				17.69	-	-
<b>Mahindra Manulife Balanced Advantage Fund</b>	30-Dec-21	Mr. Manish Lodha (Equity Portion)	Since inception	13.24	-	-
		Ms. Fatema Pacha (Equity Portion)				
		Mr. Rahul Pal (Debt Portion)				
Nifty 50 Hybrid Composite Debt 50: 50 Index <sup>^</sup>				11.91	-	-

<sup>^</sup>Benchmark CAGR – Compounded Annual Growth Rate. <sup>§</sup>Dedicated Fund Manager for Overseas Investments.

**Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments.** The performance details provided above are of Growth Option under Regular Plan Different Plans i.e Regular Plan and Direct Plan under the scheme has different expense structure. Mr. Abhinav Khandelwal manages 6 schemes and Mr. Manish Lodha manages 10 schemes each of Mahindra Manulife Mutual Fund. The performance data for the schemes which have not completed one year has not been provided. Performance as on September 29, 2023

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