



Bandhan Emerging Businesses Fund[§]

(Small Cap Fund – An open ended equity scheme predominantly investing in small cap stocks)

- Fund focuses on building a diversified portfolio within the small cap segment.
- Portfolio will contain buy and hold strategies as well as opportunistic picks in the cyclical space.
- Fund may also look to participate in new businesses via IPOs.

FUND PHILOSOPHY*

The fund aims to identify and invest in companies with steady growth prospects, operating in industries with a stable growth visibility over the medium term – 2-4 years. The fund would be willing to pay higher valuation for companies with distinct segment leadership advantages and/or for companies operating in segments which are witnessing a boost of growth due to change in industry dynamics; regulatory changes / geographical shifts. While not eschewing completely, the fund aims to limit exposure to “deep” cyclicals and focus more on companies and sectors with secular growth outlook. Hence, the valuation metrics of the fund – P/E; EV/EBIDTA; EV/Sales may appear to be more expensive than the benchmark.

Consumer facing rather than B to B is another focus area of the fund. The fund aims to ensure participation in non-small caps as a measure of higher liquidity as well addressability for investing in sectors where size brings noticeable advantage – BFSI, for example. The fund aims to hold cash levels of upto 10% across time periods, both as a measure of liquidity as well as to capitalize on opportunistic investing. Lastly, rather than try to outperform the benchmark on the upside, the fund would aim to conserve capital by limiting downside during periods of drawdowns, a dominant (and painful) characteristic of small cap investing.

OUTLOOK

How it went:

Global equities gained sharply across regions (MSCI World +3.3% MoM / +17.7% CYTD). MSCI South Africa was the leader in the month (+11.8% MoM), outperforming MSCI World and other country indices by more than 3%. India delivered relatively muted returns (+2.9% MoM), underperforming EM and Asia-ex-Japan. India continues to perform better on a 3 and 6 months basis and has bridged the under-performance with global equities on a 1-year return basis.

How do we look ahead:

The Indian market has generated healthy returns in the last few months in absolute returns compared to the emerging markets index. We believe the key reasons for this are that global growth has held up much better than expectations, with the US economy remaining quite resilient, the weakening of the dollar and China’s disappointing growth investors have helped India get a more significant share of foreign flows. We expect most of these factors to sustain in the next few quarters.

FUND FEATURES:

(Data as on 31st July'23)

Category: Small Cap Fund

Monthly Avg AUM: ₹ 1,809.22 Crores

Inception Date: 25th February 2020

Fund Manager: Mr. Manish Gunwani (w.e.f. 28 January, 2023) & Mr. Kirthi Jain (w.e.f. 05 June, 2023) Ms. Nishita Shah (will be managing overseas investment portion of the scheme.)

Benchmark: S&P BSE 250 SmallCapTRI

Other Parameter:

Beta: 0.86

R Squared: 0.89

Standard Deviation (Annualized): 17.52%

Exit Load:

1% if redeemed/switched out within 1 year from the date of allotment

Minimum Investment Amount: ₹ 1,000 and any amount thereafter

SIP Dates : (Monthly/Quarterly) Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

Options Available: The Scheme offer IDCW® Option & Growth Option. IDCW® Option under each Plan further offers of choice of Payout & Sweep facilities.

SIP (Minimum Amount): ₹ 100/- and in multiples of Rs.1 thereafter

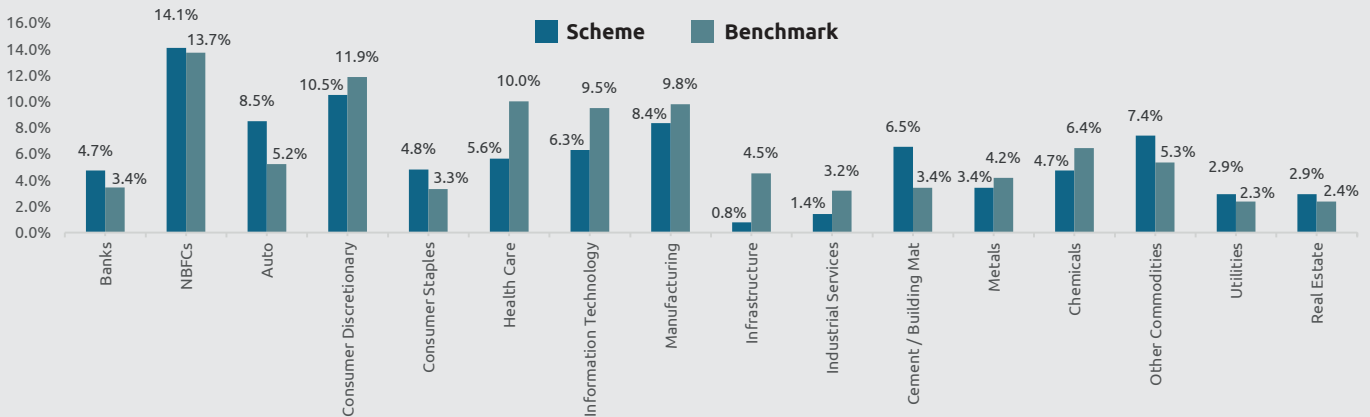
@Income Distribution cum capital withdrawal
Mr. Anoop Bhaskar was managing this Scheme till 27th January 2023.

[§]With effect from 13th March 2023, the name of “IDFC Emerging Businesses Fund” has changed to “Bandhan Emerging Businesses Fund”



Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	93.06%	Keystone Realtors	0.88%
Finance	10.19%	Healthcare Services	2.70%
Power Finance Corporation	2.09%	Narayana Hrudayalaya	1.13%
Ujivan Financial Services	1.37%	Krishna Institute of Medical Sciences	1.02%
Cholamandalam Financial Holdings	1.30%	Krsnaa Diagnostics	0.55%
Poonawalla Fincorp	1.11%	Electrical Equipment	2.69%
Mas Financial Services	0.93%	Apar Industries	1.21%
PNB Housing Finance	0.78%	Suzlon Energy	1.01%
Piramal Enterprises	0.69%	Hitachi Energy India	0.47%
REC	0.61%	Beverages	2.68%
Can Fin Homes	0.43%	Radico Khaitan	2.68%
Spandana Sphoorty Financial	0.42%	Pharmaceuticals & Biotechnology	2.65%
IDFC	0.38%	FDC	1.03%
Rane Holdings	0.06%	Gland Pharma	0.80%
Manappuram Finance	0.01%	JB Chemicals & Pharmaceuticals	0.47%
Industrial Products	7.96%	Piramal Pharma	0.22%
Shaily Engineering Plastics	2.01%	Suven Pharmaceuticals	0.14%
Carborundum Universal	1.59%	Retailing	2.16%
Kirloskar Brothers	1.32%	V-Mart Retail	1.21%
Graphite India	1.11%	Aditya Birla Fashion and Retail	0.95%
AJA Engineering	0.70%	Food Products	2.13%
Finolex Industries	0.54%	Heritage Foods	1.08%
RHI Magnesita India	0.52%	Avanti Feeds	0.88%
KEI Industries	0.17%	Mrs. Bectors Food Specialities	0.18%
Consumer Durables	7.73%	Power	2.11%
Mayur Uniquoters	1.74%	NTPC	2.04%
Cera Sanitaryware	1.01%	SJVN	0.07%
Greenply Industries	1.00%	Agricultural Food & other Products	1.95%
Kajaria Ceramics	0.98%	Balrampur Chini Mills	1.52%
Senco Gold	0.89%	Triveni Engineering & Industries	0.44%
Metro Brands	0.81%	Ferrous Metals	1.89%
Kalyan Jewellers India	0.58%	Tata Steel	0.79%
Stove Kraft	0.23%	Tata Metaliks	0.49%
Safari Industries (India)	0.17%	Kirloskar Ferrous Industries	0.48%
Butterfly Gandhimathi Appliances	0.16%	Jindal Stainless	0.13%
VIP Industries	0.16%	Commercial Services & Supplies	1.78%
Auto Components	6.23%	eClerx Services	1.78%
Wheels India	2.06%	Industrial Manufacturing	1.68%
Alicon Castalloy	1.26%	Syrma SGS Technology	1.68%
Sundaram Clayton	0.96%	Transport Services	1.41%
CIE Automotive India	0.73%	VR Logistics	1.36%
Automotive Axles	0.57%	Transport Corporation of India	0.06%
Steel Strips Wheels	0.37%	IT - Services	1.29%
Amara Raja Batteries	0.28%	Cyient	1.29%
Sandhar Technologies	0.01%	Textiles & Apparels	1.17%
Banks	4.74%	Nitin Spinners	1.06%
Axis Bank	1.27%	Arvind	0.11%
DCB Bank	0.86%	Petroleum Products	1.08%
Indian Bank	0.84%	Gulf Oil Lubricants India	1.08%
Equitas Small Finance Bank	0.66%	Aerospace & Defense	0.89%
The Karnataka Bank	0.62%	Data Patterns (India)	0.89%
RBL Bank	0.49%	Diversified	0.82%
Capital Markets	3.57%	DCM Shriram	0.82%
Multi Commodity Exchange of India	1.38%	Miscellaneous	0.78%
UTI Asset Management Company	0.81%	Yatharth Hospital And Trauma Care Services	0.78%
Angel One	0.54%	Construction	0.78%
ICICI Securities	0.51%	Kalpataru Projects International	0.78%
HDFC Asset Management Company	0.34%	Gas	0.74%
Chemicals & Petrochemicals	3.54%	Gujarat State Petronet	0.74%
Chemplast Sanmar	1.07%	Consumable Fuels	0.61%
Vishnu Chemicals	0.86%	Coal India	0.61%
NOCIL	0.75%	Automobiles	0.57%
Fine Organic Industries	0.48%	Landmark Cars	0.57%
PCBL	0.37%	Cigarettes & Tobacco Products	0.50%
Leisure Services	3.49%	Godfrey Phillips India	0.50%
Westlife Foodworld	1.89%	Insurance	0.44%
Taj GVK Hotels & Resorts	0.85%	Max Financial Services	0.44%
EIH	0.75%	Household Products	0.39%
IT - Software	3.20%	Jyothy Labs	0.39%
Birlasoft	1.31%	Fertilizers & Agrochemicals	0.34%
Zensar Technologies	1.30%	Heramba Industries	0.25%
Tech Mahindra	0.60%	Paradeep Phosphates	0.09%
Cement & Cement Products	3.02%	Non - Ferrous Metals	0.24%
JK Lakshmi Cement	1.42%	National Aluminium Company	0.24%
Nuvoco Vistas Corporation	0.90%	Fixed Deposit	2.67%
Sagar Cements	0.70%	HDFC Bank	2.67%
Realty	2.90%	Net Cash and Cash Equivalent	4.27%
Mahindra Lifespace Developers	1.11%	Grand Total	100.00%
Kolte - Patil Developers	0.91%		

SECTOR ALLOCATION



<p>Scheme risk-o-meter</p> <p>Investors understand that their principal will be at Very High risk</p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> To create wealth over long term. Investment in equity and equity related instrument of small cap companies. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p>Benchmark risk-o-meter</p> <p>S&P BSE 250 SmallCap TRI</p>
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