Reach for **sweeter returns**

**Invest in L&T Credit Risk Fund.**

**call** 1800 2000 400  
**www.ltfs.com**

An open-ended debt scheme predominantly investing in AA and below rated corporate bonds.

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Aggressive fixed income investors who are looking for a relatively higher and tax efficient return over medium to long term with an investment horizon of at least 3 years can look at credit risk funds as an option. From your fixed income allocation with a marginally higher credit risk in your portfolio, this offers an attractive opportunity from a risk reward perspective because of the relatively higher yields currently.

Credit environment is expected to improve over the next 1-2 years, aided by strong macro environment and various recent reforms. In such a scenario, a little bit of credit exposure may help, by investing in funds that aim to construct a relatively higher yielding portfolio through careful credit selection.

**Why invest in L&T Credit Risk Fund?**

L&T Credit Risk Fund is a bond fund which focuses on accrual based yield enhancement strategy by taking measured exposure to well researched and mispriced credit opportunities.

It handpicks short to medium term corporate bonds that have good growth potential investing predominantly in AA and below rated corporate bonds, debt, government securities and money market instruments. It aims at low portfolio turnover to help generate return through accrual and is an ideal investment option for investors with 3+ years investment horizon. Fund’s credit selection is based on internal rigorous credit research process of assigning internal credit ratings encompassing detailed analysis of financial strength, liquidity, management track record and corporate governance.

**Key Benefits**

- **Rigorous credit selection process** – helps spot mispriced credit opportunities with a view to deliver better returns with controlled risk levels
- **Invests in short to medium-term bonds** – less sensitive to interest rate fluctuations
- **Core holding for your debt portfolio** – ideal for investors with short to medium-term investment horizon
**Fund Facts**

**Minimum Application Amount**
- **Lump sum**: Initial investment: Rs.10,000 per application
- Additional investment: Rs.1,000 per application
- **SIP**: Rs.1,000 (minimum 6 monthly installments or minimum 4 quarterly installments)

**Asset Allocation**
- 0%-100% in Debt / Money market instruments
- 0%-10% in units issued by REITs and InvITs

Benchmark: CRISIL Composite Credit Risk Index

**Fund Managers**
Mr. Shriram Ramanathan and Mr. Jalpan Shah (w.e.f March 21, 2020)

**Load**
- **Entry Load**: Nil
- **Exit Load**: If < 10% redeemed or switched within 1 year from date of allotment: Nil
- If >10% redeemed or switched within 1 year from date of allotment: 1%
- If redeemed or switched after 1 year from date of allotment: Nil

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**Top 10 Holdings**
(As on March 31, 2020)

<table>
<thead>
<tr>
<th>Security</th>
<th>Credit Rating</th>
<th>% of NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Infra Wind Energy Limited (subsidiary of Sembcorp Energy India Ltd)</td>
<td>CRISIL AA</td>
<td>10.58%</td>
</tr>
<tr>
<td>Samasta Microfinance Limited (Subsidiary of India Infoline Group)</td>
<td>CARE A</td>
<td>10.54%</td>
</tr>
<tr>
<td>Renew Power Limited</td>
<td>CARE A+</td>
<td>8.43%</td>
</tr>
<tr>
<td>Vizag General Cargo Berth Private Limited (Corporate guarantee of Vedanta Ltd)</td>
<td>CRISIL AA (CE)</td>
<td>7.02%</td>
</tr>
<tr>
<td>National Bank for Agriculture &amp; Rural Development</td>
<td>CRISIL AAA</td>
<td>6.06%</td>
</tr>
<tr>
<td>Indofil Industries Limited</td>
<td>CRISIL A+</td>
<td>5.30%</td>
</tr>
<tr>
<td>SP Jammu Udhampur Highway Limited (NHAI Annuity Receivables)</td>
<td>IND AAA</td>
<td>3.95%</td>
</tr>
<tr>
<td>Indian Railway Finance Corporation Limited</td>
<td>CARE AAA</td>
<td>3.78%</td>
</tr>
<tr>
<td>L&amp;T Metro Rail (Hyderabad) Limited (Put Option On L&amp;T Limited)</td>
<td>IND AAA (CE)</td>
<td>3.73%</td>
</tr>
<tr>
<td>Andhra Pradesh Expressway Limited (Nhai Annuity Receivables)</td>
<td>IND AAA</td>
<td>3.31%</td>
</tr>
</tbody>
</table>

**Rating Profile**
(As on March 31, 2020)

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>% Maturity Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA/AAA(A)/ AAA(A/C)</td>
<td>26.03%</td>
</tr>
<tr>
<td>AA+/AA+(SO)/ AA+(CE)</td>
<td>0.62%</td>
</tr>
<tr>
<td>D(T)</td>
<td>0.29%</td>
</tr>
<tr>
<td>AAA/AAA(A)/ AAA(C)</td>
<td>31.33%</td>
</tr>
<tr>
<td>AAA+(SO)</td>
<td>6.30%</td>
</tr>
</tbody>
</table>

**% Maturity Profile**
(As on March 31, 2020)

- 0 - 1 year: 36.77%
- 1 - 2 years: 3.72%
- 2 - 5 years: 31.57%
- Greater than 5 years: 18.64%
- TREPS / Rev Repo / NR/NP: 9.30%

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This product is suitable for investors who are seeking*

- Generation of regular returns and capital appreciation over medium to long term
- Investment in debt instruments (including securitised debt), government and money market securities

*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.