

“My fund gives me both!
Tax saving. Wealth creation.”

ITI Long Term Equity Fund

(An open ended equity linked saving scheme with a statutory lock-in of 3 Years and tax benefit)



Long Term Wealth Creation through power of compounding

As a growing economy, India presents a tremendous opportunity through equities as an asset class. Equities have been known to generate greater returns as compared to traditional or debt investments over the long term. So when it comes to wealth creation, equities could be a better choice for you. The important thing to remember is to remain invested through market ups and downs to benefit from the power of compounding and build wealth over the long term. This fund is the ideal investment to save tax and grow wealth over time.

Building wealth, year on year

When it comes to equities, patience rewards the long-term investor. See how equities have performed vis a vis the NSE 500 over a 14 year period in a SIP.

| Details | Rolling SIP Returns in NSE 500 Index over 14 years | | | | |
|---------------------------------|--|---------|---------|---------|----------|
| | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years |
| Minimum | -44.42% | -27.75% | -5.81% | 3.14% | 7.54% |
| Average | 9.22% | 17.05% | 16.95% | 16.38% | 15.72% |
| Maximum | 54.13% | 54.03% | 48.36% | 41.69% | 30.53% |
| Standard Deviation | 16.42% | 16.09% | 12.11% | 8.64% | 5.32% |
| Number of Observations | 173 | 173 | 173 | 173 | 173 |
| Number of Positive Observations | 130 | 157 | 168 | 173 | 173 |
| Number of Negative Observations | 43 | 16 | 5 | 0 | 0 |
| Probability of Loss (%) | 24.86 | 9.25 | 2.89 | 0 | 0 |

Based on Monthly Rolling SIP on 1st working day of the month. SIP Valuation on the 1st working day of the next month. Data Source: ICRA Explorer. Calculations Internal. Data Period: Dec 2004 to May 2019. Returns above 1Y are CAGR. Probability of loss is calculated by dividing total number of observations with the negative return observations. Past performance may or may not be sustainable in future. Investments in mutual funds should not be construed as a guarantee of any minimum returns. ELSS invests in equity and there is no capital protection guarantee or assurance of any return in mutual fund investment. Kindly consult your financial advisor before investing.

Benefits of Investing



Tax benefits up to Rs. 46,800 under Section 80C*



Long term wealth creation potential



Investors get an opportunity to invest in equities across market caps and sectors



Lowest lock in period of 3 years among all 80C investments



Strong expertise in equity research



Tax saving through SIP builds discipline

* To save tax up to Rs. 46,800: Individual and HUF having taxable income of less than Rs. 50 lakhs can invest up to Rs. 1.5 lakhs under the ELSS scheme during the FY 2019-20 as per provision of Section 80C of the Income Tax Act 1961 (Includes applicable cess).

ITI MF Equity Investment Philosophy

SQL Investment Philosophy

S

Margin of Safety

- This is the fair value of a business minus its current share price
- We aim to buy stocks with more safety margin for a good investment experience and long-term wealth creation

Q

Quality of The Business

- Quality companies that have strong competitive advantages are historically long-term wealth creators
- We aim to invest in stocks that we understand and have sound industry structure, business, management, growth ambitions, balance sheets

L

Low Leverage

- High leverage significantly reduces a business's ability to withstand business downturn
- Low leverage companies are generally cash rich. Therefore, these companies are able to invest and grow their business and create wealth

The above philosophy seeks to generate long-term wealth for our investors

ITI Long Term Equity Fund – Investment Strategy & Approach

- Our focus is on investing in sound businesses which we understand well
- Stock selection follows a predominantly bottom-up approach
- We have divided our stock universe into core and tactical stocks. Core companies are those that have strong and sustainable competitive advantage in their respective businesses
- Research is primarily focused to understand the core set of good quality companies rather than focusing on a large number of mediocre companies
- We will also invest in good companies going through temporary problems with a possible upside catalyst



Growth At Reasonable Price is our style and not growth at any price.

"If we avoid the losers, the winners will take care of themselves."

Portfolio Strategy

- The fund seeks to generate alpha by actively managing exposures relative to benchmark
 - Stock exposures
 - Sector weightages
 - Dynamic allocation to different market cap segments
- The fund will generally be minimum 90% invested
- Number of stocks envisaged in the fund is between 40-70
- The fund will be benchmark and sector agnostic
- Differentiated strategy helps manage risk during bullish and bearish market scenarios and suitably aligns the portfolio
- The fund seeks to invest across market cap segments
- Portfolio construction and allocation to large, mid and small cap segments will be actively managed based on:
 - Assessment of valuation differential
 - Expected earnings growth
 - Business cycles
- Allocation towards market cap segments will be based on relative attractiveness of the segments and can vary between 0% and 100%

Myth: There is a limit of Rs. 150,000 to invest in ELSS funds

Reality: Any amount can be invested by any domestic investor

Fund Facts

Investment Objective To provide long-term capital appreciation by investing predominantly in equity and equity related securities. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The scheme does not assure or guarantee any returns.

| Asset Allocation | Type of Instruments | Indicative Allocation (% of Net Assets) | | Risk profile (Low/Medium/High) |
|------------------|--|---|-----|--------------------------------|
| | | Max | Min | |
| | Equity & Equity Related Securities | 100% | 80% | High |
| | Short Term Debt & Money Market Instruments | 20% | 0% | Low to Medium |

Fund Managers Mr. George Heber Joseph and Mr. Pradeep Gokhale

Benchmark Nifty 500 Total Return Index

Plans & Options Plans: Direct & Regular Plan

Options: Growth & Dividend Payout

| | |
|--|--|
| Minimum application amount | ₹500/- and in multiples of ₹500/- thereafter |
| Additional application amount | ₹500/- and in multiples of ₹500/- thereafter |
| Systematic Investment Plan (SIP) Minimum amount | Available. For more information refer to section on 'Ongoing Offer Details' in the SID. ₹500/- per installment |
| Minimum redemption amount | ₹500/- and in multiples of ₹500/- or account balance whichever is lower. There will be no minimum redemption criterion for Unit based redemption. |
| Lock-In | Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS Guidelines |
| Load Structure | Entry Load: NA Exit Load: Nil |

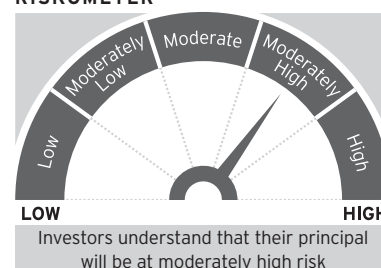


This product is suitable for investors who are seeking*

- Capital appreciation over long term
- Investments in equity and equity related securities

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

RISKOMETER



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