

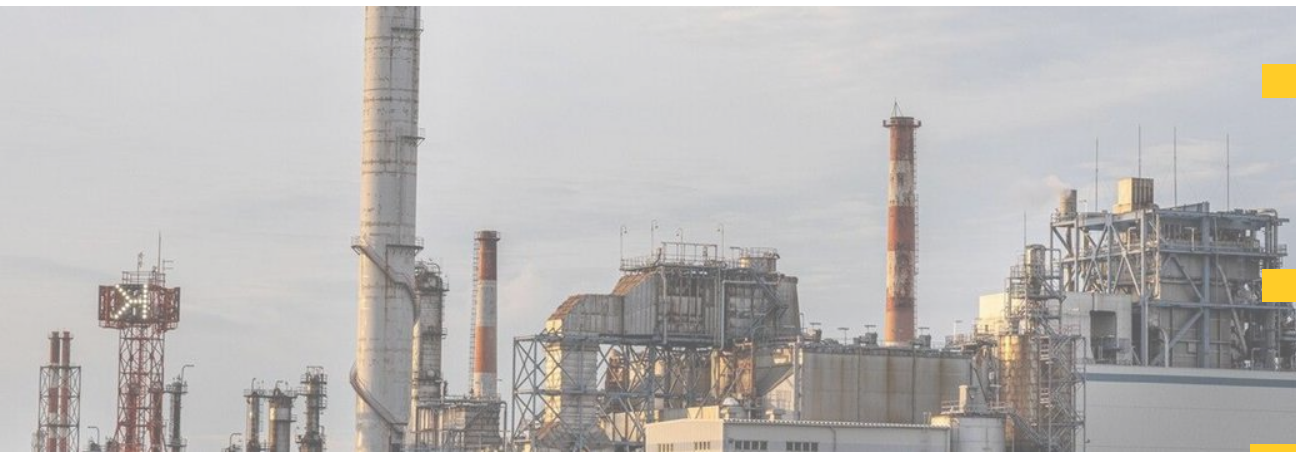


# LIC MF MANUFACTURING FUND



An open-ended equity scheme following manufacturing theme

**Building Wealth through India's Manufacturing Evolution**



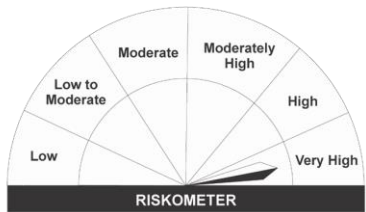
**NFO Opens**  
**20th September, 2024**

**NFO Closes**  
**04th October, 2024**

**Scheme opens for continuous sale and purchase**  
**16th October, 2024**



Scheme Riskometer #



Investors understand that their principal will be at Very High risk

As per AMFI Tier 1 Benchmark Riskometer i.e. Nifty India Manufacturing Index (TRI) #



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

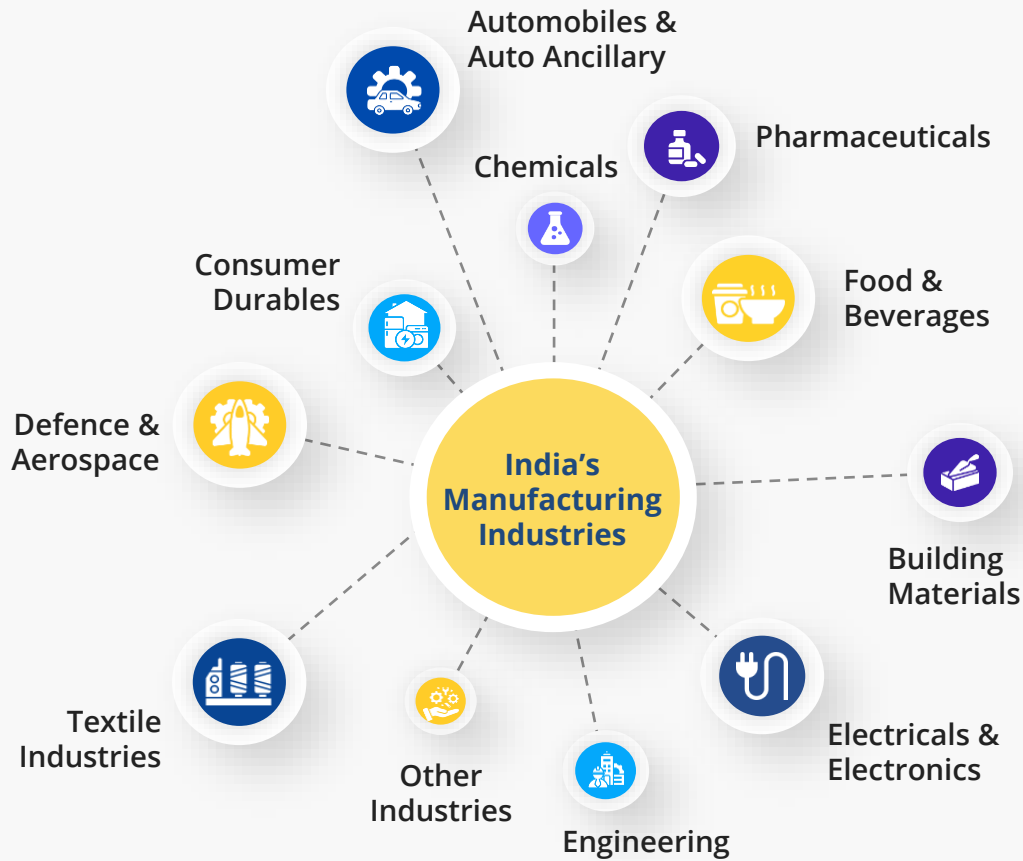
- Capital appreciation over long term
- Investment predominantly in equity and equity related instruments of companies following manufacturing theme
- Risk - Very High

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.#The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made. The Benchmark Riskometer is based on the evaluation of constituents of the Benchmark as on 31st August 2024.

# What is Manufacturing?

➤ Process of converting raw materials or parts into finished goods using Machinery, Tools and Human Intervention

➤ India's manufacturing sector spans across multiple industries



➤➤➤ The above list of industries is for illustration purposes only and may not be deemed to be an Investment advice by the AMC. These industries may or may not form part of the portfolio of the Scheme.

# Indian Economy Manufacturing Lagged

No.	Sector	GVA (Bn) FY 24	% of Total GVA	FY14-24*
01	Services	1743	55%	10.80%
02	Agriculture	563	18%	9.40%
<b>03</b>	<b>Manufacturing</b>	<b>455</b>	<b>14%</b>	<b>8.30%</b>
04	Industry (Utilities + Mining + Construction)	425	13%	9.20%
	<b>Total GVA</b>	<b>3186</b>	<b>100%</b>	<b>10.00%</b>



**Indian Manufacturing sector grew lowest during this period**

Source: Ministry of Statistics and Program Implementation (MOSPI)  
GVA: Gross Value Added \* GVA calculated on CAGR basis for FY14-24

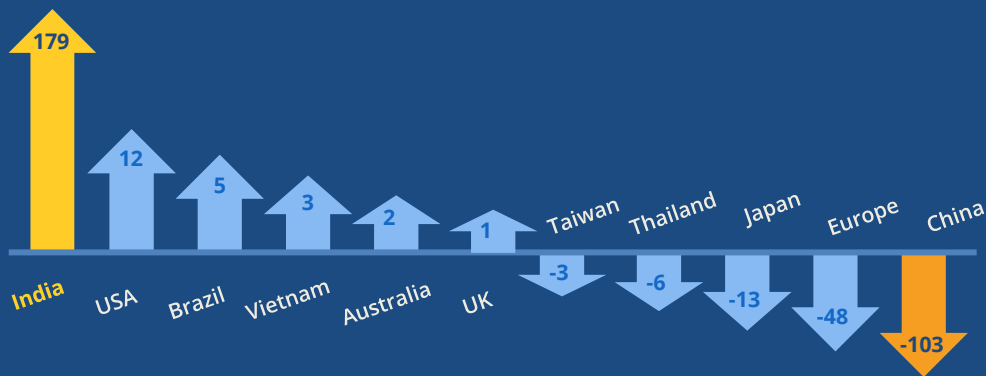


# The Growth Imperative for Indian Manufacturing

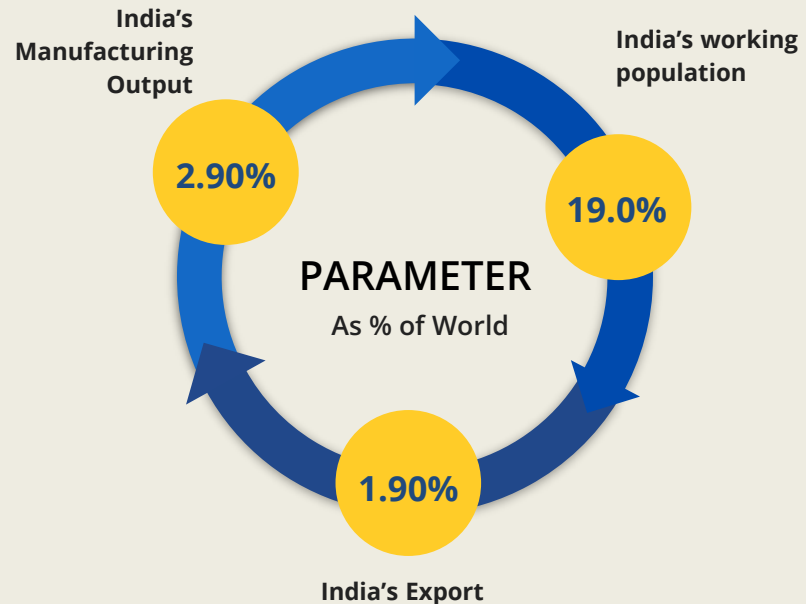
1. Sufficient and Affordable Workforce
2. Low-Cost Energy Access
3. Supportive Government Policies
4. Shifting Supply Chains: Reducing Reliance on China
5. Huge Consumer Market for Domestic Manufacturing

# India's Competitive Edge

**Expected change in working age population (25-64) by 2045 (Million People)**



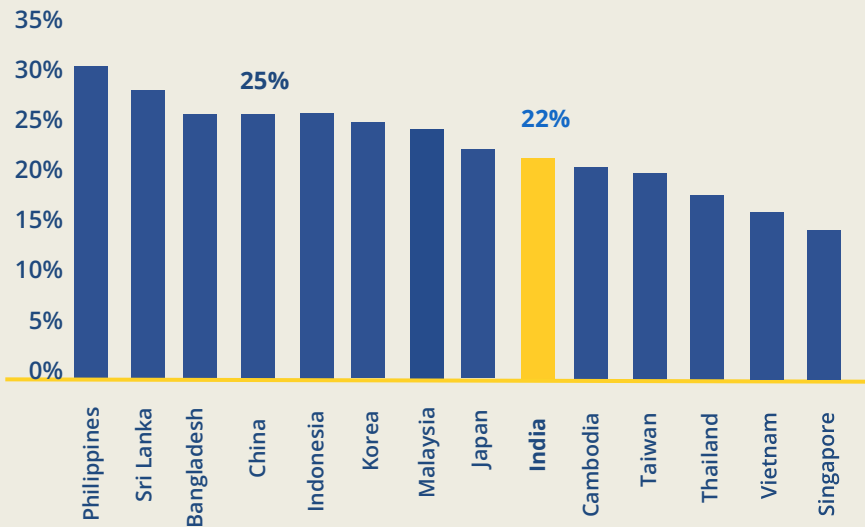
Source: World Bank, United Nations (UN), Jefferies



Source: World Bank, Working Population (15-64 Year) for CY23

# India's Competitive Edge

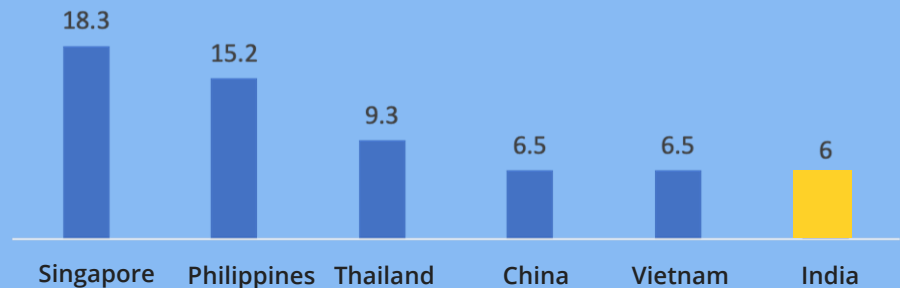
## Base corporate tax rate in Asian economies



Source: Bloomberg CY23

## Power cost across different geographies

Electricity cost for business as on March 2023 ( ₹ per kWh)

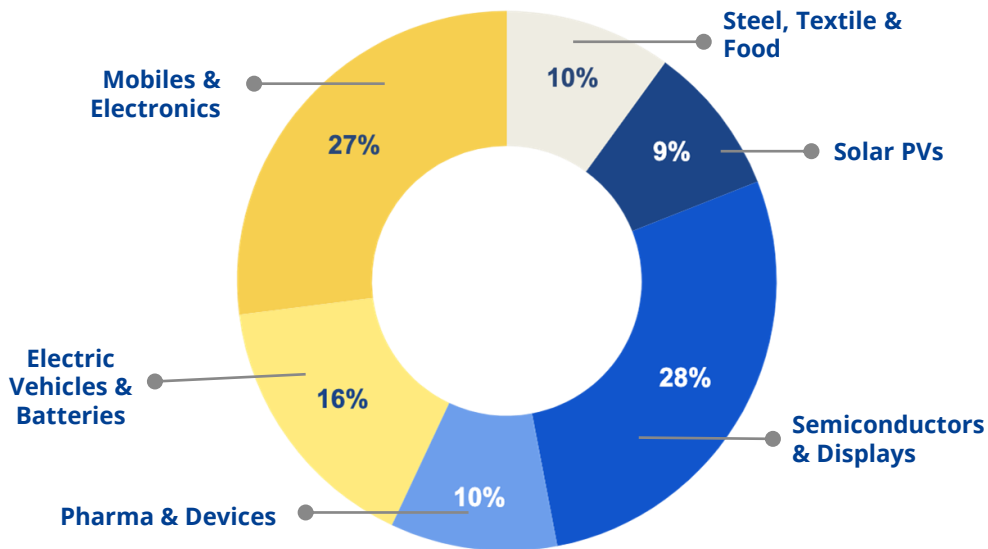


Source: Worldpopulationreview.com

# Government Focus on Domestic Manufacturing

## Other Government policies supporting manufacturing sector

- Make in India drives local manufacturing and attracts investment.
- Atma Nirbhar Bharat aims for self-reliance through Economy, Infrastructure, System, Demography, and Demand.
- India's National Logistics policy, aims to reduce logistics costs and improve efficiency and infrastructure.
- Import substitution



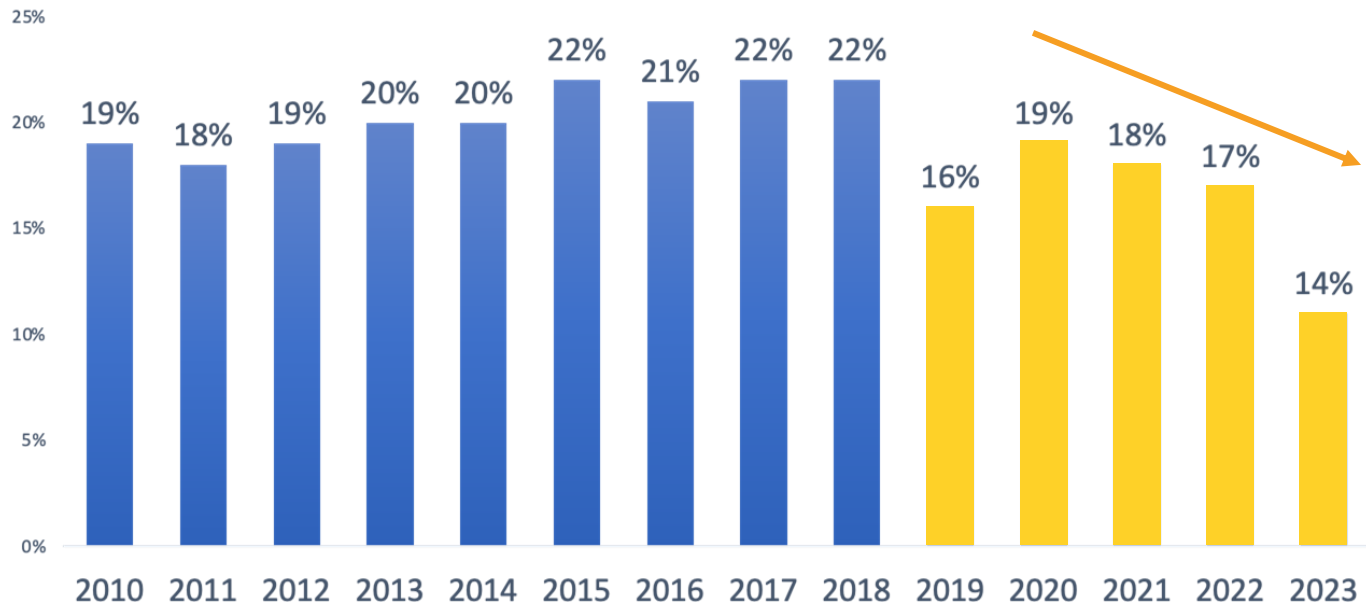
➤➤➤ The above list of industries is for illustration purposes only and may not be deemed to be an Investment advice by the AMC. These industries may or may not form part of the portfolio of the Scheme.

Source: Government of India (GoI), Jefferies; Data for the FY 24



# China is losing its Market Share

US imports from China as % of their total imports



**US imports from China are declining**

➤➤➤ **US imports from China declined by 750 bps since 2018. US imports during same period from Mexico, Vietnam, Taiwan, Thailand and India have risen.**

Source: TRADEMAP, Avendus Spark Research 2024

# Categories India can **Gain Against China**

Exports Category	CY 2023 (\$ Billion) (China Exports)	CY 2023 (\$ Billion) (India Exports)	China to India exports Ratio(x)
Electrical Machinery & Equipment	899	31.9	28.2x
Nuclear Reactors / Boilers	512	29.2	17.6x
Apparel-Knitted Articles	83	6.6	12.5x
Organic / Speciality Chemicals	78	19.2	4.0x
Vehicles other than Railway	193	20.7	9.3x
Iron or Steel Articles	98	9.7	10.1x
Optical / Medical Equipments	70	5.0	14.1x
Ships, Boats and Floating Structures	32	4.2	7.7x
Aircraft, Spacecraft, and Parts	7	1.7	4.2x
Footwear	53	2.5	21.0x
<b>Non-Oil-Non-Gold Export</b>	<b>3296</b>	<b>306</b>	<b>10.8x</b>

➤➤➤ The above list of export categories is for illustration purposes only and may not be deemed to be an Investment advise by the AMC. These may or may not form part of the portfolio of the Scheme. | Source: TRADEMAP, Avendus Spark Research

# World Manufacturing Output and Market Share

Global Manufacturing Share	CY23 (\$ Tn)	Market Share	CY23 (\$ Tn)	Market Share
China	5.4	28.8%		
United States	2.9	15.5%		
Europe	2.7	14.4%	India	2.9%
Rest of the World including India	7.7	41.3%	0.5	
World Manufacturing Size	18.7	100%		

➤➤➤ **With continued policy support and increasing foreign direct investments (FDI), India's share of the global manufacturing market is expected to rise.**

Source: World Bank, (% reflect Global Manufacturing share)

# Scalable Opportunities

Sectoral Opportunity	India Market Size (\$Bn)	Global Market Size (\$Bn)	India's Market Share
Automobile & Auto Components	74.1	3565	2.1%
Electric Equipment	65	1724	3.8%
Contract Development and Manufacturing Organizations (CRDMO) (Pharma)	7	197	3.6%
Speciality Chemicals	50	900	5.6%

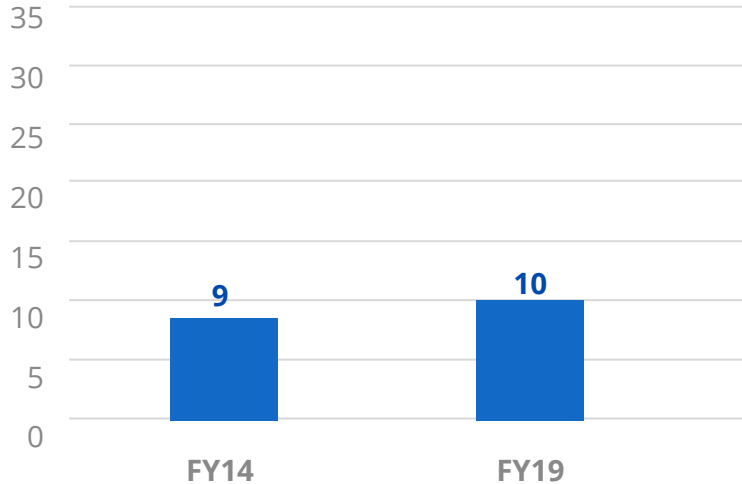
These sectors may benefit from India's growing domestic market, increasing global demand, and supportive policy frameworks, making them highly scalable.

➤➤➤ **The above list of sectors is for illustration purposes only and may not be deemed to be an Investment advice by the AMC. These sectors may or may not form part of the portfolio of the Scheme.**

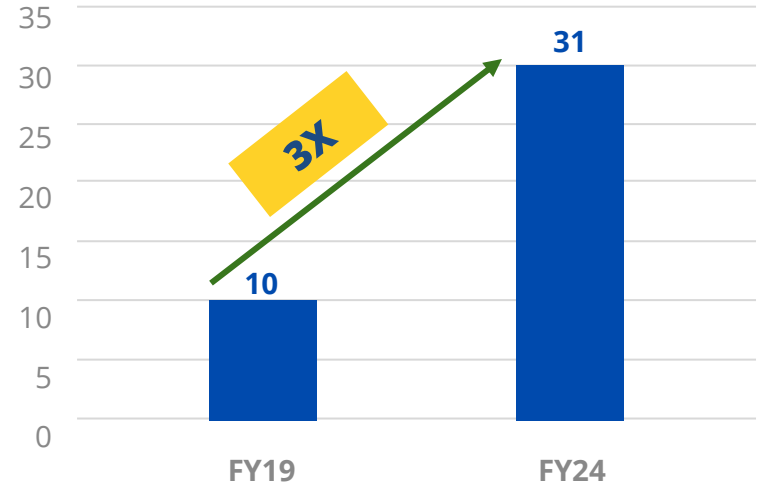
Source: Automotive Component Manufacturers Association (ACMA), Frost & Sullivan, KPMG, India Brand Equity Foundation (IBEF) Data for the CY23

# India's Export of **Electronic Goods**

India's exports of Electronic goods (USD Bn)

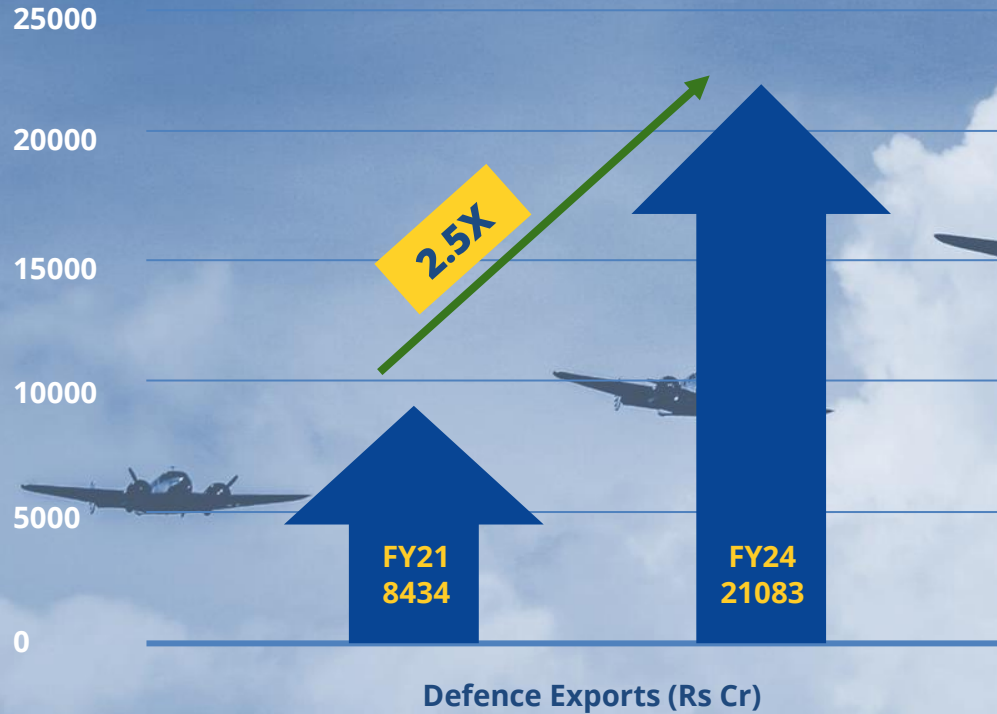


India's exports of Electronic goods (USD Bn)



In the aftermath of the COVID-19 pandemic, India is rapidly expanding its foothold in the global electronics market.

# India's Defence Export



Indian defence exports are experiencing robust growth, thanks to the government's recent initiatives to promote international sales.

# Sectors That May Grow In India

## Scalable Sectors

- Automotive
- Industrial Machinery
- Power Equipment
- Pharmaceutical
- Chemical
- Textile

## Sunrise Sectors

- Defence
- Aerospace
- Power Cables
- Electronics Manufacturing Services (EMS)
- Consumer Durables
- Data Centre

## Nascent Sectors

- Semiconductor
- Space Satellite



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Source: Internal Research

# Manufacturing Opportunity For India





# Fund Facts of LIC MF Manufacturing Fund

## SCHEME TYPE

An open-ended equity scheme following manufacturing theme

## INVESTMENT OBJECTIVE

The investment objective of the Scheme is to achieve long term capital appreciation by predominantly investing in equity and equity related instruments of companies following manufacturing theme.

There is no assurance that the investment objective of the Scheme will be achieved.



## HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be as follows:

INSTRUMENTS	Indicative allocations (% of total assets)	
	MINIMUM	MAXIMUM
Equity and equity related instruments of companies following manufacturing theme	80	100
Equity and equity related instruments of other than above companies	0	20
Debt and Money market instruments	0	20
Units issued by REITs and InvITs	0	10

➤➤➤ For more details on Asset Allocation please refer Scheme Information Document

# Fund Facts of LIC MF Manufacturing Fund

## INVESTMENT STRATEGY

The Scheme will follow an active investment strategy.

The Scheme will follow a Top-down and bottom-up approach to stock-picking and choose companies that are engaged in manufacturing and allied activities.

The Scheme will also review these investments from time to time and the Fund Manager may churn the portfolio to the extent considered beneficial to the investors.

Following Companies would be a part of manufacturing theme:

01

Companies that are engaged in manufacturing activities

02

Companies that are well placed to substitute India's imports by manufacturing locally

03

Companies that may benefit from Government's Make in India initiatives and Production Linked Incentive (PLI)

04

Companies that export goods manufactured in India

05

Companies that enable manufacturing of new age technology solutions in India and abroad

# Fund Facts of LIC MF Manufacturing Fund

## FUND MANAGERS



**Mr Yogesh  
Patil**



**Mr Mahesh  
Bendre**

## FIRST TIER BENCHMARK

Nifty India Manufacturing Index (TRI)

## PLANS

The Scheme has the following two plans:

- 1.Regular Plan
- 2.Direct Plan

The Regular and Direct plan will be having a common portfolio

## OPTIONS

The scheme has the following Options:

- 1.Growth Option
- 2.Income Distribution cum Capital Withdrawal (IDCW) Option

IDCW Sub Options are:

- 1.Reinvestment of Income Distribution cum Capital Withdrawal Option.
- 2.Payout of Income Distribution cum Capital Withdrawal Option

**Default Option** - Growth Option (In case Growth Option or IDCW Option is not indicated)

**Default Sub Option** - Reinvestment of IDCW Option (In case Payout or Reinvestment of IDCW Option is not indicated).

# Fund Facts of LIC MF Manufacturing Fund

## SPECIAL PRODUCTS

- Systematic Investment Plan (including SIP Pause\*, SIP Step up Facility, Micro SIP)
- Systematic Transfer Plan (Fixed Systematic Transfer Plan and Capital Appreciation STP facility)\*
- Systematic Withdrawal Plan\*
- Automatic withdrawal of Capital Appreciation\*

**\*Available only during Ongoing Offer Period.**

The Investors will have an option to cancel the SIP, STP/SWP during the ongoing offer period, for details in this regard, please refer Statement of Additional Information.

➤➤➤ The SIP start date in case of NFO registration shall be after the Scheme reopening date.

## SPECIAL FACILITIES

- Facility to transfer Dividend (IDCW)
- Auto Switch Facility\*
- Acceptance of Transactions through Online platforms viz.,
  - AMC Website – [www.licmf.com](http://www.licmf.com)
  - MF Central
  - MF Utilities
  - Stock Exchanges (NSE/ BSE)
  - Registrar and Transfer Agent platforms

**\*Available only during New Fund Offer Period.**

➤➤➤ For further details of above special products / facilities, kindly refer Statement of Additional Information (SAI).

# Fund Facts of LIC MF Manufacturing Fund

## MINIMUM APPLICATION AMOUNT

**During New Fund Offer:** Application Amount/Switch in – Rs.5,000/- and in multiples of Re.1 thereafter.

SIP* Amount		
Daily	Monthly	Quarterly
Rs. 300/- and in multiples of Re.1/- thereafter.	Rs. 1,000/- and in multiples of Re.1/- thereafter.	Rs. 3,000/- and in multiples of Re.1/- thereafter.

➤➤➤ \*SIP Start date shall be after re-opening date of the scheme

**On an ongoing basis:** Application Amount/Switch in (Other than fresh purchase through SIP) – Rs.5,000/- and in multiples of Re.1 thereafter.

SIP Amount		
Daily	Monthly	Quarterly
Rs. 300/- and in multiples of Re.1/- thereafter.	Rs. 1,000/- and in multiples of Re.1/- thereafter.	Rs. 3,000/- and in multiples of Re.1/- thereafter.

## LOAD STRUCTURE

### Exit Load:

- If units of the Scheme are redeemed / switched-out within 90 days from the date of allotment:
  - Upto 12% of the units: No exit load will be levied
  - Above 12% of the units: exit load of 1% will be levied
- If units of the Scheme are redeemed / switched-out after 90 days from the date of allotment: No exit load will be levied.

Load shall be applicable for switches between eligible Schemes of LIC Mutual Fund as per the respective prevailing load structure, however, no load shall be charged for switches between options within the Schemes of LIC Mutual Fund.

# Product Labelling

## Scheme & Benchmark Name

The product is suitable for investors who are seeking\*

**LIC MF Manufacturing Fund**

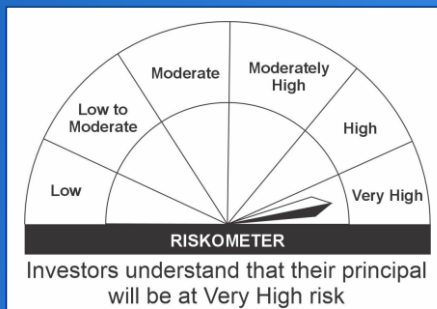
- Capital appreciation over long term

**First Tier Benchmark  
Nifty India Manufacturing Index (TRI)**

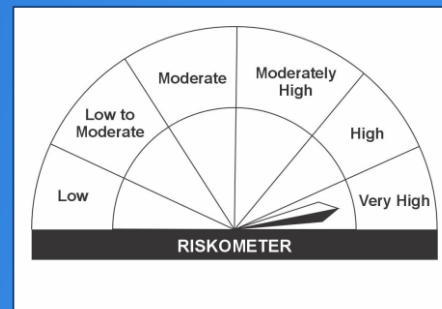
- Investment predominantly in equity and equity related instruments of companies following manufacturing theme

**Risk - Very High**

## Scheme - Riskometer



## First Tier Benchmark - Riskometer



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# Thank you

To know more, please consult your **Financial Advisor** **OR** **CALL TOLL FREE**



**1800-258-5678**

Statutory Details Sponsor: Life Insurance Corporation of India.  
Investment manager: LIC Mutual Fund Asset Management Ltd. CIN: U67190MH1994PLC077858

For further details, please refer to the Scheme Information Document, Statement of Additional Information & Key Information Memorandum cum Application forms, available on our website [www.licmf.com](http://www.licmf.com) and at the official points of acceptance of LIC Mutual Fund Asset Management Ltd.

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## LIC Mutual Fund Asset Management Ltd.

Investment Managers to LIC Mutual Fund  
Industrial Assurance Building, 4<sup>th</sup> Floor,  
Opp. Churchgate Station, Mumbai - 400020

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