

# BAJAJ FINSERV FLEXI CAP FUND

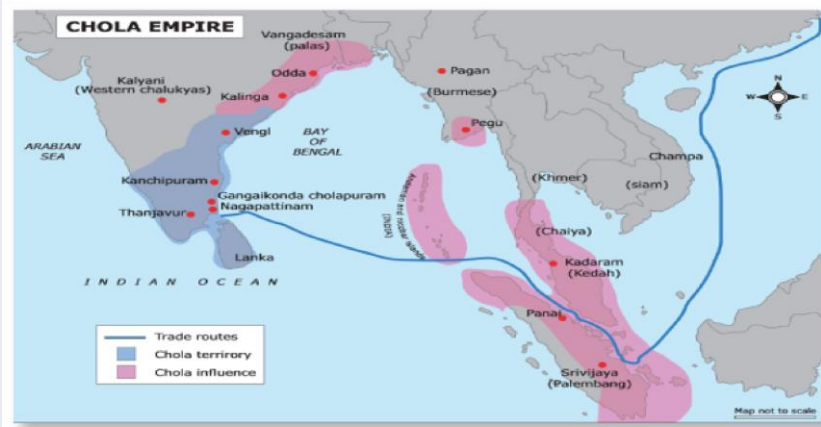
(An open ended equity scheme investing across large cap, mid cap, small cap stocks.)

NFO Period July 24, 2023 - August 7, 2023

**FUTURE-READY INVESTMENT: MEGATRENDS STRATEGY**

# Megatrends – Historical Perspective

# CHOLA DYNASTY: PIONEERING THE ART OF NAVY BUILDING



Empire and Influence

## Naval Expansion and Modernization

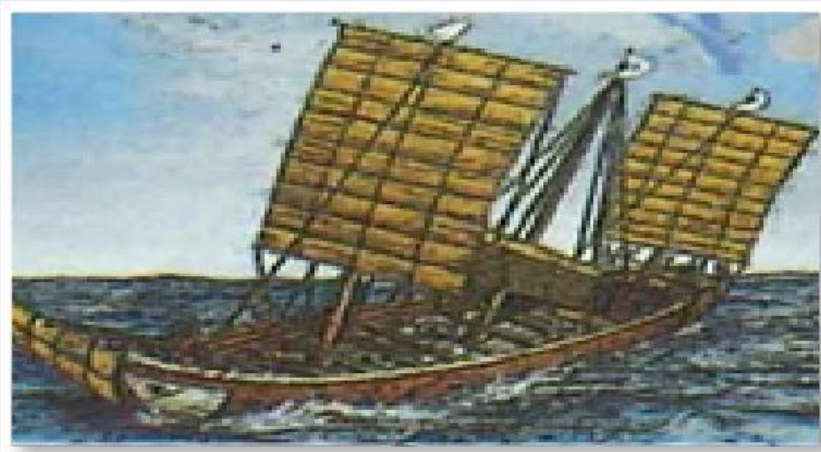
Prominent Chola king develops a powerful navy in the 10th century.

## South East Asian Conquest

Cholas used their strong navy to expand their influence in Southeast Asia.

## Historical Legacy

The Chola Dynasty's naval achievements in East Asia shaped the region's history and set a precedent for future maritime power.



Organized Navy In India

# 12TH CENTURY EUROPE: NAVY FOR TERRITORIAL EXPANSION



English Naval Fleet

## Lost Focus

Most invasions in the next 500-600 years took place via the land route through the Northwest of the Indian subcontinent.

## Skill Loss

The skill of shipbuilding was lost, and many Indian kingdoms lacked a navy.

## Strategic Advantage Shifts

European countries recognized the strategic advantages of having a strong naval fleet.

## Opportunity Moves Ashore

European countries expanded their trade and military influences through colonization, enabling them to extend their control over various regions.



Portuguese Fleet



# MARATHAS: IDENTIFYING A MEGATREND - SHIP BUILDING



Sindhudurg Fort and Naval Fortifications

## Naval Expansion and Modernization

The Marathas, with their vision of maritime dominance, initiated the construction of a strong naval fleet.

## Naval Warfare Expertise

Marathas honed their naval warfare skills and employed tactics to counter the Portuguese naval prowess.

## Containing the Portuguese

Naval force played a crucial role in restricting Portuguese control and expansion of economic growth.



Maratha Naval Tactics

# Megatrends: Business Perspective

# SUCCESS IS CONFLUENCE OF PREPAREDNESS + MEGATRENDS



Easy Access  
Improved Internet  
Broadband Connectivity.

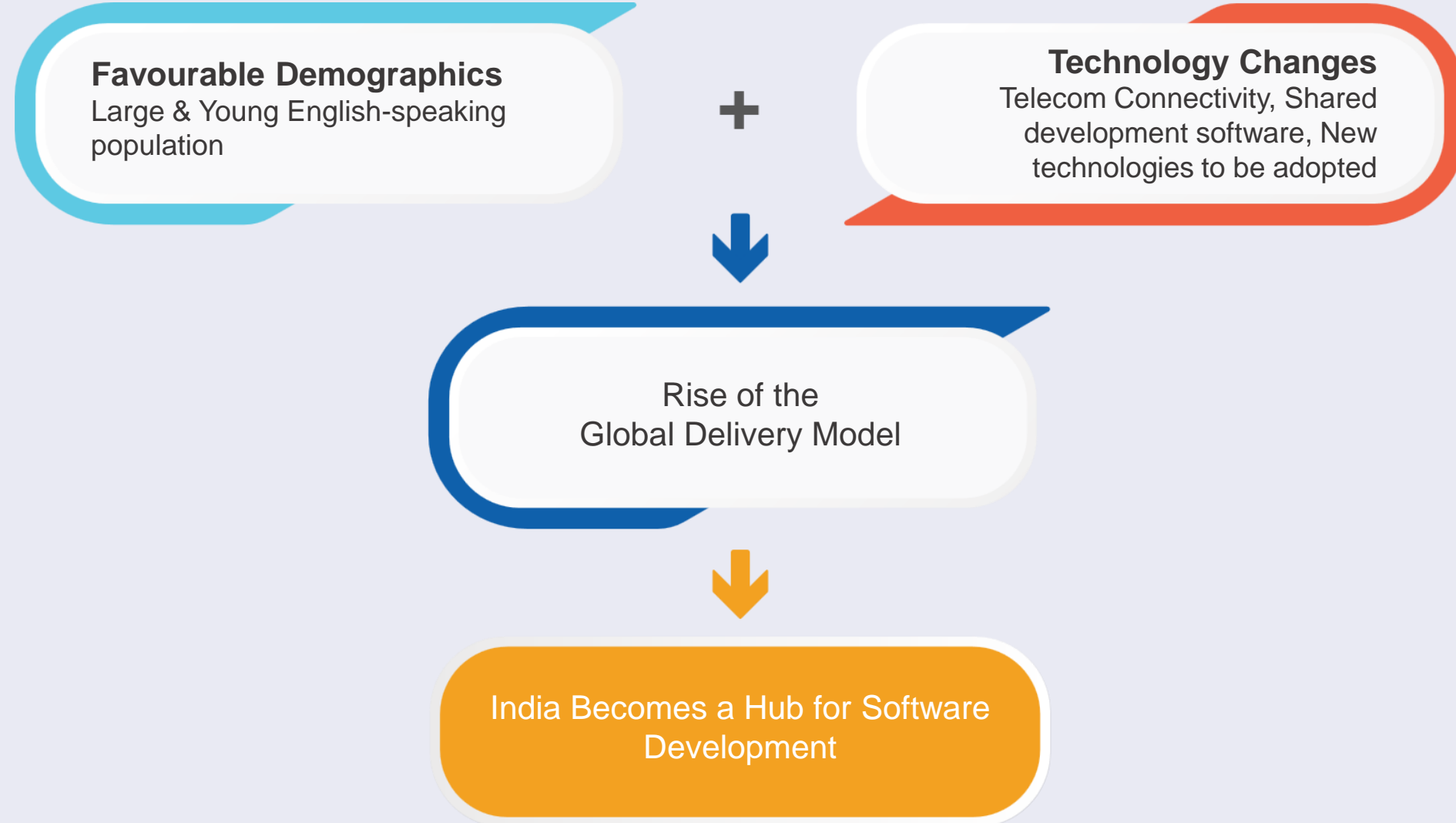


Social Media Integration  
Seamless sharing fueled viral  
videos and audience growth.

YouTube's success can be attributed to seizing opportunities at the right time by embracing advancements in hardware, software, telecom, and shifting generational preferences.

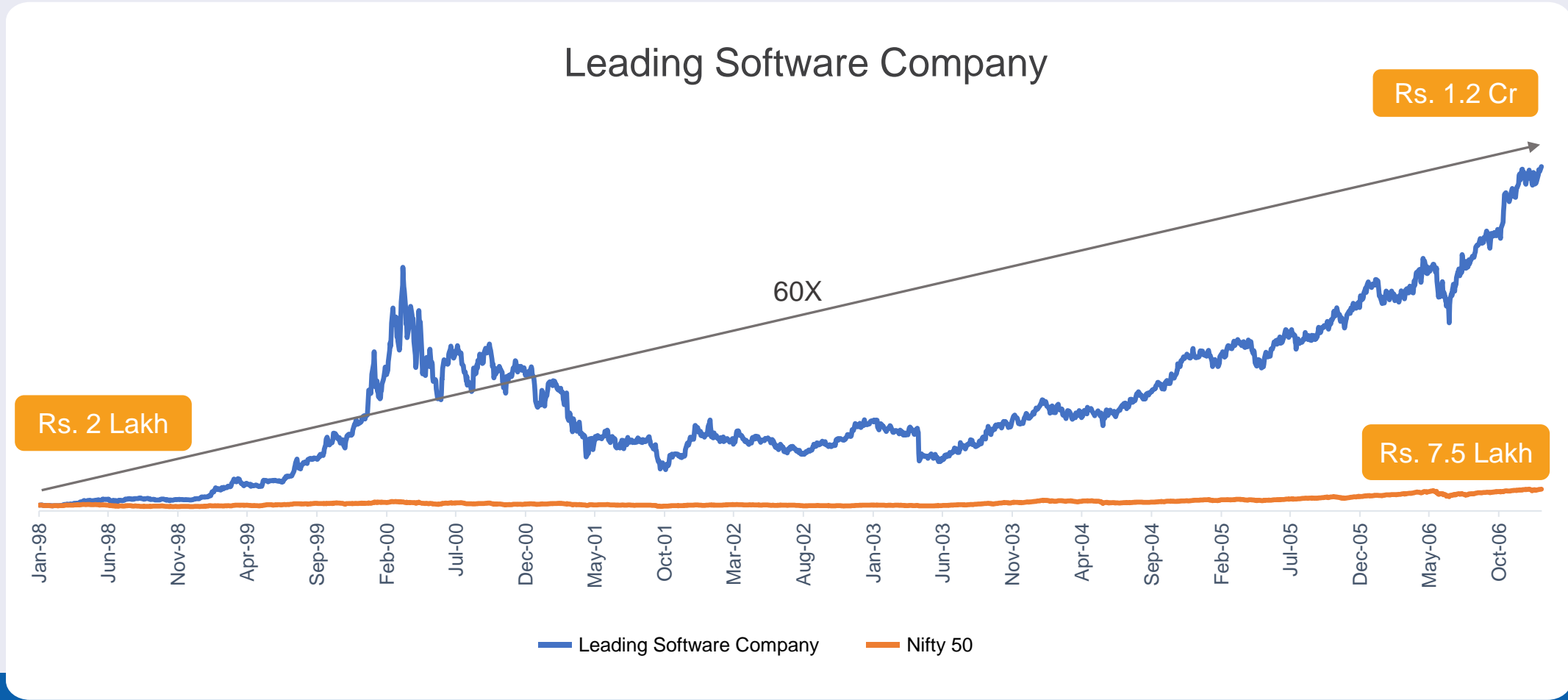
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# INDIA – MEGATRENDS STUDY 1 – YEAR 1998



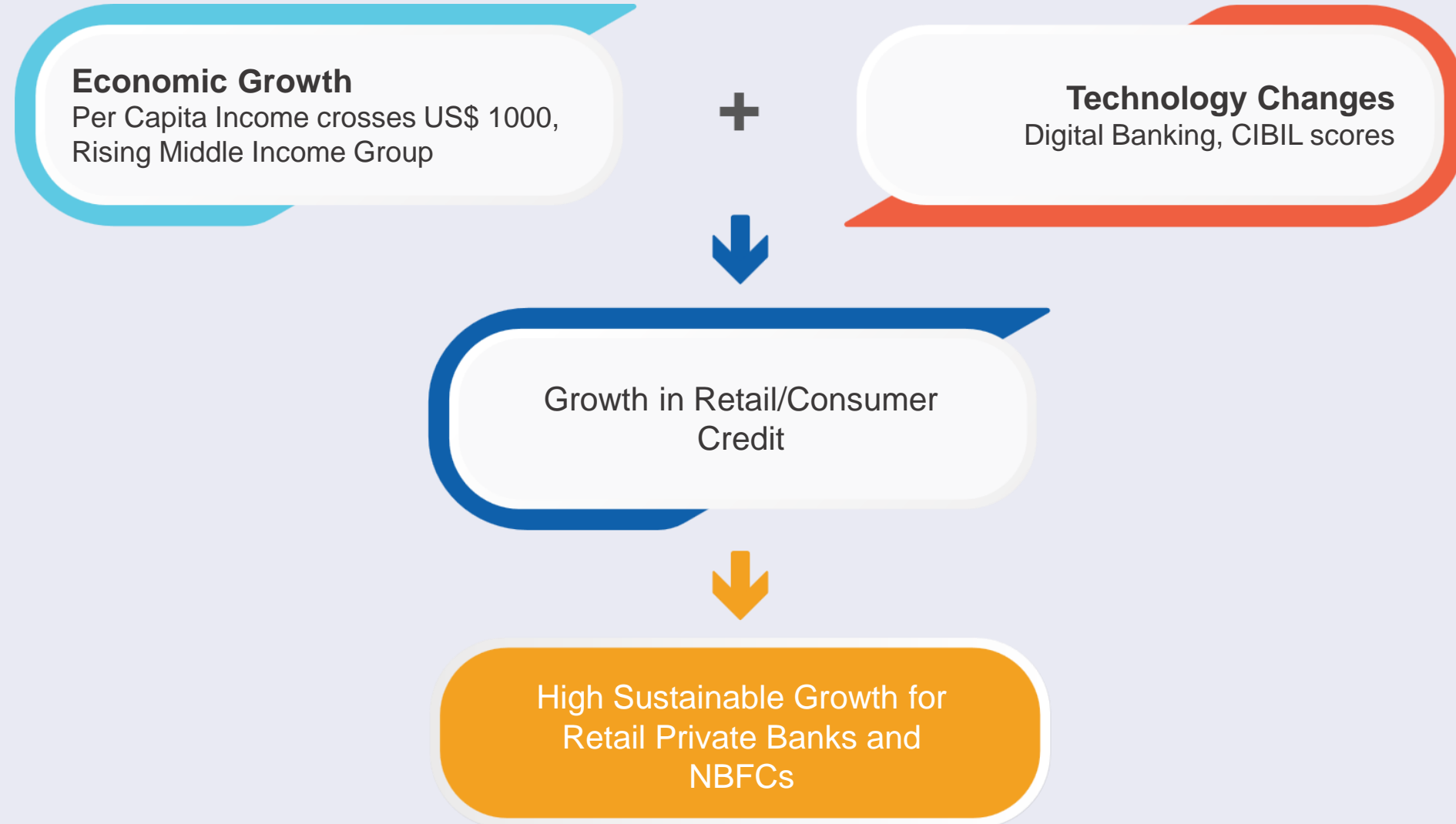


# INDIA – MEGATRENDS STUDY 1 – YEAR 1998

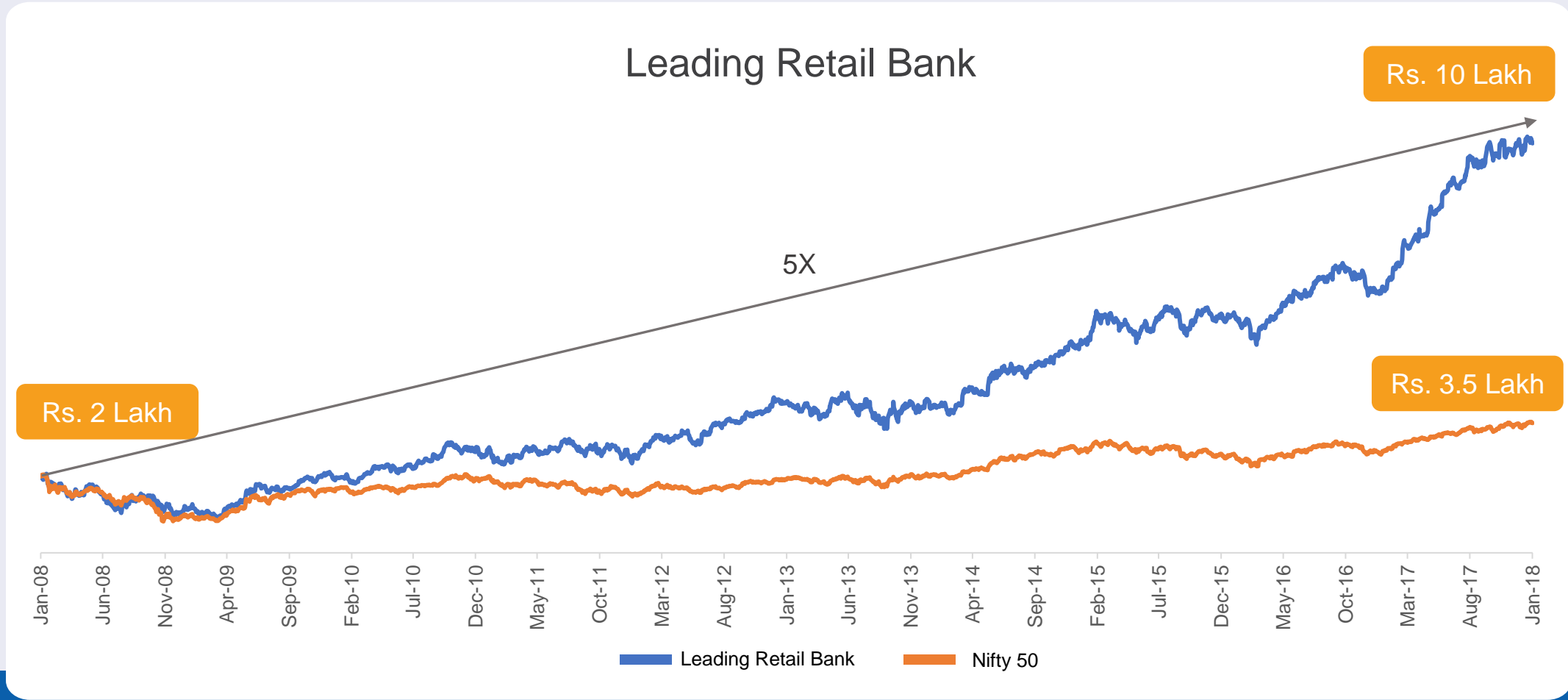


In a span of approx. 9 years, a prominent technology company harnessed the power of digitization, outsourcing, a low-cost technical workforce, and globalization to achieve an extraordinary growth of 60 times. This transformation turned a modest Rs. 2 lakh investment into an impressive Rs. 1.2 crore.

# INDIA – MEGATRENDS STUDY 2 – YEAR 2008

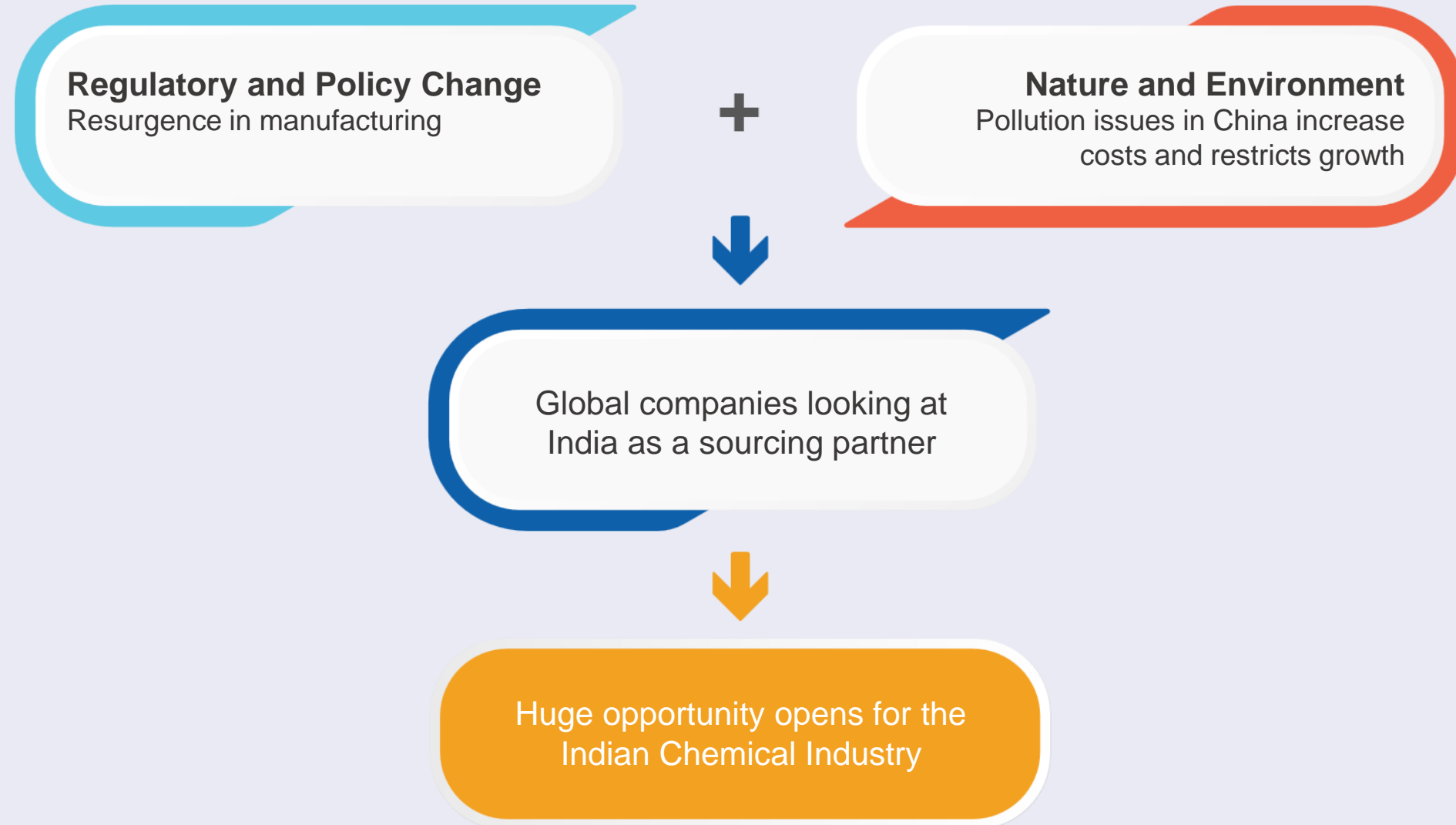


# INDIA – MEGATRENDS STUDY 2 – YEAR 2008

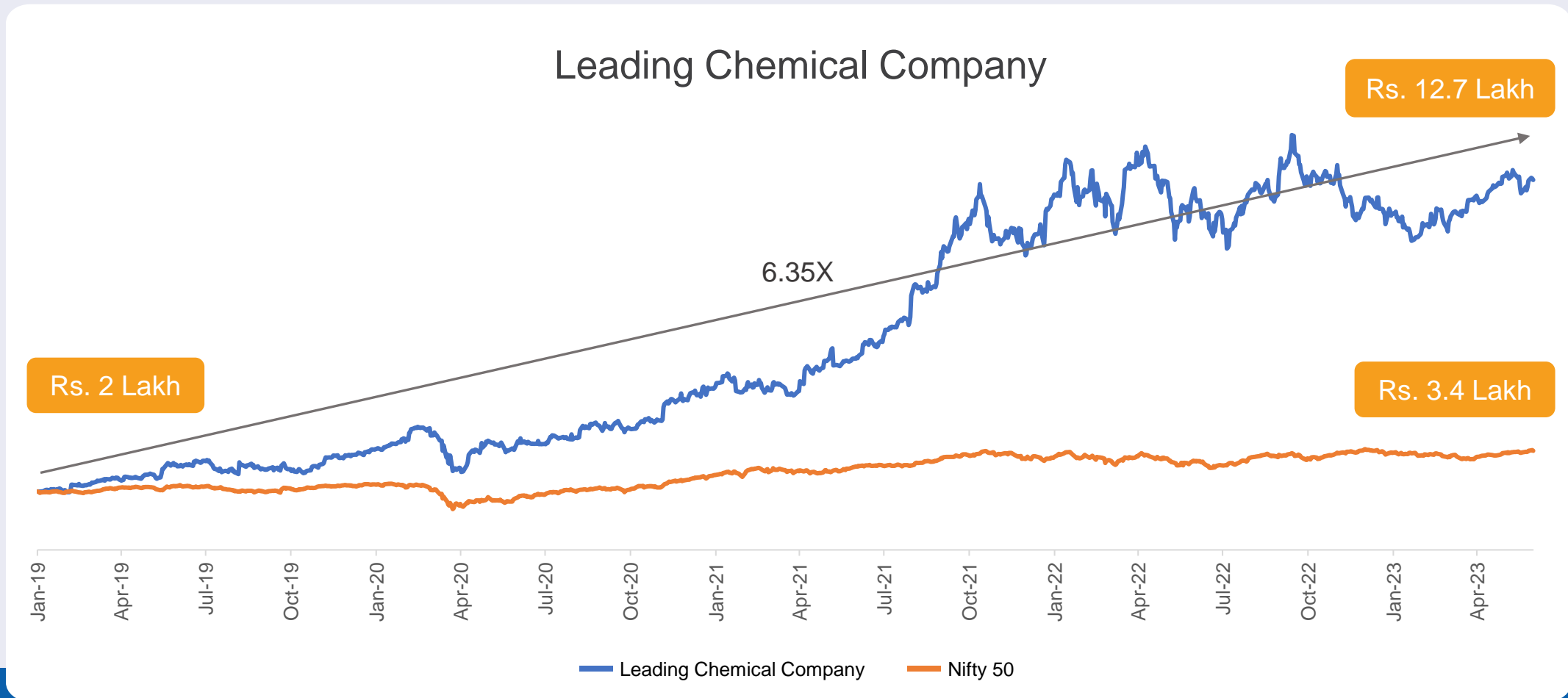


By capitalizing on the megatrends of the emerging middle class, financial liberalization, and fintech, a prominent bank achieved high growth, turning a Rs. 2 lakh investment into Rs. 10 lakh within a span of 10 years multiplying the initial investment by 5 times.

# INDIA – MEGATRENDS STUDY 3 – YEAR 2018



# INDIA – MEGATRENDS STUDY 3 – YEAR 2018



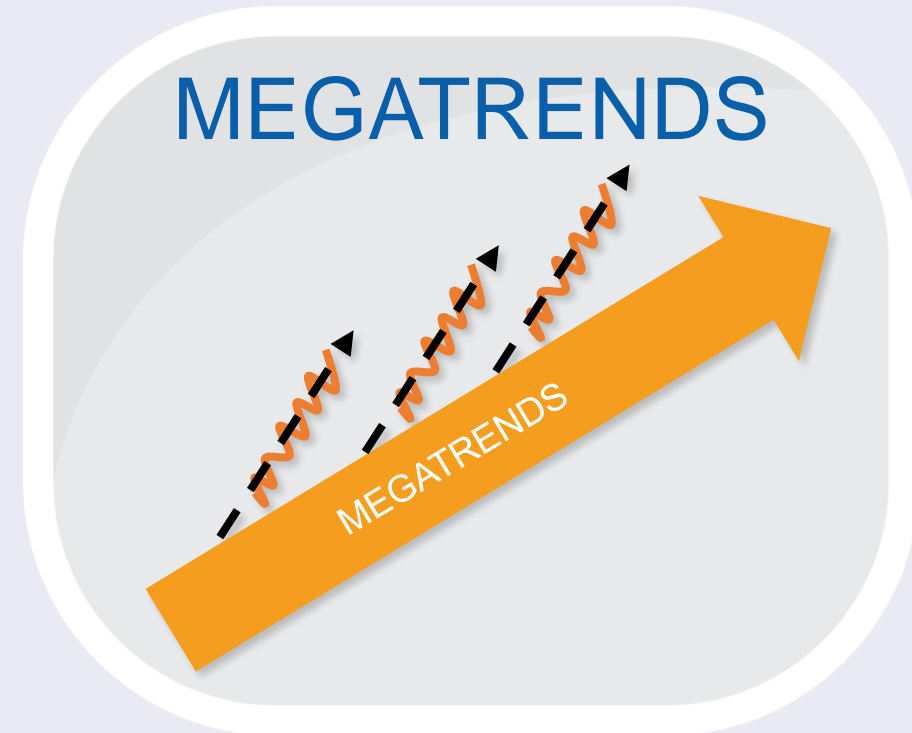
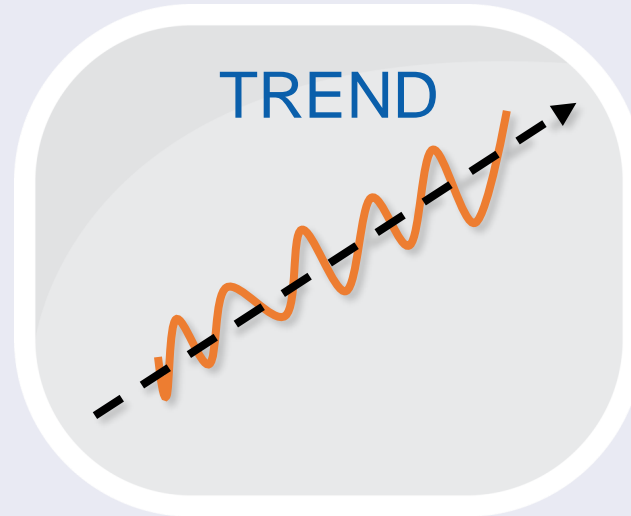
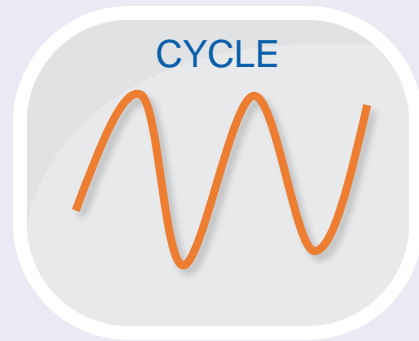
Harnessing megatrends such as the resurgence in manufacturing, a leading chemical company achieved notable results, multiplying a Rs. 2 lakh investment by 6.35 times and transforming it into an impressive Rs. 12.7 lakh in just ~4 years\*





A Megatrend is a powerful long-term change that affects economies, businesses and companies.

# MEGATRENDS INVESTING: BUY & WATCH



# WHY UNDERSTANDING MEGATRENDS IS IMPORTANT

“You can't go to sleep holding cyclical stocks for a decade and expect to be richly rewarded. The rich rewards are in growth stocks and special situations.”  
–Peter Lynch



Long Term  
Impact



Impacts Across  
Sectors



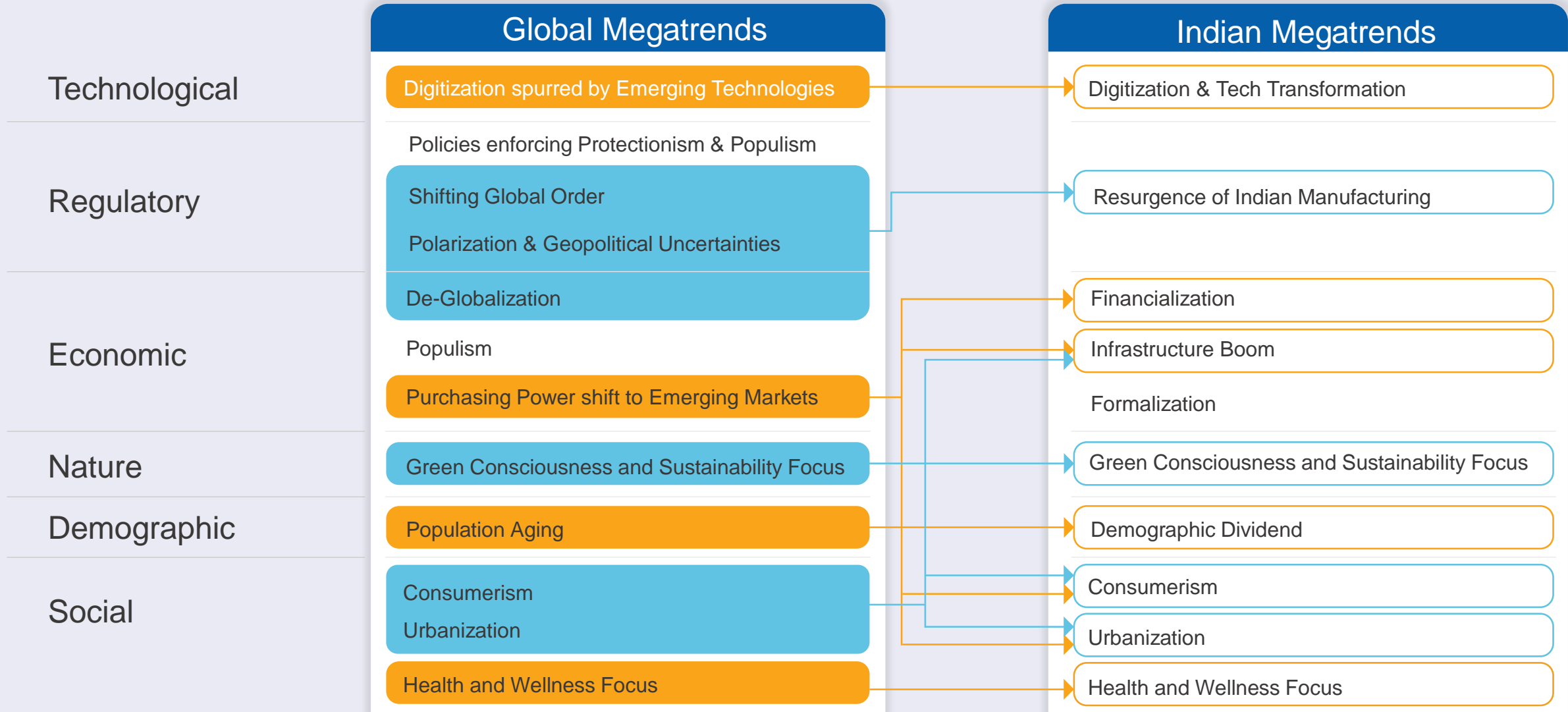
Creates Opportunities &  
Risks

# UNDERSTANDING THE SOURCE OF:



TECHNOLOGICAL	REGULATORY	ECONOMIC	NATURE	DEMOGRAPHIC	SOCIAL
Digitization & Tech Transformation	Resurgence of Indian Manufacturing	Financialization	Green Consciousness and Sustainability Focus	Demographic Dividend	Health and Wellness Focus
		Infrastructure Boom			Infrastructure Boom
		Consumerism & Urbanization			Consumerism & Urbanization

# INTERLINKAGES BETWEEN GLOBAL MEGATRENDS AND INDIAN MEGATRENDS

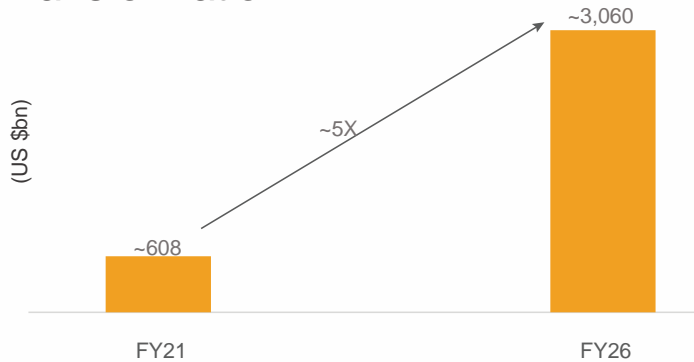




# CURRENT MEGATRENDS



## Technology-Digitization & Tech Transformation



UPI (Unified Payments Interface) transactions in India may surge to a fivefold increase by FY 2026.

Source: PayTM RHP

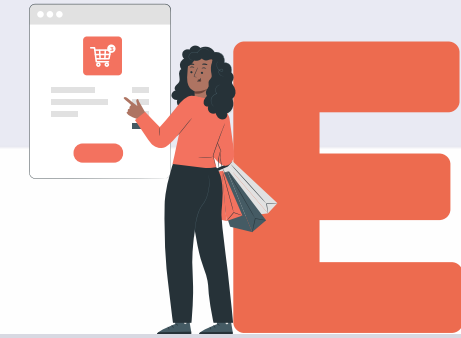


## Regulatory - Resurgence of Indian Manufacturing

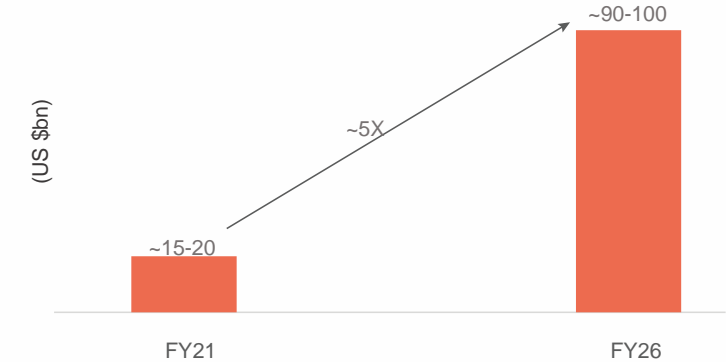


The PLI Scheme seeks to make India a global manufacturing hub.

Source: GS Report/PIB



## Economic-Formalisation



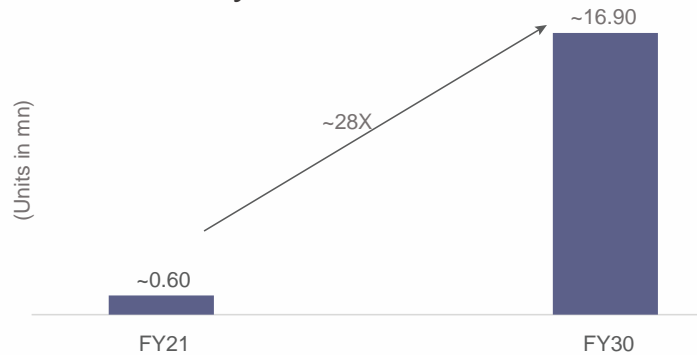
The BNPL\* business is expected to grow fivefold by FY26.

\*Buy now pay later  
Source: PayTM RHP

# CURRENT MEGATRENDS

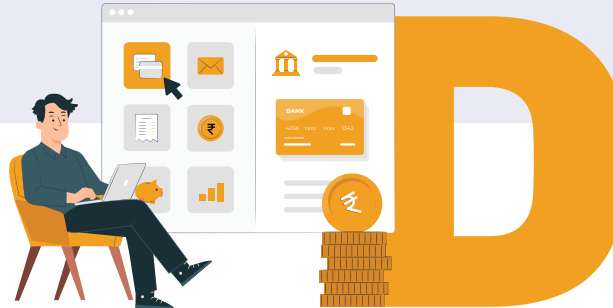


## Nature-Green Consciousness & Sustainability Focus

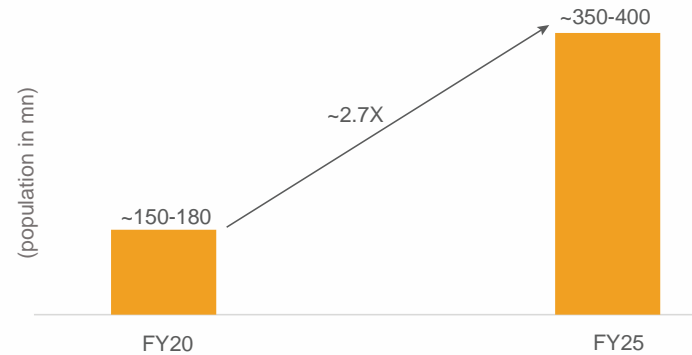


India's EV production is expected to rise from 0.6 mn units in FY21 to ~16.90 mn units by FY30.

Source: [www.researchandmarkets.com/reports/5457633](http://www.researchandmarkets.com/reports/5457633)



## Demographic Dividend

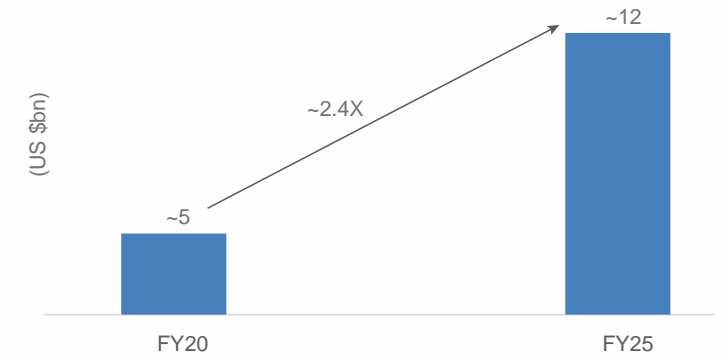


The e-commerce customer base is expected to grow by 2.7 times by FY25.

Source: Bernstein report



## Social – Rising Consumerism and Urbanization



Social Behavior is changing radically. Eating out expense may rise 2.4 times by FY25.

Source: Nykaa RHP

# INTRODUCING BAJAJ FINSERV FLEXI CAP FUND

(An open ended equity scheme investing across large cap, mid cap,  
small cap stocks)

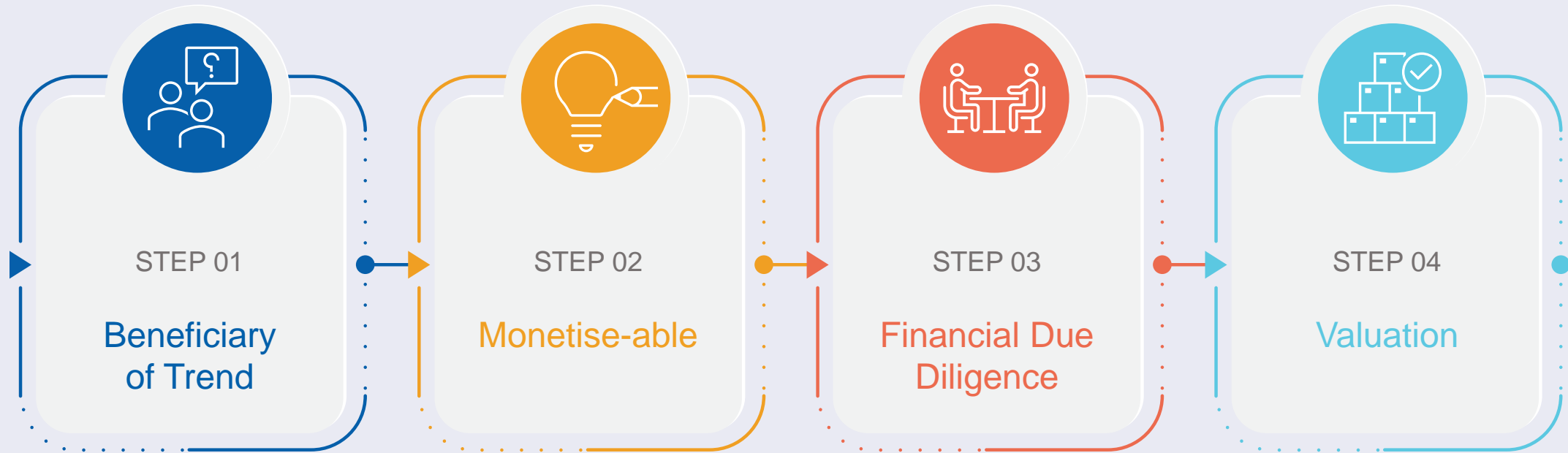
“Nothing is more powerful than an idea whose time has come.”— Victor Hugo

# MEGATRENDS TO PORTFOLIO



A Portfolio of companies with the potential of sustainable high growth.

# TREND ASSESSMENT & STOCK SELECTION PROCESS



Select the Business and Management that can capitalise on the opportunity

Understand Financials

Ascertain appropriate valuation zone

## INQUBE PROCESS



# OUR INVESTMENT PHILOSOPHY

## INFORMATION EDGE

- Outperform the market on superior information collection

# INQUBE

## QUANTITATIVE EDGE

- Outperform the market on processing information better
- Quant models, Analytical models

## BEHAVIORAL EDGE

- Outperform the market by better decision making
- Take advantage of crowd over-reaction and underreaction
- Reduces one's own behavioral pitfalls

## Hunting Ideas

TOP-DOWN  
IDEAS

ECONOMY

ECONOMY

INDUSTRY

INDUSTRY

COMPANY

COMPANY

BOTTOM-UP  
IDEAS

Cycles

Behavioral  
Screening

## Analysing Ideas

- Business
- Management
- Valuation

Checklist

Pre-  
mortem

## Allocating

- Size
- Quality
- Value
- Growth
- Risk

Journal

Quant

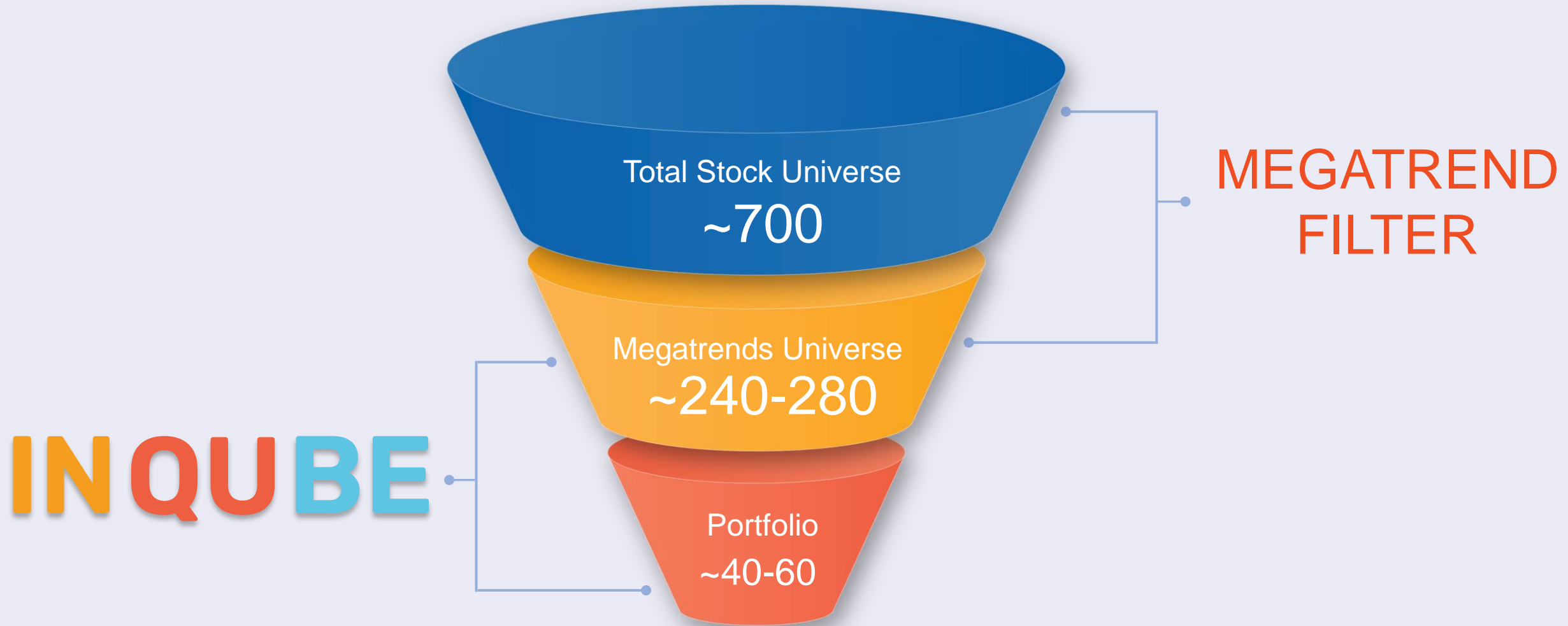
Pre-  
commitment

# MEGATRENDS TO PORTFOLIO

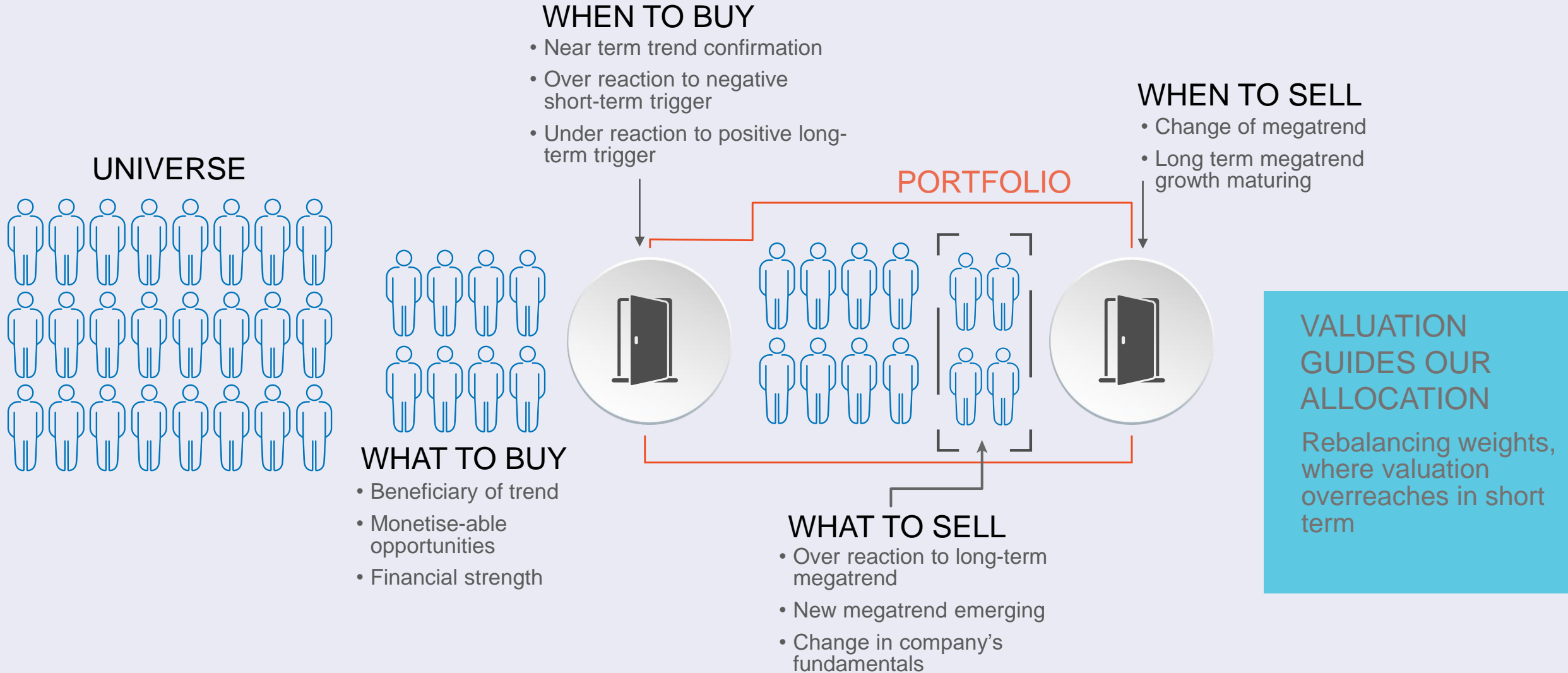


**A Portfolio of companies with the potential of sustainable high growth.**

# PORTFOLIO CONSTRUCTION PROCESS



# PORTFOLIO MANAGEMENT PROCESS



# PORTFOLIO WHICH IS: 5 IN 1



Long-Term



Multi-Trend



Growth Compounders



Multi-Sector



Flexi Cap

# HOW BAJAJ FINSERV FLEXI CAP FUND IS A DIFFERENT PROPOSITION

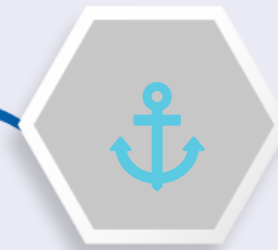
True to label  
Flexi Cap fund



Embracing  
Long-Term Trends: With  
potential high active  
share component



Relatively Low  
Turnover Ratio



Rather than  
'going with the flow,' investing  
in Megatrends means  
'anticipating the flow'

Targeting future  
profit pool  
companies

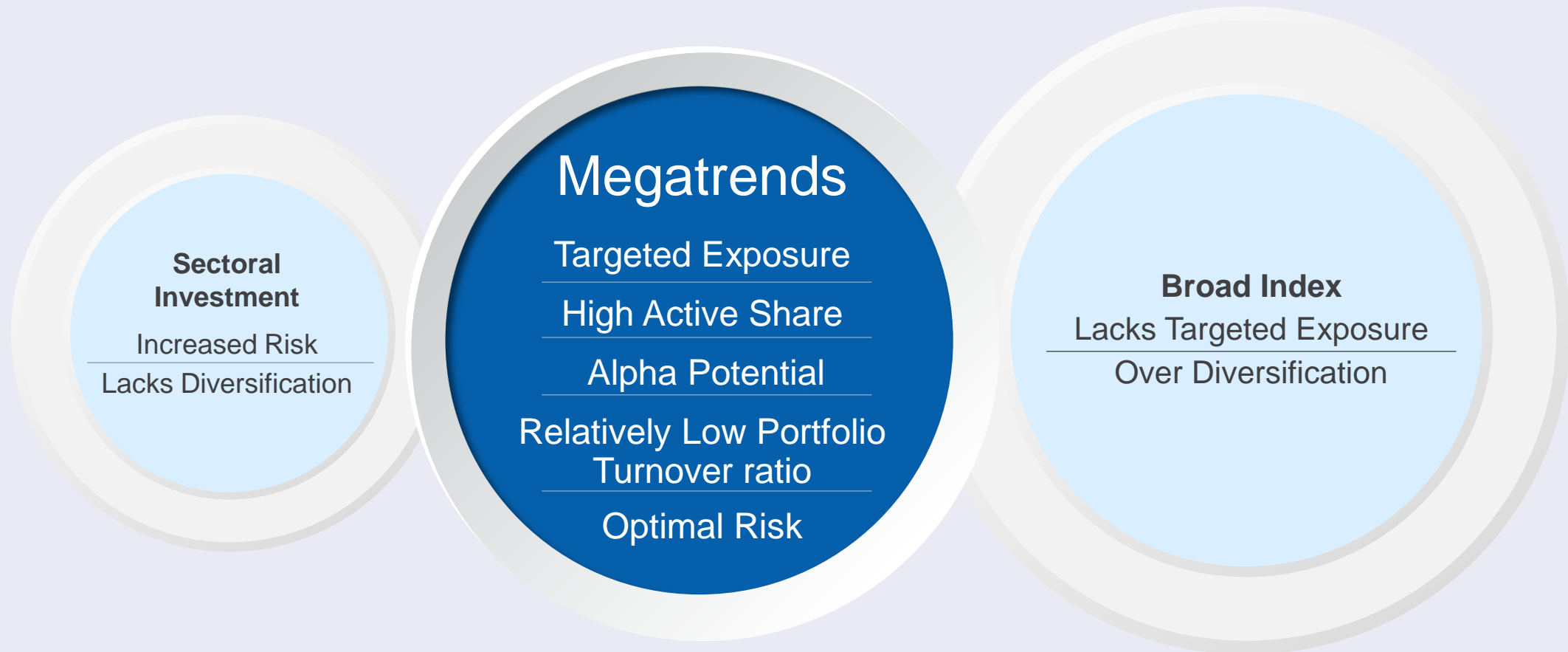
# IDENTIFYING FUTURE WINNER



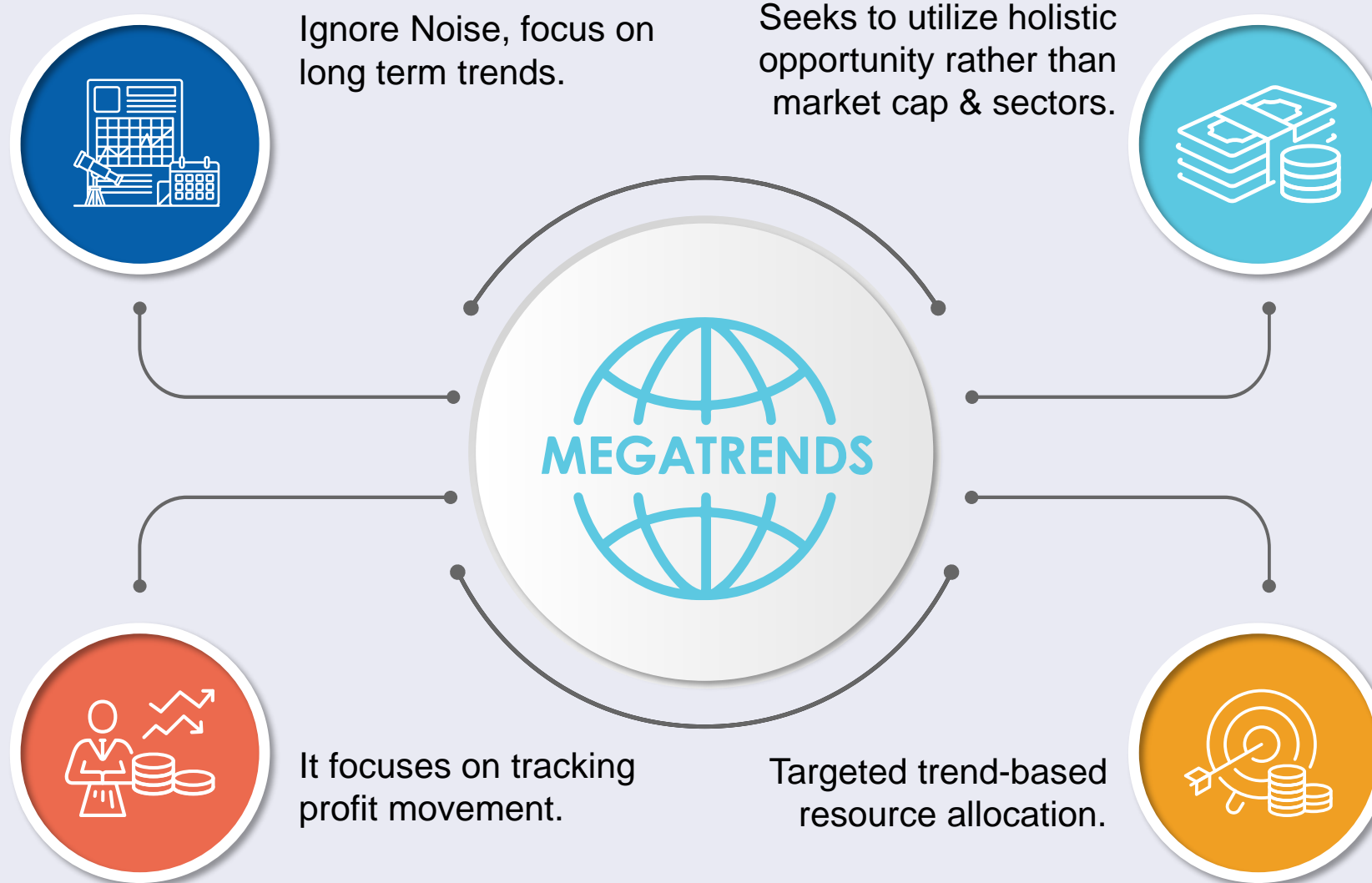
Rather than **Going with the flow**, investing in Megatrends means **Anticipating the flow**.



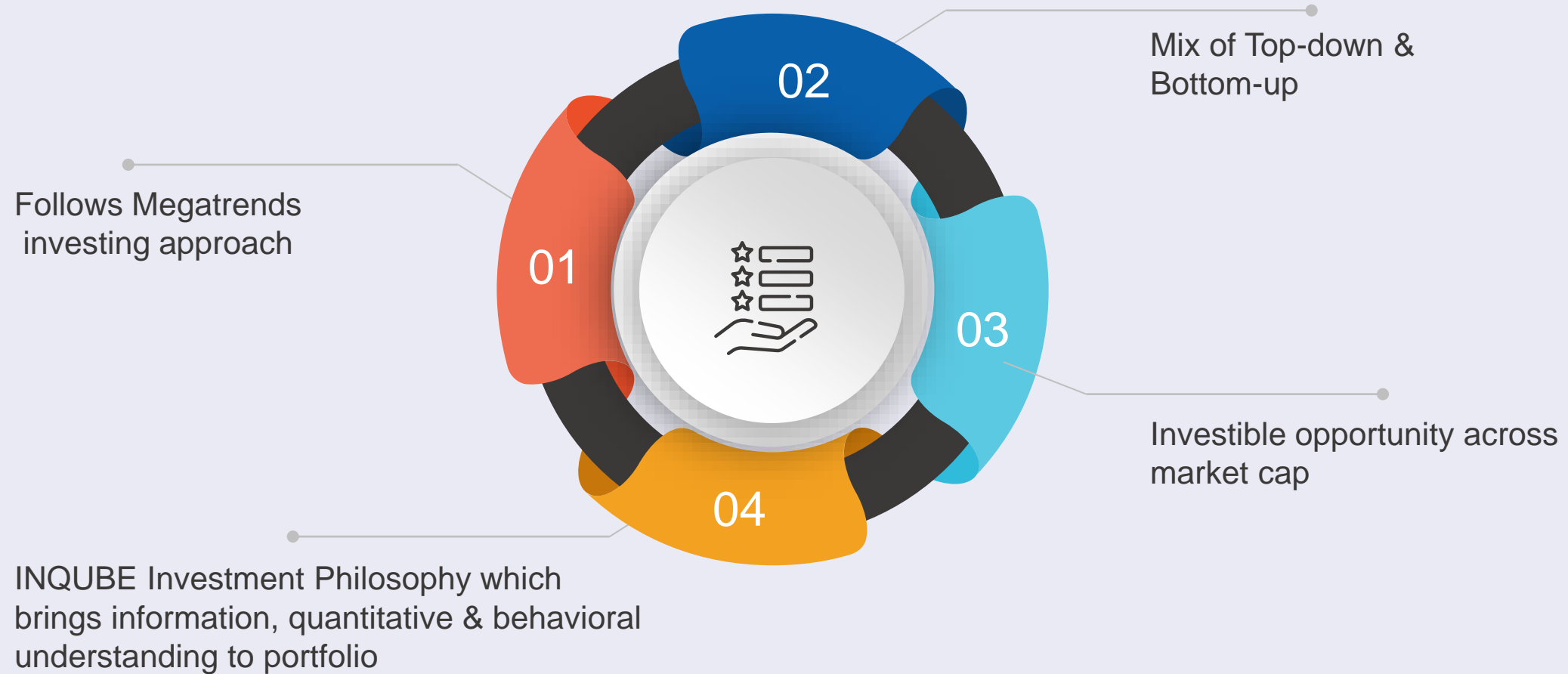
# NAVIGATING MEGATRENDS: FINDING THE BALANCE



# WHY BAJAJ FINSERV FLEXI CAP FUND IS USEFUL FOR INVESTORS?



# KEY FEATURES OF THE FUND:



# SCHEME FEATURES

NFO Period	Opens on July 24, 2023   Closes on August 07, 2023
Scheme Type	An open ended equity scheme investing across large cap, mid cap, small cap stocks
Plans	Bajaj Finserv Flexi Cap Fund - Regular Plan   Bajaj Finserv Flexi Cap Fund - Direct Plan
Option	Growth & IDCW
Minimum Application Amount	Rs. 500 (Plus multiples of Re.1)
Minimum Additional Application	Rs. 100 (Plus multiples of Re.1)
Entry Load	Not Applicable
Exit Load	10% of units up to six months from allotment - Nil   Above 10% of units within six months- 1% of applicable NAV   More than six months - Nil
Fund Manager	Mr. Nimesh Chandan and Mr. Sorbh Gupta (Equity Portion)   Mr. Siddharth Chaudhary (Debt Portion)
Benchmark Index	S&P BSE 500 TRI
SIP / SWP / STP	Available

Details over here as per SID

# BAJAJ FINSERV FLEXICAP FUND

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

- Wealth creation/capital appreciation over long term
- Investment in equity and equity related instruments across large cap, mid cap and small cap stocks

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

## SCHEME

RISKOMETER#



Investors understand that their principal will be at very high risk

## BENCHMARK

RISKOMETER#



S&P BSE 500 TRI

An open ended equity scheme investing across large cap, mid cap, small cap stocks

#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.

NFO Opens July 24, 2023, Closes on August 07, 2023

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

# THANK YOU