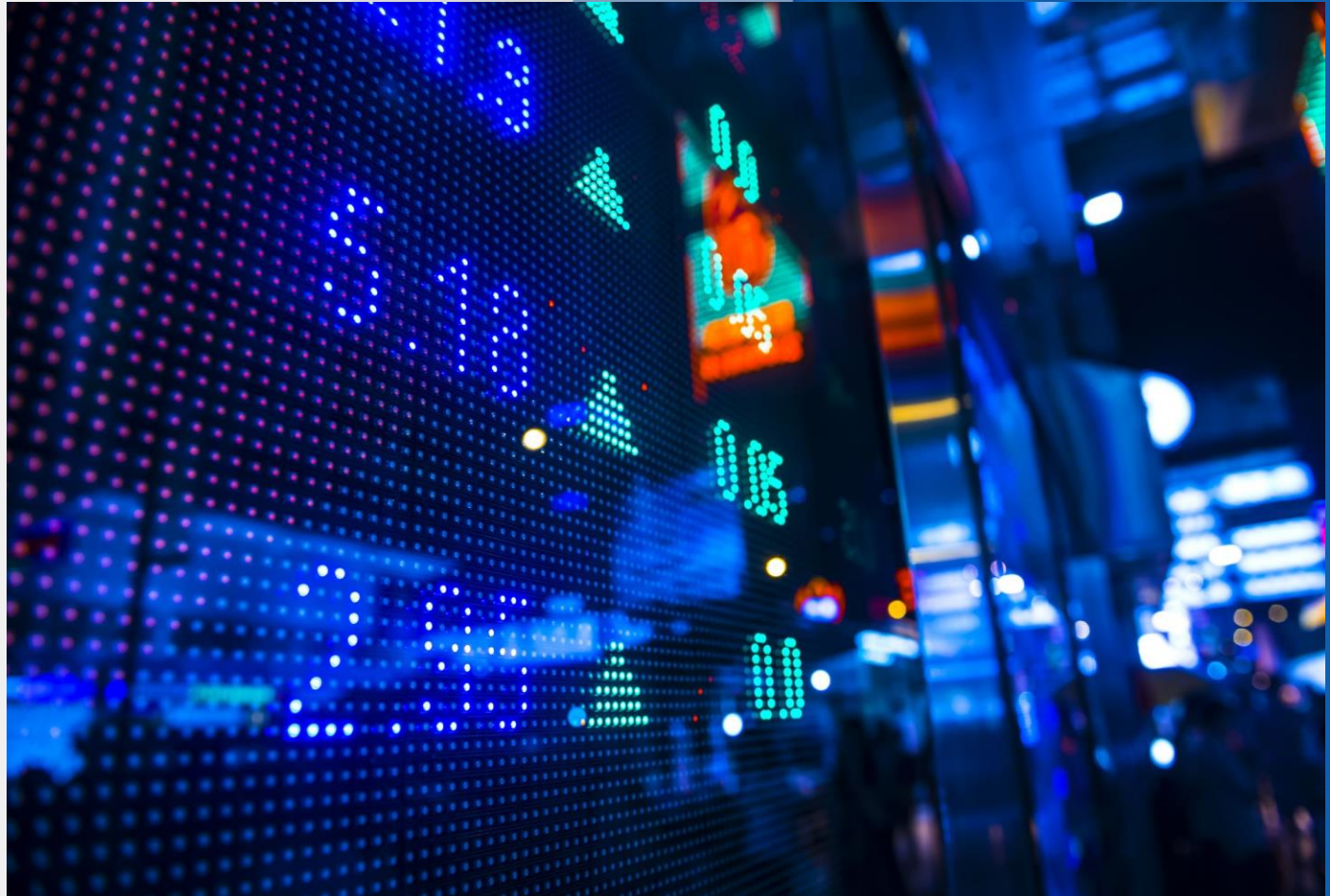


Bajaj Finserv

Nifty Bank ETF

An open ended exchange traded fund tracking Nifty Bank Index

NFO Date:
January 15th 2024 To January 18th 2024



What are ETFs?

1 Broad Market Exposure

An ETF, or Exchange-Traded Fund, is like a basket of different investments that you can buy on the stock exchange. like buying a portion of many companies or assets all at once.



3 Simple

This lets you invest in a diversified basket of securities in a easy way without needing to buy each investment separately.



2 Consistent Strategy

Aims to replicate market returns of the Index, reducing the impact of short-term market fluctuations subject to tracking error.

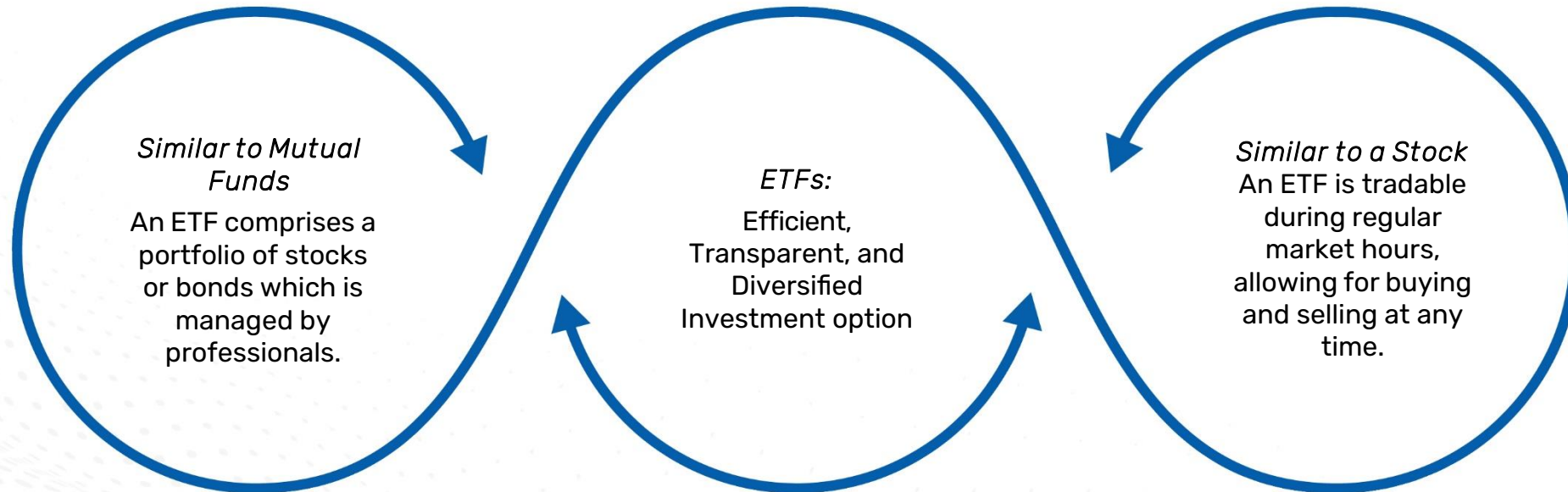


4 Lower Fees

ETFs generally have lower management fees compared to actively managed funds.



ETFs: Ideal combination of Mutual Funds & Stocks

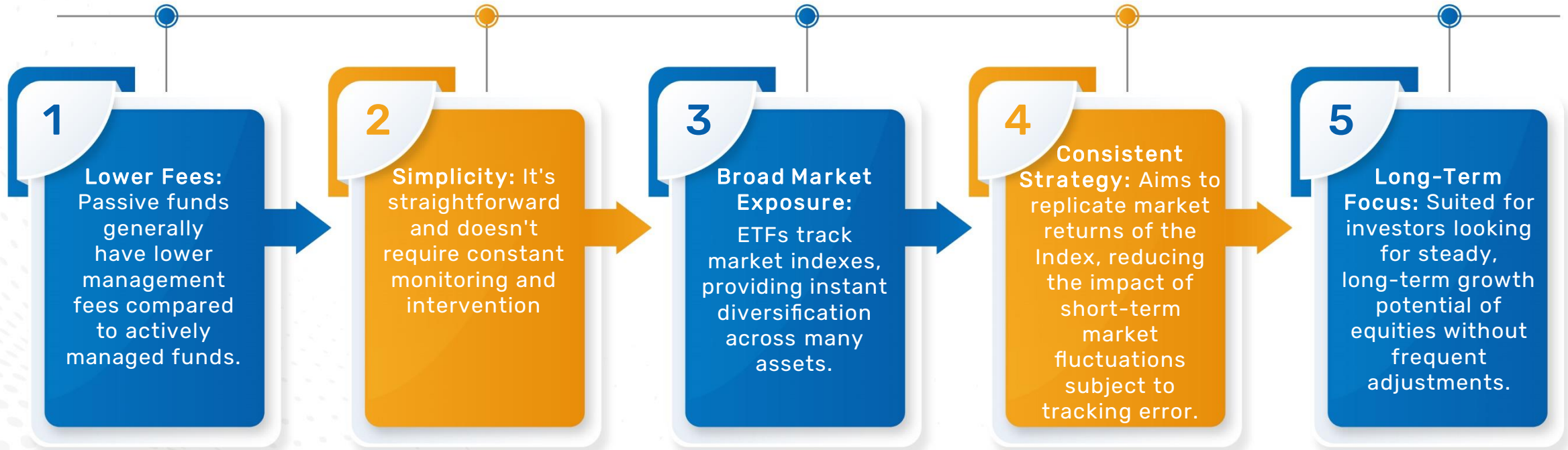


ETFs: Difference between ETF & Active Fund

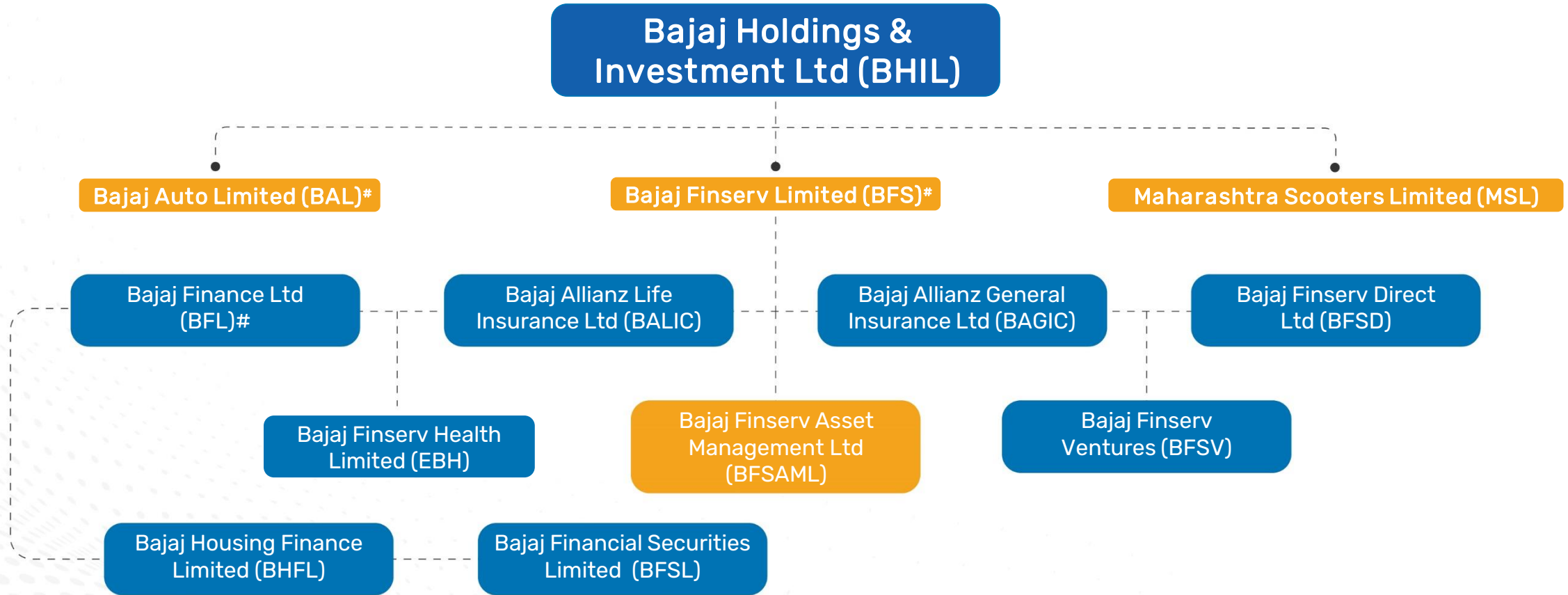


<i>ETF</i>	<i>Active Funds</i>
ETF NAV gets updated real time during the Market timings.	You can determine the market value only at the close of the day.
A Demat account is required for transactions.	No Demat account is needed for transactions.
You have the flexibility to purchase or sell units at any time, from any location, and with no restrictions on the frequency of transactions.	Transactions for buying or selling units are limited to once a day, specifically after the market closes.
You can execute buy or sell orders directly with the broker.	You can execute buy or sell orders directly with AMC or through distributors.
ETFs are more cost-effective because of their lower expense ratio.	Active Funds generally have higher expense ratio compared to ETFs

Benefits of Investing in ETFs



BAJAJ GROUP IS INDIA'S 5TH LARGEST BUSINESS GROUP*



*By market cap | #BFS, BFL, BAL are Nifty50 companies | BHIL is part of the MSCI index

What Does Bajaj Finserv AMC Stand For?






Innovation



**Win-Win
Partnerships**

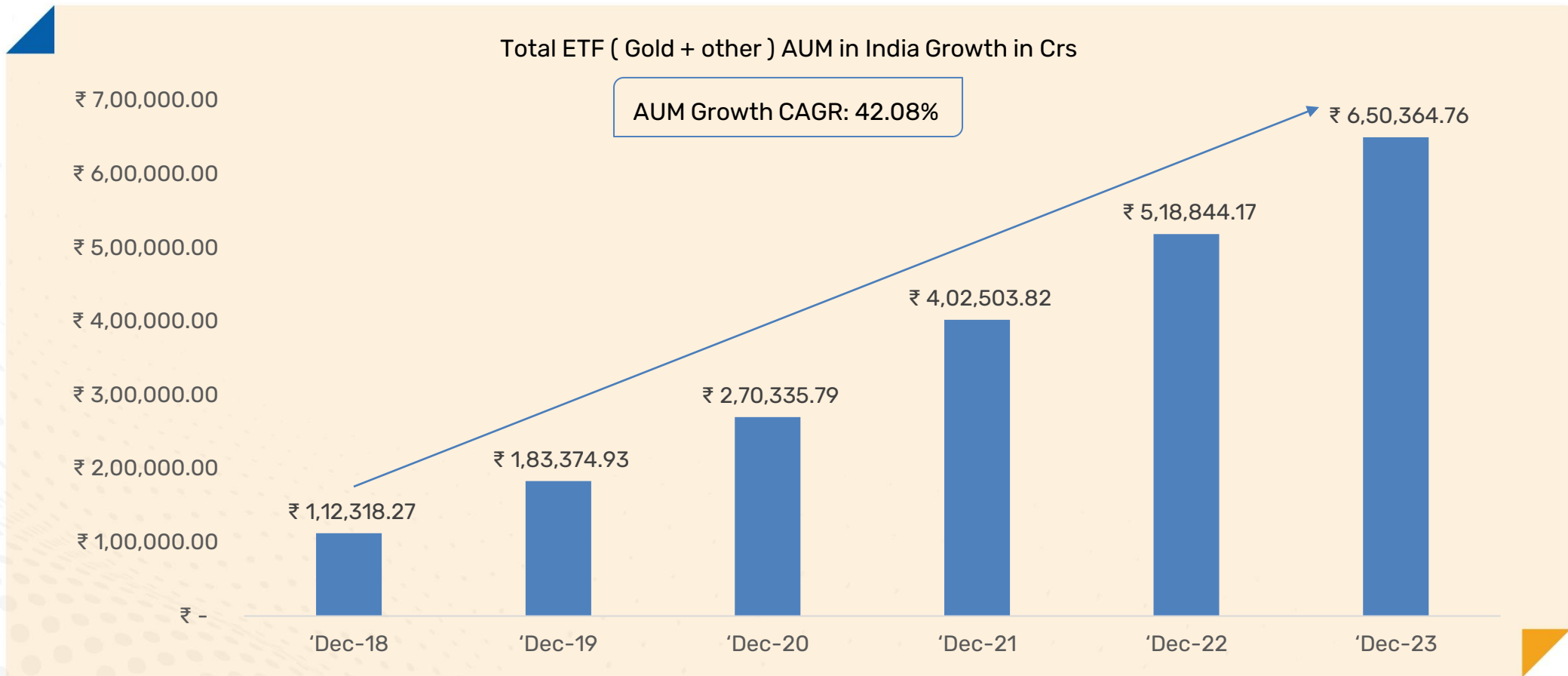


**Future
Focused**

	 BAJAJ FINSERV	BAJAJ Allianz 	BAJAJ Allianz 
	<i>Bajaj Finance</i>	<i>Life Insurance</i>	<i>General Insurance</i>
<i>Branches</i>	3,900+	500+	220+
<i>Customer Base</i>	73 MN	44 MN	130 MN
<i>AUM</i>	56,800 Cr	95,317 Cr	28,611 Cr
<i>Distributors</i>	167100	1,31,000	1,21,000+

Source: Internal which includes: Annual Reports, investor presentation etc as on 30th June 2023 q1 fy 24 .

ETF Market Growth in India



Source: ICRA MFI

Key Drivers of ETF AUM growth:



The Employees Provident Funds Organization (EPFO) and other retirement trusts are required to invest in equities through ETFs.



The Bharat Bond ETF series is introduced to raise long-term debt capital through ETFs.



Central Public Sector Enterprise (CPSE) Bonds are issued through Issuer Driven ETFs.



Innovative Products: Introduction of innovative ETF products catering to specific themes or sectors has captured investor interest and driven growth.



Passive Investing Trend: The global trend towards passive investing has influenced Indian investors to consider ETFs, especially those tracking benchmark indices.

Why to invest in Banking Sector

Stability: India's banking sector offers stability, attracting investors for consistent returns.

Middle Class Growth: The expanding middle class boosts demand for banking services, fostering growth.

Government Support: Initiatives like financial inclusion and digital banking support sector expansion.

Tech Integration: Increasing adoption of technology enhances operational efficiency and customer engagement.

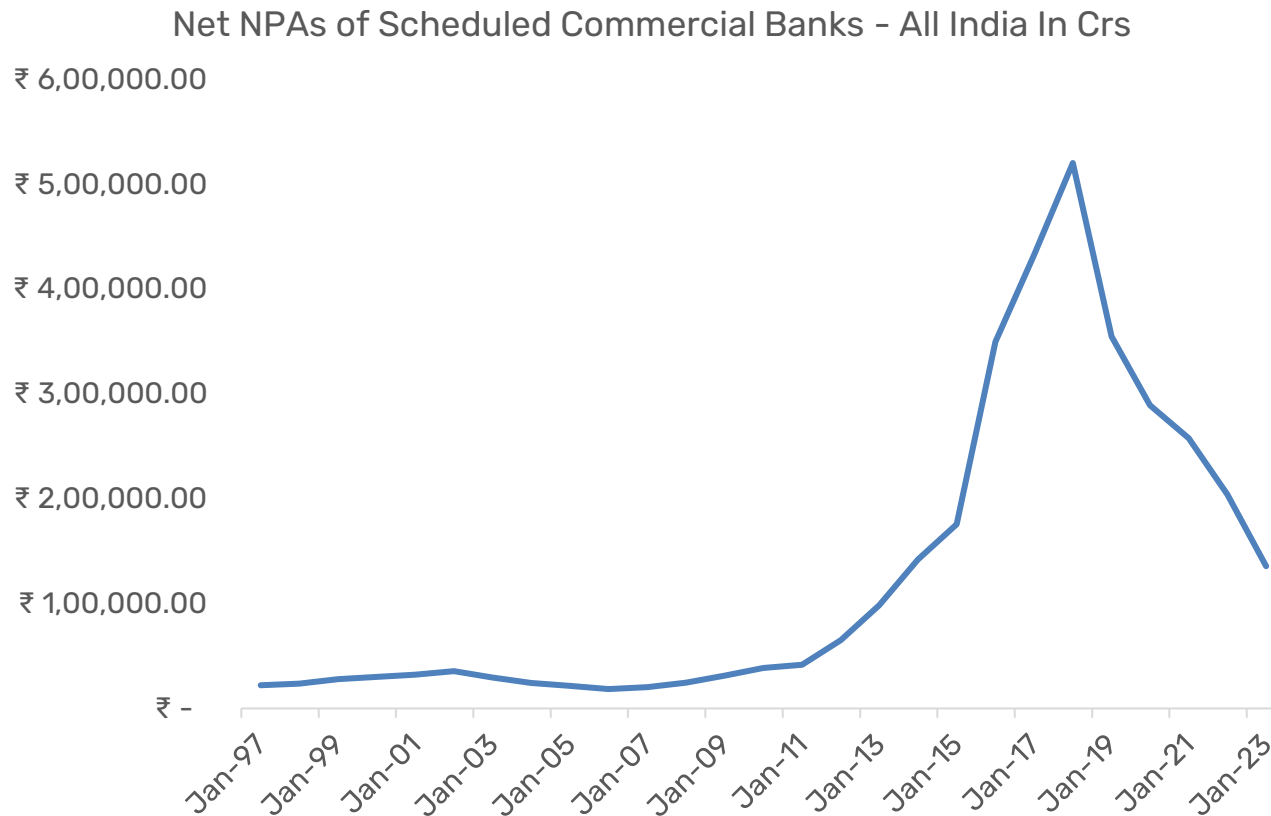
Regulatory Confidence: Stringent regulations ensure transparency, reducing the risk of major financial crises.

Diversified Services: Banks offer a range of services beyond traditional banking, broadening investment opportunities.

Credit Growth: Economic expansion drives demand for credit, benefiting banks' lending activities.

Global Presence: Indian banks expanding globally enhance competitiveness on an international scale.

Reason for NPA reduction



Source: RBI

- **Effective Resolution Mechanisms:** Implementation of mechanisms like the Insolvency and Bankruptcy Code accelerates the resolution of stressed assets.
- **Government Initiatives:** Policies, including asset quality reviews and recapitalization, support banks in cleaning up their balance sheets.
- **Economic Recovery:** Improved economic conditions enhance borrowers' ability to repay loans, leading to lower NPAs.
- **Robust Risk Management:** Enhanced risk management practices and proactive NPA recognition prevent the accumulation of bad loans.
- **Technological Adoption:** Integration of advanced technologies in risk management and monitoring aids early detection, contributing to a reduction in NPAs.

Bajaj Finserv Nifty Bank ETF Advantages



Offering liquidity

Supplied by the Authorized Participant (AP) on the exchange at all times, closely tracking the latest real-time Net Asset Value (NAV) or indicative NAV (iNAV)



Lower spread on exchange

A reduced effective spread, factoring in Securities Transaction Tax (STT) and brokerage. For substantial orders, the Authorized Participant (AP) can provide quotes at a negotiable price, with an effective spread of approximately 0 basis points.



Our Market Makers

- ▶ East India Securities Limited
- ▶ Kanjalochana Finserv Pvt Ltd
- ▶ Parwati Capital Market Private Limited



Relatively Low cost

To trade in Bajaj Finserv Nifty Bank ETF vis-à-vis active funds

Advantage of Bajaj Finserv Nifty Bank ETF market makers



Bajaj Finserv Nifty Bank ETF Features

Market Maker

East India Securities Ltd.
Kanjalochna Finserv
Pvt. Ltd.
Parwati Capital Market
Pvt. Ltd.

Benchmark

NIFTY Bank TRI

Loads

- Entry load – not applicable
- Exit load – Nil

Listing

NSE & BSE

ETF Units

Creation Unit Size =
50,000 units

About Nifty Bank index

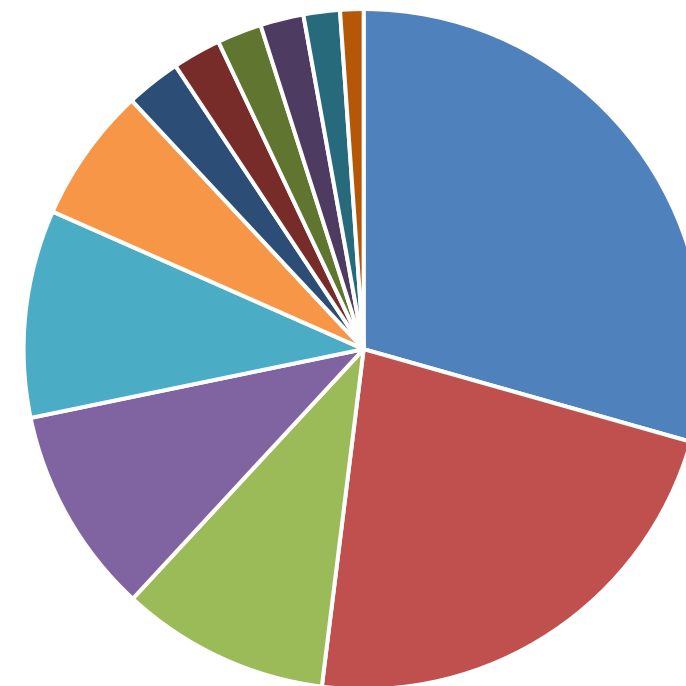
- Nifty Bank Index is comprised of the most liquid and large capitalised Indian Banking stocks. It provides investors and market intermediaries with a benchmark that captures the capital market performance of Indian Banks.
- The Index comprises of maximum 12 companies listed on National Stock Exchange of India (NSE).
- Nifty Bank Index is computed using free float market capitalization method.
- Nifty Bank Index can be used for a variety of purposes such as benchmarking fund portfolios, launching of index funds, ETFs, and structured products.
- Index Variant: Nifty Bank Total Returns Index.
- As on 1st December Nifty Bank Market Cap to GDP was 18.80%



Source: NSE & Internal Research

Composition of Nifty Bank

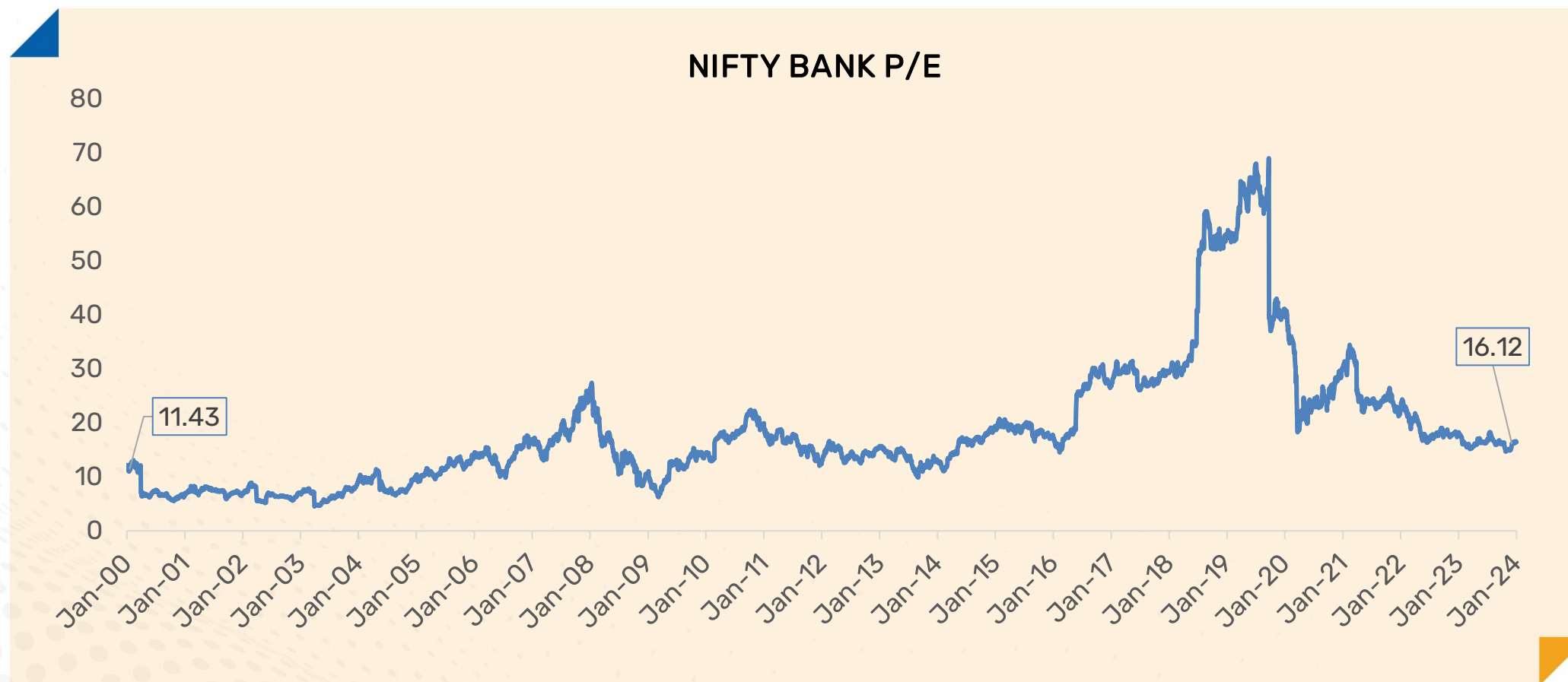
SECURITY NAME	WEIGHTAGE %
HDFC BANK LTD.	29.39
ICICI BANK LTD.	22.57
KOTAK MAHINDRA BANK LTD.	9.92
AXIS BANK LTD.	9.88
STATE BANK OF INDIA	9.87
INDUSIND BANK LTD.	6.43
BANK OF BARODA	2.62
AU SMALL FINANCE BANK LTD.	2.30
FEDERAL BANK LTD.	2.13
IDFC FIRST BANK LTD.	2.06
PUNJAB NATIONAL BANK	1.73
BANDHAN BANK LTD.	1.11



- HDFC BANK LTD.
- ICICI BANK LTD.
- KOTAK MAHINDRA BANK LTD.
- AXIS BANK LTD.
- STATE BANK OF INDIA
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- BANK OF BARODA
- AU SMALL FINANCE BANK LTD.
- FEDERAL BANK LTD.
- IDFC FIRST BANK LTD.
- PUNJAB NATIONAL BANK
- BANDHAN BANK LTD.

Source: Nifty Factsheet As on 29th Dec 2023

Favorable valuation: P/E of Nifty Bank

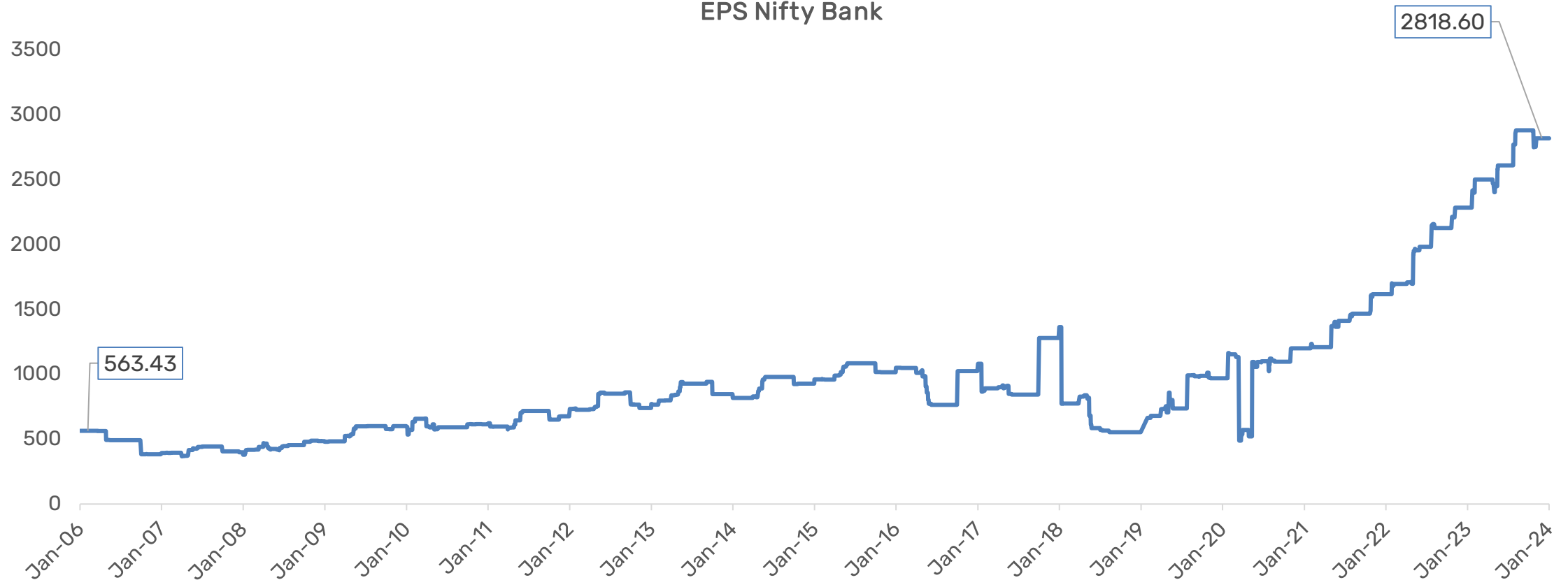


Source: NSE As on 1st Jan 2024

Disclaimer: Past performance is no guarantee of future results.

Earning growth rate of Nifty Bank

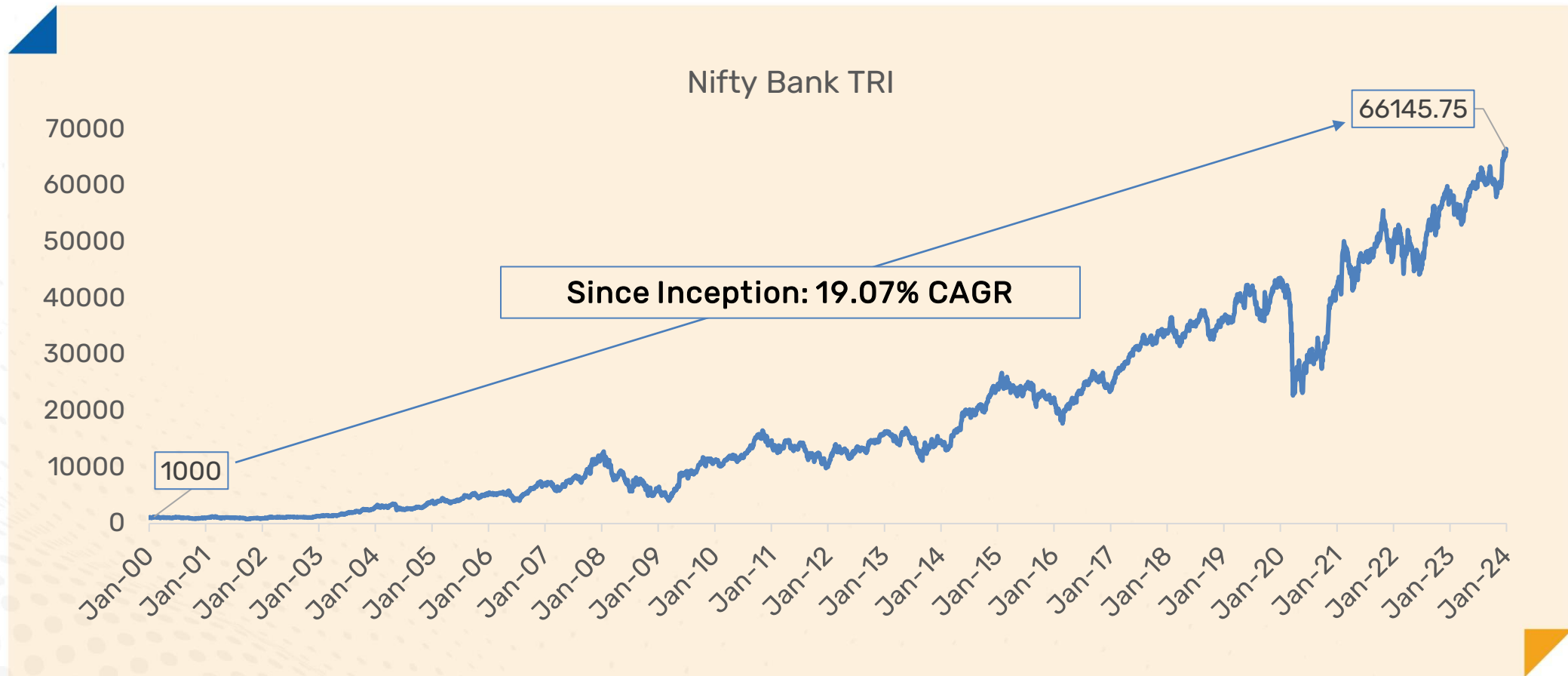
EPS Nifty Bank



Source: Bloomberg As on 1st Jan 2024

Disclaimer: Past performance is no guarantee of future results.

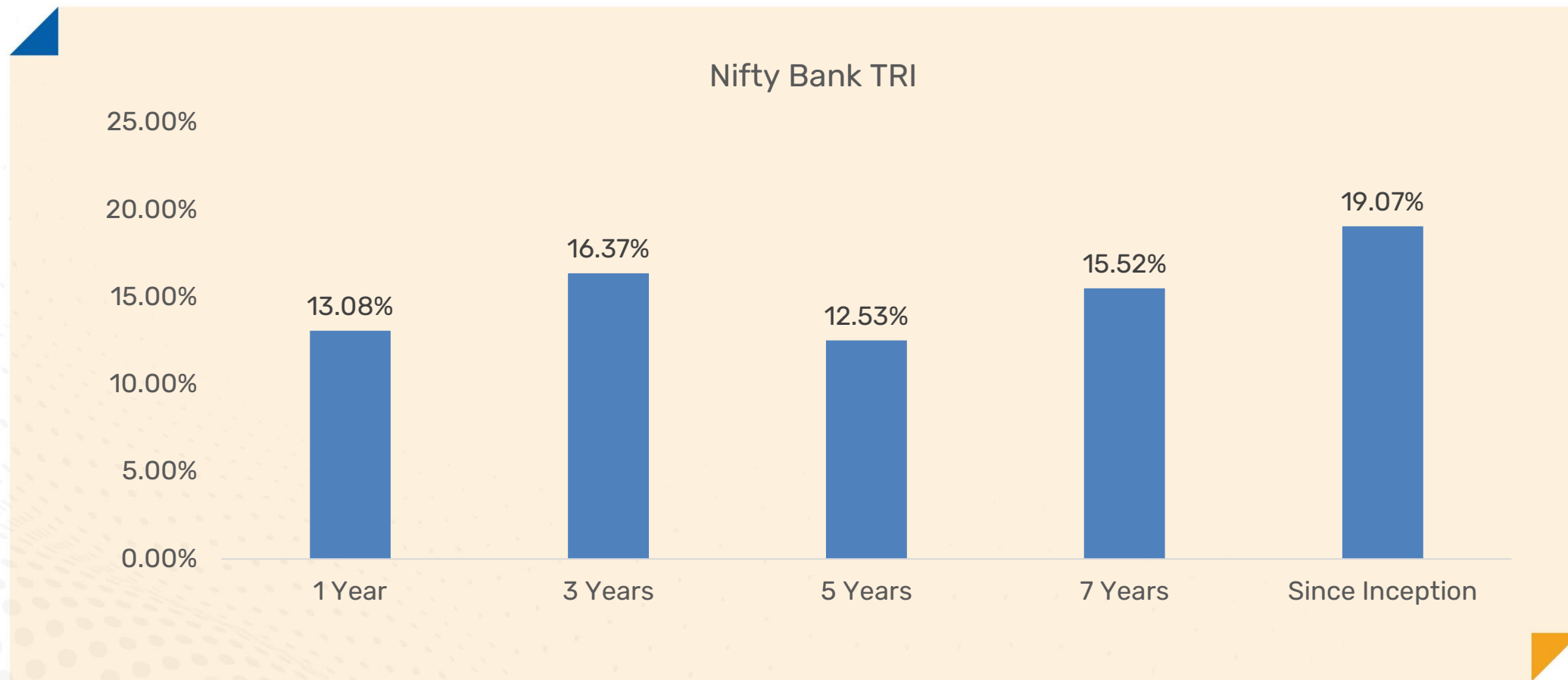
Nifty Bank TRI Performance through years



Source: ICRA MFI As on 1st Jan 2024

Disclaimer: Past performance is no guarantee of future results.

Performance of Nifty Bank TRI 1yr, 3yr, 5yr, 7yr & Since Inception%

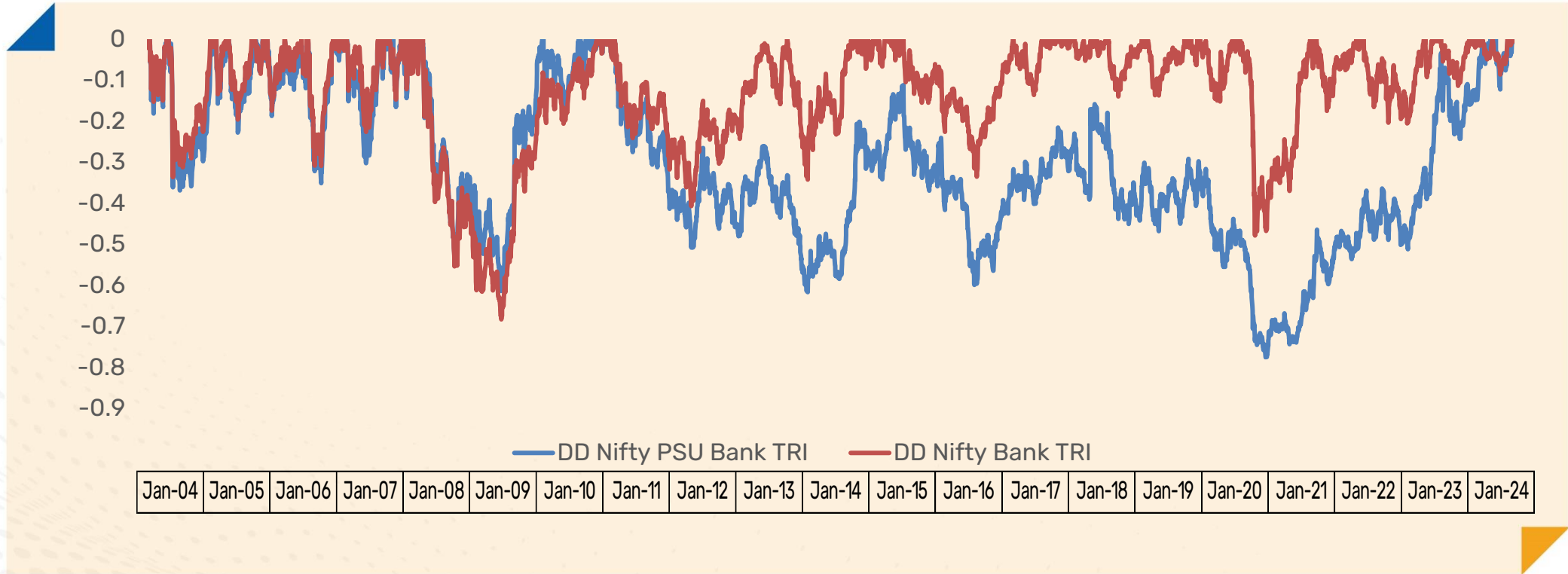


Source: ICRA MFI Less than 1-year Absolute returns, Greater than 1 year Compound Annualized returns
As on 1ST Jan 2024

Disclaimer: Past performance is no guarantee of future results.

Drawdown Analysis

In this Chart you can see Nifty Bank TRI seems less risky than other index making it a relatively stable investment option



Source: ICRA MFI
As on 1ST Jan 2024

Disclaimer: Past performance is no guarantee of future results.

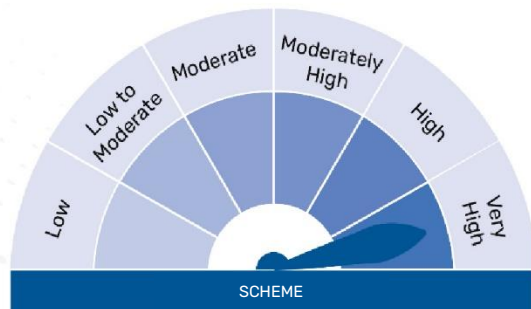
Scheme Name	Bajaj Finserv Nifty Bank ETF
Scheme Category	Exchange Traded Fund
Scheme Type	An open ended exchange traded fund tracking Nifty Bank Index
Scheme Riskometer	Very High Risk
Benchmark	Nifty Bank TRI
Fund Manager	Mr. Sorbh Gupta and Mr. Ilesh Savla
Investment Objective	The investment objective of the Scheme is to provide returns that are corresponding with the performance of the Nifty Bank Index, subject to tracking errors However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.
Listing	<ul style="list-style-type: none"> • NSE • BSE

This product is suitable for investors who are seeking*:

- Wealth creation over long term
- An exchange traded fund that seeks to provide returns that correspond to the returns provided by Nifty Bank Index, subject to tracking error

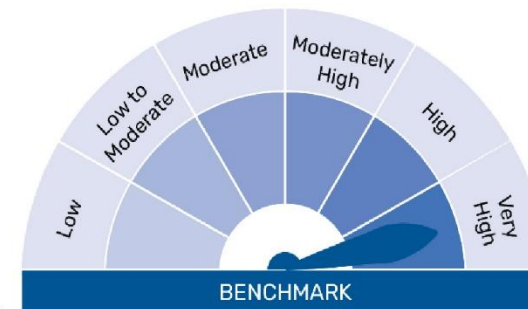
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Scheme



Investors understand that their principle will be at very high risk

Benchmark



Nifty Bank TRI

#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.

Disclaimer of AMC

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THANK YOU