

# BAJAJ FINSERV CONSUMPTION FUND

(An open ended equity scheme following  
consumption theme)

July 2025








# Indian consumers have evolved....



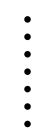
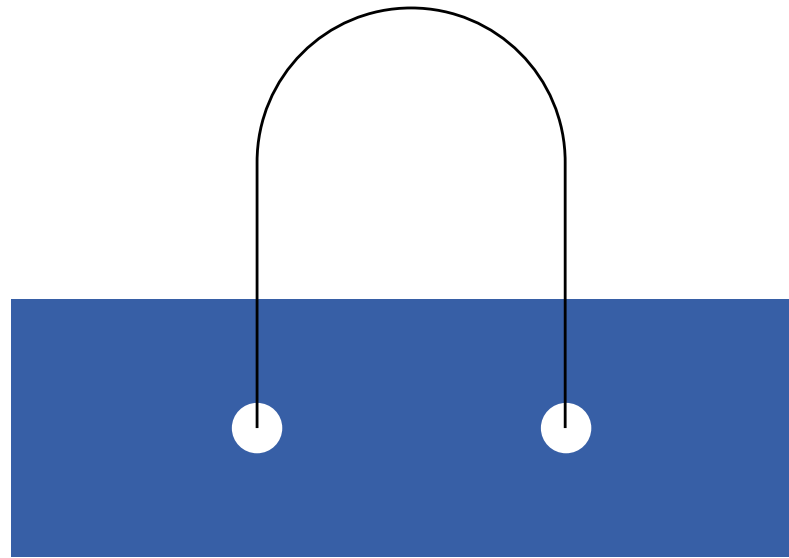




# .... reshaping India's consumption story

Rural FMCG Market	Indian Food Services	Indian Organic Food Market	Smartphone	2 Wheelers
 <p>Estimated to reach <b>\$100 bn by 2025</b></p>	 <p>Food services market value estimated at <b>\$125.06 bn by 2029</b></p>	 <p>Estimated to reach <b>\$2.6 bn by 2025</b></p>	 <p>India <b>2nd</b> largest market globally, projection <b>\$90 bn by 2032</b></p>	 <p>India <b>largest</b> market globally, driven by rural and semi-urban areas</p>

Source: IBEF, AC Nielsen, Economic Times, LiveMint, Mordor Intelligence | Data for 2024



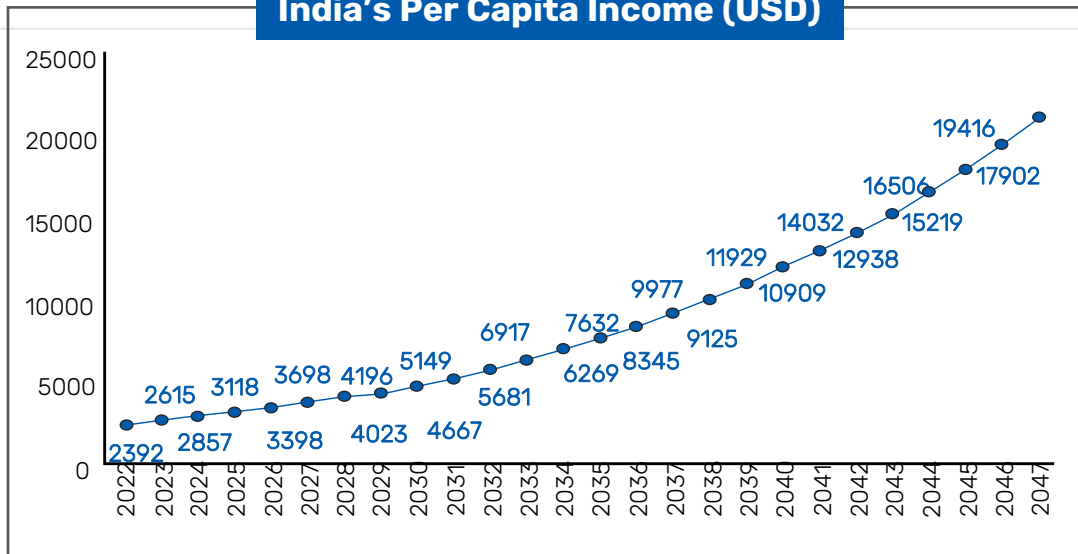
# What led to the change?





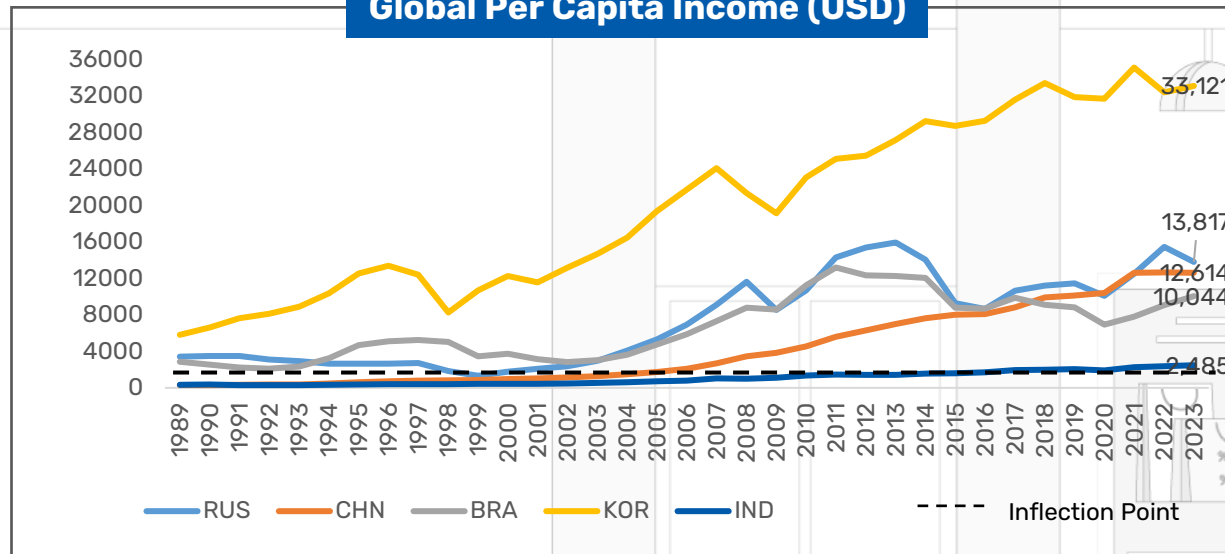
# Increase in per capita income & potential to grow

India's Per Capita Income (USD)



Source: PHD Research Bureau; projections for the years 2023, 2040 and 2047 are by PHDCCI

Global Per Capita Income (USD)



Source: World Bank

After crossing \$2,000 GDP per capita, many emerging economies have witnessed a strong spurt in discretionary consumption

Year of crossing \$2000

Trajectory of retail sales after crossing GDP per capita of \$2,000

Per capita GDP growth accelerated, auto sales ~5x in next decade

Retail Sales doubled over the next decade

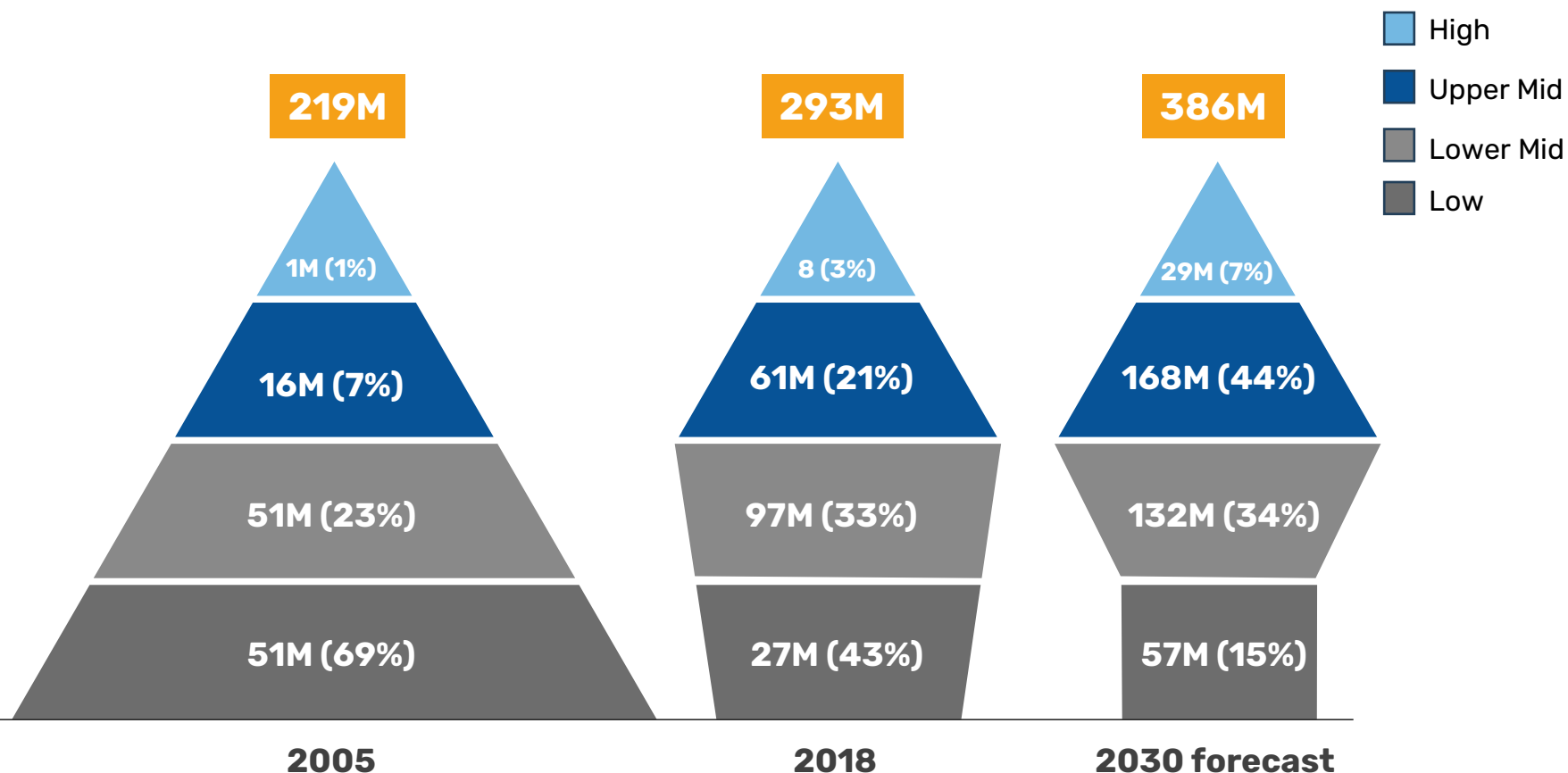
Many premium consumer categories strong growth

Retail sales leaped 4x over the next decade



# Rising upper mid income group in India

## Evolution of the household-income profile in India



Note: Low income: <\$4,000, Lower-mid: \$4,000–8,500, Upper-mid: \$8,500–40,000, High income: >\$40,000 basis income per household in real terms; Projections with annual GDP growth assumed at 7.5% Source: PRICE Projections based on ICE 360° Surveys (2014, 2016, 2018)  
Household income per annum in 2017–18 prices by income segment: Low < \$4k (<INR 2.5 lakhs), Lower-middle- \$4k–8.5k (INR 2.5–5.5 lakhs), Upper-middle- \$8.5k–40k (INR 5.5–27.5 lakhs), High: >\$40k (>INR 27.5 lakhs). Poverty line at <\$2 (< INR 125) per day per person

- Indian households are moving towards **upper mid and high-income groups**
- Increased disposable income is **boosting purchasing power** and **improving living standards**





# With changing demographics and rise in income levels, Indians want to

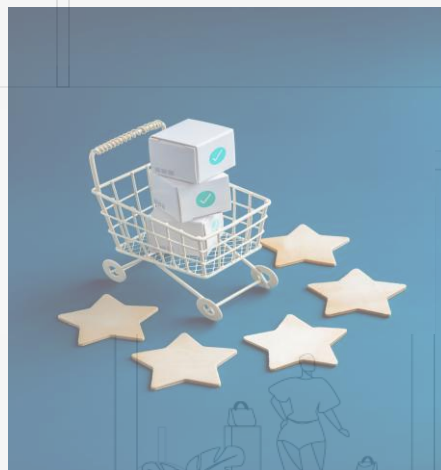
**Consume More**  
From choice to consistency



**Consume Well**  
From unawareness to mindfulness



**Consume Better**  
From quantity to quality



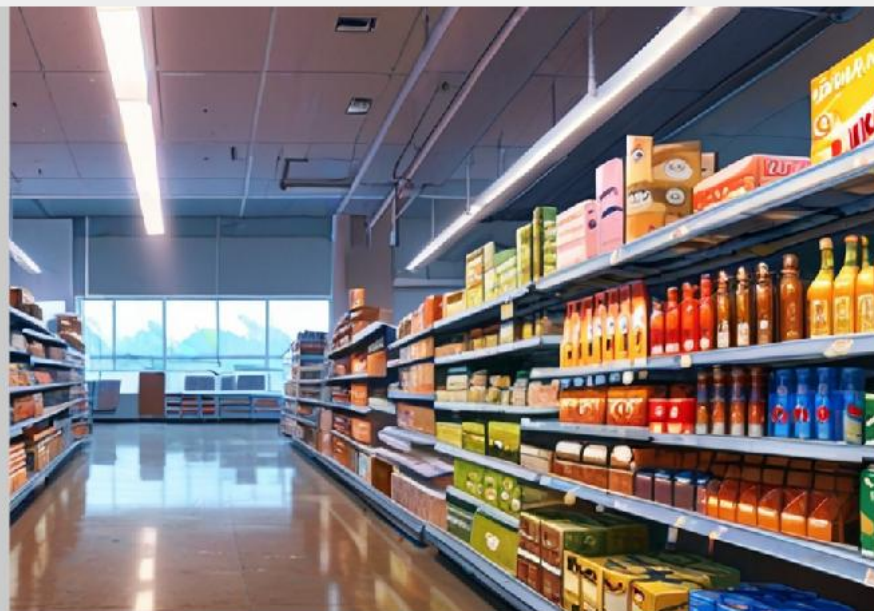
**Consume Easy**  
From effort to ease & speed







# Consume More – From choice to consistency



**Increased  
income**



**Rising  
Middle Class**



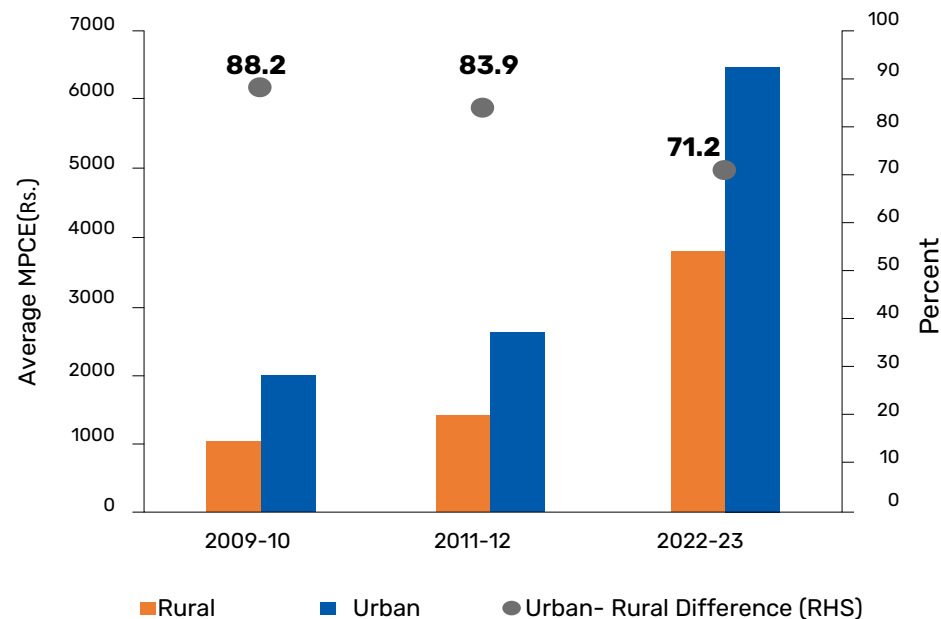
**Rural  
Consumption  
Growth**





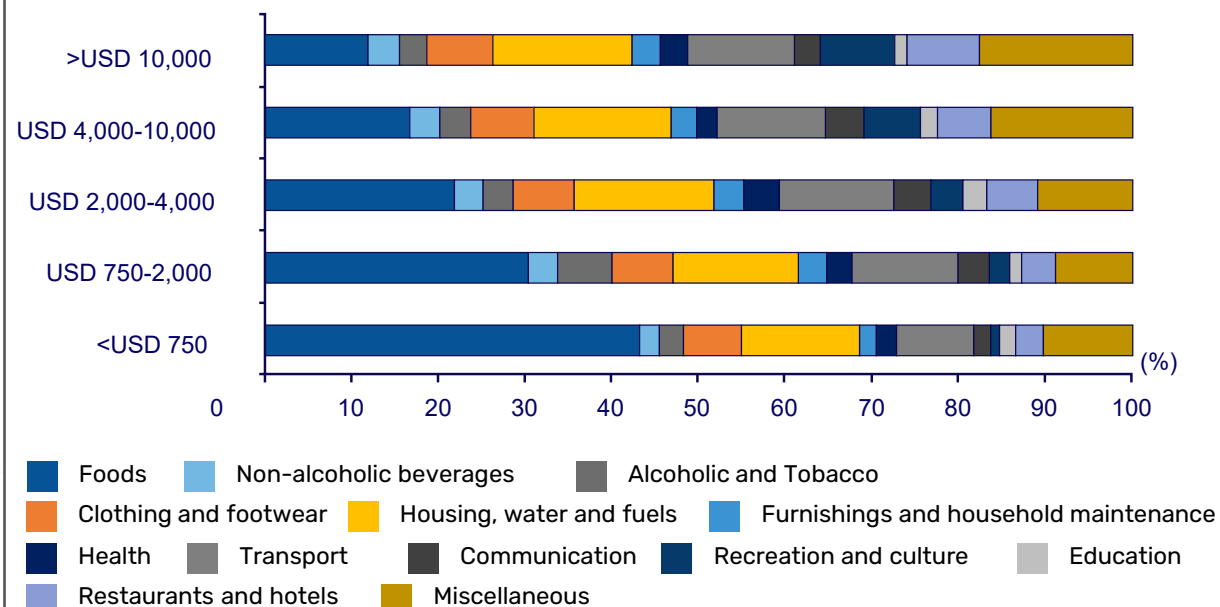
# Consume More – From choice to consistency

## Reduced rural-urban inequality



Source: Survey on Household Consumption | Expenditure: 2022-23, MoSPI  
MPCE: Monthly Per Capita Consumer Expenditure (Rs.)

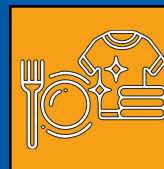
## Transition of consumer spending in India as income rises



Note: Essentials comprising food, non-alcoholic beverages, alcohol and tobacco are marked in blue dotted line to show gap in essential and discretionary. | Source: CLSA



Rise in rural consumption and reduced rural-urban inequality has helped **household consumption to increase**



With the rise in income, Indian consumers **spend a higher proportion** of their income **beyond necessities** like food and clothing



# Consume More - BPC segment

## Assessing toothpaste per capita usage

	FY22		FY30	
	Per capita usage (kg)	Penetration (%)	Per capita usage (kg)	Penetration (%)
Urban				
Twice brushing	1.20	10	1.20	12
Once in a day	0.60	50	0.60	53
Occasional	0.05	30	0.05	25
Non user	0.00	10	0.00	10
Total (%)		100		100
	0.43	90	0.47	90
Rural				
Twice brushing	1.20	1	1.20	2
Once in a day	0.60	29	0.60	33
Occasional	0.05	45	0.05	40
Non user	0.00	25	0.00	25
Total (%)		100		100
	0.21	75	0.24	75
Usage Overall	0.30		0.35	

Note: Per individual usage (1.65gm per brushing) for the year = 100gm pack x 6 = 600gm. Source: CLSA



**Increased Consumption in Mature Segments:** Beauty & Personal Care (BPC) growth driven by **increased usage frequency**



**Rural-Urban Usage Gap:** Rural toothpaste usage lower than urban; **growth potential**



**Growth Opportunity: Closing rural-urban gap** to expand penetration, boost growth



# Consume Better – From quantity to quality



**High-quality,  
branded goods**



**Affluent consumers  
opting for luxury brands**



**Consumers prioritizing  
Quality over Quantity**

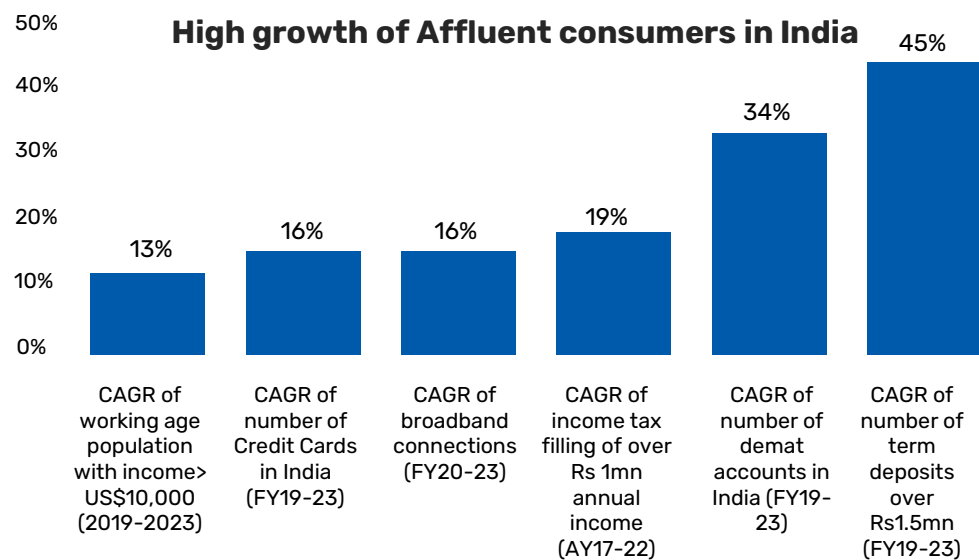




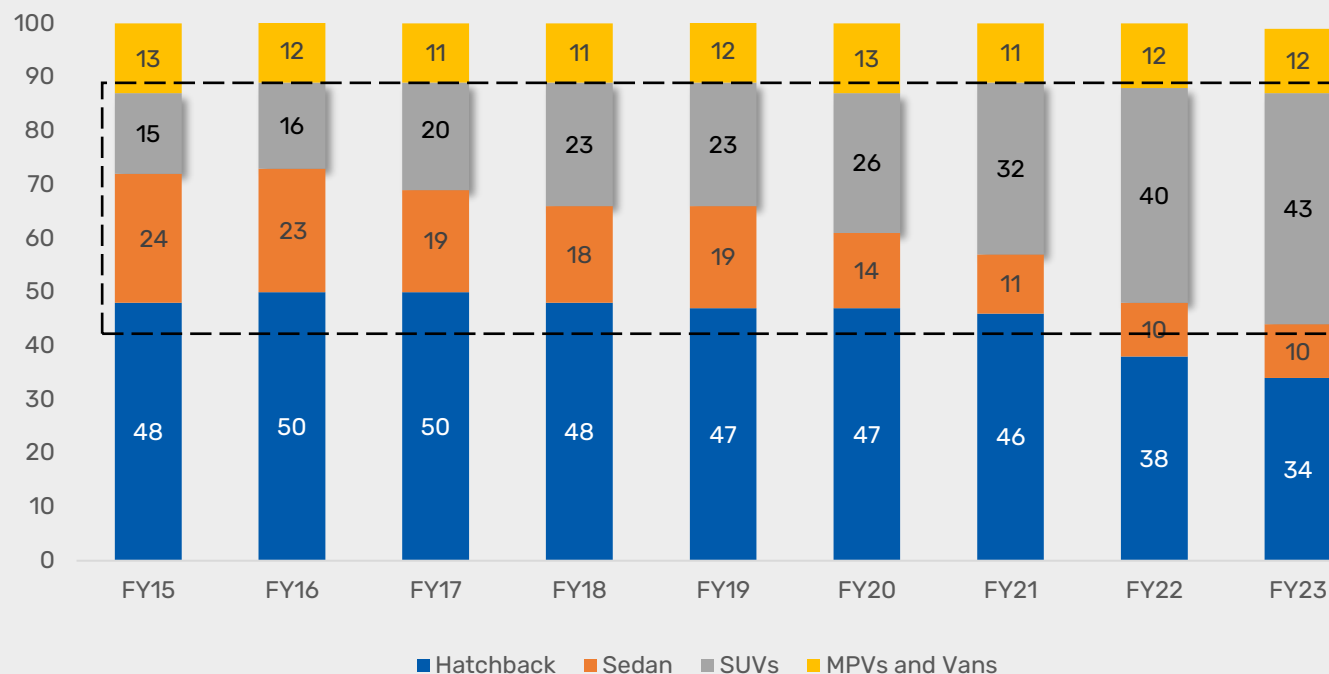
# Consume Better – From quantity to quality

Multiple data points corroborate mid teens growth in number of 'Affluent' consumers in India

## High growth of Affluent consumers in India



## Passenger vehicle market share by segment



Rise in affluent consumers driving demand for **premium products** and **luxury brands**



Automotive sector shifting to meet aspirational demand, with **growing preference for SUVs**



# Consume Well – From unawareness to mindfulness



**Health & Wellness:**  
Focus on organic,  
healthy products



**Holistic Living:**  
Emphasis on fitness and  
preventive measures

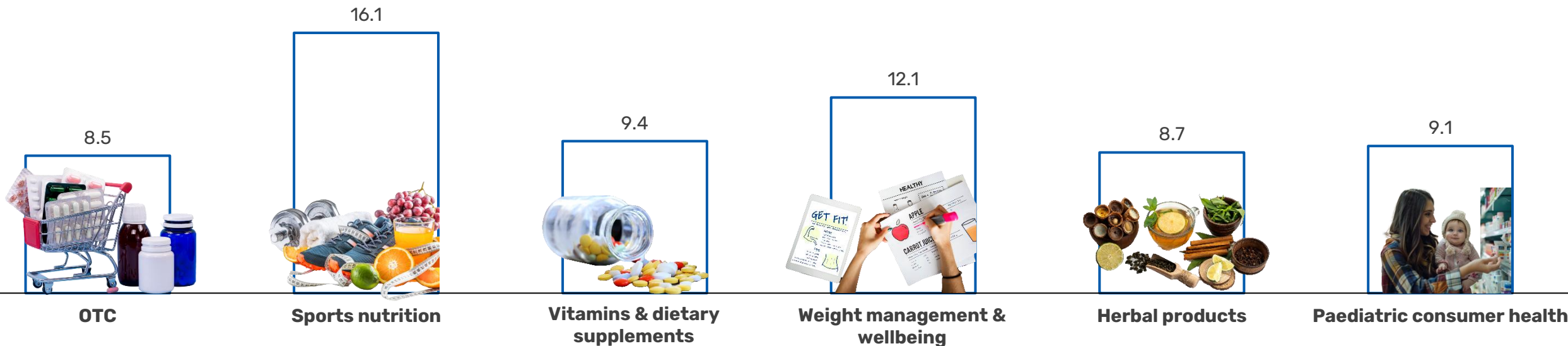


**Sustainable Choices:**  
Preference for  
eco-friendly products



# Consume Well – From unawareness to mindfulness

## 10 Years CAGR (%)



Source: CLSA, Euromonitor | Data for 2024



COVID-19 has shifted focus towards health and immunity



Adoption of digital health technologies has accelerated



Demand is rising for products tailored to different lifestyles, such as keto, fortified foods, immunity boosting products

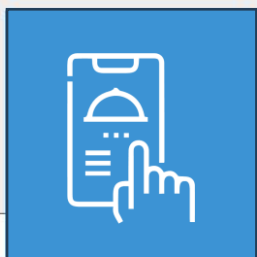
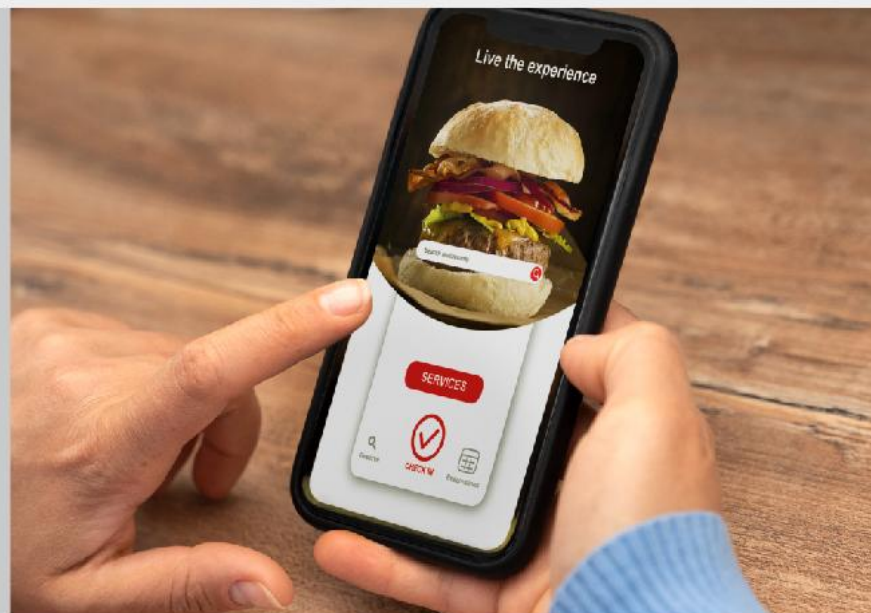


The consumer health products market size in FY21 was INR 1.03t and grew at CAGR of 14% over FY 18-21

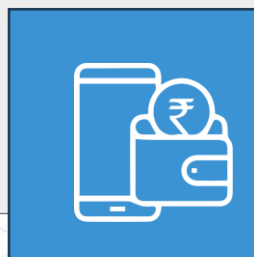




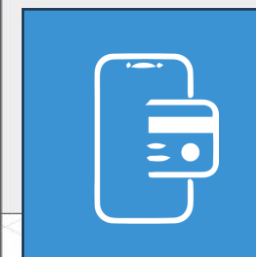
# Consume Easy – From effort to ease & speed



**On-demand and easy  
online shopping/food  
services**



**Seamless transactions  
through UPI and  
mobile wallets**

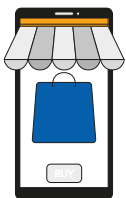
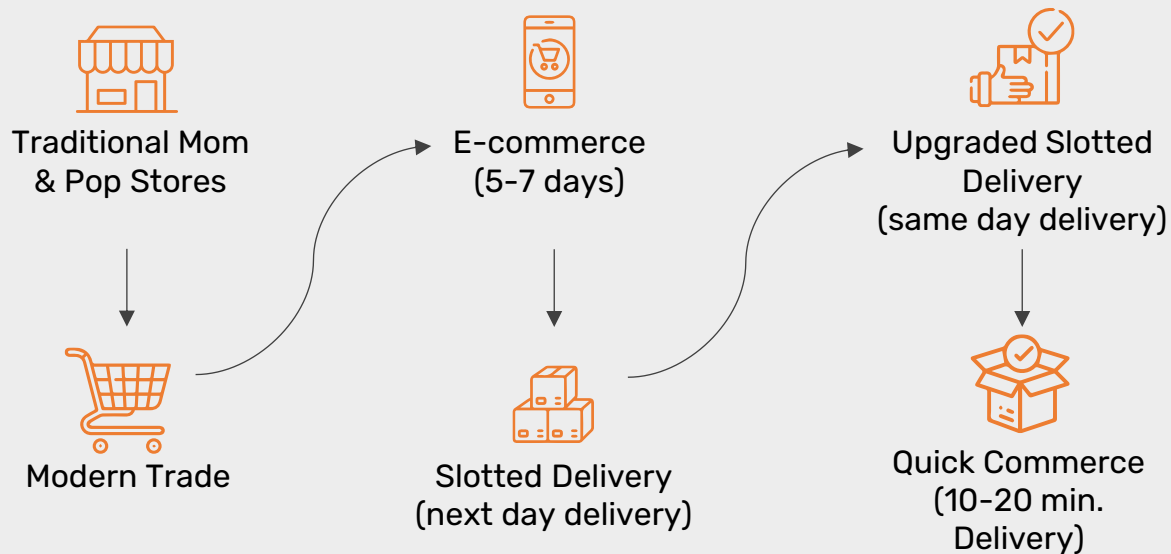


**Easy credit  
stimulating easy  
buying**



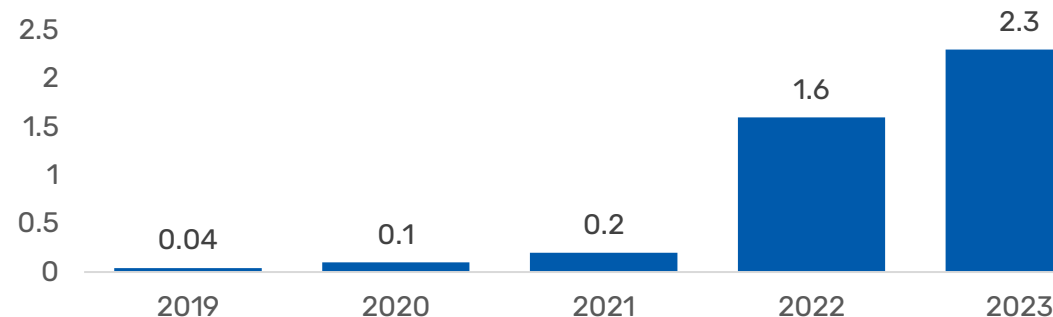
# Consume Easy – From effort to ease & speed

## Evolution of retail in India



Urban consumers prioritize **faster delivery, fresher products, and last-minute purchases** due to increased purchasing power and busy lifestyles

## Quick Commerce GMV (US\$ billion)



Quick Commerce spend per user rose to **₹13,400** in 2023, from negligible in 2018.



Quick Commerce market grew at a **CAGR of 148-169%** between 2018 and 2023



Expected to be the fastest-growing retail channel in India, with a **projected 60-80% CAGR by 2028**



# Consumption is driven by...

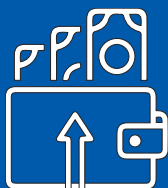
## Rising Income:

Per capita income to exceed **\$3,000 by 2025**, boosting purchasing power



## Growing middle class:

To reach **40% by 2030**, driving discretionary spending



## Shift to Premium:

Premium goods growing at **10-12% CAGR** as consumers prefer quality



## Increased penetration:

Packaged foods, beverages, personal care to hit **85% penetration by 2030**, spurred by rising income



## Wellness Boom:

Health & wellness market to grow at **15-20% CAGR**, with focus on healthy living



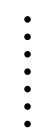
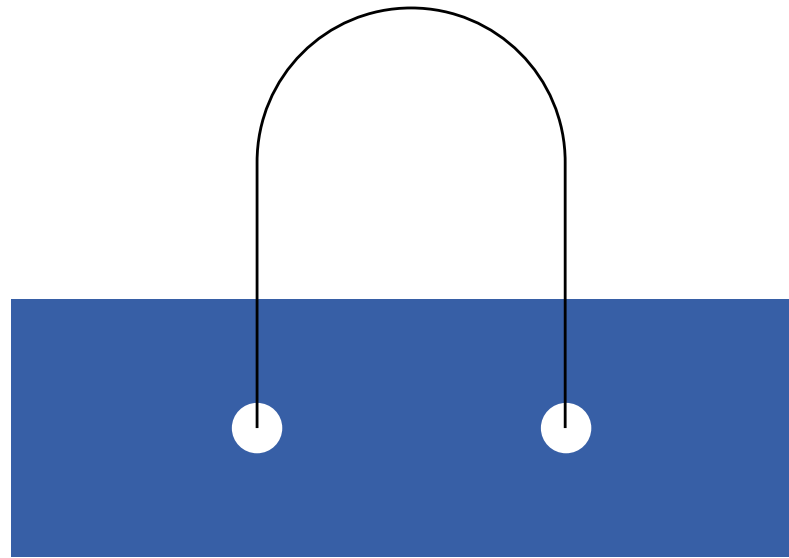
## Digital Shift:

Quick commerce in online groceries to surge from **10% to 45%**, driven by urban demand



Source: BCG, Niti Aayog, Euromonitor, McKinsey, Nielsen, CRISIL, FICCI, Deloitte, IBEF



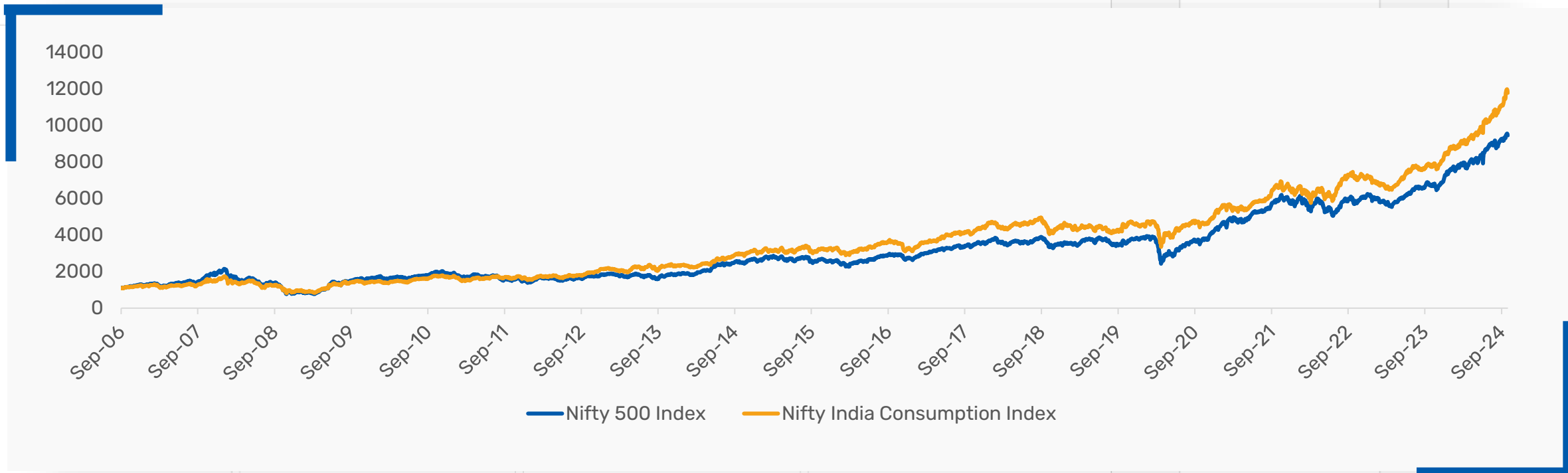


# Why invest in Consumption?





# Consumption outperforms the broader market in the long-term



Period	Nifty 500 Index	Nifty India Consumption Index	Alpha
1 Year	40.2%	45.5%	5.3%
3 Years	17.7%	20.5%	2.8%
5 Years	21.4%	20.9%	-0.5%
7 Years	15.4%	15.1%	-0.3%
10 Years	14.1%	14.5%	0.4%

Source: ICRA MFI Explorer | Data as on Sep 30, 2024



# Consumption outperforms broader market with lesser volatility

## Calendar Year Return (%)

Return date	Nifty 500 TRI	Nifty India Consumption TRI
CY 23	27.0	28.0
CY 22	4.3	8.6
CY 21	31.6	20.8
CY 20	17.8	20.5
CY 19	9.0	0.6
CY 18	-2.1	-1.1
CY 17	37.8	46.8
CY 16	5.1	-1.3
CY 15	0.2	9.0
CY 14	39.3	31.5
CY 13	4.8	10.8

Performance cycle for Consumption is improving since the last 2 years which makes it an opportune time to invest now

## Standard Deviation (%)

Return date	Nifty 500 TRI	Nifty India Consumption TRI
CY 23	8.1	8.0
CY 22	14.8	14.7
CY 21	12.0	11.9
CY 20	21.8	18.6
CY 19	11.0	12.4
CY 18	11.5	12.1
CY 17	8.6	8.9
CY 16	13.3	13.5
CY 15	13.1	12.1
CY 14	11.6	10.0
CY 13	14.9	13.9

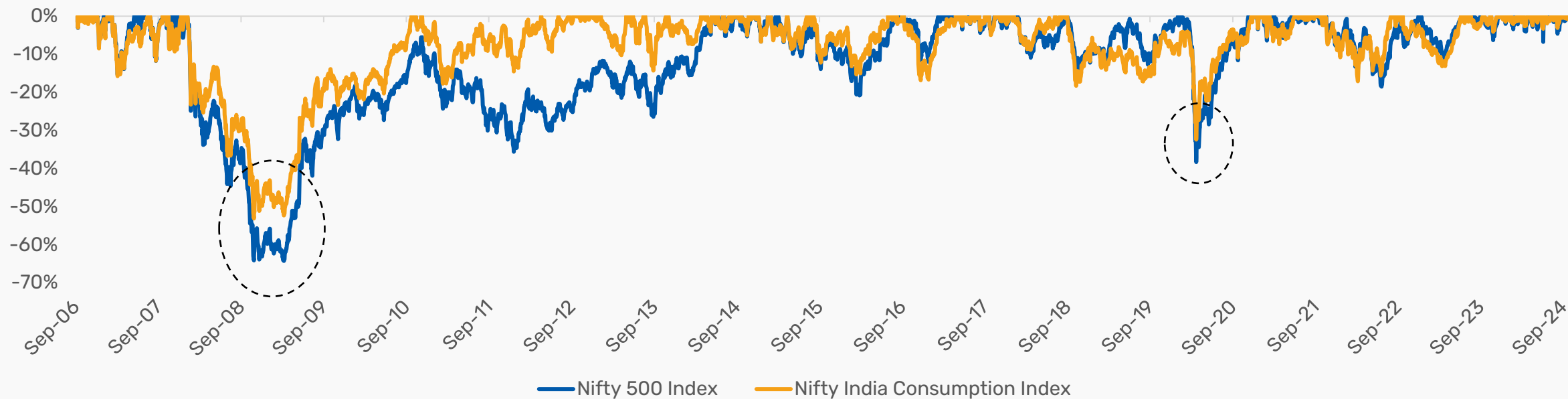
**Consumption has outperformed the broader markets 7 times in the last 11 years**

Source: ICRA MFI Explorer | Data as on Sep 30, 2024 | Past performance may or may not be sustained in future





# Less Drawdown compared to broader market



2009 (GFC)	Index	Drawdown (%)
	Nifty 500 Index	-64.26
	<b>Nifty India Consumption Index</b>	<b>-53.11</b>

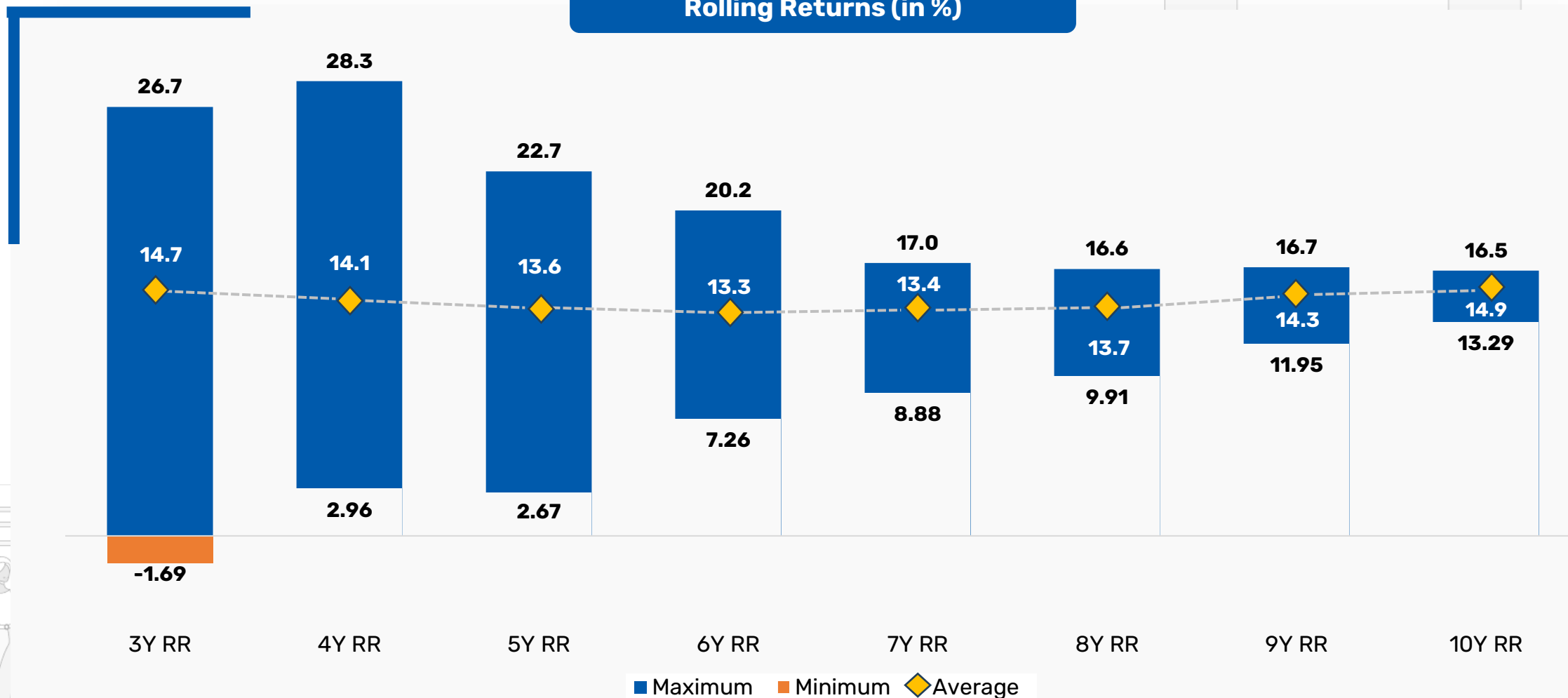
2020 (Covid)	Index	Drawdown (%)
	Nifty 500 Index	-38.30
	<b>Nifty India Consumption Index</b>	<b>-32.37</b>

Source: ICRA MFI Explorer | Data as on Sep 30, 2024



# Relatively steady returns over long term

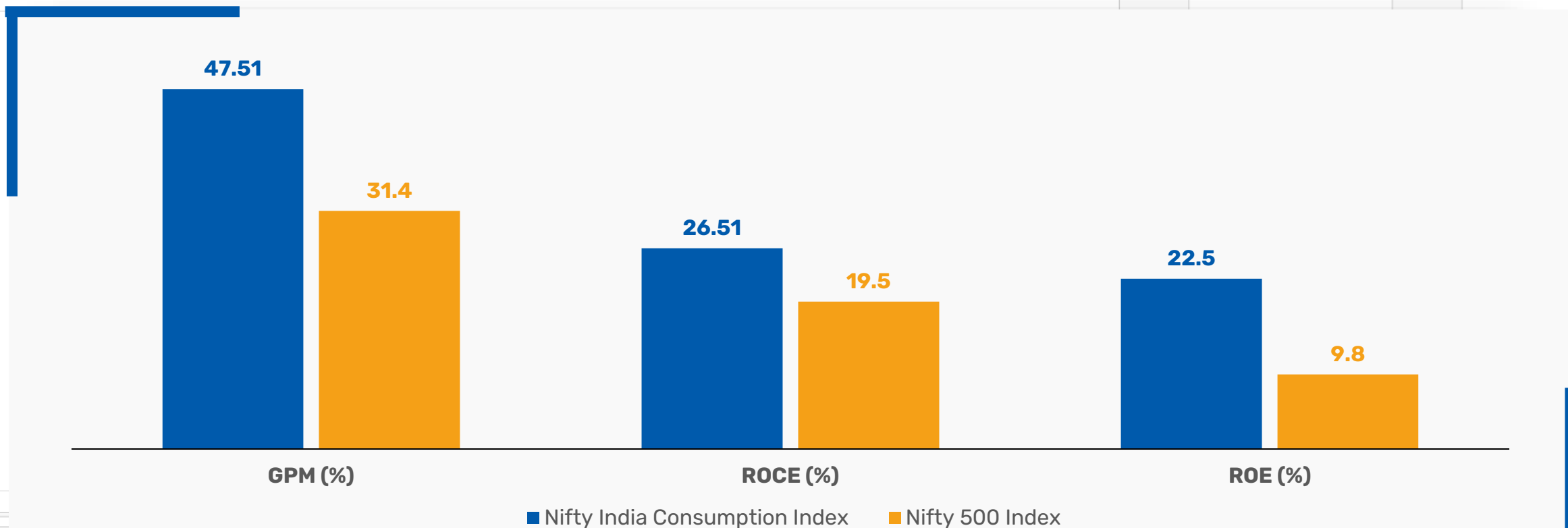
## Rolling Returns (in %)



Source: ICRA MFI Explorer, Data as on September 30, 2024. | Data shown for Nifty India Consumption Index  
Past performance may or may not be sustained in future



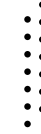
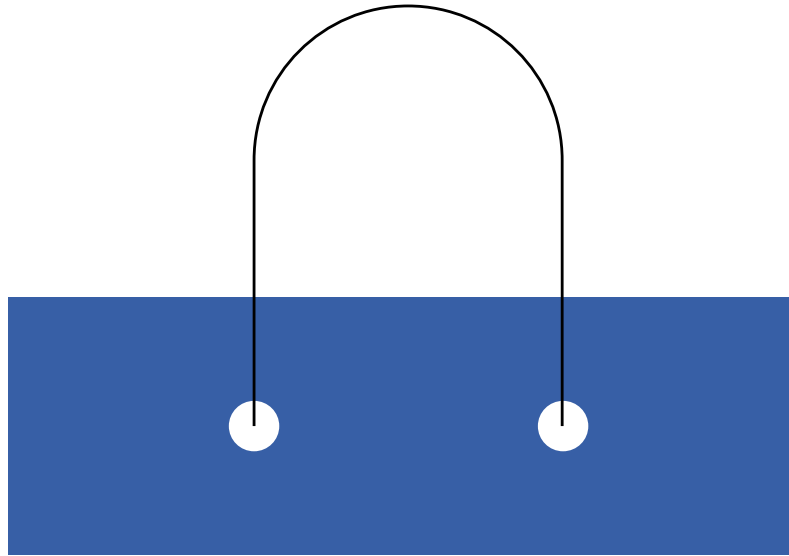
# Robust fundamentals compared to broader market



Consumption is favourable for investment now as the fundamentals are stronger as compared to the broader markets despite valuations above long term average

Data as on Aug 31, 2024 | Source: ACE Equity | GPM: Gross Profit Margin, ROCE: Return on Capital Employed, ROE: Return on Equity





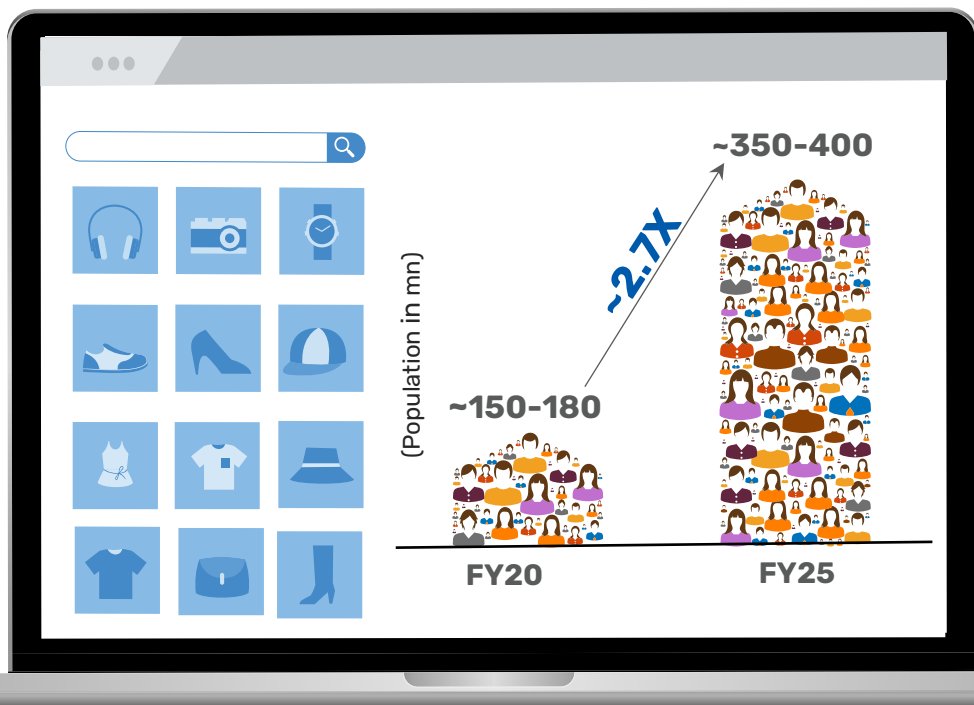
# Investing in MEGATRENDS





## Demographic Dividend

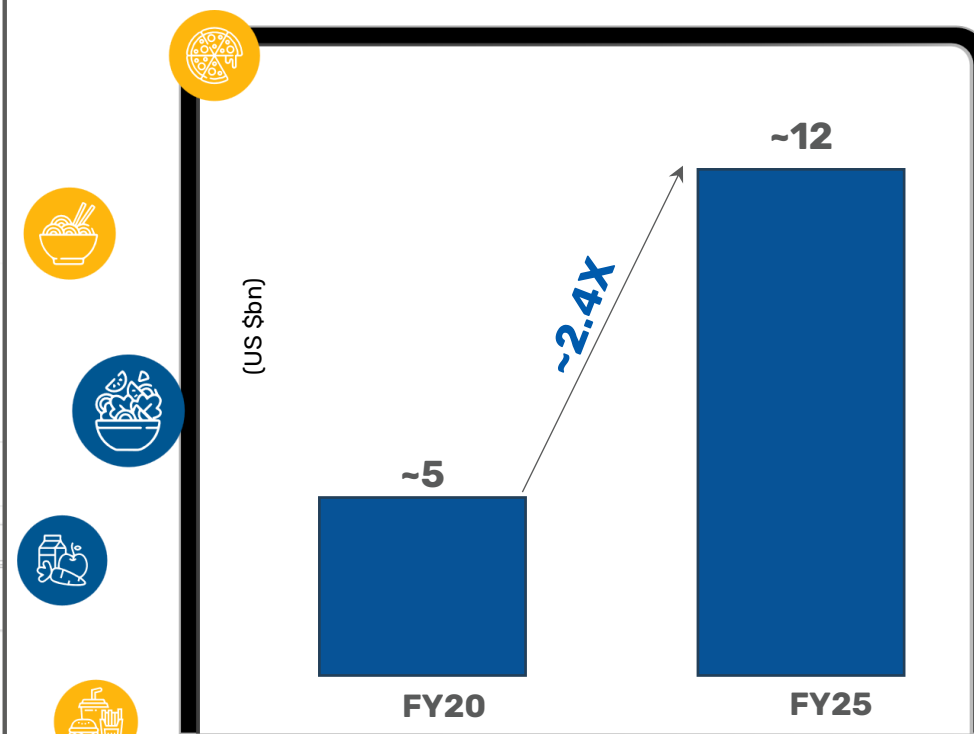
The e-commerce customer base is expected to grow by 2.7 times by FY25.



Source: Bernstein report

## Social – Rising Consumerism and Urbanisation

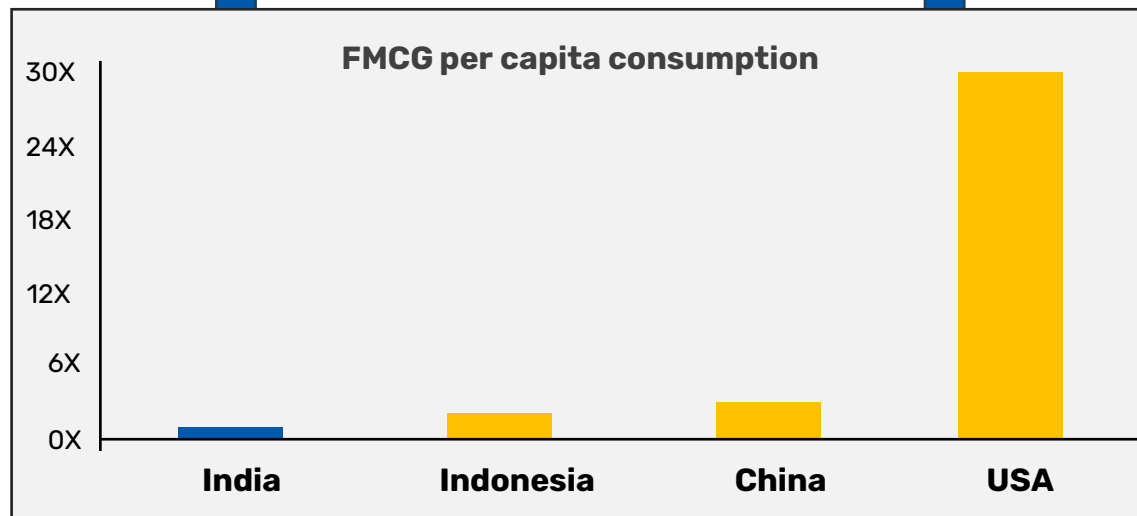
Social Behavior is changing radically. Eating out expense may rise 2.4 times by FY25.





Source: Nykaa RHP



Room to improve PCC which is 1/2 of Indonesia and 1/3 of China; US in different league



  
**FMCG per capita consumption** in India is **low**, with significant growth potential in the medium to long term

  
**Significant scope for premiumization** in the Home & Personal Care (HPC) segment

More HPC categories show scope to premiumize

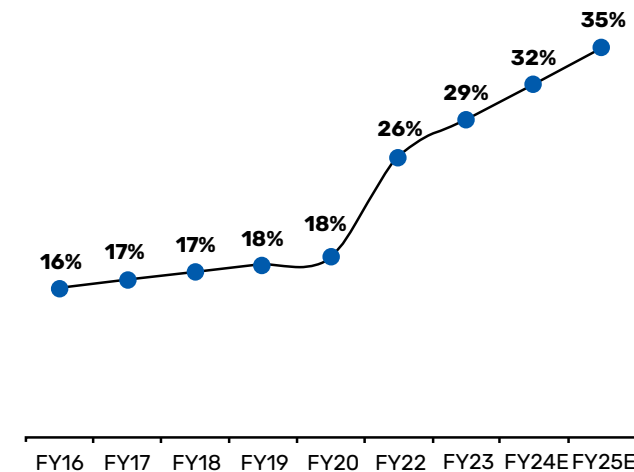
Categories	Category size in ppt	Scope to premiumise
Beauty & Personal Care		
Bar Soap	16%	●
Hair Care	16%	●
Skin Care	10%	●
Oral Care	9%	●
Men's Grooming	8%	●
Colour Cosmetics	6%	●
Baby and Child-specific Products	3%	●
Deodorants	2%	●
Liquid Soap	1%	●
Body Powder	1%	●
Body Wash/Shower Gel	0.5%	●
Home Care		
Laundry Care	20%	●
Home Insecticides	3%	●
Dishwash	2%	●
Surface Care	1%	●
Toilet Care	1%	●
Air Care	0.5%	●

● Strong ● Relatively Strong ● Average ● Relatively Weak



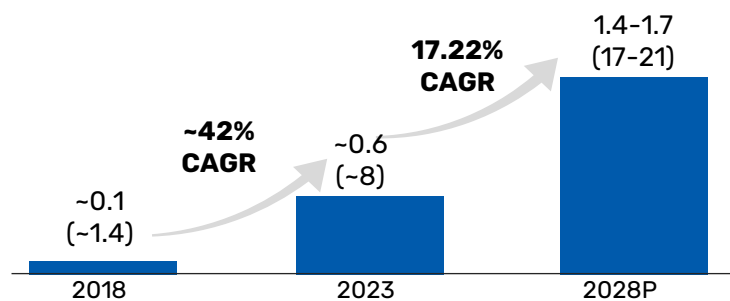


## India food delivery penetration (as % of total organised food services market)



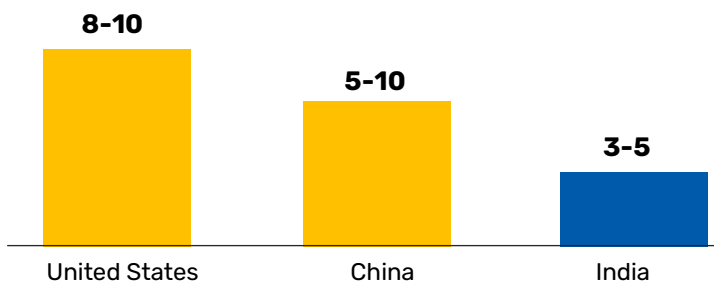
Source: NRAI, Bernstein estimates and analysis

## Online Food Delivery Market Split – (in ₹ trillions (US\$ billions)) (2018, 2023, 2028P)



Source: Redseer

## Monthly Online Food Delivery Frequency – India, China, United States (in numbers) – (2023)



Source: Redseer



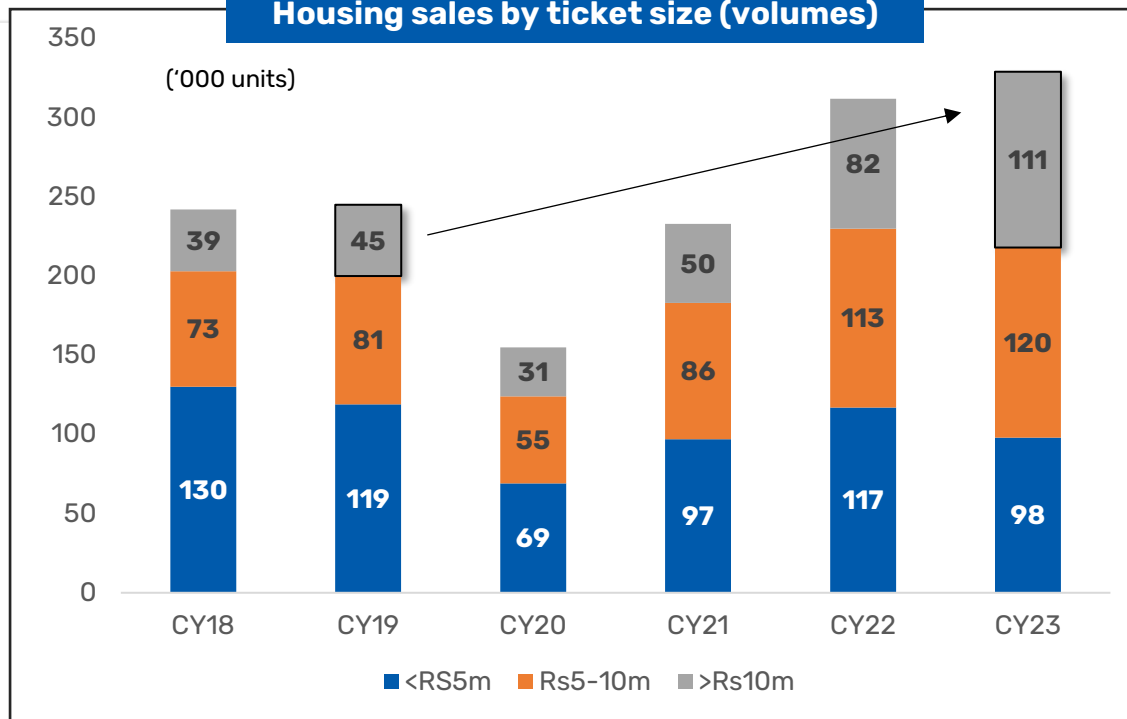
Indian online food delivery market **underpenetrated**, with growth potential from convenience-driven consumers



**Significant headroom** to increase order frequency as consumer trust and platform reliability improve

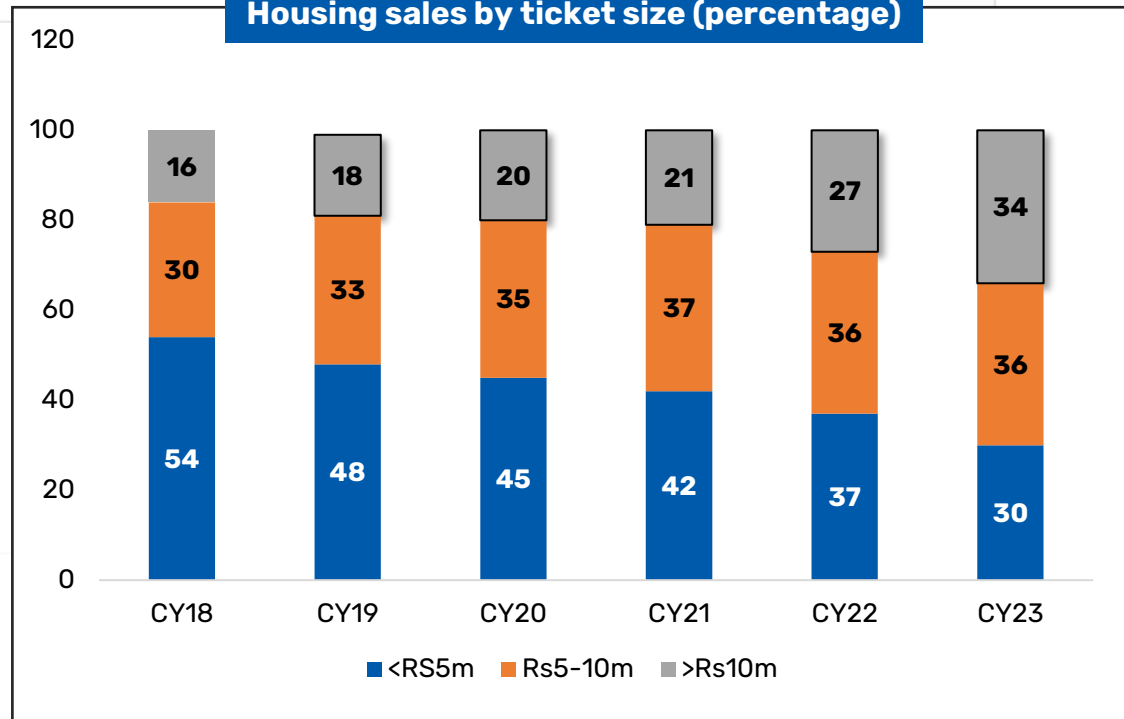


### Housing sales by ticket size (volumes)



Source: CLSA, Knight Frank

### Housing sales by ticket size (percentage)



Source: CLSA, Knight Frank



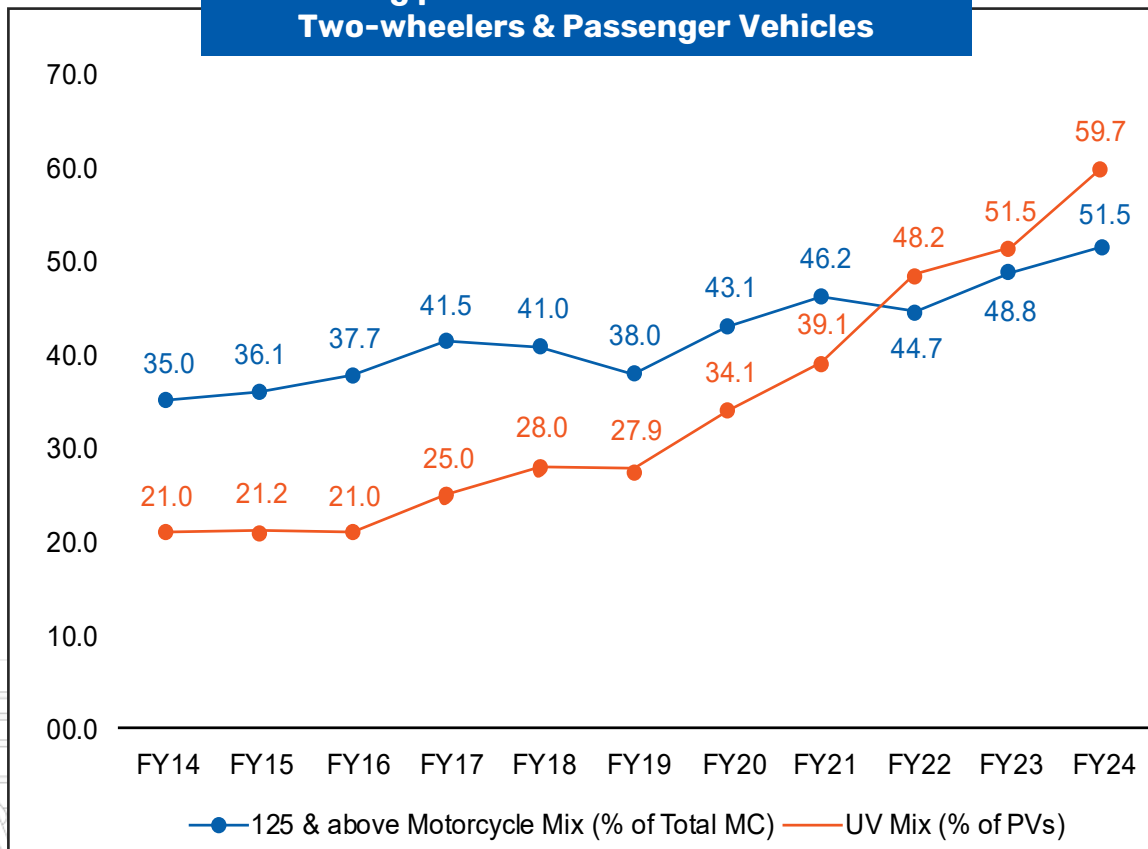
India's real estate sector poised for growth from **urbanization, rising incomes, and demand for affordable housing**



Rising housing sales will boost consumption in **home furnishings, appliances, construction materials, and consumer durables**



## Increasing premiumization is visible in both Two-wheelers & Passenger Vehicles



Source: CMIE, Jeffries estimates



Consumers are increasingly seeking **premium vehicles** and better commuting experiences



**Rising disposable incomes** and **changing preferences** drive demand for spacious, feature-rich luxury cars



Growing incomes lead consumers to trade up to **premium two-wheelers** and **passenger vehicles**, indicating a shift to aspirational, feature-rich models



# Introducing

## **BAJAJ FINSERV CONSUMPTION FUND**

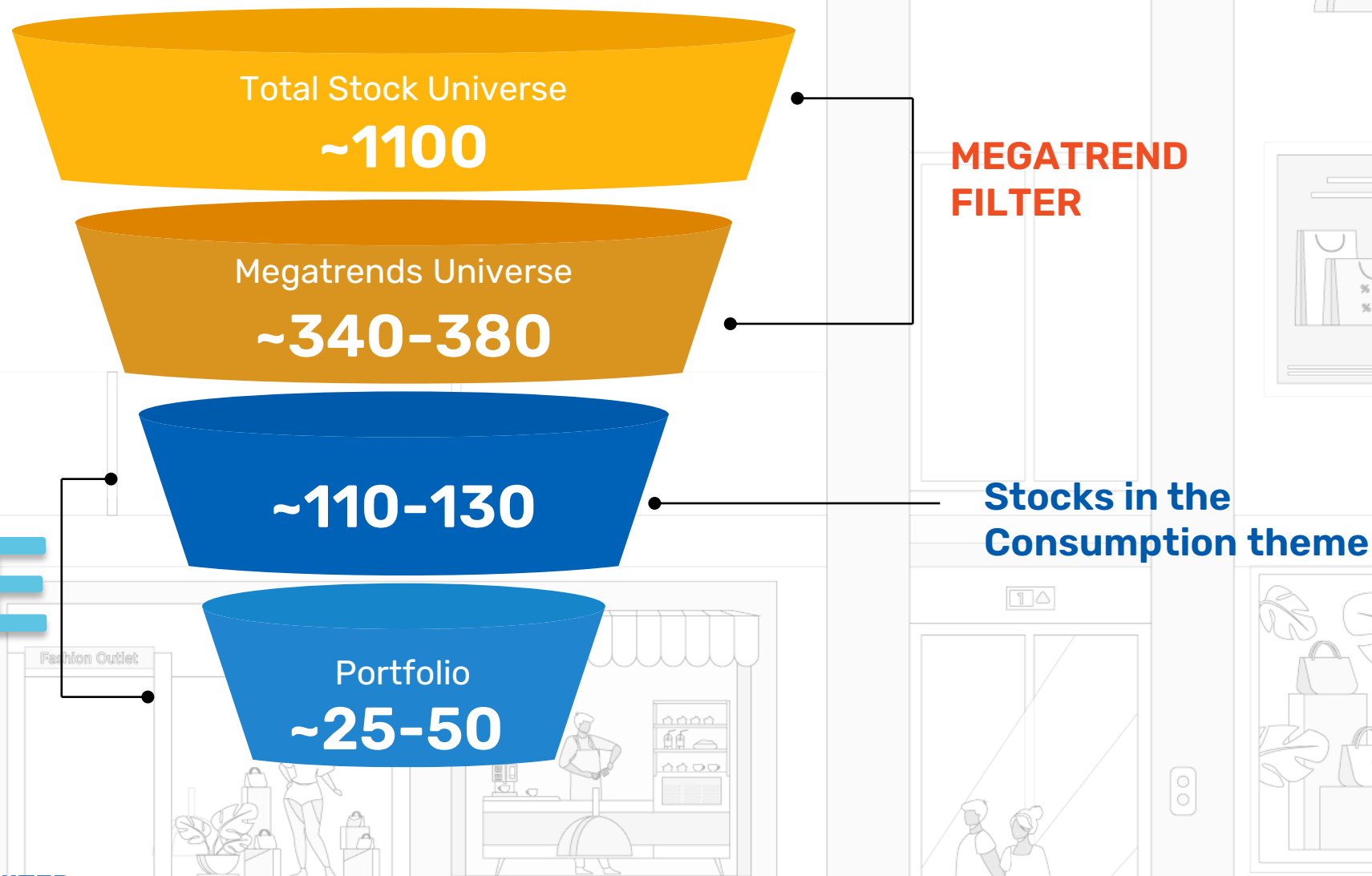
(An open ended equity scheme following consumption theme)

***Riding the wave of megatrends transforming consumption patterns***





# Portfolio Construction Process

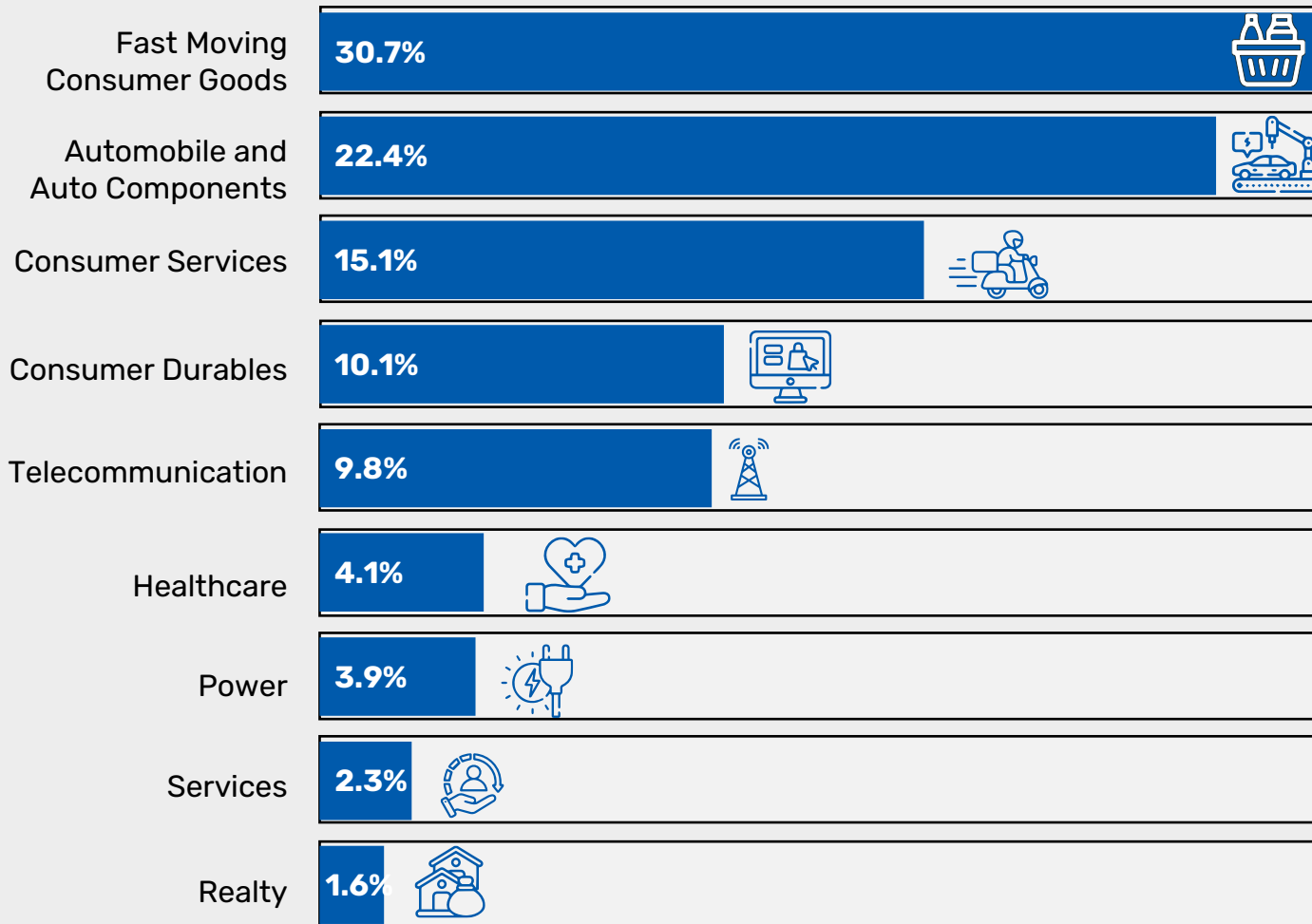


**INQUBE**



# Composition of Benchmark

## Sector Allocation



## Top 10 Constituents

Company Name	Weight (%)
ITC Ltd	16%
Bharti Airtel Ltd	10%
Mahindra & Mahindra Ltd	9%
Hindustan Unilever Ltd	8%
Maruti Suzuki India Ltd	6%
Zomato Ltd	3%
Trent Ltd	2%
Titan Co. Ltd.	1%
Asian Paints Ltd.	1%
Bajaj Auto Ltd.	1%

Source: Nifty Indices | Data as on Sep 30, 2024



# Who should invest in the Fund?



Investors looking to do **lumpsum** investments



Investors with a **higher risk** appetite



Investors looking for **tactical allocation** in their overall equity portfolio



Investors with an investment horizon of **5+ years**





# Our Investment Philosophy

# IN

**INFORMATION**  
EDGE

- Outperform the market on superior information collection

# QU

**QUANTITATIVE**  
EDGE

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

# BE

**BEHAVIORAL**  
EDGE

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



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(An open ended equity  
scheme following  
consumption theme)

Riding the wave of megatrends  
transforming consumption patterns

July 2025



Consume

Easy

Consume

More

Consume

Better

Consume

Well



Company Name	Allocation	Consumption	Company name	Allocation	Consumption
United Spirits Limited	4.20%	<div><div></div><div></div><div></div><div>B</div></div>	Mahindra & Mahindra Limited	1.63%	<div><div></div><div></div><div></div><div>B</div></div>
Godrej Consumer Products Limited	3.31%	<div><div></div><div>M</div><div></div><div></div></div>	Page Industries Limited	1.59%	<div><div></div><div></div><div></div><div>B</div></div>
Radico Khaitan Limited	3.15%	<div><div></div><div></div><div></div><div>B</div></div>	Devyani International Limited	1.54%	<div><div></div><div></div><div></div><div>B</div></div>
Maruti Suzuki India Limited	3.00%	<div><div></div><div>M</div><div></div><div></div></div>	Eternal Limited	1.54%	<div><div>E</div><div></div><div></div><div></div></div>
Britannia Industries Limited	2.90%	<div><div></div><div>M</div><div></div><div></div></div>	Astral Limited	1.48%	<div><div></div><div></div><div></div><div>B</div></div>
Oberoi Realty Limited	2.81%	<div><div></div><div></div><div></div><div>B</div></div>	Century Plyboards (India) Limited	1.44%	<div><div></div><div>M</div><div></div><div>B</div></div>
Marico Limited	2.78%	<div><div></div><div>M</div><div></div><div></div></div>	Landmark Cars Limited	1.30%	<div><div></div><div></div><div></div><div>B</div></div>
ITC Limited	2.77%	<div><div></div><div>M</div><div></div><div></div></div>	PVR INOX Limited	1.24%	<div><div></div><div></div><div></div><div>B</div></div>
Tata Consumer Products Limited	2.53%	<div><div></div><div>M</div><div></div><div></div></div>	Safari Industries (India) Limited	1.22%	<div><div></div><div>M</div><div></div><div></div></div>
V-Mart Retail Limited	2.40%	<div><div></div><div>M</div><div></div><div></div></div>	Metro Brands Limited	1.18%	<div><div></div><div></div><div></div><div>B</div></div>
Zydus Wellness Limited	2.37%	<div><div></div><div></div><div></div><div>W</div></div>	Emami Limited	1.16%	<div><div></div><div></div><div></div><div>W</div></div>
United Breweries Limited	2.36%	<div><div></div><div>M</div><div></div><div></div></div>	Fortis Healthcare Limited	1.14%	<div><div></div><div></div><div></div><div>W</div></div>
Havells India Limited	2.21%	<div><div></div><div></div><div></div><div>B</div></div>	Brainbees Solutions Ltd	1.12%	<div><div>E</div><div></div><div></div><div></div></div>
Whirlpool of India Limited	2.21%	<div><div></div><div></div><div></div><div>B</div></div>	Jubilant Foodworks Limited	1.11%	<div><div></div><div></div><div></div><div>B</div></div>
The Indian Hotels Company Limited	2.13%	<div><div></div><div></div><div></div><div>B</div></div>	Westlife Foodworld Limited	1.11%	<div><div></div><div></div><div></div><div>B</div></div>
Info Edge (India) Limited	2.02%	<div><div>E</div><div></div><div></div><div></div></div>	Orient Electric Limited	1.10%	<div><div></div><div></div><div></div><div>B</div></div>
Gillette India Limited	1.99%	<div><div></div><div>M</div><div></div><div></div></div>	AWL Agri Business Limited	1.09%	<div><div></div><div>M</div><div></div><div>B</div></div>
Allied Blenders And Distillers Limited	1.98%	<div><div></div><div></div><div></div><div>B</div></div>	Ganesha Ecosphere Limited	1.08%	<div><div></div><div></div><div></div><div>W</div></div>
Cera Sanitaryware Limited	1.96%	<div><div></div><div></div><div></div><div>B</div></div>	Godrej Agrovet Limited	1.08%	<div><div></div><div></div><div></div><div>W</div></div>
Hindustan Unilever Limited	1.95%	<div><div></div><div>M</div><div></div><div></div></div>	VIP Industries Limited	1.06%	<div><div></div><div></div><div></div><div>B</div></div>
Eicher Motors Limited	1.94%	<div><div></div><div></div><div></div><div>B</div></div>	Kajaria Ceramics Limited	1.04%	<div><div></div><div>M</div><div></div><div>B</div></div>
Aditya Birla Real Estate Limited	1.88%	<div><div></div><div></div><div></div><div>B</div></div>	Shaily Engineering Plastics Limited	0.98%	<div><div></div><div></div><div></div><div>W</div></div>
Bharti Airtel Limited	1.85%	<div><div></div><div>M</div><div></div><div></div></div>	Amber Enterprises India Limited	0.97%	<div><div></div><div></div><div></div><div>B</div></div>
Nestle India Limited	1.79%	<div><div></div><div></div><div></div><div>B</div></div>	PB Fintech Limited	0.92%	<div><div>E</div><div></div><div></div><div>W</div></div>
FSN E-Commerce Ventures Limited	1.76%	<div><div>E</div><div></div><div></div><div></div></div>	DLF Limited	0.80%	<div><div></div><div></div><div></div><div>B</div></div>
ITC Hotels Limited	1.76%	<div><div></div><div></div><div></div><div>B</div></div>	Bajaj Auto Limited	0.49%	<div><div></div><div>M</div><div></div><div></div></div>
Brigade Enterprises Limited	1.71%	<div><div></div><div></div><div></div><div>B</div></div>	TVS Motor Company Limited	0.49%	<div><div></div><div>M</div><div></div><div>W</div></div>
Dixon Technologies (India) Limited	1.69%	<div><div></div><div></div><div></div><div>B</div></div>	La Opala RG Limited	0.20%	<div><div></div><div></div><div></div><div>B</div></div>

Consume Easy

Consume More

Consume Better

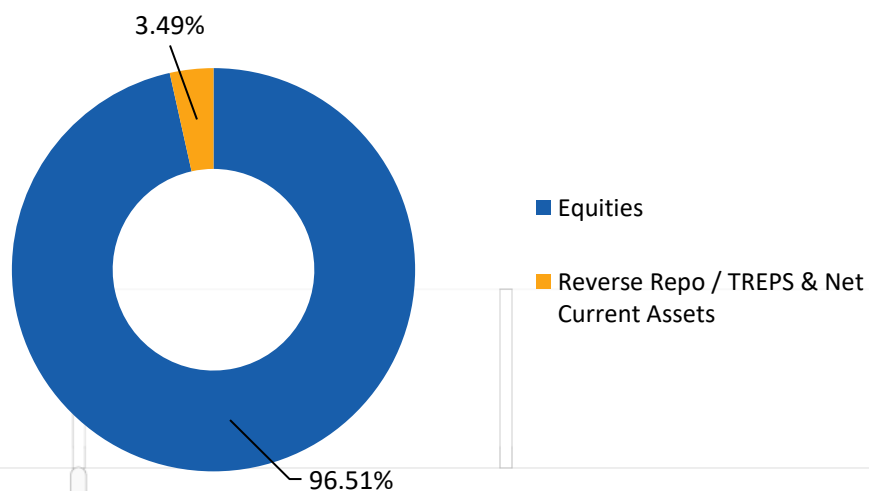
Consume Well

These 4 color bars represent each trend and the bars after each company's name represent it's presence in that particular trend wherever applicable. We have also shown % to Net Assets for each company. Data as on 30<sup>th</sup> June 2025

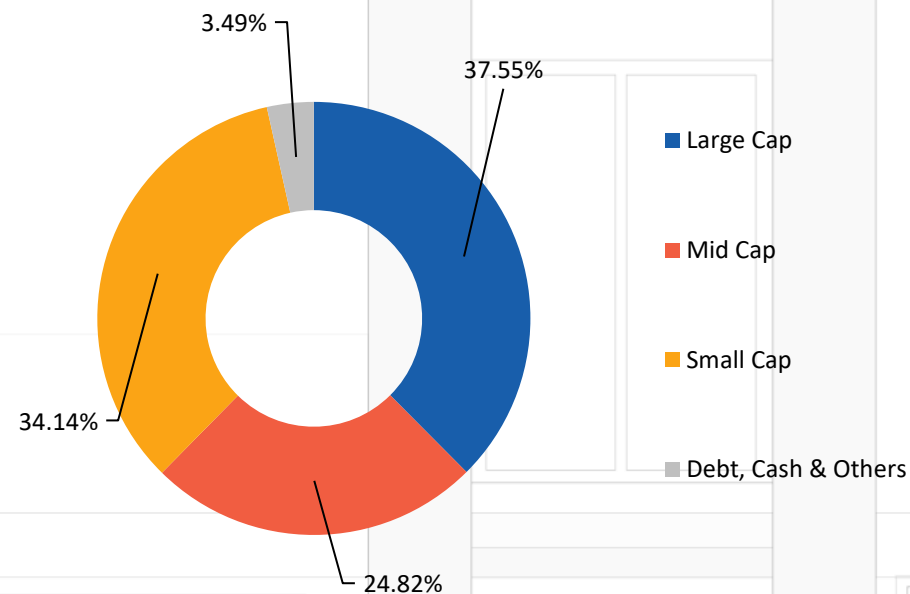


# Bajaj Finserv Consumption Fund - Allocation

## Asset Allocation



## Market Cap Breakup

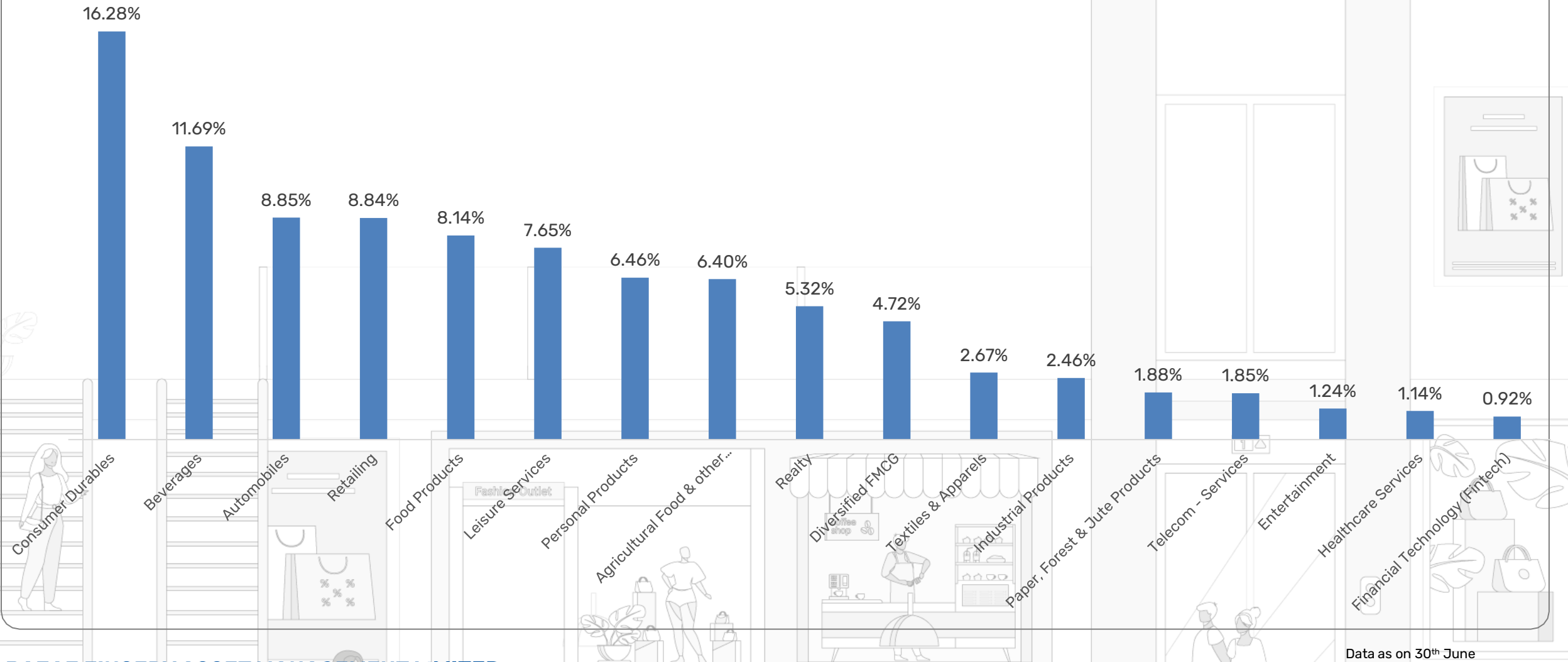




# Bajaj Finserv Consumption Fund – Sector Allocation



## Sector Allocation





# Scheme Features

<b>Scheme Type</b>	<b>An open ended equity scheme following consumption theme</b>
<b>Plans</b>	Regular Plan   Direct Plan
<b>Option</b>	Growth   IDCW
<b>Minimum Application Amount</b>	Rs. 500 (Plus multiples of Re.1)
<b>Minimum Additional Application</b>	Rs. 100 (Plus multiples of Re.1)
<b>Entry Load</b>	Nil
<b>Exit Load</b>	<p>For each purchase of units through Lumpsum / switch-in / Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP), exit load will be as follows:</p> <ul style="list-style-type: none"><li>• if units are redeemed / switched out within 3 months from the date of allotment: 1% of applicable NAV.</li><li>• if units are redeemed/switched out after 3 months from the date of allotment, no exit load is payable.</li></ul>
<b>Fund Manager</b>	<p>Equity Portion: Mr. Sorbh Gupta and Mr. Sayan Das Sharma</p> <p>Debt Portion: Mr. Siddharth Chaudhary</p>
<b>Benchmark Index</b>	Nifty India Consumption Total Return Index (TRI)
<b>SIP/ SWP/ STP</b>	Available





# Bajaj Finserv Consumption Fund

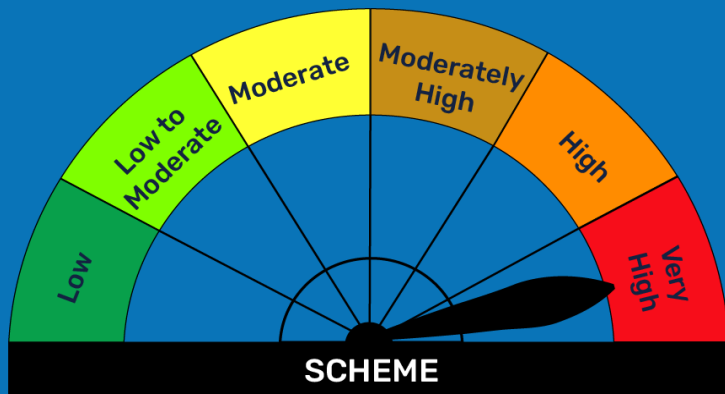
(An open ended equity scheme following consumption theme)

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

- Wealth creation over long term
- To invest predominantly in equity and equity related instruments of companies that are likely to benefit directly or indirectly from the domestic consumption led demand

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

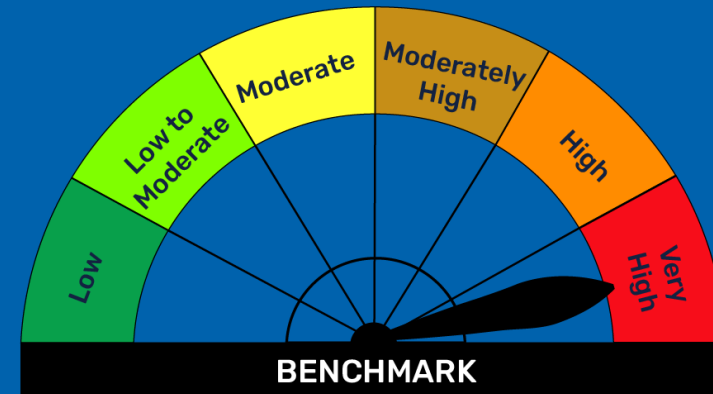
## SCHEME



The risk of the scheme is very high

## RISKOMETER

## BENCHMARK



The risk of the benchmark i.e. Nifty India Consumption Total Return Index (TRI) is very high



# Disclaimer

This document should not be treated as endorsement of the views/opinions or as an investment advice. This document should not be construed as a research report or a recommendation to buy or sell any security. This document alone is not sufficient and should not be used for the development or implementation of an investment strategy. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. Neither Bajaj Finserv Mutual Fund / Bajaj Finserv Mutual Fund Trustee Limited / Bajaj Finserv Asset Management Limited nor its Directors or employees shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Investors are advised to consult their own investment advisor before making any investment decision in light of their risk appetite, investment goals and horizon. This information is subject to change without any prior notice.

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

# THANK YOU

