

SMALL CAP. GIANT POTENTIAL.

PRESENTING

BAJAJ FINSERV SMALL CAP FUND

An open ended equity scheme predominantly investing in small cap stocks

Give your investments the 3-in-1 advantage

Quality

Companies with distinct competitive advantages

Growth

Companies with high scalability potential

Value

Companies that present intrinsic value opportunities





ARE ALL RISKS BAD?

PRE-RISK PARALYSIS

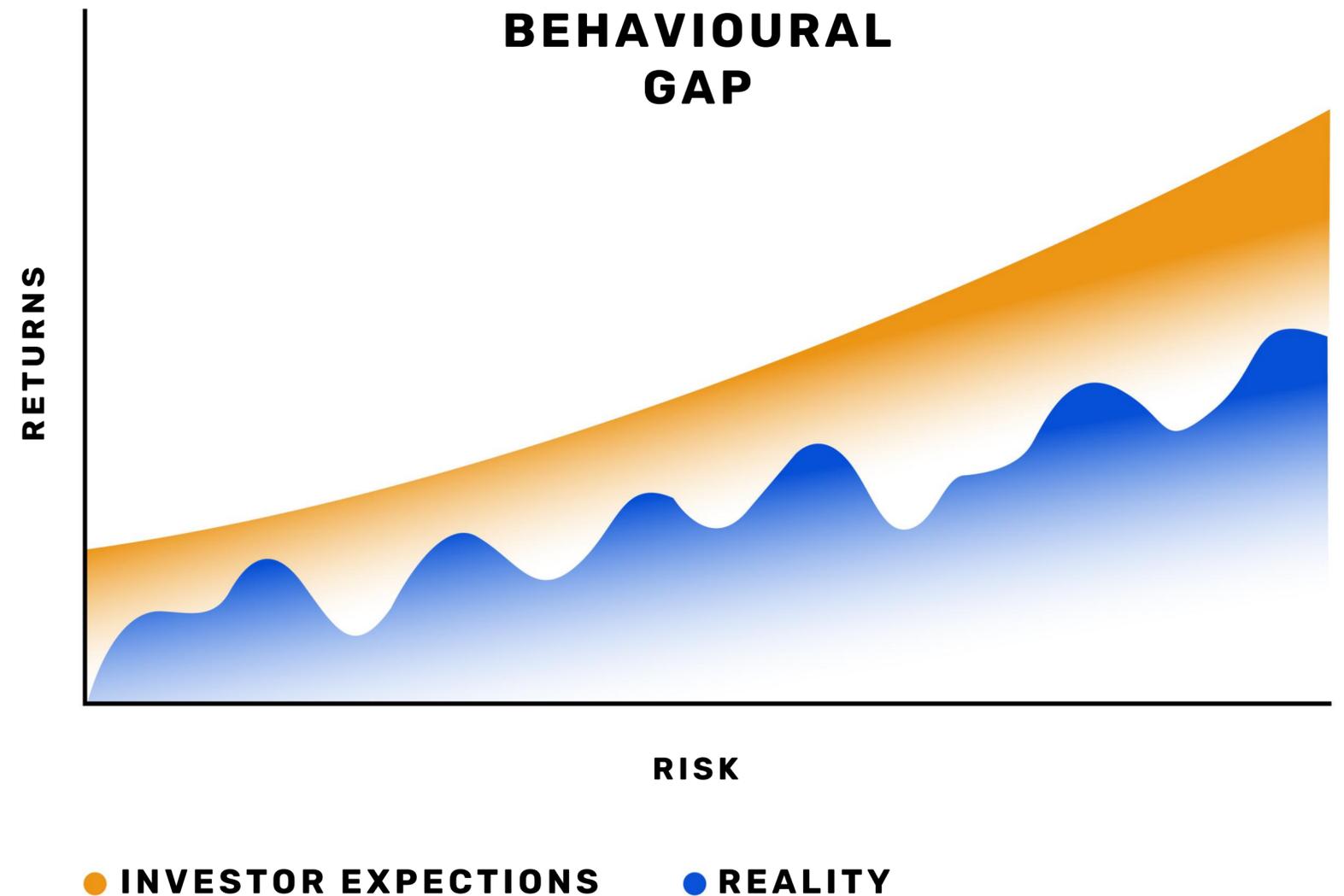
REWARD OF RISK

RISK ISN'T WHAT MOST THINK IT IS

"Risk comes from not knowing what you're doing."
- Warren Buffet

Risk has long been perceived as the enemy of investment success. But in reality, risk is the necessary ingredient that fuels returns. Without risk, there is no reward. The key lies in understanding, managing, and leveraging risk rather than avoiding it.

RISK: PERCEPTION VS. REALITY



DON'T AVOID RISK



JUST PREPARE FOR IT



**RISK VS. SAFETY:
BUSTING SOME MYTHS**



SIZE DOESN'T ENSURE SAFETY, BUSINESS QUALITY DOES

**Collapse of a prominent retail player in
supermarkets**



WHY IT SEEMED TOO BIG TO FAIL:

- 1,000+ stores across 321 cities (2017)
- ₹24,116 crore market cap (2017)



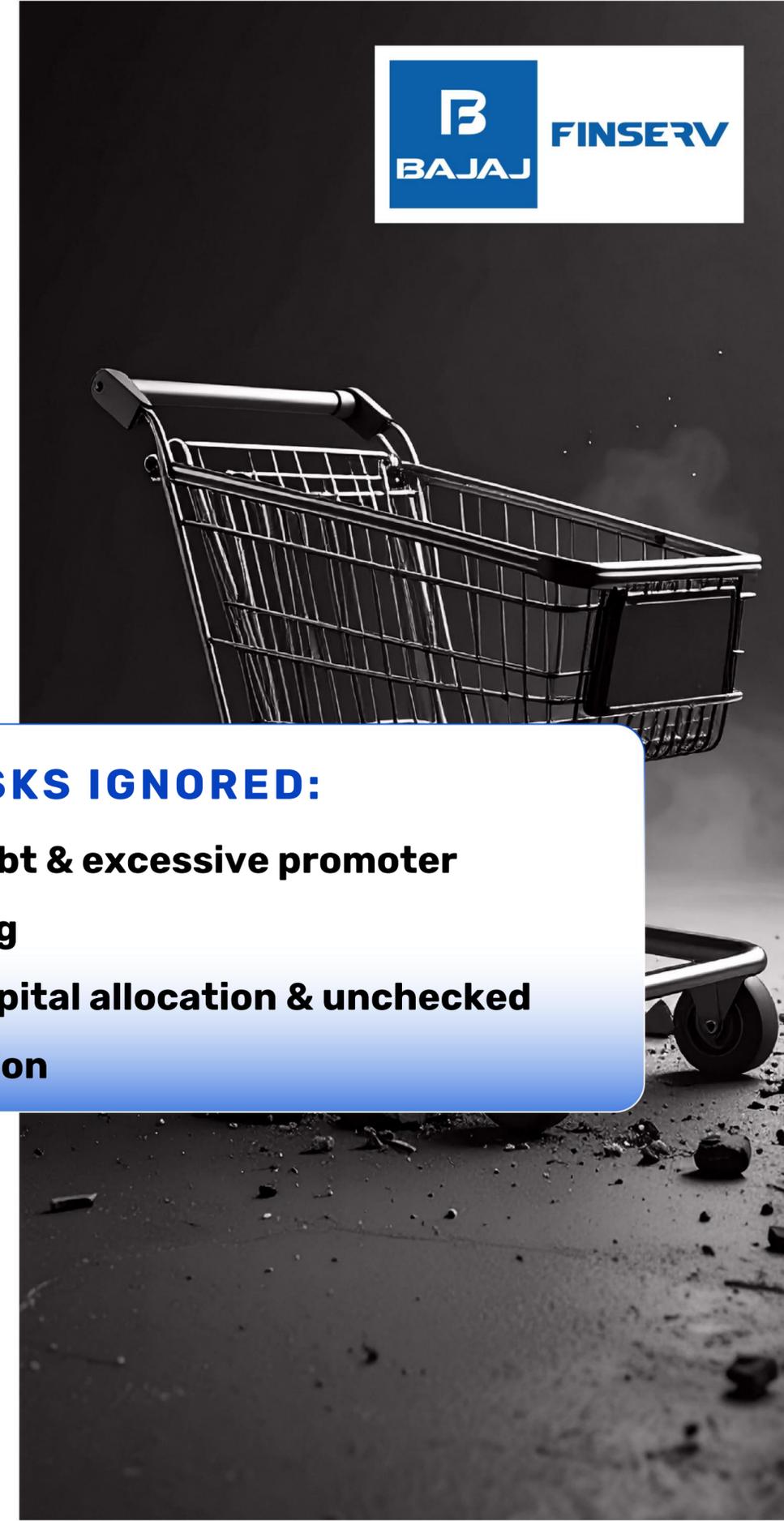
WHAT WENT WRONG:

- ~99% wealth erosion
- Stock corrected from peak: ~57% (CAGR from Nov-2017 to Aug-2024)



KEY RISKS IGNORED:

- High debt & excessive promoter pledging
- Poor capital allocation & unchecked expansion



FAMILIARITY DOESN'T ENSURE SAFETY, GOVERNANCE DOES

Downfall of a major IT firm in India



WHY IT SEEMED TOO BIG TO FAIL:

- One of India's top 5 IT firms
- Constituent of Nifty 50 Index
- Global presence with 50,000+ employees



WHAT WENT WRONG:

- ~95% wealth erosion
- Stock corrected from ₹523.50 (May 2008) to ₹23.75 (Jan 2009)



KEY RISKS IGNORED:

- Fabricated cash balances and overstated revenues
- Promoter fraud involving accounting manipulation

SOURCE: INTERNAL ANALYSIS, SCREENER

THIS SLIDE IS FOR ILLUSTRATIVE PURPOSES ONLY AND IS PROVIDED TO EXPLAIN THE CONCEPT OF RISK.

BEING UNDERVALUED ISN'T ENOUGH, GROWTH IS ESSENTIAL

Failure of an infrastructure finance company in India



WHY IT SEEMED AN ATTRACTIVE BUY:

- Traded at a deep discount to book value and perceived to be undervalued
- Positioned as a key lender in infrastructure



WHAT WENT WRONG:

- Stock corrected from ₹137.10 (Jul-2017) to ₹2.10 (Aug-2023)
- Stock delisted
- A value trap, not a recovery story



KEY RISKS IGNORED:

- Rising NPAs with limited provisioning buffer
- Complex financial structuring and lack of transparency
- Weak governance and regulatory red flags

SOURCE: INTERNAL ANALYSIS, SCREENER

THIS SLIDE IS FOR ILLUSTRATIVE PURPOSES ONLY AND IS PROVIDED TO EXPLAIN THE CONCEPT OF RISK.

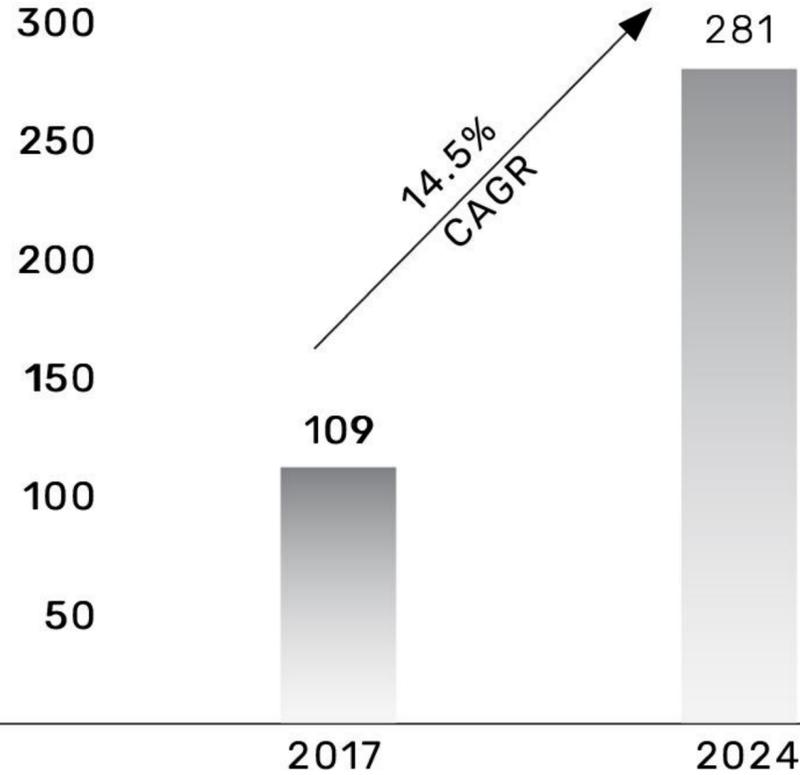


**ANOTHER POPULAR MYTH:
SMALL CAP = RISK**

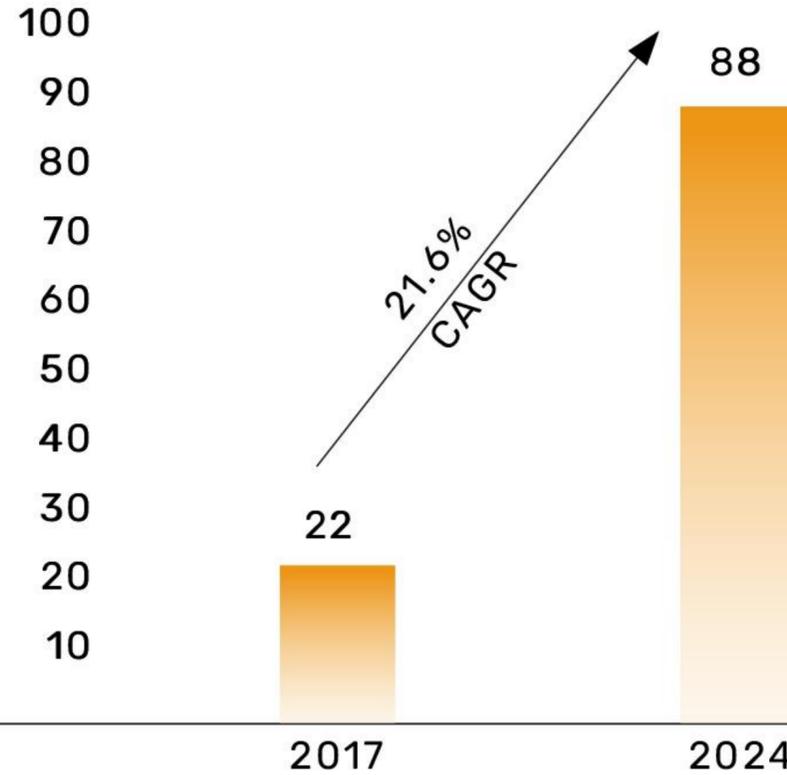


HIGHEST MARKET CAP GROWTH – 5X IN 7 YEARS

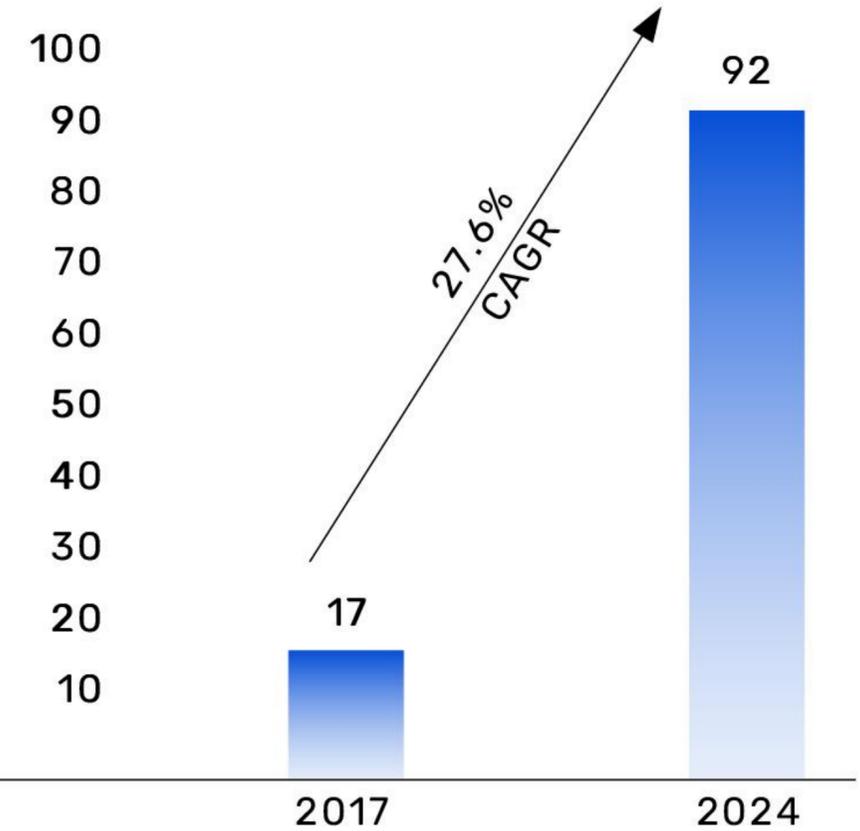
LARGE CAP



MID CAP



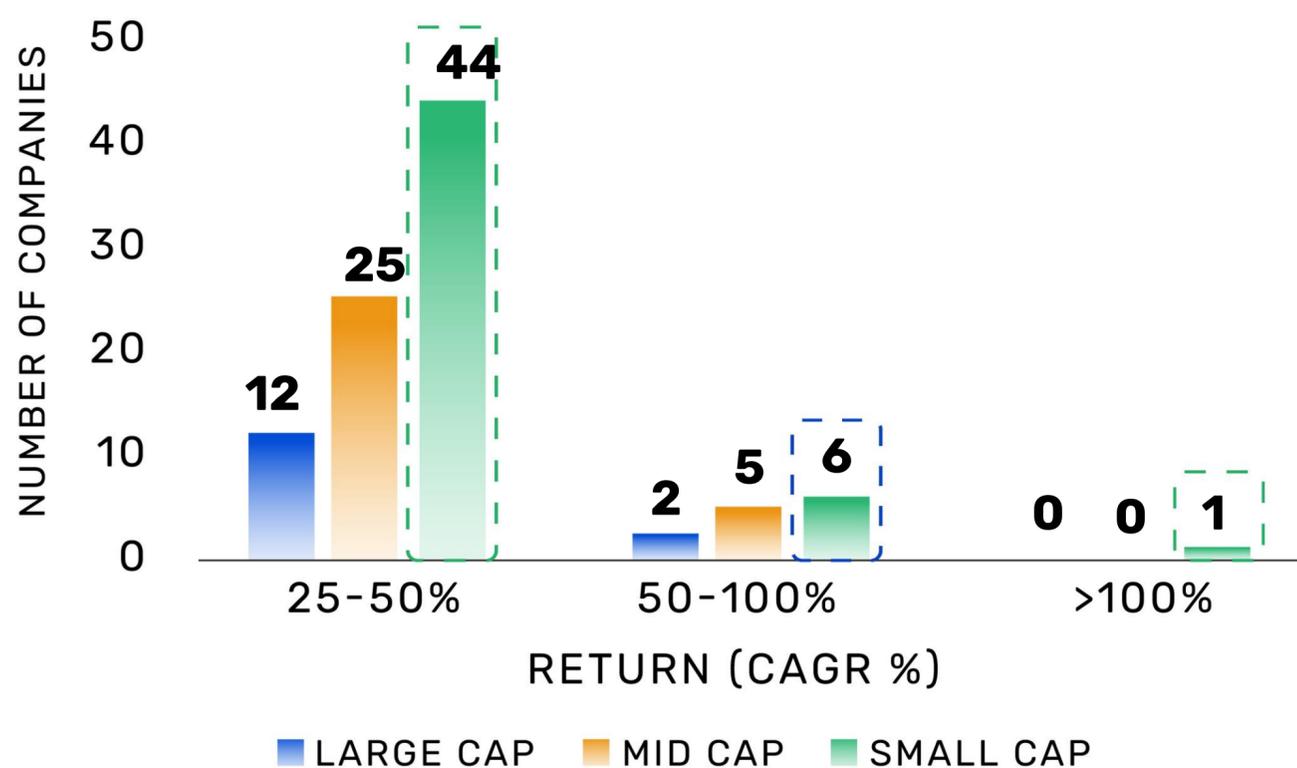
SMALL CAP



MARKET CAP IN (₹ LAKH CRORE)

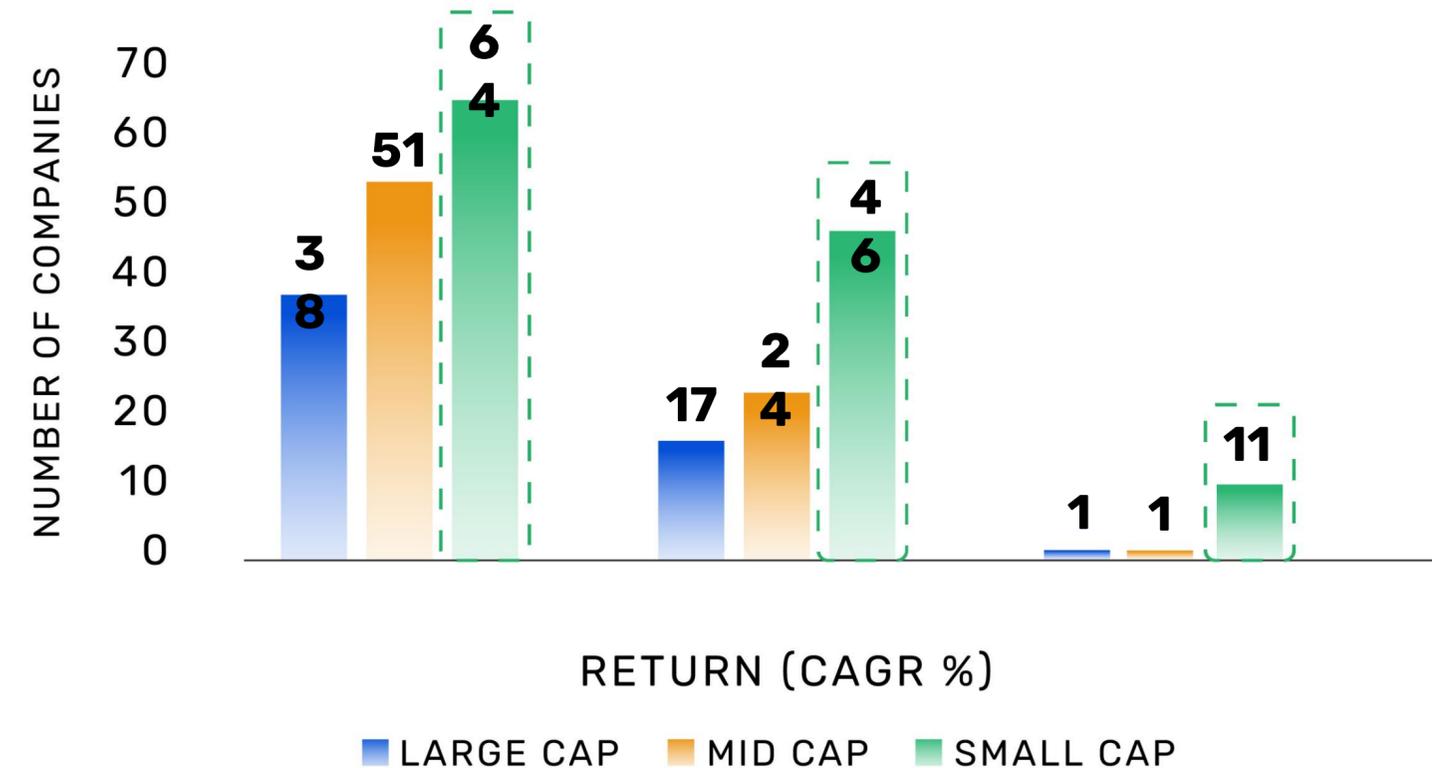
HIGHER LONG-TERM POTENTIAL IRRESPECTIVE OF MARKET DIRECTION

RETURNS FROM PEAK RETURNS IN NIFTY 500 FROM 2018 TO 2025



DATA FROM MAY 31, 2018 TO MAY 31, 2025

RETURNS FROM TROUGH RETURNS IN NIFTY 500 FROM 2020 TO 2025



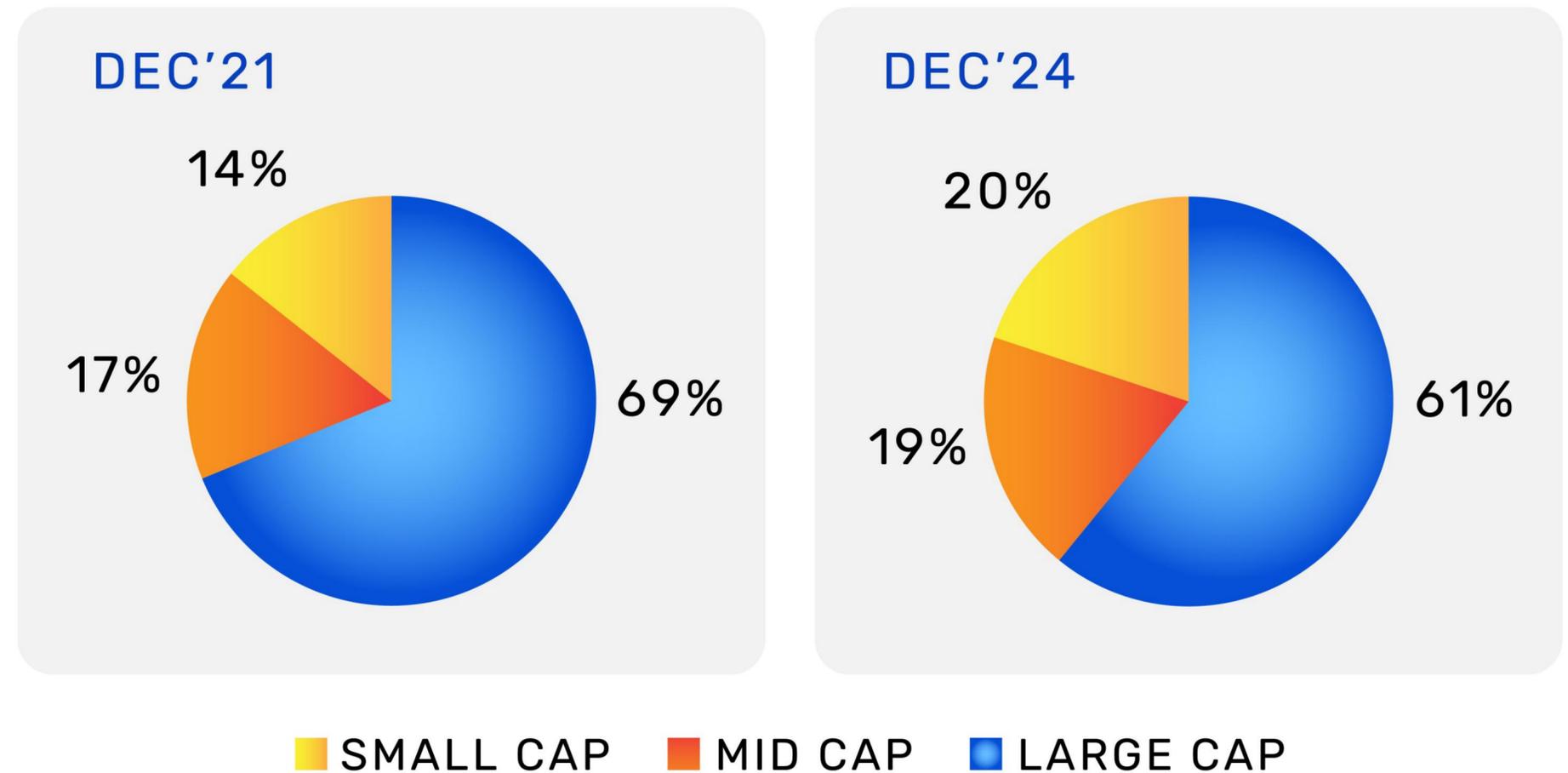
DATA FROM MAY 31, 2020 TO MAY 31, 2025

CONTRIBUTION TO MARKET CAP GREW 1.4X IN LAST 3 YEARS

Between Dec'21 and Dec'24, small caps increased their share in the total market capitalization of all listed companies by 6%, outperforming mid caps (which grew by 2%) and large caps (which fell by 8%).

This underscores the growing prominence of the small cap segment and the expanding opportunities it offers.

CONTRIBUTION TO MARKET CAP



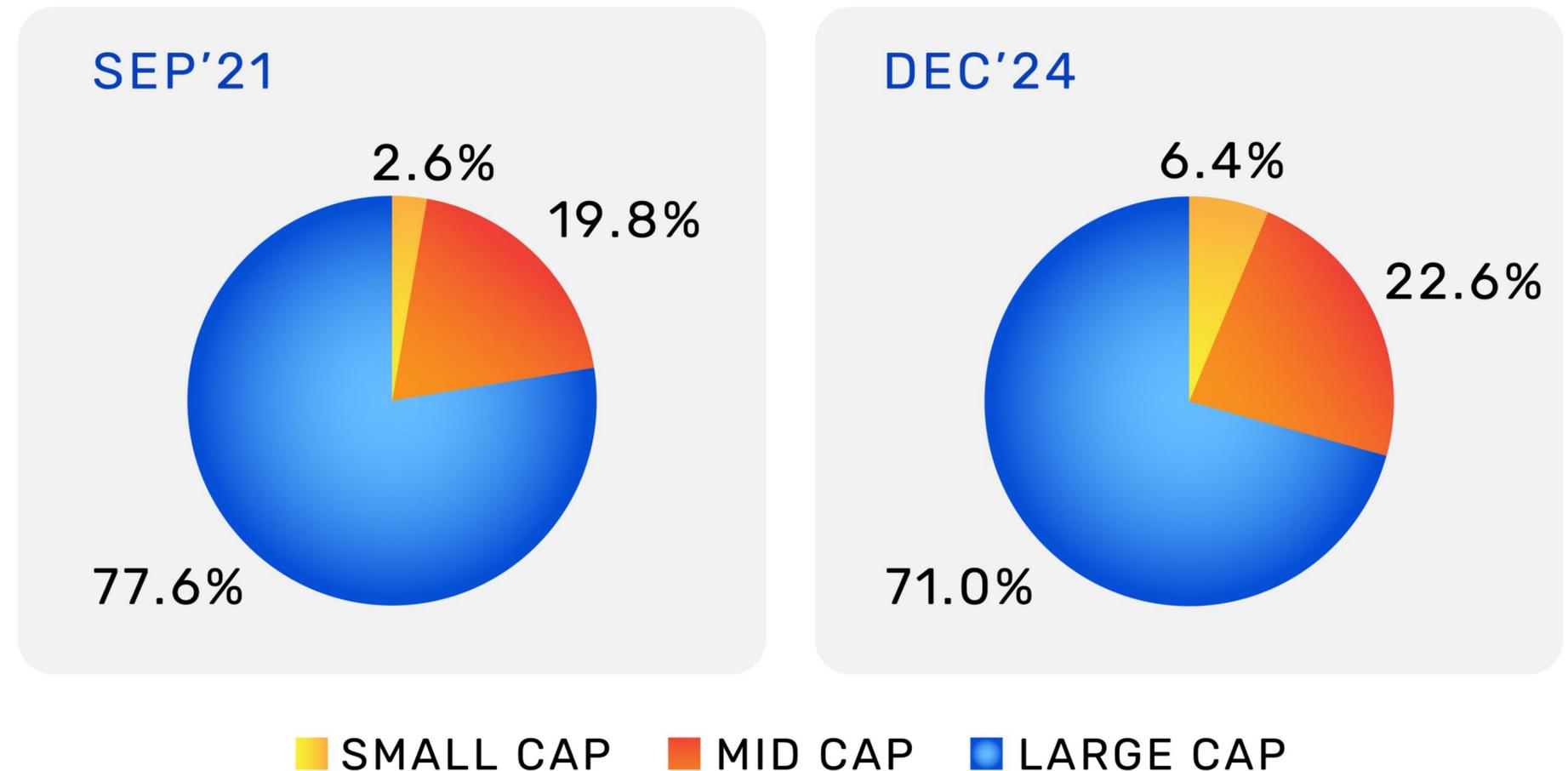
Contribution to market cap of all listed companies

CONTRIBUTION TO PROFITS GREW 2.5X IN LAST 4 YEARS

Between Sep'21 and Dec'24, small caps saw their share in India's corporate earnings expand 2.5x, far outpacing mid caps (which expanded 1.1x) and large caps (which expanded 0.9x).

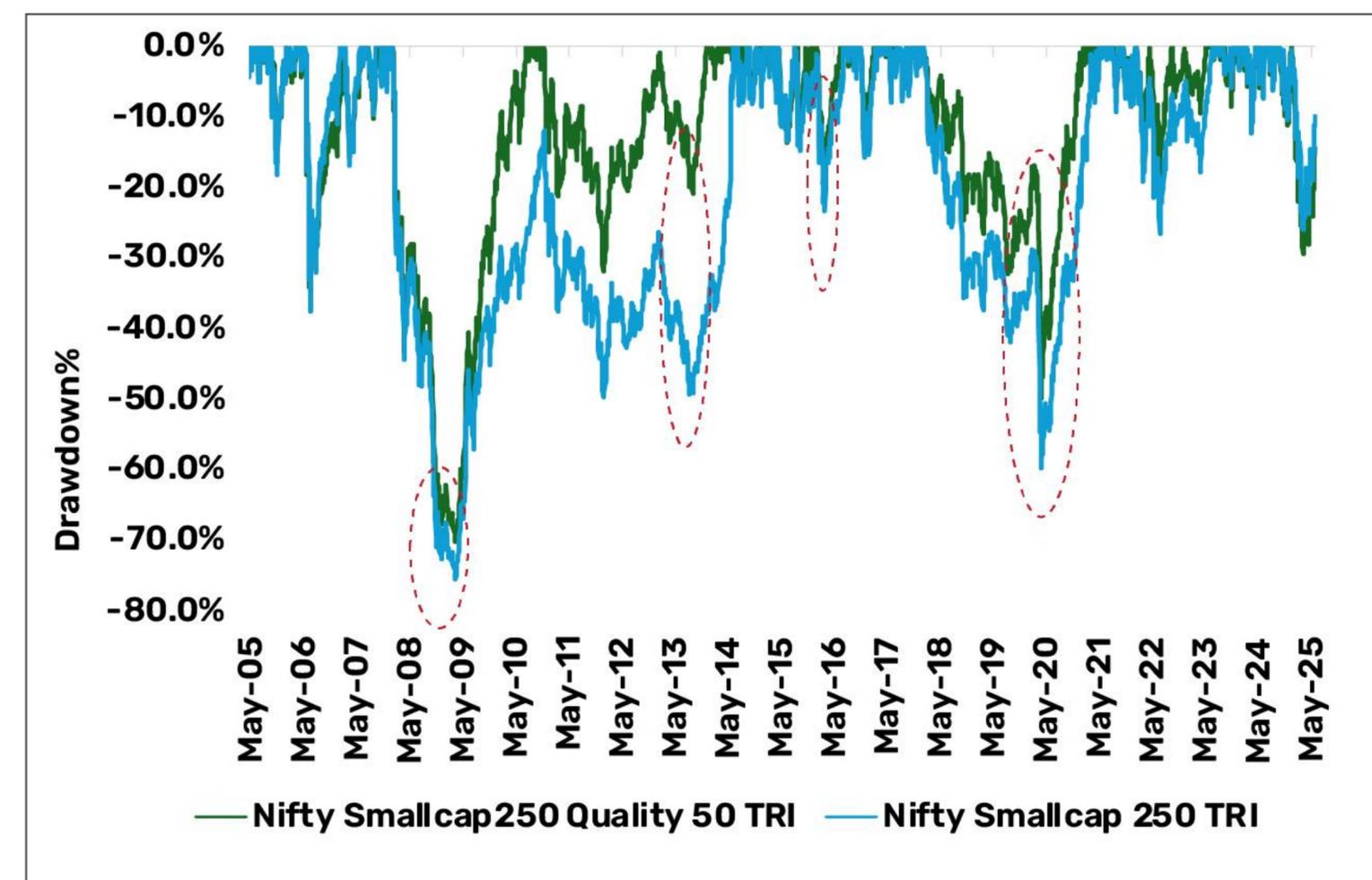
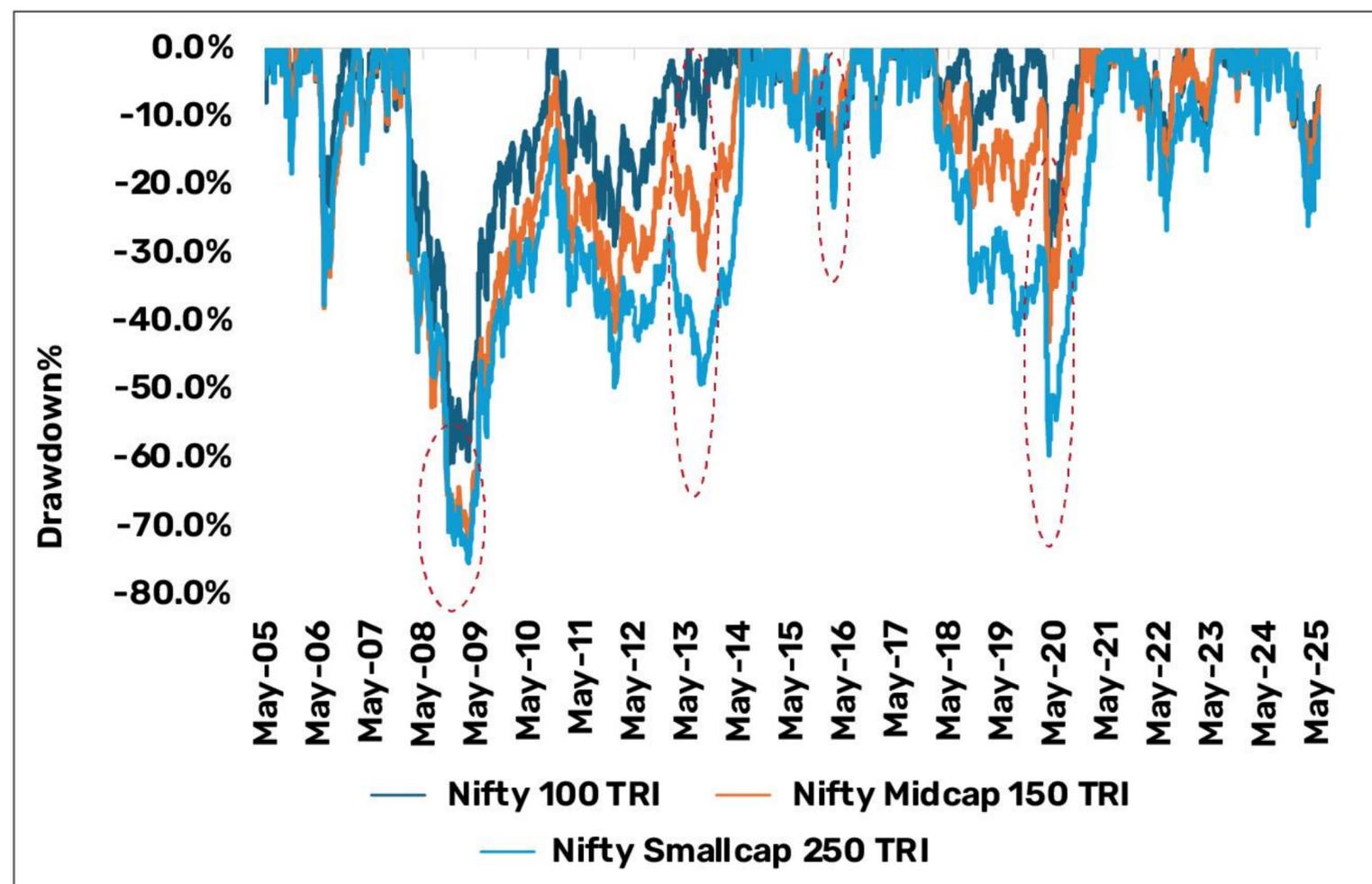
This sharp earnings delta highlights the accelerating potential within small caps.

CONTRIBUTION TO PAT OF TOP 500 COMPANIES

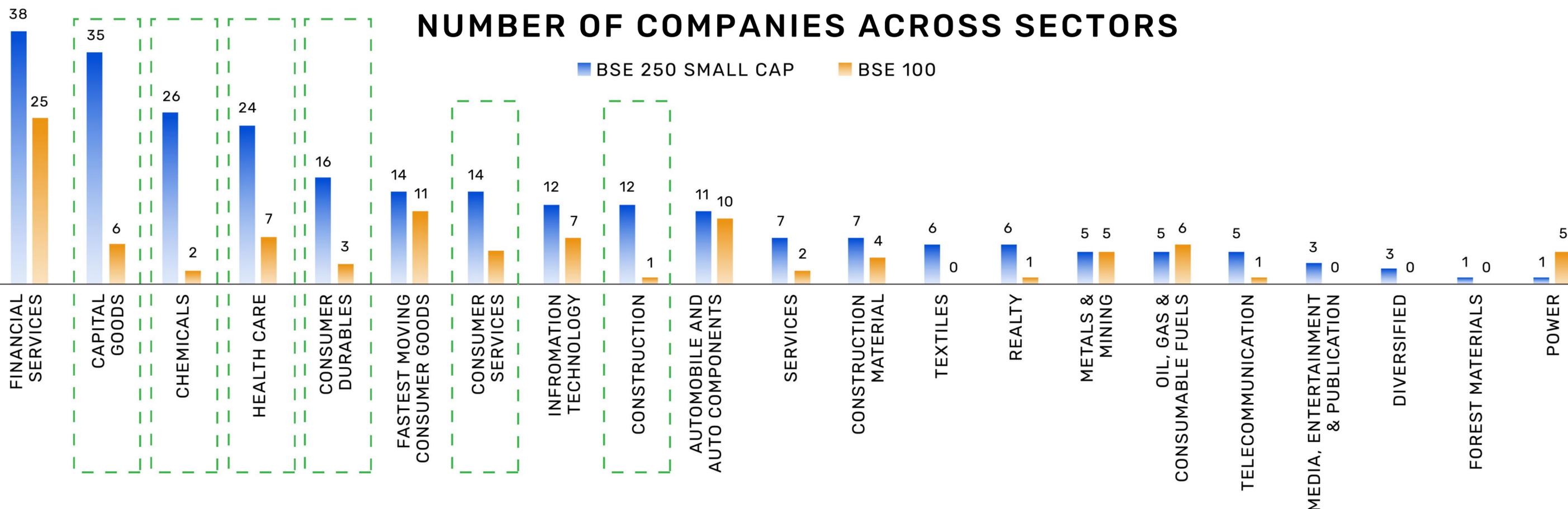


RETHINKING SMALL CAP VOLATILITY THROUGH A QUALITY LENS

While small caps tend to experience higher drawdowns compared to broader indices, the relatively lower drawdown in the quality small cap index highlights the importance of selective exposure. This reinforces the need for right active management over passive benchmark investing.



DIVERSIFICATION ACROSS MORE THEMES



Small caps offer a more diversified sectoral spread compared to large caps, with substantially more opportunities across key growth sectors highlighted above.

MARKET CAP	LARGE CAP	MID CAP	SMALL CAP
NO. OF SECTORS COVERED	17	12	21

VOLATILITY DOESN'T ALWAYS MEAN RISK, IT OFTEN MEANS OPPORTUNITY

MEET MR. MARKET – A TIMELESS LESSON IN INVESTING BY BENJAMIN GRAHAM

Every day, he offers to buy your share or sell you his at a new price. His mood swings aren't based on fundamentals, but emotions.

▲ Some days, he's euphoric and offers an inflated price

▼ Other days, he's fearful and offers a deep discount



VOLATILITY DOESN'T ALWAYS MEAN RISK, IT OFTEN MEANS OPPORTUNITY

WHAT WE LEARN FROM MR. MARKET



Volatility is not a threat – it's an opportunity.

When Mr. Market panics, disciplined investors can buy quality at a discount



You are not obligated to act.

You don't have to buy or sell daily. The power lies in patience.



Emotional discipline pays.

Mr. Market's irrationality is your edge—if you remain rational.



Independent thinking wins.

Success comes from focusing on value, not noise.





WHY INVEST IN SMALL CAPS NOW?

SMALL IN SIZE, NOT IN IMPACT

EVERYDAY LEADERS ACROSS
INDUSTRIES THAT ARE SMALL CAPS

- Consumer durables
- Capital goods
- Consumer services
- FMCG
- Metals & Mining
- Healthcare
- BFSI
- Construction materials
- Power
- Automobile and auto components

And many more..

PLEASE NOTE THAT THE REFERENCE TO ANY INDUSTRY/ SECTOR IS PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. THIS SHOULD NOT BE CONSTRUED AS A RESEARCH REPORT OR A RECOMMENDATION TO BUY OR SELL ANY SECURITY OR SECTOR.

BAJAJ FINSERV ASSET MANAGEMENT LIMITED



THE SLIDE IS FOR THE PURPOSE OF EXHIBITING SEGMENT LEADERS IN SMALL CAP COMPANIES AND THERE IS NO ASSURANCE OR GUARANTEE THAT THESE STOCKS WILL BE PART OF THE FUND'S PORTFOLIO.

CORRECTION IN PRICE, NOT IN QUALITY

FY25 SAW A CORRECTION IN SMALL CAPS, OFFERING AN OPPORTUNITY TO BUY QUALITY AT DISCOUNT.

CORRECTION FROM 52 WEEK HIGH	NUMBER OF SMALL CAP COMPANIES
0 to -15%	43
-15% to -30%	81
-30% to -45%	85
OVER -45%	41

Most are trading well below 52-week highs, making valuations compelling.

FY	TOTAL PAT	INDEX VALUE
FY 2024	21,669	5792.24
FY 2025	29,941	6039.25

₹ CRORE

The index rose just 4% since FY24 while PAT grew 38%, reflecting the unrealized value of small caps.

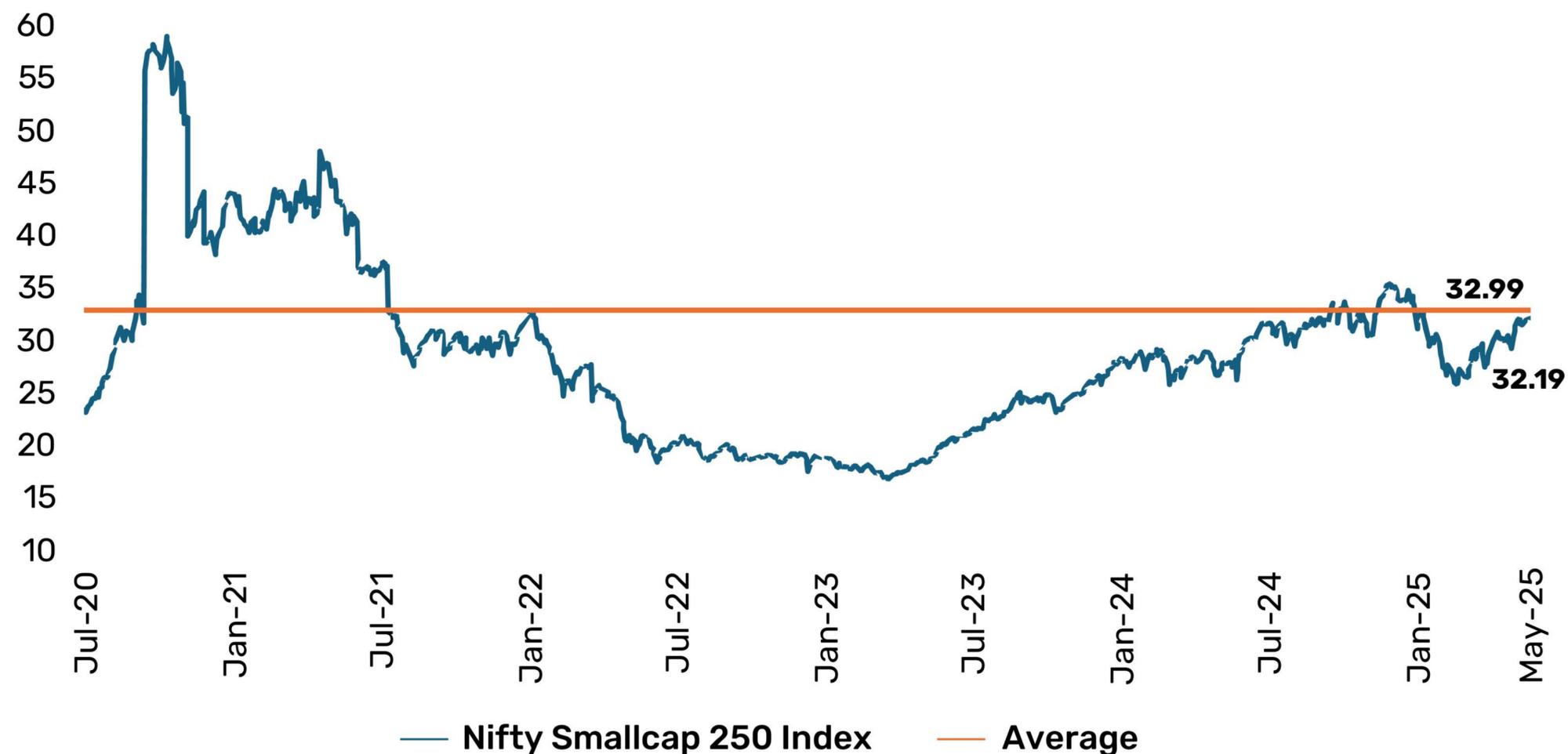
1 YEAR ROCE	% OF SMALL CAP COMPANIES
0 - 10%	21%
10%-20%	35%
20%-30%	23%
OVER 30%	16%

ROCE: RETURN ON CAPITAL EMPLOYED

74% of the top 250 small caps report ROCE above 10%, reflecting strong fundamentals.

VALUATIONS AT 5-YEAR AVERAGE

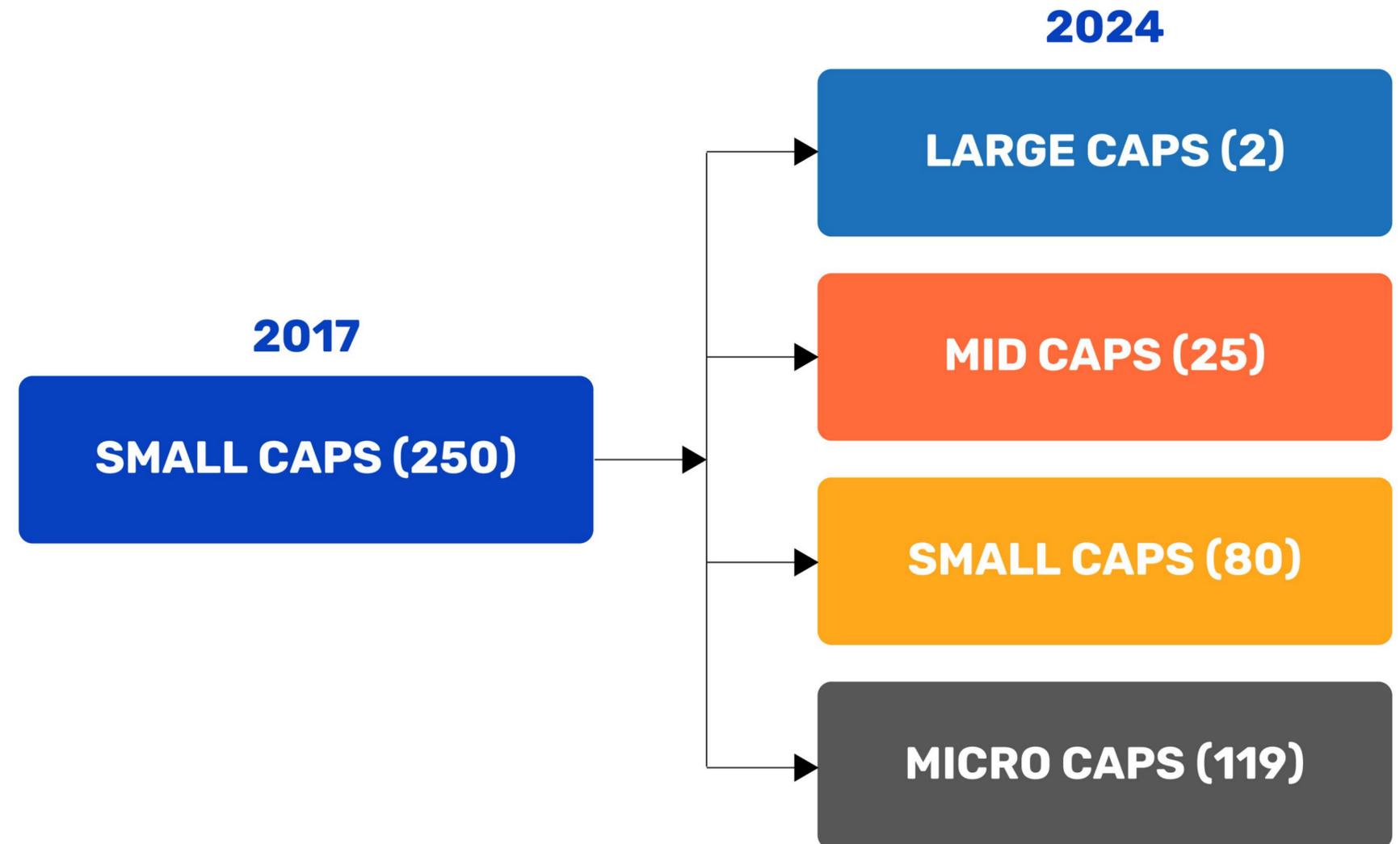
P/E RATIO OF NIFTY SMALLCAP 250 INDEX



Small cap valuations are hovering around their 5-year average, with significant corrections in select segments. This creates a favorable entry point for new NFOs to build portfolios by capitalizing on these selective opportunities.

NOT ALL SMALL CAPS GROW TO BECOME LARGE CAPS

Nearly 50% of the small cap companies from 2017 have slipped into micro cap territory. This highlights the importance of not just picking the right small caps, but also knowing what to avoid.



SOURCE: CATEGORY CLASSIFICATION AS PER AMFI EXCEPT FOR MICRO CAP | DATA AS ON DEC 31 2024.
MICRO CAPS ARE COMPANIES BEYOND THE TOP 500 LISTED COMPANIES BY MARKET CAP

SMALL CAPS - WELL POSITIONED TO LEVERAGE IPOs

Small caps have dominated the IPO landscape, with 196 listings since 2020—yet only 4 have transitioned to mid caps, and none to large caps. While the segment has delivered strong returns, this also highlights the need for careful selection, as not all IPOs translate into long-term quality.

IPO CONCENTRATION IN SMALL CAPS

MARKET CAP OF COMPANIES LISTED	COUNT OF IPOs
LARGE CAP IPO	14
MID CAP IPO	18
SMALL CAP IPO	196

AVERAGE CAGR IN LAST 4 YEARS

MARKET CAP	2020	2021	2022	2023
LARGE CAP	-3%	8%	-3%	35%
MID CAP		-2%	-6%	23%
SMALL CAP	30%	16%	36%	25%
GRAND TOTAL	25%	13%	31%	25%

Small cap IPOs have delivered the highest CAGR in 3 of the last 4 years.

INTRODUCING

BAJAJ FINSERV SMALL CAP FUND

An open ended equity scheme predominantly investing in small cap stocks

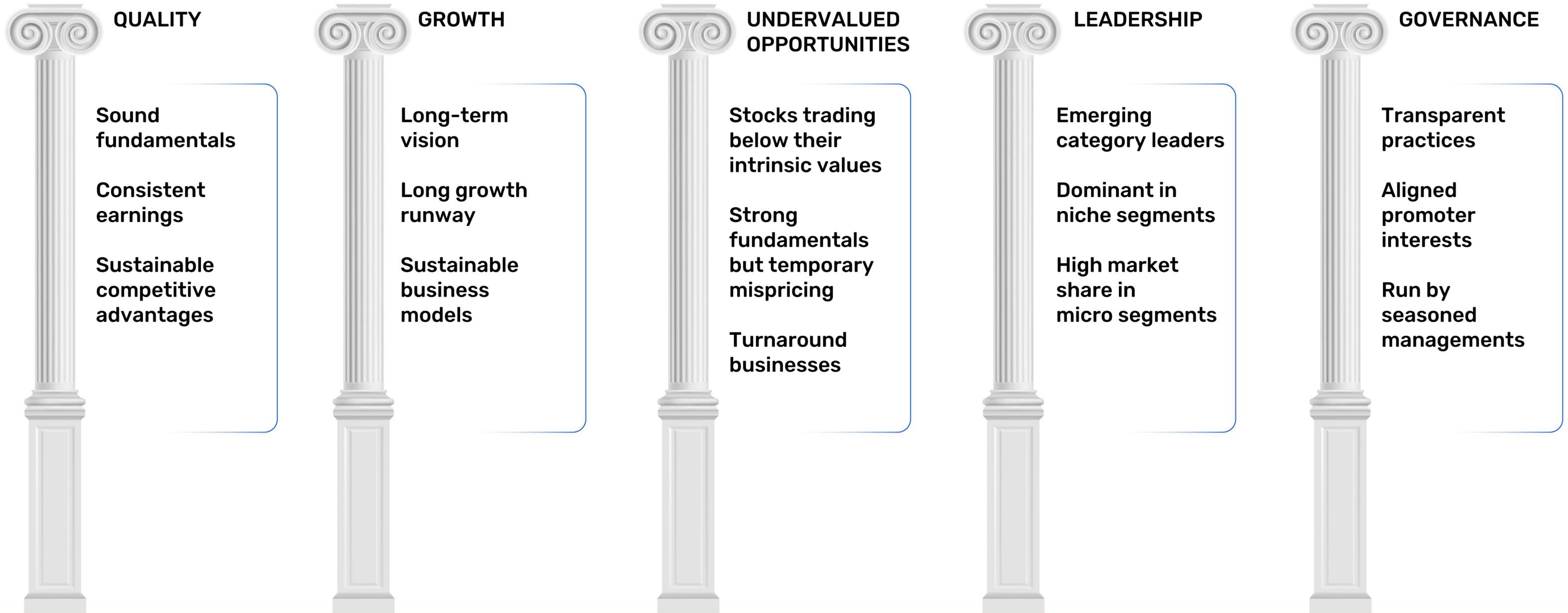
ONE PORTFOLIO - THREE STRENGTHS

QUALITY

GROWTH

VALUE

5 PILLARS OF OUR APPROACH



PROVEN MANAGEMENT OF SMALL CAPS

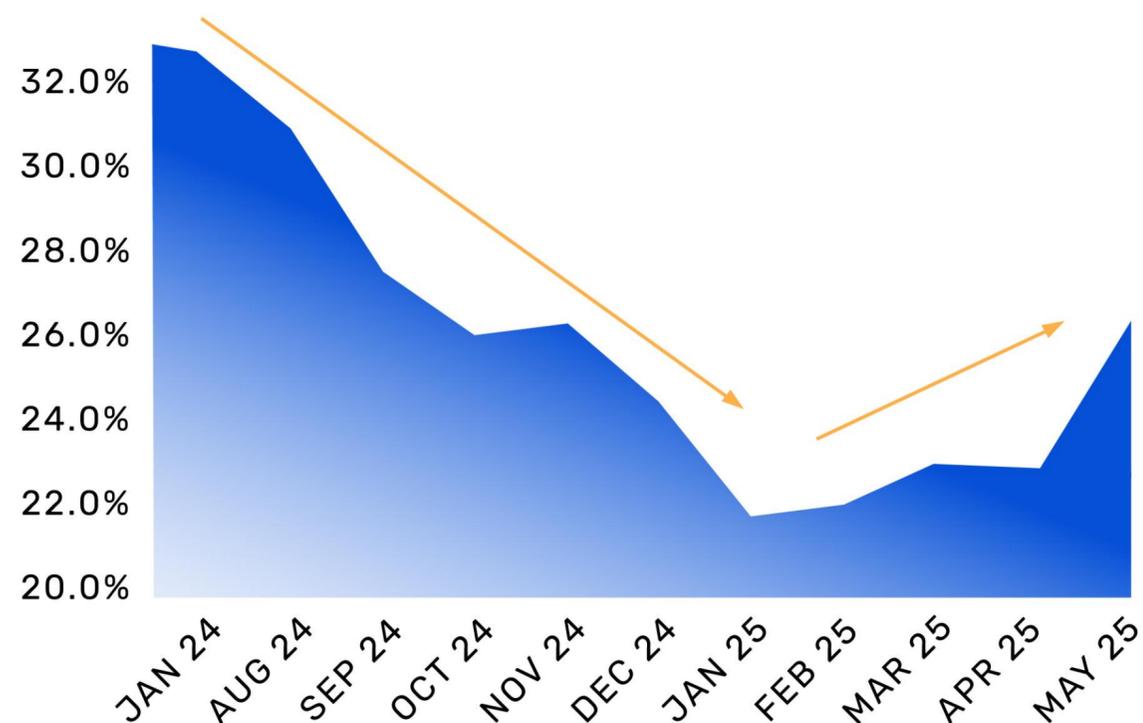
Current small cap exposure in our existing equity schemes through 3 different strategies of Growth (Megatrends), Quality (Moat investing) and Value (Contrarian)

BAJAJ FINSERV MUTUAL FUND	INVESTMENT STRATEGY	SMALL CAP STOCKS IN CURRENT PORTFOLIO (#)	SELECTION CRITERIA	
Bajaj Finserv Flexi Cap Fund	Megatrends	37	3Y Growth (CAGR)	30.45%
Bajaj Finserv Large and Mid Cap Fund	Moat	13	1Y ROCE	23.97%
Bajaj Finserv Multi Cap Fund	Contrarian	35	1Y Forward PB Ratio	4.73

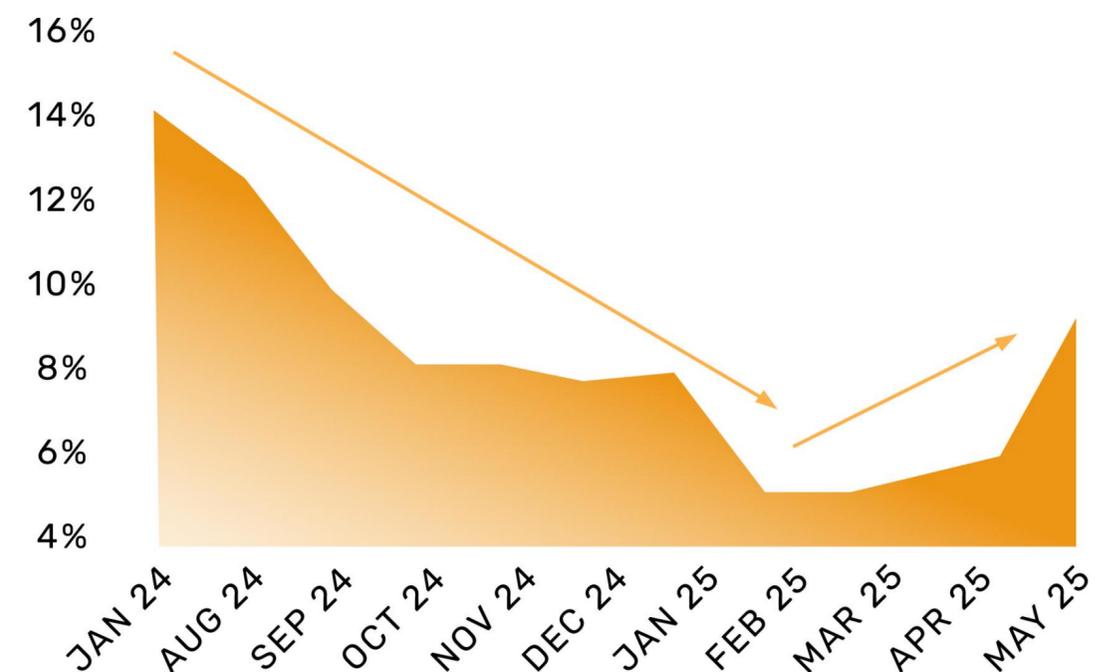
The AMC overall has an exposure to 78 unique small cap stocks

STRATEGIC ALLOCATION TO SMALL CAPS IN CURRENT PORTFOLIOS

SMALL CAP ALLOCATION IN BAJAJ FINSERV FLEXI CAP FUND



SMALL CAP ALLOCATION IN BAJAJ FINSERV LARGE AND MID CAP FUND



RISK-PRUDENT, NOT RISK-AVERSE

Fund's approach to mitigating risks and unlocking growth in small caps

RISK	HOW IT AFFECTS INVESTORS	FUND'S RISK MITIGATION APPROACH
Information Gaps	<u>Low analyst coverage</u> , limited disclosures, poor transparency	In-depth internal research, management interaction, and forensic checks
Governance Concerns	<u>Promoter dominance</u> , related-party transactions, ethical lapses	Strict governance filters, <u>promoter background checks</u>
Capital Misallocation	<u>Reckless expansion</u> , unrelated diversification, poor ROE projects	Emphasis on capital efficiency and strong <u>ROCE/ROE track record</u>
High Leverage	Excessive debt makes companies vulnerable in downturns	Prefer companies with <u>healthy balance sheet</u> and interest coverage ratios
Business Concentration	Over-dependence on a single product, client, or geography of the business	Screen for <u>robust revenue models</u> and de-risk by diversified growth

THE INVESTMENT PHILOSOPHY THAT GENERATES LONG-TERM OUTPERFORMANCE - INQUBE

While most investors focus on what to invest in, we focus on how to invest more effectively. To achieve this, we've identified three key sources of alpha with a holistic approach that blends fundamental analysis, quantitative modeling, and behavioural insights.

INQUBE



Collecting superior data and information

INFORMATION EDGE



Smarter data processing to build efficient models.

QUANTITATIVE EDGE



Making investment decisions by understanding market sentiment while mitigating biases

BEHAVIOURAL EDGE

EQUITY INVESTMENT PROCESS

1

IDENTIFYING

IDENTIFYING CYCLES AND MEGATRENDS

- TOP DOWN
 - Macros
 - Cycles
 - Themes
 - Trends
 - Market indicators
- BOTTOM UP
 - Screener
 - Corporate meetings
 - In-house research
 - External analysts/Consultants

2

ANALYSING

INVESTMENT CHECKLIST

- Business
- Management
- Valuation

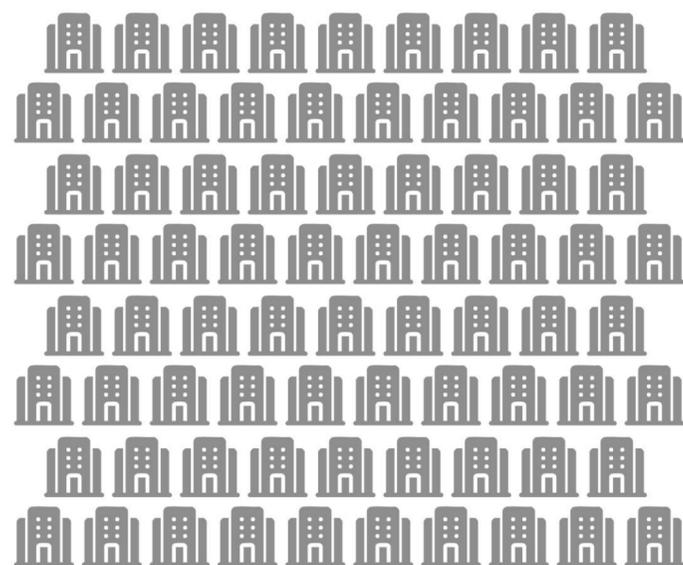
3

ALLOCATION

- Regulatory requirements
- Internal risk management limits
- Investment mandate
- Investment recording
- Position sizing

PORTFOLIO CREATION PROCESS

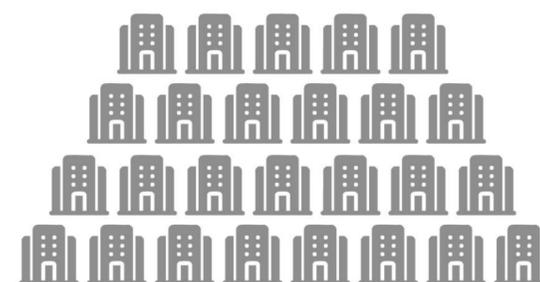
UNIVERSE
1150 STOCKS



SMALL CAP
900 STOCKS



TOTAL COVERAGE
300-400 STOCKS



PORTFOLIO
40 - 100 STOCKS



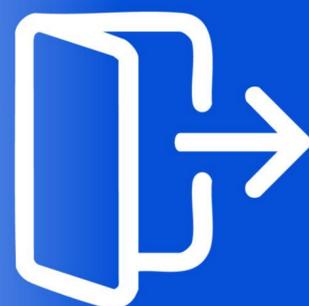
EQUITY INVESTMENT PROCESS

POST-INVESTMENT REVIEW



MONITOR INVESTMENT PERFORMANCE

- Track the performance of investments over time
- Regularly evaluate business performance and market trends
- Monitor key financial and non-financial metrics

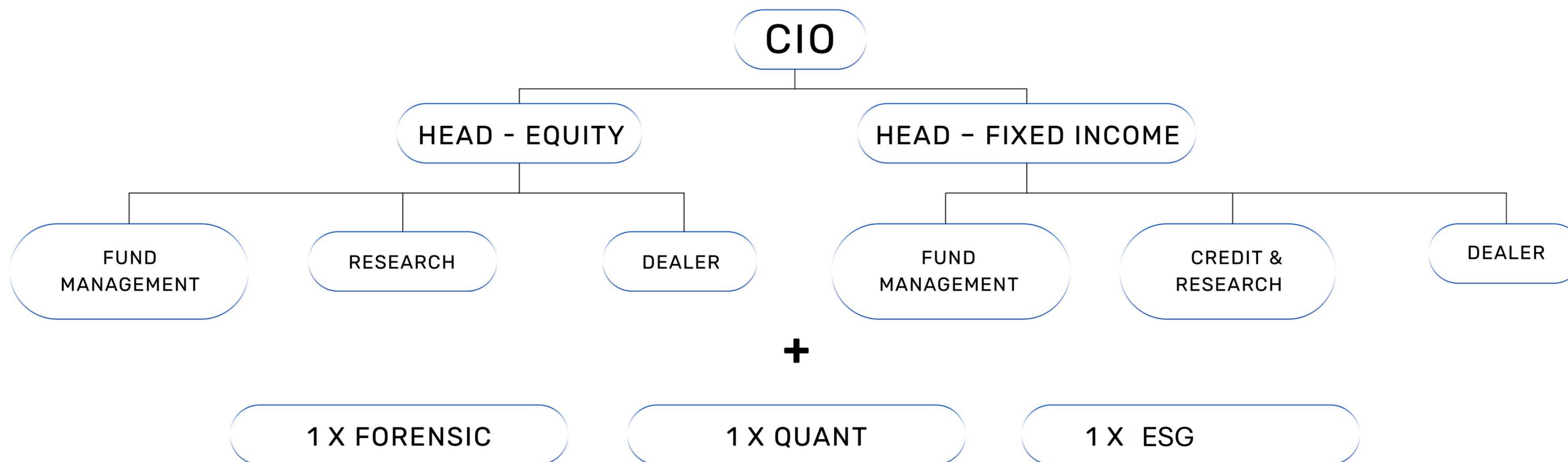


RE-EVALUATE EXIT STRATEGY

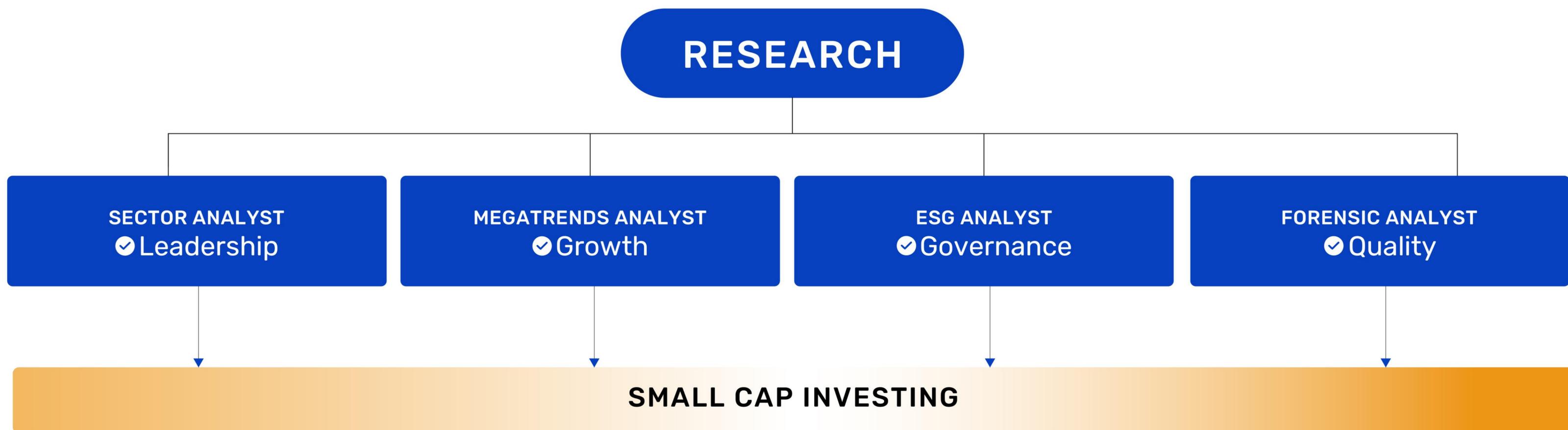
- Determine exit points based on evolving market conditions to generate alpha
- Adjust strategies based on updated information

SEASONED TEAM WITH MULTI-DOMAIN EXPERTISE

26-MEMBER TEAM WITH A COMBINED EXPERIENCE OF 267 YEARS. 19 MBAS, 6 CFAS, 3 CAS, 1 MA (ECO)



SEASONED TEAM WITH MULTI-DOMAIN EXPERTISE



ENSURING QUALITY IN SMALL CAP INVESTING

Forensic Research Process

STEPS	FOCUS AREA	KEY CHECKS/INDICATORS
Initial Screening	Forensic risk model, red flag triggers	<ul style="list-style-type: none"> Unusual profit growth, auditor changes, high pledging, sudden equity dilution
Accounting Quality	Earnings credibility & revenue recognition	<ul style="list-style-type: none"> Cash flow vs. profit mismatch, aggressive revenue booking, capex vs. asset productivity
Cash Flow & Balance Sheet	Earnings credibility & revenue recognition	<ul style="list-style-type: none"> CFO vs. PAT, rising receivables/inventory, high leverage, poor interest coverage
Promoter & Governance	Promoter intent, board practices, historical conduct	<ul style="list-style-type: none"> Promoter pledging, litigation history, related-party transactions, board independence – independent directors, board autonomy ensuring proper checks and balances
Auditor & Disclosure Check	Auditor quality, reporting transparency	<ul style="list-style-type: none"> Frequent auditor change, qualified audit opinions, delayed financials, inadequate disclosures
Red Flag Mapping & Scoring	Risk assessment & investment decision support	<ul style="list-style-type: none"> Forensic scorecard, watchlist maintenance

IN SUMMARY

Perception of Risk

- Risk is not the enemy – it's the fuel for long-term returns
- Risk \neq Size: Even large, familiar companies have failed due to poor governance or excessive debt
- In investing, true safety lies in quality, governance, and growth—not just size

Why Invest in Small Caps

- Higher growth potential: Small caps outpaced large and mid caps in profit contribution (2.5x growth in 4 years)
- Diversification & depth: Small caps span across themes, offering broad exposure to India's economic engines

Why Invest in Small Caps Now

- Valuation opportunity: FY25 correction in prices without erosion in fundamentals presents a value entry point
- Profit growth intact: Despite market correction, profits and return ratios (74% with ROCE >10%) remain strong
- Undiscovered leaders: Many small caps are driving growth in niche segments and are market leaders in these segments
- Selective corrections in certain segments present a favorable opportunity for small cap NFOs to build well-positioned portfolios.

Why Bajaj Finserv Small Cap Fund

- Three-pronged alpha strategy: Combines Growth, Quality and Value styles.
- Robust investment process: INQUBE framework blending top-down trends, bottom-up stock picking, and behavioural insights.
- Proven capability: 78 unique small cap holdings across existing strategies + seasoned investment team with multi-domain expertise

WHO IS THIS FUND FOR?

INVESTORS WHO:

Want to invest in fundamentally strong businesses in the small cap space trading below intrinsic value.

Prefer quality small cap businesses with robust governance and long-term sustainability.

Want to diversify their portfolio adding small caps with high growth potential.

Are looking to build wealth by capturing small cap growth over time.

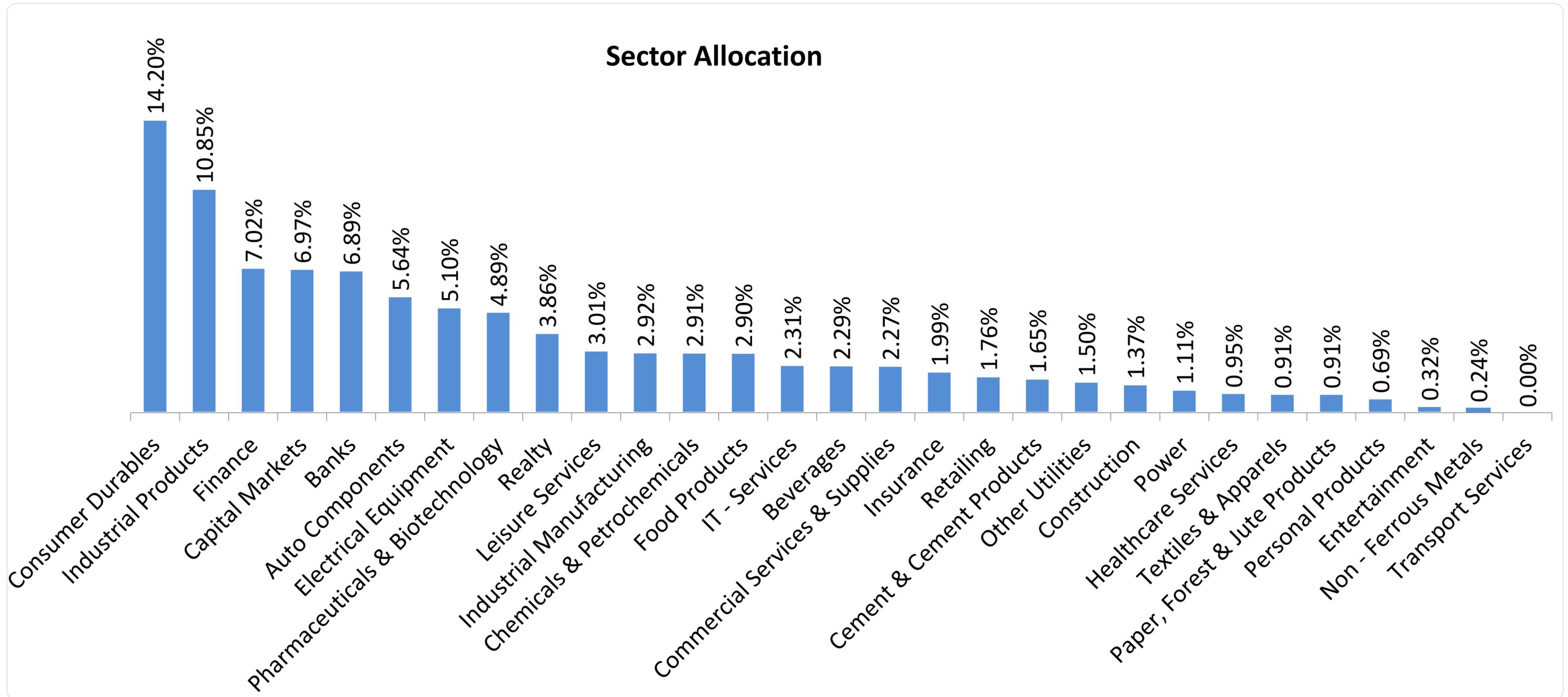
Portfolio

Stock	Market Value as % of Net Asset (Eq)
Schaeffler India Limited	3.34%
Multi Commodity Exchange of India Limited	2.82%
Amber Enterprises India Limited	2.73%
Neuland Laboratories Limited	2.55%
Timken India Limited	2.37%
Ujjivan Small Finance Bank Limited	2.32%
Affle 3i Limited	2.31%
Yes Bank Limited	2.31%
Sobha Limited	2.23%
CreditAccess Grameen Limited	2.20%
Devyani International Limited	2.10%
Tega Industries Limited	2.08%
Whirlpool of India Limited	2.04%
HEG Limited	1.93%
Kirloskar Oil Engines Limited	1.88%
Kajaria Ceramics Limited	1.85%
PNB Housing Finance Limited	1.82%
Zydus Wellness Ltd	1.82%
Welspun Corp Limited	1.79%
Aditya Birla Sun Life AMC Limited	1.72%
Safari Industries (India) Limited	1.65%
Radico Khaitan Limited	1.65%
Brigade Enterprises Limited	1.63%
Elecon Engineering Company Limited	1.60%
VA Tech Wabag Limited	1.50%
Schneider Electric Infrastructure Limited	1.44%
Ahluwalia Contracts (India) Limited	1.37%
Aptus Value Housing Finance India Limited	1.29%
S.J.S. Enterprises Limited	1.29%
TD Power Systems Limited	1.25%

Stock	Market Value as % of Net Asset (Eq)
Navin Fluorine International Limited	1.21%
Medi Assist Healthcare Services Limited	1.18%
CESC Limited	1.11%
V-Mart Retail Limited	1.11%
Karur Vysya Bank Limited	1.08%
Mrs. Bectors Food Specialities Limited	1.08%
Century Plyboards (India) Limited	1.08%
Greenpanel Industries Limited	1.07%
ZF Commercial Vehicle Control Systems India Limited	1.01%
Time Technoplast Limited	1.00%
La Opala RG Limited	0.94%
Awfis Space Solutions Limited	0.92%
Piramal Finance Limited	0.91%
Aditya Birla Real Estate Limited	0.91%
JK Lakshmi Cement Limited	0.89%
Sanofi Consumer Healthcare India Limited	0.89%
Prudent Corporate Advisory Services Limited	0.89%
ICRA Limited	0.88%
Metro Brands Limited	0.88%
Atul Limited	0.87%
Jyoti CNC Automation Ltd	0.84%
Niva Bupa Health Insurance Company Limited	0.81%
IIFL Finance Limited	0.77%
The Ramco Cements Limited	0.76%
VIP Industries Limited	0.74%
Wockhardt Limited	0.73%
CSB Bank Limited	0.72%
Emami Limited	0.69%
Computer Age Management Services Limited	0.66%
MedPlus Health Services Limited	0.65%

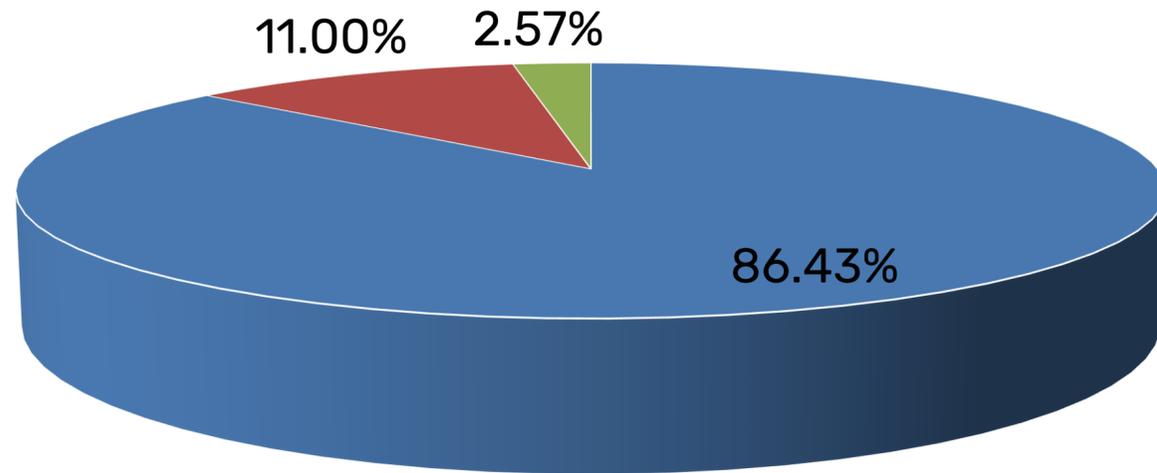
Stock	Market Value as % of Net Asset (Eq)
Allied Blenders And Distillers Limited	0.64%
Nesco Limited	0.63%
Samhi Hotels Limited	0.63%
Krishna Institute Of Medical Sciences Limited	0.62%
RHI Magnesita India Limited	0.58%
Grindwell Norton Limited	0.57%
Garware Technical Fibres Limited	0.55%
Orient Electric Limited	0.48%
eClerx Services Limited	0.47%
City Union Bank Limited	0.46%
Neogen Chemicals Limited	0.45%
Cera Sanitaryware Limited	0.44%
Apar Industries Limited	0.43%
R R Kabel Limited	0.41%
Vinati Organics Limited	0.38%
Voltamp Transformers Limited	0.38%
Concord Biotech Limited	0.37%
Ganesha Ecosphere Limited	0.36%
Alembic Pharmaceuticals Limited	0.35%
Krsnaa Diagnostics Limited	0.33%
Ingersoll Rand (India) Limited	0.32%
Tips Music Limited	0.32%
Thangamayil Jewellery Limited	0.30%
Westlife Foodworld Limited	0.28%
Indiqube Spaces Limited	0.25%
Hindustan Copper Limited	0.24%
Fedbank Financial Services Ltd	0.03%
Black Buck Ltd	0.00%
Total Equities	97.43%
Total Short Term Debt and Net Current Assets	2.57%
Grand Total	100.00%

Portfolio Allocation



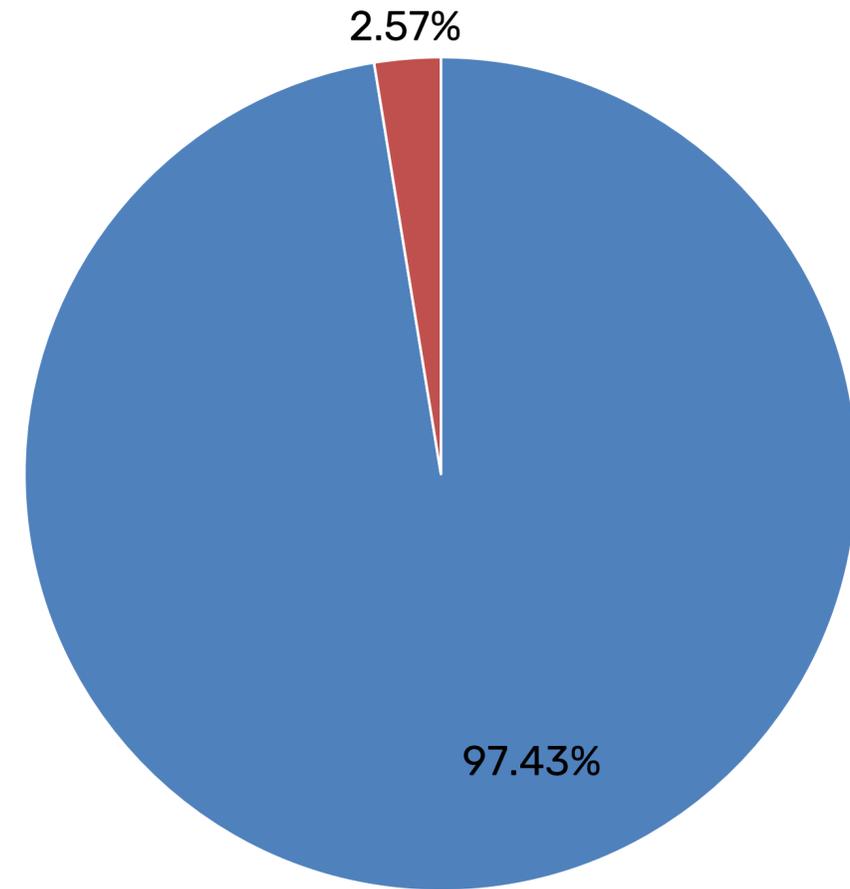
Portfolio Allocation

Market Cap Breakup



- Small Cap
- Mid Cap
- Total Short Term Debt and Net Current Assets

Asset Allocation



- Total Equities
- Total Short Term Debt and Net Current Assets

Scheme Type	An open ended equity scheme predominantly investing in small cap stocks		
Plans	Regular Plan Direct Plan		
Option	Growth IDCW		
Minimum Application Amount	Rs. 500 (Plus multiples of Re. 1)		
Minimum Additional Application Amount	Rs. 100 (Plus multiples of Re. 1)		
Entry Load	Nil		
Exit Load	Particulars	Upto 10% of units held	Remaining 90% of units held
	If units redeemed/switched out within 6 months from allotment date	Nil	1% of applicable NAV
	If units redeemed/switched out after 6 months from allotment date	Nil	
Fund Manager	Mr. Nimesh Chandan and Mr. Sorbh Gupta (Equity Portion) Mr. Siddharth Chaudhary (Debt Portion)		
Benchmark Index	BSE 250 SmallCap TRI		
SIP/ SWP/ STP	Available		

BAJAJ FINSERV SMALL CAP FUND

An open ended equity scheme predominantly investing in small cap stocks

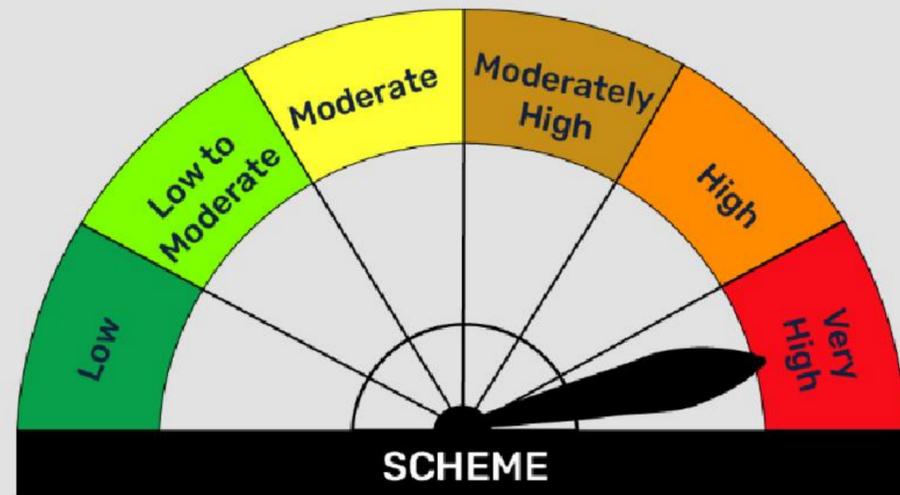
Product label

This product is suitable for investors who are seeking*:

- wealth creation over long term
- to invest predominantly in equity and equity related instruments of small cap companies.

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

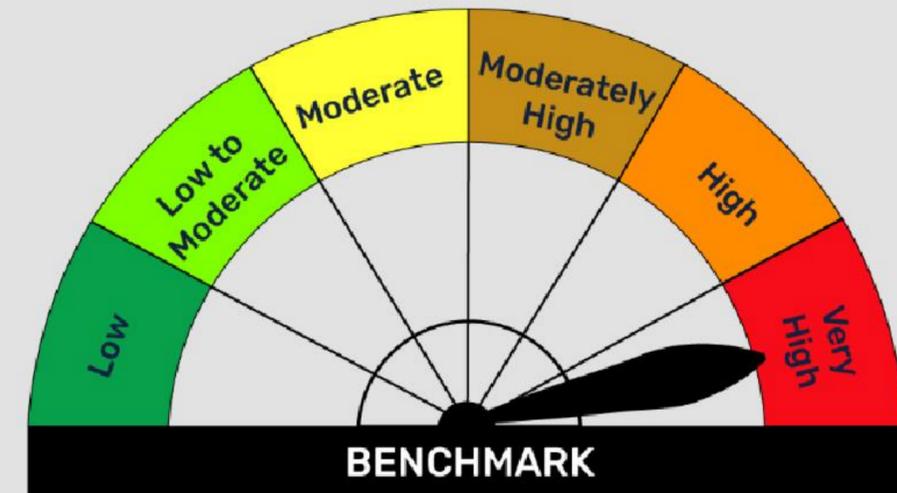
SCHEME



The risk of the scheme is very high

RISKOMETER

BENCHMARK



The risk of the benchmark i.e. BSE 250 SmallCap 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.

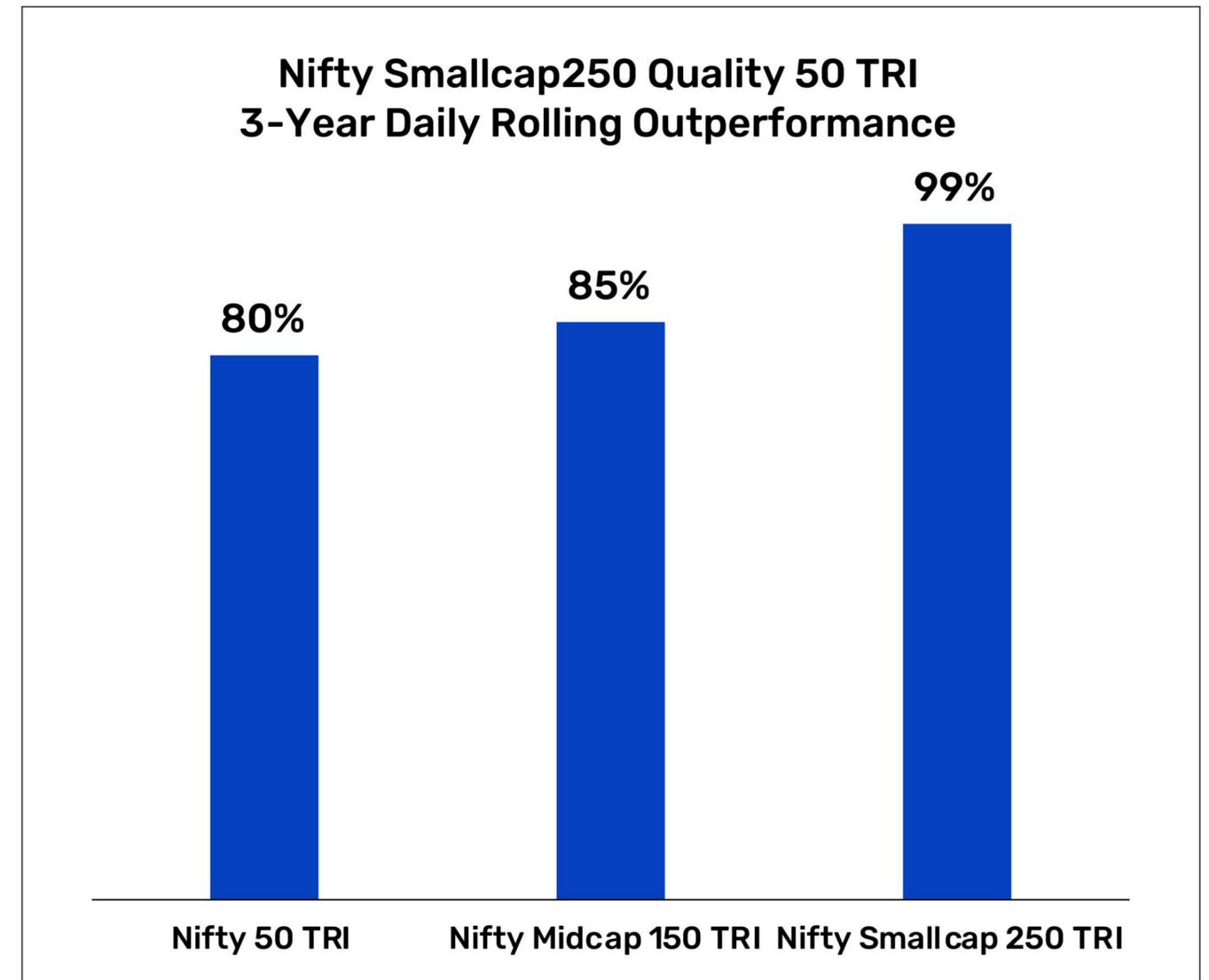
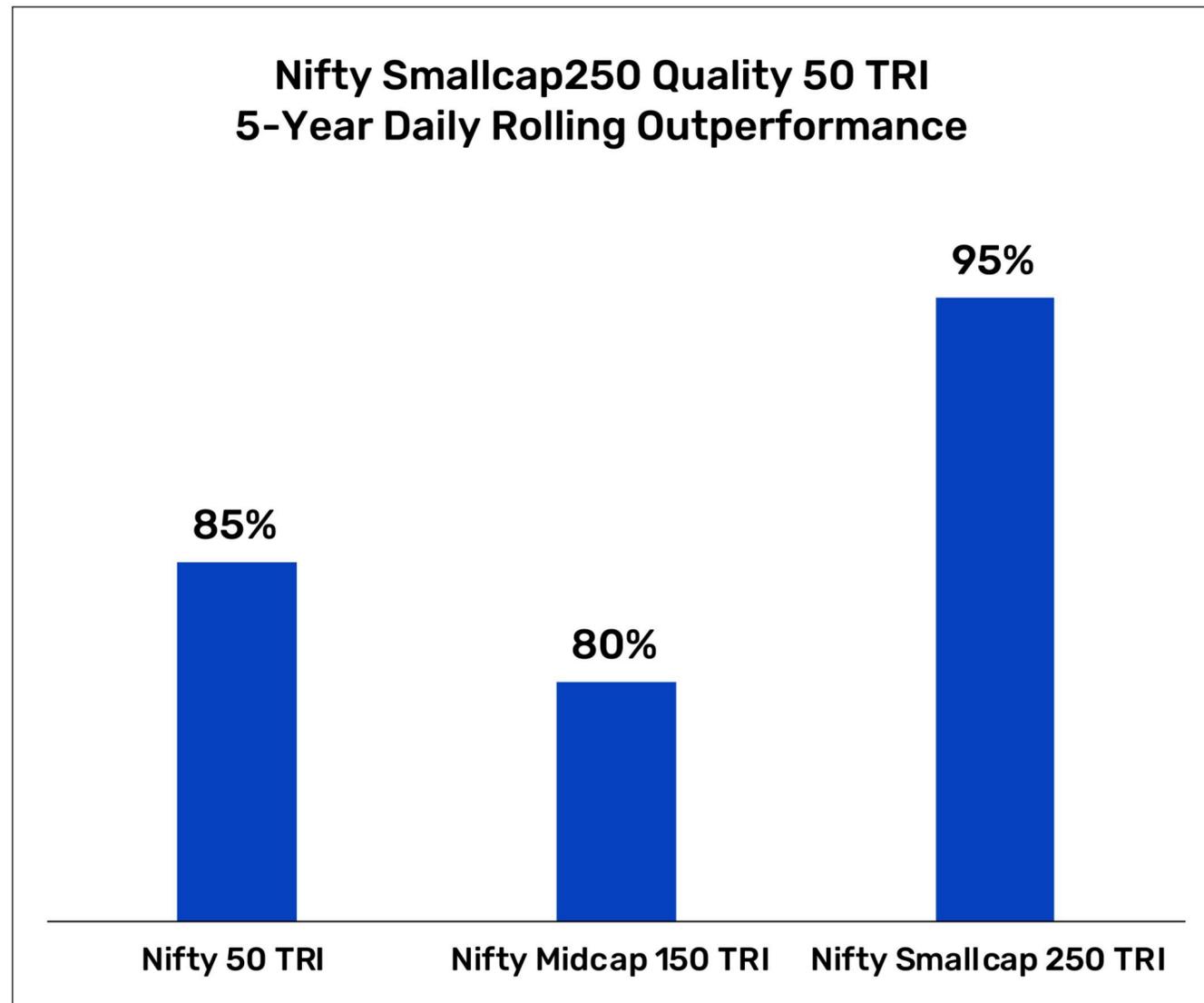
MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

ANNEXURE

QUALITY SMALL CAPS OUTPERFORM BROADER INDICES OVER TIME

Date	Nifty 100 TRI	Nifty Midcap 150 TRI	Nifty Smallcap 250 TRI	Nifty Smallcap250 Quality 50 TRI	
FY 07	13.54%	-1.06%	11.85%	-0.6%	
FY 08	23.86%	21.47%	31.33%	13.0%	
FY 09	-36.65%	-48.52%	-54.90%	-49.2%	
FY 10	84.87%	135.77%	141.42%	177.6%	
FY 11	11.40%	4.74%	0.91%	15.6%	Outperformance
FY 12	-7.80%	-4.61%	-8.60%	-2.9%	
FY 13	8.80%	4.47%	-5.26%	5.6%	
FY 14	19.94%	18.01%	22.90%	36.1%	
FY 15	30.76%	59.73%	62.76%	66.5%	Outperformance
FY 16	-6.89%	-1.67%	-5.95%	0.8%	
FY 17	22.59%	37.21%	40.56%	43.9%	
FY 18	12.22%	16.66%	12.87%	11.6%	
FY 19	13.96%	-0.65%	-12.44%	-5.1%	
FY 20	-24.94%	-30.09%	-40.22%	-34.4%	
FY 21	71.18%	101.57%	118.68%	109.0%	
FY 22	20.63%	25.05%	37.02%	40.0%	
FY 23	-1.58%	2.77%	-6.03%	1.0%	Outperformance
FY 24	34.79%	57.54%	64.15%	55.6%	
FY 25	6.18%	8.21%	6.05%	6.2%	

ROLLING RETURNS OF QUALITY SMALL CAPS



QUALITY WITHSTANDS VOLATILITY

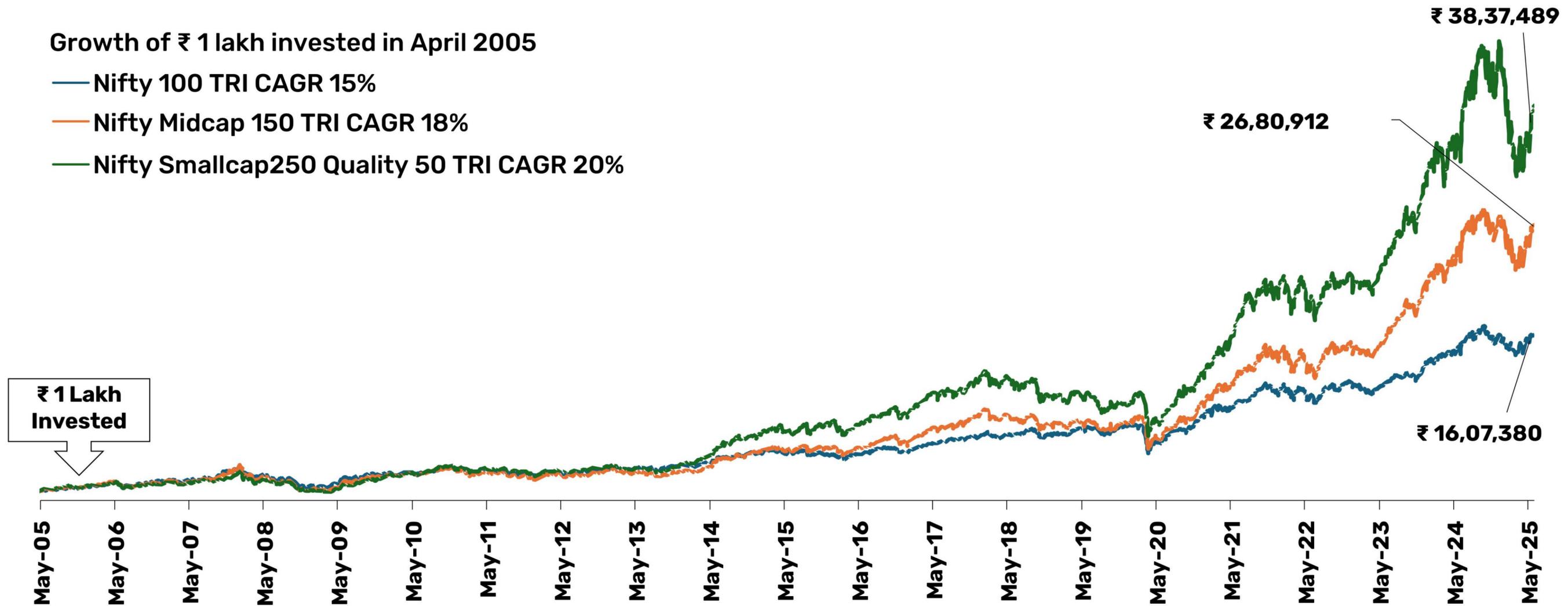
Date	Standard deviation			
	Nifty 100 TRI	Nifty Midcap 150 TRI	Nifty Smallcap 250 TRI	Nifty Smallcap250 Quality 50 TRI
FY 07	29%	28%	28%	27%
FY 08	32%	34%	31%	27%
FY 09	42%	34%	35%	29%
FY 10	30%	29%	33%	26%
FY 11	17%	18%	20%	17%
FY 12	20%	19%	21%	15%
FY 13	13%	13%	14%	10%
FY 14	18%	15%	15%	11%
FY 15	14%	17%	19%	16%
FY 16	17%	19%	21%	20%
FY 17	13%	14%	15%	14%
FY 18	10%	14%	16%	14%
FY 19	12%	15%	17%	16%
FY 20	27%	25%	25%	25%
FY 21	22%	19%	20%	19%
FY 22	16%	18%	20%	18%
FY 23	15%	16%	17%	16%
FY 24	10%	13%	14%	16%
FY 25	15%	19%	21%	22%

Small cap Quality index has shown lesser standard deviation than large caps in some years

WEALTH CREATION IN QUALITY SMALL CAPS

Growth of ₹ 1 lakh invested in April 2005

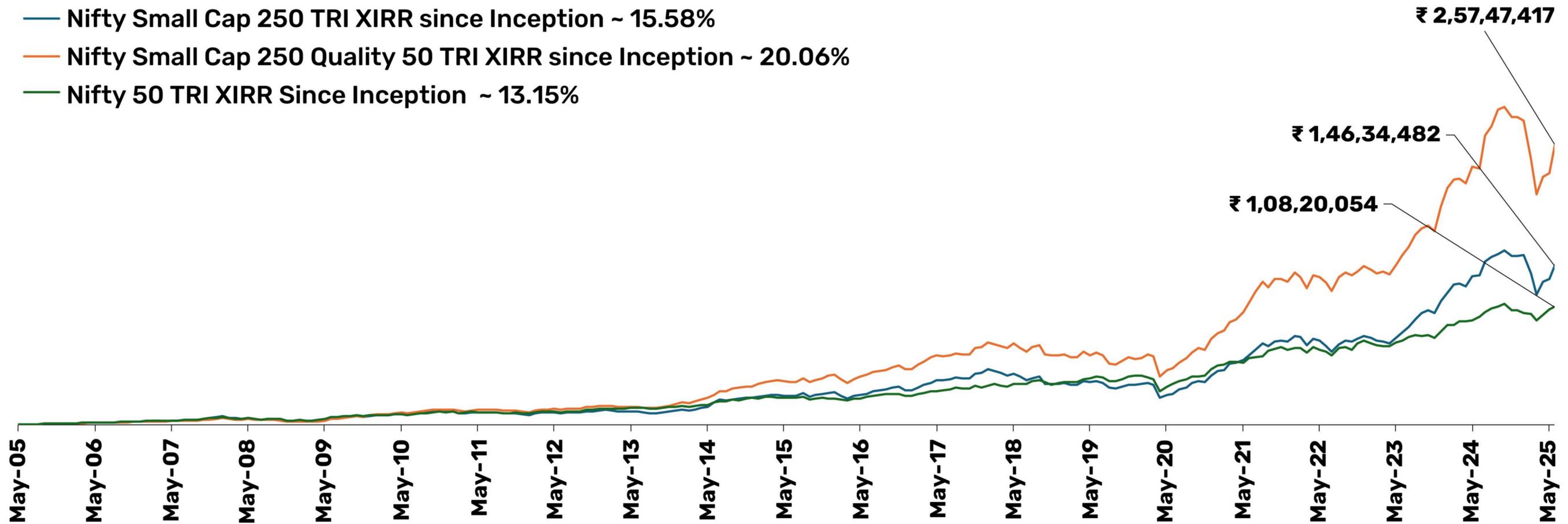
- Nifty 100 TRI CAGR 15%
- Nifty Midcap 150 TRI CAGR 18%
- Nifty Smallcap250 Quality 50 TRI CAGR 20%



QUALITY SMALL CAPS OUTSHINE BROADER INDICES IN SIP PERFORMANCE

Assuming Monthly SIP installment of ₹ 10000 at start of every month between Apr 2005 to May 2025.

- Nifty Small Cap 250 TRI XIRR since Inception ~ 15.58%
- Nifty Small Cap 250 Quality 50 TRI XIRR since Inception ~ 20.06%
- Nifty 50 TRI XIRR Since Inception ~ 13.15%



RISK-O-METER AND PRODUCT LABEL

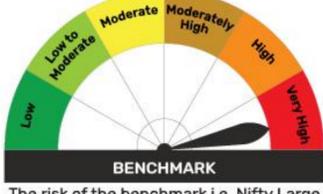
Bajaj Finserv Flexi Cap Fund

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

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> ● Wealth creation/capital appreciation over long term ● Investment in equity and equity related instruments across large cap, mid cap and small cap stocks <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	 <p>SCHEME</p> <p>The risk of the scheme is very high</p>	 <p>BENCHMARK</p> <p>The risk of the benchmark i.e. BSE 500 TRI is very high</p>

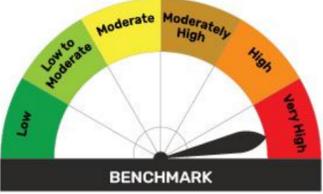
Bajaj Finserv Large and Mid Cap Fund

An open ended equity scheme investing in both large cap and mid cap stocks

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> ● Wealth creation over long term ● Open ended equity scheme investing in both large cap and mid cap stocks <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	 <p>SCHEME</p> <p>The risk of the scheme is very high</p>	 <p>BENCHMARK</p> <p>The risk of the benchmark i.e. Nifty Large Midcap 250 TRI is very high</p>

Bajaj Finserv Multi Cap Fund

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

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> ● wealth creation over long term ● to invest predominantly in equity and equity related instruments of large cap, mid cap, small cap companies. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	 <p>SCHEME</p> <p>The risk of the scheme is Very High</p>	 <p>BENCHMARK</p> <p>The risk of the benchmark i.e. Nifty 500 Multicap 50:25:25 TRI is Very High</p>