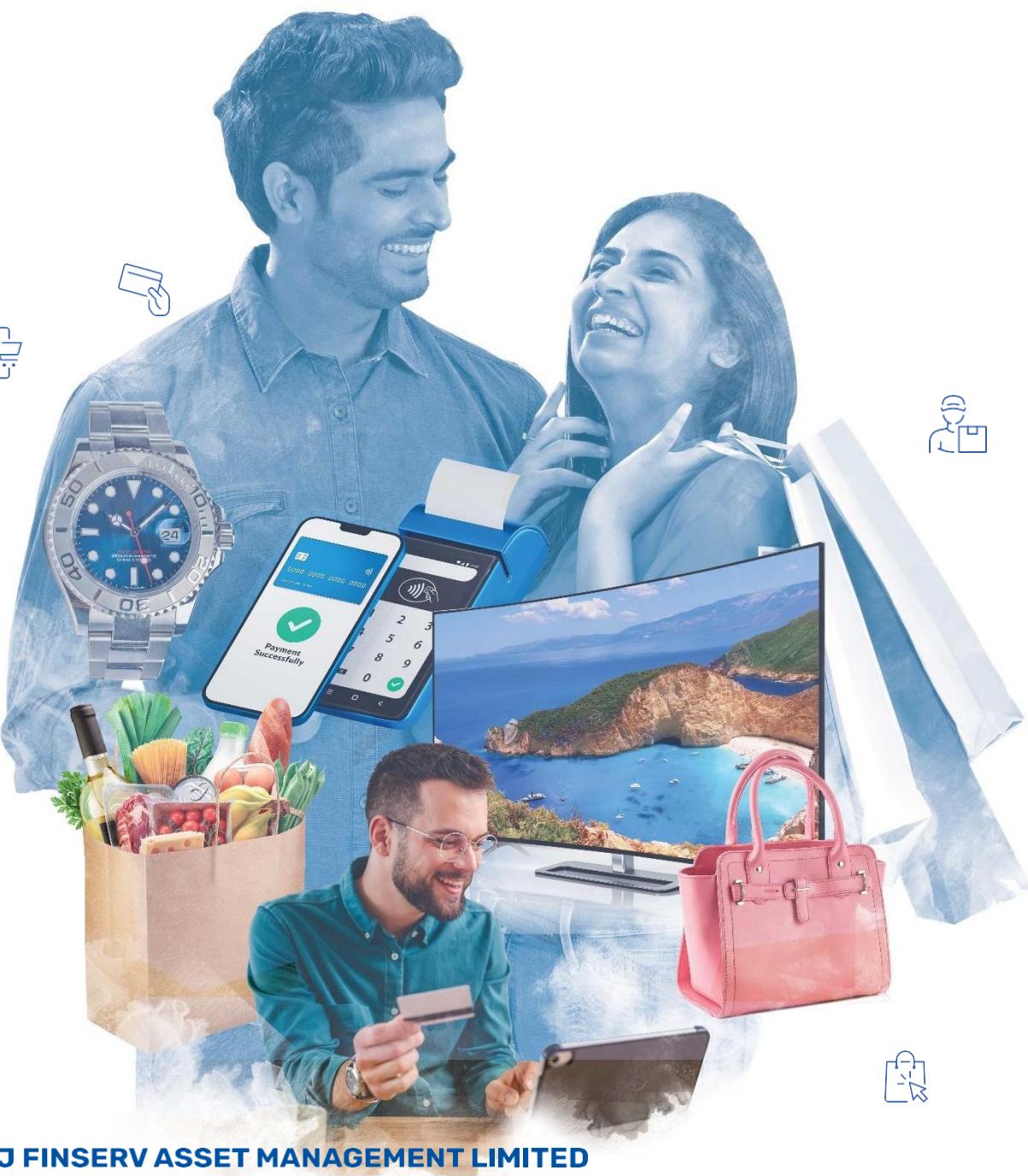


# BAJAJ FINSERV CONSUMPTION FUND

(An open ended equity scheme following  
consumption theme)

January 2026





# Indian consumers have evolved....





# .... reshaping India's consumption story



## Rural FMCG Market

Estimated to reach \$100 bn by 2025



## Indian Food Services

Food services market value estimated at \$125.06 bn by 2029



## Indian Organic Food Market

Estimated to reach \$2.6 bn by 2025



## Smartphone

India 2nd largest market globally, projection \$90 bn by 2032

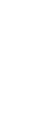
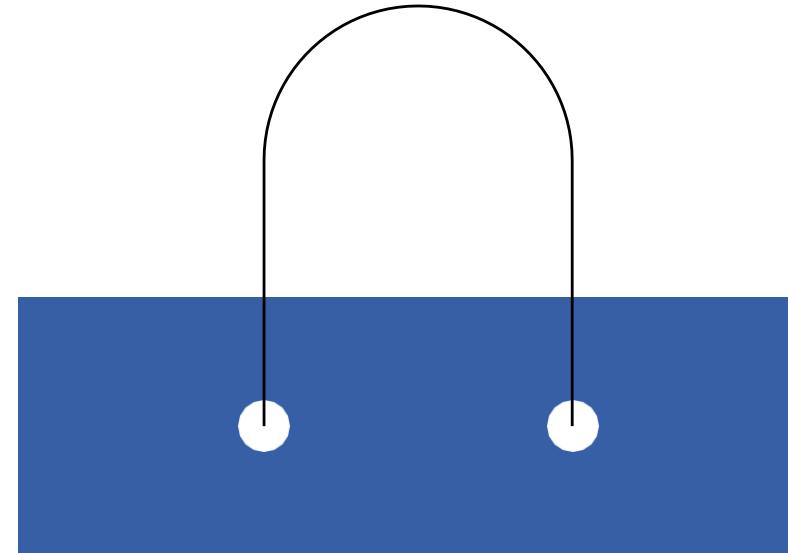


## 2 Wheelers

India largest market globally, driven by rural and semi-urban areas



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

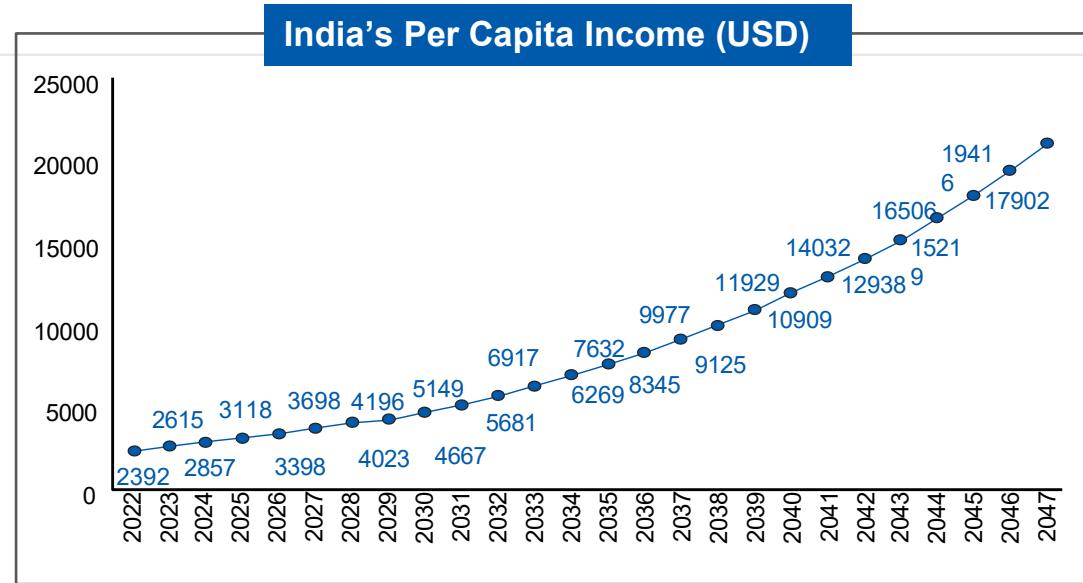


# What led to the change?

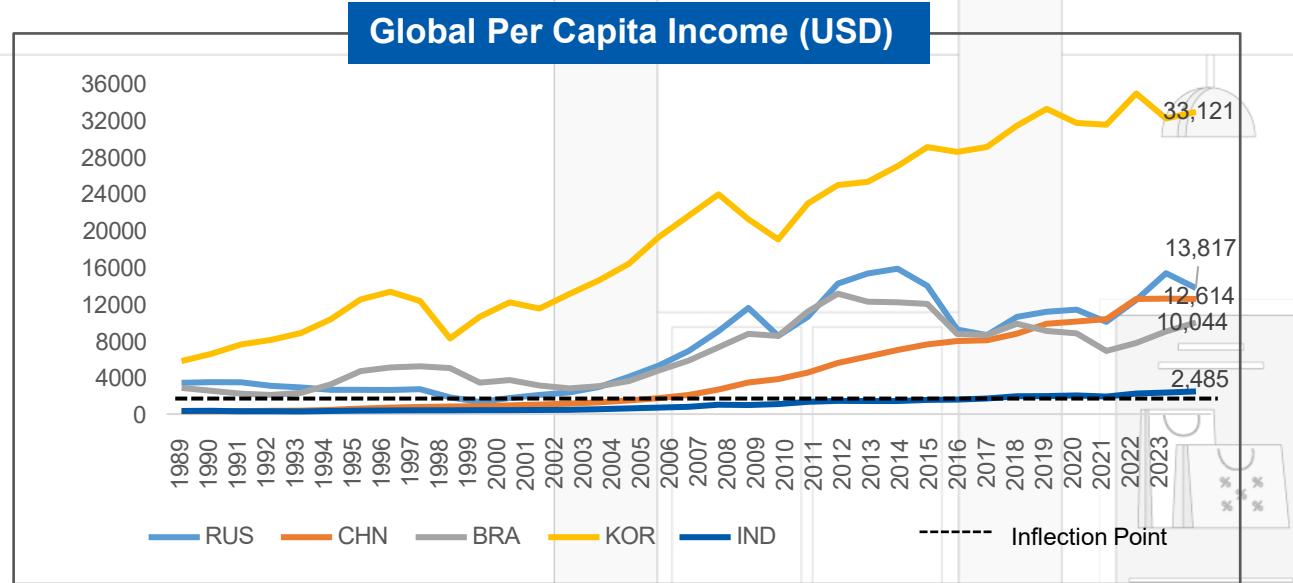




# Increase in per capita income & potential to grow



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



Source: World Bank

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



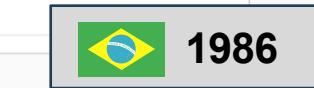
Trajectory of retail sales after crossing GDP per capita of \$2,000



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



Retail Sales doubled over the next decade



Many premium consumer categories strong growth



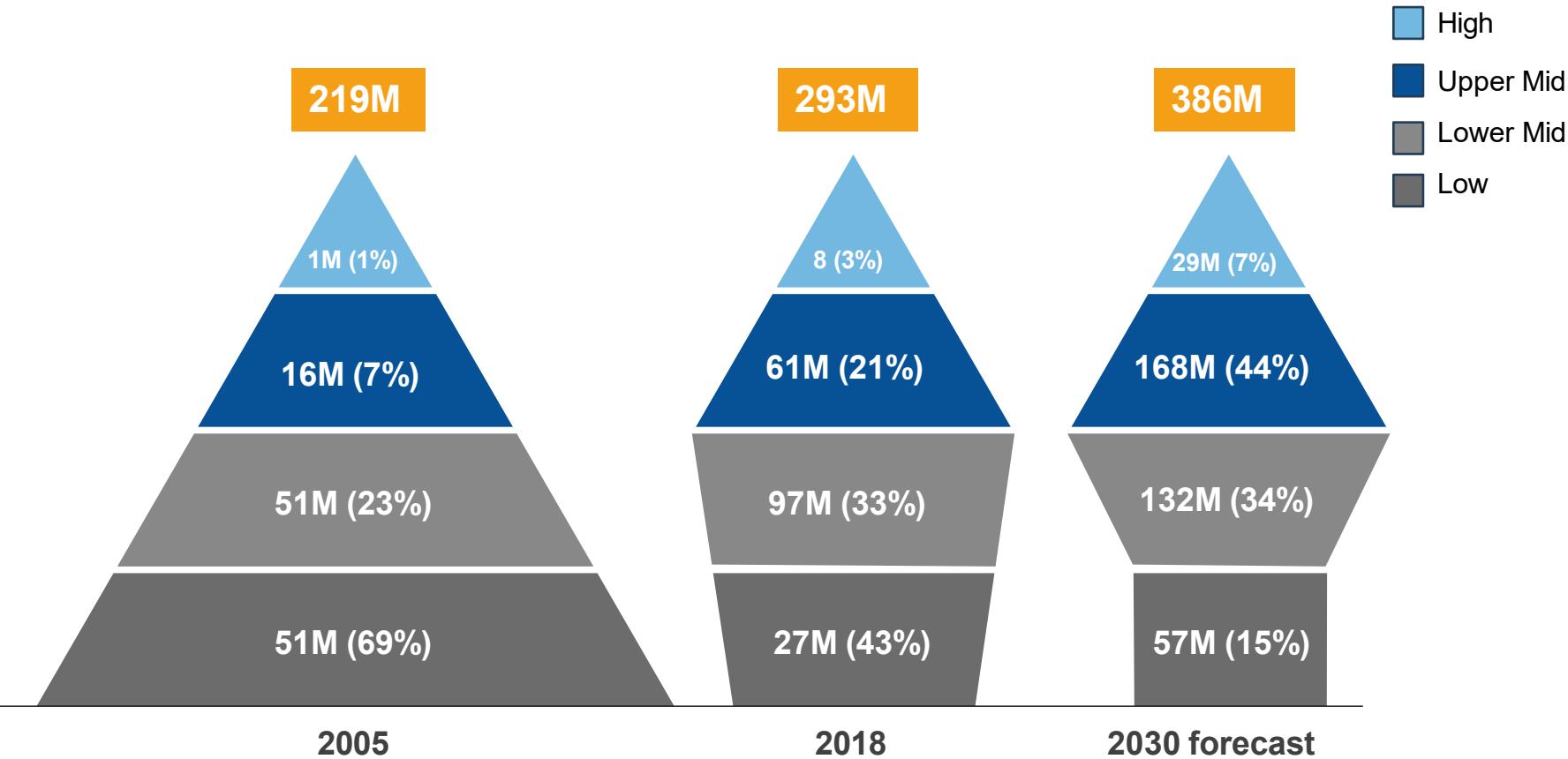
Retail sales leaped 4x over the next decade



# 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 Better**  
From quantity to quality



**Consume Well**  
From unawareness to mindfulness

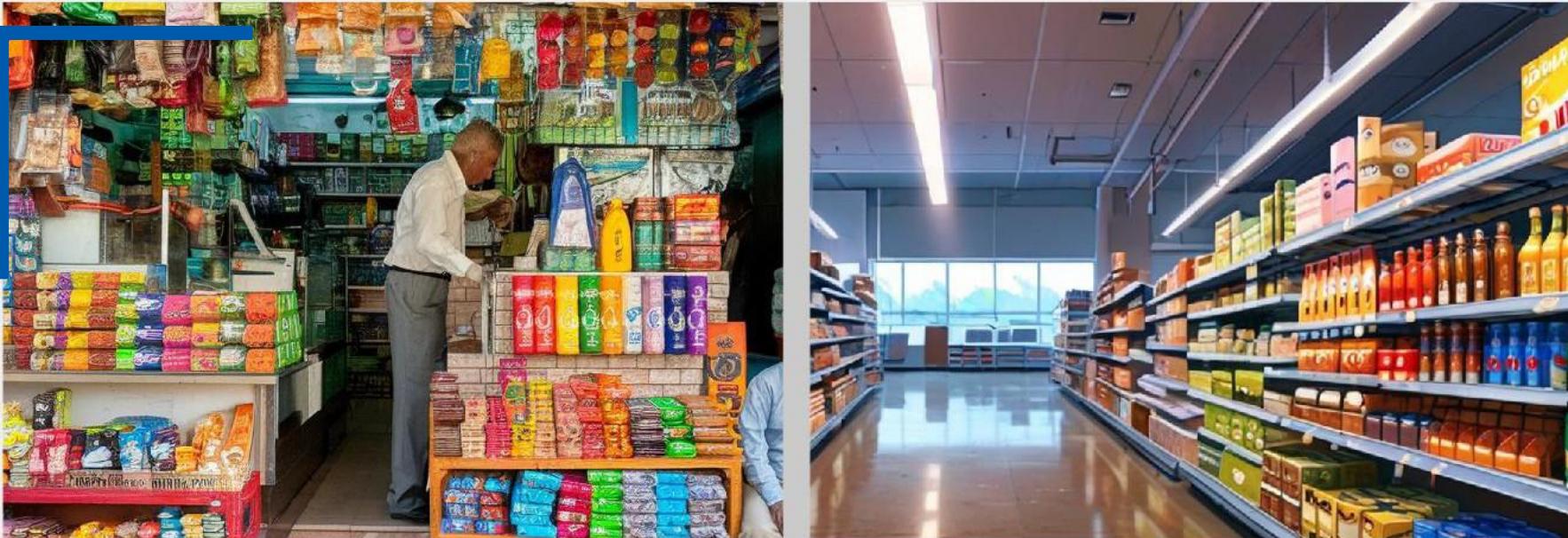


**Consume Easy**  
From effort to ease & speed





# Consume More – From choice to consistency



Increased  
income



Rising  
Middle Class



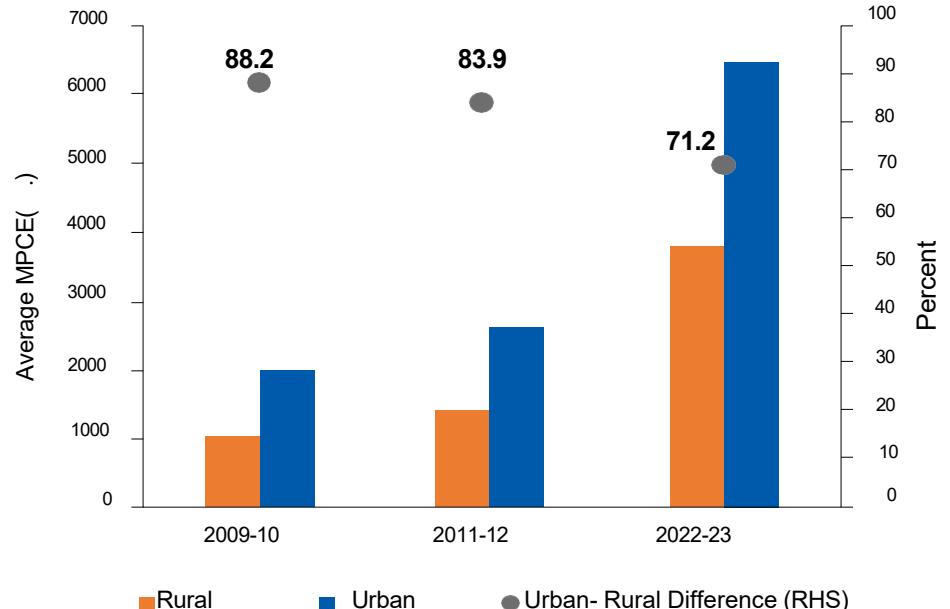
Rural  
Consumption  
Growth



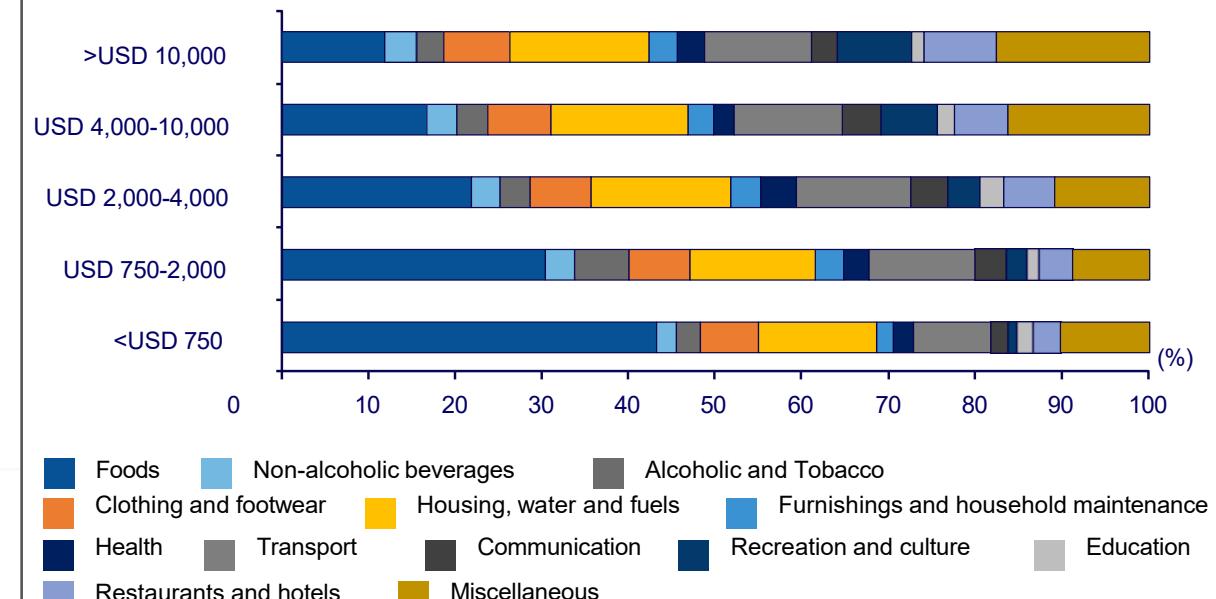
# Consume More – From choice to consistency



## Reduced rural-urban inequality



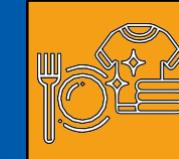
## Transition of consumer spending in India as income rises



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

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**



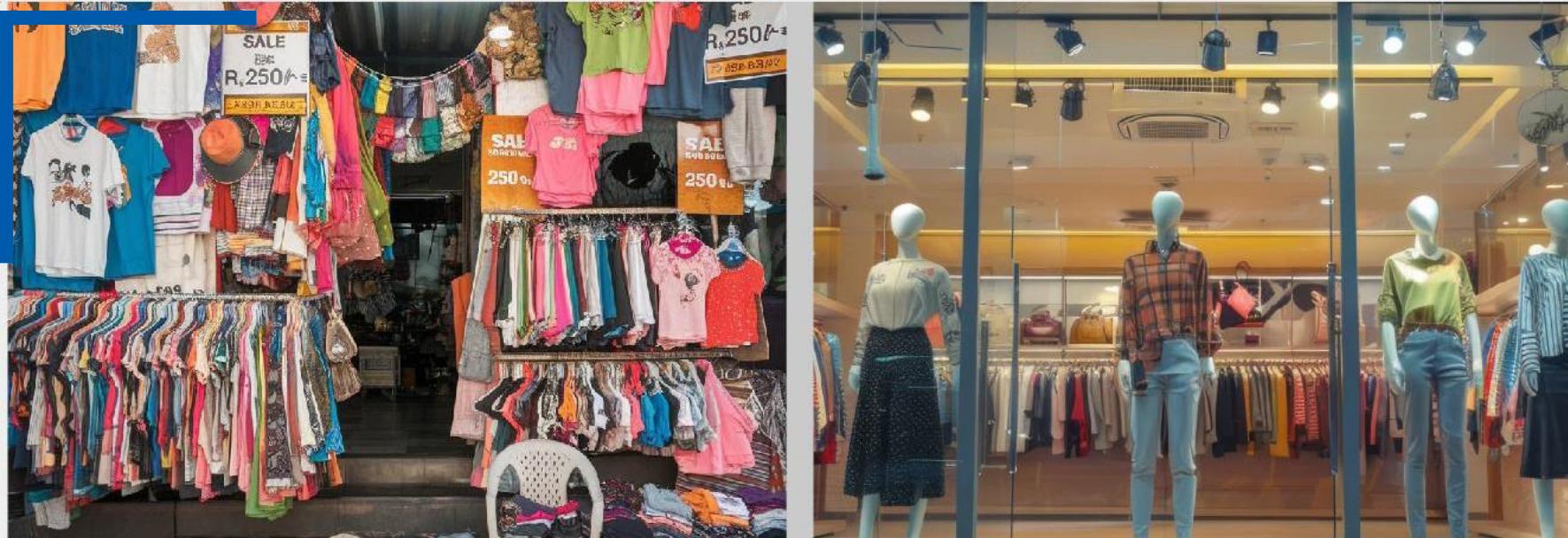
**Rural-Urban Usage Gap:** Rural toothpaste usage lower than urban; **growth potential**



**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



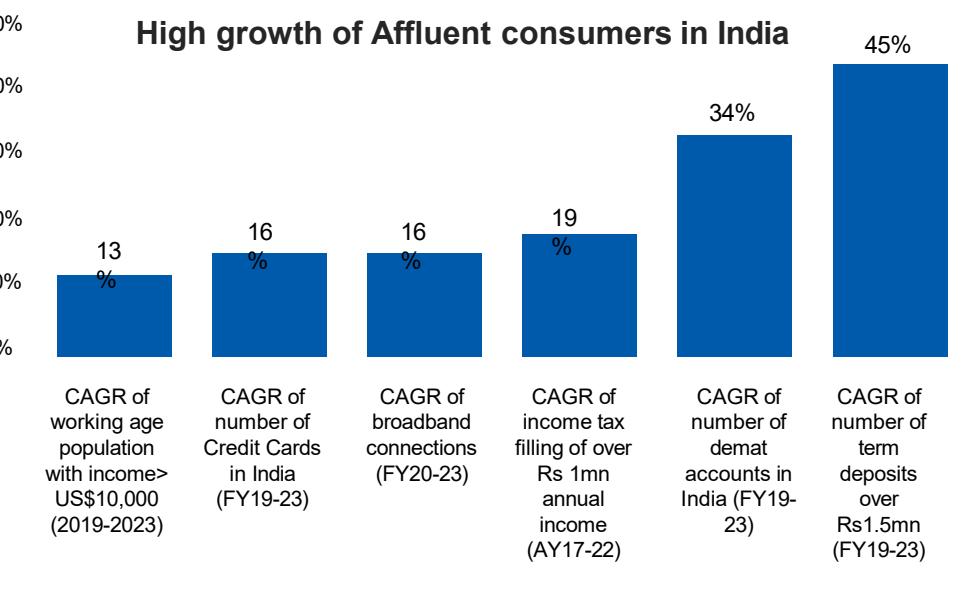
Consumers prioritizing  
Quality over Quantity



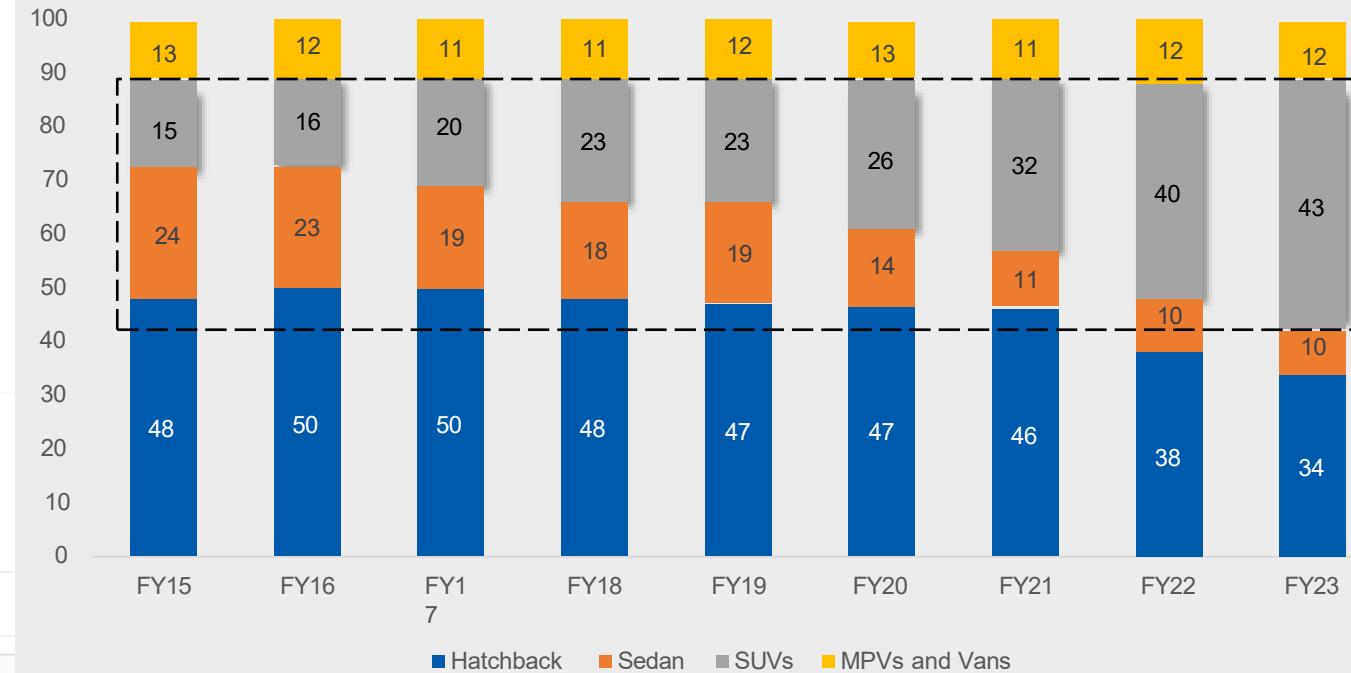
# Consume Better – From quantity to quality



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



Passenger vehicle market share by segment



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



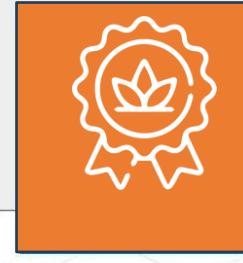
Automotive aspirational preference for SUVs

sector demand, shifting with to meet growing

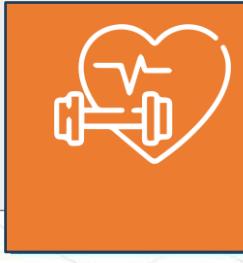
Source: SIAM, CLSA



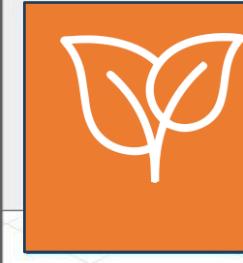
# Consume Well – From unawareness to mindfulness



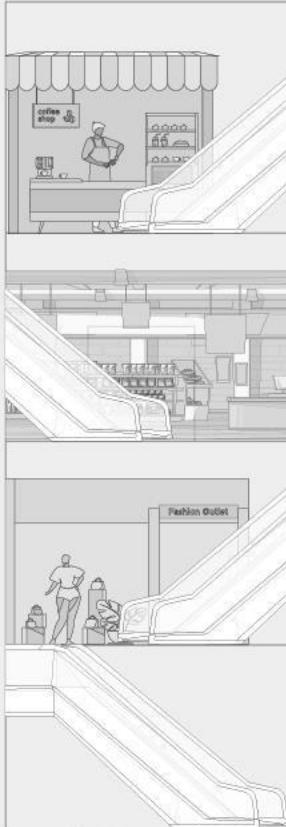
**Health & Wellness:**  
Focus on organic,  
healthy products



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



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

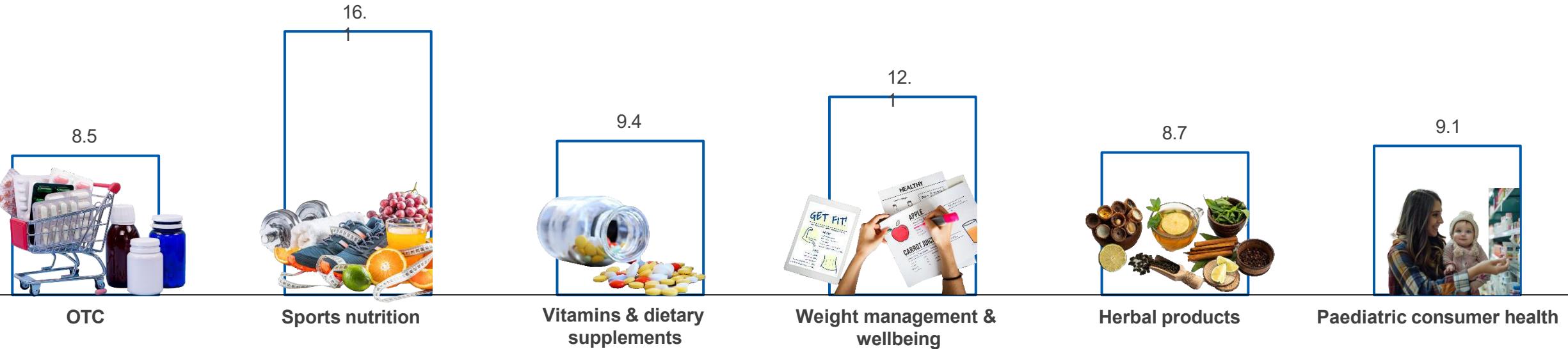




# Consume Well – From unawareness to mindfulness



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



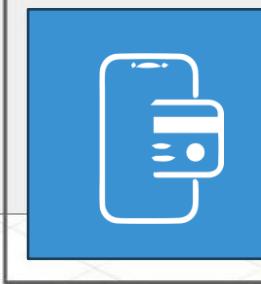
# Consume Easy – From effort to ease & speed



On-demand and easy  
online shopping/food  
services



Seamless transactions  
through UPI and mobile  
wallets



Easy credit  
stimulating easy  
buying



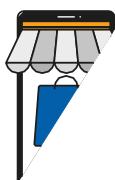
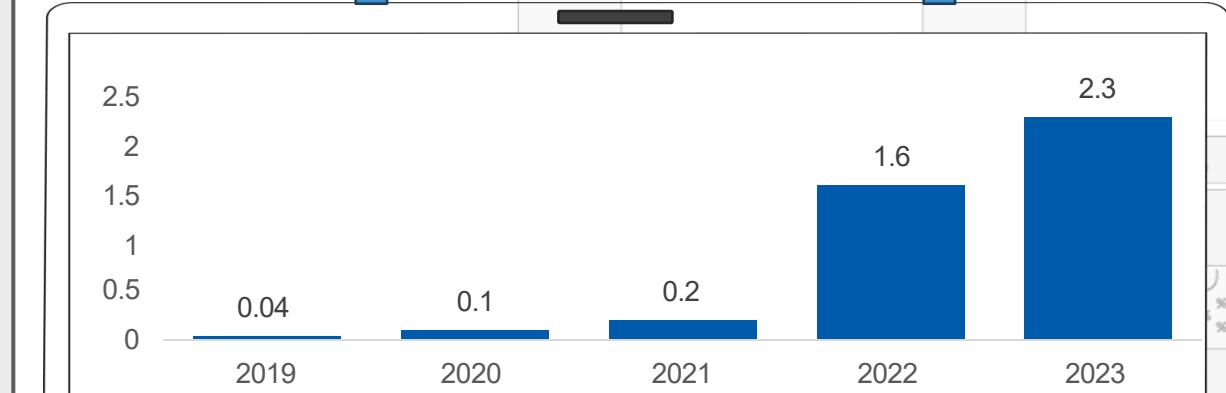
# Consume Easy – From effort to ease & speed



## Evolution of retail in India



## Quick Commerce GMV (US\$ billion)



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



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**

Source: IBEF, Redseer | GMV – Gross Merchandise Value



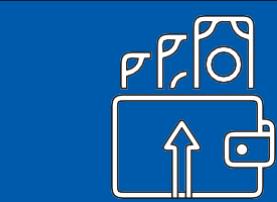
# Consumption is driven by...



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



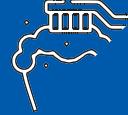
**Growing middle class:**  
To reach 40% by 2030, driving discretionary spending



**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



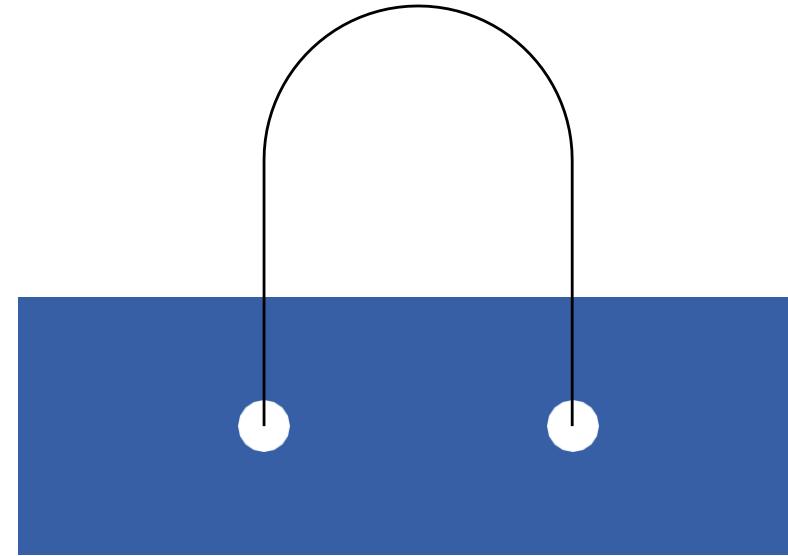
**Wellness Boom:**  
Health & wellness market to grow at 15-20% CAGR, with focus on healthy living



**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

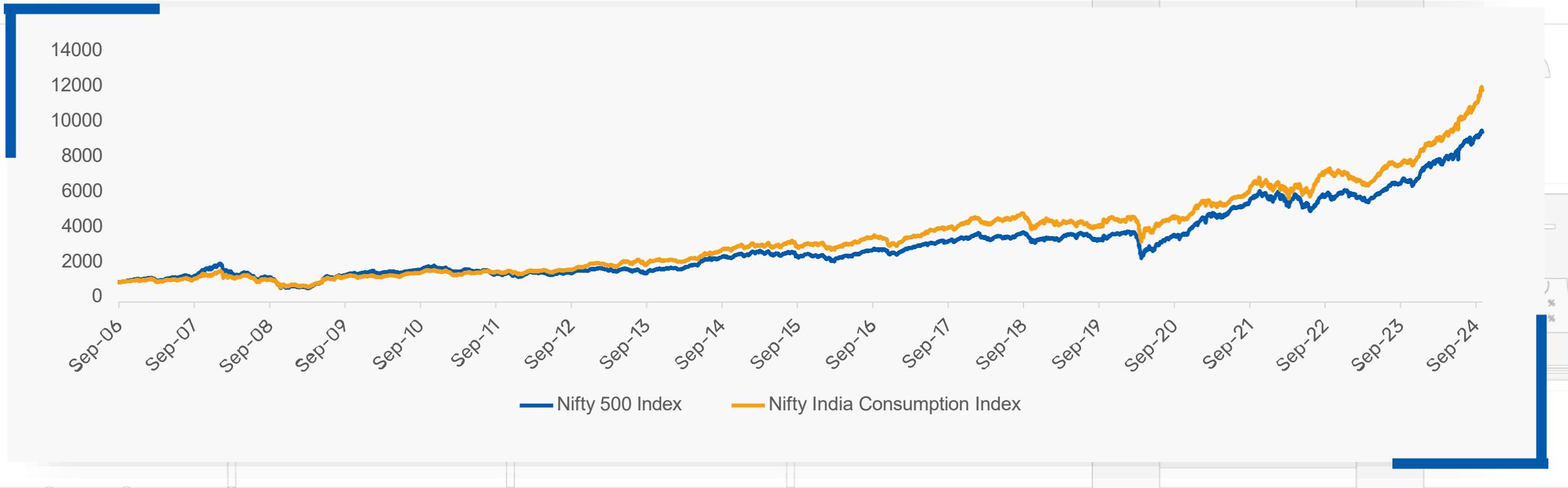


# Why invest in Consumption?





# 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 (%)

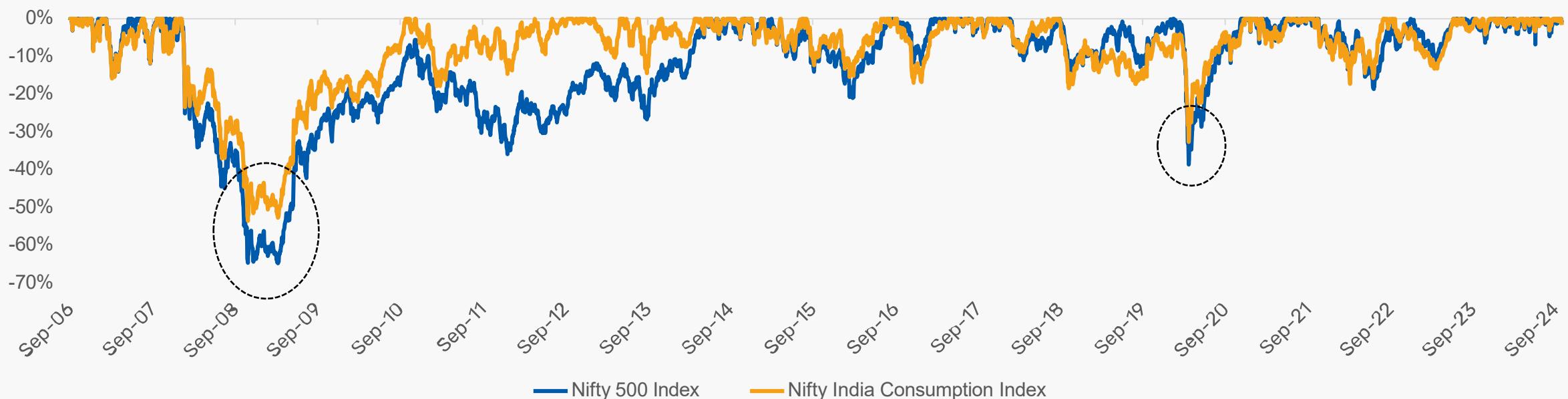
Return date	Nifty 500 TRI	Nifty India Consumption TRI
CY 23	8.1	8.0
CY 22	14.8	14.7
CY 21	12.0	11.9
CY 20	21.8	18.6
CY 19	11.0	12.4
CY 18	11.5	12.1
CY 17	8.6	8.9
CY 16	13.3	13.5
CY 15	13.1	12.1
CY 14	11.6	10.0
CY 13	14.9	13.9

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



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

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

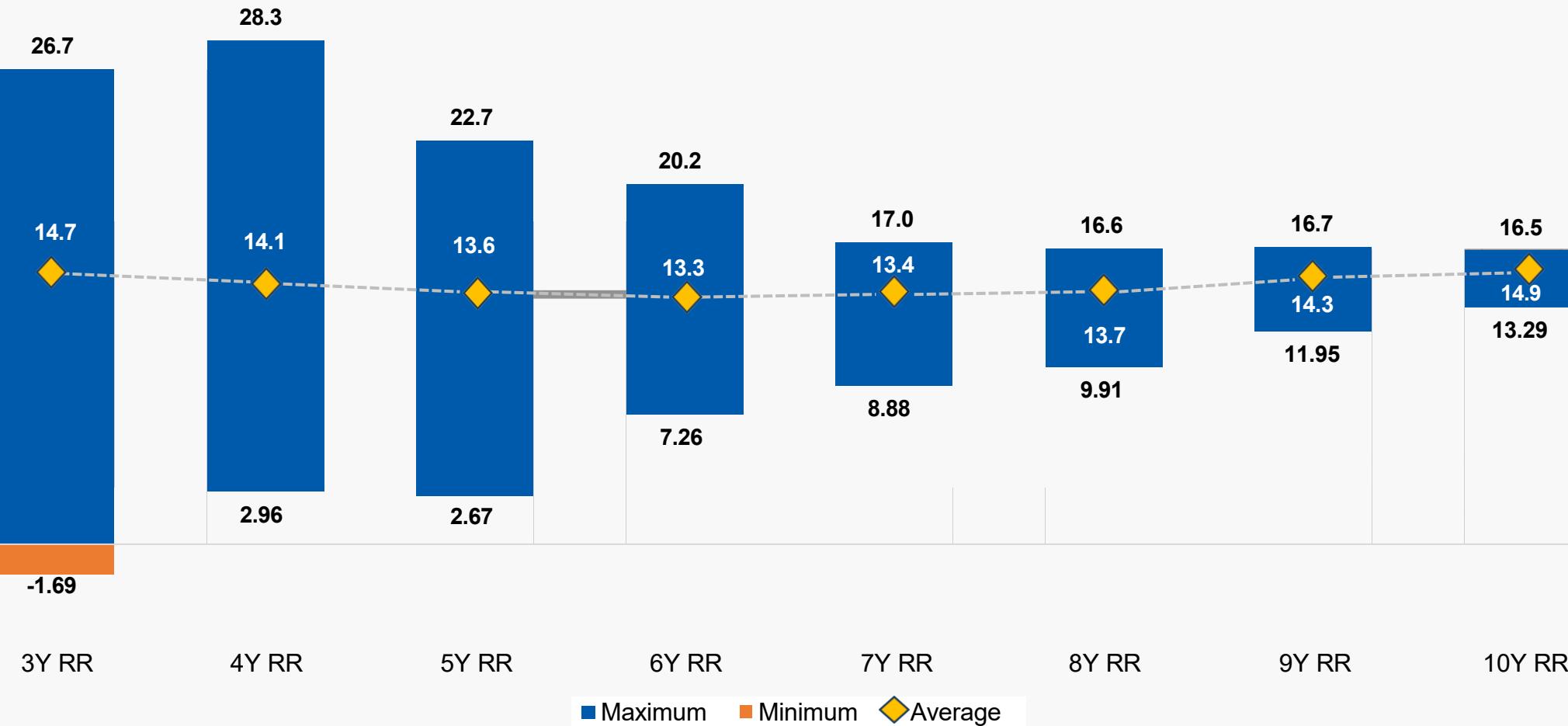
Source: ICRA MFI Explorer | Data as on Sep 30, 2024



# Relatively steady returns over long term



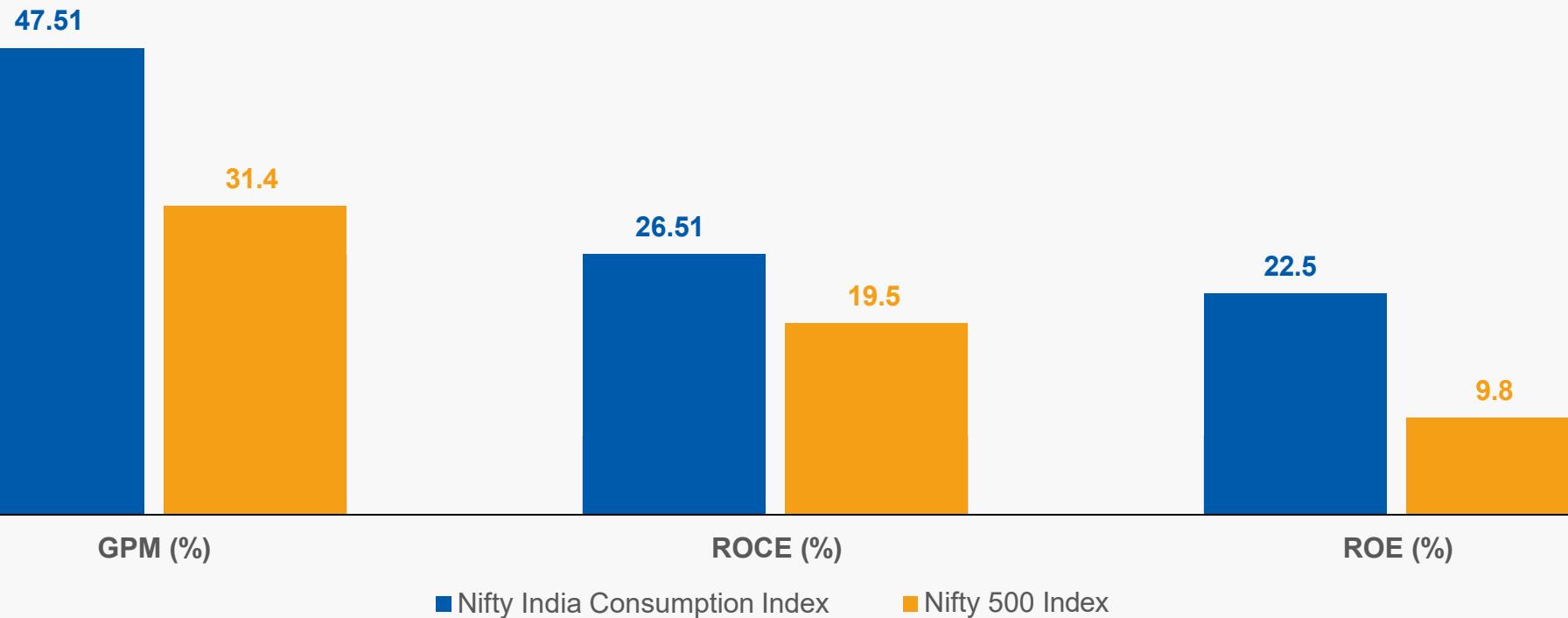
## Rolling Returns (in %)



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

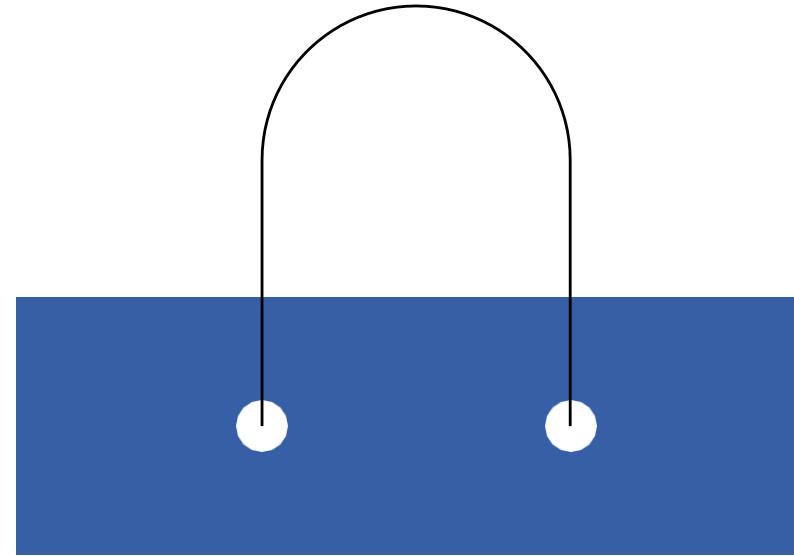


# Robust fundamentals compared to broader market



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



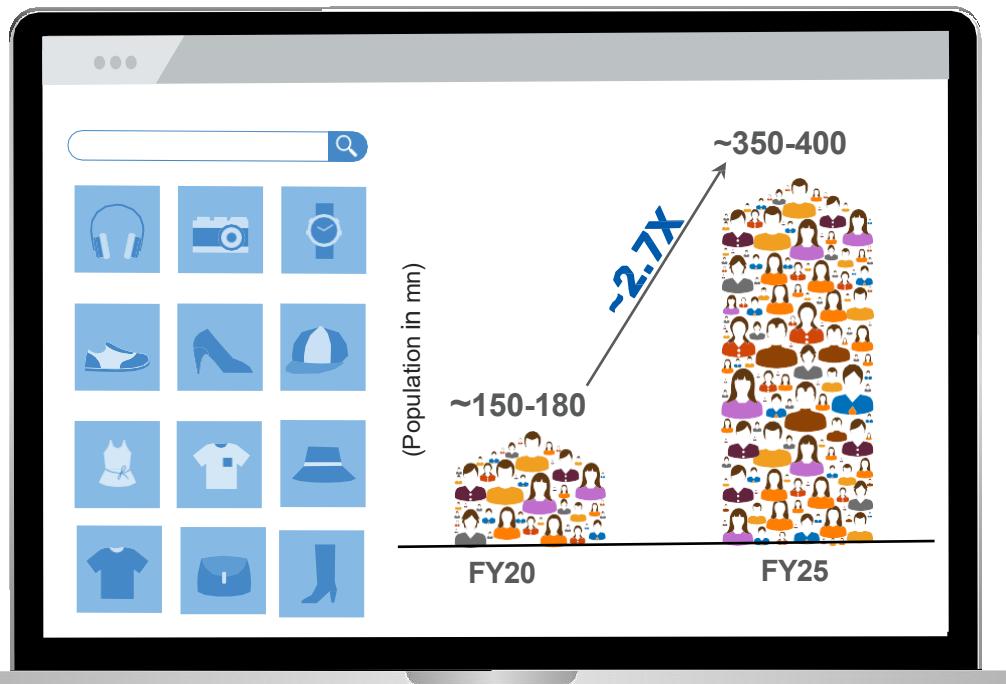


# MEGATRENDS in Consumption



## Demographic Dividend

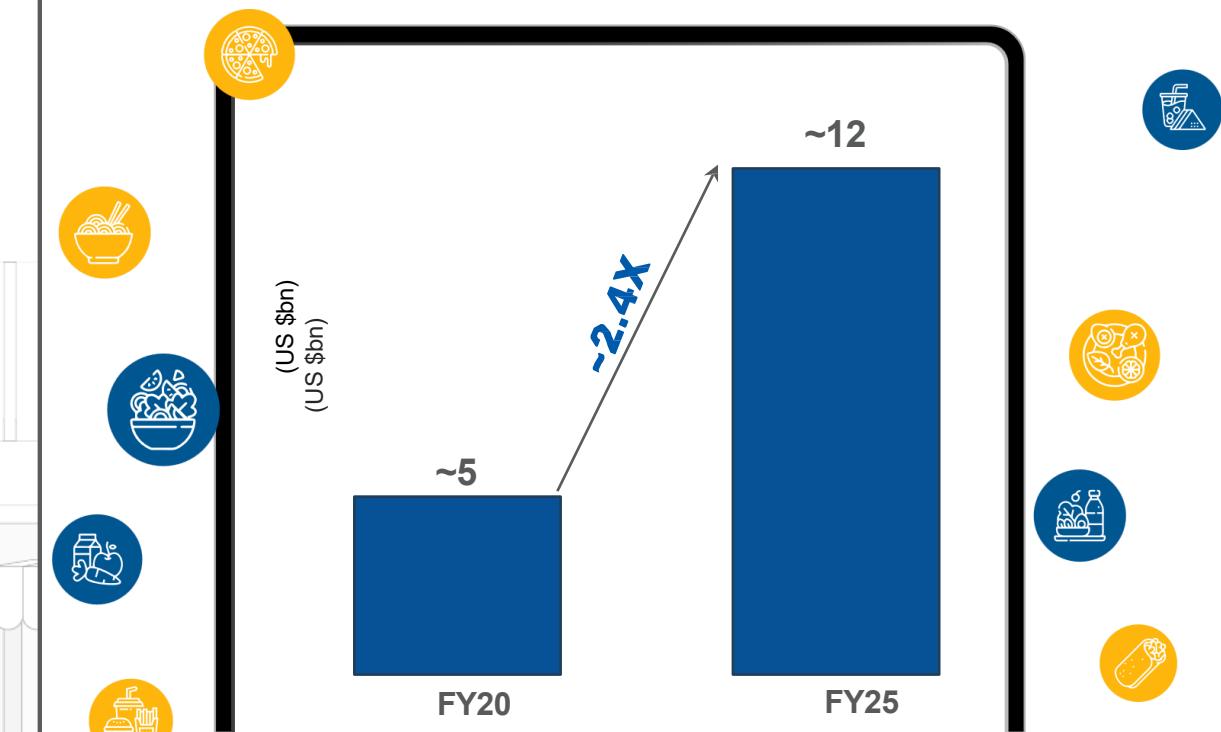
The e-commerce customer base is expected to grow by 2.7 times by FY25.



Source: Bernstein report

## Social – Rising Consumerism and Urbanisation

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



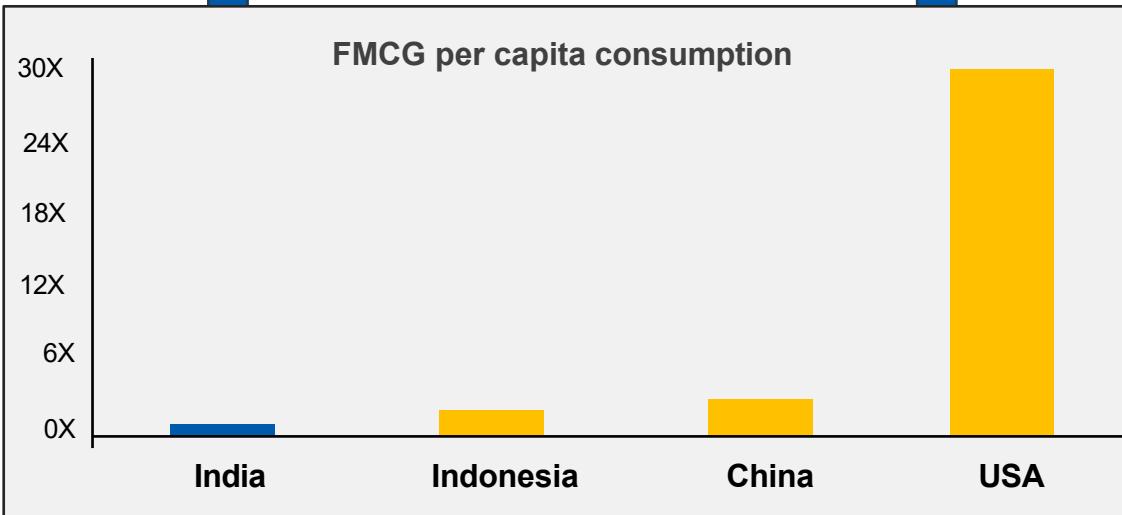
Source: Nykaa RHP



# MEGATRENDS stories: FMCG



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 premiumize
Beauty & Personal Care		
Bar Soap	16%	<span style="color: orange;">●</span>
Hair Care	16%	<span style="color: blue;">●</span>
Skin Care	10%	<span style="color: orange;">●</span>
Oral Care	9%	<span style="color: yellow;">●</span>
Men's Grooming	8%	<span style="color: orange;">●</span>
Colour Cosmetics	6%	<span style="color: orange;">●</span>
Baby and Child-specific Products	3%	<span style="color: orange;">●</span>
Deodorants	2%	<span style="color: yellow;">●</span>
Liquid Soap	1%	<span style="color: orange;">●</span>
Body Powder	1%	<span style="color: darkgrey;">●</span>
Body Wash/Shower Gel	0.5%	<span style="color: orange;">●</span>
Home Care		
Laundry Care	20%	<span style="color: orange;">●</span>
Home Insecticides	3%	<span style="color: yellow;">●</span>
Dishwash	2%	<span style="color: orange;">●</span>
Surface Care	1%	<span style="color: darkgrey;">●</span>
Toilet Care	1%	<span style="color: darkgrey;">●</span>
Air Care	0.5%	<span style="color: yellow;">●</span>

● Strong   ● Relatively Strong   ● Average   ● Relatively Weak

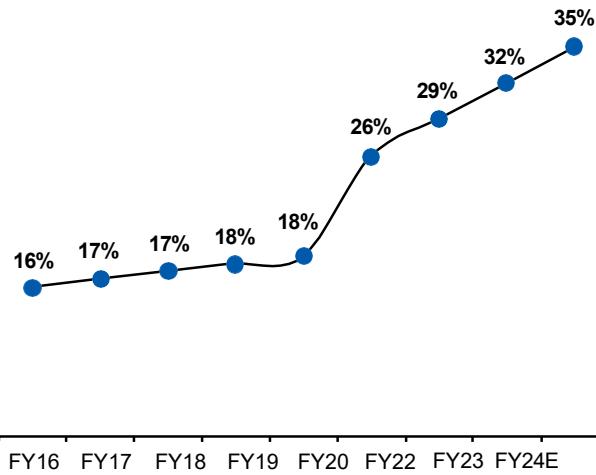
Source: HUL, Ambit Capital research | PCC: Per Capita Consumption



# MEGATRENDS stories: Online Food Delivery

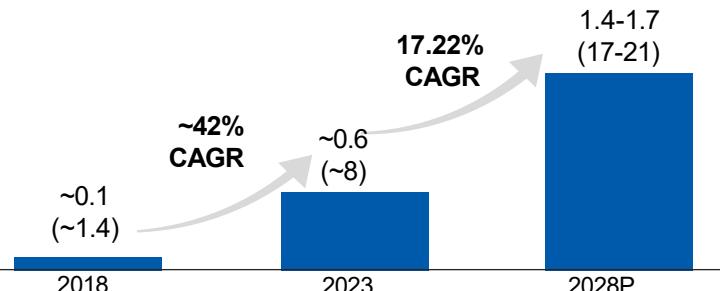


**India food delivery penetration** (as % of total organised food services market)



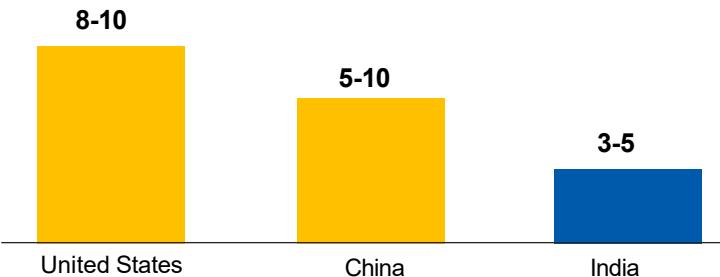
Source: NRAI, Bernstein estimates and analysis

**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



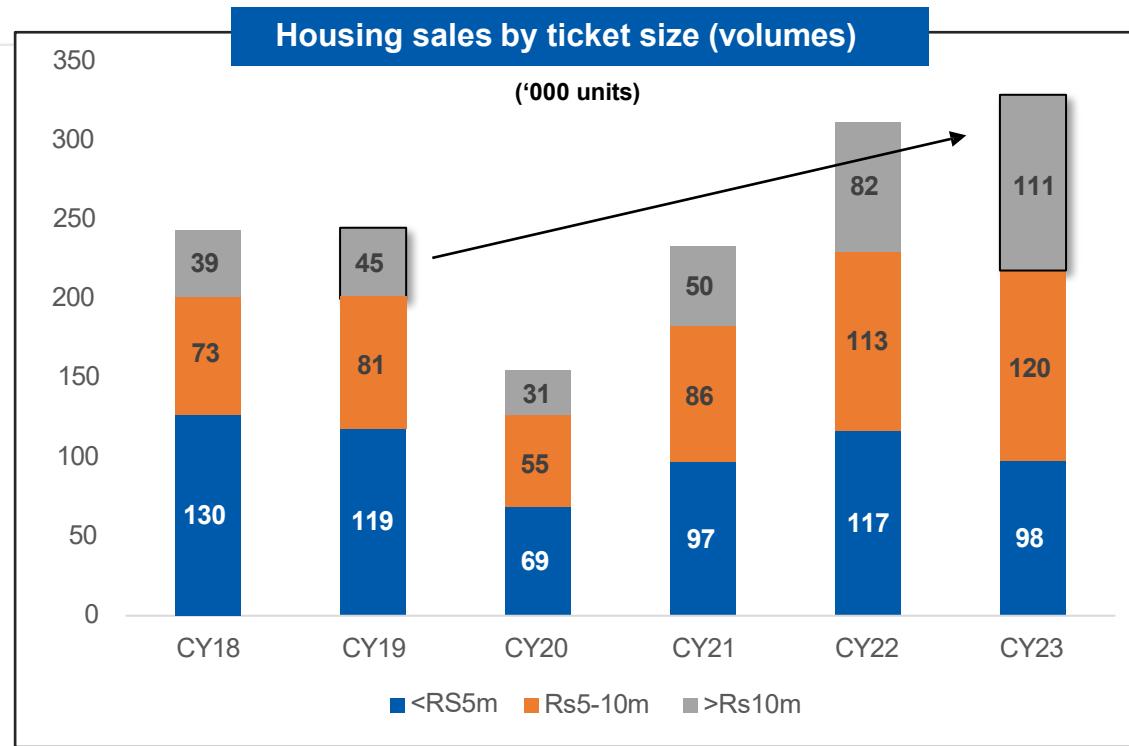
Indian online food delivery market **underpenetrated**, with growth potential from convenience-driven consumers



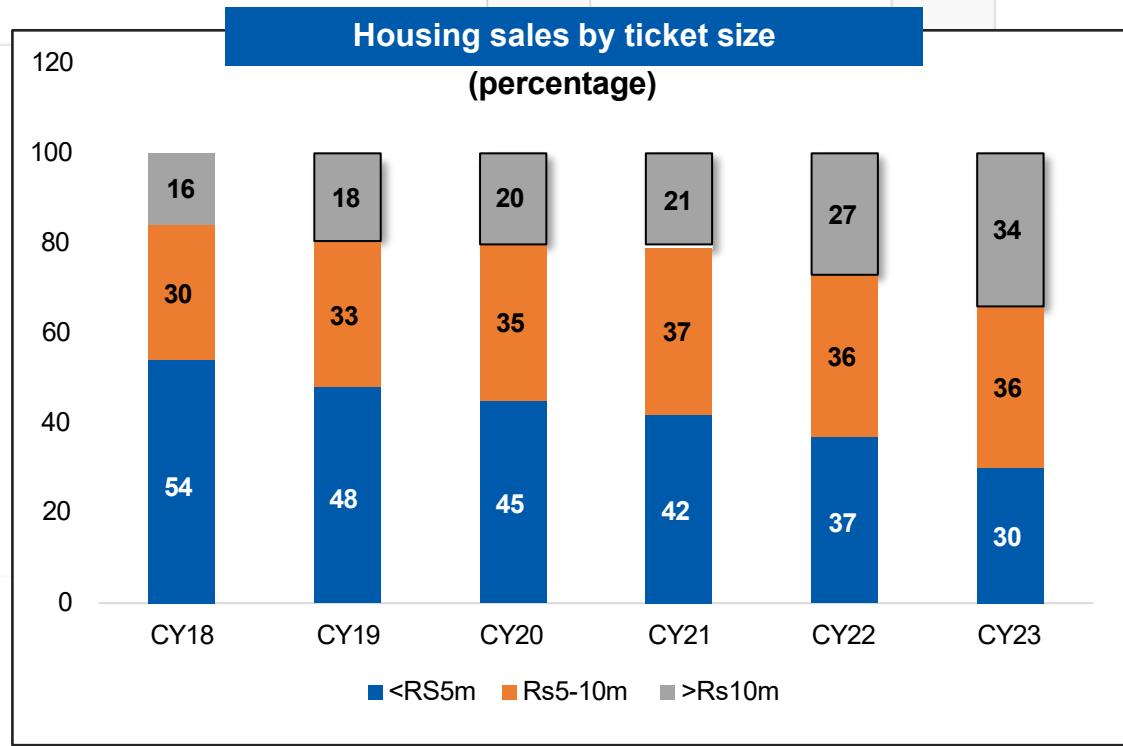
**Significant headroom** to increase order frequency as consumer trust and platform reliability improve



# MEGATRENDS stories: Realty



Source: CLSA, Knight Frank



Source: CLSA, Knight Frank



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



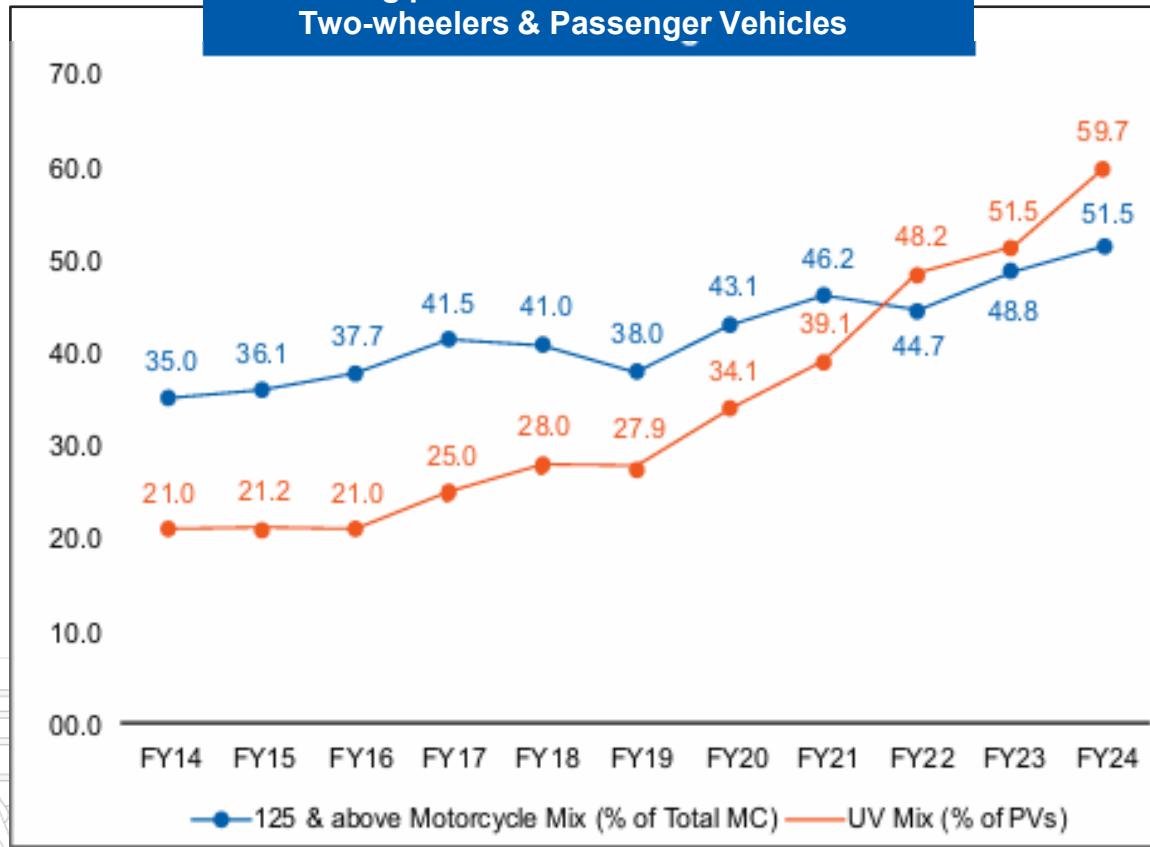
Rising housing sales will boost consumption in **home furnishings, appliances, construction materials, and consumer durables**



# MEGATRENDS stories: Auto



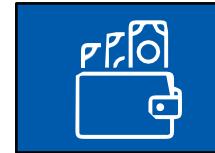
Increasing premiumization is visible in both Two-wheeler & Passenger Vehicles



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



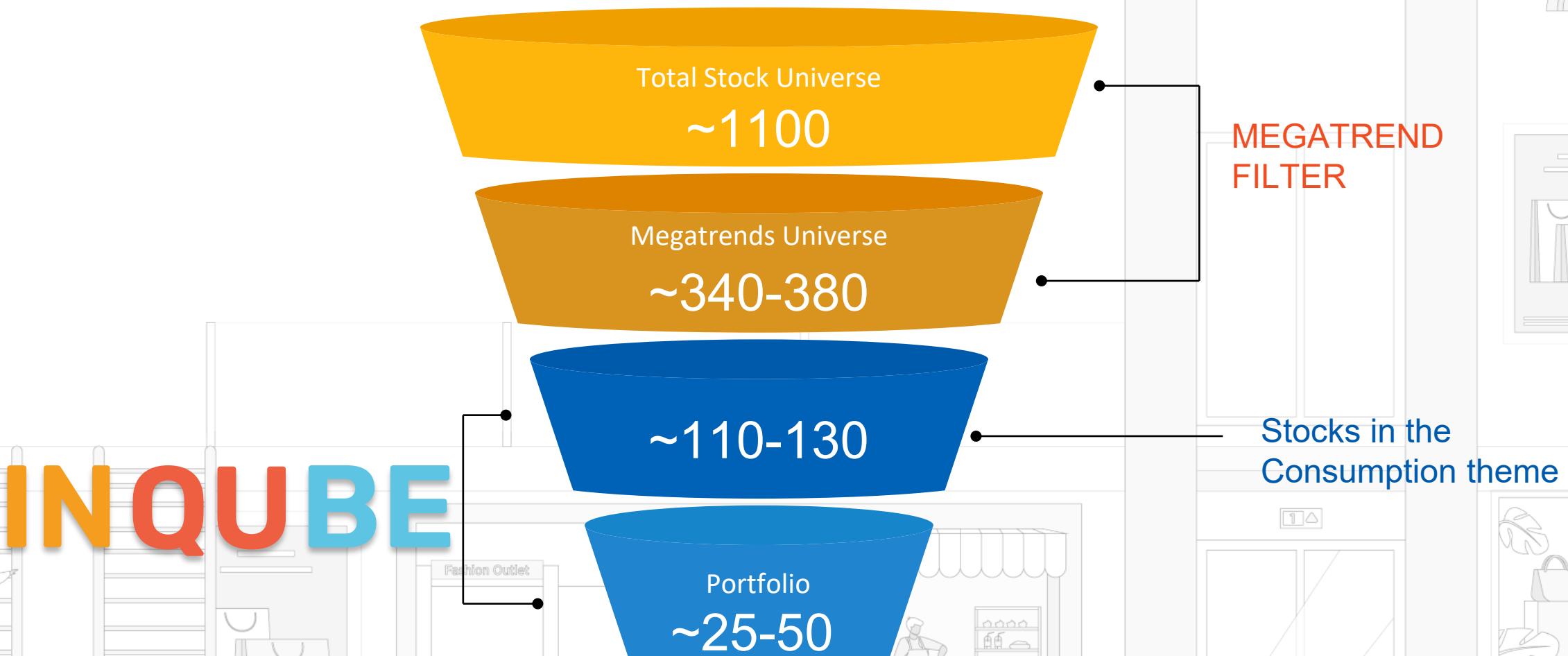
# Introducing **BAJAJ FINSERV CONSUMPTION FUND**

**(An open ended equity scheme following consumption theme)**

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



# Portfolio Construction Process





# Composition of Benchmark

## Sector Allocation

Fast Moving Consumer Goods

30.7%



Automobile and Auto Components

22.4%



Consumer Services

15.1%



Consumer Durables

10.1%



Telecommunication

9.8%



Healthcare

4.1%



Power

3.9%



Services

2.3%



Realty

1.6%



## 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%

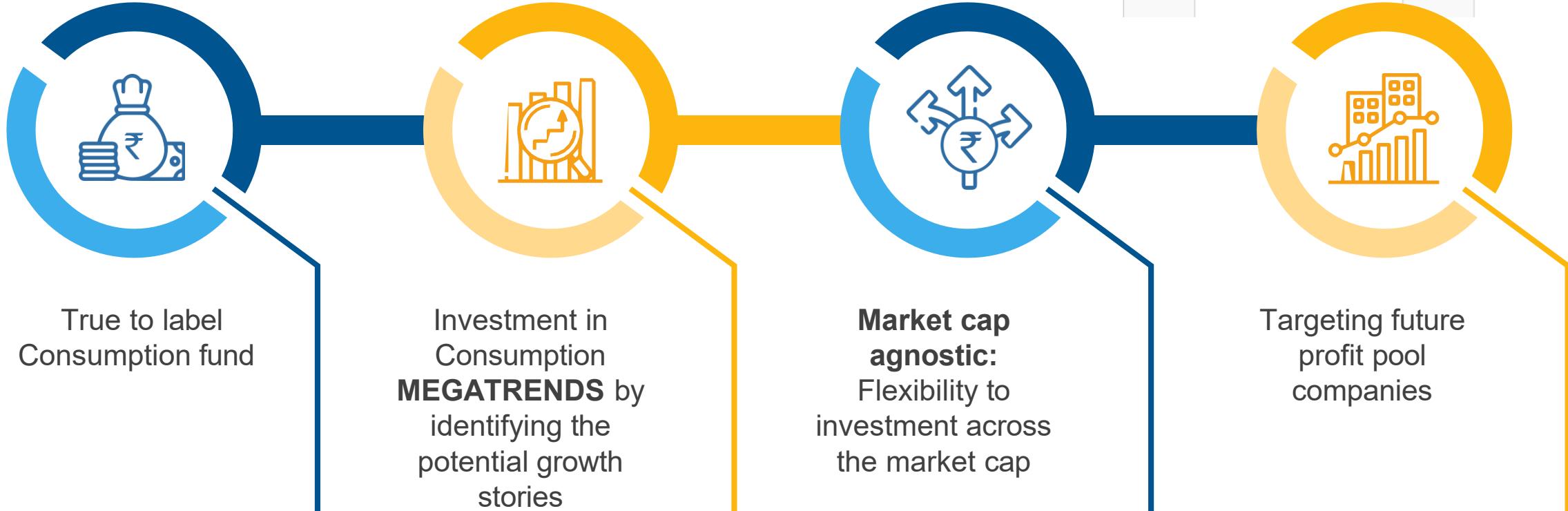
Bajaj Auto Ltd.

1%

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



# Why invest in Bajaj Finserv Consumption Fund?





# 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

# QU

QUANTITATIVE  
EDGE

# BE

BEHAVIORAL  
EDGE

- Outperform the market on superior information collection

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

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

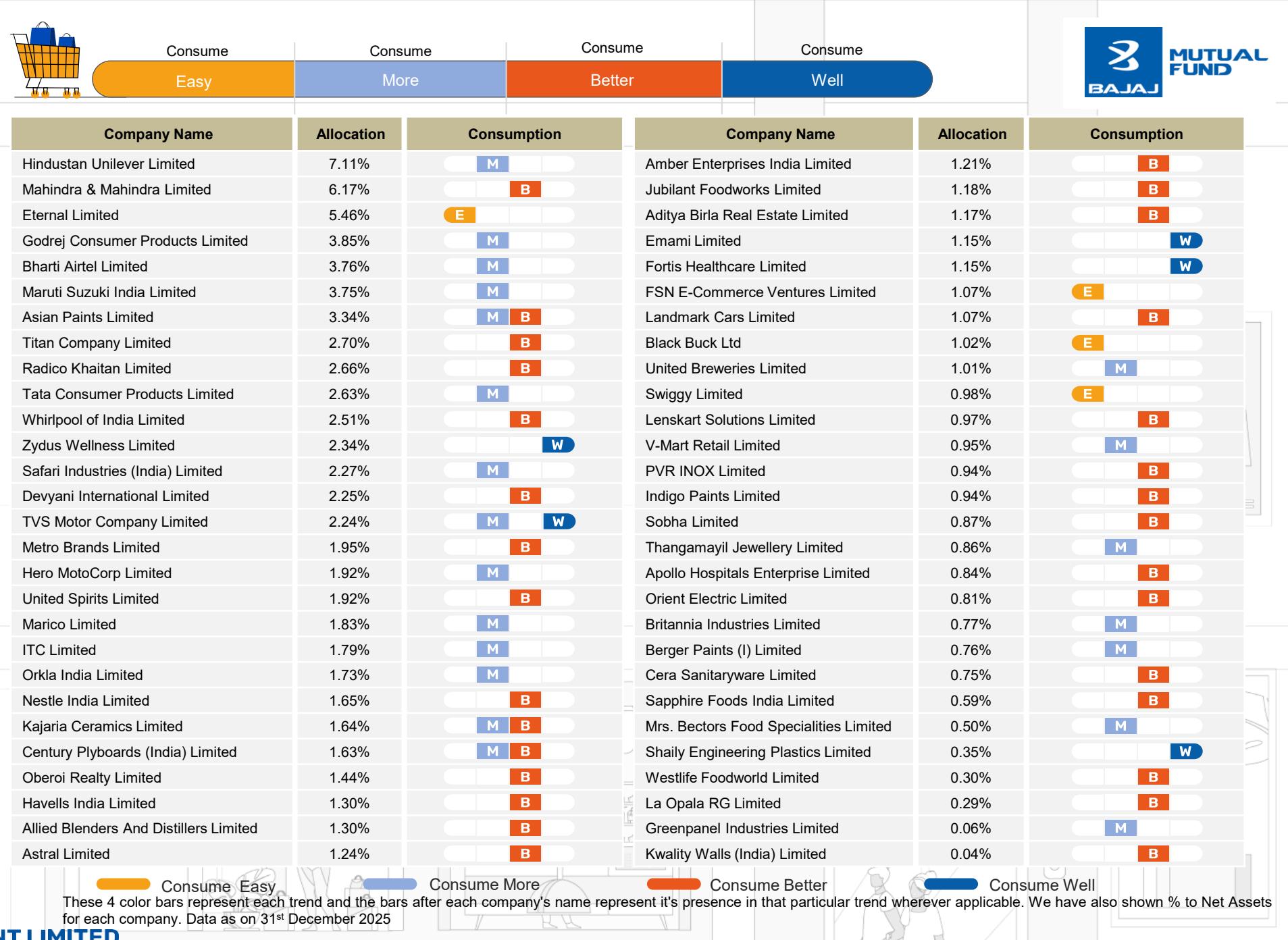


# BAJAJ FINSERV CONSUMPTION FUND

(An open ended equity scheme  
following consumption theme)

Riding the wave of megatrends  
transforming consumption patterns

January 2026

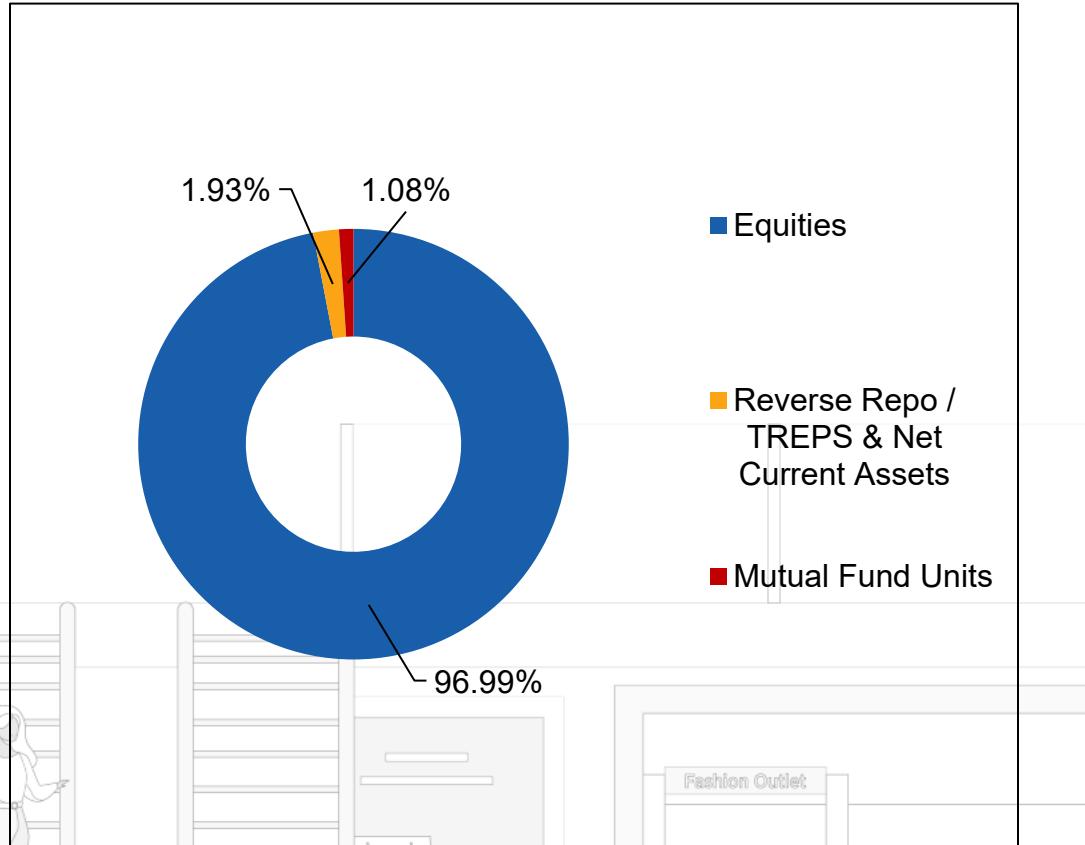




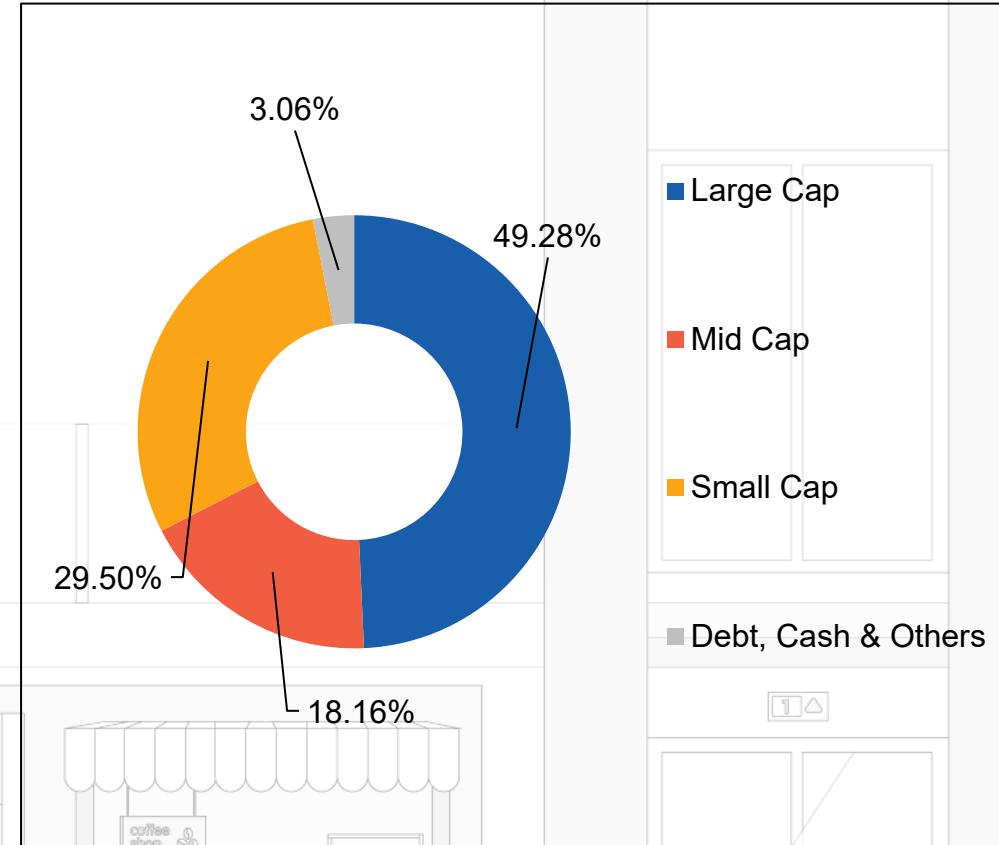
# Bajaj Finserv Consumption Fund - Allocation



## Asset Allocation



## Market Cap Breakup

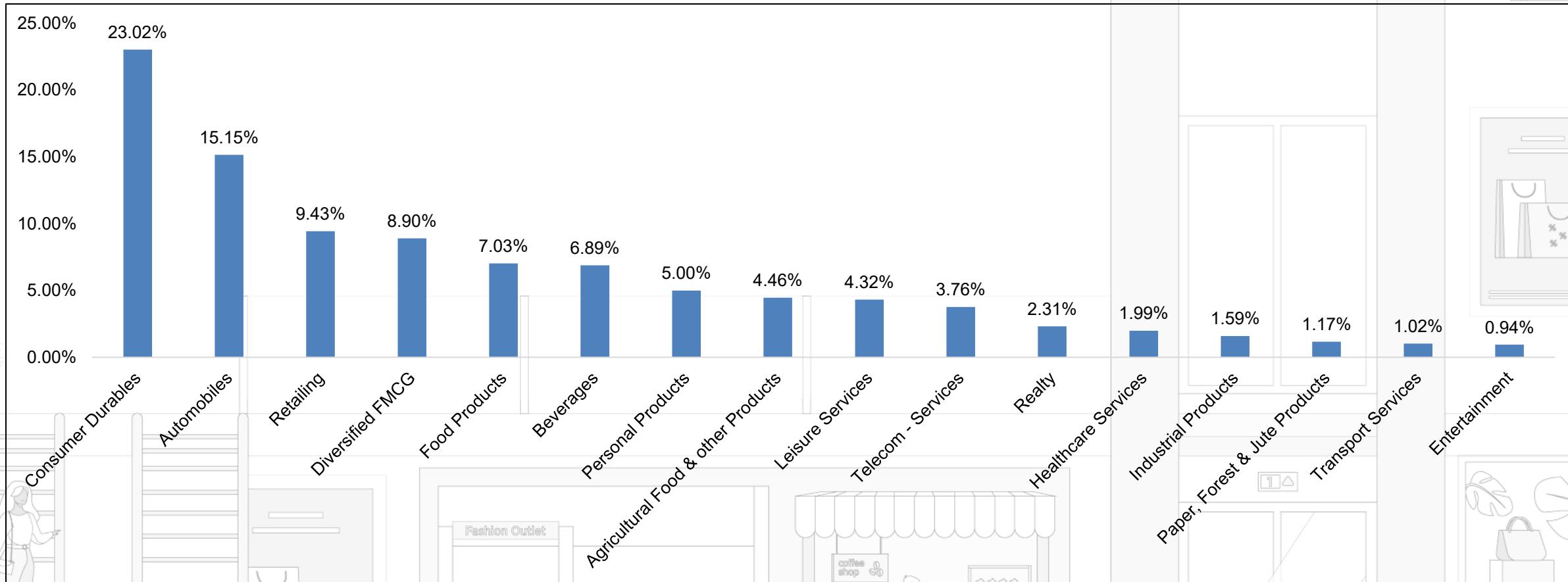




# Bajaj Finserv Consumption Fund – Sector Allocation



## Sector Allocation



Data as on 31<sup>st</sup> December 2025.



# Scheme Features



<b>Scheme Type</b>	An open ended equity scheme following consumption theme
<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>	For each purchase of units through Lumpsum / switch-in / Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP), exit load will be as follows: <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>	Equity Portion: Mr. Sorbh Gupta & Mr. Sayan Das Sharma (Fund Manager since June 10, 2025) Debt Portion: Mr. Siddharth Chaudhary
<b>Benchmark Index</b>	Nifty India Consumption Total Return Index (TRI)
<b>SIP/ SWP/ STP</b>	Available



# Bajaj Finserv Consumption Fund

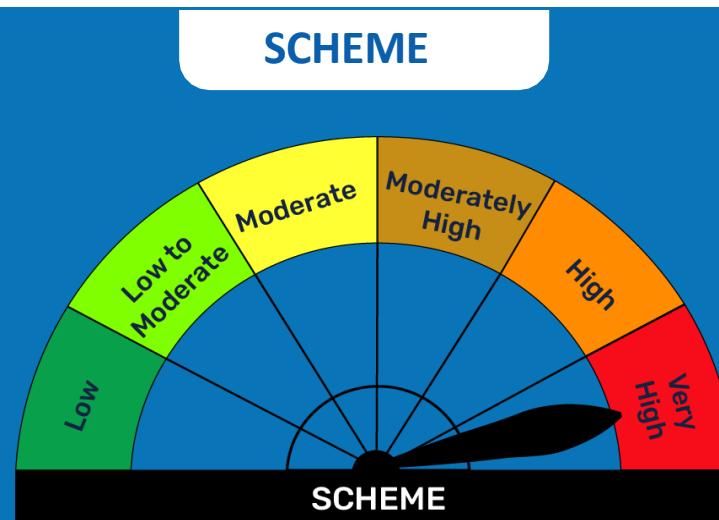
(An open ended equity scheme following consumption theme)



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

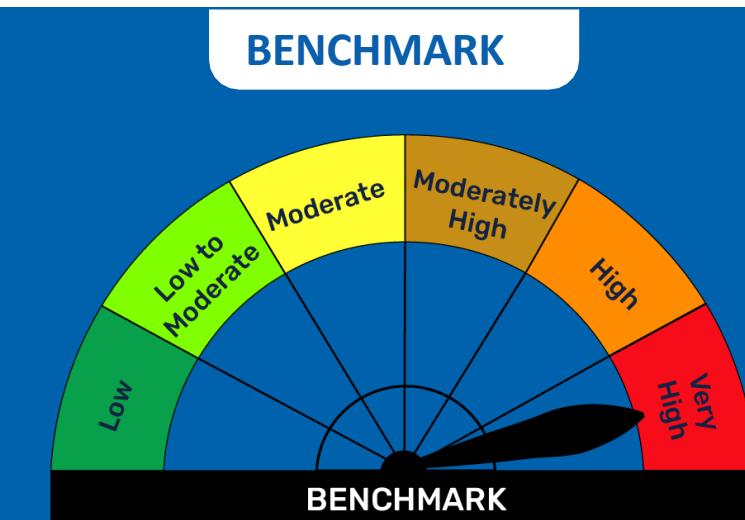
- Wealth creation over long term
- To invest predominantly in equity and equity related instruments of companies that are likely to benefit directly or indirectly from the domestic consumption led demand

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



The risk of the scheme is very high

## RISKOMETER



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



# Disclaimer



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

# THANK YOU

