BAJAJ ASSET MANAGEMENT LIMITED

(FORMERLY KNOWN AS BAJAJ FINSERV ASSET MANAGEMENT LIMITED)

BAJAJ FINSERV MULTI CAP FUND

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

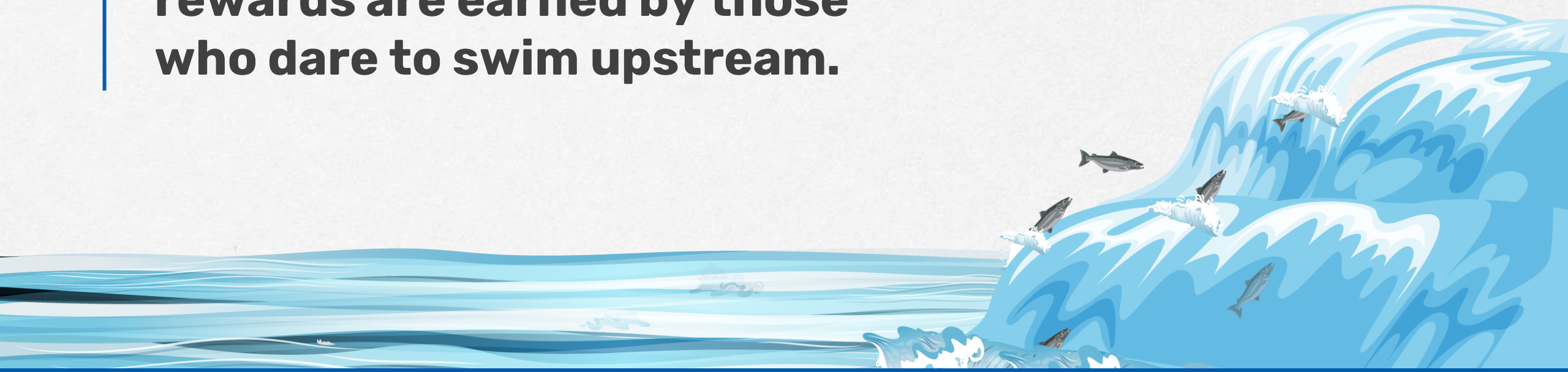
Every cap has its moment—don't miss out on any

November 2026

The remarkable salmon run!

Each year, salmon embark on a journey unlike any other, swimming upstream against relentless currents. While most creatures would flow with the water, the salmon choose the harder path, defying the odds to reach their spawning grounds.

The salmon reminds us: true rewards are earned by those who dare to swim upstream.



Swimming against the tide...

Contrarian investing is akin to the remarkable salmon run!

- Contrarian investing involves going **against market trends.**
- Instead of following the crowd, contrarian investors **buy** during **negative sentiment** and **sell during optimism.**
- This strategy seeks to profit from **mispriced assets** by buying **undervalued investments** and selling them **when prices rise.**



> **Most people get interested in stocks when everyone else is. The time to get interested is when no one else is.**
>
> *– Warren Buffett*

Contrarian investing is as old as investing itself

David Ricardo:
A Bold Contrarian Bet

- In 1815, he bought British government bonds at low prices before the Battle of Waterloo.
- While others panicked, he saw opportunity in desperate sellers and favorable odds.
- Napoleon's defeat led to massive profits, highlighting the power of contrarian investing.

Warren Buffett:
Master of Contrarian Moves

- His advice: "Be fearful when others are greedy, and greedy when others are fearful" defines contrarian investing.
- During the 2008 crisis, he urged Americans to buy amid market fear.
- This strategy succeeded as the S&P 500 delivered strong returns over the next decade.

Decoding Contrarian Investing

Contrarian investing goes against market trends to find undervalued opportunities, leveraging inefficiencies for long-
term gains.

How contra investing works?

1. Identify Market Trends or Sentiments
2. Look for discrepancies between market sentiment and fundamentals
3. Identify stocks where the price deviates significantly from intrinsic value
4. Invest against prevailing sentiment
5. Sell or adjust when sentiment aligns with the asset's true value.

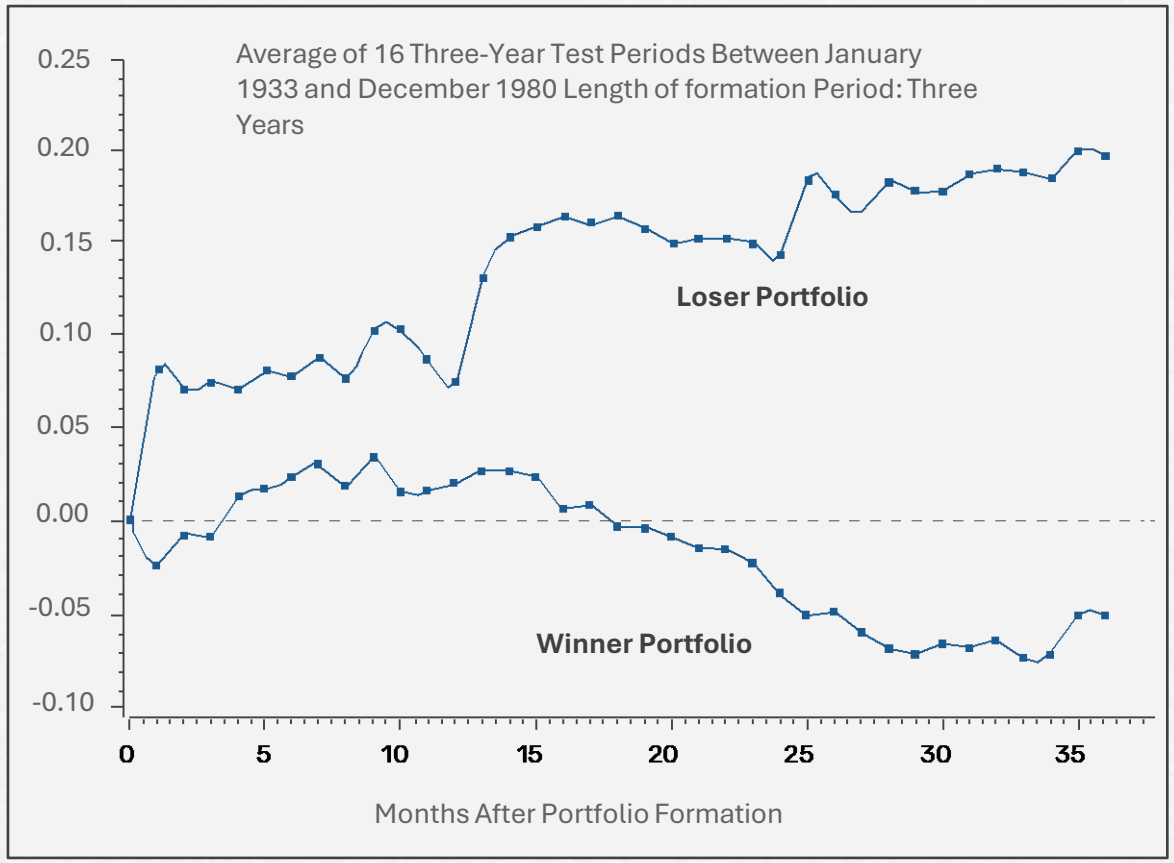
Going against the crowd often leads to untapped market opportunities

Approach to Contrarian Investing

Overreaction		Underreaction
Excessive optimism (overvalued) or excessive pessimism (undervalued).	**Market Sentiment**	Lack of adequate response to positive or negative developments.
During excessive pessimism driving prices below intrinsic value.	**When to Buy**	When positive fundamentals or structural growth are underappreciated.
During excessive optimism pushing prices significantly above intrinsic value.	**When to Sell**	When negative developments are underpriced, and further downside is likely.
Exploit mispriced assets caused by emotion-driven market behavior.	**Objective**	Capture hidden value before the market fully realizes the opportunity.
Panic-driven sell-offs, recession fears, regulatory setbacks.	**Examples of Buy Triggers**	Delayed recognition of improving financials, innovation, or sector tailwinds.

A proven overreaction study

The 1984 paper "Does the Stock Market Overreact?" by Werner FM De Bondt and Richard Thaler found that, over 50 years, a portfolio of 35 "loser" stocks (the worst performers in a prior period) outperformed the market by 19.6% on average within three years, while "winner" stocks underperformed by about 5%.



Formation Period:

- Duration: 84 months (7 years).
- Stocks must have 84 months of continuous return data.

Winner Portfolio Creation:

Top-performing stocks based on residual returns are grouped into the Winner Portfolio.

Loser Portfolio Creation:

Bottom-performing stocks based on residual returns are grouped into the Loser Portfolio.

Holding Period:

Each portfolio is held for 72 months (6 years) post-formation. The process is repeated 16 times with staggered start points to account for new securities.

Critical aspect of Contrarian Investing:
Intrinsic Value

Intrinsic Value is an asset's true worth based on fundamentals, not market price.
Margin of Safety is the gap between an asset's intrinsic value and market price, minimizing risk and boosting returns.

Some of the determinants of Intrinsic Value:

Discounted Cash Flow	Book Value	Earnings Yield	Replacement Value	Free Cash Flow Yield
Present Value of Future Cash Flows	Net worth of the company adjusted for intangibles/ amortization	Inverse of Price Earnings ratio (100/P/E)	Current cost to build or replace an asset	Cash flow after working capital changes and capital investment



BAJAJ ASSET MANAGEMENT LIMITED (FORMERLY KNOWN AS BAJAJ FINSERV ASSET MANAGEMENT LIMITED)

Contrarian edge arises from behavioral biases

Investors often allow their behavioural biases to affect their investing decisions

Herd Mentality

Investors follow crowd behaviour, leading to overbought or oversold markets.



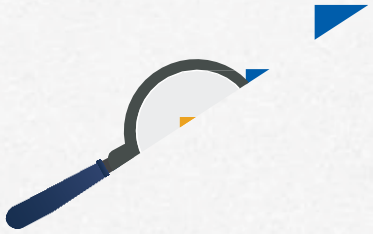


Overreaction

Emotional responses to news cause extreme price movements, creating mispricing.

Recency Bias

Focus on recent events while ignoring long-term fundamentals.



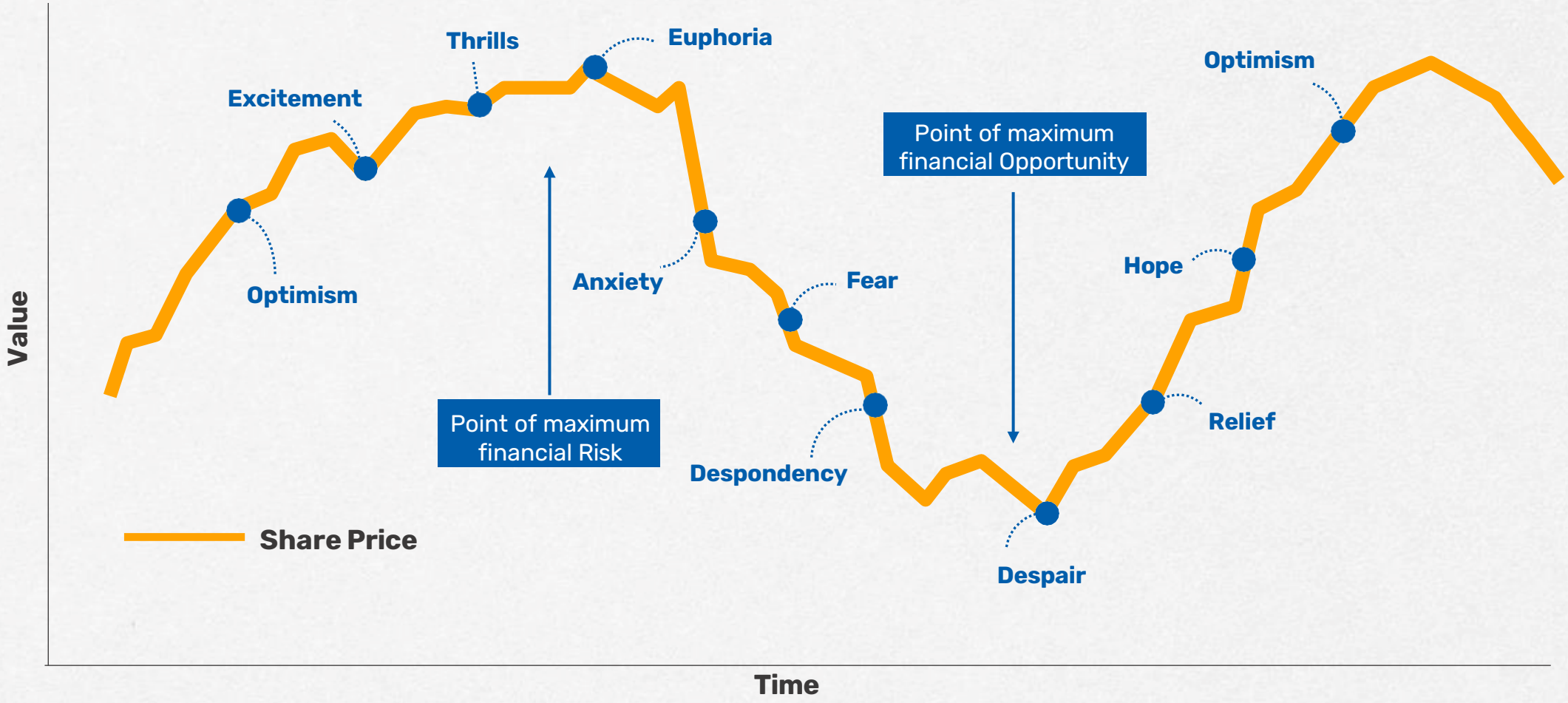


Loss Aversion Bias

Fear of losses leads to irrational selling during downturns.

Behavioral biases lead to market mispricing's, creating contrarian opportunities

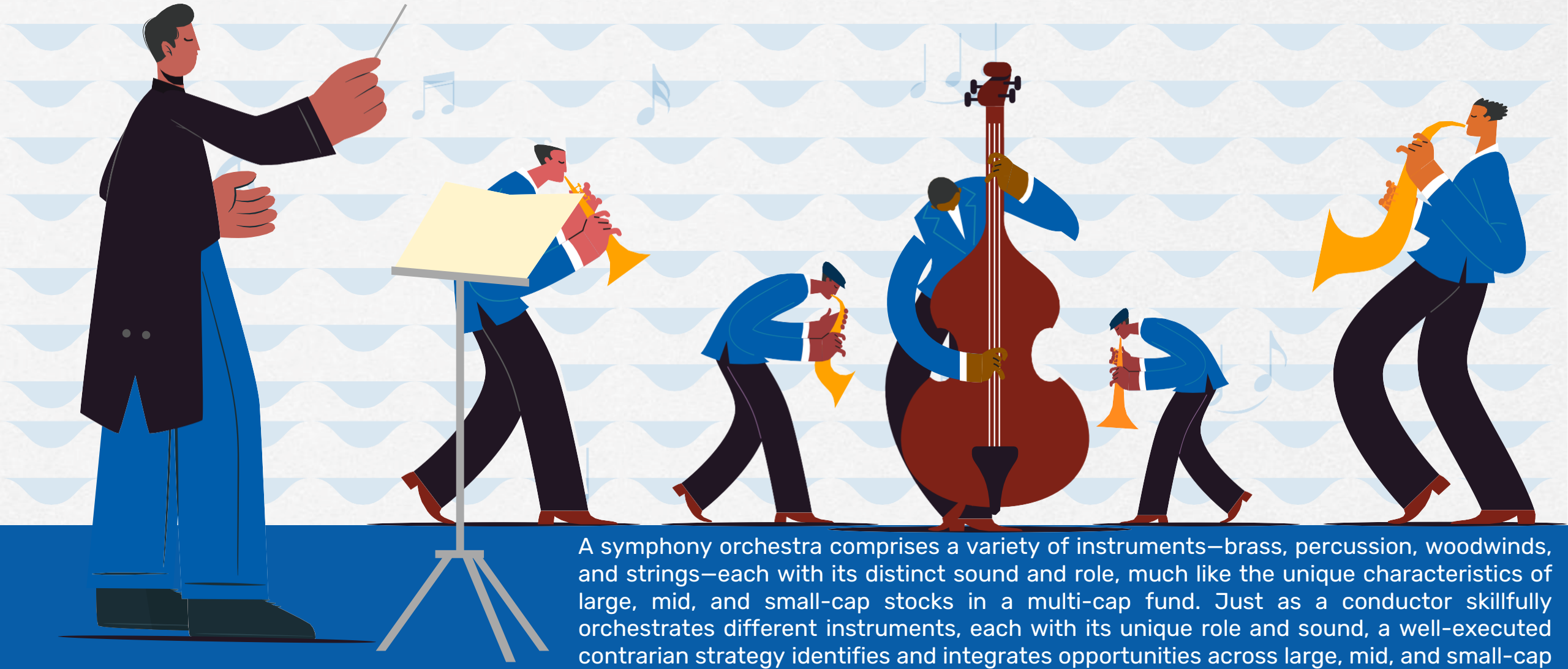
Investor behaviour with changing cycles



The greatest opportunities often arise during times of investor pessimism

Multi Cap Fund

With a Contrarian Symphony - Diverse Strengths, One Seamless Harmony



A symphony orchestra comprises a variety of instruments—brass, percussion, woodwinds, and strings—each with its distinct sound and role, much like the unique characteristics of large, mid, and small-cap stocks in a multi-cap fund. Just as a conductor skillfully orchestrates different instruments, each with its unique role and sound, a well-executed contrarian strategy identifies and integrates opportunities across large, mid, and small-cap stocks that may be overlooked or undervalued by the market

Opportunities are spread across the market cap!

Categorizing Nifty 500 companies			
Sector	**Large Cap**	**Mid Cap**	**Small Cap**
Consumer Discretionary (102)	14%	33%	53%
Financial Services (98)	28%	34%	39%
Industrials (82)	13%	22%	65%
Commodities (57)	23%	28%	49%
Healthcare (44)	11%	41%	48%
Fast Moving Consumer Goods (28)	25%	29%	46%
Information Technology (25)	24%	20%	56%
Energy (19)	32%	21%	47%
Utilities (19)	32%	26%	42%
Services (14)	14%	21%	64%
Telecommunication (11)	27%	18%	55%
Diversified (1)	0%	100%	0%

Source: Nifty Indices, AMFI, Internal Analysis | Data as on October 31, 2026

Large Cap Opportunities:
Large-cap presence in sectors like Utilities (32%) and Energy (32%) provides a strong foundation for potential steady returns.



Mid Cap Growth Potential:
Mid caps in sectors such as Healthcare (41%) and Financial Services (34%) strike a balance between stability and expansion.



Small Cap Dynamism:
Small caps dominate sectors like Industrials (65%) and Services (64%), offering high long-term growth potential.



Why settle for a slice when you can have the whole pie?

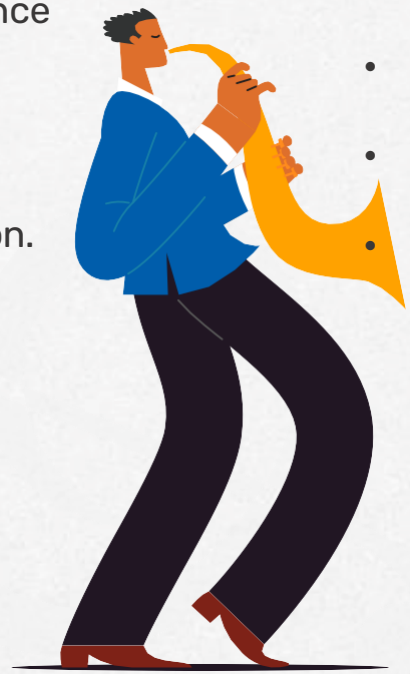
Why Multi Cap Funds Invest across Market Caps

Multi Cap Funds invest a minimum of 25% in each of large, mid and small cap companies, thus capitalizing on opportunities across the market cap spectrum:



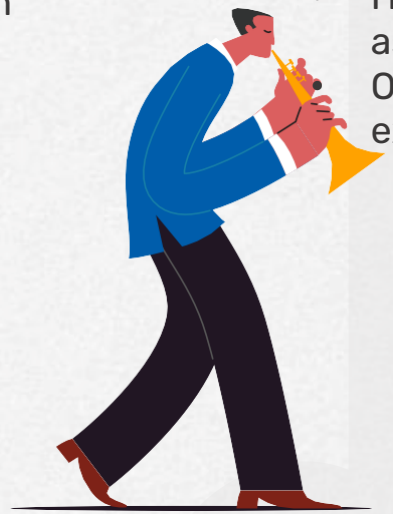
Large Cap consists of Top 100 Companies by Market Cap

- Market leaders with established stability.
- Consistent performance and dividends.
- Lower risk in volatile markets.
- Strong financial and operational foundation.



Mid Cap consists of Top 101st to 250th Companies by Market Cap

- High growth potential and scalability.
- Emerging leaders in growing industries.
- Balanced risk and return profile.
- Opportunities for future large-cap transition.



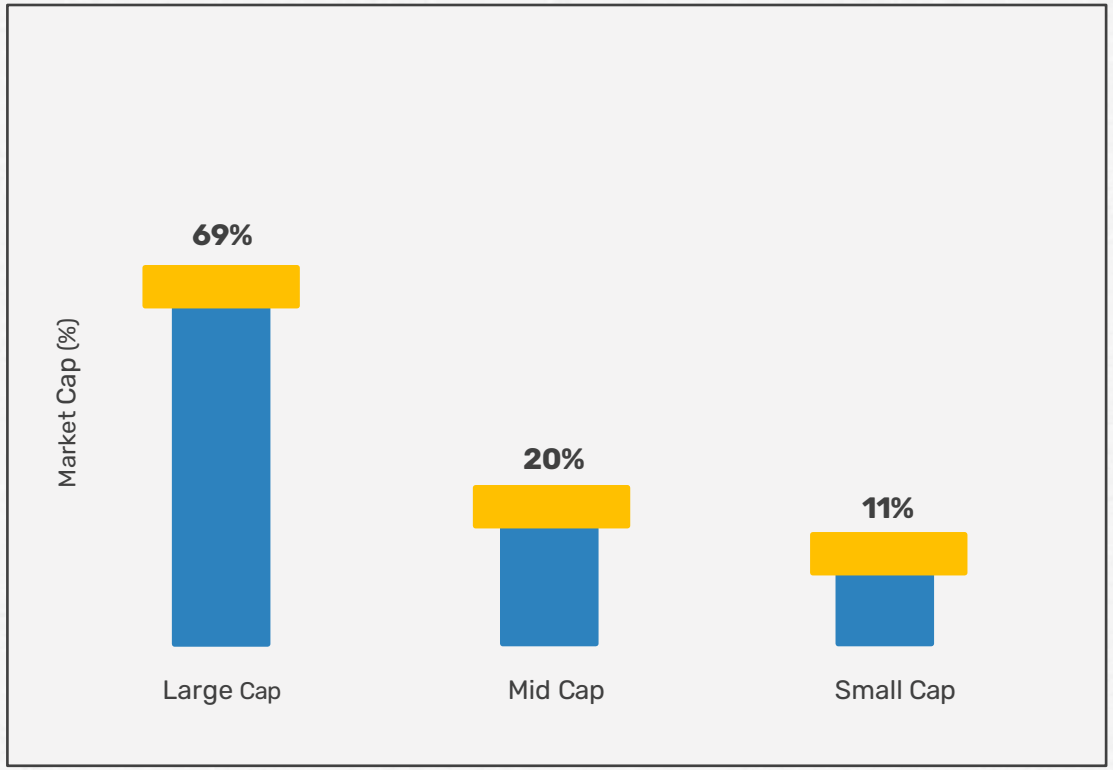
Small Cap Consists of 251st Company and below by Market Cap

- Untapped growth potential in niche markets.
- Agile and innovative business strategies.
- Higher volatility and associated risks.
- Opportunities for exponential returns.

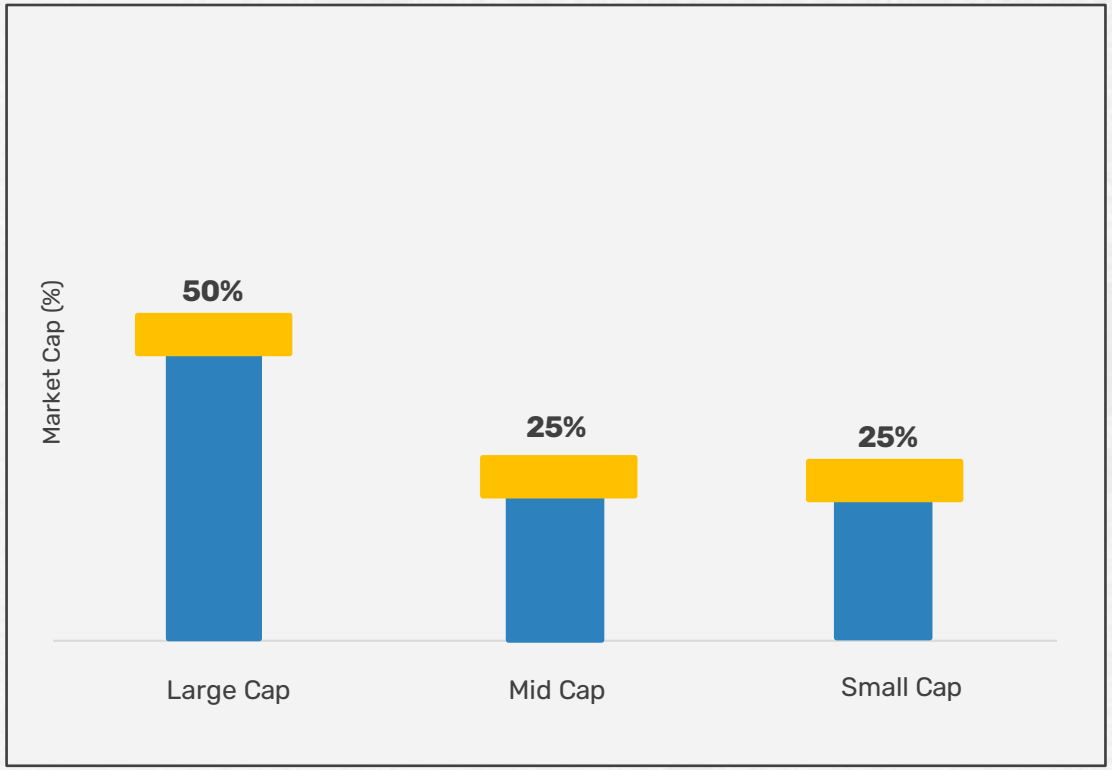

100 Years
BAJAJ
BAJAJ
MUTUAL
FUND
Big companies have small beginnings. If you invest at the right time, you can enjoy extraordinary growth.
Peter Lynch
BAJAJ ASSET MANAGEMENT LIMITED (FORMERLY KNOWN AS BAJAJ FINSERV ASSET MANAGEMENT LIMITED)

Multi Cap Index vs Broader Market Index

Nifty 500 Index



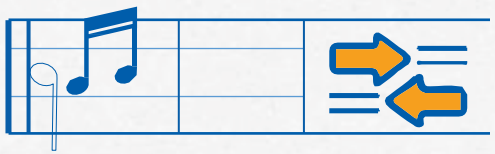
Nifty 500 Multicap 50:25:25 Index



A balanced combination of large, mid and small cap companies offers investors a diversified and growth-oriented approach to portfolio construction.

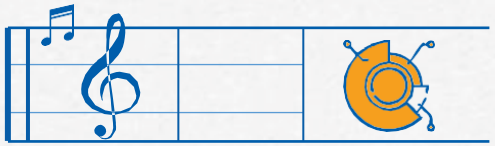
Source: AMFI, NSE Indices, Internal Analysis. Data as on October 31, 2026.

Why Contrarian strategy in Multi Cap Fund



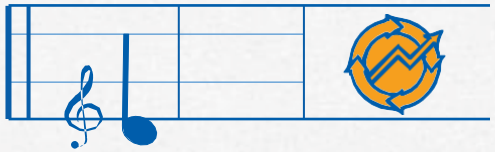
Covers Diverse Contrarian Themes

A Multi Cap Fund employing a contrarian strategy can capitalize on themes like the business cycle, special situations, turnarounds, and undervalued stocks, ensuring a holistic and diversified approach to investing.



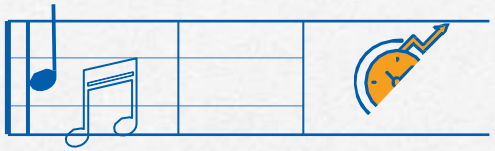
Rule-Based Allocation

The SEBI-mandated 25% allocation across Large, Mid, and Small caps will ensure a disciplined framework, providing equal opportunities to discover contrarian ideas across all market cap segments.



Maximizes Market Cycles

The Multi Cap structure in a Fund will ensure the flexibility to align with evolving market dynamics, whether it's undervalued large caps in a downturn or high-growth small caps during a recovery.



Supports Long-Term Growth

The ability to mix contrarian insights with disciplined exposure across market caps positions a Multi Cap Fund to deliver healthy long-term returns, leveraging underpriced opportunities others may overlook.



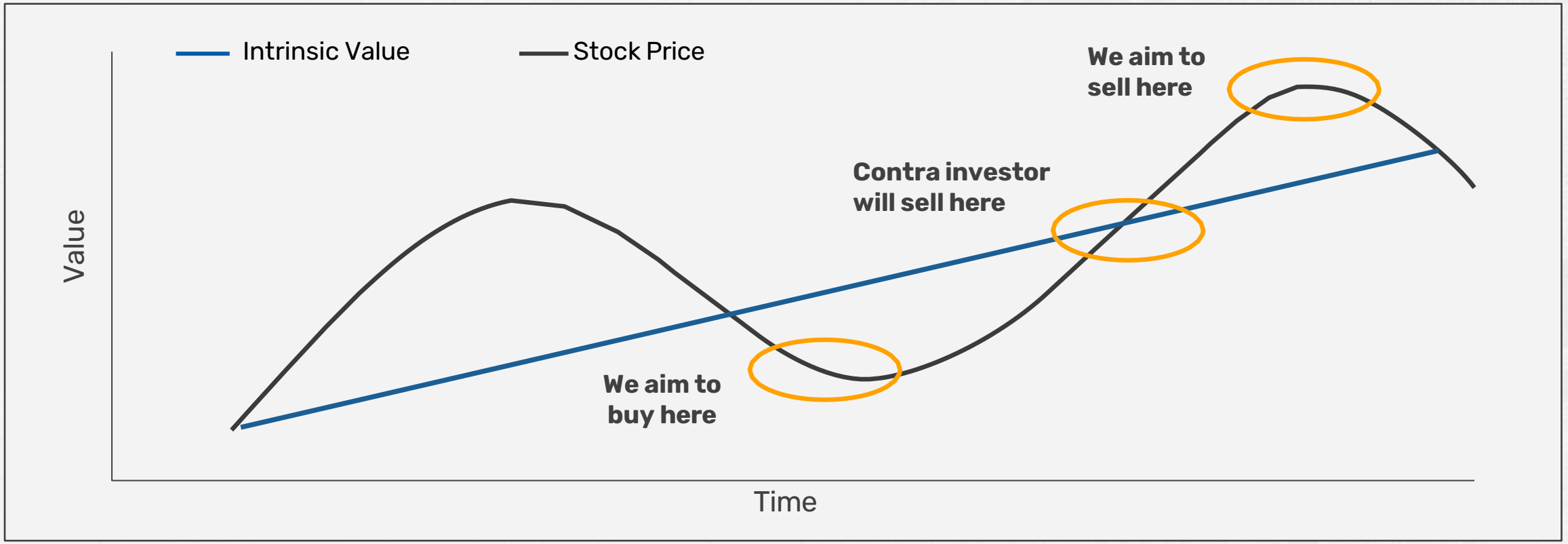
Introducing

Bajaj Finserv Multi Cap Fund

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

BAJAJ ASSET MANAGEMENT LIMITED (FORMERLY KNOWN AS BAJAJ FINSERV ASSET MANAGEMENT LIMITED)

Contrarian Investing in Bajaj Finserv Multi Cap Fund



Captures Full Upside Potential: Unlike pure contra funds that exit stocks upon reaching intrinsic value, Bajaj Finserv Multi Cap Fund will allow for sustained exposure, enabling the portfolio to ride the full growth wave.

The slide is illustrative to explain how the AMC intends to pursue contrarian investment strategy in Bajaj Finserv Multi Cap Fund. There is no assurance or guarantee that the AMC will accomplish this with every investment that is undertaken in this scheme. Investors are requested to consult with their financial advisors before investing in this scheme

Investment Focus Areas

Business Cycle
Investing in sectors and companies that are positioned to benefit from cyclical economic upturns.

Turnaround Stories
Identifying companies on the path to recovery through operational improvements or strategic initiatives.

Management Transition
Backing companies undergoing leadership changes that drive better corporate governance and performance.

Balance Sheet Deleveraging
Targeting firms reducing debt levels, leading to stronger financial health and potential re-rating.

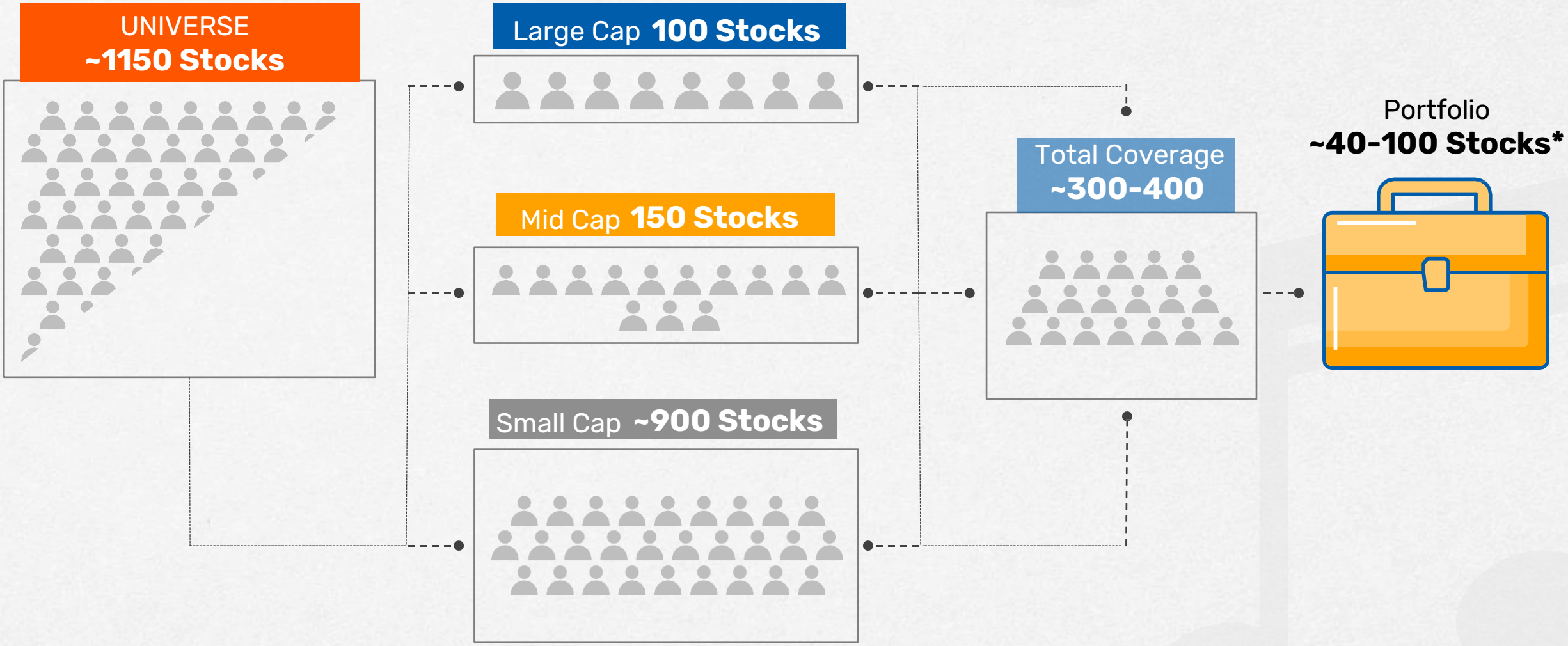
Underappreciated Growth Opportunities
Uncovering hidden growth drivers that the market has not yet fully priced in.

Business Restructuring
Investing in companies undergoing significant restructuring for enhanced efficiency and profitability.

Commodity Cycle
Leveraging cyclical movements in commodity prices to benefit from demand-supply imbalances.

Temporary Business Disruptions
Seizing opportunities in fundamentally strong businesses temporarily impacted by external factors.

Portfolio Creation Process



*The portfolio count is indicative in nature and is subject to change basis conditions.

Stock Exit Process

When do we plan to sell?

The fund will exit a stock under the following circumstances



After benefiting from an upside driven by positive news, the fund will exit once the market has fully priced in the news.



If the initial catalyst for value realization becomes unclear or is indefinitely delayed.



When a suitable investment opportunity with greater potential upside emerges in the market.



Pre-commitment: Aligning with pre-set investment goals and exit strategies defined at entry.

Why invest in Bajaj Finserv Multi Cap Fund?

Benefit of contrarian strategy by investing in undervalued companies

Capitalizes on market sentiment and behavior biases, identifying unique growth opportunities

Disciplined diversification across market caps and sectors

Aim to capture growth across all market segments

Who should invest in the Fund?

Investors aiming to invest in undervalued opportunities, capitalizing on earnings growth and valuation multiple re-rating



Investors with a horizon of 5+ years to realise the full potential of contrarian opportunities

Investors looking for sound investment opportunities in times of volatility

Investors looking for one stop solution with disciplined exposure to large cap, mid cap and small cap segments

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

Portfolio

Company	% of NAV
HDFC Bank Limited	9.54%
Bharti Airtel Limited	5.11%
Eternal Limited	4.14%
Schaeffler India Limited	2.84%
Axis Bank Limited	2.76%
The Federal Bank Limited	2.71%
GlaxoSmithKline Pharmaceuticals Limited	2.25%
Zydus Wellness Limited	2.24%
K.P.R. Mill Limited	2.24%
ICICI Bank Limited	2.22%
Larsen & Toubro Limited	2.20%
Sona BLW Precision Forgings Limited	2.20%
Reliance Industries Limited	2.16%
SBI Funds Management Limited	2.07%
DLF Limited	2.00%
Bajaj Auto Limited	1.90%
Sterlite Technologies Limited	1.85%
Vedanta Aluminium Metal Limited	1.85%
RBL Bank Limited	1.83%
Max Financial Services Limited	1.78%
Steel Authority of India Limited	1.76%
Aurobindo Pharma Limited	1.74%

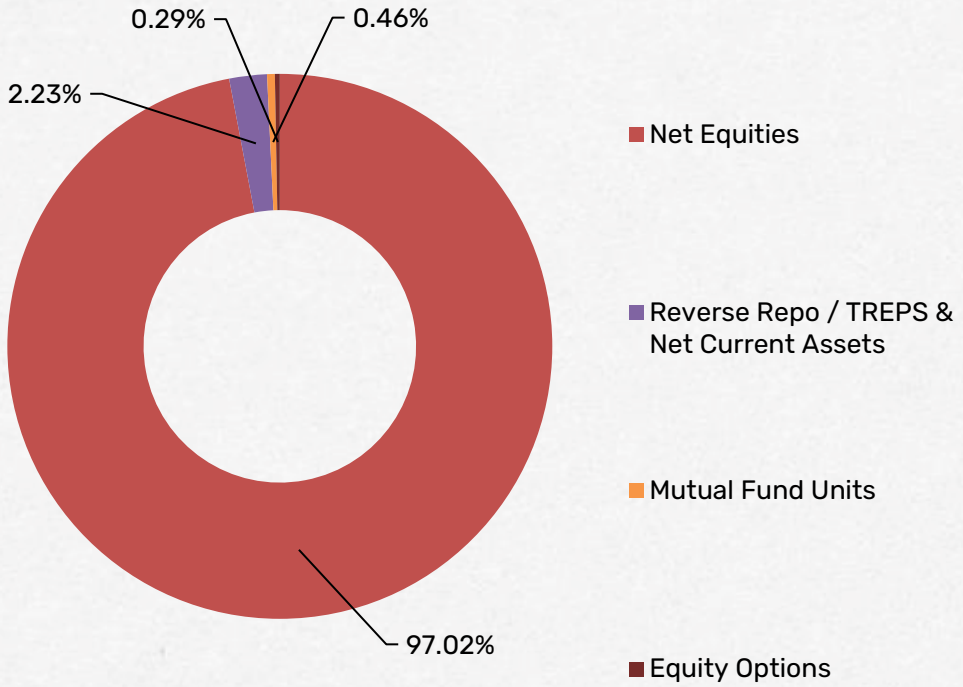
Company	% of NAV
UltraTech Cement Limited	1.52%
Kalpataru Projects International Limited	1.51%
Tata Steel Limited	1.51%
Rentomojo Limited	1.33%
Neuland Laboratories Limited	1.21%
HEG Graphite Ltd	1.17%
Vodafone Idea Limited	1.11%
ITC Hotels Limited	1.08%
Prestige Estates Projects Limited	1.04%
BSE Limited	1.01%
Balrampur Chini Mills Limited	1.00%
EID Parry India Limited	0.94%
National Aluminium Company Limited	0.94%
Trent Limited	0.93%
Titan Company Limited	0.93%
JK Cement Limited	0.92%
Meesho Ltd	0.92%
Exide Industries Limited	0.86%
Devyani International Limited	0.86%
KNR Constructions Limited	0.84%
LG Electronics India Ltd	0.84%
Westlife Foodworld Limited	0.80%

Company	% of NAV
Billionbrains Garage Ventures Ltd	0.79%
Page Industries Limited	0.79%
Dixon Technologies (India) Limited	0.75%
FSN E-Commerce Ventures Limited	0.74%
RHI Magnesita India Limited	0.72%
Hindustan Copper Limited	0.69%
Bharat Dynamics Limited	0.68%
Nitin Spinners Limited	0.66%
Vardhman Textiles Limited	0.63%
Redington Limited	0.61%
Cartrade Tech Limited	0.59%
Angel One Limited	0.56%
National Stock Exchange Of India Ltd	0.51%
Voltamp Transformers Limited	0.50%
The Ramco Cements Limited	0.48%
Tata Chemicals Limited	0.47%
Sundaram Finance Limited	0.45%
Multi Commodity Exchange of India Limited	0.40%
Garware Technical Fibres Limited	0.39%
Swiggy Limited	0.38%
Hindustan Zinc Limited	0.38%
Hyundai Motor India Ltd	0.33%

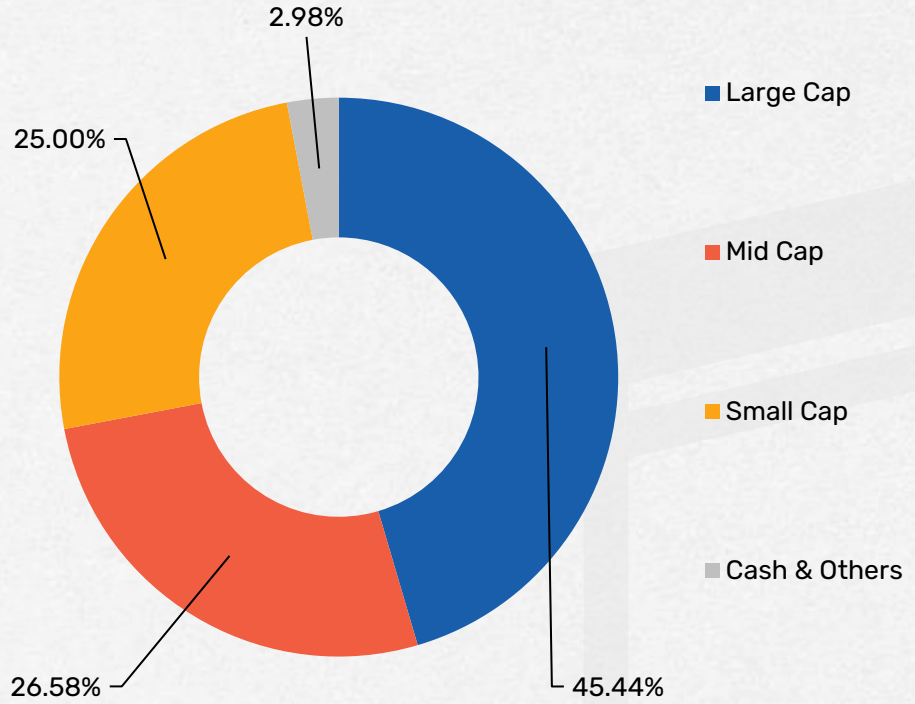
Company	% of NAV
Housing & Urban Development Corporation Limited	0.26%
TVS Motor Company Limited	0.26%
Lenskart Solutions Limited	0.23%
Asian Paints Limited	0.21%
Amber Enterprises India Limited	0.20%
Ingersoll Rand (India) Limited	0.19%
JSW Infrastructure Ltd	0.19%
Niva Bupa Health Insurance Company Limited	0.12%
Elantas Beck India Limited	0.08%
Tenneco Clean Air India Limited	0.08%
Procter & Gamble Health Limited	0.04%
Equity	**97.02%**
Bajaj Finserv Mutual Fund	0.46%
Mutual Fund Units	**0.46%**
NIFTY	0.23%
Bank Nifty Index	0.06%
Equity Options	**0.29%**
Reverse Repo / TREPS	**0.60%**
Cash & Cash Equivalent	**1.63%**
Grand Total	**100.00%**

Bajaj Finserv Multi Cap Fund - Allocation

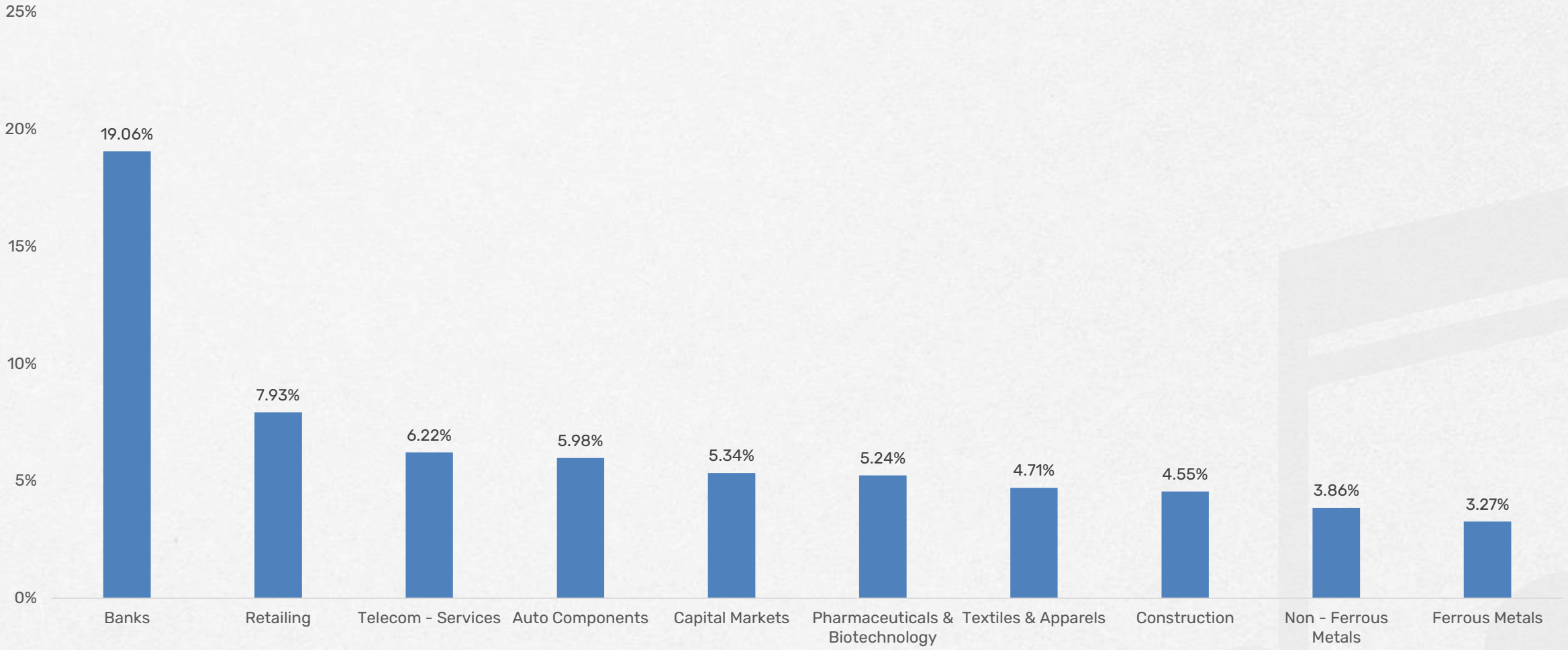
Asset Allocation



Market Cap Breakup



Bajaj Finserv Multi Cap Fund – Industry Allocation (Top 10)



Scheme Features

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

Plans: Regular Plan | Direct Plan

Option: Growth | IDCW

Minimum Application Amount: Rs. 500 (Plus multiples of Re.1)

Minimum Additional Application: Rs. 100 (Plus multiples of Re.1)

Entry Load: Nil

Exit Load: If units are redeemed/switched out within 6 months from allotment date:

- Upto 10% of units held: Nil
- any redemption / switch-out of units in excess of 10% of units allotted - 1% of applicable NAV.
- If units redeemed/switched out after 6 months from allotment date: Nil

Exit load is applicable for each purchase of units through Lumpsum / switch-in / Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP).

Fund Manager: Equity Portion: Mr. Nimesh Chandan & Mr. Sorbh Gupta; Debt Portion: Mr. Siddharth Chaudhary

Benchmark Index: Nifty 500 Multicap 50:25:25 TRI

SIP/ SWP/ STP: Available

NAV in Rs.: Regular-Growth: 11.4400 | Direct-Growth: 11.7340

AUM in Rs. Cr.: 1,629.30

BER*: Regular: 1.80% Direct: 0.57%

*To know theTotal Expense Ratio (TER), please visit https://www.bajajamc.com/downloads?ter=

Bajaj Finserv Multi Cap Fund

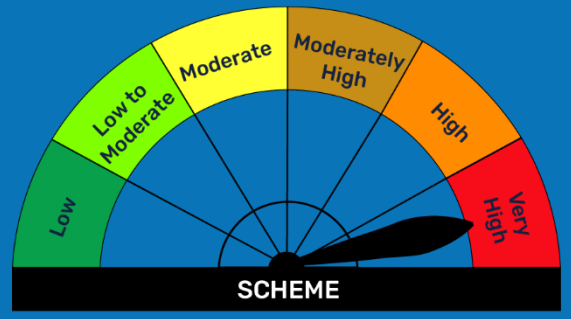
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

This product is suitable for investors who are seeking*:

- Wealth creation over long term
- To invest predominantly in equity and equity related instruments of large cap, mid cap, small cap companies

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

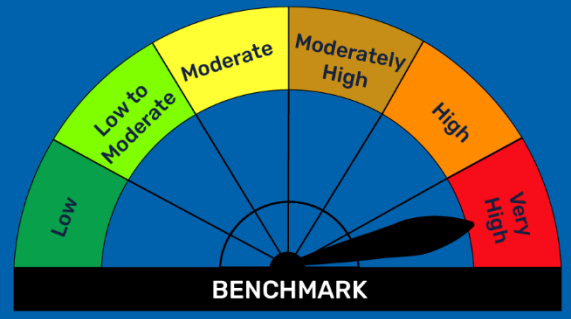
SCHEME



The risk of the scheme is very high

RISKOMETER

BENCHMARK



The risk of the benchmark i.e.
Nifty 500 Multicap 50:25:25 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 Mutual Fund Trustee Limited (formerly Bajaj Finserv Mutual Fund Trustee Limited) / Bajaj Asset Management Limited (Formerly known as 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.