



**BAJAJ FINSERV ASSET MANAGEMENT LIMITED**

# **BAJAJ FINSERV MULTI CAP FUND**

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

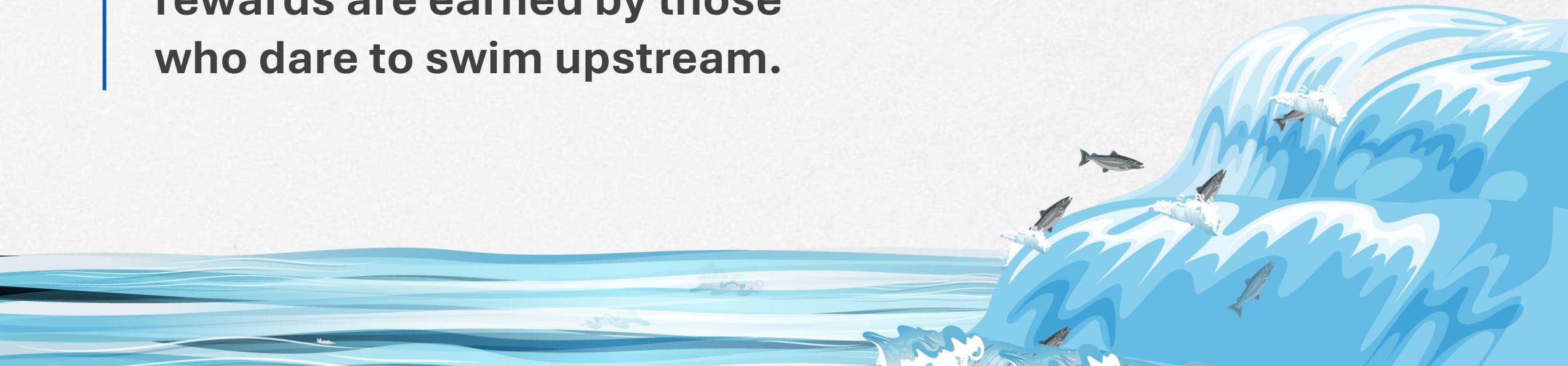
**Every cap has its moment—don't miss out on any**

March 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.

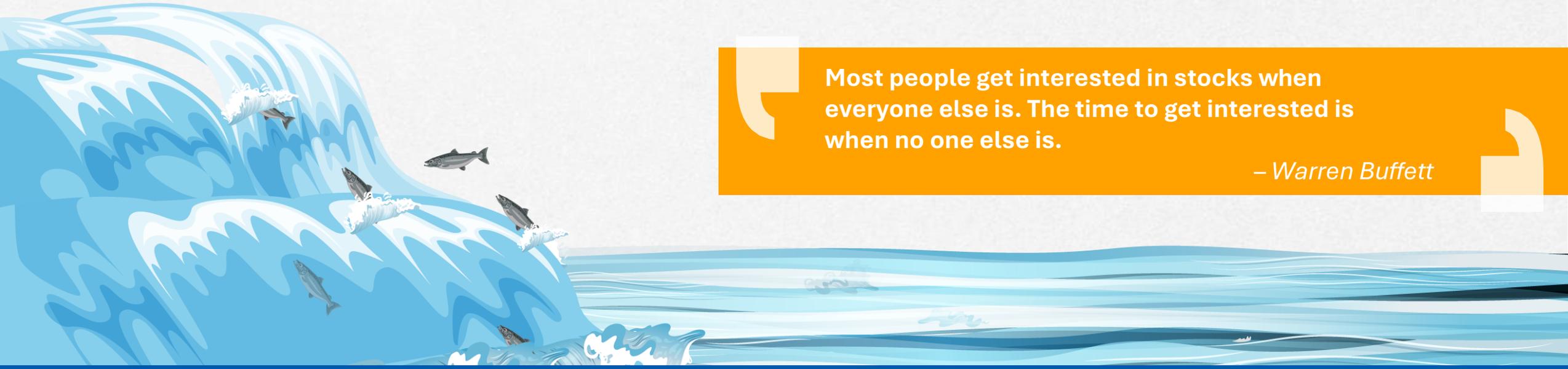
**The salmon reminds us: true rewards are earned by those who dare to swim upstream.**



# 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

## 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.

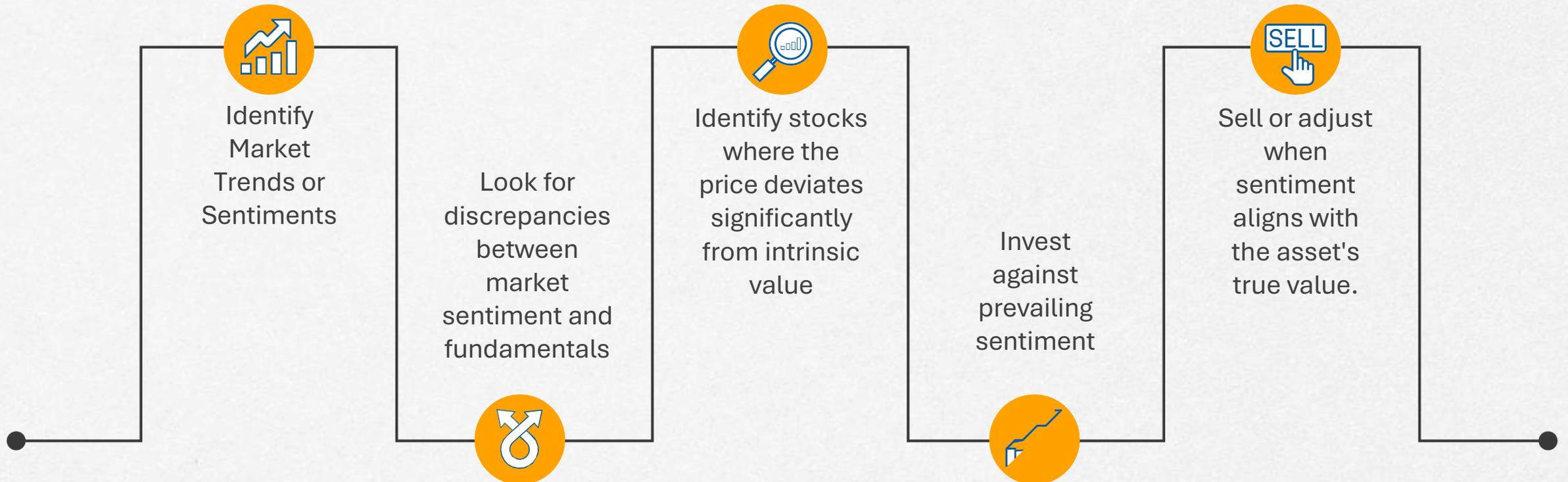
## Warren Buffett: Master of Contrarian Moves

- 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?



Going against the crowd often leads to untapped market opportunities

## Overreaction

Excessive optimism (overvalued) or excessive pessimism (undervalued).

During excessive pessimism driving prices below intrinsic value.

During excessive optimism pushing prices significantly above intrinsic value.

Exploit mispriced assets caused by emotion-driven market behavior.

Panic-driven sell-offs, recession fears, regulatory setbacks.

### Market Sentiment

### When to Buy

### When to Sell

### Objective

### Examples of Buy Triggers

## Underreaction

Lack of adequate response to positive or negative developments.

When positive fundamentals or structural growth are underappreciated.

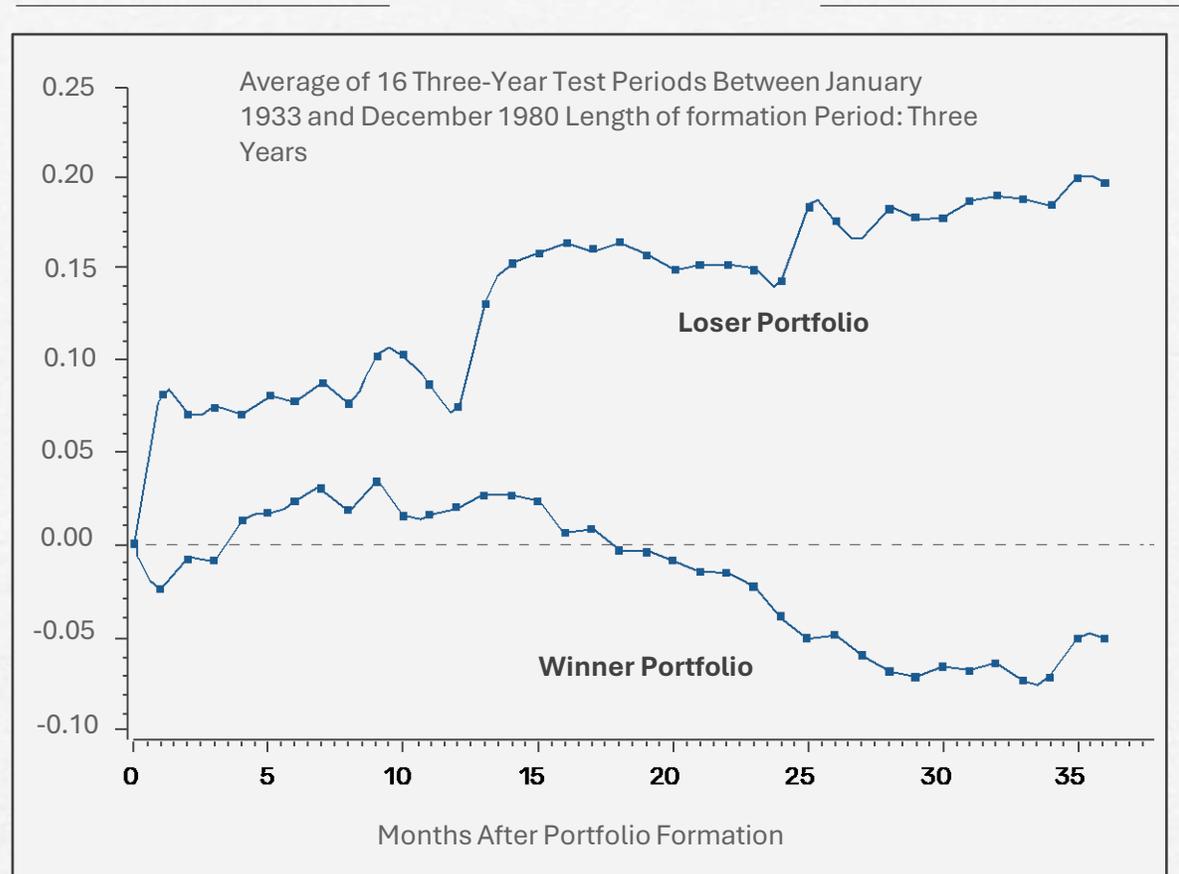
When negative developments are underpriced, and further downside is likely.

Capture hidden value before the market fully realizes the opportunity.

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**

- Present Value of Future Cash Flows



**Book Value**

- Net worth of the company adjusted for intangibles/ amortization



**Earnings Yield**

- Inverse of Price Earnings ratio ( $100/P/E$ )



**Replacement Value**

- Current cost to build or replace an asset



**Free Cash Flow Yield**

- Cash flow after working capital changes and capital investment



**The greatest opportunities lay in investments that others ignore or dismiss due to behavioral biases.**



**- Howard Marks**

# 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.



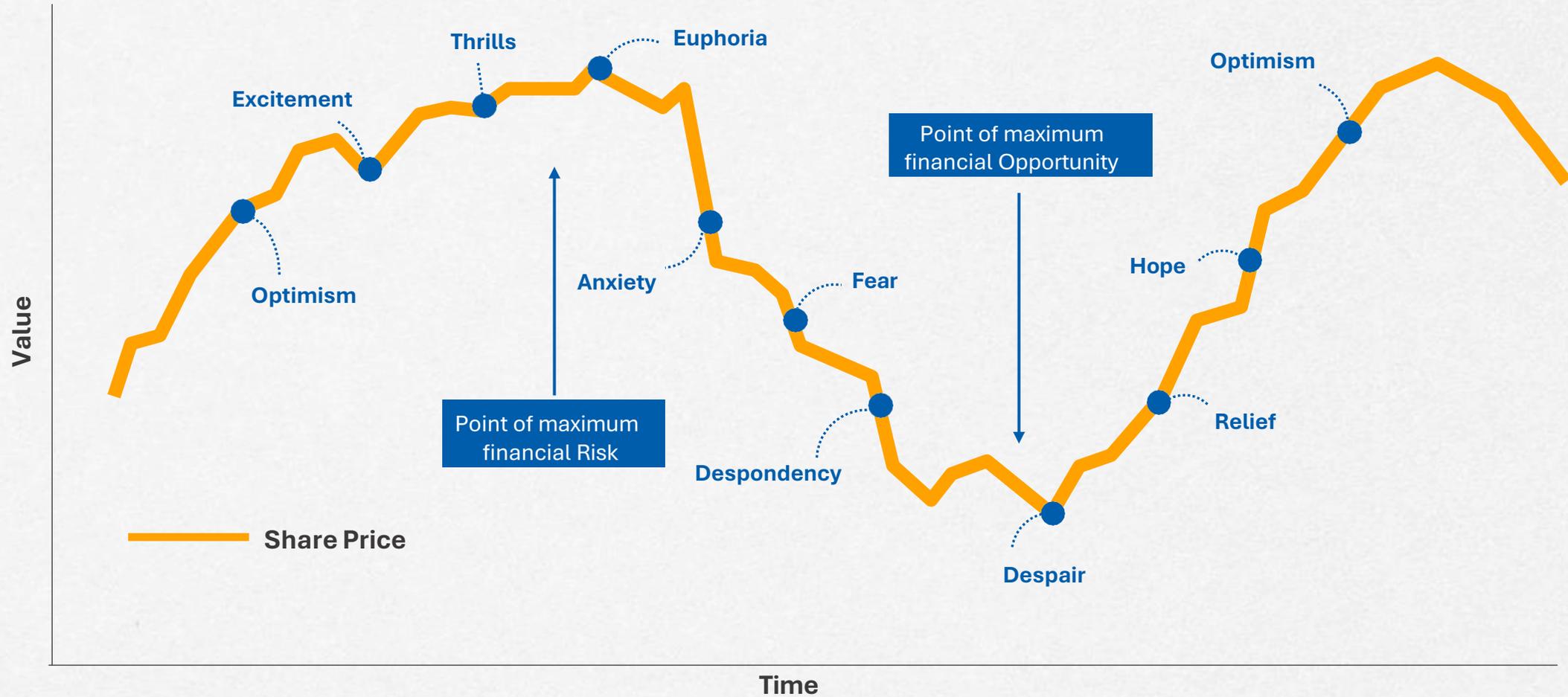
## Loss Aversion Bias

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



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 Top 500 companies

Sectors (No. of Companies)	Large Cap	Mid Cap	Small Cap
Consumer Discretionary (100)	18%	26%	56%
Financial Services (95)	22%	37%	39%
Industrials (76)	13%	24%	63%
Commodities (55)	20%	29%	51%
Healthcare (52)	13%	27%	60%
Fast Moving Consumer Goods (30)	23%	30%	47%
Information Technology (28)	21%	21%	57%
Energy (19)	32%	21%	47%
Utilities (18)	33%	28%	39%
Services (14)	14%	21%	64%
Telecommunication (10)	10%	40%	50%
Diversified (3)	0%	67%	33%

Source: Nifty Indices; Data as on 30 January 26

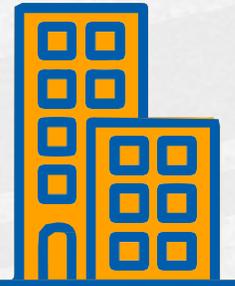
### Large Cap Opportunities:

Large caps in sectors like Utilities (33%) and Energy (32%) provide a strong foundation for potential steady returns



### Mid Cap Growth Potential:

Mid caps in sectors such as Telecommunication (40%) and FMCG (30%) strike a balance between stability and expansion



### Small Cap Dynamism:

Small caps dominate sectors like services (64%) and Industrials (63%), offering high growth potential





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

## Why Multi Cap Funds Invest across Market Cap

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 251<sup>st</sup> 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.



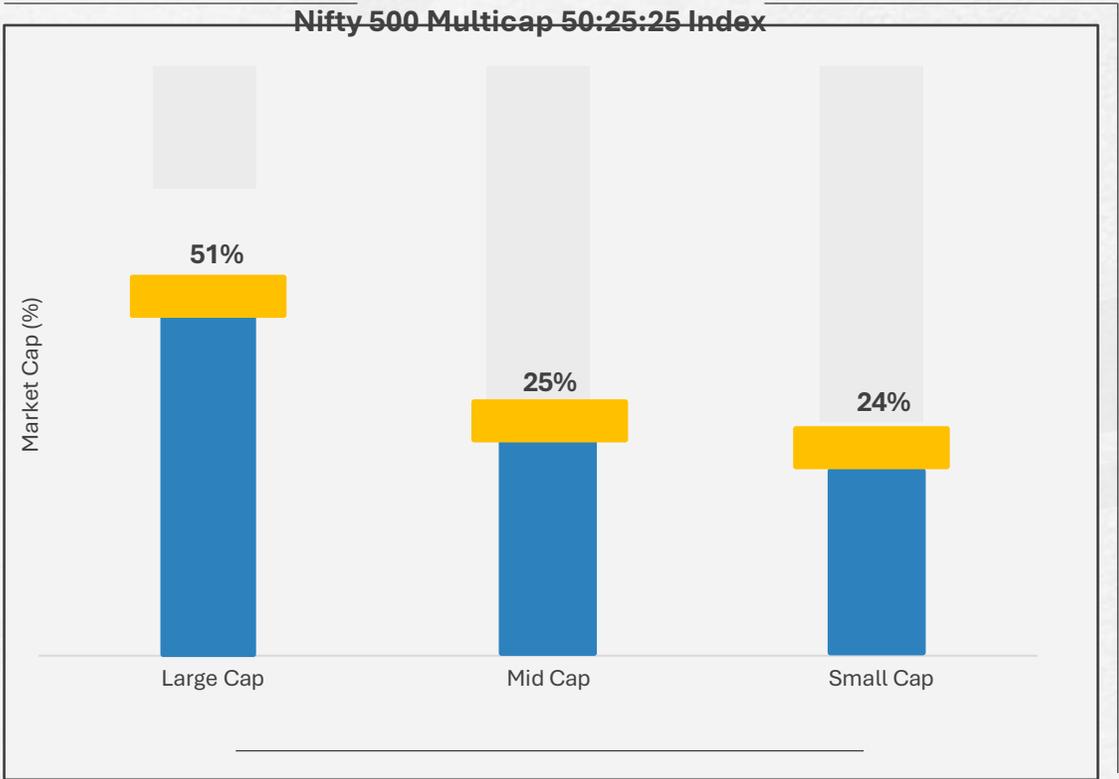
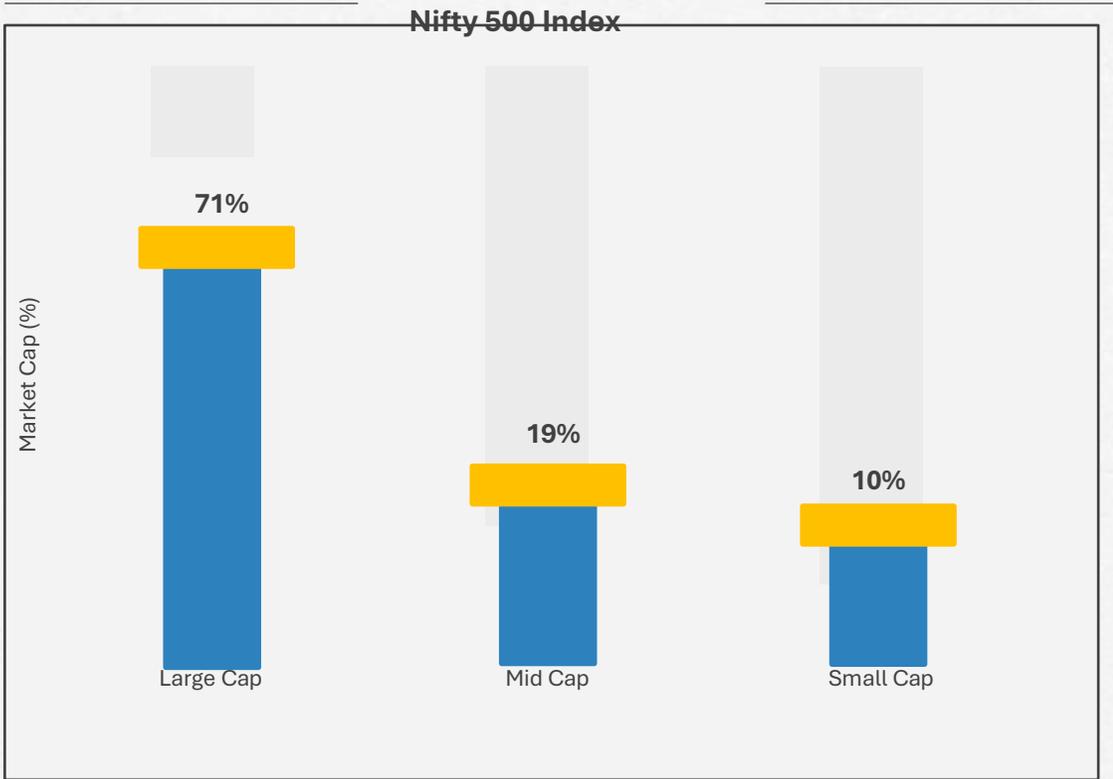
A large white double quote icon.

**Big companies have small beginnings. If you invest at the right time, you can enjoy extraordinary growth.**

A large white double quote icon.

**Peter Lynch**

# Multi Cap Index vs Broader Market Index



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

Source: ICRA MFI & Internal Analysis, As on January 30th 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.



## Superior 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.

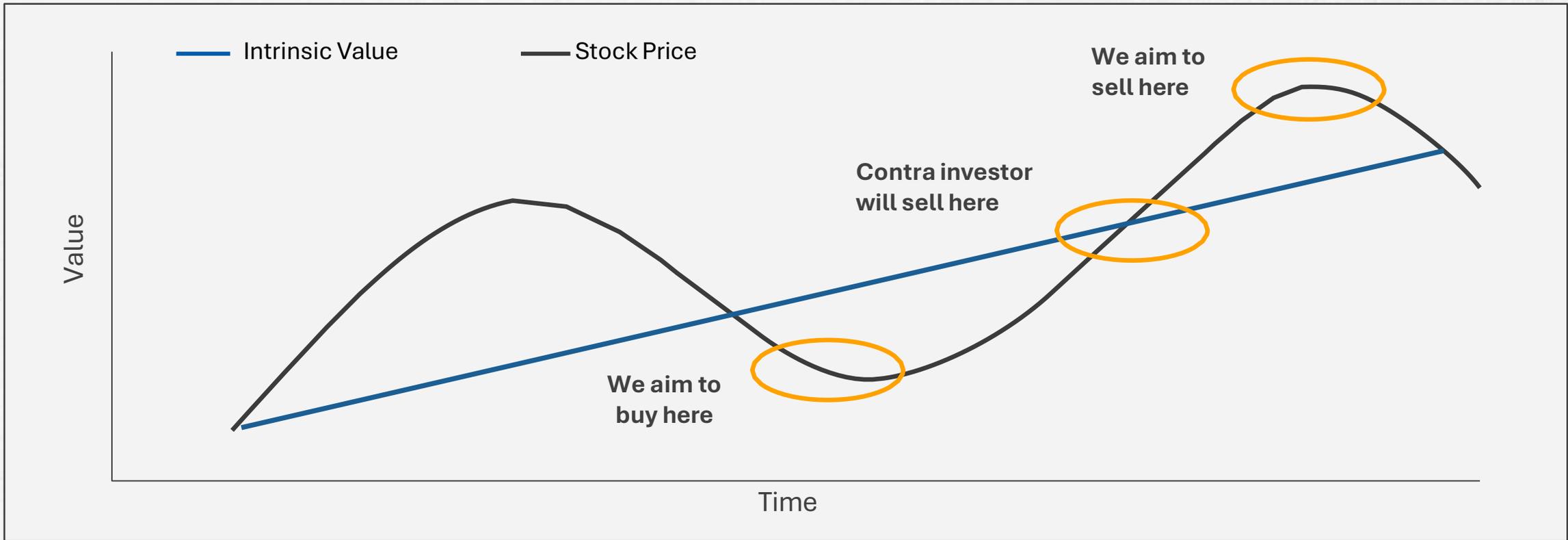


# Introducing Bajaj Finserv Multi Cap Fund

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



# 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.



## Management Transition

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



## Underappreciated Growth Opportunities

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



## Commodity Cycle

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



## Turnaround Stories

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



## Balance Sheet Deleveraging

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



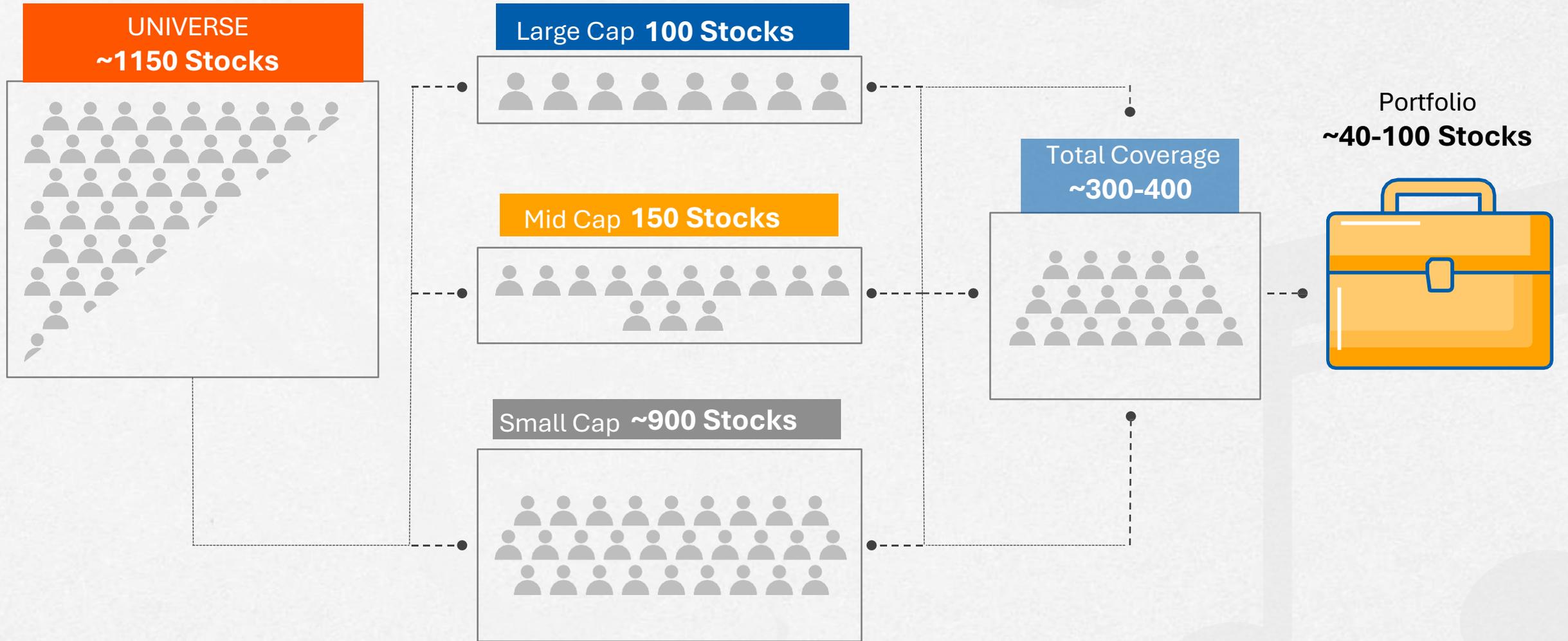
## Business Restructuring

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



## Temporary Business Disruptions

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





# 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.

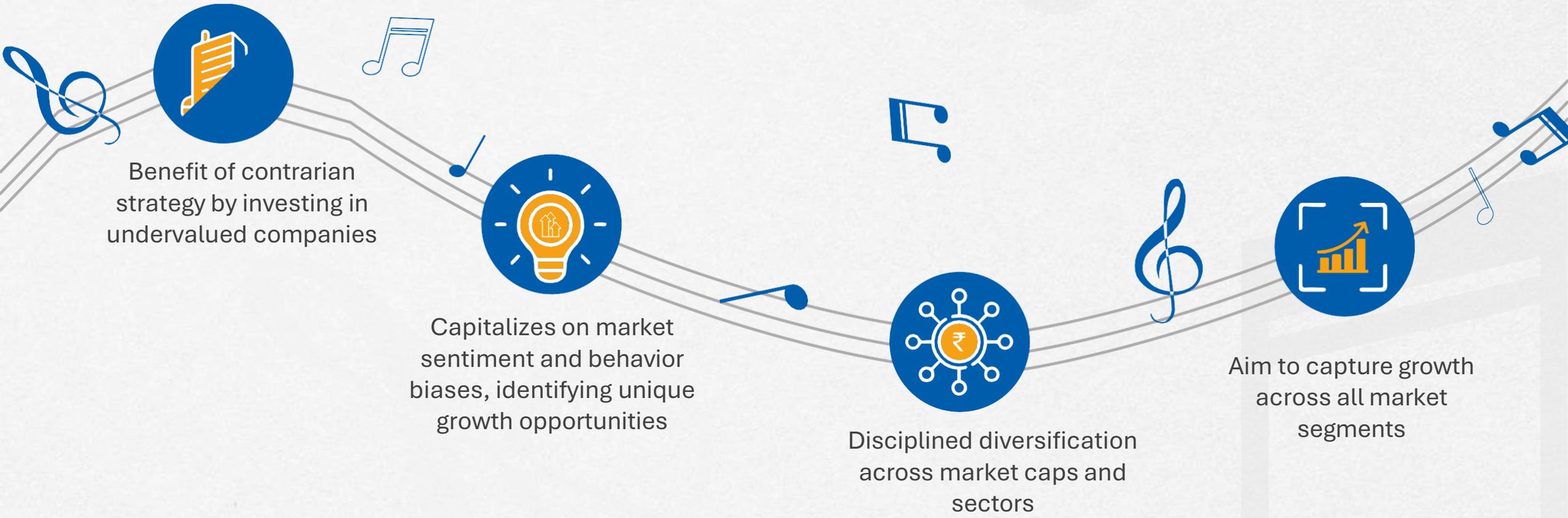


When a superior investment opportunity with greater potential upside emerges in the market.



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

# Why invest in Bajaj Finserv Multi Cap Fund?





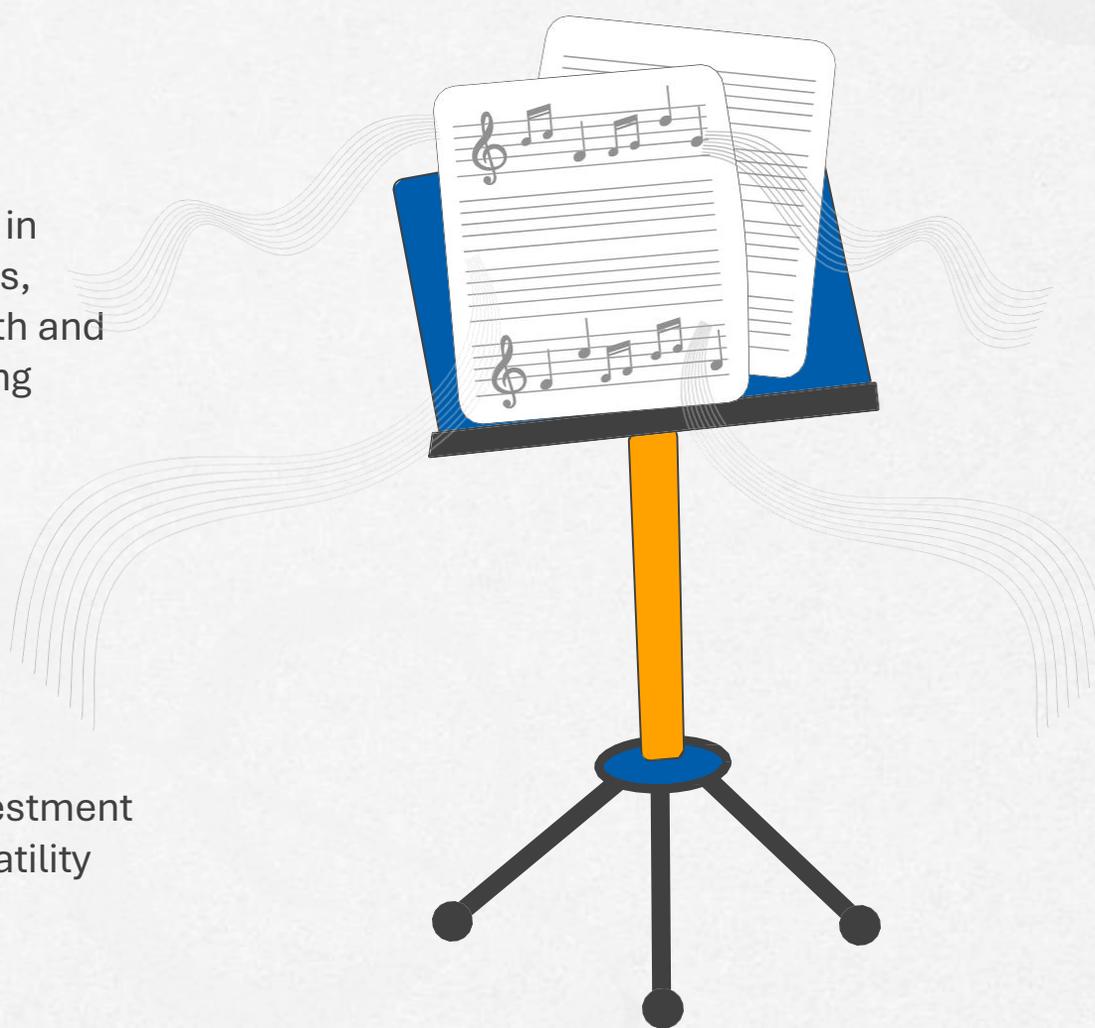
# Who should invest in the Fund?




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



Investors looking for sound investment opportunities in times of volatility



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



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

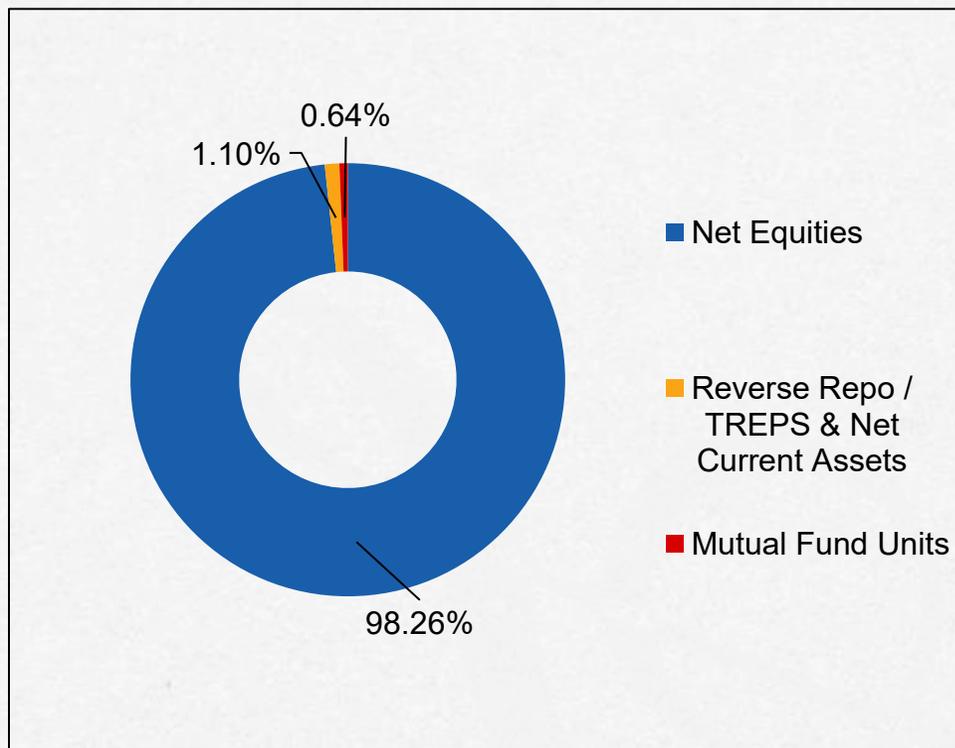


Stock	Market Value as % of Net Asset (Eq)
HDFC Bank Limited	6.10%
Larsen & Toubro Limited	5.19%
Schaeffler India Limited	4.09%
Vedanta Limited	3.89%
The Federal Bank Limited	3.68%
Axis Bank Limited	3.16%
Tata Steel Limited	2.70%
Steel Authority of India Limited	2.58%
UltraTech Cement Limited	2.46%
Asian Paints Limited	2.29%
Dalmia Bharat Limited	2.12%
HEG Limited	2.11%
ICICI Bank Limited	2.11%
Eternal Limited	2.07%
Bajaj Auto Limited	2.05%
Neuland Laboratories Limited	1.91%
Max Financial Services Limited	1.80%
Ambuja Cements Limited	1.75%
MTAR Technologies Limited	1.71%
Aurobindo Pharma Limited	1.69%
Infosys Limited	1.69%
Manappuram Finance Limited	1.65%
KNR Constructions Limited	1.60%
GlaxoSmithKline Pharmaceuticals Limited	1.58%
Navin Fluorine International Limited	1.58%
JK Cement Limited	1.54%
Hindustan Unilever Limited	1.50%
SRF Limited	1.45%
K.P.R. Mill Limited	1.43%
Devyani International Limited	1.28%
Apollo Hospitals Enterprise Limited	1.22%
Ujjivan Small Finance Bank Limited	1.18%
Astral Limited	1.12%
RBL Bank Limited	1.11%
RHI Magnesita India Limited	1.07%
CreditAccess Grameen Limited	1.03%
Prestige Estates Projects Limited	0.98%
Kansai Nerolac Paints Limited	0.97%
Reliance Industries Limited	0.96%
JK Lakshmi Cement Limited	0.87%
Zydus Wellness Limited	0.86%
IndusInd Bank Limited	0.86%
BSE Limited	0.86%
ACC Limited	0.85%
Balrampur Chini Mills Limited	0.84%
Indus Towers Limited	0.81%
Kalpataru Projects International Limited	0.80%
NTPC Limited	0.77%

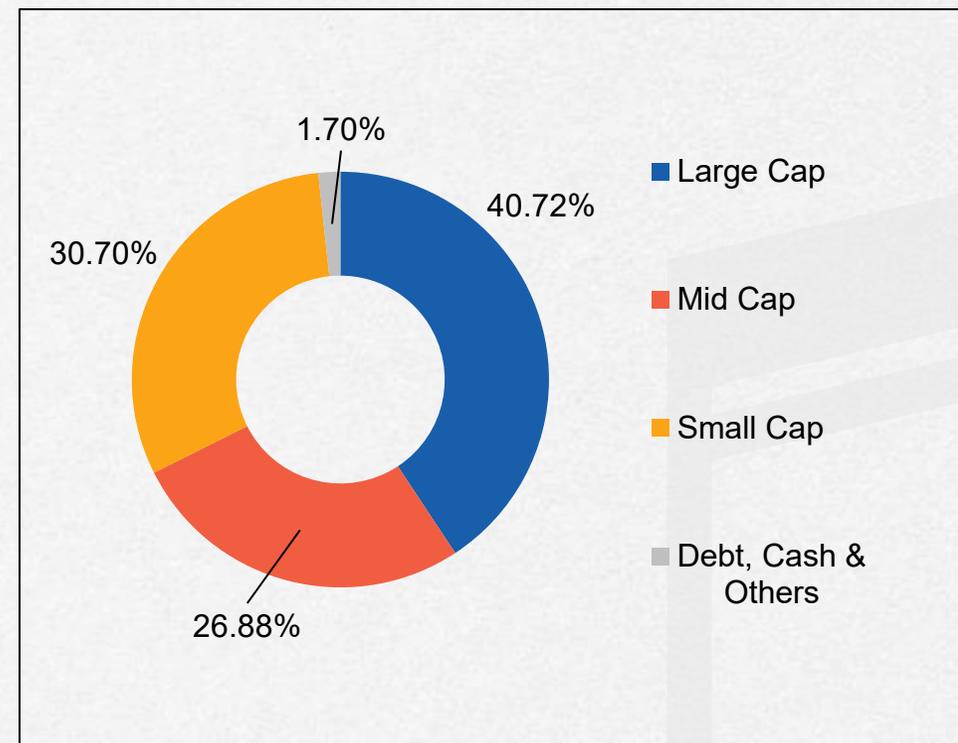
Stock	Market Value as % of Net Asset (Eq)
Motherson Sumi Wiring India Limited	0.75%
Kajaria Ceramics Limited	0.72%
Angel One Limited	0.71%
Sterlite Technologies Limited	0.62%
Century Plyboards (India) Limited	0.61%
Schneider Electric Infrastructure Limited	0.55%
Gokaldas Exports Limited	0.51%
Garware Technical Fibres Limited	0.48%
Restaurant Brands Asia Limited	0.45%
EPL Limited	0.45%
Orient Electric Limited	0.44%
La Opala RG Limited	0.40%
Grindwell Norton Limited	0.40%
Westlife Foodworld Limited	0.39%
Vardhman Textiles Limited	0.39%
Whirlpool of India Limited	0.36%
ICRA Limited	0.34%
Nitin Spinners Limited	0.33%
Mold-Tek Packaging Limited	0.32%
Vinati Organics Limited	0.29%
NHPC Limited	0.25%
Sapphire Foods India Limited	0.22%
Cera Sanitaryware Limited	0.21%
Sanofi Consumer Healthcare India Limited	0.19%
<b>Total Equities/Futures</b>	<b>98.30%</b>
<b>Mutual Fund Units</b>	<b>0.62%</b>
<b>Bajaj Finserv Mutual Fund</b>	<b>0.62%</b>
<b>Reverse Repo / TREPS &amp; Net Current Assets</b>	<b>1.08%</b>
<b>Grand Total</b>	<b>100.00%</b>

# Bajaj Finserv Multi Cap Fund - Allocation

## Asset Allocation

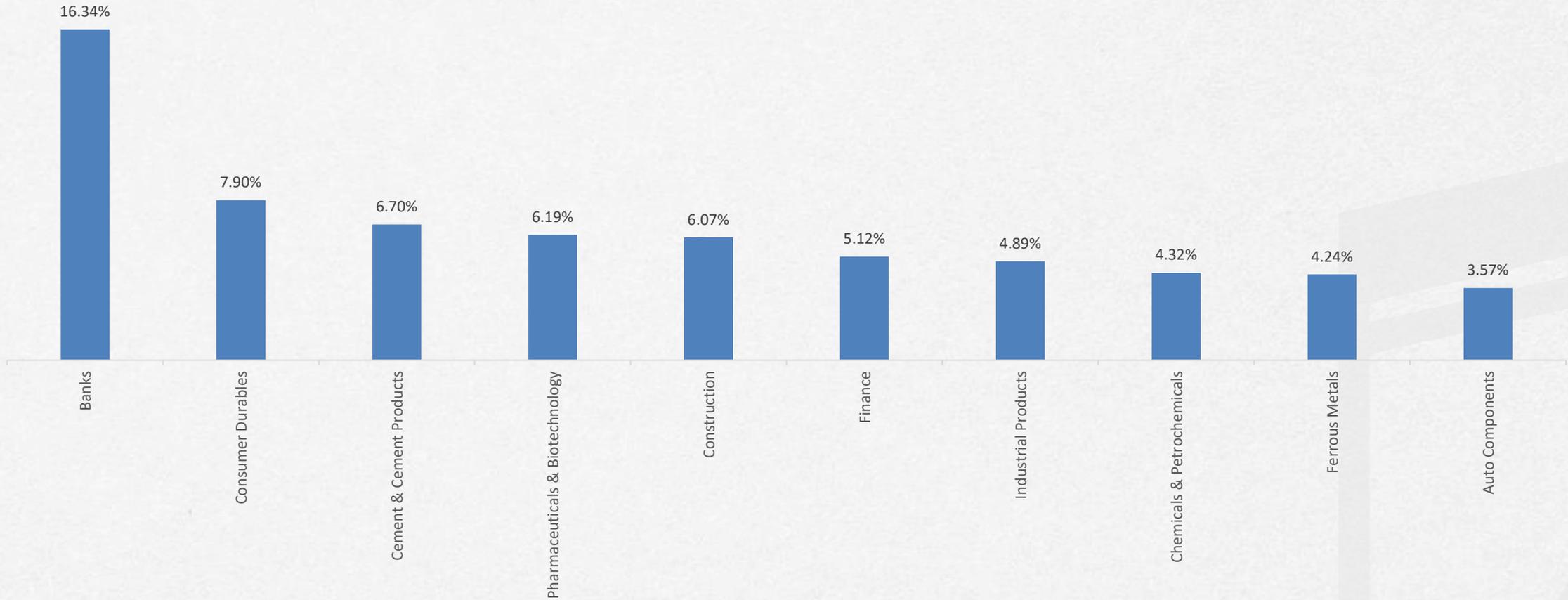


## Market Cap Breakup



Data as on 28<sup>th</sup> February 2026

# Bajaj Finserv Multi Cap Fund – Sector 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
- Remaining 90% of units held: 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: 11.2900      Direct: 11.4670

**AUM in Rs. Cr.:** 1,154.89cr

**TER:** Regular: 2.17      Direct: 0.81



# Bajaj Finserv Multi Cap Fund

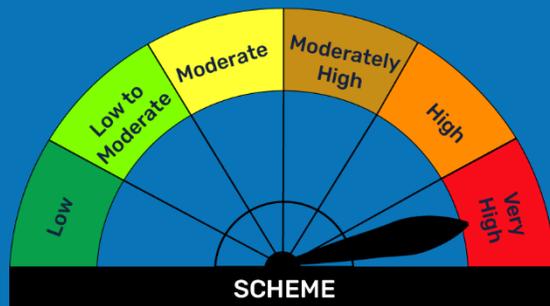
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

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.

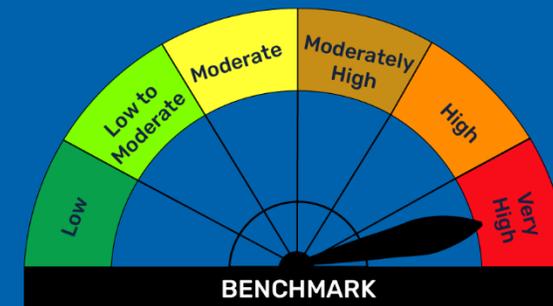
## SCHEME



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

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