

**Press release**

## **Bajaj Finserv AMC Launches Small Cap Fund with a 3-in-1 Advantage: Quality, Growth & Value**

- *The fund takes a 3-In-1 advantage towards stock selection, delivering on quality, value and growth.*
- *The fund focuses on quality companies with strong fundamentals and sustainable competitive advantages, and value opportunities in businesses trading below intrinsic worth due to temporary market mispricing.*

**Mumbai/ Pune, June 25, 2025:** Bajaj Finserv AMC announces the launch of Bajaj Finserv Small Cap Fund, an open-ended equity scheme predominantly investing in small cap stocks, that offers quality, growth and value. The fund opens for subscription on June 27, 2025, and closes on July 11, 2025.

The recent correction in small caps presents a compelling entry point for long-term investors. Even though over 80% of small-cap companies have posted strong profit growth of 38% and solid return ratios, most of them are still trading 15–45% below their 52-week highs. This recent market correction has opened up a clear gap between the true value of these companies and their current market prices.

Coupled with structural tailwinds such as the 'Make in India' push, rising formalisation, and digital transformation across sectors, small caps are well-positioned to benefit disproportionately in the next growth cycle, making this an attractive investment opportunity.

Bajaj Finserv Small Cap Fund is designed for investors aiming to build long-term wealth by investing primarily in equity and equity-related instruments of small cap companies. It goes beyond selecting quality stocks by rigorously filtering out companies with weak governance, inconsistent fundamentals, or financial red flags. This disciplined approach narrows the universe of over 1,100 small-cap stocks to a focused set of high-potential businesses. A key part of the process is our internal forensic and risk-aware analysis, which filters out companies with weak governance or financial red flags. From a universe of around 300–400 small-cap stocks, this disciplined approach narrows the selection to a portfolio of 40–100 carefully chosen businesses

**Speaking on the launch, Ganesh Mohan, Managing Director, Bajaj Finserv AMC** says, *“The launch of Small Cap Fund reflects our deep conviction in the long-term potential of India’s dynamic small cap universe. Small caps typically exhibit higher volatility than broader indices, underscoring the importance of active management in navigating market fluctuations and identifying quality opportunities. The strategy is built around discovering high-quality companies in the early phases of growth that are positioned to outperform over time. With the recent small cap correction, the NFO is poised to take advantage of this golden opportunity, enabling investors to participate in long term wealth creation as these businesses scale and contribute meaningfully to the economy.”*

Bajaj Finserv Small Cap Fund is well-suited for those looking to benefit from the growth potential of fundamentally strong businesses that are currently trading below their intrinsic value. It also appeals to investors who want to diversify their portfolios by adding small-cap stocks with growth prospects. The fund is benchmarked to the BSE 250 SmallCap Index TRI.

**Nimesh Chandan, Chief Investment Officer, Bajaj Finserv AMC** adds, "Our new small cap fund will be a portfolio of quality businesses with scalability that trade below their intrinsic value. Many industries and subsectors are available exclusively in the small cap category. In essence, there are opportunities to pick up leaders in emerging businesses and challengers in others from this small cap space. The NSE small cap 250 Index is almost flat year on year. However, many companies generated strong profit growth last year. This allows us to invest in those small cap companies at valuations lower than last year after this time correction."

Bajaj Finserv AMC has demonstrated proven expertise in managing small-cap investments, with exposure to 78 unique small cap stocks across three differentiated strategies—Growth (Megatrends), Quality (Moat Investing), and Value (Contrarian). Reflecting its conviction in the segment, the AMC has increased its strategic allocation to small caps across its portfolios. Notably, the small cap allocation in the Bajaj Finserv Flexi Cap Fund rose from 21.8% in January 2025 to 26% in May 2025, while in the Bajaj Finserv Large and Mid Cap Fund, the allocation increased to 9% over the same period.

The equity portion of the fund will be managed by Mr. Nimesh Chandan, CIO & Mr. Sorbh Gupta, Head - Equity, and the debt portion by Mr. Siddharth Chaudhary, Head - Fixed Income.

The minimum application amount is ₹500 (Plus multiples of Re.1), with a minimum additional application of ₹100 (Plus multiples of Re.1). An exit load of 1% is applicable if the investment is redeemed within six months of the date of the allotment. The fund offers both Growth and IDCW (Income Distribution cum Capital Withdrawal) options.

### **BAJAJ FINSERV SMALL CAP FUND**

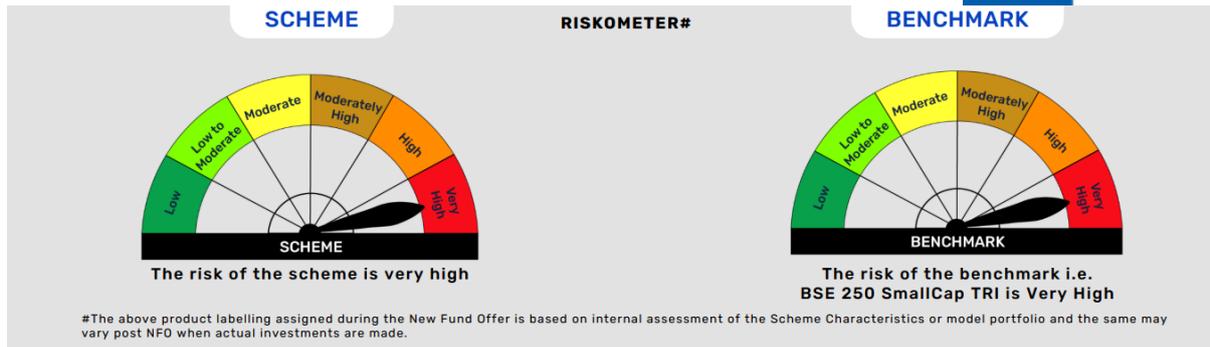
An open ended equity scheme predominantly investing in small cap stocks

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*



### Bajaj Finserv Flexi Cap Fund

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

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

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

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

### About Bajaj Finserv Asset Management Limited

Bajaj Finserv Asset Management Limited (BFAML) is a 100% subsidiary of Bajaj Finserv Limited. Backed by one of India's most respected brands, BFAML is set to offer an array of innovative investment solutions using a differentiated approach to investing, including but not limited to, mutual funds (equity, debt, hybrid), portfolio management services and alternative investment funds, subject to regulatory approval. With a future-focused investment strategy, it aims to help every Indian achieve life's financial goals.

To know more, visit [www.bajajamc.com](http://www.bajajamc.com)

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