



ASSET  
MANAGEMENT

INTRODUCING

# BAJAJ FINSERV FLEXI CAP FUND WITH MEGATRENDS STRATEGY.

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

**NFO DATE** 24<sup>th</sup> Jul – 7<sup>th</sup> Aug, 2023

**DON'T INVEST  
BY LOOKING  
AT THE PAST**



**WITH  
MEGATRENDS,  
INVEST IN  
THE FUTURE**

## About Bajaj Finserv Flexi Cap Fund



Targeted exposure



Relatively low portfolio turnover ratio



High active share



Optimal risk



High alpha potential

## Why understanding megatrends is important

Megatrends are powerful transformative forces that shift the priorities of society, change the trajectory of economies, driving innovation and redefining business models.



Long-term impact



Impact across sectors

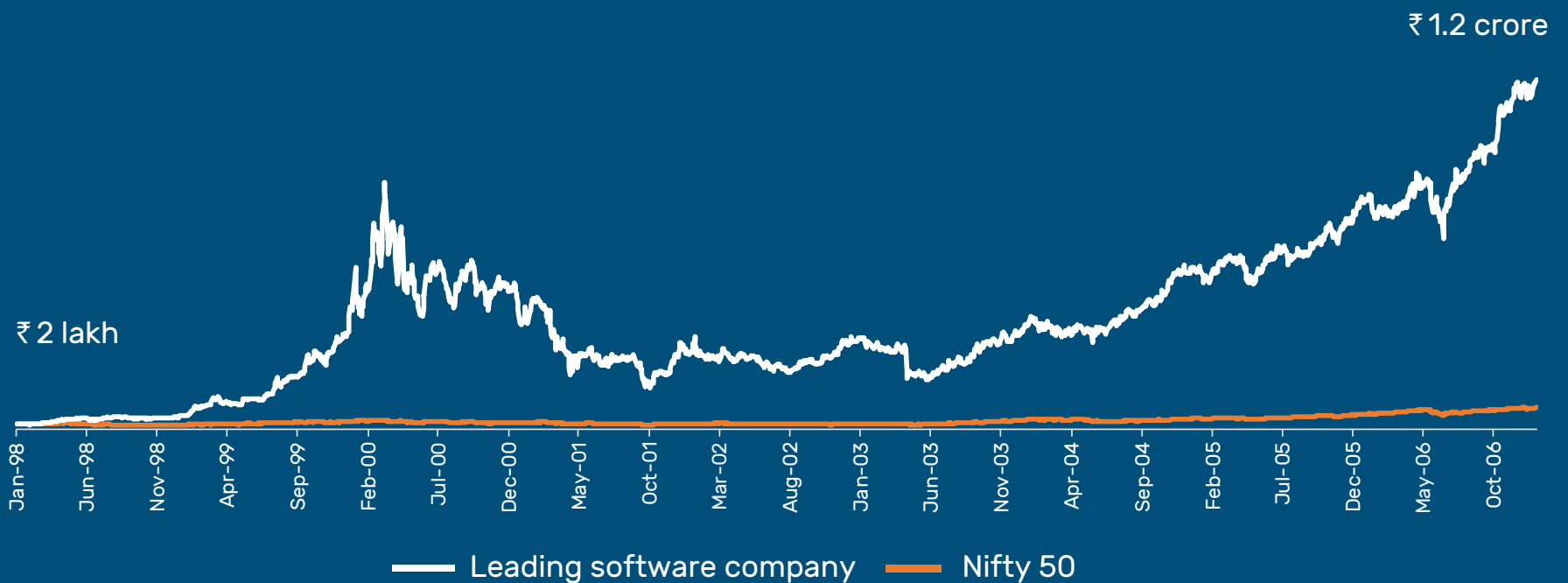


Creates opportunities & risks

### INDIA MEGATRENDS STUDY - YEAR 1998

In a span of approximately 9 years, a prominent technology company harnessed the power of digitization, outsourcing, a low-cost technical workforce and globalization to achieve an extraordinary growth of **60 times**.

**This transformation turned a modest Rs. 2 lakh investment into an impressive Rs. 1.2 crore over the same period.**



Source: Bloomberg

Past performance may not sustain in future.

## Understanding the source of megatrends



### Technology

- Digital platforms and networks
- IoT, 5G and cloud infra



### Regulatory

- Textiles
- Chemicals
- Pharmaceuticals



### Economic

- Consumer durables
- Capital goods
- Electronics



### Nature

- Sustainable agriculture
- Clean energy
- Clean mobility



### Demographic

- Diagnostics
- Discretionary goods



### Social

- Hospitality
- Consumer staples
- Real estate

## About the Bajaj Finserv Flexi Cap Fund

### INVESTMENT STRATEGIES

The investment strategy focuses on capitalizing on megatrends, structural changes, and strong tailwinds through a flexi cap allocation, targeting companies that benefit from these factors. Some of these trends are listed below:

- Digitization and technological transformation
- Resurgence of Indian manufacturing
- Infrastructure boom
- Consumerism and urbanization
- Health and wellness
- Green consciousness and sustainability focus
- Financialization

### OUR INVESTMENT PHILOSOPHY INQUBE

#### INFORMATION EDGE

- Outperform the market on superior information collection

#### QUANTITATIVE EDGE

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

#### BEHAVIORAL EDGE

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

## How does the megatrends approach translate into portfolio?

We follow our INQUBE investment philosophy to arrive at a portfolio of high growth companies, using the megatrends approach.

### TREND ASSESSMENT AND STOCK SELECTION PROCESS

We have identified the current megatrends which fulfill these three criteria:

- Monetizable
- Large scope
- Right phase of life cycle

### PORTFOLIO CONSTRUCTION PROCESS

- Using the megatrends approach as a layer on sectoral and stock selection, we have arrived at an investible universe of 240-280 companies, from a total market-cap based universe of 700 companies.
- We then use the stock selection process and tools to narrow down to a megatrend portfolio of 40-60 stocks.

## Why Bajaj Finserv Flexi Cap Fund is a different proposition

- True to the label of a flexi cap fund with high potential active share
- Rather than 'going with the flow', it invests in megatrends that 'anticipate the flow'
- Embraces long-term trends, that is, diversified investment beyond benchmarks
- Tracks profit pool movement
- Relatively low turnover ratio

## Key features of the scheme

- Follows megatrends investing approach
- Mix of a top-down and bottom-up investment process
- Investible opportunity across market cap
- INQUBE investment philosophy which brings information, quantitative and behavioral understanding to the portfolio

## Portfolio which is 5 in 1



Multi-trend



Multi-sector



Long-term



Growth-oriented



Flexi cap

## Scheme Details

NFO period	Opens on 24th July, 2023
	Closes on 7th August, 2023
Type of scheme	An open ended equity scheme investing across large cap, mid cap, small cap stocks
Plans	Bajaj Finserv Flexi Cap Fund - Regular Plan
	Bajaj Finserv Flexi Cap Fund - Direct Plan
Option	Growth and Income Distribution cum Capital Withdrawal (IDCW)
Minimum application amount	₹ 500 (plus multiples of ₹ 1)
Minimum additional application	₹ 100 (plus multiples of ₹ 1)
Entry load	Not applicable
Exit load	If units are redeemed/switched out within 6 months from the date of allotment: <ul style="list-style-type: none"> <li>• if upto 10% of units allotted are redeemed/switched out – Nil</li> <li>• any redemption/switch-out of units in excess of 10% of units allotted - 1% of applicable NAV.</li> </ul> If units are redeemed/switched out after 6 months from the date of allotment, exit load is nil. The Scheme will not levy exit load in case the timelines for rebalancing portfolio as stated in SEBI Circular dated March 30, 2022 is not complied with.
Fund manager	Mr. Nimesh Chandan and Mr. Sorbh Gupta (Equity Portion) Mr. Siddharth Chaudhary (Debt Portion)
Benchmark Index	S&P BSE 500 TRI
SIP/SWP/STP	Available

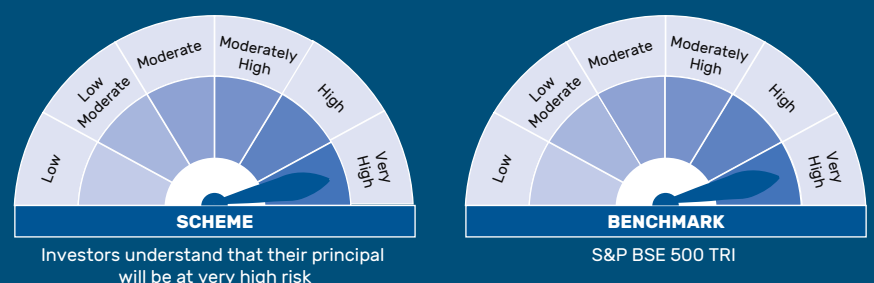
## Product Label

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

- Wealth creation/capital appreciation over long term
- Investment in equity related instruments across large cap, mid cap and small cap stocks

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

### RISKOMETER#



#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made

## Disclaimer

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