

# THINK



# INVEST IN SMALL

## PRESENTING

**BARODA BNP PARIBAS  
SMALL CAP FUND**

**NFO**  
PERIOD **6<sup>TH</sup> - 20<sup>TH</sup> OCT, 2023**

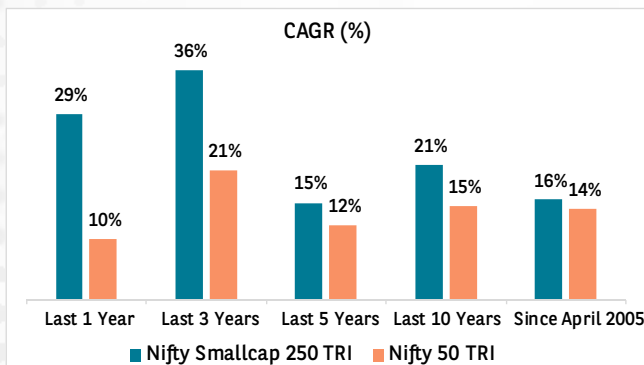
Big things start small, and every small thing dreams of being big. Similarly, **Baroda BNP Paribas Small Cap Fund** aims to invest in small cap companies that can help in wealth creation in long term. **Invest Today** and aim to capitalize on untapped growth opportunities.

### What are Small Caps?

- Under owned and less discovered, small caps have high growth potential and may become the mid and large caps of the future.
- Small Caps are defined as companies ranked 251<sup>st</sup> and below<sup>#</sup> in terms of full market capitalization.

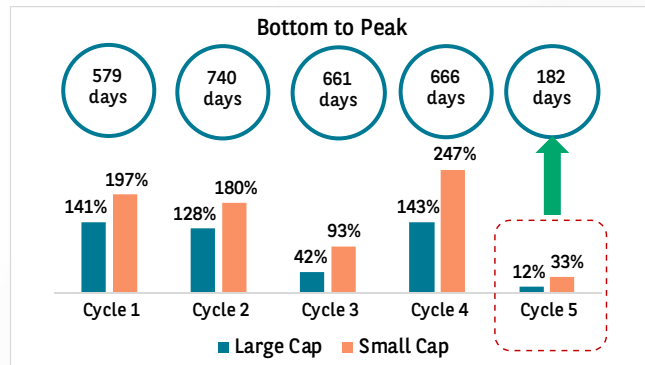
### Why Invest Now?

Small caps have outperformed large caps



Source: MFI explorer. Data as on Aug 31, 2023. Past performance, including such scenarios, is not an indication of future performance.

And historical data suggests headroom for growth



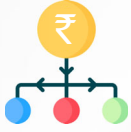
Source: NSE Indices and Internal Research. Data as of August 31, 2023. The average is calculated by taking a simple average of returns in Cycle 1, Cycle 2, Cycle 3 and Cycle 4. Similarly average number of days is also calculated by taking a simple average of number day in Cycle 1, Cycle 2, Cycle 3 and Cycle 4. Past performance, including such scenarios, is not an indication of future performance.

- An average bottom to top cycle lasts about 660 days.
- Small caps grew 179% on average in absolute terms across the 4 cycles.
- The current cycle has completed 182 days and small caps have gone up by 33% suggesting headroom for growth.

# Baroda BNP Paribas Small Cap Fund

- ✓ The fund will invest more than 65% of the net assets in small cap companies.
- ✓ The fund aims to build investors' wealth by tapping into companies which have the potential to become the leading companies of the future.
- ✓ The fund will follow a bottom-up stock picking approach with emphasis on selecting companies with strong fundamentals, quality business models and high-quality reputed management.

## Who Should Invest?



Investors with predominant large and mid cap portfolio looking for diversification into small caps.



Long-term investors looking for comparatively higher returns with higher risks.



Investors willing to invest for more than 5 years.

## Fund Facts

<b>Scheme Name:</b>	<b>Baroda BNP Paribas Small Cap Fund</b>
<b>Scheme Type:</b>	An open-ended equity scheme predominantly investing in Small Cap stocks.
<b>Investment Objective:</b>	The scheme seeks to generate long-term capital appreciation by investing predominantly in equity and equity related securities of small cap companies. The scheme does not guarantee/indicate any returns.
<b>Benchmark:</b>	Nifty Small Cap 250 TR Index
<b>Fund Manager*:</b>	Mr. Shiv Chanani (Senior Fund Manager - Equity) (Experience: 24 years)
<b>Load Structure:</b>	Entry Load : Not applicable Exit Load : <ul style="list-style-type: none"> <li>• If units of the scheme are redeemed or switched out up to 10% of the units within 1 year from the date of allotment - Nil.</li> <li>• If units of the scheme are redeemed or switched out in excess of the limit within 1 year from the date of allotment - 1% of the applicable NAV.</li> <li>• If units of scheme are redeemed or switched out after 1 year from the date of allotment - Nil.</li> </ul>
<b>Plans and Options:</b>	The Scheme offers following two plans: <ul style="list-style-type: none"> <li>• Baroda BNP Paribas Small Cap Fund - Regular Plan</li> <li>• Baroda BNP Paribas Small Cap Fund - Direct Plan</li> </ul> Each Plan offers Growth Option and Income Distribution cum Capital Withdrawal (IDCW) Option The IDCW option offers two options: Payout of Income Distribution cum capital withdrawal option and Reinvestment of Income Distribution cum capital withdrawal option.
<b>Minimum Application Amount:</b>	Lumpsum investment: ₹5,000 and in multiples of ₹1 thereafter. SIP: (i) Daily, Weekly, Monthly SIP: ₹500/- and in multiples of ₹1/- thereafter; (ii) Quarterly SIP: ₹1500/- and in multiples of ₹1/- thereafter. There is no upper limit. The AMC reserves the right to change the minimum application amount from time to time.

### Asset Allocation:

Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile
Equity & Equity related instruments ^ of small cap companies <sup>§</sup>	65	100	High
Equity and equity related instruments^ of other than small cap companies	0	35	High
Debt** & Money Market instruments	0	35	Low to Medium
Units issued by REITs & INVITs	0	10	Medium to High
Units of Mutual Fund Scheme	0	10	Medium to High

For complete details refer SID

<sup>§</sup> Small Cap companies are those companies which are classified as small cap companies by Securities and Exchange Board of India (SEBI) or Association of Mutual Funds in India (AMFI) in terms of market capitalisation. Small Cap Companies as defined by SEBI: 251st company onwards in terms of full market capitalization.

\*\*Debt instruments may include securitised debt up to 20% of the debt portfolio of the scheme.

^The Scheme may invest up to 50% of equity assets in equity derivatives instruments as permitted under the SEBI (Mutual Funds) Regulations, 1996 from time to time. The Scheme may use equity derivatives for such purposes as maybe permitted under the SEBI (Mutual Funds) Regulations, 1996, including but not limited for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The scheme shall not invest in debt derivative instruments.

\*Mr Miten Vora is the dedicated fund manager for overseas investments

^Market Capitalization as per AMFI - Large Cap: 1<sup>st</sup> - 100<sup>th</sup> company, Mid Cap: 101<sup>st</sup> - 250<sup>th</sup> company and Small Cap: 251<sup>st</sup> company onwards in terms of full market capitalization. Average market cap of 251<sup>st</sup> company as of Dec 22 to June 23 of ₹17,385 Crs

### Disclaimer:

All figures and other data given in this document are dated and may or may not be relevant at a future date. The recipient alone shall be fully responsible / liable for any decision taken based on this document. Prospective investors are therefore advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implications or consequence of subscribing to the units of the schemes of Baroda BNP Paribas Mutual Fund. Past performance may or may not be sustained in the future. Please refer to the Scheme Information Document of the schemes before investing for details of the scheme including investment objective, asset allocation pattern, investment strategy, risk factors and taxation. The risks involved in investing in the small cap companies could be higher compared to the large/ mid cap ones and hence investor should consider their risk appetite at the time of investing in small cap funds.

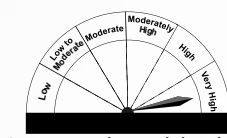
To know more contact your  
**Bank of Baroda Branch**

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

- Long term capital growth
- Investment in equity & equity related securities predominantly in small cap stocks

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

Risk-o-meter for the Scheme^^



Investors understand that their principal will be at very high risk

Benchmark (Tier 1) Riskometer^^  
Nifty Small Cap 250 TRI



Benchmark riskometer is at very high risk

Offer of units of ₹10 each during the New Fund Offer period and continuous offer for units at NAV based prices.

Riskometer as on 31<sup>st</sup> August 2023

^^the riskometer assigned is based on internal assessment of the scheme characteristics and the same may vary post NFO when actual investments are made.

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