



BETTER BEHAVIOUR WINS

Sorbh Gupta
Senior Fund Manager - Equity

12th March 2006 was a memorable day for all cricket enthusiasts. It was the last ODI match of the five-match series between Australia and South Africa. Aussies piled up a record target of 434 runs in 50 overs- no team had ever scored more than 400 runs in an ODI before. Yet, this was not even the main reason for the day's significance. What made it truly remarkable was South Africa's successful chase. Batting second, they achieved the improbable, winning the match by one wicket. To put this in perspective, the highest successful run chase ever in an ODI before that day was 338 runs.

Was it luck? May be. But better behaviour for sure...
'They are 15 runs short, I think it's a 450-run wicket' joked one of the South African players in the dressing room during lunch break. A burst of laughter followed.

Instead of crumbling under pressure, the South Africans displayed remarkable mental strength that day. Not to undermine, their home ground (pitch) understanding and proper homework on Australian bowling attack. This all led to a world-record chase that still stands today.

Our first equity offering, Bajaj Finserv Flexi Cap Fund marked its first anniversary in August 2024. When the New Fund Offer (NFO) closed in August 2023, the equity markets were at a new high, with the Nifty up 15%, the BSE Midcap Index up 25%, and the BSE Small Cap Index up 35% in just five months. As the first fund from a new fund house backed by a business house with a 95-year-old legacy, the stakes were high, leaving little room for error. We were well-prepared. An experienced investment team with diverse background brought together even before receiving the mutual fund license, ensured fresh perspectives on identifying mega TRENDS (Technology, Regulatory, Economy, Nature, Demographic, Social). Guided by the "INQUBE" philosophy (Information Edge, Quantitative Edge, Behavioural Edge), we identified businesses benefitting the most from these mega trends and also arrived at the intrinsic value under different scenarios (the bull case, the base case, the bear case).

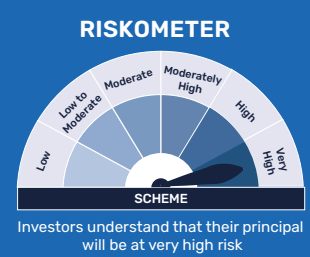
We have built a true to label flexicap portfolio, diversified across market capitalizations while maintaining high active weight. Focus on long-term mega trends has allowed us to stay on course despite short-term market fluctuations. While the fund started without a track record, we have built one over the past year and remain committed to build on the good start.

Happy investing!

Bajaj Finserv Flexi Cap Fund
An open ended equity scheme investing across large cap, mid cap, small cap stocks

PRODUCT LABEL

- This product is suitable for investors who are seeking*:
- Wealth creation/capital appreciation over long term
 - Investment in equity and 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



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

BAJAJ FINSERV ASSET MANAGEMENT LIMITED