

BARODA BNP PARIBAS SMALL CAP FUND

(AN OPEN-ENDED EQUITY SCHEME PREDOMINANTLY INVESTING IN SMALL CAP STOCKS)

JANUARY 2026



Together for more

The word 'more' does not imply more returns or assurance of scheme performance. It refers to the additional value provided by the joint venture, as compared to Baroda AMC and BNP Paribas AMC individually.

S-M-A-L-L Caps

S

Size – Sweet Spot between 12,093 Crs to 34,699 Crs^{\$}
Market Cap

M

Multi-baggers – have the potential to evolve into
significant multi-baggers

A

Access to a large number of sectors (some of them
are not available in the large cap space)

L

Less Discovered – less likely to be tracked by analysts

L

Low Institutional Ownership – less owned by institutional
investors compared to large and mid cap companies

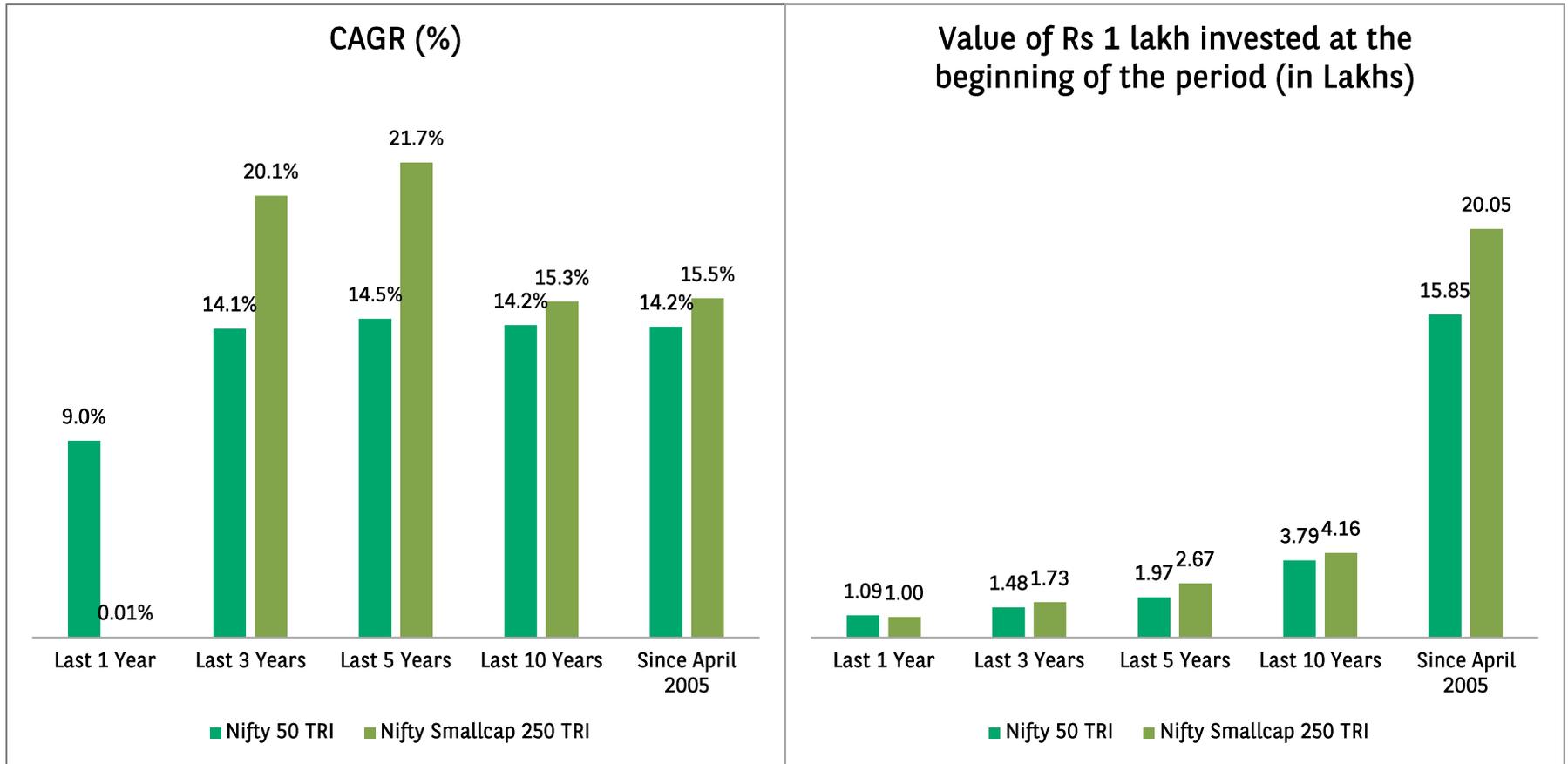
Market Capitalization as per AMFI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251st company onwards in terms of full market capitalization.
^{\$}Average market cap of 251st company for the period July 2025 to December 2025 is Rs 34699.19Crs.

THINK BIG START SMALL



Together for more

Small Caps have outperformed Large Caps



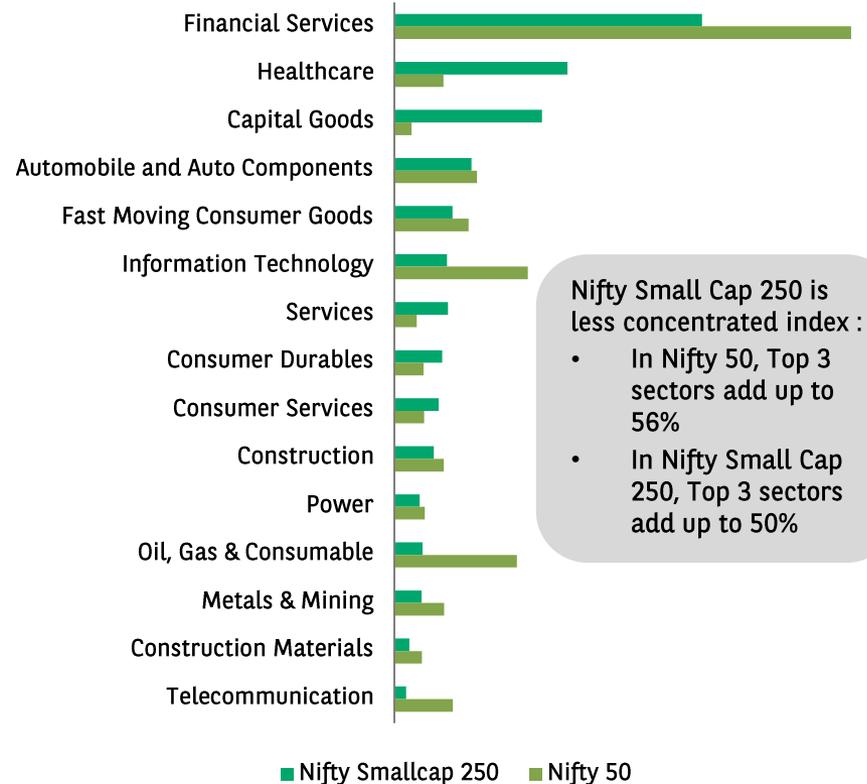
Source: MFI explorer. Data since Apr 01, 2005 (the inception of the Nifty Small cap Index), to January 31, 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.** The risks involved in investing in the small cap companies could be higher compared to the large/ mid cap ones and hence investor should consider their risk appetite at the time of investing in small cap funds. The information should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed investment decision before making any investments.

Investing in a bigger slice of the economy

Top Industries with no opportunities in Large Caps

Chemicals	6.07
Realty	1.48
Media, Entertainment & Publication	1.2
Textiles	0.71
Forest Materials	0.35

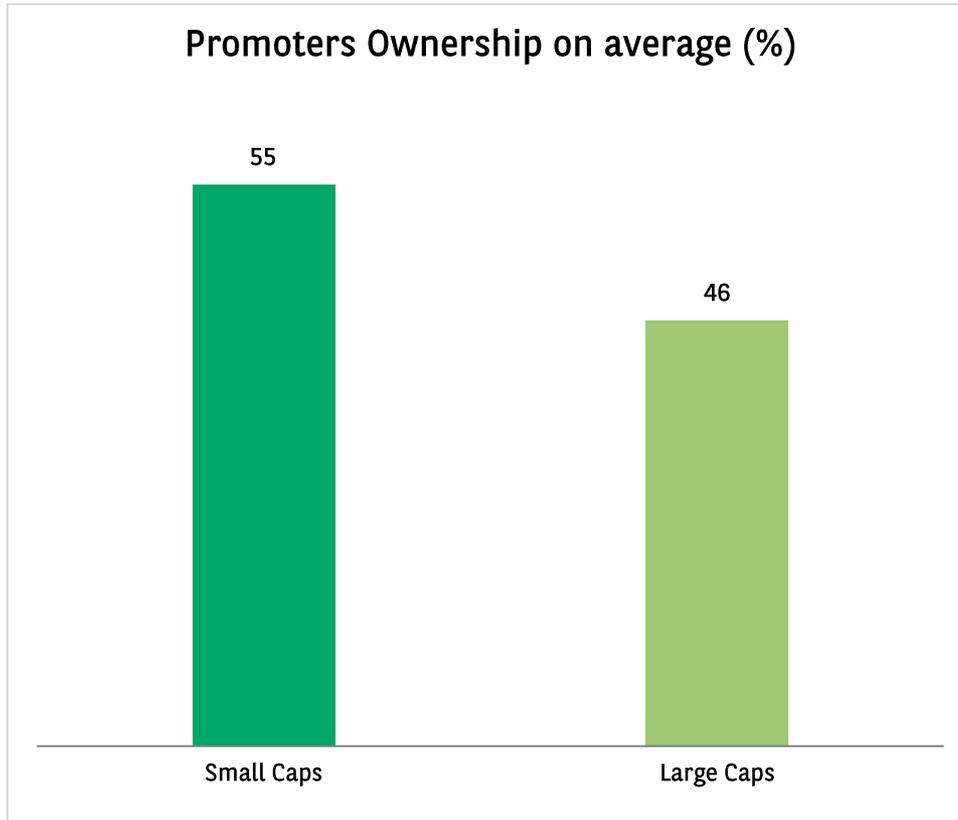
Well Diversified: Large cap v/s Small Cap



Source: Nifty Indices and Internal. Data as on January 31, 2026. Large caps are represented by Nifty 50 TRI and Small caps by Nifty Small Cap 250 Index.

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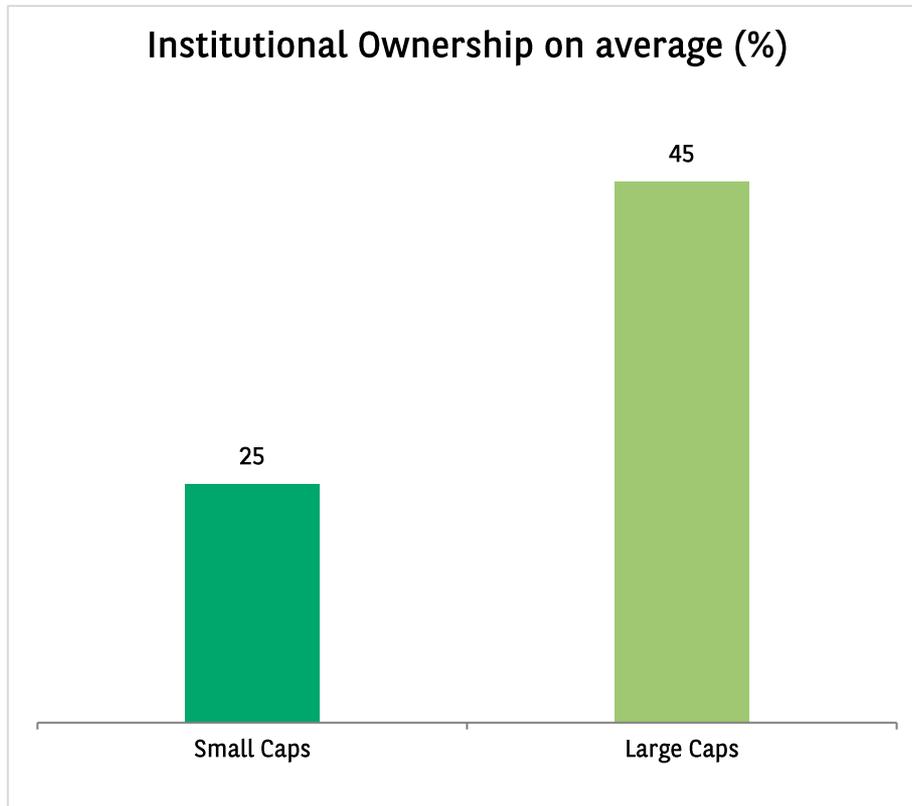
Higher Promoter Stake: more skin in the game



- Higher promoter ownership indicates more skin in the game.
- Greater alignment of interest.

Source: ACE Equity. Data as on March 31, 2025, which is latest available annual data. Large caps are represented by stocks in Nifty 50 TRI and small caps by stocks in the Nifty Small Cap 250 Index. The ownership pattern is calculated basis by taking the simple average of share holding pattern of individual stocks in the respective indices. The above graph is for illustration purpose only and should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed investment decision before making any investments.

Low Institutional Ownership: Potential Hidden Gems

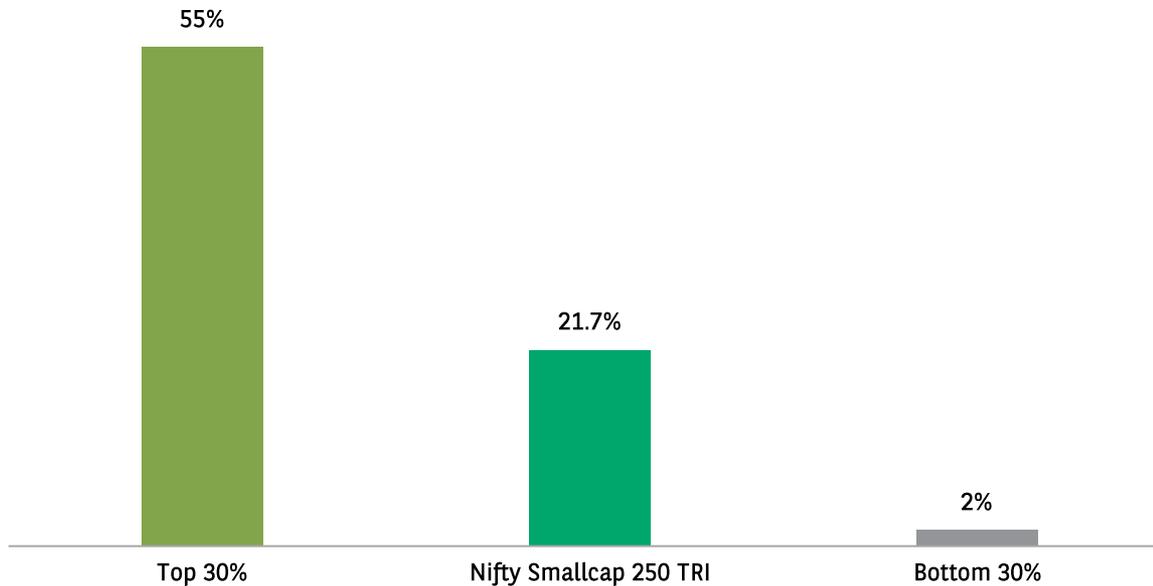


- Low institutional ownership indicates yet under-researched/ un-discovered space
- This provides an opportunity to invest in good stocks at an early stage.

Source: ACE Equity. Data as on March 31, 2025, which is latest available annual data. Large caps are represented by stocks in Nifty 50 TRI and small caps by stocks in the Nifty Small Cap 250 Index. The ownership pattern is calculated basis by taking the simple average of share holding pattern of individual stocks in the respective indices. The above graph is for illustration purpose only and should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed investment decision before making any investments.

Stock Picking is the Key: Tale of two Parts

Average 5 year CAGR (%) of Top 30% vs Bottom 30%



- Small Caps tend to have polarized returns
- Stark difference between top and bottom performers of the Nifty Small Cap 250 Index

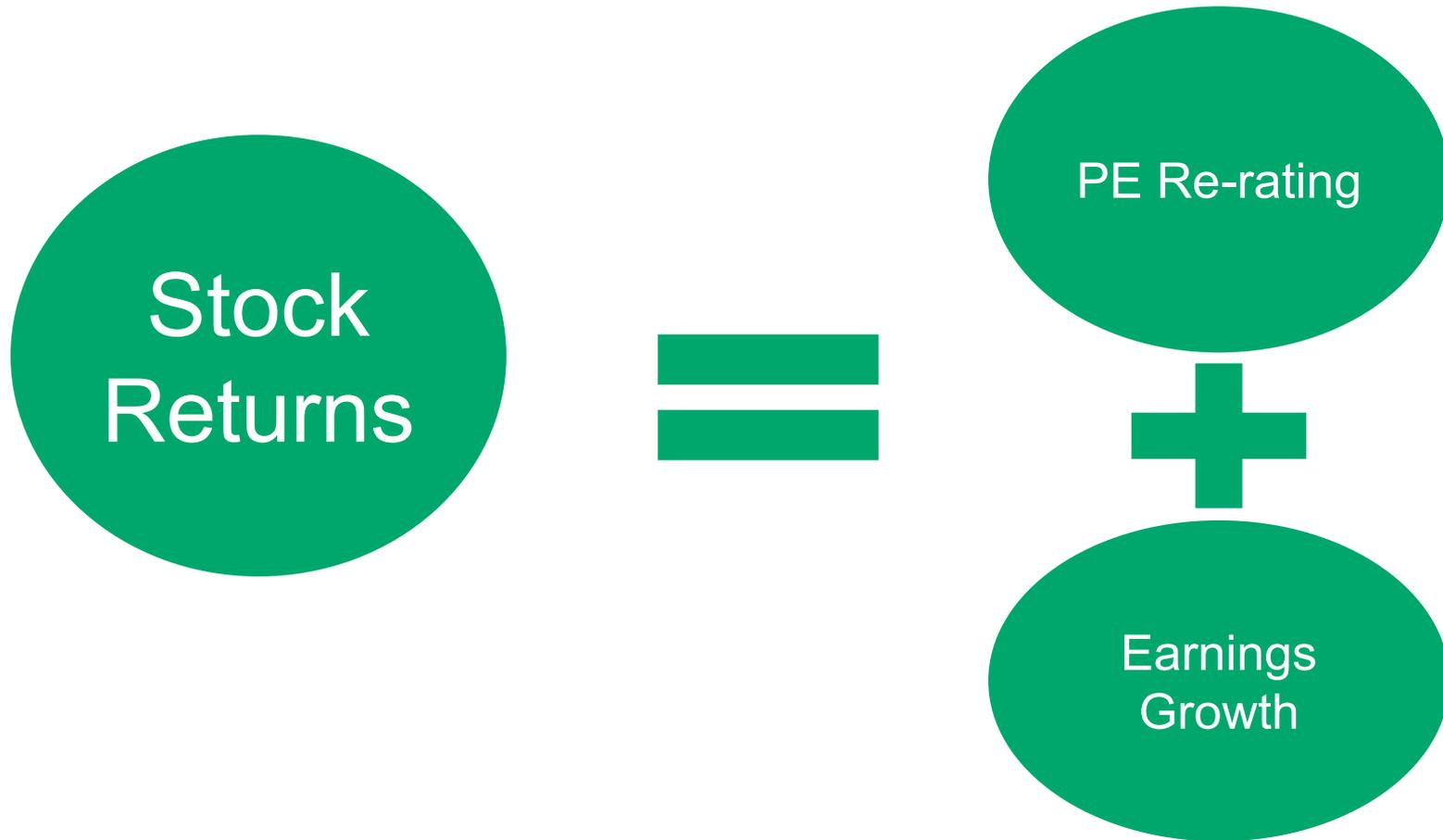
Source: ACE Equity, Internal Research. Data as on January 31, 2026. Small Cap is represented by Nifty Small Cap 250 Index, The small cap universe used for study comprises of all companies in the Nifty Smallcap 250 Index. The returns are calculated on a compounded annualised growth rate (CAGR) basis from January 31, 2021 to January 31, 2026. 184 stocks of total 250 were in existence since January 2021. 30% consists of 55 companies. **Past performance may or may not be sustained in future and is not a guarantee of any future returns**

WHY NOW?

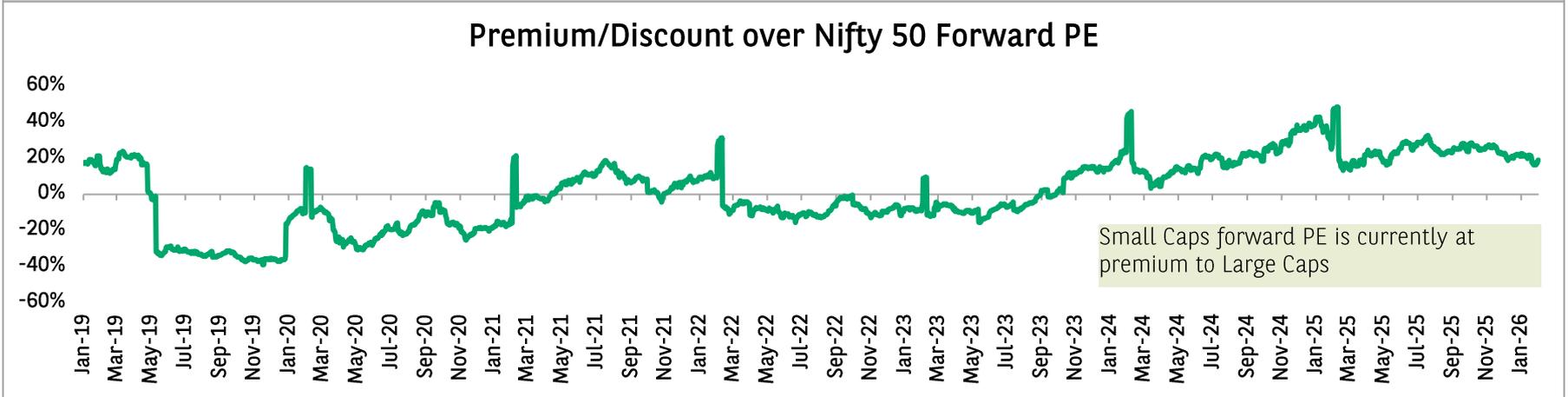
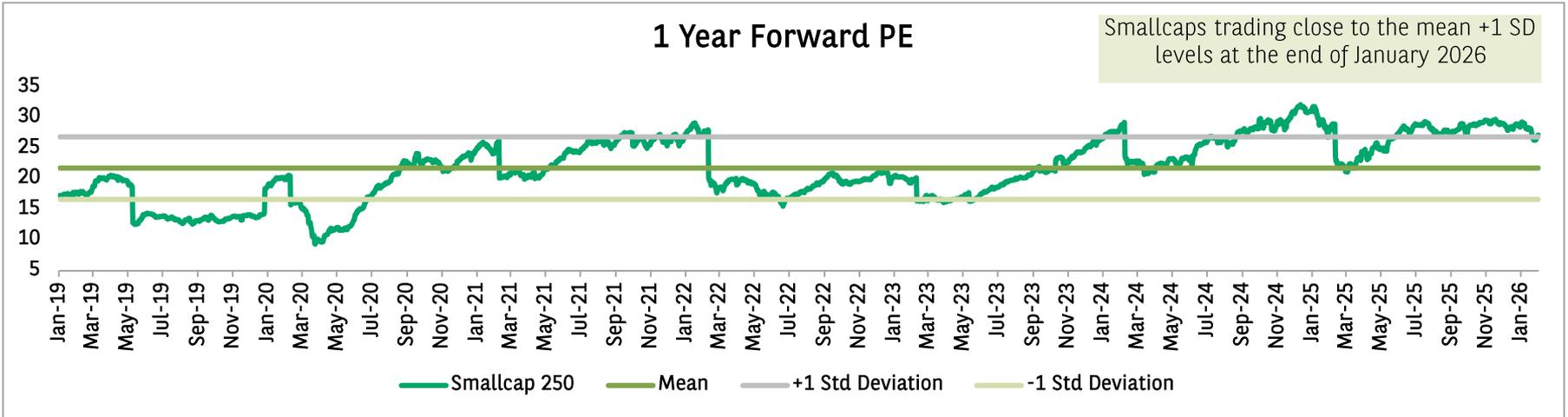


Together for more

Stock Returns are a blend of earnings and growth



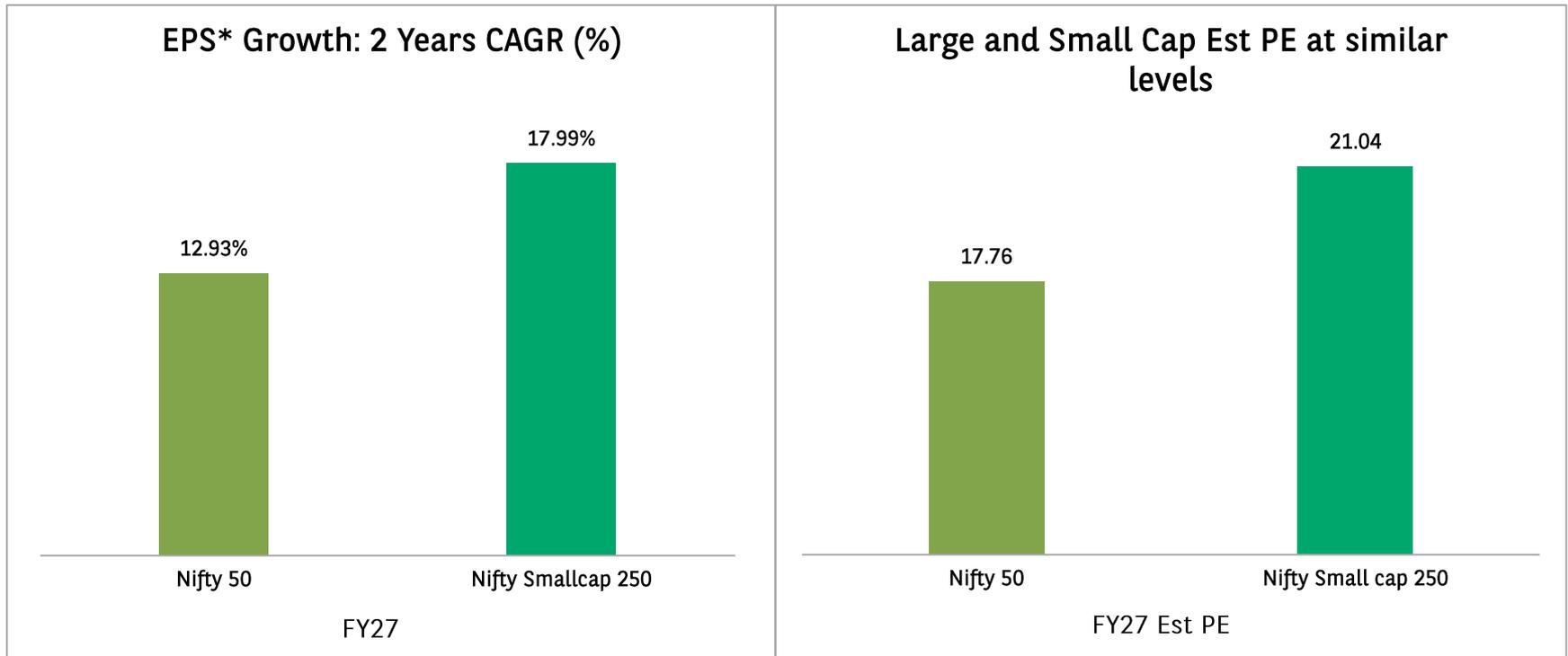
Valuations



Source: Bloomberg and Internal. Data since January 1, 2019 to January 31, 2026. Bloomberg 1 yr Forward PE has been used. Large caps represented by Nifty 50 Index and Small Caps by Nifty Smallcap 250 Index. + 1 Std Deviation (+1 SD) stands for mean plus standard deviation. - 1 Std Deviation stands for mean minus standard deviation. Discount / Premium over Large cap is calculated by (small cap PE - large cap PE) / large cap PE. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

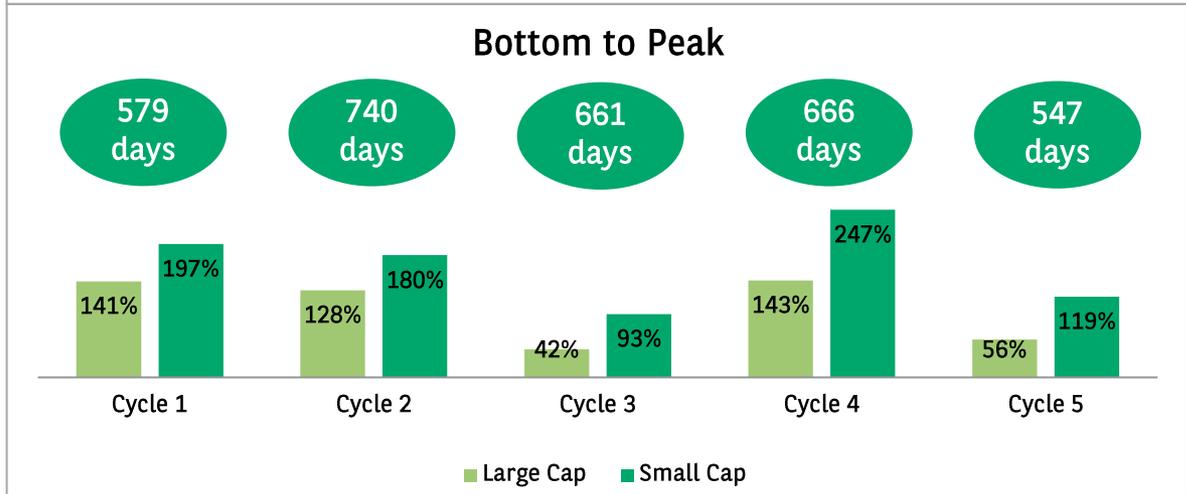
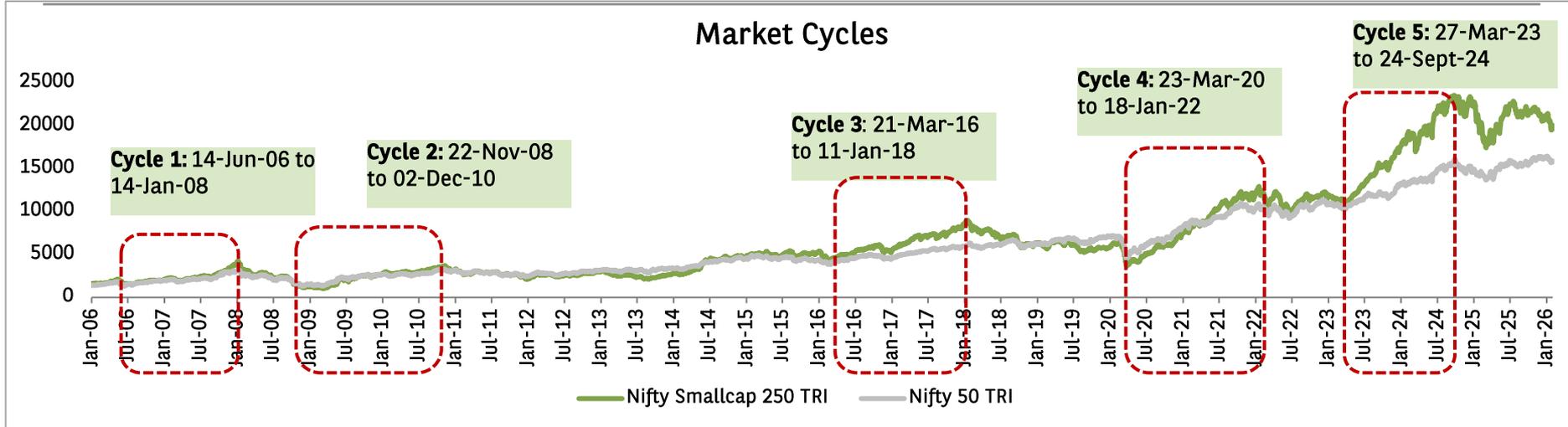
Earnings Growth

The current increased interest in the small cap companies reflects the expected high earnings growth



Source: Bloomberg. Data as on January 31, 2026. Bloomberg estimates have been considered for Nifty 50 Index and Nifty Small Cap 250 Index. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.** *EPS growth excluding extraordinary profit from FY26 and FY27 estimates has been considered for 2 yr CAGR calculations. CAGR stands for compounded annualized growth rate.

Small Cap Cycle: Potential to grow



- An average bottom to top cycle lasts about 640 days
- Small caps grew ~170% on an average in absolute terms across the 5 cycles

Source: NSE Indices and Internal Research. Data as of January 31, 2026. The average is calculated by taking a simple average of returns in cycle 1, cycle 2, cycle 3, cycle 4, and cycle 5. Similarly average number of days is also calculated by taking a simple average of number day in cycle 1, cycle 2, cycle 3, cycle 4, and cycle 5. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

INTRODUCING...

**BARODA BNP PARIBAS SMALL
CAP FUND**



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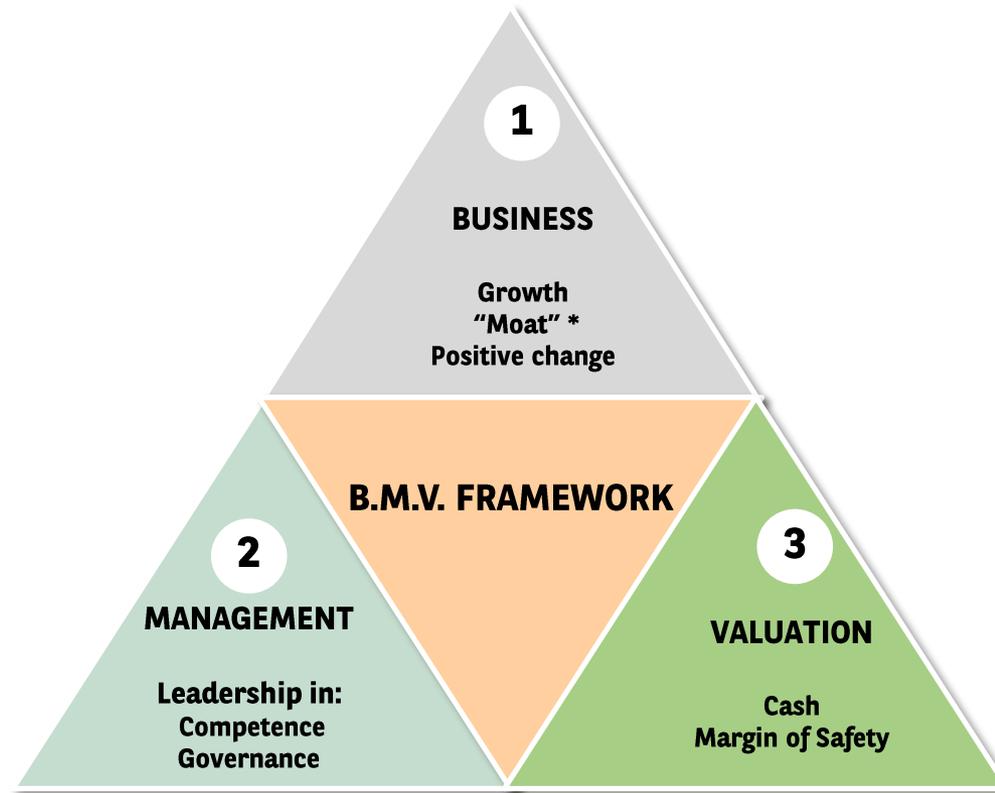
Features

- 1 The fund will invest more than 65% of the net assets into small cap companies.
- 2 The fund aims to build wealth of investors by tapping into companies which have the potential to become leading companies of the future.
- 3 The fund will follow a bottom-up stock picking approach.
- 4 Emphasis will be on selecting companies with strong fundamentals, quality business models and high quality and reputation of management.
- 5 The fund will be sector agnostic.

Market Capitalization as per AMFI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251st company onwards in terms of full market capitalization. **Kindly** refer to the Scheme Summary Document (SSD) available on the website (barodabnpparibasmf.in). Investment strategy stated above may change from time to time and shall be in accordance with the investment objective and strategy stated in the SID of the scheme.

Core Belief: Companies create wealth, not markets

In search of companies with **superior** and **sustainable** earnings growth



Identify superior businesses, with strong management, at reasonable valuations

* A sustainable competitive advantage

B.M.V.: Business, Management, Valuation. Source: Source: Internal Research

Investment strategy stated above may change from time to time and shall be in accordance with the investment objective and strategy stated in the SID of the scheme.

STAR* Framework for Portfolio Construction

Portfolio stocks may fall in one of the following buckets:



S

Scalability

- Strong Business models with ability to grow in scale for multi year period.
- Strong management.



T

Tomorrow's Leaders

- Endeavor to invest in companies which have the ability to become future leaders in their respective niche sectors



A

Alpha Generators

- Companies which are growing faster than the broader market on consistent basis.



R

Right Sectors

- Companies shifting from unorganized to organized sectors.
- Market leaders in niche or upcoming sectors.

*STAR is acronym coined to define the portfolio construction strategy. Investment strategy stated above may change from time to time and shall be in accordance with the investment objective and strategy stated in the SID of the scheme.

Product Positioning (as on January 31, 2026)

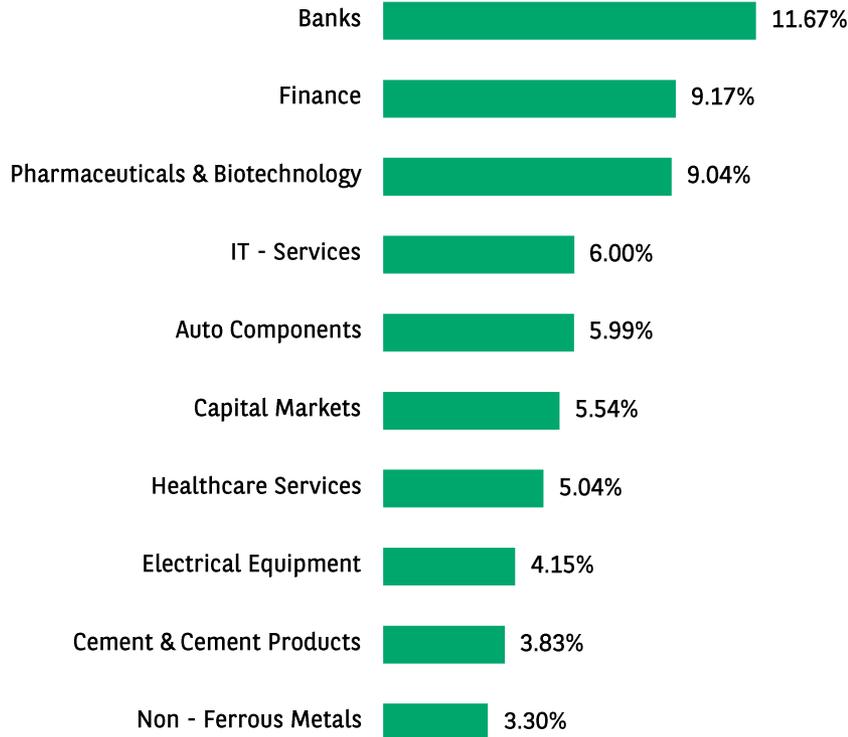
- We have increased allocations in Healthcare and Materials where we have largely become equal weight. Financials remain key overweight sectors for us during the month. We have increased our cash position during the month.
- We have reduced allocation to consumer discretionary to equal weight during the month. We are underweight IT, industrials, utilities, real estate and energy sector.
- Current portfolio allocation: Small Caps – 72.9%, Mid Caps – 19.5%, Cash – 7.5% (as of January 31, 2026).
- We follow the bottom-up approach in small cap investing which is about identifying the champions of tomorrow.

Source: Internal Research. Data as on January 31, 2026.

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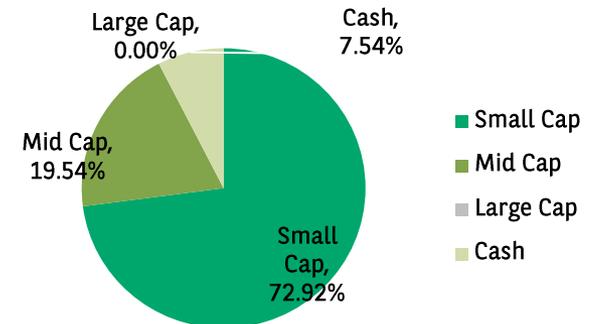
Portfolio Details

Top Sectors Holdings (% of Net Assets)



Top 10 Holdings	% of Net Assets
City Union Bank Ltd.	3.49%
National Aluminium Company Ltd.	3.30%
Navin Fluorine International Ltd.	3.14%
BEML Ltd.	3.08%
Sagility Ltd.	2.91%
Karur Vysya Bank Ltd.	2.84%
Can Fin Homes Ltd.	2.77%
Radico Khaitan Ltd.	2.55%
Ujjivan Small Finance Bank Ltd.	2.52%
Jtekt India Ltd.	2.46%

Market Capitalization



Data as on January 31, 2026. Source: Internal.

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Who is it Suitable For?

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

Long term investors looking for comparatively higher returns with higher risk.

Investors willing to invest for more than 5 years.

The information should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed investment decision before making any investments.

Fund Facts

Scheme Name:	Baroda BNP Paribas Small Cap Fund		
Scheme Type:	An open-ended equity Scheme investing in small cap stocks.		
Investment Objective:	The Scheme seeks to generate long-term capital appreciation by investing predominantly in equity and equity related securities of small cap companies. However, there is no assurance that the investment objective of the Scheme will be achieved. The Scheme does not guarantee/indicate any returns.		
Asset Allocation:	Instruments	Indicative Allocation (% of total assets)	
		Minimum	Maximum
	Equity & Equity related instruments of small cap companies	65	100
	Equity and equity related instruments of other than small cap companies	0	35
	Debt & Money Market instruments	0	35
	Units issued by InvITs	0	10
	Units of Mutual Fund Scheme	0	10
	For complete details refer SID		
Benchmark:	Nifty Small Cap 250 TR Index		
Fund Manager:	Mr. Sanjay Chawla (Chief Investment Officer - Equity) , Mr. Himanshu Singh (Fund Manager and Research Analyst)		
Load Structure:	<p>Entry Load : Not applicable Exit Load:</p> <ul style="list-style-type: none"> 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. 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. If units of scheme are redeemed or switched out after 1 year from the date of allotment - Nil. 		
Plans and Options:	<p>The Scheme offers following two plans:</p> <ul style="list-style-type: none"> Baroda BNP Paribas Small Cap Fund - Regular Plan Baroda BNP Paribas Small Cap Fund - Direct Plan <p>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.</p>		
Minimum Application Amount:	<p>Lumpsum investment: Rs. 5,000 and in multiples of Re. 1 thereafter. SIP: (i) Daily, Weekly, Monthly SIP: Rs. 500/- and in multiples of Re. 1/- thereafter; (ii) Quarterly SIP: Rs. 1500/- and in multiples of Re. 1/- thereafter. There is no upper limit for application. The Trustee/ AMC reserves the right to change the minimum application amount from time to time.</p>		

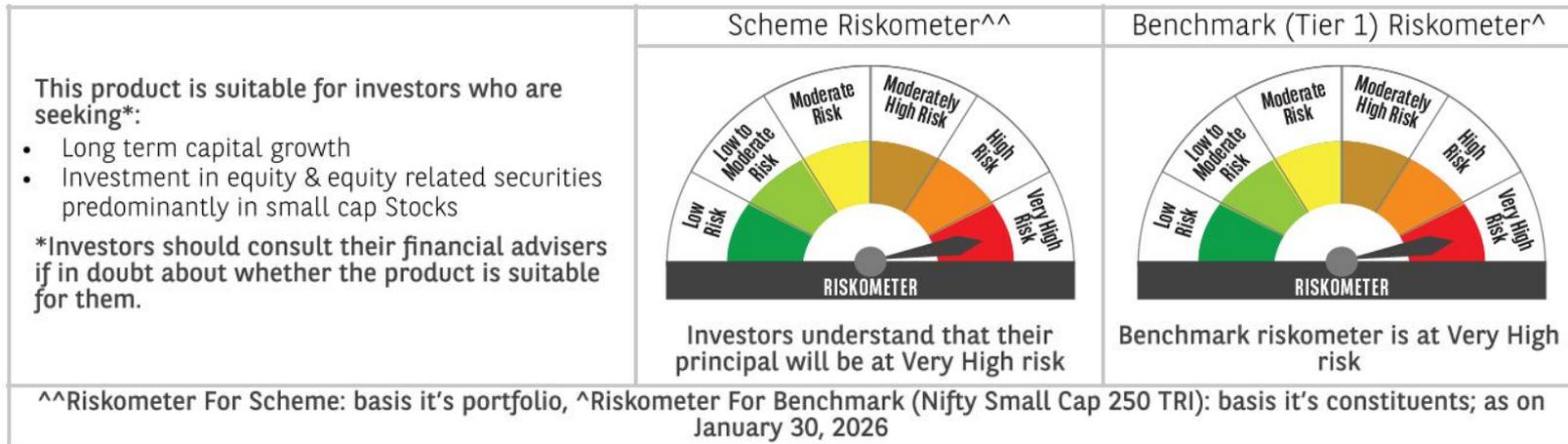
For Product Label and Riskometer of the Scheme please refer slide no. 22

Risk Factors

The risks associated with investments in equities include fluctuations in prices, as stock markets can be volatile and decline in response to political, regulatory, economic, market and stock-specific development etc. Please refer to scheme information document for detailed risk factors, asset allocation, investment strategy etc.

Further, to the extent the scheme invests in fixed income securities, the Scheme shall be subject to various risks associated with investments in Fixed Income Securities such as Credit and Counterparty risk, Liquidity risk, Market risk, Interest Rate risk & Re-investment risk etc., Further, the Scheme may use various permitted derivative instruments and techniques which may increase the volatility of scheme's performance. Also, the risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Please refer to Scheme Information Document available on our website (www.barodabnpparibasmf.in) for detailed Risk Factors, assets allocation, investment strategy etc.



Disclaimers

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MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY



THANK YOU