



**The Wealth Company**  
MUTUAL FUND

# The Wealth Company Small Cap Fund

(An open-ended equity scheme predominantly investing in small cap stocks)

Aim to invest early in high-growth businesses, with disciplined research and patience.



[www.wealthcompanyamc.in](http://www.wealthcompanyamc.in)

**Small** in size. **Strong** in potential!



NFO Open Date

**March 05, 2026**

NFO Close Date

**March 18, 2026**



## Why Small Cap?

# Why Small Cap Funds



Invest at least 65% in equity and equity related instruments of small cap companies \*ranked 251st and beyond in terms of full market capitalization.

## 01 Growth Potential

- Nearly every large company once started small.
- Small-caps tend to capture the high growth phase in a business cycle.

## 02 Representation of future mega trends

- Provide broader sector exposure; include new and evolving industries.
- Emerging & multi-bagger trends unfold across the small-cap domain.

## 03 Wealth Creation Opportunity

- Less researched, less owned — creating room for active stock selection

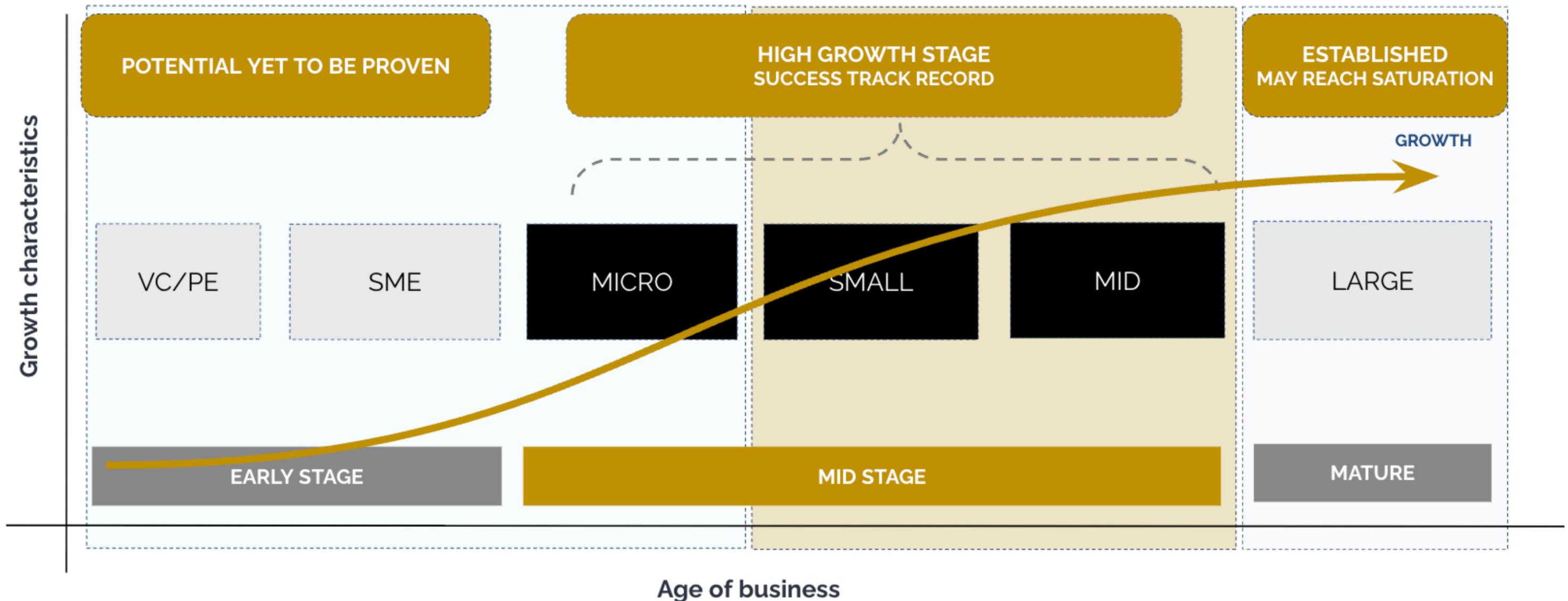
## 04 Built for Long Term Performance

- Focus is on Long-term wealth creation.
- Risk, volatility & drawdown may reduce with longer holding periods.

# Growth Potential



Nearly every large company once started small. In the typical business cycle, small-caps may offer both – proven track record as well as high growth.

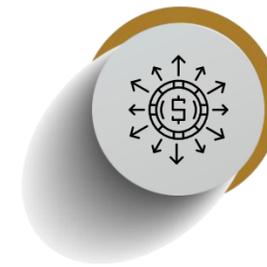
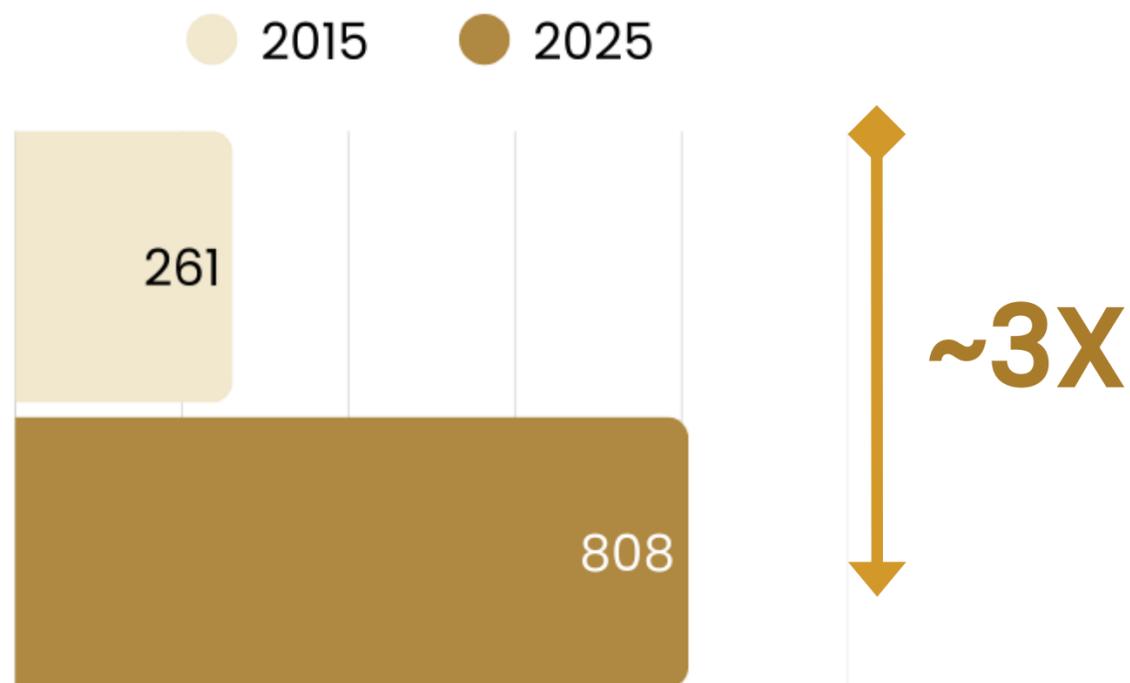




## Potential to Evolve Faster

Over the past 10 years, top small-cap companies have scaled up far more rapidly than mid and large cap businesses.\*

Number of companies with 5000Cr+ market cap



The small cap universe offers broader sectoral representation, with meaningful exposure to industries that are underrepresented or absent in the Nifty 50 – such as **Healthcare, Chemicals, Capital Goods and Textiles.**



This provides access to **emerging business models** and niche growth themes beyond traditional large-cap sectors.



Investing through a Small Cap fund enables participation in **specialised growth drivers** that may not be available in large-cap portfolios.

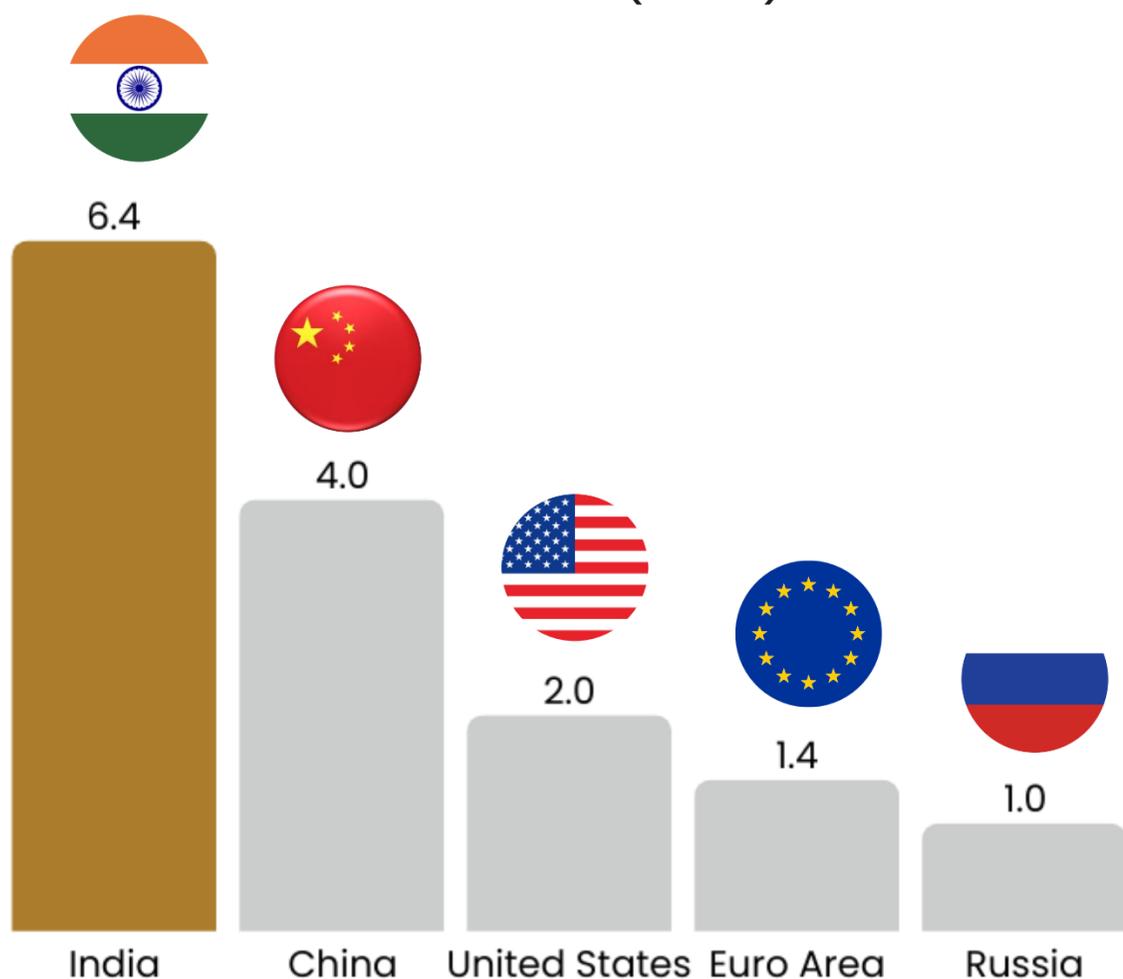
The count of small companies surpassing ₹5,000 Cr market cap has increased threefold in just 10 years.

\*Past performance may or may not sustain in future. Data as on 25 February '26. Source: Screener.

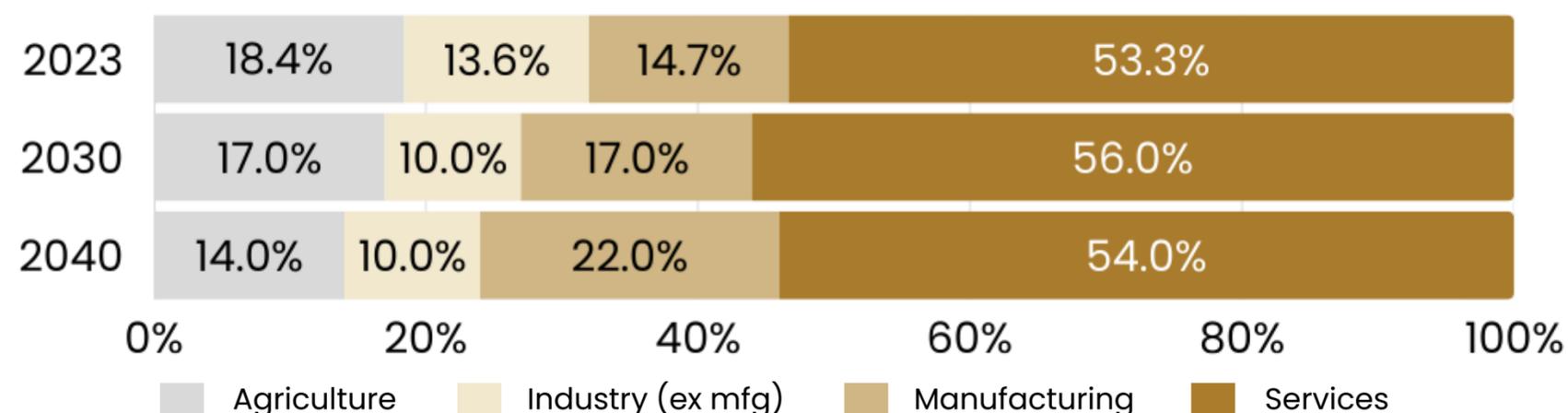
# Wider Industry Representation = Greater Opportunity

India's evolving growth trajectory may drive sectoral shifts in Gross Value Added (GVA), opening emerging opportunities across small caps.

Projected GDP growth across major economies (2027)



Sector-wise GVA Contribution and CAGR outlook over the next decades



Period	GVA Sector CAGR	Agriculture	Industry (ex mfg)	Manufacturing	Services
2023-2030	9.50%	8.30%	4.90%	11.80%	10.30%
2030-2040	10.50%	8.40%	10.50%	13.40%	10.10%

The contribution of manufacturing is expected to outgrow services and agriculture and increase its share in overall GDP.

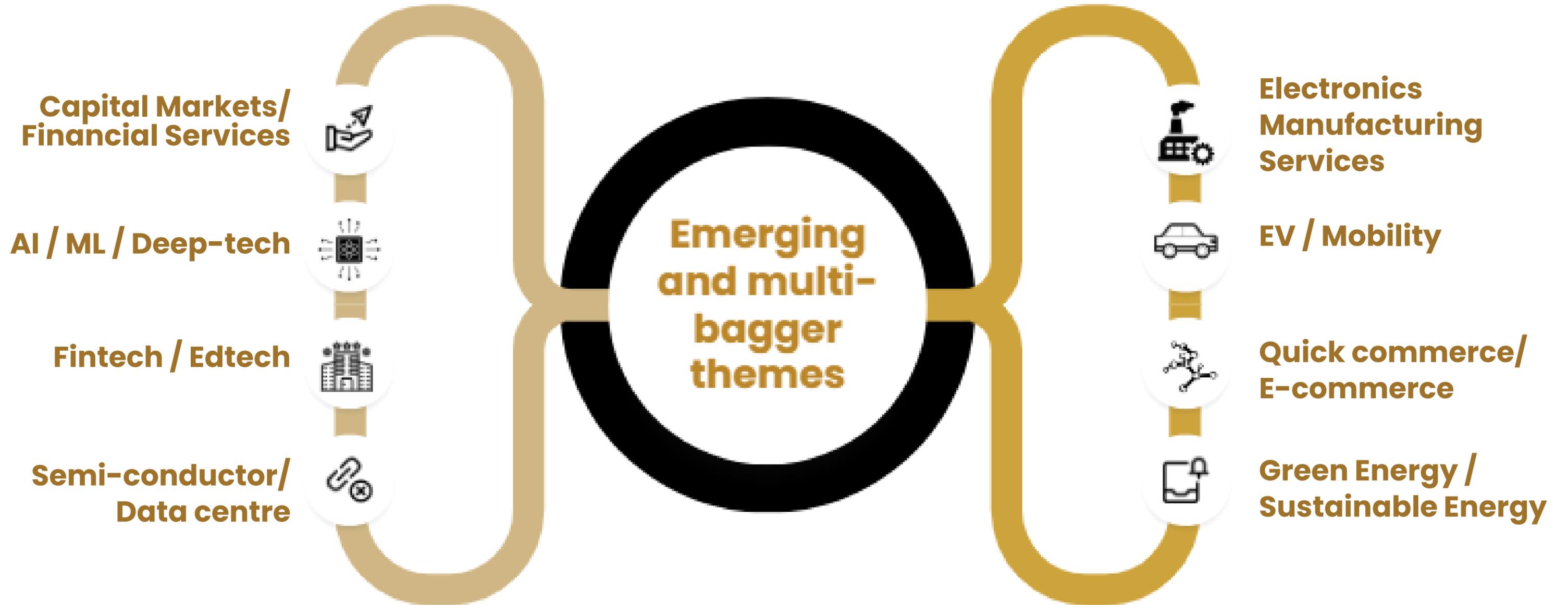
For illustration and understanding purpose only. [Source: IMF | World Economic Outlook Growth Projections](#); data.gov.in; PHDCCI, Viksit Bharat @ 2047

Past performance may or may not be sustained in future. The above graph/stock/sector is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. The information herein is based on expectations and the actual results could vary materially. This is not indicating returns from any investments. There is no assurance as regards to performance of any company, sector or investment.

# Capturing Future Megatrends



Opportunity to participate in emerging and multi-bagger themes



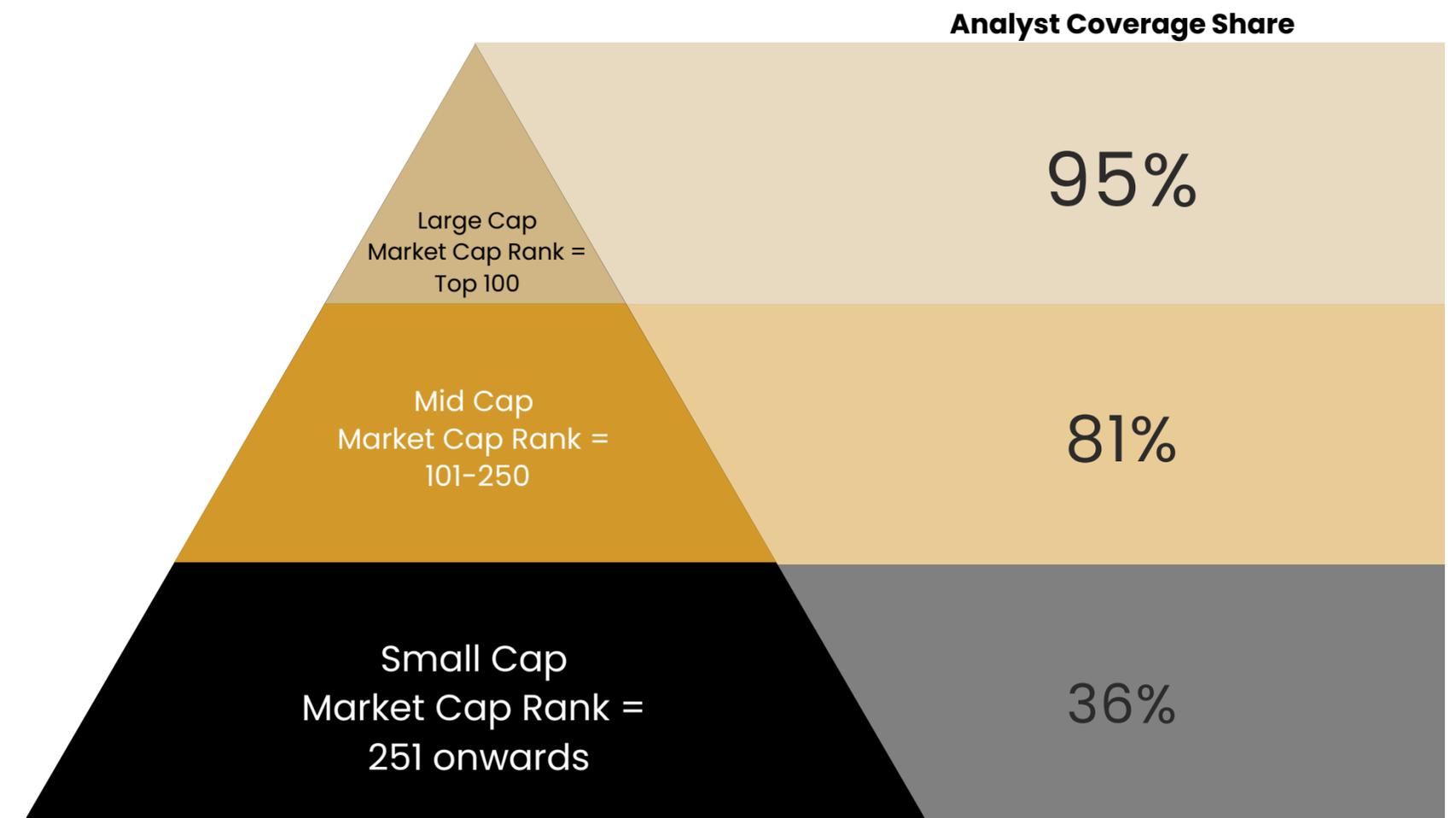
# Opportunity To Create Long-Term Wealth



Despite forming the largest segment of the market, small-cap companies are often under-researched, leaving opportunity for active investors.

Parameter	NIFTY 100 TRI	Nifty SmallCap 250
Analyst Coverage (avg.)	~30 analysts	~13 analysts
Avg. FII Holding (%)	18%	10%
Avg. DII Holding (%)	18%	12%

Shows how many analysts, on average, are covering stocks in the benchmarks



Small caps are being covered by 36% of analysts, compared to 95% for large caps

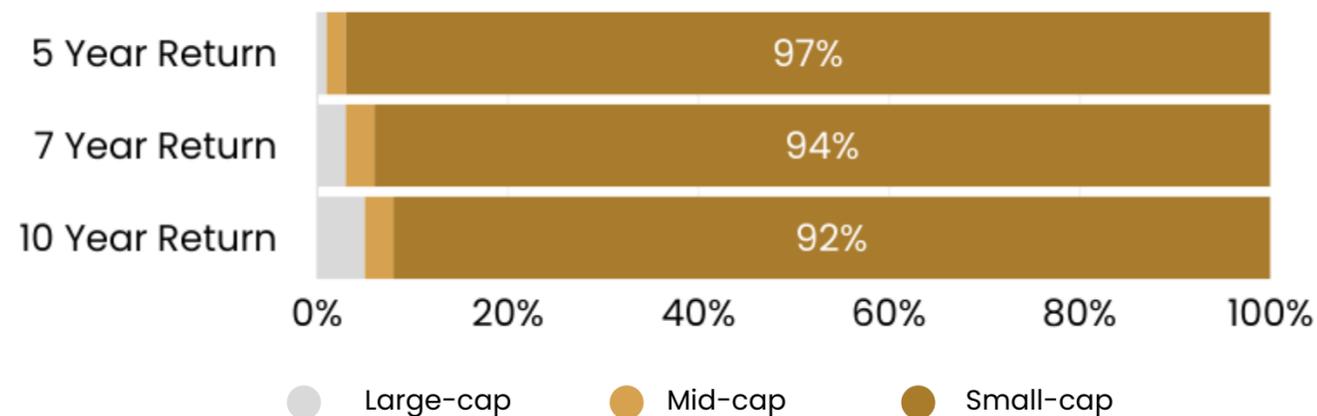
# Built for Long Term Performance



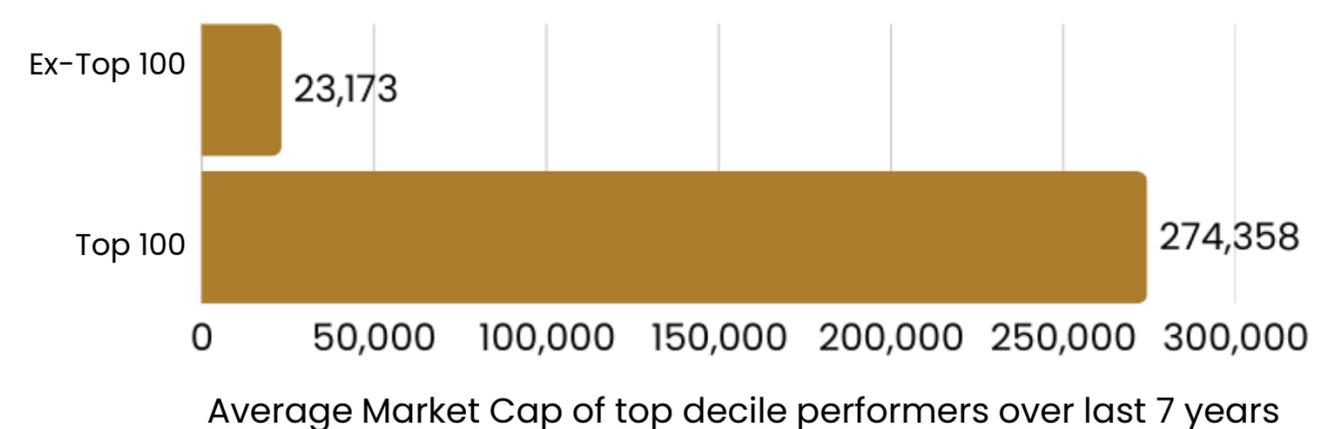
Stocks outside the large cap universe historically have demonstrated return potential, albeit with reasonable rise in volatility

Parameter	Nifty 100 TRI			Nifty MidSmallCap 400		
	5Y	7Y	10Y	5Y	7Y	10Y
CAGR	14.73%	14.51%	13.95%	23.54%	19.95%	17.52%
Annualised Volatility	14.10%	17.36%	16.10%	16.93%	18.54%	17.85%
Sharpe Ratio	0.65	0.52	0.53	1.07	0.78	0.67
Contribution to Top-Decile Returns	~5%	~8%	~11%	~95%	~92%	~89%

Small-cap stocks participation In Top Decile Returns



Higher Potential Of Being a Multi-bagger (in Cr)



For illustration and understanding purpose only. Data as on 31<sup>st</sup> December 2025. Source: Bloomberg. Past performance may or may not sustain in future. These figures pertain to performance of index and do not in any manner indicate returns/ performance of the scheme. One can not invest in index directly.

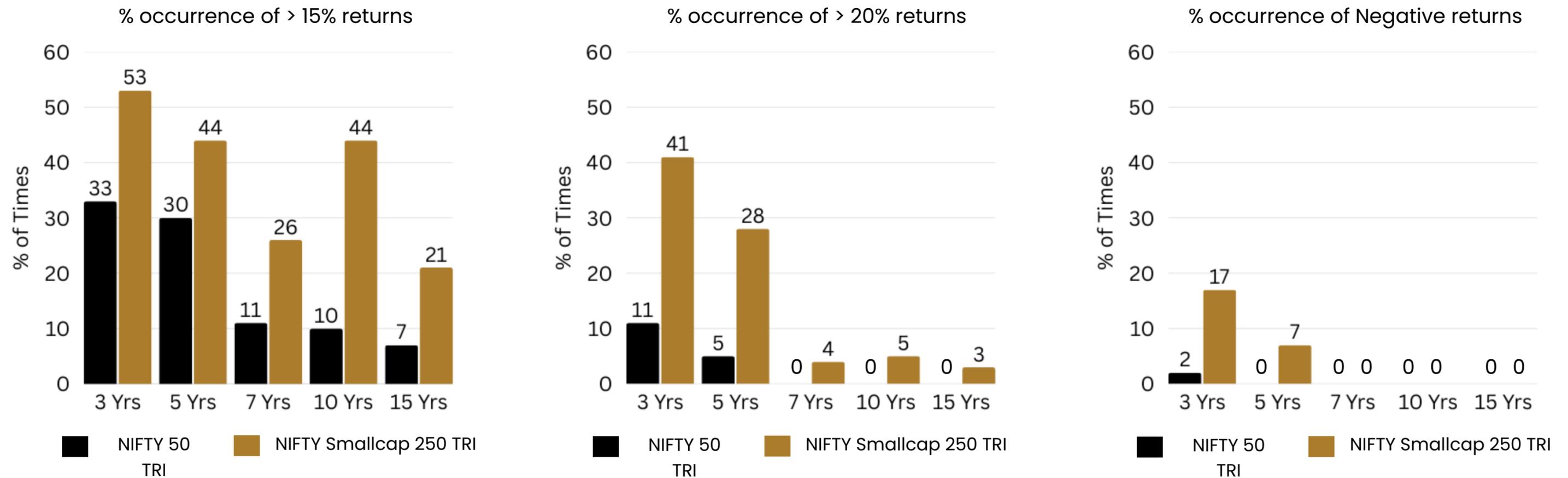
Large Cap: 1st -100th company in terms of full market capitalization. Mid Cap: 101st -250th company in terms of full market capitalization. Small Cap: 251st company onwards in terms of full market capitalization.

# Built for Long Term Performance



Historically, small caps have demonstrated stronger return potential. Negative return occurrences were reduced with a longer holding period.

The charts shows the percentage of times daily rolling returns were positive (>15%, >20%) and negative across different holding periods



- Returns on Small caps have exceeded 15% and 20% more number of times relative to large caps, across all time frames (charts 1,2)
- Occurrences of negative returns reduces to almost zero once the holding period > 5 yrs.



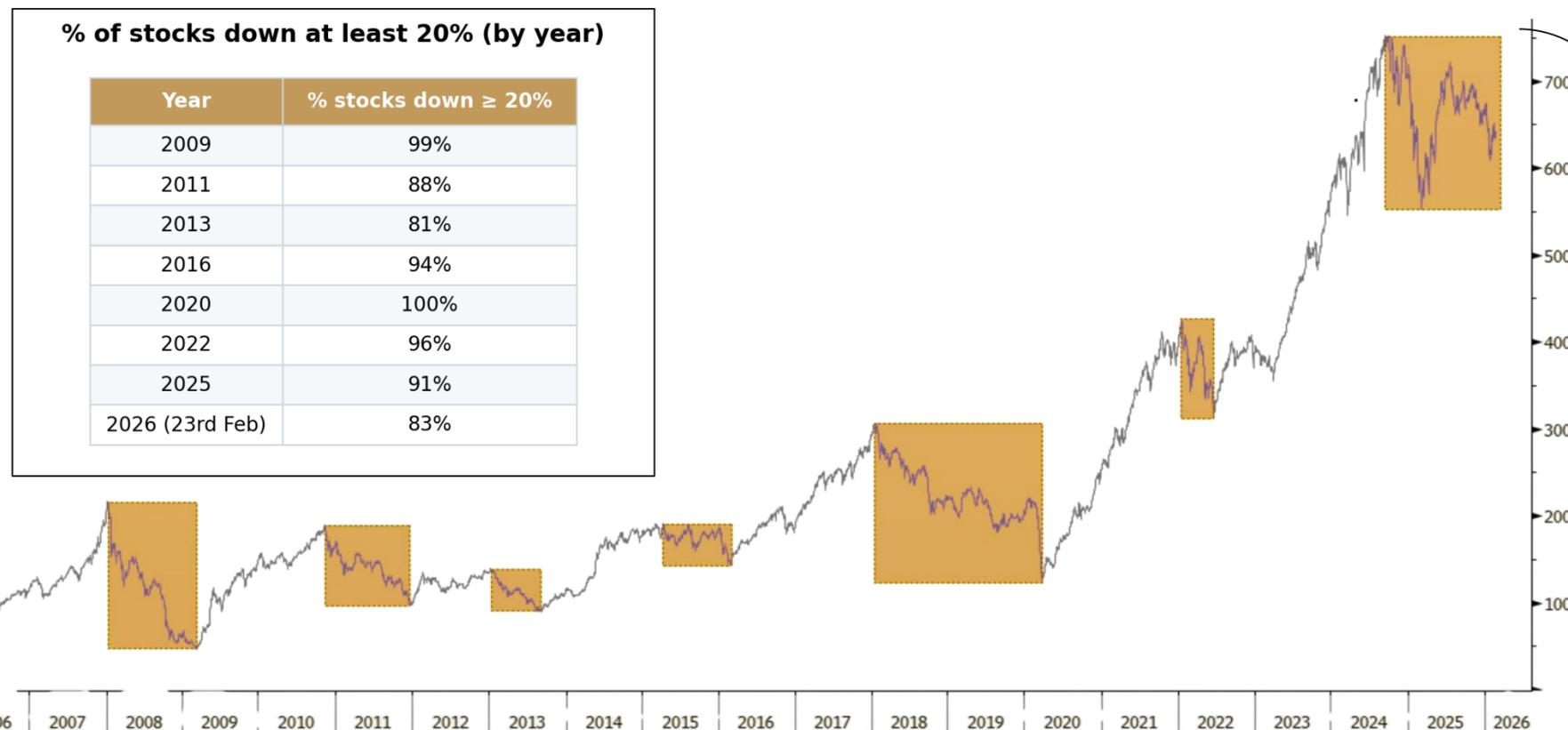
# Why Small Cap Now?



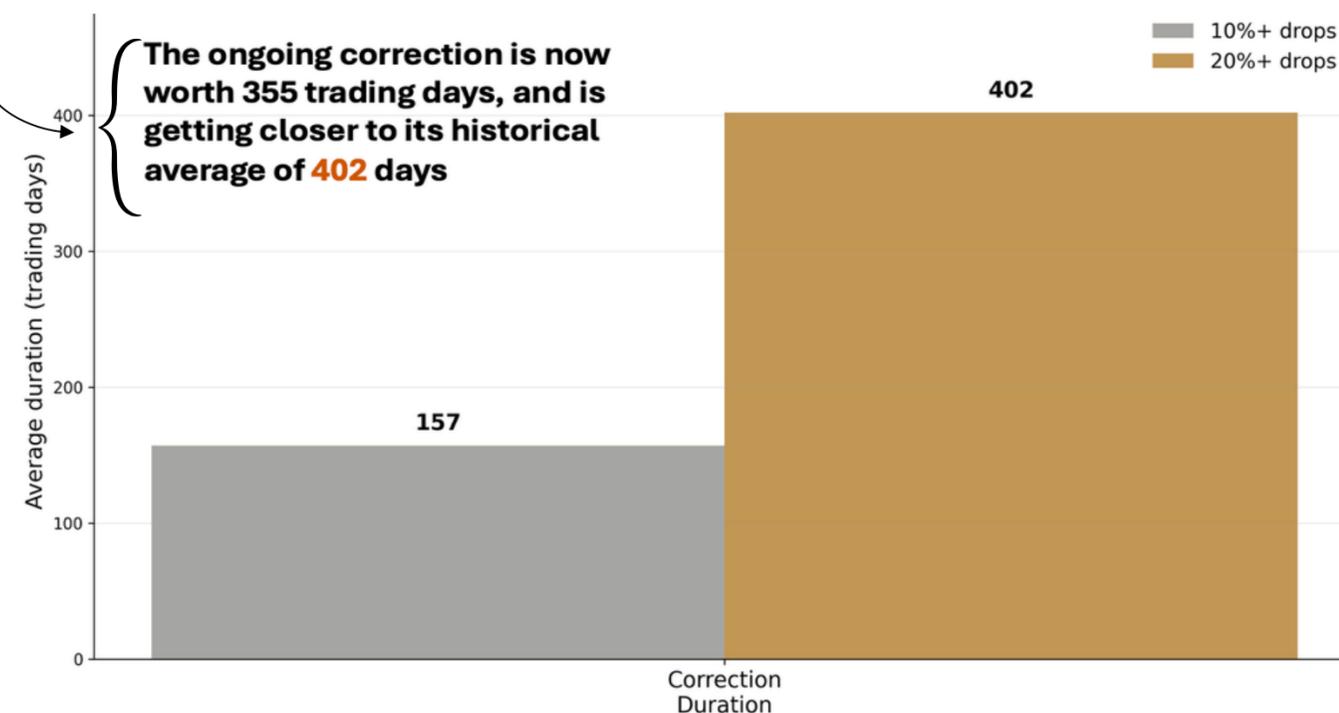
# Are Small Caps Close to a Bottom?

Time and breadth readings show that the ongoing correction may be nearing an important low

### Average correction breadth reading for the NIFTY Small Cap 100



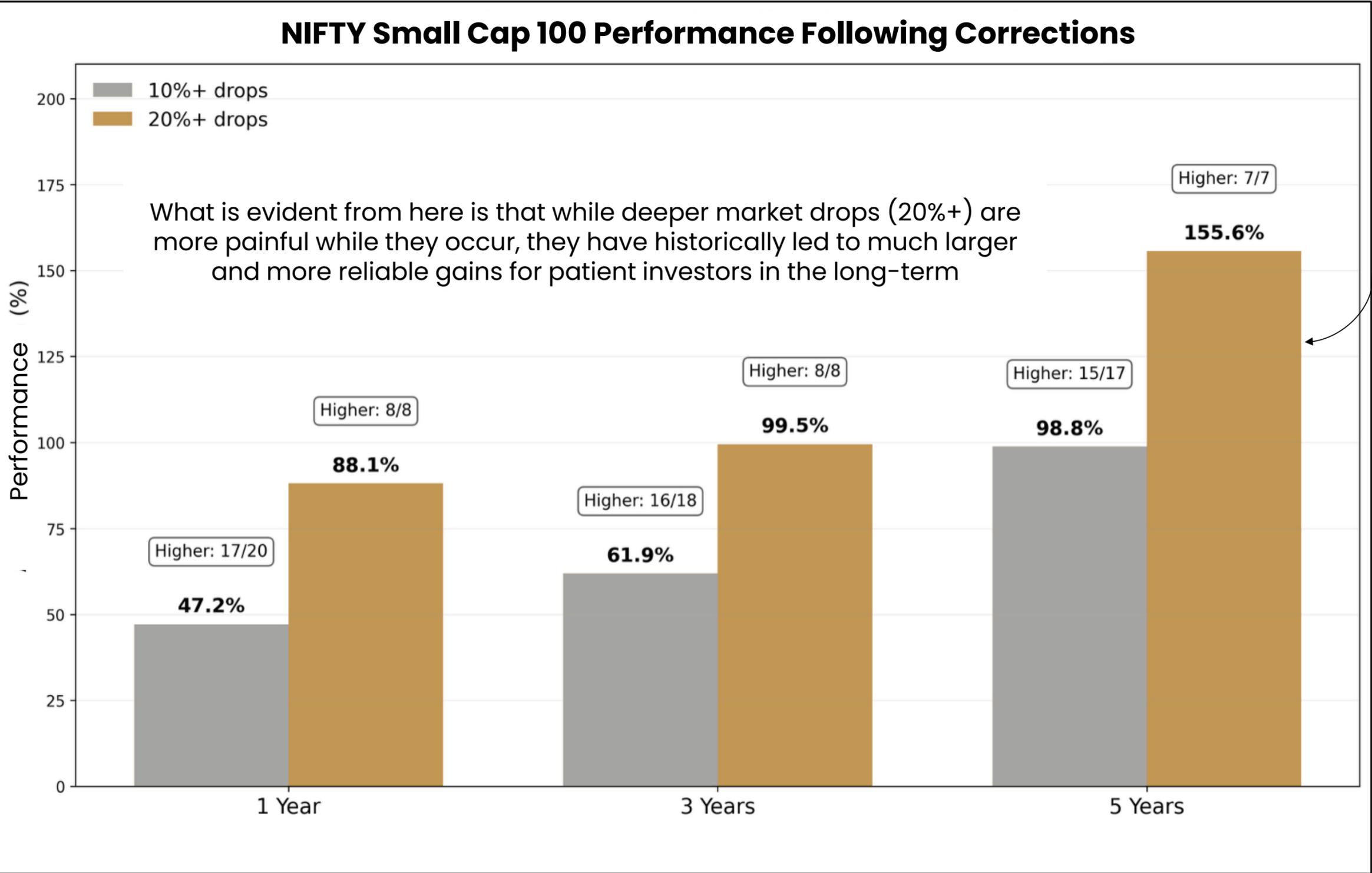
### Average correction duration for the NIFTY Smallcap 100



- Breadth readings at the April '25 lows were similar to those at prior market bottoms
- Currently, 83% of the stocks are down more than 20% from their highs; in April, this reading was as high as 91%
- **Readings > 90%** have been seen only **four other times** in the last two decades, which means the April lows remain critical

- Both midcaps and the Nifty topped out in late-September '25, so if we assume that markets overall peaked out here, then the current correction is worth 356 days
- At the April lows, the index was down ~25% from its record high; On average, corrections worth > 20% typically last ~400 days. This means time-wise, we may be nearing a bottom

# Small Caps Performance Post > 10% & > 20% Decline



Reading this chart

💡 7 out of seven times in the last two decades, the index has ended higher five years later, after suffering a > 20% drop; on average, the return has been over 150% from the bear market lows

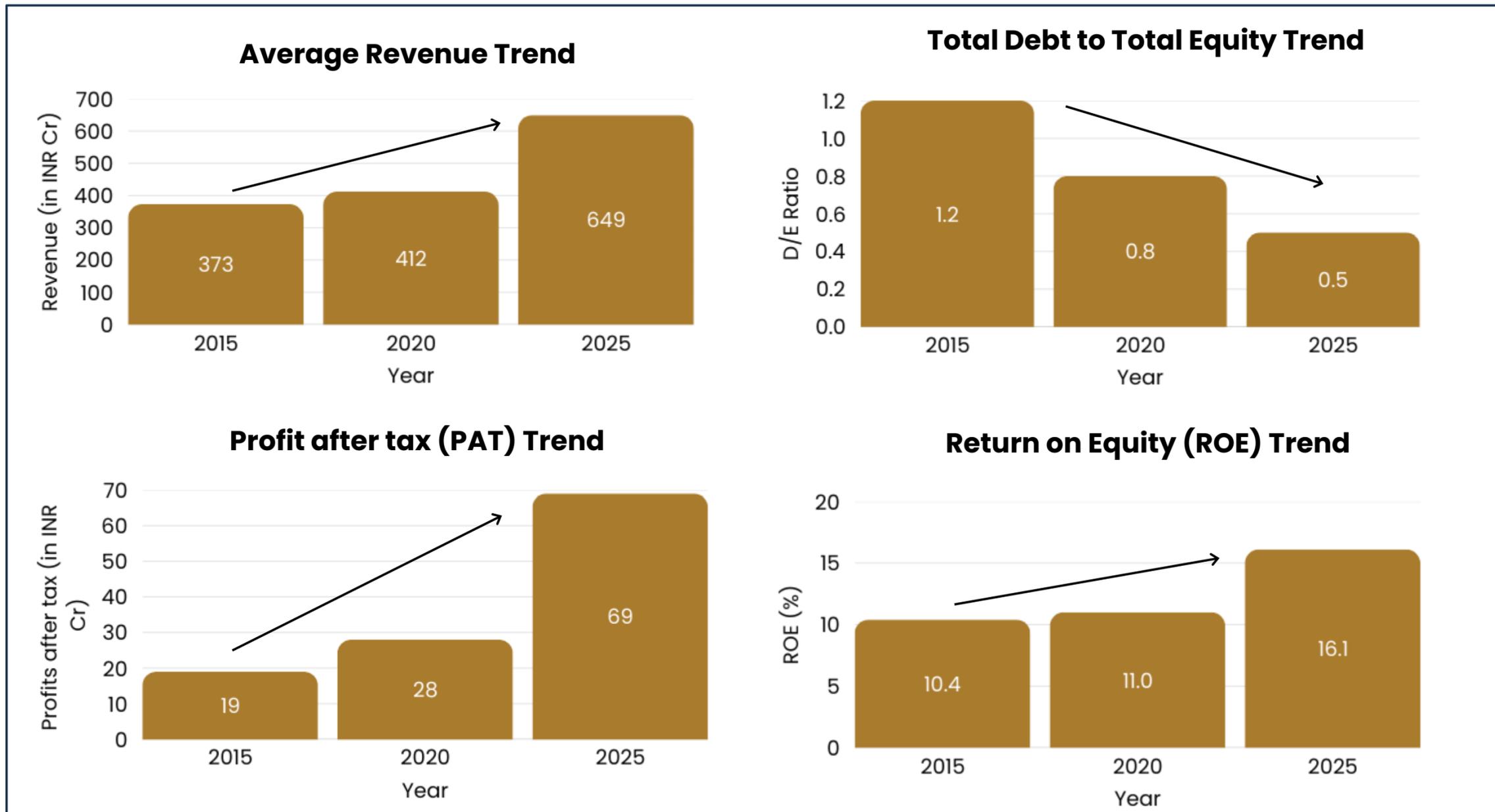
For illustration and understanding purpose only. Data as on 19<sup>th</sup> February 2026. Source: Bloomberg. Past performance may or may not sustain in future.

# Improving Fundamentals



In small-cap investing, avoiding the wrong businesses is as important as selecting the right ones.

## Fundamental Trends for NIFTY Small Cap 250 Index Members



Period	EBITDA Growth	Diluted Earnings Growth
Q1FY26	-2%	-3%
Q2FY26	6%	-1%
Q3FY26	17%	30%

💡 Quarterly trends reflect early signs of recovery and improvement.

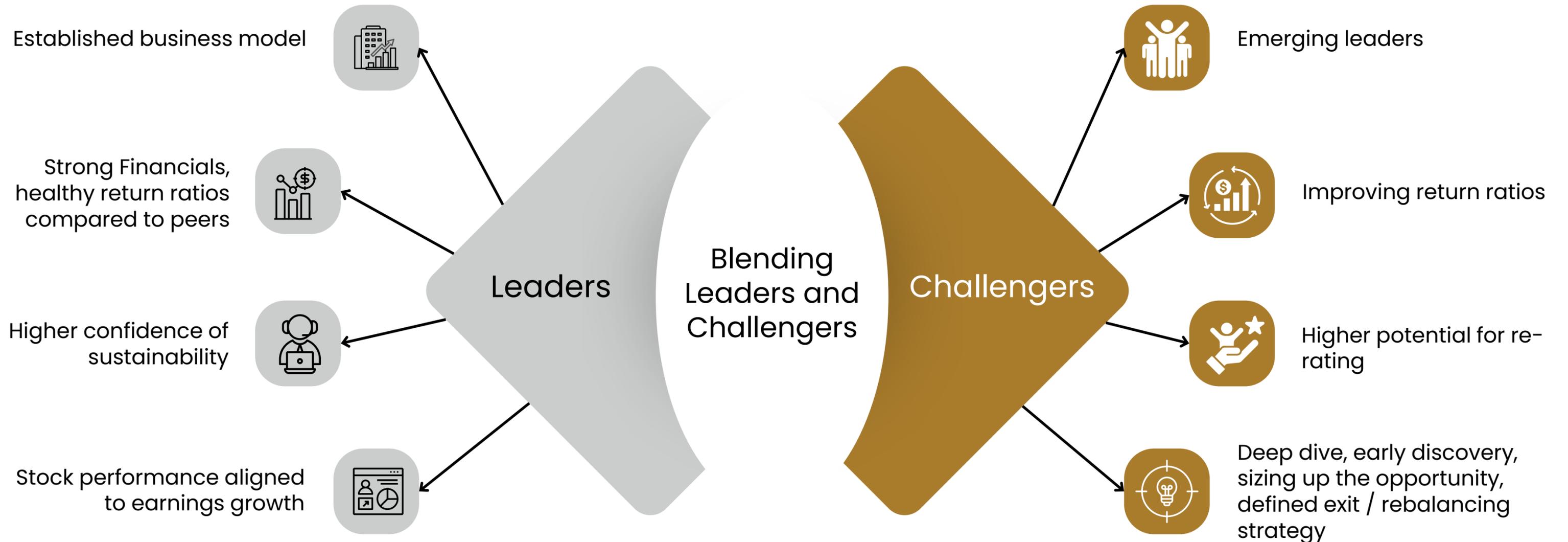


# **Why The Wealth Company Small Cap Fund**

# Dual-Engine Portfolio of Leaders and Challengers



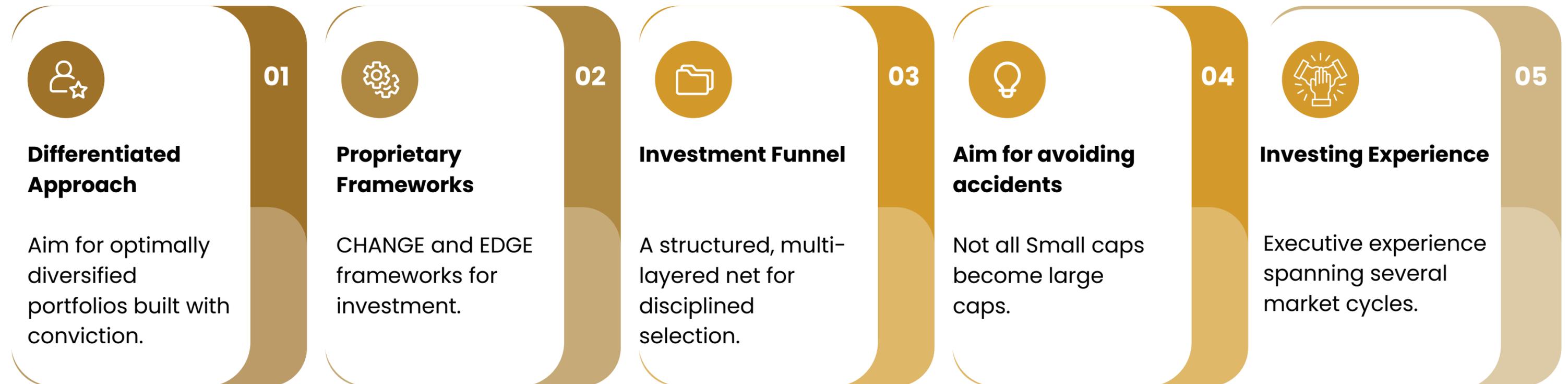
Aim for structured portfolio that may balance resilient leaders with high-potential challengers



# Why The Wealth Company Small Cap Fund



Built on process. Driven by discipline. Backed by experience.



# Frameworks for Stock Selection: CHANGE



**C.H.A.N.G.E**

is the  
**Only Constant**

A disciplined framework  
to identify scalable, resilient  
and high-quality businesses



## Capable Management

Strategic leadership with long-term vision  
Proven resilience across market cycles  
Business sustainability & risk foresight



## Attractive valuations

Dynamic and comparative valuation lens  
Integrated, multi-factor valuation approach



## Governance & transparency

High governance standards  
Minority investors' interest alignment



## Historical performance

Strong financial and operational track record  
Healthy return ratios  
Efficient capital allocation



## Navigating market cycles

Operational adaptability & financial resilience  
Proactive identification of macro shifts



## Earnings growth & execution excellence

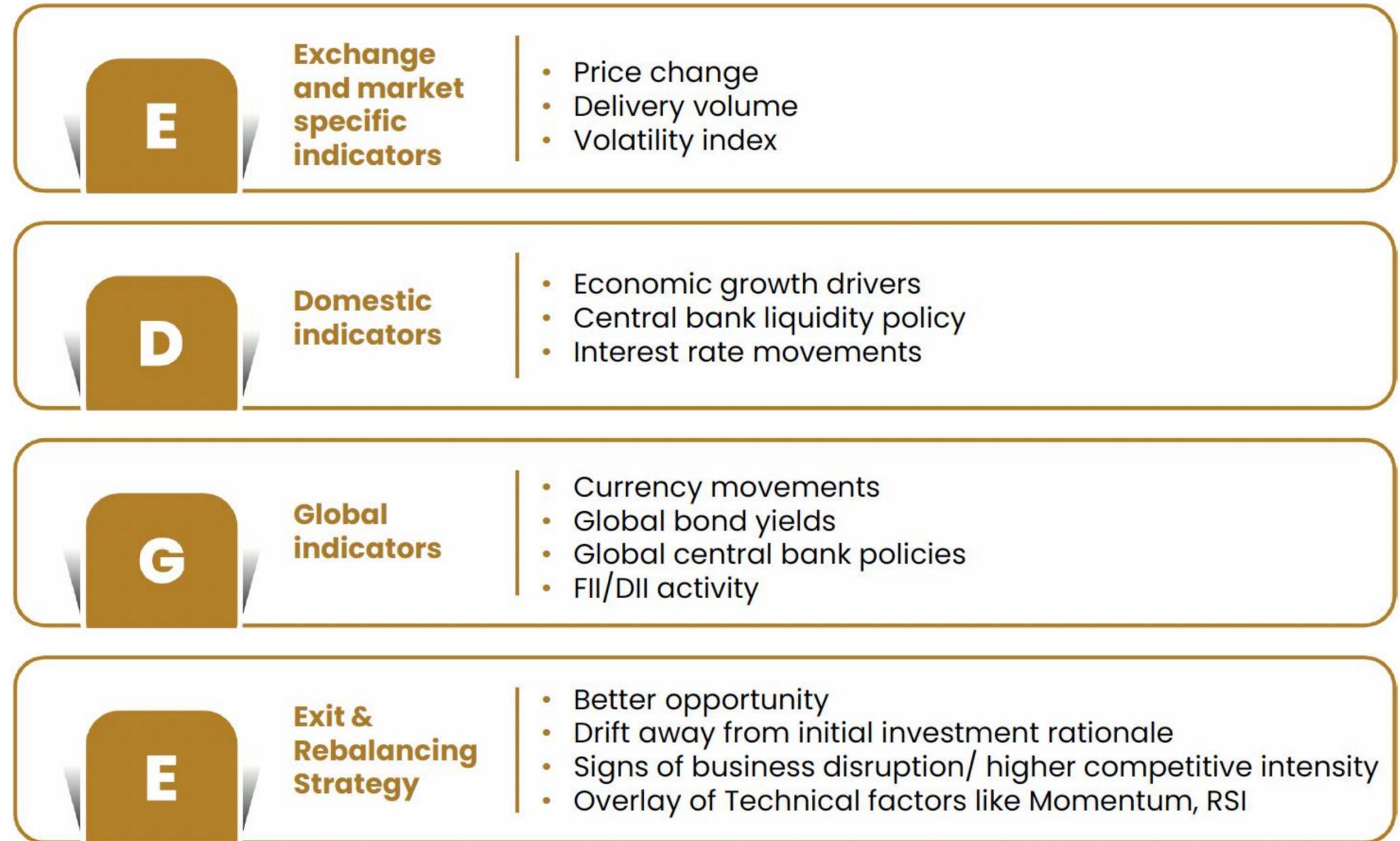
Scalable business with profitable growth

# Frameworks for Stock Selection: EDGE

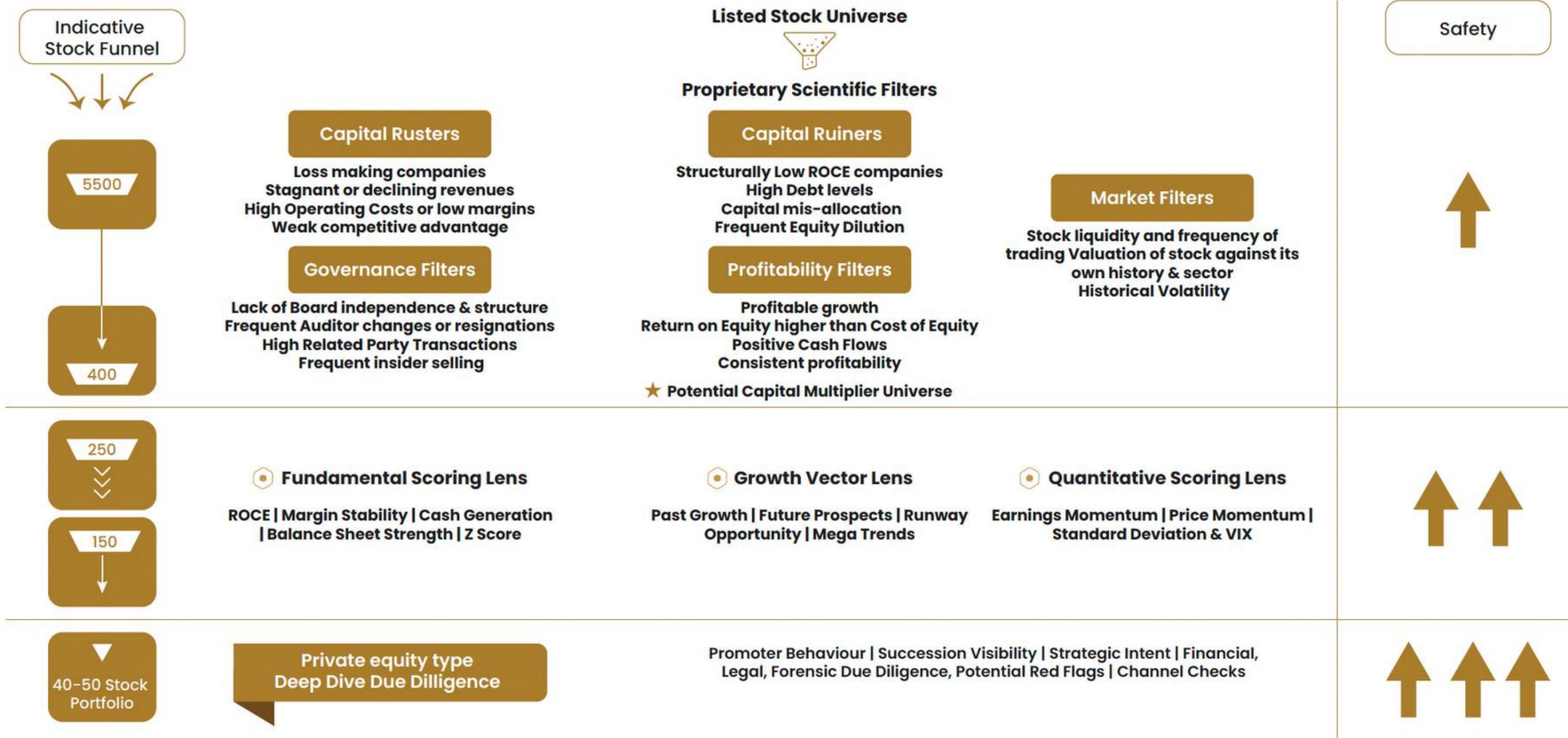


## Our E.D.G.E Overlay

A multi-dimensional lens  
to assess market direction  
and positioning



# Unique Investment Funnel: The Safety-Net

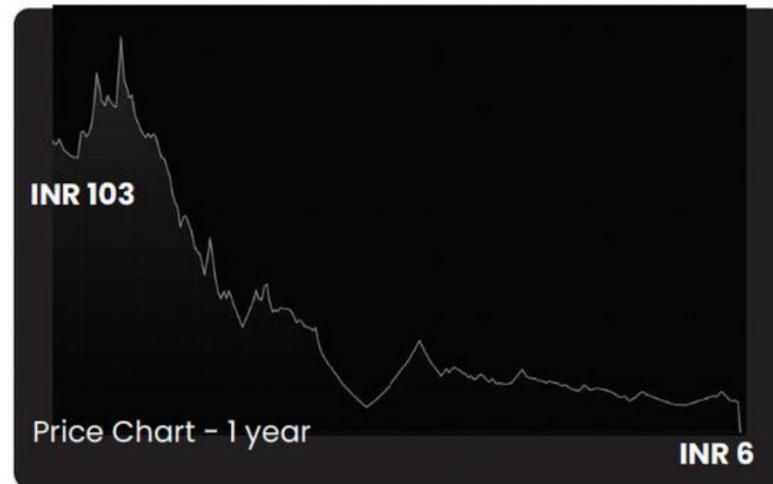


The number of stocks mentioned are tentative and for understanding purpose only. However, final portfolio can have higher or lower number of stocks as well depending on prevailing market conditions. Portfolio will be managed as per stated Investment objective, investment strategy & asset allocation in the Scheme Information Document (SID) and is subject to the changes within provisions of SID of the Scheme.

# Aim for Avoiding Accidents: Not All Small Caps Become Large Caps



Cases where mishaps could be avoided with microscopic due diligence and consistent monitoring.



Company - 1

### About the company

A company claiming to provide data centers, distance learning solutions, payment gateway services, e-commerce as a service (EAAS), etc.

### What went wrong?

IPO funds siphoning, significant related party transaction and falsified accounts



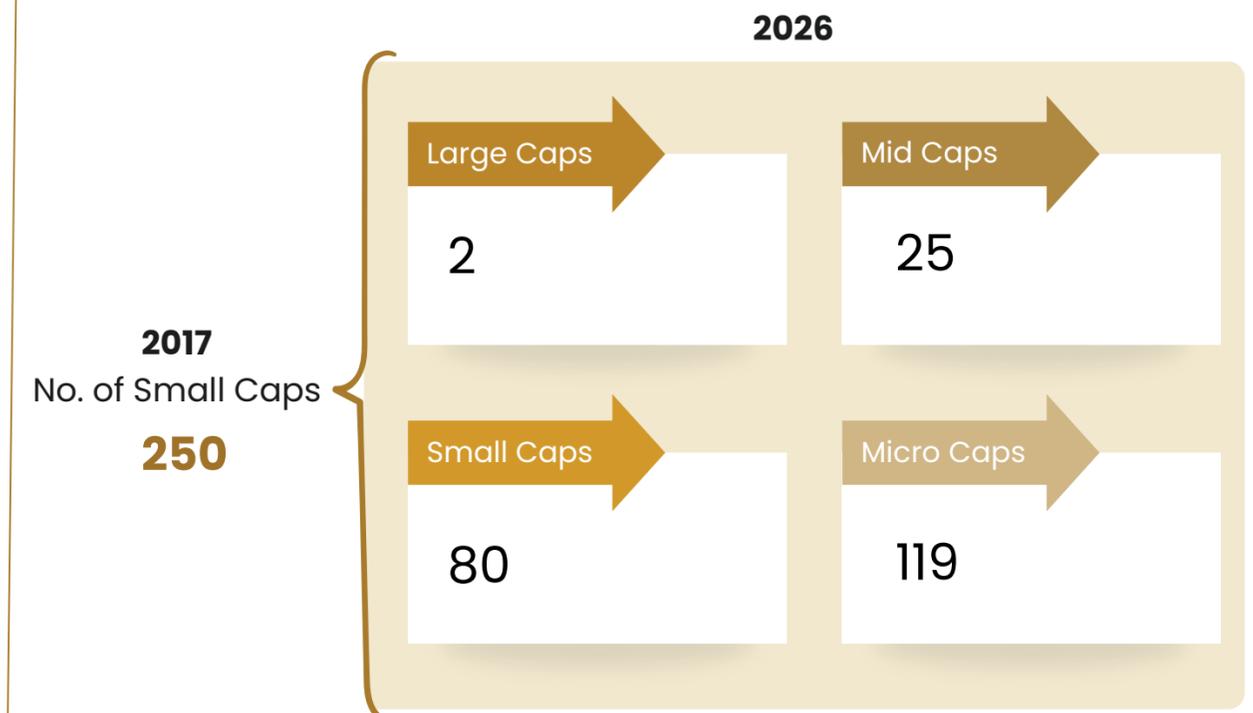
Company - 2

### About the company

A vertically integrated defense electronics solutions provider catering to the indigenously developed defense products industry in India.

### What went wrong?

Questionable business practices  
Auditor Qualifications and frequent changes



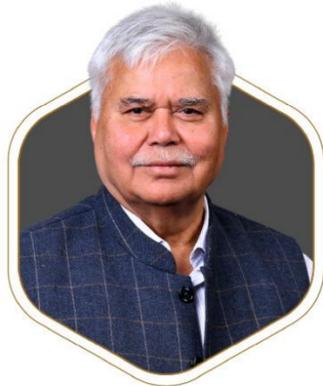
Nearly **50%** of small-cap companies since 2017 have slipped into micro-cap territory, reinforcing the need for

- **disciplined processes**
- **robust research frameworks**
- **experienced fund management**

For discussion and understanding purpose only. Source: Screener

The above case study is for representation and understanding purpose only. The stock(s)/sector(s) mentioned in this slide do not constitute any recommendation to buy/sell/hold and The Wealth Company Mutual Fund may or may not have any future position in this stock(s)/sector(s)/issuer(s). The portfolio of the scheme is subject to changes within the provisions of the Scheme Information document of the Scheme. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

# Strong Corporate Governance: Trustee Board



**Dr. Ram Sewak Sharma**  
Independent Director

IAS (Retd.), 1978 batch with 40+ years of service in key government roles. Former Director General of UIDAI and Chairman of TRAI. Architect of transformative initiatives like Aadhaar, CoWIN and Ayushman Bharat Digital Mission.



**Dr. Hukum Chand Jain**  
Independent Director

Is IRS (Retd.) 1982 batch and earlier served on various key positions within the Ministry of Finance, Department of Revenue. Post-retirement, Dr. Jain transitioned into tax consultancy and legal representation offering expert advice and handling complex tax matters before tax authorities.



**Smt. Rashmi Verma**  
Independent Director

A 1982 batch IAS officer, held the position of Secretary of the Ministry of Textiles from 2012 to 2015. Her illustrious career includes roles in the Ministry of Finance, Defence, and the Prime Minister's Office. She served as Special Secretary in the Department of Revenue. Verma's extensive experience spans both central and state levels.



**Mr. Krishan Kumar Jalan**  
Associate Director

IAS (Retd.) with over 35 years of service, retired as Secretary, Ministry of MSME, Government of India. He earlier held key roles including Central Provident Fund Commissioner and Additional Chief Secretary in Haryana across several major departments.

# Strong Corporate Governance: AMC Board



## Ms. Madhu Lunawat

Chartered Accountant | Founder, CEO and MD - The Wealth Company  
Co-Founder Pantomath Group

The first woman founder of a Mutual Fund in India – a landmark moment in the Indian asset management industry. It reflects not just a breakthrough, but a deep commitment to building a fund house defined by intelligence, integrity and long-term value creation. Ex-Infosys, ASREC, Edelweiss.



## Dr. Kshatrapati Shivaji

Director (Non-Executive and Non-Independent)

Dr. Kshatrapati Shivaji, IAS (Retd., 1986 batch), brings 40 years of leadership across finance, industry and governance. Former CMD of SIDBI, Founding Chairman of MUDRA Ltd. and ex-Principal Secretary (Finance & Industries), Govt. of Maharashtra, he has also represented India as Dean of the Board at Asian Development Bank (ADB).



## Mr. Hemant Bhargava

Independent Director

With 39 years of experience in finance and insurance, served as Chairman In-Charge and MD of LIC and Non-Executive Chairman of IDBI Bank. Currently an independent director on multiple boards, he holds a postgrad in Economics and brings 24 years of board-level expertise across India and abroad.



## Mr. Atul Joshi

Independent Director

A seasoned economic policy expert and banker with over 30 years of experience, was formerly MD & CEO of Fitch Ratings India and Sri Lanka. A Chartered Accountant and law graduate, he has held key roles at ICICI and ING Vysya and actively contributes to industry bodies like IMC, CII and FICCI.



## THE WEALTH COMPANY SMALL CAP FUND

(An open-ended equity scheme predominantly investing in small cap stocks)

Product Labelling: To provide investors an easy understanding of the kind of product/scheme they are investing in and its suitability to them, the product labelling is as under:

Riskometer and Product Label		
This Product is suitable for investors who are seeking*:	Scheme Riskometer	Benchmark Riskometer NIFTY SmallCap 250 index (TRI)
<ul style="list-style-type: none"> <li>To generate long term capital appreciation / income</li> <li>Investment predominantly in small cap companies</li> </ul>	<p><b>RISKOMETER</b></p> <p>Risk of the Scheme is at Very High Risk</p>	<p><b>RISKOMETER</b></p> <p>The Risk of The Benchmark Is very high</p>
<p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>		

The above 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.



## **Past performance may or may not sustain in the future**

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The Investment Manager, its affiliates/ associates, their directors, employees, representatives, or agents shall not be liable or responsible for the performance of any Product, the contents of any document or any investments in the Products including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages. Name of the scheme does not in any manner indicate its future prospects and returns. No claims may be made or entertained for any variances between the performance depictions and individual portfolio performance or for any losses (notional or real) or against any loss of opportunity for gain under various schemes.

This material has been prepared based on internal data, publicly available information and other sources believed to be reliable. The statements are given in summary form and do not purport to be complete. The information/ data herein alone are not sufficient and should not be used for the development or implementation of an investment strategy. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. All data/ information used in the preparation of this material is dated as mentioned in the portfolio data and may or may not be relevant any time after the issuance of this material. The Fund Manager takes no responsibility of updating any data/information in this material from time to time.

Any information contained in this material shall not be deemed to constitute an advice, an offer to sell/purchase or as an invitation or solicitation to do for security of any entity and further The Wealth Company Asset Management Holdings Private Limited, its affiliates/ associates, employees/directors of these entities shall not be liable or responsible for any loss, damage, liability whatsoever for any and all direct, special, punitive, indirect, or consequential damage or loss arising from the use of this information. Kindly refer the Scheme Information Document for the detailed investment approach, including specific risk factors, before investing.

**Prospective investors are advised to carefully review the Scheme Information Document and other related documents carefully and consult their legal, tax and financial advisors before making an investment decision and to understand the risks related to the investment product.**

# Maximising You



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Saki Vihar Road, Andheri (E)  
Mumbai 400072



**Call** 18002673454 or  
contact your mutual  
fund distributor



**Email**  
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**Website**  
[www.wealthcompanyamc.in](http://www.wealthcompanyamc.in)

# Key Fund Terms



CAGR (Compounded Annual Growth Rate)  
Standard Deviation (Volatility)  
Sharpe Ratio  
Max Drawdown  
Rolling Returns  
Correlation  
Risk-Adjusted Returns  
P/E Ratio (Price-to-Earnings Ratio)  
Market Cap to GDP Ratio  
India VIX Index  
DXY (U.S. Dollar Index)  
Momentum Indicators  
STCG (Short-Term Capital Gain)  
LTCG (Long-Term Capital Gain)

- Measures the mean annual growth rate of an investment over a specified period of time longer than one year.
- Indicates how much returns deviate from the average; a measure of portfolio risk or variability.
- Measures risk-adjusted returns; calculated as excess return per unit of volatility.
- The maximum observed loss from a peak to a trough before a new peak is attained.
- Average annualized returns calculated on overlapping periods to show performance consistency.
- Measures how two assets move in relation to each other (positive, negative, or zero).
- Returns achieved relative to the amount of risk taken.
- Valuation metric comparing share price to earnings per share.
- A macro indicator comparing total market capitalization to the country's GDP to gauge market valuation.
- A volatility index measuring market expectations of near-term volatility.
- Measures the strength of the U.S. dollar against a basket of foreign currencies.
- Technical tools used to gauge the speed or strength of a price movement.
- Gains on investments held for a short duration.
- Gains on investments held longer than a defined period.