Bandhan Small Cap Fund

Analysis Report

Basic Fund & Scheme Details

Inception Date:	25-Feb-20
AUM (In Crs) as on 30th June 2026:	₹ 28,466
Plan Type:	Direct Growth Plan
Asset Class:	Equity
Scheme Type - Market Cap:	Small Cap
Benchmark:	BSE 250 SmallCap TRI
Expense Ratio:	0.59%
Entry Load:	Nil
Exit Load:	1%
Fund Manager(s):	Mr. Manish Gunwani, Mr. Kirthi Jain Ms. Ritika Behera, Mr. Gaurav Satra

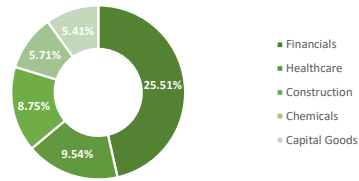
Top 10 Stock Holdings by the Fund

Company	Sector	Assets %
REC Ltd.	Financials	3.19%
Sobha Ltd.	Construction	3.05%
State Bank Of India	Financials	2.19%
Arvind Ltd.	Textile	1.91%
LT Foods Ltd.	FMCG	1.84%
The South Indian Bank Ltd.	Financials	1.74%
PNB Housing Finance Ltd.	Financials	1.47%
Cholamandalam Financial Holdin	Financials	1.41%
Paradeep Phosphates Ltd.	Chemicals	1.30%
Jubilant Pharmova Ltd.	Healthcare	1.28%

Investment Philosophy

Bandhan Small Cap Fund focuses on building a diversified portfolio within the small cap segment. The fund follows a 3-pronged stock selection approach of Quality, Growth, and Reasonable Valuation.

Top Sector Holdings by the Fund

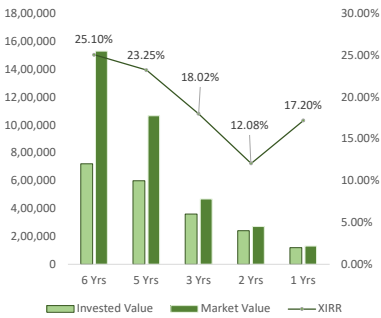


Investment Objective

The Fund seeks to generate long term capital appreciation by investing predominantly in equities and equity linked securities of small cap segment.

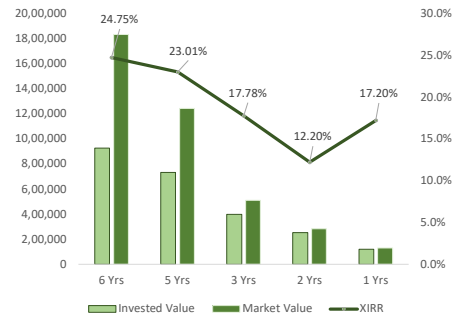
SIP Performance Chart

SIP Amount 10,000 Per Month



10% Step Up SIP Performance Chart

SIP Amount 10,000 Per Month with Yearly 10% Increase



Fund Overall View

The Fund runs about ₹28,466 crore in assets as of end-July 2026, charges a lean 0.59% expense ratio, and sits under Manish Gunwani's team against the BSE 250 SmallCap benchmark. Three-year CAGR clusters around 28.21% with a Sharpe near 1.05, solid numbers on paper, but the fund carries a Very High risk tag and the ride shows it. One-year returns? A mess. What actually worries me is scale: can this fund keep finding alpha in small caps once it's sitting on ₹28,466 crore, because liquidity tightens and impact cost climbs fast the moment a fund this size tries to move in or out of a genuinely small stock.

Prepared by - Kaustubh Barve

Returns Analysis

	CAGR %				
Particulars	**1 Years**	**2 Years**	**3 Years**	**5 Years**	**6 Years**
Bandhan Small Cap Fund	5.91%	45.36%	28.21%	20.37%	30.60%
BSE 250 SmallCap TRI	0.23%	35.93%	16.98%	15.16%	22.26%
BSE Sensex	-2.14%	-1.22%	10.02%	10.97%	14.43%
Value of 10,000 Invested - Lumpsum					
Bandhan Small Cap Fund	10,591	21,130	21,075	25,269	49,620
BSE 250 SmallCap TRI	10,023	18,477	16,008	20,254	33,397
BSE Sensex	9,786	9,757	13,317	16,828	22,451
Value of 10,000 Invested - Monthly SIP					
Bandhan Small Cap Fund	1,30,807	2,70,696	4,69,147	10,66,791	15,30,413
BSE 250 SmallCap TRI	1,30,400	2,60,508	4,19,882	8,85,234	12,64,002
BSE Sensex	1,15,018	2,33,559	3,68,743	6,98,533	9,16,184
Value of 10,000 Invested - 10% Step Up SIP					
Bandhan Small Cap Fund	1,30,807	2,83,777	5,10,605	12,45,323	18,33,478
BSE 250 SmallCap TRI	1,30,403	2,74,377	4,62,791	10,54,240	15,30,559
BSE Sensex	1,15,018	2,44,996	4,04,744	8,35,558	11,36,765

The CAGR Return of Lumpsum investment in the Fund is 5.91%, 45.36%, 28.21%, 20.37% and 30.60% for 1 year, 2 years, 3 years, 4 years, 5 years and 6 years Respectively. The XIRR Return on SIP Investment in the fund in the same tenure is 17.20%, 12.08%, 18.02%, 23.25% and 25.10% Respectively. The Fund has consistently delivered returns superior than its benchmark BSE 250 SmallCap TRI and BSE Sensex.

Risk Analysis

(In %)	**Mean Return**	**Std Dev**	**Sharpe**	**Sortino**	**Beta**	**Alpha**
Bandhan Small Cap Fund	*27.55%*	*20.69%*	*1.05%*	*1.66%*	*0.92%*	*9.81%*
BSE 250 SmallCap TRI	*18.79%*	*22.04%*	*0.59%*	*0.92%*		
Category Average	*19.88%*	*20.33%*	*0.69%*	*1.03%*	*0.90%*	*2.42%*
Total No. of Funds in Category	33	33	33	33	33	33

The Fund has Delivered annualized average monthly return of 27.55% which is more than 18.79% (Provided By Benchmark). Further the Fund has standard deviation of 20.69% which is slightly lower than the benchmark. The Fund is genrating Superior returns over the same unit of risk as a benchmark, Further Hence the fund has higher Sharpe & Sortino Ratio. The Fund has generated Risk Adjusted Alpha of close to 9.81% over Benchmark. The Fund has been categorized as Very High Risk aka Above Average Risk than Benchmark by Morning Star

Portfolio Analysis

Value & Growth Measures	**Investment**	**Category**	**Index**
Price/Earnings	14.87	22.39	21.42
Price/Book	1.92	2.91	2.94
Price/Sales	1.38	2.32	2.37
Price/Cash Flow	13.08	21.01	14.89
Dividend Yield %	*1.09%*	*0.79%*	*1.35%*
Long-Term Earnings %	*11.54%*	*13.63%*	*12.59%*
Historical Earnings %	*12.18%*	*10.05%*	*10.94%*
Sales Growth %	*10.40%*	*10.20%*	*7.62%*
Cash-Flow Growth %	*5.15%*	*7.12%*	*9.11%*
Book-Value Growth %	*14.95%*	*14.21%*	*14.02%*

Sector	**Investment %**	**Category %**
Basic Materials	*11.99%*	*11.50%*
Consumer Cyclical	*13.95%*	*19.53%*
Financial Services	*25.21%*	*17.82%*
Real Estate	*8.48%*	*2.28%*
Communication Services	*2.18%*	*1.37%*
Energy	*1.29%*	*0.92%*
Industrials	*12.54%*	*20.72%*
Technology	*7.84%*	*6.54%*
Consumer Defensive	*4.52%*	*5.16%*
Healthcare	*10.08%*	*12.07%*
Utilities	*1.31%*	*2.08%*

Portfolio Movement in Last Qtr	**Addition**	**Deletion**
Aster DM Healthcare Limited	*302.99%*	
Bajel Projects Limited	*268.20%*	
Bharat Coking Coal Limited	*221.70%*	
E2E Networks Limited		*-90.00%*
CSB Bank Limited		*-85.52%*
EPL Limited		*-84.66%*

Disclaimer: This analysis is for informational purposes only and does not constitute investment advice. Mutual fund investments are subject to market risk; please verify all figures against the official AMC factsheet and consult a SEBI-registered advisor before investing.

Prepared by Kaustubh Barve.