

INVESTMENT PROPOSAL

PREPARED BY : NIDHEESH SAXENA

12 JULY, 2022

RATIONALE

Small-Cap funds offer high returns and aim to generate long-term capital gains by investing in equities of small-cap companies. Such funds have increased risks, and an investor should be willing to experience losses during the time invested with the fund.

The current market conditions are very volatile, and as a result, returns from equities are volatile. Countries expecting a recession and rising inflation have worried existing investors. However, such unstable conditions allow new investors to invest in the market at a discounted rate. Enabling investors to improve their long-term returns.

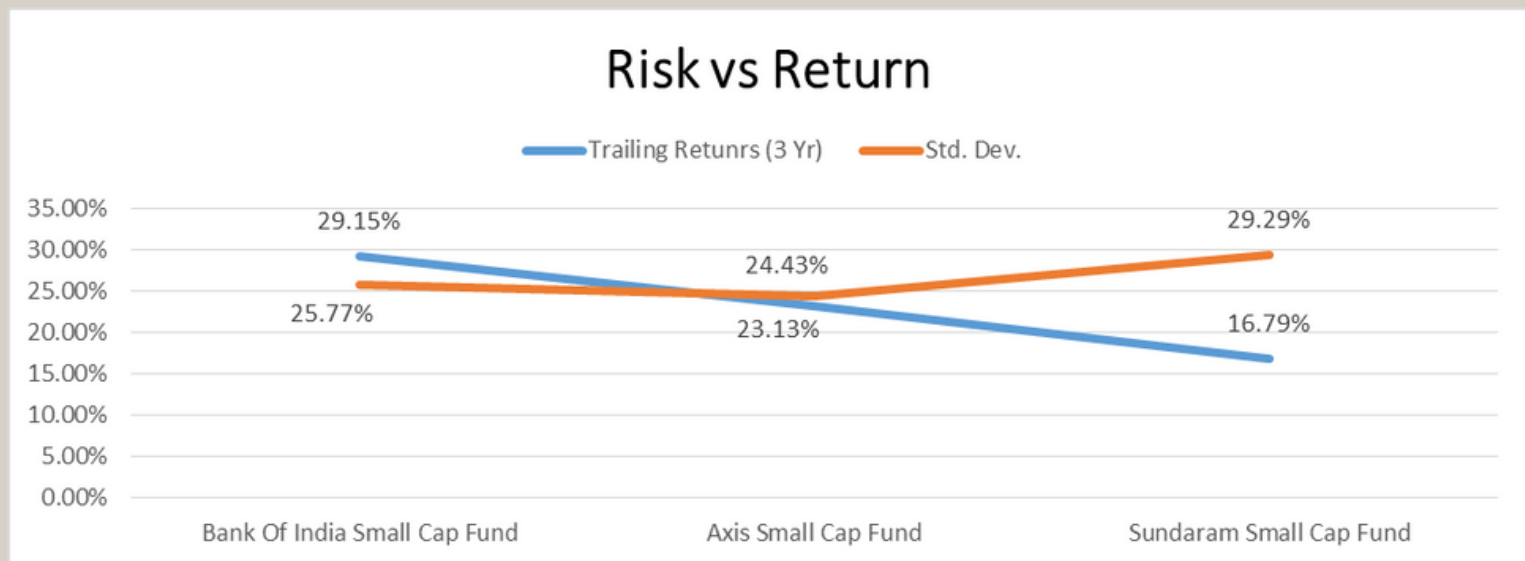
Small-cap funds declaring dividends are ideal for investors looking for a second source of income. Such funds declare dividends in regular intervals for the investors to redeem. However, the amount and frequency of dividends depend on the performance of the funds. The companies don't need to declare dividends. The following funds have regularly declared dividend in the past and offer consistent returns.



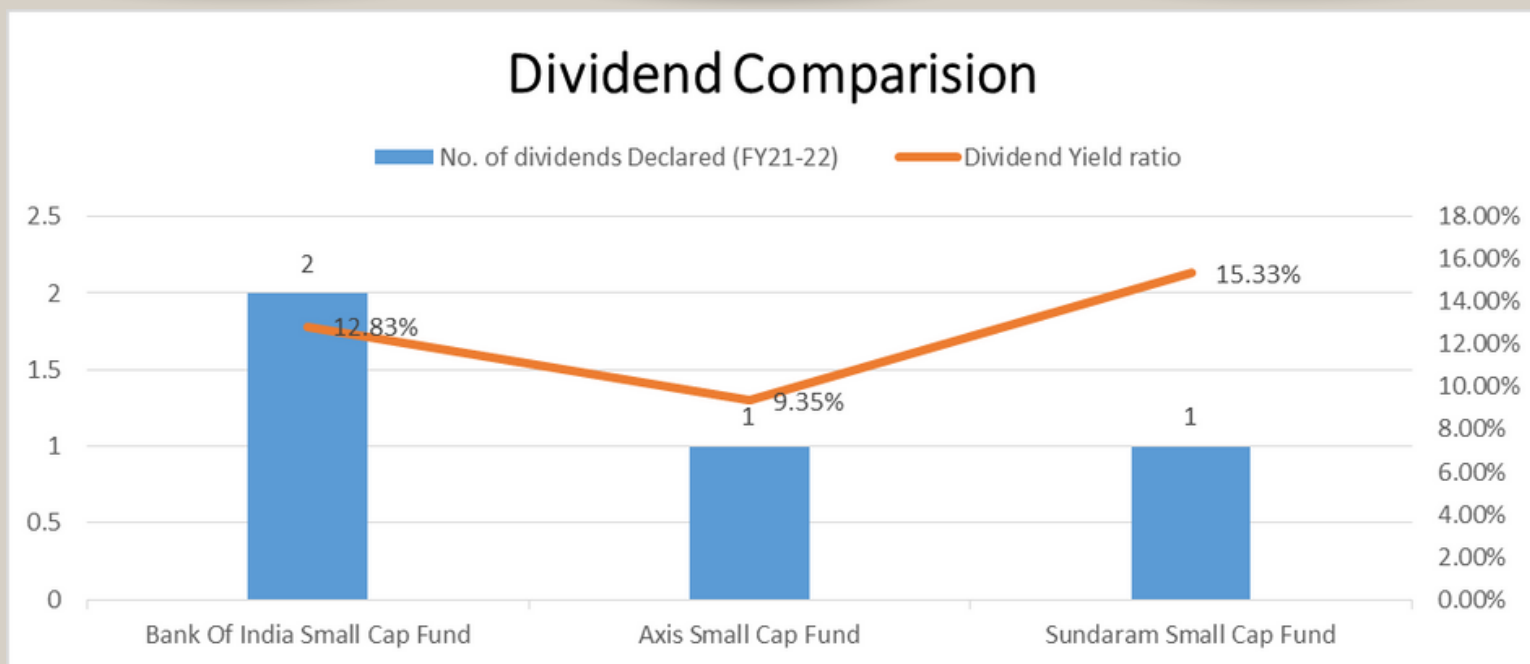
IDEAL SCHEMES



| Ideal Scheme | Trailing Returns (3 Yr) | Standard Deviation |
|----------------------------------|-------------------------|--------------------|
| Bank Of India Small Cap Fund (D) | 29.15% | 25.77% |
| Axis Small Cap Fund (D) | 23.13% | 24.43% |
| Sundaram Small Cap Fund (D) | 16.79% | 29.29% |



| Fund Name | No. of dividends Declared (FY21-22) | Dividend Yield ratio |
|----------------------------------|-------------------------------------|----------------------|
| Bank Of India Small Cap Fund (D) | 2 | 12.83% |
| Axis Small Cap Fund (D) | 1 | 9.35% |
| Sundaram Small Cap Fund (D) | 1 | 15.33% |



GOALS

To generate long term wealth by

- using the volatile market conditions
- Investing in high return stocks and funds
- Buy funds at discounted prices maximising gain potential