

The **ecosystem**
that fuels **India's growth**

Invest in Banking & Financial Services sector

Presenting
**Bank of India
Banking & Financial Services Fund**

NFO opens on: **08th January, 2026**
NFO closes on: **22nd January, 2026**





Why Banking & Financial Services Sector?

Why Now?

Bank of India Banking
Services Fund?

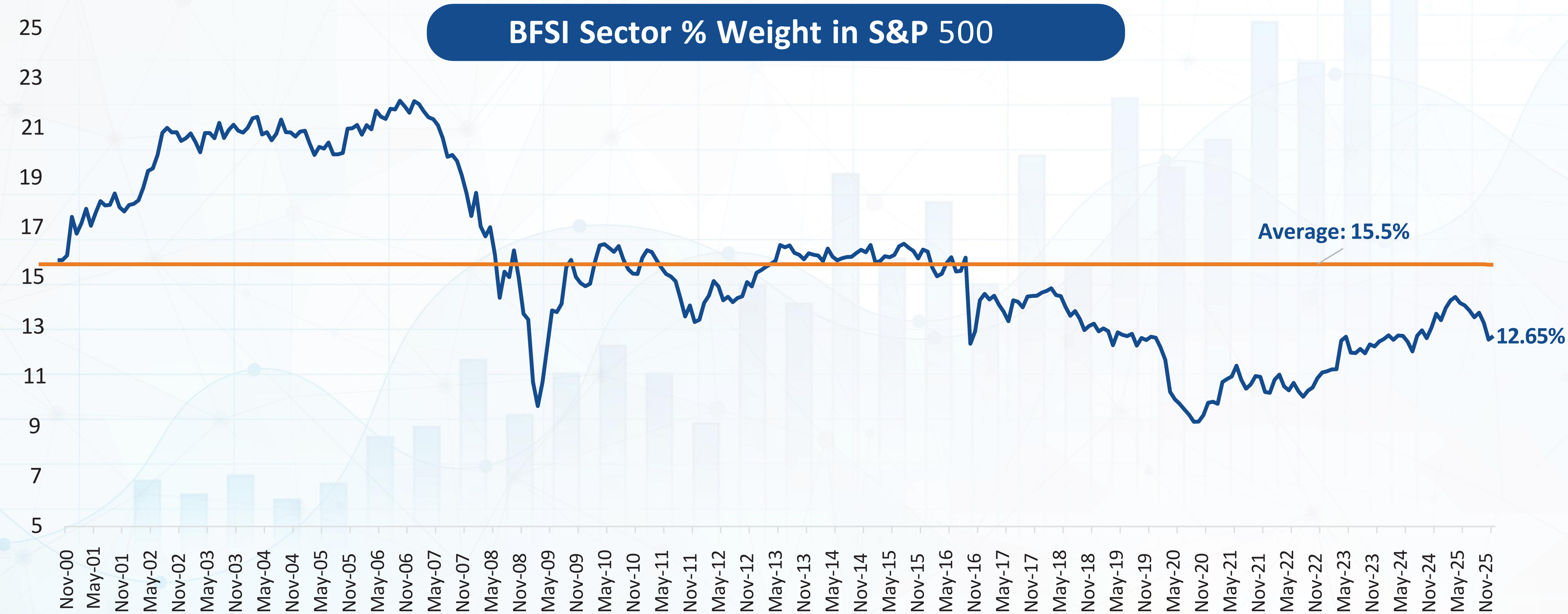
Evolution of Banking & Financial Services Sector



Source: Above illustration is based on AFMI Industry Classification for the Financial Services Sector. Banking & Financial Services Sector (BFSI Sector)

BFSI Sector remained relevant in the US Market over last 25 years

- BFSI Sector market cap to S&P 500 Index market cap has remained steady between 13–16% It
- reflects continued relevance of the sector in mature economies

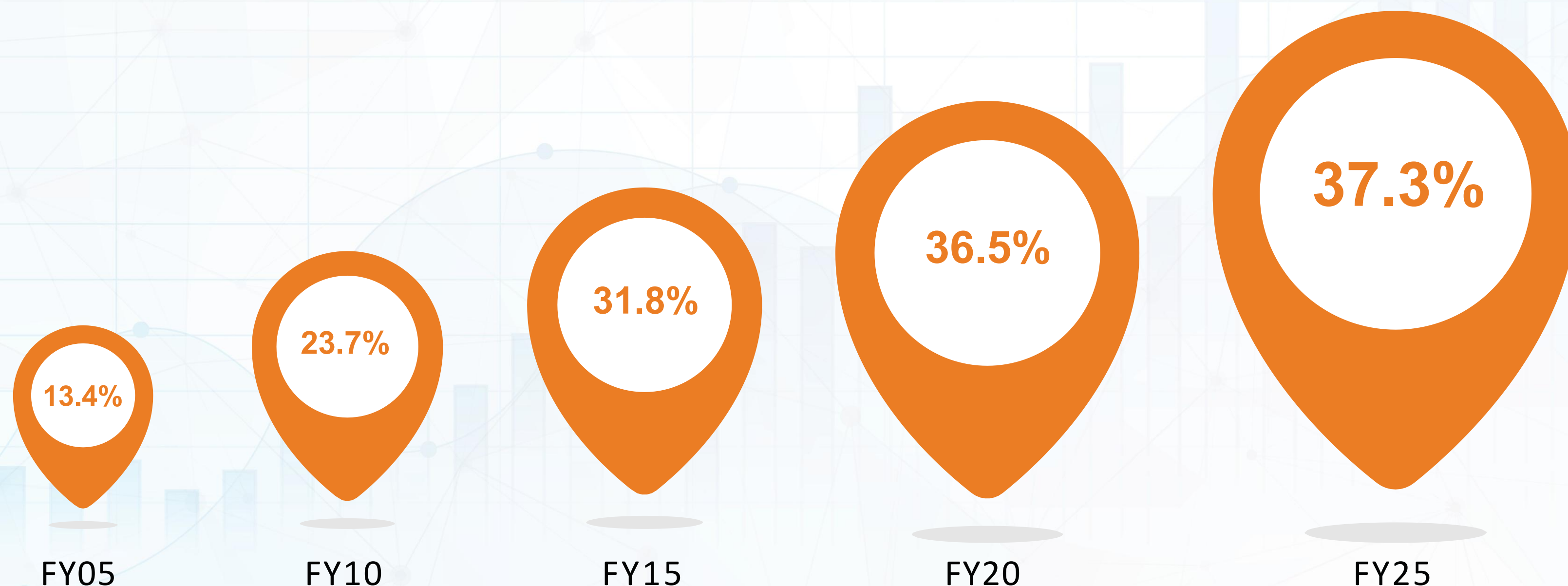


Source: Bloomberg, Yes Securities Institutional Research

BFSI Sector participation has increased significantly in India

- BFSI share in Nifty 50 has increased multi-fold from ~13% (2005) to ~37% (2025) It
- reflects the increasing relevance of the financial services sector in India

Banking & Financial Services Sector Weight in Nifty 50

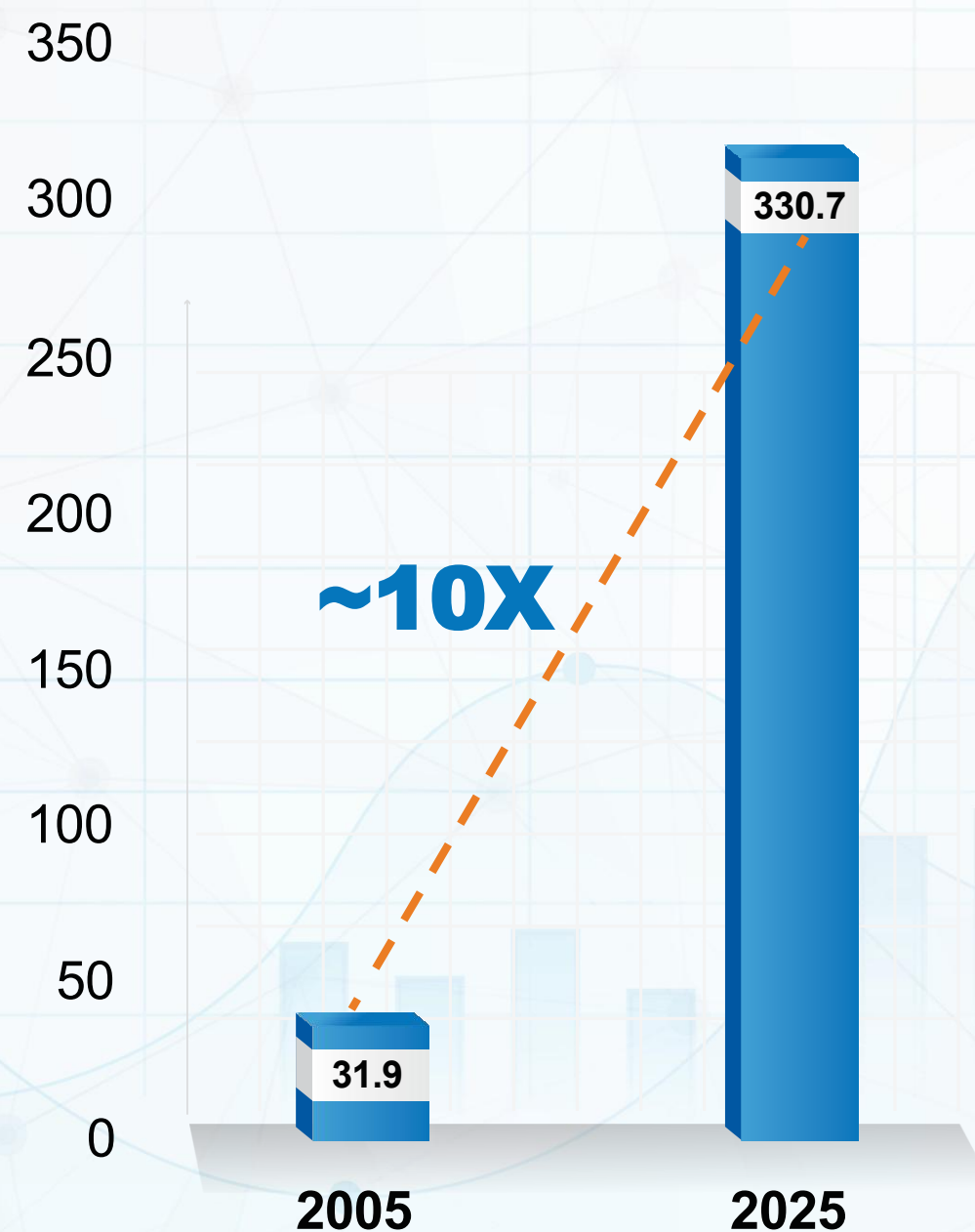


Source: Bloomberg. Data for the financial year end of respective years, Motilal Oswal Institutional Research

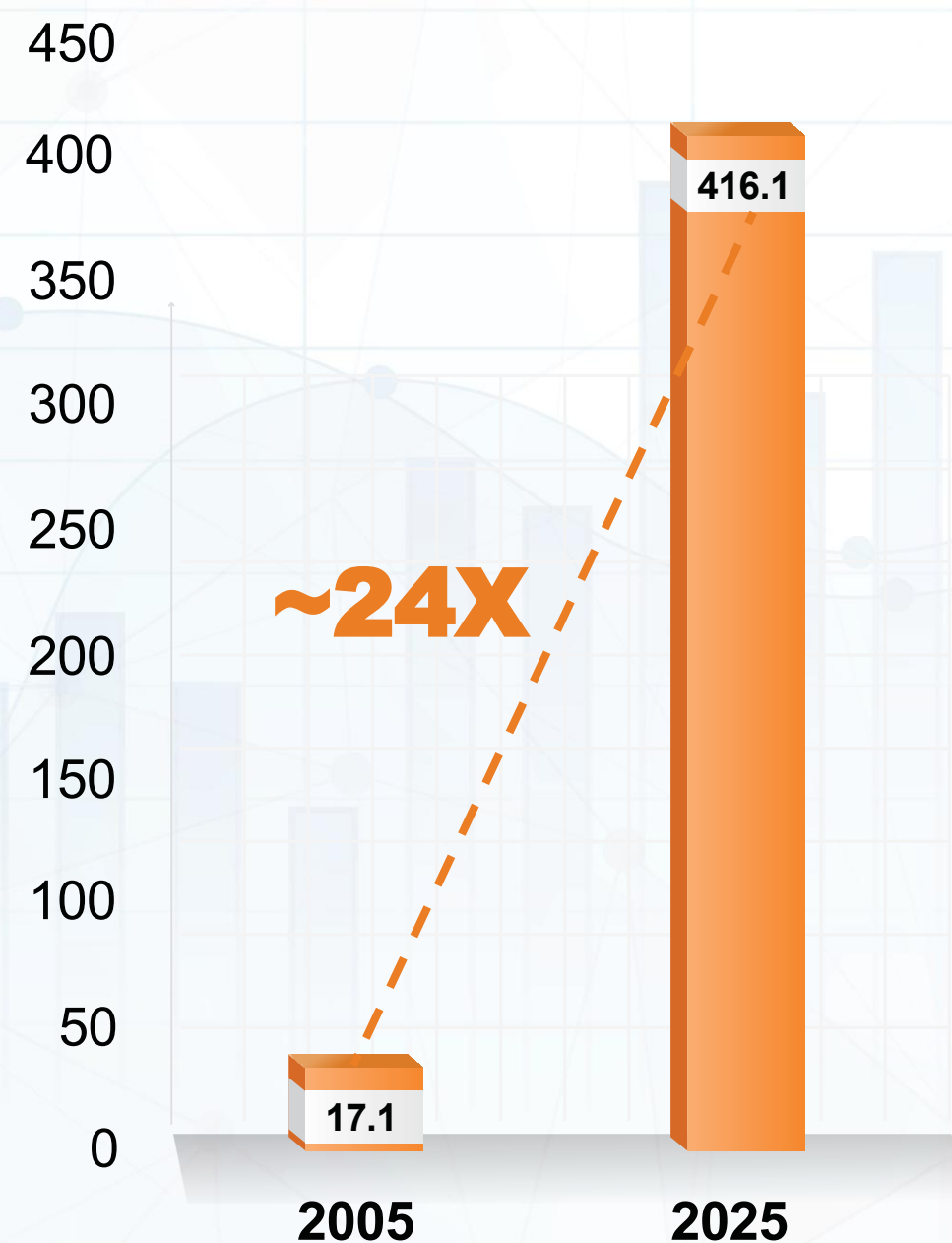
Increasing mix of BFSI largely contributed by faster expansion in its Market Capitalisation

⚡ BFSI's faster growth showcases sectoral leverage to GDP expansion over the last 20 years

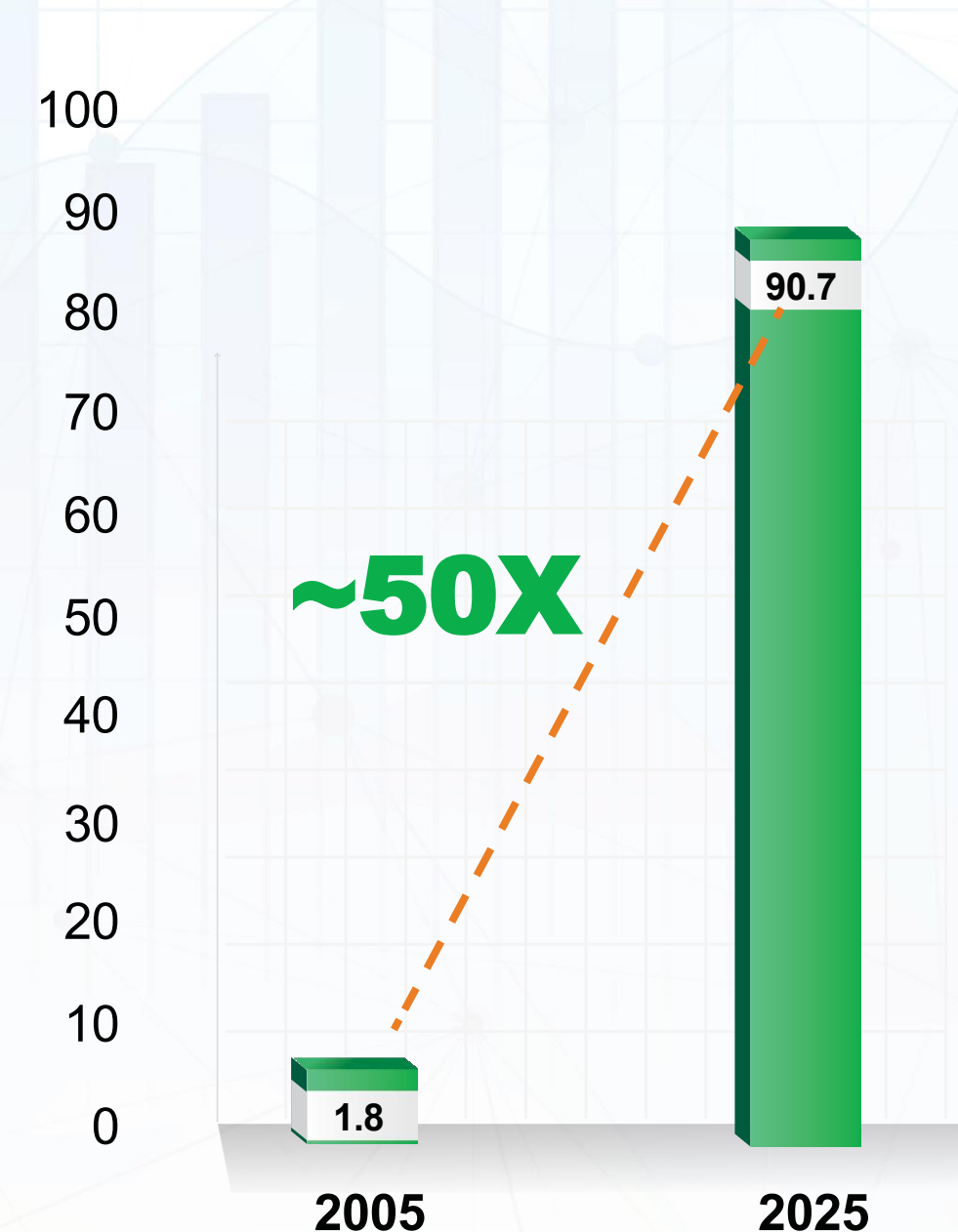
Nominal GDP
(In ₹ Trillion)



Total Market Cap
(In ₹ Trillion)



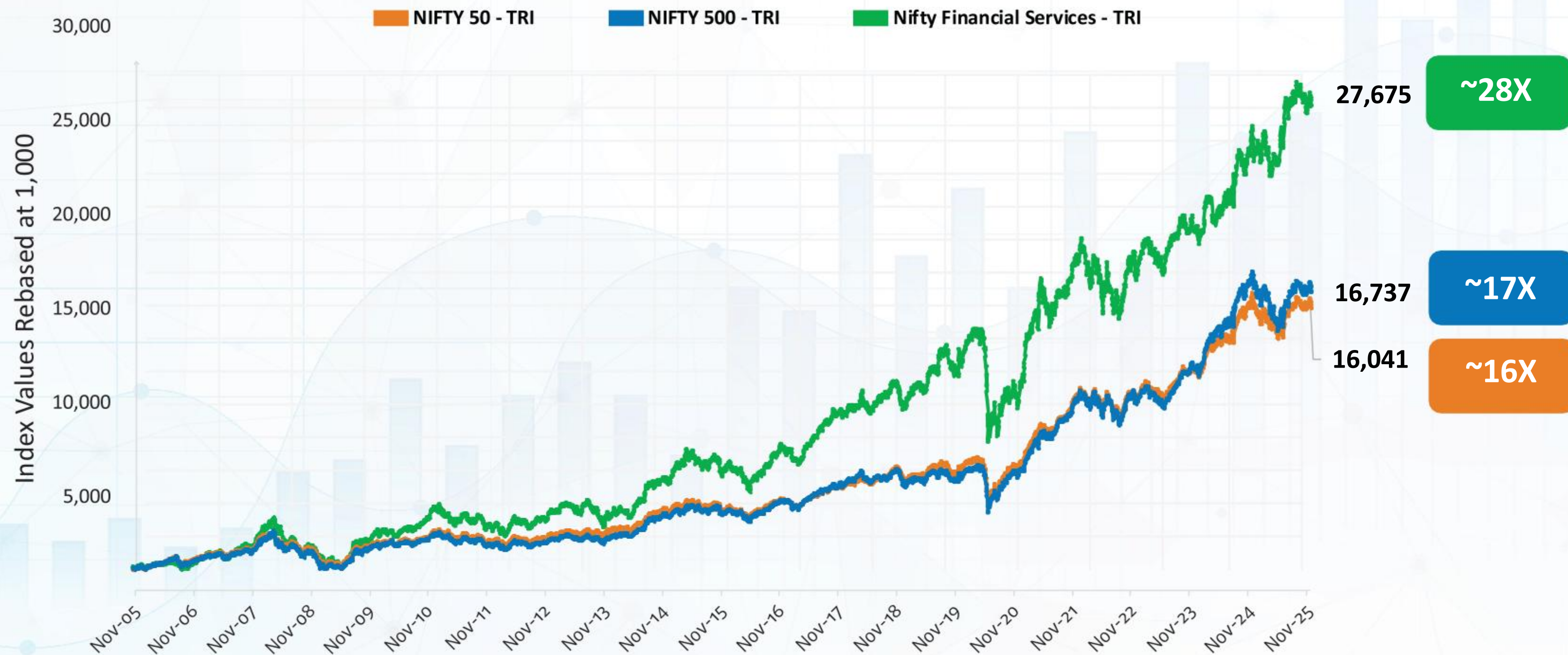
BFSI Market Cap
(In ₹ Trillion)



Source: Bloomberg. Data for the financial year end of respective years, Motilal Oswal Research

Financial Services Index has generated ~28x Returns over the last 20 years

Historical Trend: BFSI Sector Vis-A-Vis Nifty 50 and Nifty 500



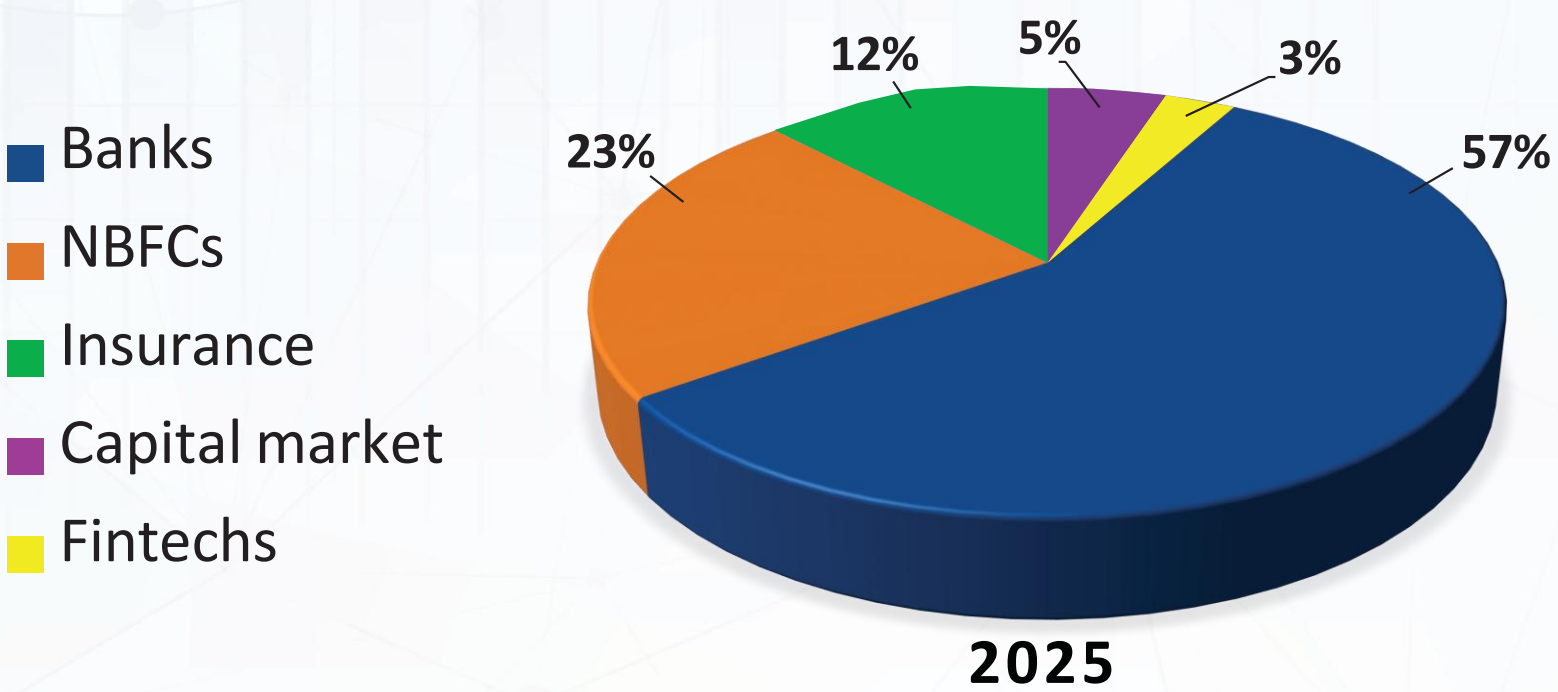
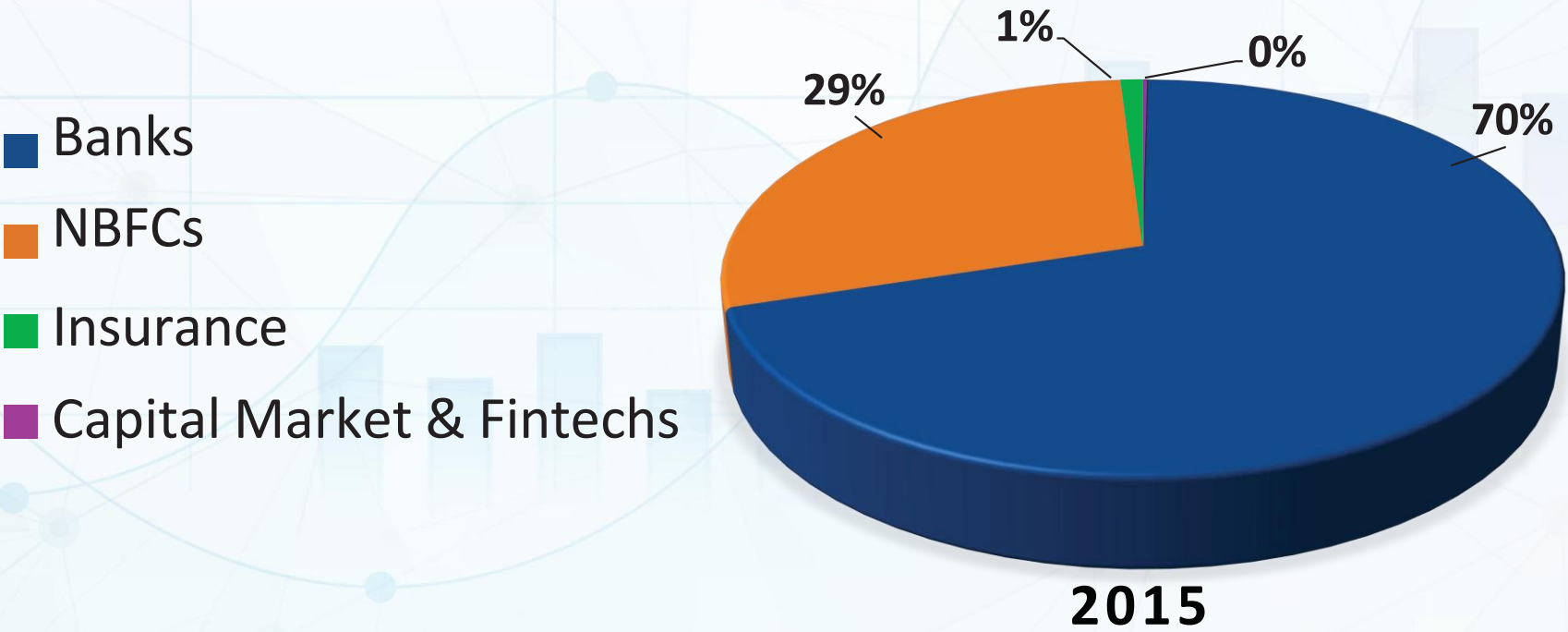
Past performance may or may not be sustained in future. Data as on Nov 30, 2025. Source: ACEMF. Returns are Compounded Annualised Growth Rate (CAGR). Above data is rebased at 1000 and rounded off and calculated for the period Jan 03, 2005. till Nov 30, 2025. The above simulation is for illustration purpose only and should not be construed as a recommendation or a promise on returns. Bank of India Mutual Fund is not guaranteeing or forecasting any returns.

Insurance, Capital Markets and Fintech saw faster growth within BFSI Sector

- ⚡ Market Cap of BFSI Sector has grown at a CAGR of ~20%
- ⚡ While, Insurance, Capital Market and Fintech has shown a CAGR of more than 55% over the last 10 years

Sector M-Cap (₹ Trillion)	2015	2025	10Y CAGR
Banks	11.5	52.0	16%
NBFCs	4.6	21.0	16%
Insurance	0.1	10.6	57%
Capital Market	0.1	4.7	55%
Fintech	0.03	2.4	56%
Total	16.3	90.7	19%

Market Cap Mix (%)



Past performance may or may not be sustained in future. Data as on 31st March (Financial year end). Source: MOFSL Research. Returns are Compounded Annualised Growth Rate (CAGR). The above simulation is for illustration purpose only and should not be construed as a recommendation or a promise on returns. Bank of India Mutual Fund is not guaranteeing or forecasting any returns.

BFSI Sector has outperformed broad markets in 13 out of 20 Years

Calender Year	NIFTY 500 - TRI	Nifty Financial Services - TRI	Financial Services v/s Nifty 500
Dec-06	36.2%	41.8%	5.6%
Dec-07	64.6%	84.8%	20.3%
Dec-08	-56.5%	-54.6%	1.9%
Dec-09	91.0%	91.3%	0.3%
Dec-10	15.3%	31.3%	16.0%
Dec-11	-26.4%	-28.3%	-1.9%
Dec-12	33.5%	54.1%	20.6%
Dec-13	4.8%	-6.1%	-10.9%
Dec-14	39.3%	59.1%	19.8%
Dec-15	0.2%	-4.5%	-4.7%
Dec-16	5.1%	6.1%	1.0%
Dec-17	37.7%	42.7%	5.0%
Dec-18	-2.1%	11.3%	13.4%
Dec-19	9.0%	26.4%	17.4%
Dec-20	17.9%	4.7%	-13.2%
Dec-21	31.6%	14.6%	-17.0%
Dec-22	4.2%	10.5%	6.2%
Dec-23	26.9%	14.3%	-12.6%
Dec-24	16.2%	10.5%	-5.7%
CYTD-Nov'25	8.0%	19.8%	11.8%

➡ In the recent past, after improvement in balance sheet of most of the Financial Services Sector players, the **outperformance is significant in the CYTD- Nov'25**

➡ Digital adoption and credit expansion boosted performance of BFSI Sector

Past performance may or may not be sustained in future. Source: ACEMF. Returns are Compounded Annualised Growth Rate (CAGR). Data shows the CAGR (%) for each calendar year ending 31st December. For the CYTD 2025 the data is as on Nov 30, 2025.

BFSI Sector has a balanced Risk-Reward profile

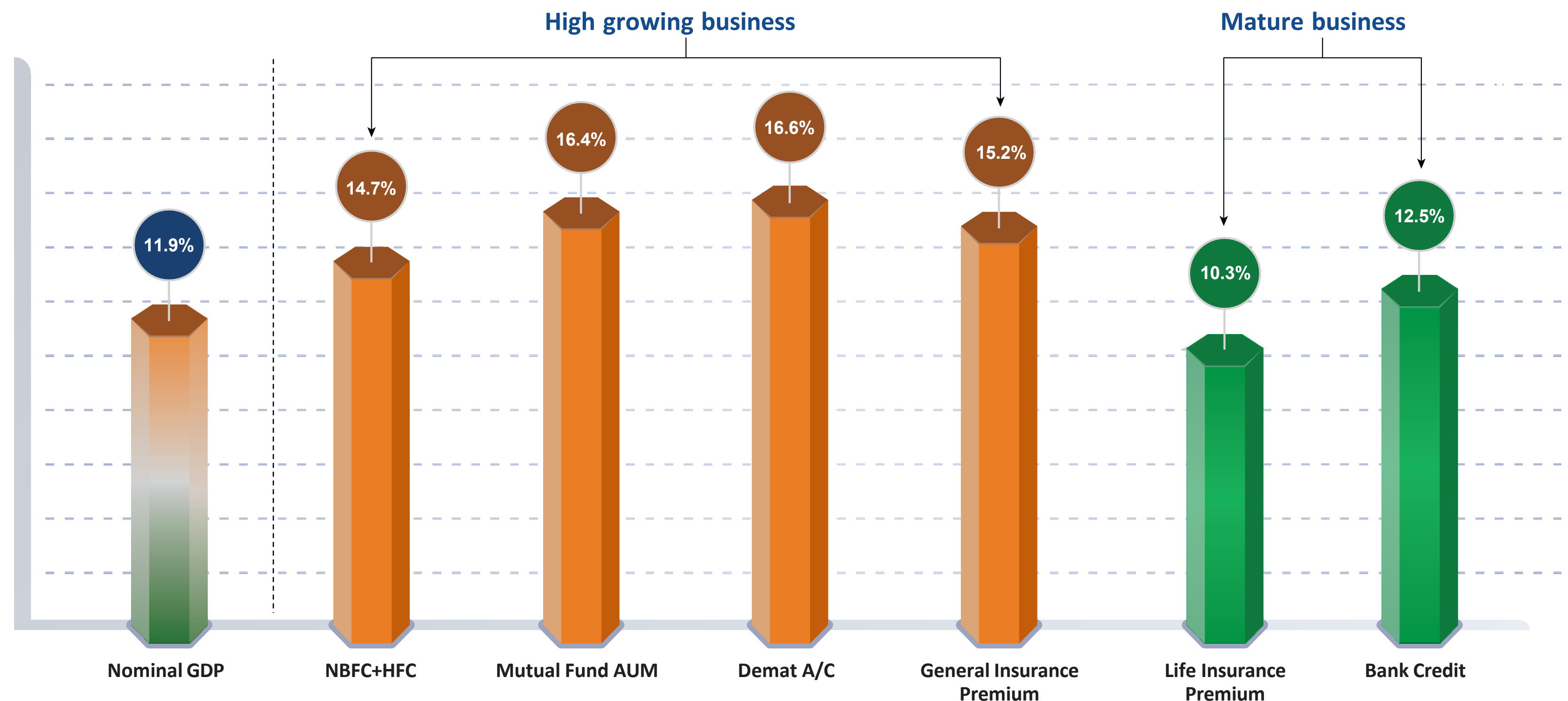
Financial Services Sector has showcased higher return potential than Broad Markets with Lower Volatility

Period	Rolling Return (%)			Volatility - Standard Deviation (%)		
	NIFTY 50 - TRI	NIFTY 500 - TRI	NIFTY Financial Services - TRI	NIFTY 50 - TRI	NIFTY 500 - TRI	NIFTY Financial Services - TRI
3 Years	16.5%	17.6%	17.7%	11.7%	13.4%	11.0%
5 Years	15.8%	16.9%	16.6%	8.7%	10.2%	5.8%
10 Years	14.1%	15.4%	16.3%	3.6%	4.2%	3.2%

Past performance may or may not be sustained in future. Data as on Nov 30, 2025. Source: ACEMF. The returns are shown as Mean based on Compounded Annualised Growth Rate (CAGR). Volatility/Risk is calculated based on daily returns across periods on an annualized basis. Standard deviation is a statistical measure of the range of an investment’s performance. Time Period: Jan 03, 2005 to Nov 30, 2025. The above illustration is for information purpose only and should not be construed as a recommendation or a promise of returns or safeguard of capital. Bank of India Mutual Fund is not guaranteeing or forecasting any returns.

Opportunity still prevails in Mature Business', High Growing Segments continues to show huge potential

Nominal GDP v/s BFSI Sub-segment - 17 Year CAGR (%)



Source: Bloomberg, RBI, IRDAI, AMFI, Investec Research. Above data is shown on a Compounded Annualised Growth Rate (CAGR) basis from 2009 till March 31, 2025.

BFSI Sector remains a true reflection of India's economic rise

- From Physical Banking to Digital Finance, the BFSI Sector has evolved rapidly
- As India economy grows, BFSI's relevance continues, shaping the progress of Banks, NBFCs, Capital Markets, Insurance, and Mutual Funds





Why Now?

a Banking
ces Fund?

y
Financial
Sector?

BFSI Sector – Trading at a Discount vis-à-vis Nifty 50

Fig i: BFSI Sector is trading at a discount to long-term average

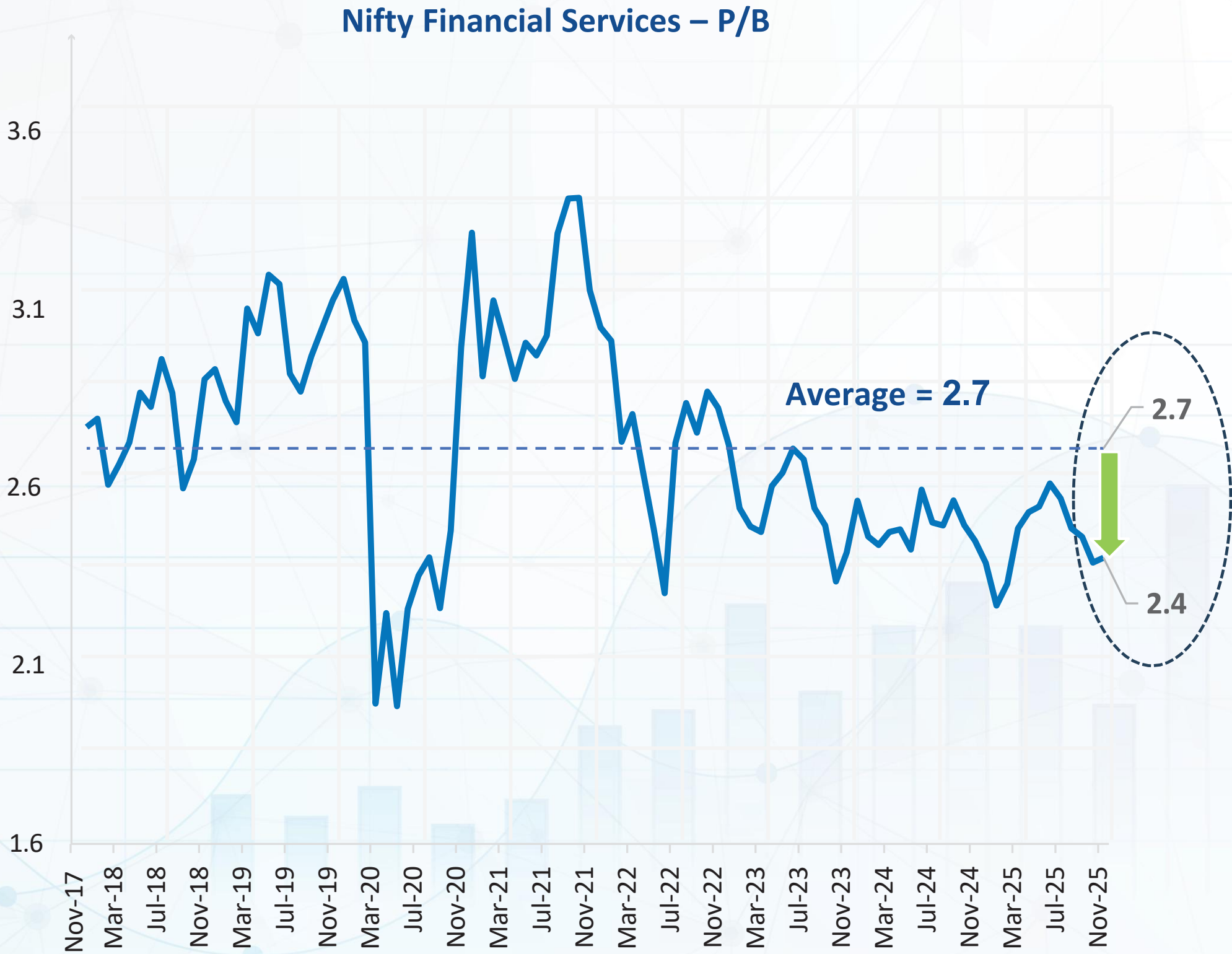
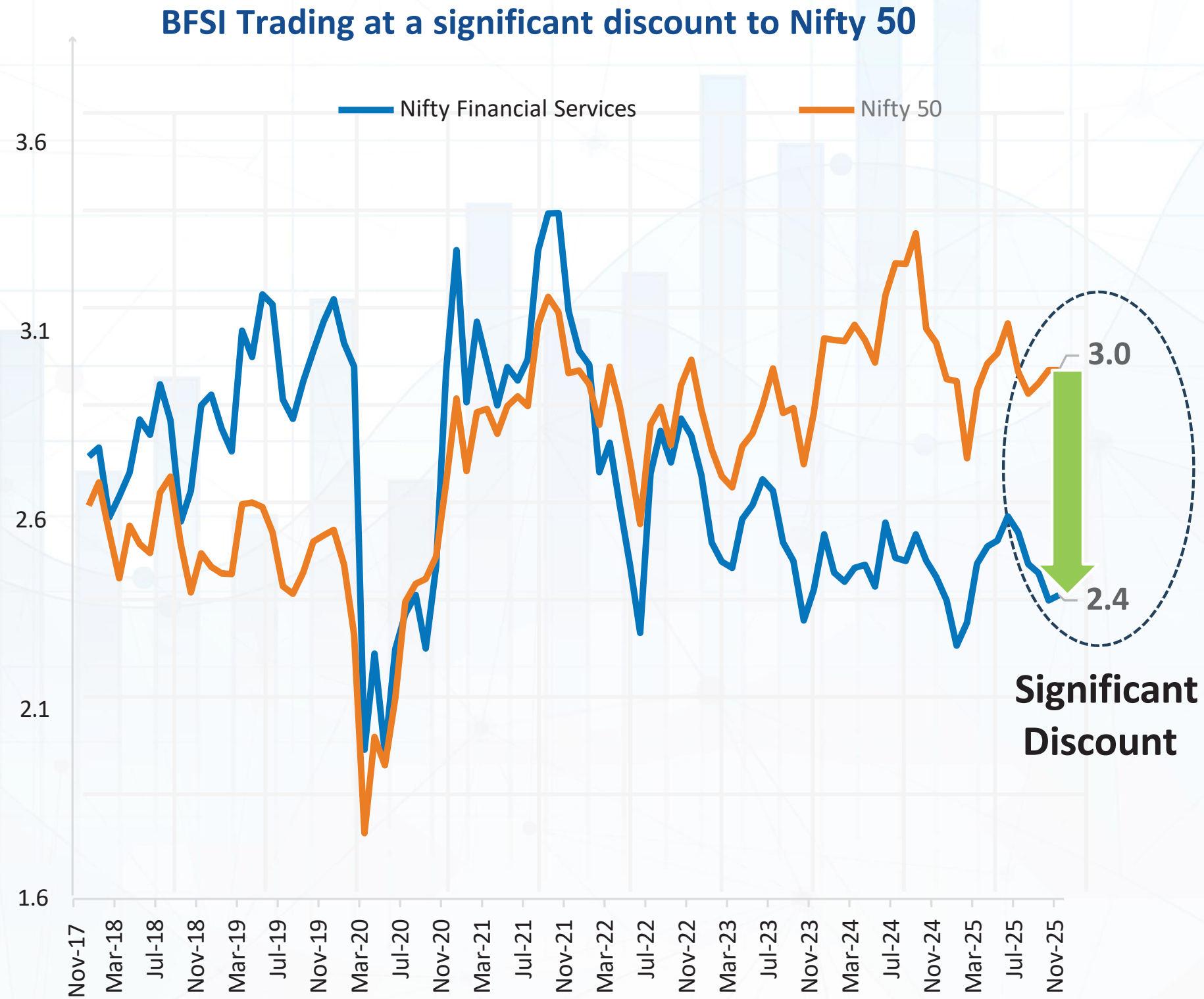


Fig ii: BFSI Sector is at a significant discount to Nifty 50

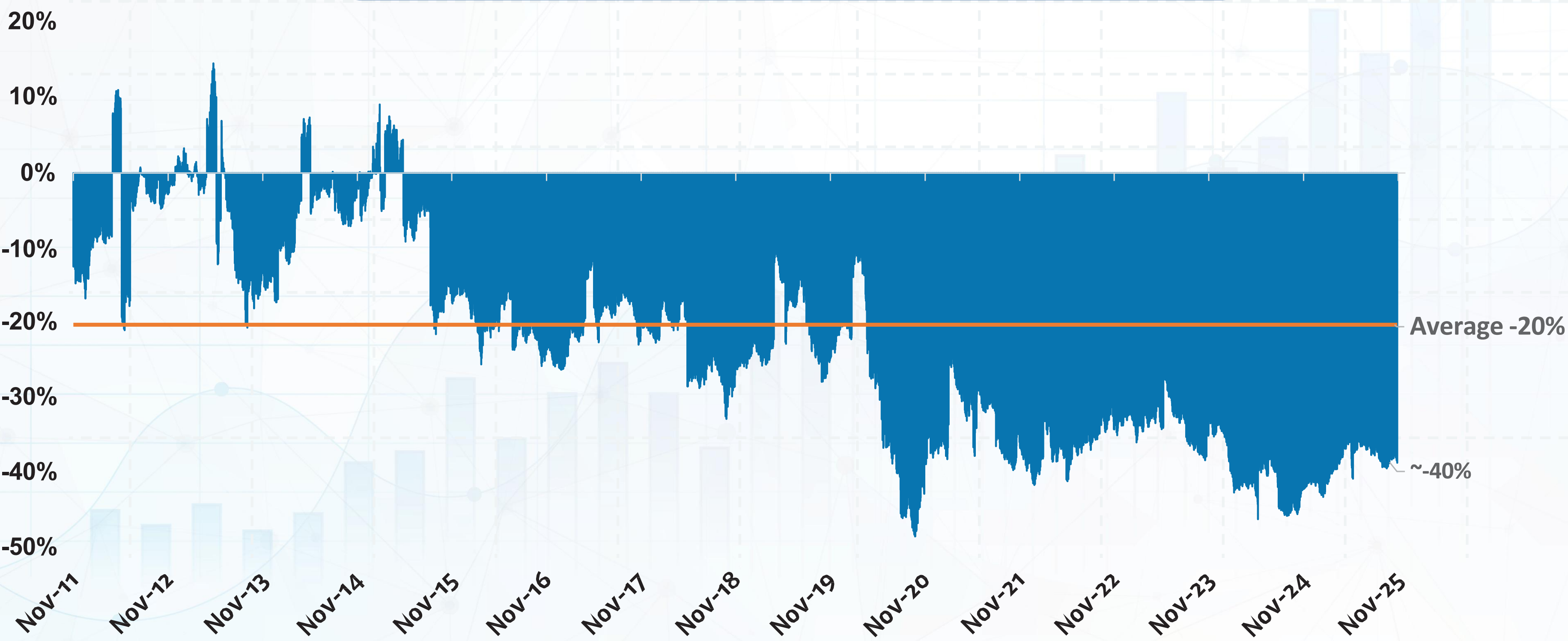


Source: Bloomberg, Elara Equity Research. Data as on Nov 30, 2025. Above data is P/B for respective index. BFSI Sector – Nifty Financial Services TRI, Nifty 50 TRI.

Banks - Valuation Gap Increased to ~40%

⚡ Banks are trading at a significant discount to the India Broad Market

Valuation Gap in P/B - Bank MSCI / India MSCI (%)



Source - Bloomberg, Elara Equity Research. Data as on Nov 30, 2025. MSCI -Morgan Stanley Capital International India Index.

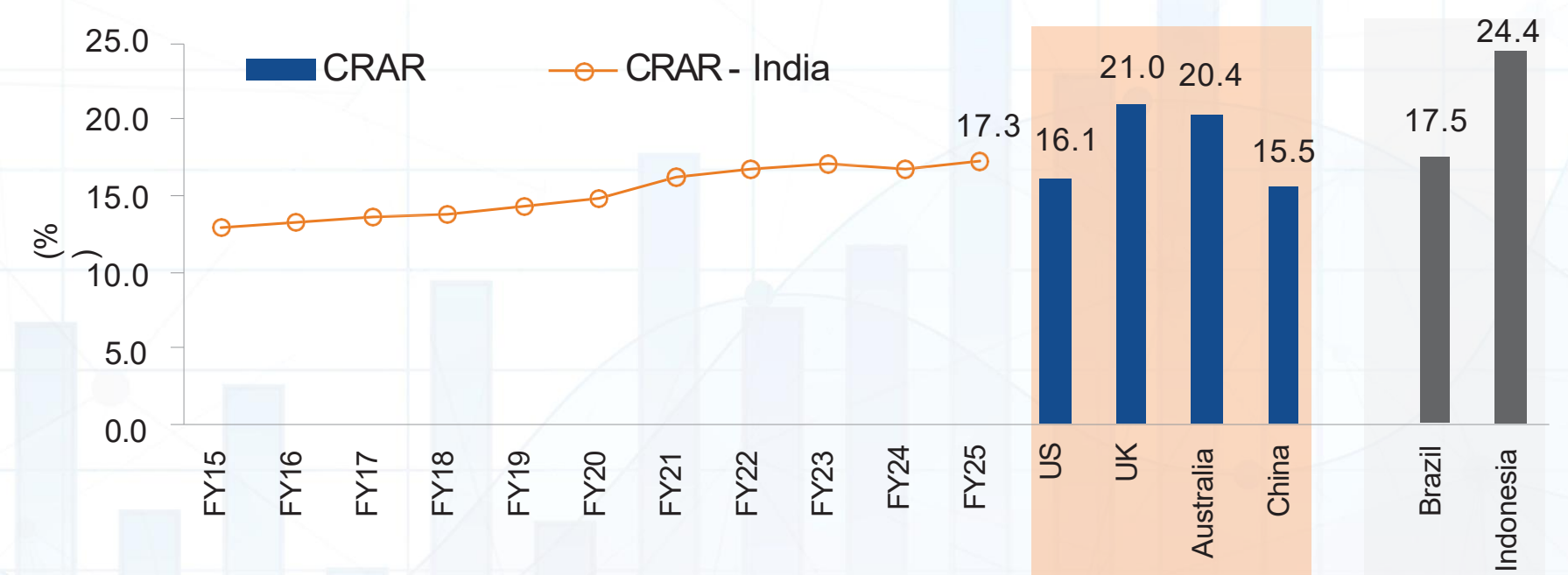
Healthy Balance Sheet expected to support future growth

⚡ While, banks' profit has seen sharp growth in recent past, going ahead – strong capital adequacy, decade low NPAs and improving RoE would be the Key enablers

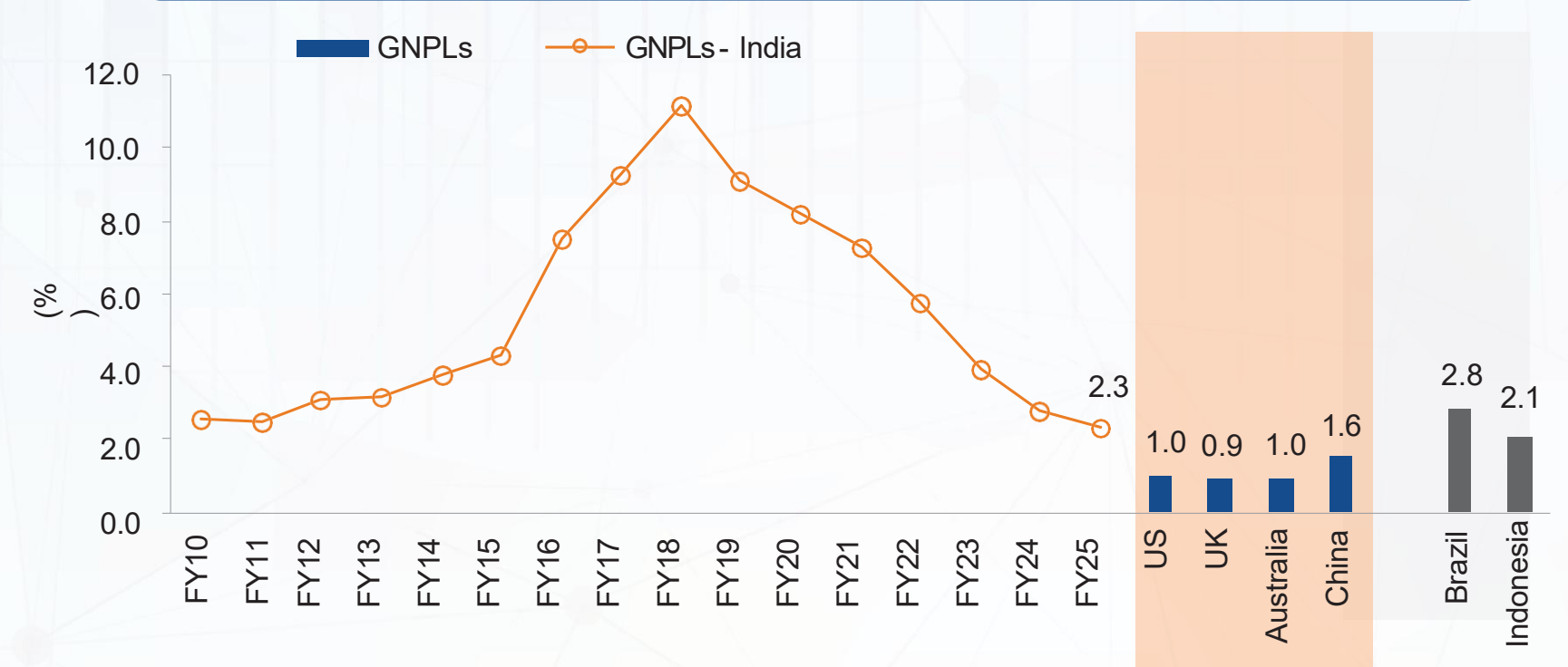
i: RoE (Return on Equity) Trend v/s Global Economies



ii: Capital Adequacy Ratio Trend v/s Global Economies



iii: Gross NPA Trend v/s Global Economies

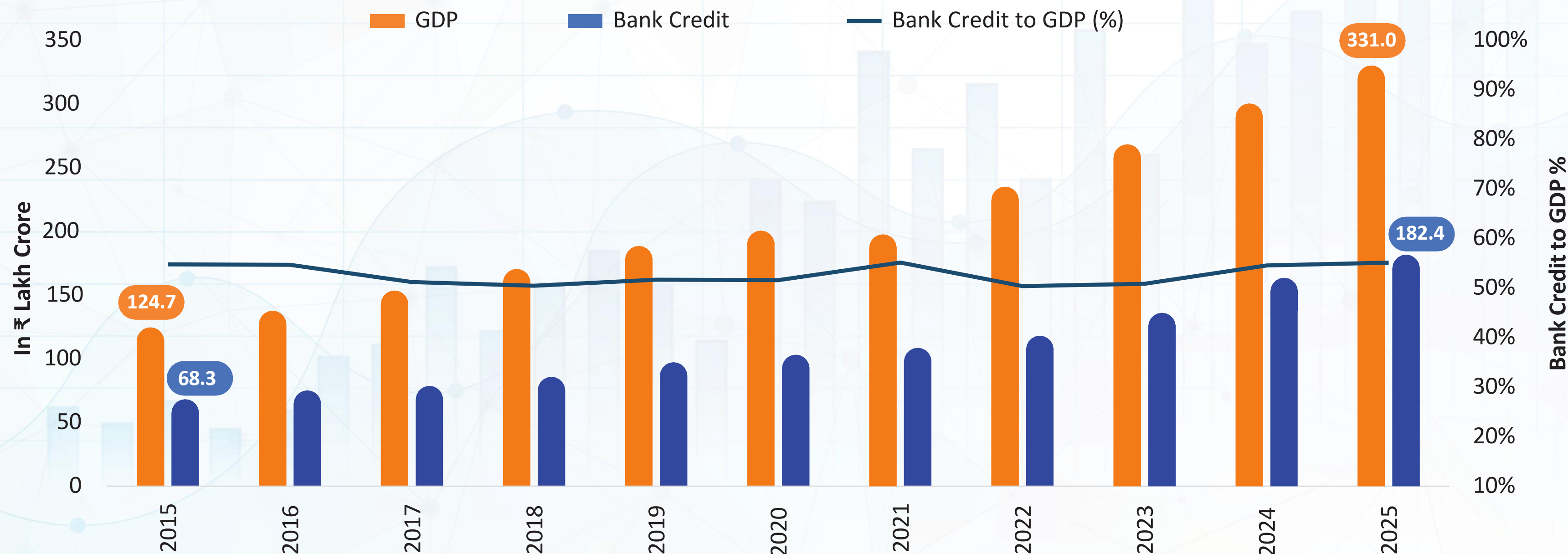


Source- Bloomberg, RBI, Elara Equity Research. The above data is as on every financial year end of every respective year.

Scaling Finance for a \$5 Trillion Vision

- ⚡ India economy has grown at ~2.5X in the last 10 years which is well supported by Banks during the same period
- ⚡ As economy is expected to cross USD 5 Trillion*, the need for Larger Banks is expected to rise Large
- ⚡ banks can support mega infrastructure, manufacturing, and digital growth

Bank Credit to GDP - Growth Trend (In ₹ Lakh Crore)



Source: Bloomberg, Motilal Research, Elara Equity Research. Data as on Financial Year End of various periods mentioned in the graph. *Source: AMFI Vision Paper.

Non-lending to help accelerate the BFSI Sector

➡ This will be reflected in increasing mix of non lending within sector mix

Fig i: US - BFSI Sector Market Cap Share (%)

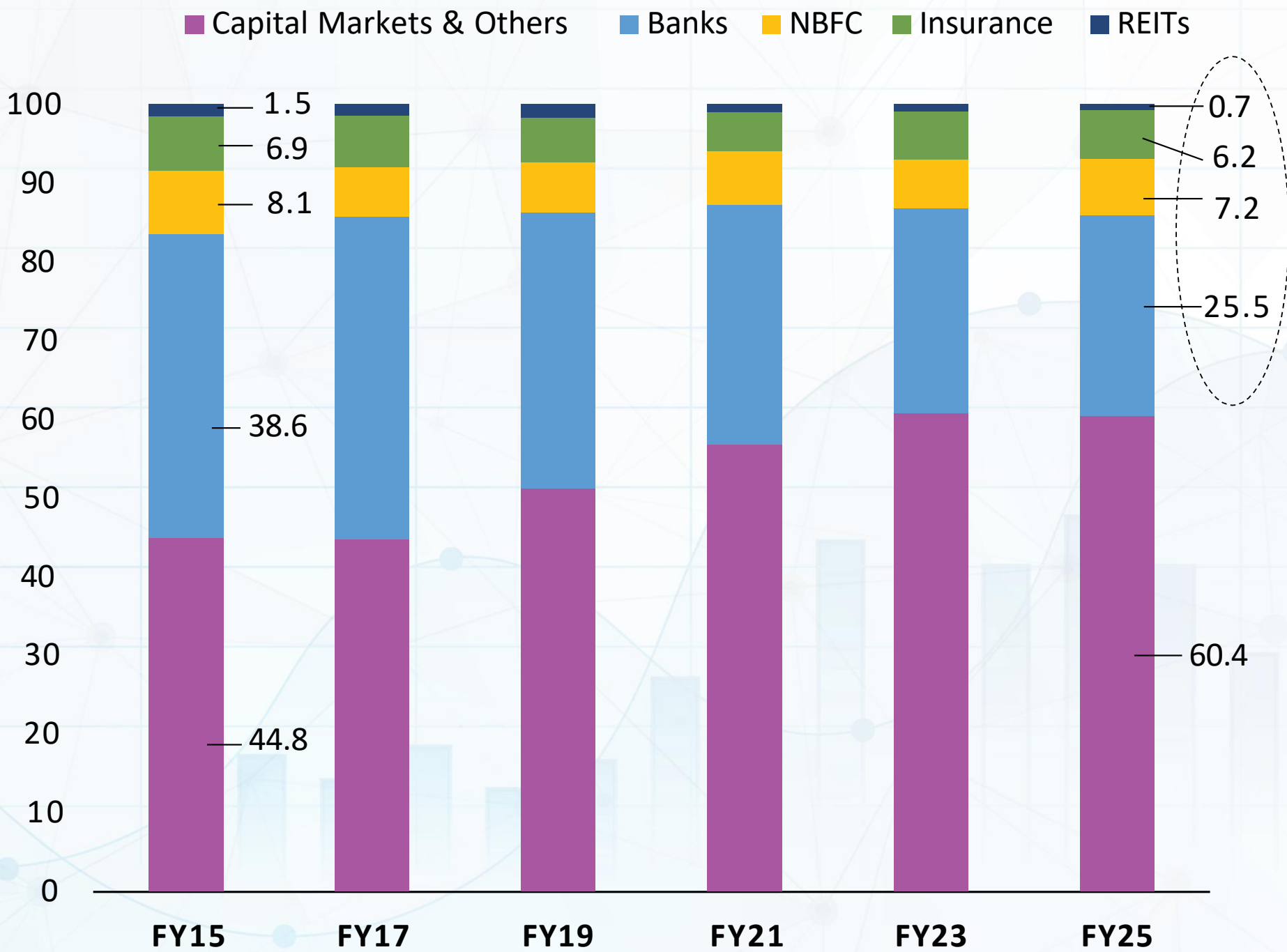
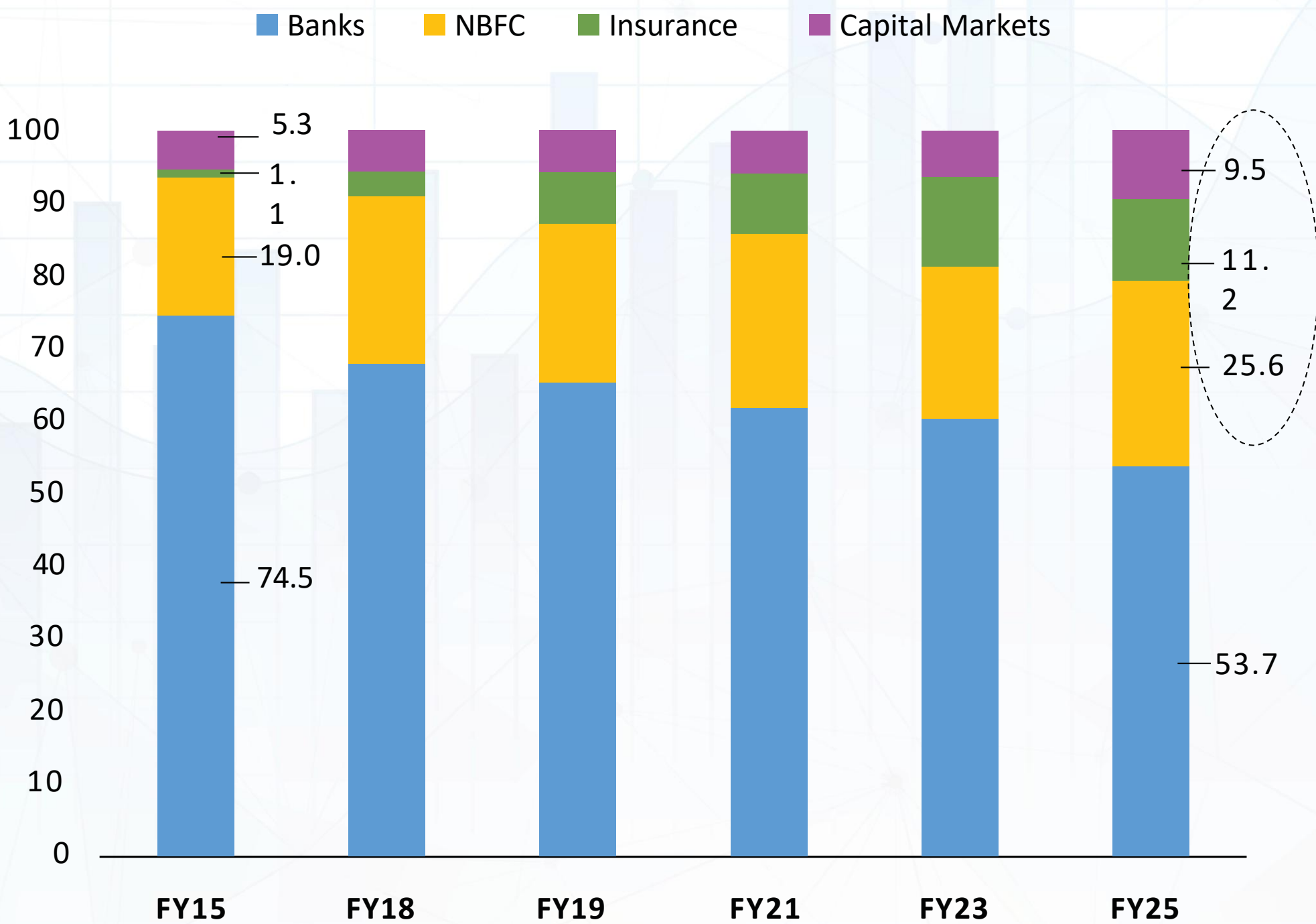


Fig ii: India - BFSI Sector Market Cap Share (%)



Source: Elara Securities Research Data as on respective financial year end.

Low Demat penetration signals ample headroom for Growth

Fig i: Total Trading Volume shown Strong Secular Growth

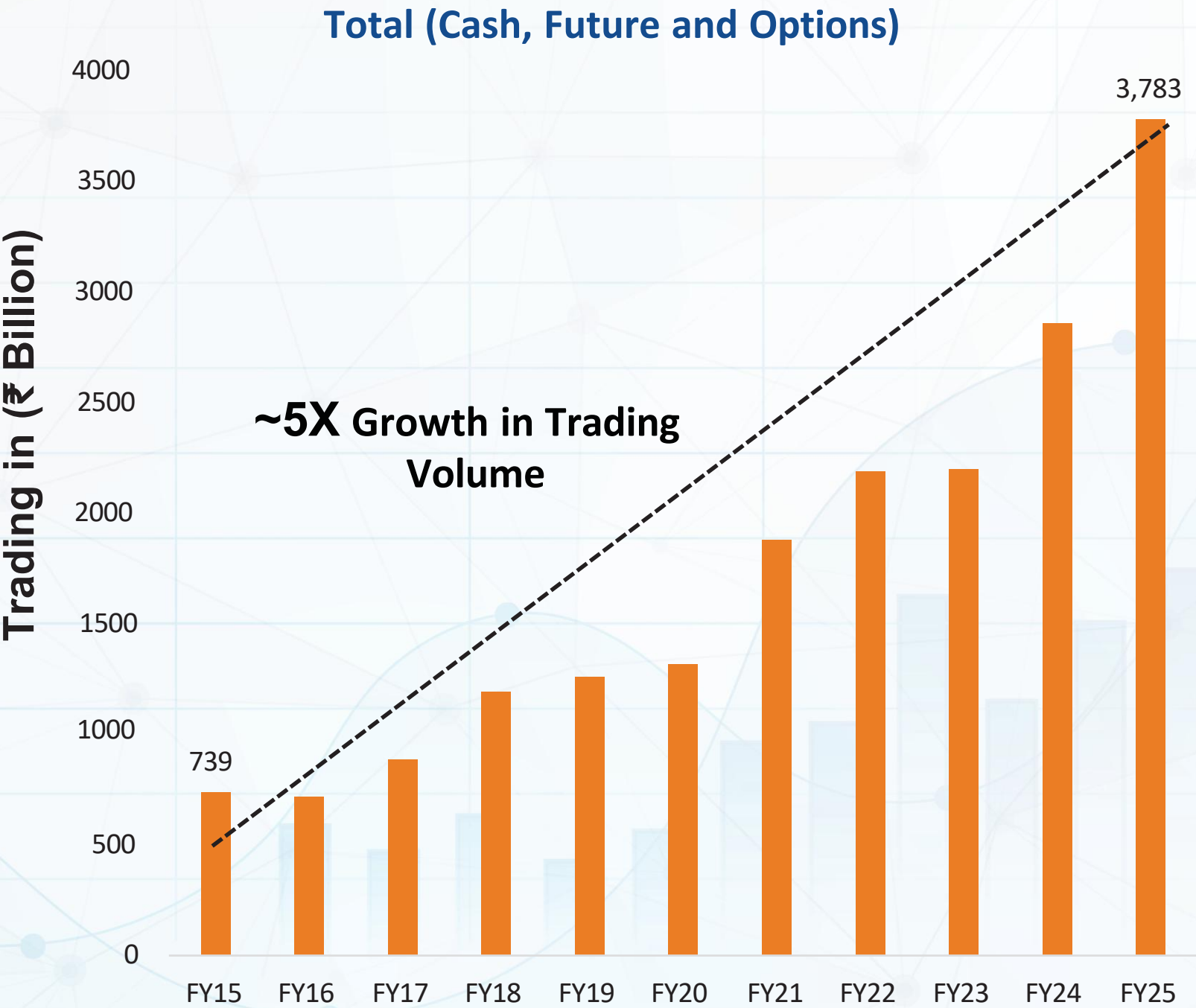


Fig ii: However, India still has long runway

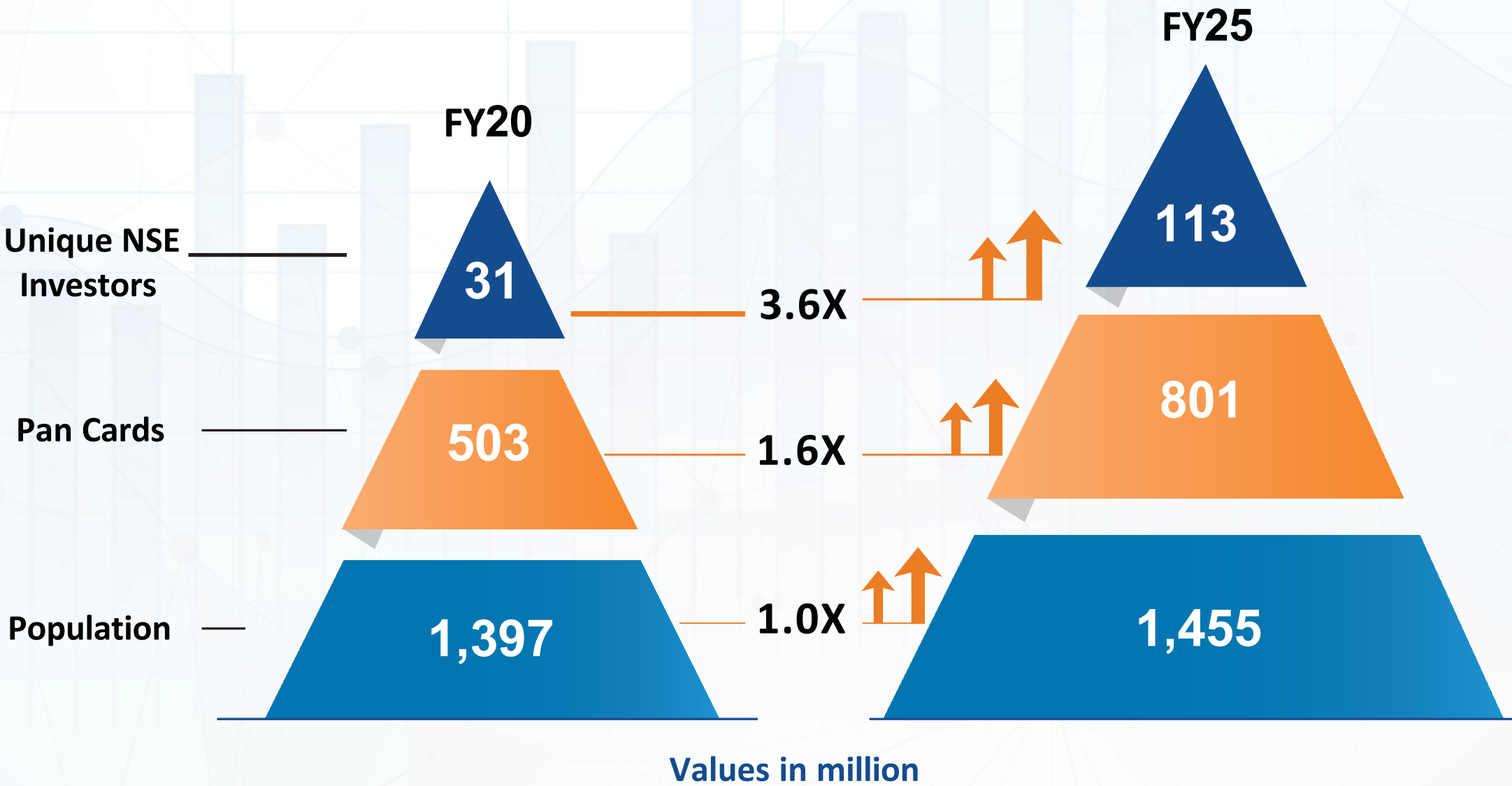


Fig i: Source: IMF, NSE, Elara Equity Research, Fig ii: NSE, AMFI, Elara Equity Research. The above data is as on every financial year end of every respective year.

MF Industry expanding rapidly, still underpenetrated

Fig i: MF AUM has grown ~6X in the last 10 years



Fig ii: Investors participation has increased by 2.5X over the last 10 years

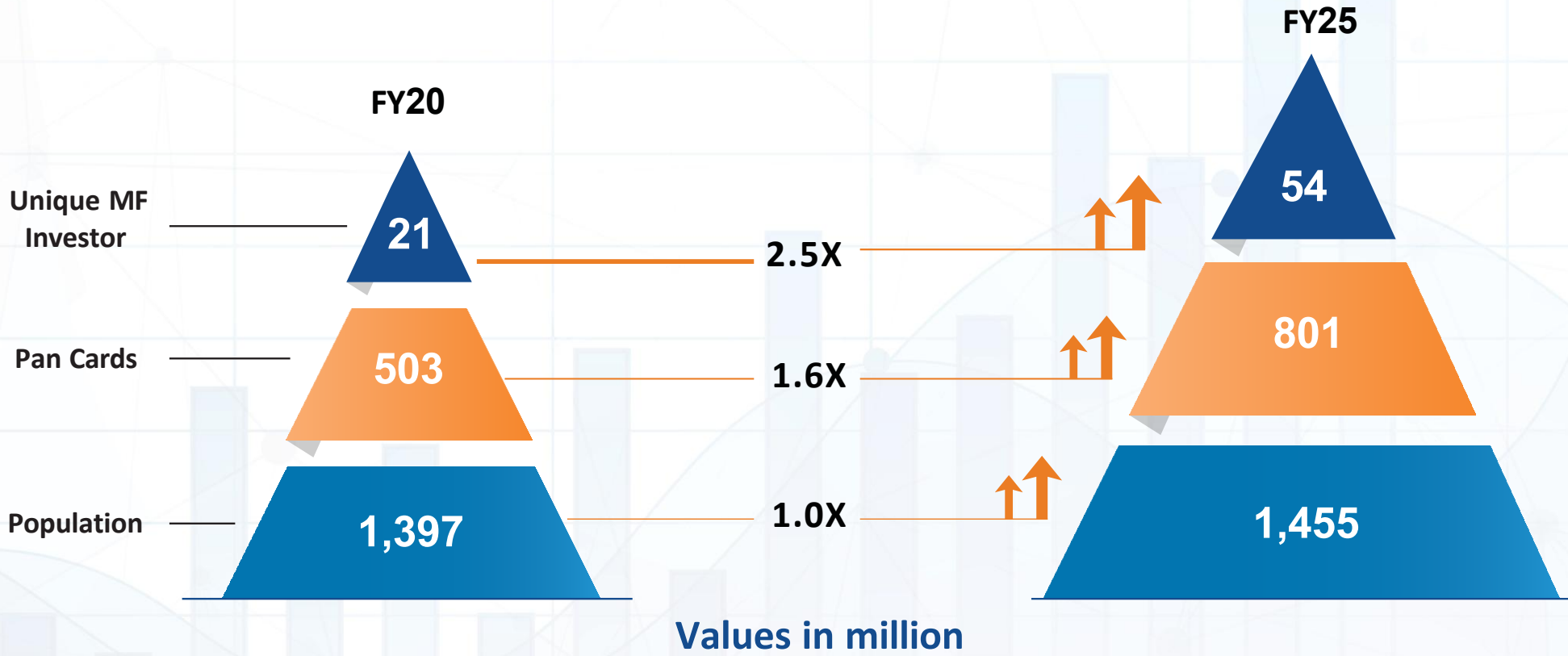
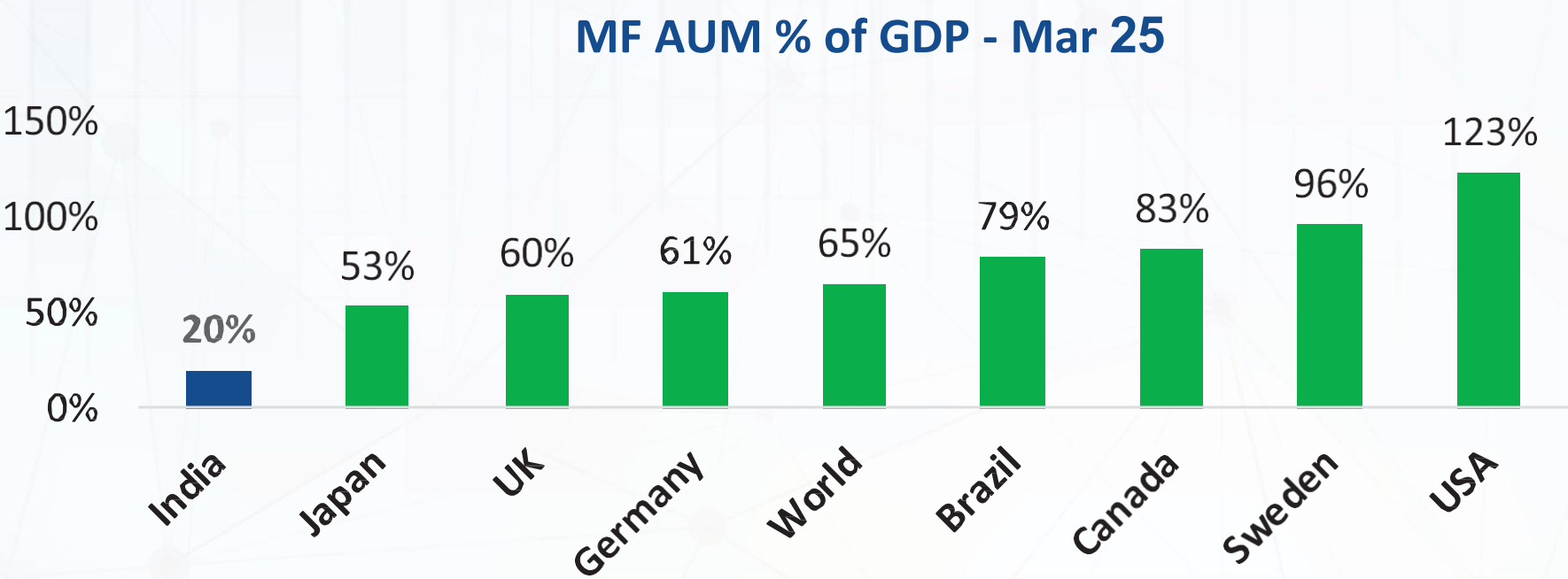


Fig iii: India still has long runway on Global Comparison



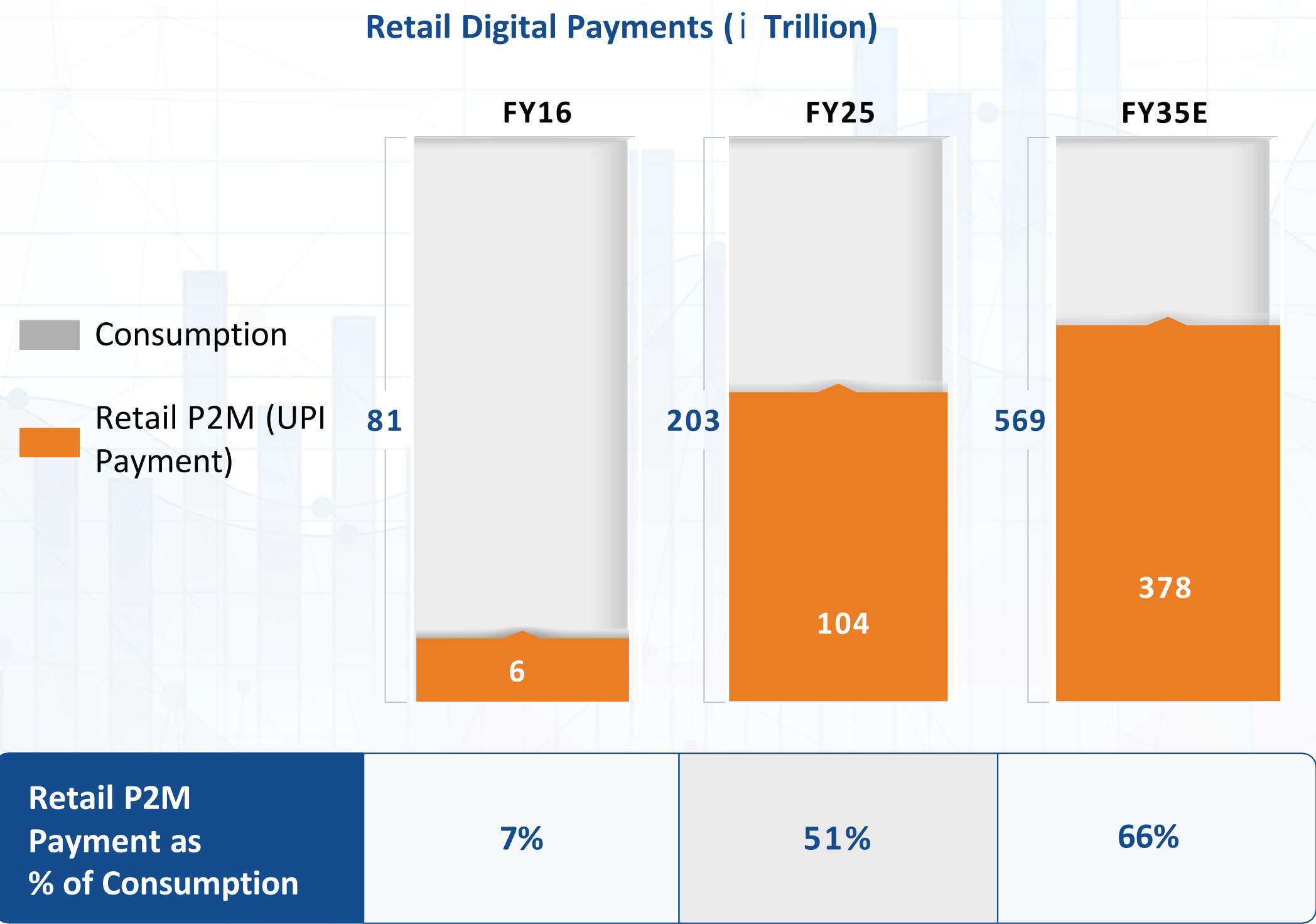
Source: MOFSL, Internal Research. The above data is as on every financial year end of every respective year.

Fintech shows significant potential to expand in next 10 Years

Fig i: India still has long runway on Global Comparison



Fig ii: UPI payment volume is expected to increase by 3.5X in next 10 Years



Source - RBI, MOSPI, Elara Securities Estimate. The above data is as on every financial year end of every respective year.

BFSI Sector - A Multi Decadal Opportunity

- India mirrors past inflection points of the U.S.
- Rising income will drive Savings, Investments, and Insurance adoption
- Financialisation is India's growth multiplier story



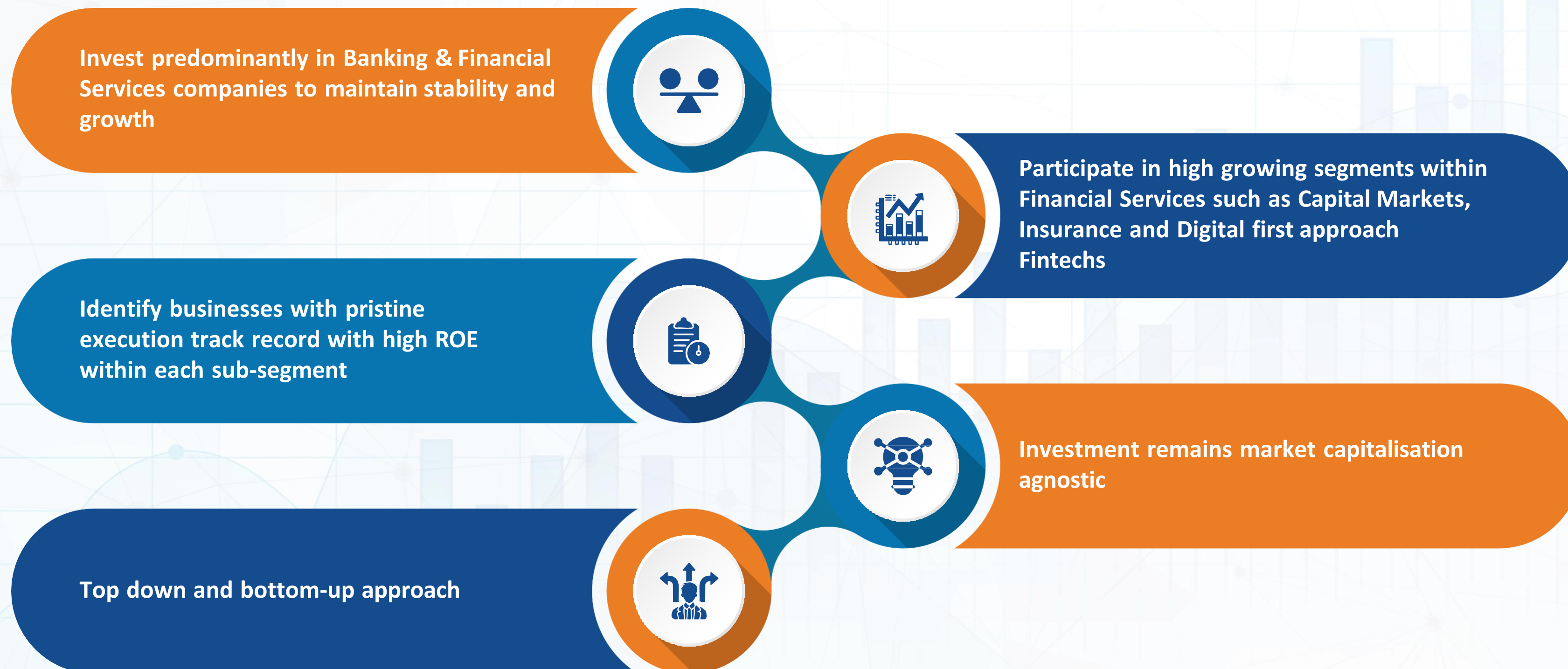


Why Bank of India Banking & Financial Services Fund?

Why Now?

Bank of India Banking
& Financial Services Fund?

Fund's Portfolio Construction Approach



Note: The above framework represents the investment approach for the scheme. This approach is dynamic and may evolve based on market conditions and the Fund Manager's view while evaluating businesses and broader market opportunities. For detailed asset allocation, please refer to the Scheme Information Document.

3-Pronged Investment Approach

Brand Distribution advantage, relatively stable RoE and cashflow generation, relatively resilient in downturn



01 Compounders

Innovators

02



Niche business with potential large scale opportunity e.g. Fintech, Tech based Wealth Managers/ Digital Only Lending/ Distribution Model

Businesses in growth phase, operating leverage beneficiary of rising per capita income such as Capital Markets, Insurance, Asset Management etc.



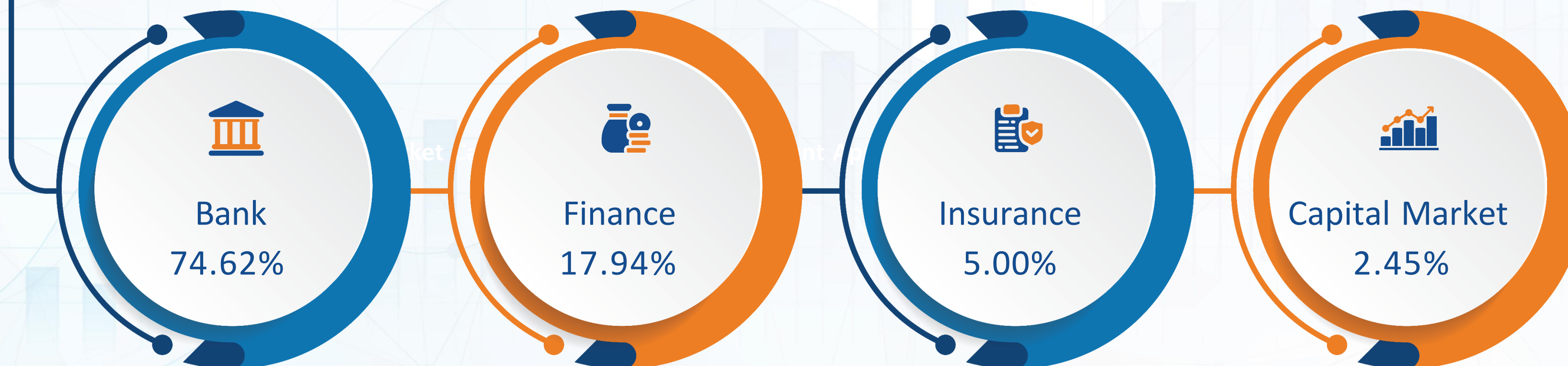
03 High Growth Businesses

Note: The above framework represents the investment approach for the scheme. This approach is dynamic and may evolve based on market conditions and the Fund Manager's view while evaluating businesses and broader market opportunities. For detailed asset allocation, please refer to the Scheme Information Document.

Nifty Financial Services Index Comprises of 5 Industries

⚡ Wide opportunities to identify alpha ideas from wider investment universe

Industry wise - Constituent holding (%)



Source: NSE, Above mapping of Industries is done basis AMFI Industry classification. Data as on Nov 30th, 2025.

Defining Investment Universe



Investment Universe defined within the Banking & Financial Services Sector* (Based on AMFI Industry Classification of Companies issued on a half yearly basis, based on the defined asset allocation limits for the fund)



Minimum 80% exposure in the Banking & Financial Services Sector; and upto 20% exposure outside the defined sector Universe



Market Capitalisation agnostic Investment Approach

Note: The above framework represents the investment approach for the scheme. This approach is dynamic and may evolve based on market conditions and the Fund Manager's view while evaluating businesses and broader market opportunities. *For detailed asset allocation, please refer to the Scheme Information Document.

Who Should Invest in the Fund?



Fund Manager of the Scheme



Mr. Nilesh Jethani
Fund Manager

Mr. Nilesh Jethani joined Bank of India Investment Managers in November 2021 and has more than 10 years of experience in equity research across the BFSI, IT, and capital goods sectors. He currently manages Bank of India Arbitrage Fund, Bank of India Large Cap Fund and Bank of India Multi Asset Allocation Fund (Equity Portion).

Nilesh was working with Envision Capital Services Pvt. Ltd. as an Investment Analyst. He was also associated with HDFC Securities, HDFC Bank, and ASK Investment Managers as an equity research analyst. He graduated with a Bachelor of Financial Markets from HR College (2012) and further pursued his Postgraduate Program in Global Financial Markets from BSE Institute Ltd. (2015).

Scheme details

Scheme	Bank of India Banking & Financial Services Fund
Type	An open ended equity scheme investing in Banking & Financial Services Sector
Investment Objective	The investment objective of the scheme is to generate long-term capital appreciation by investing predominantly in equity and equity related instruments of banking and financial services companies. However, there is no assurance that the investment objective of the scheme will be achieved.
Benchmark	Nifty Financial Services Total Return Index
Fund Manager	Mr. Nilesh Jethani
Plan & Options	Plans- Direct Plan and Regular Plan Options under each Plan(s): Growth/Income Distribution cum Capital Withdrawal (IDCW) (Reinvestment of IDCW & payout of IDCW option)
Exit Load	<ul style="list-style-type: none">For redemption/switch out of units within 60 days from the date of allotment: 1%Any redemption/switch out after 60 days from the date of allotment of units: NIL For more details on Load Structure, please refer section “Load Structure” in the Scheme Information Document.
Minimum investment amount	₹ 5,000 and in multiples of ₹ 1/- thereafter

Note: @Derivative instruments to the extent of 50% of the equity component of the Scheme. #Equity related instruments also include REITs. For more details about the scheme, please refer the Scheme Information Document.

** Money market instruments include Tri-party Repo on government securities or T-bills/ Repo/ Reverse Repo (including corporate bond Repo), certificate of deposit, commercial papers, commercial bills, treasury bills, Government securities issued by Central & State Government/ corporate bonds having an unexpired maturity up to one year, call or notice money, Term Deposits, usance bills (BRDS) and any other similar instruments as specified by the RBI/SEBI from time to time.

\$ The debt and money market instruments may include cash and cash equivalents.

Asset Allocation

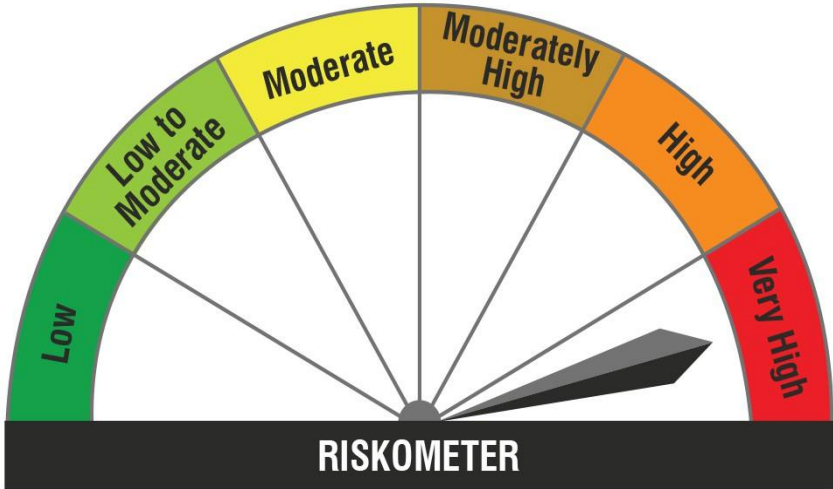
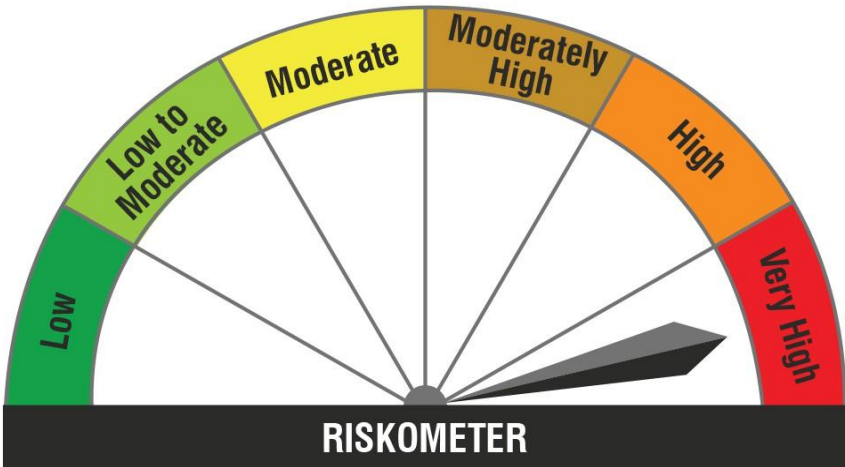
The below table includes asset allocation giving the broad classification of assets and indicative exposure level in percentage terms. The Asset Allocation Pattern of the Scheme under normal circumstances would be as under:

Instruments	Indicative allocation (% of total assets)		Risk Profile
	Minimum	Maximum	
Equity & Equity related instruments of companies engaged in Banking & Financial Services Sector@#	80%	100%	Very High
Equity & Equity related instruments of Companies other than those engaged in Banking & Financial Services Sector	0%	20%	Very High
Debt and Money Market instruments**\$	0%	20%	Low to Medium
Units issued by InvITS	0%	10%	Very High

Product Labelling

Bank of India Banking & Financial Services Fund

(An open ended equity scheme investing in Banking & Financial Services Sector)

This product is suitable for investors who are seeking*:	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
<ul style="list-style-type: none">• Long term capital appreciation• Investment predominantly in a portfolio of equity and equity related securities of companies engaged in banking and financial services activities.	 <p>RISKOMETER Investors understand that their principal will be at very high risk</p>	 <p>RISKOMETER Benchmark riskometer is at very high risk</p> <p>As per AMFI - Tier I Benchmark is Nifty Financial Services TRI.</p>

The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

THANK YOU

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