



PGIM
India Mutual Fund

Invest for your biggest ambitions.

PGIM India Small Cap Fund

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

Your ambitions need a platform to thrive. This fund gives you exactly that by its potential to create wealth and generate alpha over the long term. Due to the under-researched nature of the small cap segment, opportunity for stock picking continues to exist across businesses. The fund backs small cap stocks determined to achieve big as they grow their revenues, profits and achieve scale. PGIM India Small Cap Fund provides an opportunity to invest in small businesses which may scale up into midcaps or large caps over the long term.

To know more contact your Mutual Fund Distributor or RIA.

December 2025



www.pgimindia.com/mutual-funds

1800 209 7446

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Small Caps: Potential to create wealth and generate alpha over the long term

As the economy thrives and demand plays out, the full value-chain across sectors benefits from the demand pick up, and this includes small cap companies too. Along with economic data improving, corporate profitability of small cap companies can be expected to improve. Small Caps are defined as stocks beyond top 250 companies ranked by market capitalization, as declared by AMFI. Companies which have survived the past downturn, especially in the small cap space, have weathered a very tough time and are set to benefit from better demand as:

- Demand is recovering across sectors
- Unorganized weaker companies might have exited the business or seen their market share go down, thus reducing the competitive intensity.

This would entail, better top line, margins, profits and cashflows for the surviving set of companies. The potential upgrade in profitability can cause a decent rerating in such small, niche businesses. Small Caps therefore provide an opportunity to participate in small niche businesses, which could overtime scale up into mid-sized and large cap businesses.

Why Small Caps now?

-  Potential to create wealth and generate alpha over the long term; due to the under-researched nature of the small cap segment, opportunity for stock picking continues to exist.
-  Meaningful exposure to sectors where large cap or mid cap companies have less presence, examples of such industries could be chemicals, textiles, paper, sugar, home improvement businesses, barring a few mid caps the overall auto ancillary businesses, construction, etc
-  Small Cap companies provide some unique opportunities:
 - Market share gain from established players
 - Ability to scale-up
 - Niche businesses / Emerging businesses
-  Small Caps are generally under-researched and under-owned compared to other segments of the market. This provides an opportunity for stock picking in the long term.
-  Small Caps of today can become mid caps or large caps of tomorrow, as they grow their revenues, profits and achieve scale.

Why invest in PGIM India Small Cap Fund?

- The investment objective of the scheme is to achieve long term capital appreciation by predominantly investing in equity and equity related instruments of small cap companies. The scheme's investment strategy is to capture opportunities available in the small cap segment.
- The fund invests a minimum of 65% of its corpus in small cap companies. The scheme may also seek to participate in the growth of other equity and equity related instruments in order to achieve optimal portfolio construction.
- The portfolio is built utilizing a combination of the top-down and bottom-up portfolio construction process, focusing on the fundamentals of each stock, including quality of management.
- The fund has a diversified portfolio with exposure across sectors, given the fact that small cap stocks present a wider investment universe.

Who should invest in PGIM India Small Cap Fund?

- Investors with an investment horizon of atleast 5 years or more
- Investor looking to complement their existing core equity portfolio, with a potential to earn higher risk adjusted return
- Investors having a commensurate risk appetite associated with small cap segment

PGIM India Small Cap Fund: Investment Approach

- Minimum 65% allocation to small cap stocks. Small caps are defined as stocks beyond top 250 as ranked by market cap*
- Stock selection and portfolio construction on the basis of:
 - Growth at Reasonable Price (GARP) Principle
 - Fundamentals driven, bottom-up stock picking approach
 - Focus on Return on Equity (ROE), Growth, Free Cash Flow generation and Leverage ratios
- Focus on fundamentals: Stock price over the medium to long term, tends to track the fundamentals of the company
- Focus on corporate governance: Companies which are backed by good management and demonstrate the ability to scale-up are generally rewarded by investors
- Focus on re-rating: Investors are likely to pay a higher multiple for higher expected growth in the future, leading to re-rating of the stock



Portfolio Positioning

Top Sectors Overweight	% Overweight	Top Sectors Underweight	% Underweight
Consumer Discretionary	8.57	Financials	7.80
Consumer Staples	6.09	Utilities	2.58
Real Estate	0.61	Industrials	2.39
Top 5 Stocks Overweight	% Overweight	Top 5 Stocks Underweight	% Underweight
CCL Products (India) Limited	2.61	Laurus Labs Ltd.	2.06
Solar Industries India Limited	2.58	Central Depository Services (India) Limited	1.38
DOMS Industries Limited	2.32	Delhivery Limited	1.11
Blue Star Limited	2.12	Computer Age Management Services Ltd	0.93
Mrs. Bector's Food Specialities Ltd.	2.06	RBL Bank Ltd.	0.93

The above weights are in comparison to the benchmark. Source: Bloomberg and Internal Research. The above data as on December 31, 2025.

Portfolio Metrics

	Portfolio	NIFTY Smallcap 250 TRI
FY24-26E EPS CAGR	26.3%	18.2%
Debt / Equity (ex-financials)	0.38	0.50
FY 26E Price / Earning Ratio	38.8	28.4
Beta	0.78	1.00

Source: Bloomberg and Internal Research. The above data as on December 31, 2025.

Portfolio Composition

	Portfolio	NIFTY Smallcap 250 TRI
Number of stocks	65	249
Active Share	78.67%	
Large caps (1st-100th stock)	4.14%	0.0%
Mid caps (101st-250th stock)	23.01%	9.9%
Small caps (251st stock onwards)	70.06%	90.1%
Cash, Current Assets & Gsec	2.79%	0.0%
Market Cap yet to be classified by AMFI	0.00%	0.0%
Top 10 holding	27.1%	13.8%
Weighted Avg Market Cap - Crore	30,841	22,229

Source: Bloomberg and Internal Research. The above data as on December 31, 2025.

Portfolio (Top Ten Holdings) as on December 31, 2025

Issuer	% to Net Assets
Multi Commodity Exchange Of India Ltd.	4.59
CCL Products (India) Ltd.	2.88
Navin Fluorine International Ltd.	2.67
Krishna Inst of Medical Sciences Ltd.	2.64
Doms Industries Ltd.	2.63
Solar Industries India Ltd.	2.54
Affle 3i Ltd.	2.54
JB Chemicals & Pharmaceuticals Ltd.	2.40
Radico Khaitan Ltd.	2.14
Blue Star Ltd.	2.09

Please visit <https://www.pgimindia.com/mutual-funds/disclosures/Portfolios/Monthly-Portfolio> for complete details on portfolio holding of the Scheme.

Performance

Period	Fund		NIFTY Smallcap 250 TRI [^]		NIFTY 50 TR Index #	
	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*
Last 1 Year	-0.50	9,950	-5.48	9,452	11.88	11,188
Last 3 Years	13.82	14,755	21.44	17,928	14.29	14,941
Since Inception	11.17	15,980	15.58	18,985	13.36	17,422

Source: Internal. Date of Inception: Regular Plan: July 29, 2021. All the above returns are of Regular Plan - Growth Option and CAGR. CAGR – Compounded Annual Growth Rate. [^] Scheme Benchmark. # Standard Benchmark. *Based on standard investment of ₹ 10,000 made at the beginning of the relevant period. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Utsav Mehta (Equity Portion) is managing this fund since April 15, 2024. Vivek Sharma (Equity Portion) is managing this fund from April 15, 2024. Vinay Paharia (Equity Portion) is managing this fund from April 01, 2023. Puneet Pal (Debt Portion) is managing this fund from April 01, 2023. The above returns are as on December 31, 2025.

SIP Performance

Period	Amount (Rs.)		Returns (Annualised) (%)		
	Investment	PGIM India Small Cap Fund	PGIM India Small Cap Fund	NIFTY Smallcap 250 TRI [^]	
Last 1 Year	1,20,000	1,24,348	6.79	4.62	
Last 3 Years	3,60,000	4,24,187	10.95	13.60	
Since Inception	5,40,000	6,92,531	11.03	16.14	

Source: Internal. Date of Inception: Regular Plan: July 29, 2021. Utsav Mehta (Equity Portion) managing this fund from April 15, 2024. Vinay Paharia (Equity Portion) managing this fund since April 01, 2023. Vivek Sharma (Equity Portion) managing this fund since April 15, 2024. Puneet Pal (Debt Portion) is managing this fund from April 01, 2023. The above returns are as on December 31, 2025.

Fund Manager's View

The market that was

The Indian equity market ended the month with modest losses. The Nifty Index slipped 0.3%, and the mid-cap and small-cap indices declined -0.9% and -0.6%, respectively. On the sectoral front, metals (+8%), oil & gas (+1.8%) and auto (+1.3%) were the top gainers, whereas capital goods (-3%), consumer durables (-3%) and realty (-3%) were the laggards. The other key developments were: (1) The Reserve Bank of India (RBI) Monetary Policy Committee (MPC) reduced the policy repo rate by 25 bps to 5.25% while maintaining the stance at neutral, (2) Fitch Ratings revised India's GDP growth forecast for FY2026 to 7.4% from 6.9% projected earlier, (3) The US Federal Open Market Committee (FOMC) reduced the federal funds rate by 25 bps to the 3.5-3.75% range, the third 25 basis point cut this year, (4) The Bank of Japan (BoJ) raised its benchmark interest rate by 25 basis points to 0.75%, marking its highest level since 1995, (5) The Cabinet approved the Atomic Energy Bill, 2025 and (6) The Securities and Exchange Board of India (SEBI) revised the Mutual Funds (MF) expense ratio framework.

Meanwhile, Foreign Portfolio Investors (FPIs) sold \$2.6 bn of Indian equities in the secondary market, whereas Domestic Institutional Investors (DIIs) bought \$8.1 bn. For the full year, Foreign Institutional Investors (FIIs) sold close to \$18bn of equities which is the highest ever calendar year outflow, which was more than amply outweighed by DIIs which bought close to \$90bn worth of equities in the cash market.

On the economy front, November Consumer Price Index (CPI) inflation inched up to 0.71% from 0.25% in October. Wholesale Price Index (WPI) inflation for November was (-) 0.3% YoY against (-) 1.2% in October. The Index of Industrial Production (IIP) grew by 6.7% in November 2025, marking a 25-month high. Manufacturing output reported growth of 8% YoY while Mining output grew by 5.4% YoY. Merchandise trade deficit narrowed to a five-month low in Nov'25 as exports rose, and imports declined.

Unexpectedly, both oil and non-oil exports rebounded significantly from their previous contractions amid trade uncertainties. As per the latest fortnightly data (15th Dec'25), system credit growth improved to 12.0% YoY (vs. 11.5% YoY on 28th Nov'25), while deposit growth moderated to 9.4% YoY (vs. 10.2% YoY on 28th Nov'25). The system credit-deposit ratio continues to be elevated at ~82% as of Dec'25 (vs. 80% in Nov'25).

Fund Manager's View

Calendar year 2025 saw the large caps (Nifty) delivering better returns at 11.5% than midcaps 5.7% and small caps (-6.1%), reversing the phenomenon of CY24 wherein mid and small caps outperformed large caps. At a broader level, the markets saw a modest return of 7.4% (NSE 500), thereby seeing a slowdown in returns from the previous year on concerns of elevated valuations as well as correction in some of the excesses that were built in the market.

The first half of CY25 was a period of stable gains with high quality and high growth companies delivering stable returns, while bulk of the relative under performance was delivered by low quality and low growth companies. However, in the second half of the year, we witnessed a significant underperformance by high quality and high growth companies, which significantly increased their relative underperformance for the year.

We are firm believers in superior long-term return potential of growth companies (companies with higher-than-average growth and higher than average business quality). Such companies have delivered strong long-term performance over a 5-year and 10-year period, despite a difficult 3-year period. Patient growth investors are likely to reap rich rewards in the medium term also as India grows at a relative fast pace, which is likely to be best captured by such high growth and high-quality companies.

Key Features



Benchmark Index:
Nifty 500 TR Index



Fund Manager: Mr. Utsav Mehta (Equity Portion), Mr. Vivek Sharma (Equity Portion), Mr. Vinay Paharia (Equity Portion) and Mr. Puneet Pal (Debt Portion)



Exit load:
For Exits within 90 days from date of allotment of units: 0.50%; For Exits beyond 90 days from date of allotment of units: NIL.

Performance of other funds managed by Fund Manager Vinay Paharia as on December 31, 2025

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since	Co-managed by
Top 3 Schemes Performance (%)					
PGIM India Large Cap Fund	7.34	11.98	11.51	April 01, 2023	A. Anandha (Equity) Vivek Sharma (Equity) Bhupesh Kalyani (Debt)
NIFTY 100 TRI [^]	10.24	14.69	14.90		
PGIM India Balanced Advantage Fund	6.15	10.50	-	April 01, 2023	A. Anandha (Equity) Utsav Mehta (Equity) Puneet Pal (Debt)
CRISIL Hybrid 50+50 Moderate Index [^]	8.26	11.94	-		
PGIM India Equity Savings Fund	6.07	7.13	7.35	April 01, 2023	A. Anandha (Equity) Vivek Sharma (Equity) Puneet Pal (Debt)
NIFTY Equity Savings Index [^]	9.28	10.15	9.35		
Bottom 3 Schemes Performance (%)					
PGIM India Midcap Fund	0.02	13.47	18.67	April 01, 2023	Utsav Mehta (Equity) Vivek Sharma (Equity) Puneet Pal (Debt)
NIFTY Midcap 150 TRI [^]	5.98	23.97	24.03		
PGIM India Retirement Fund	1.54	-	-	April 15, 2024	A. Anandha (Equity) Vivek Sharma (Equity) Puneet Pal (Debt)
BSE 500 TRI [^]	7.63	-	-		
PGIM India ELSS Tax Saver Fund	1.98	12.07	15.17	April 01, 2023	Vivek Sharma (Equity) Utsav Mehta (Equity) Bhupesh Kalyani (Debt)
NIFTY 500 TRI [^]	7.76	16.68	16.87		

Source: Internal. Mr. Vinay Paharia is managing 10 schemes of PGIM India Mutual Fund. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on December 31, 2025.

Performance of other funds managed by Fund Manager Vivek Sharma as on December 31, 2025

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since	Co-managed by
Top 3 Schemes Performance (%)					
PGIM India Emerging Markets Equity Fund of Fund MSCI Emerging Market Index TRI^	18.27 40.36	17.79 19.65	0.66 8.61	February 15, 2025	A. Anandha
PGIM India Select Real Estate Securities Fund of Fund FTSE EPRA / NAREIT Developed Index^	10.14 16.22	9.79 10.77	– –	February 15, 2025	A. Anandha
PGIM India Global Equity Opportunities Fund of Fund MSCI All Country World Index^	7.95 28.56	23.09 24.02	5.76 15.90	February 15, 2025	A. Anandha
Bottom 3 Schemes Performance (%)					
PGIM India Healthcare Fund BSE Healthcare TRI^	-2.67 -2.72	– –	– –	December 06, 2024	A. Anandha (Equity) Utsav Mehta (Equity) Puneet Pal (Debt)
PGIM India Midcap Fund NIFTY Midcap 150 TRI^	0.02 5.98	13.47 23.97	18.67 24.03	April 15, 2024	Utsav Mehta (Equity) Vinay Paharia (Equity) Puneet Pal (Debt)
PGIM India Retirement Fund BSE 500 TRI^	1.54 7.63	– –	– –	August 01, 2024	Vinay Paharia (Equity) A. Anandha (Equity) Puneet Pal (Debt)

Source: Internal. Mr. Vivek Sharma is managing 14 schemes of PGIM India Mutual Fund. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on December 31, 2025.

Performance of other funds managed by Fund Manager Puneet Pal as on December 31, 2025

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since	Co-managed by
Top 3 Schemes Performance (%)					
PGIM India CRISIL IBX Gilt Index - Apr 2028 Fund CRISIL-IBX Gilt Index - April 2028^	7.93 8.43	– –	– –	February 22, 2023	Bhupesh Kalyani (Debt)
PGIM India Corporate Bond Fund CRISIL Corporate Debt A-II Index^	7.36 7.92	7.11 7.63	5.69 6.02	December 13, 2017	Bhupesh Kalyani (Debt)
PGIM India Money Market Fund CRISIL Money Market A-I Index^	7.10 6.73	7.13 7.17	5.71 6.04	July 16, 2022	Bhupesh Kalyani (Debt)
Bottom 3 Schemes Performance (%)					
PGIM India Healthcare Fund BSE Healthcare TRI^	-2.67 -2.72	– –	– –	December 06, 2024	A. Anandha (Equity) Utsav Mehta (Equity) Vivek Sharma (Equity)
PGIM India Midcap Fund NIFTY Midcap 150 TRI^	0.02 5.98	13.47 23.97	18.67 24.03	July 16, 2022	Vivek Sharma (Equity) Utsav Mehta (Equity) Vinay Paharia (Equity)
PGIM India Retirement Fund BSE 500 TRI^	1.54 7.63	– –	– –	April 15, 2024	Vinay Paharia (Equity) A. Anandha (Equity) Vivek Sharma (Equity)

Source: Internal. Mr. Puneet Pal is managing 20 schemes of PGIM India Mutual Fund. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on December 31, 2025.

Performance of other funds managed by Fund Manager Utsav Mehta as on December 31, 2025

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since	Co-managed by
Top 3 Schemes Performance (%)					
PGIM India Balanced Advantage Fund	6.15	10.50	–	April 15, 2024	Vinay Paharia (Equity)
CRISIL Hybrid 50+50 Moderate Index [^]	8.26	11.94	–		A. Anandha (Equity) Puneet Pal (Debt)
PGIM India Large and Midcap Fund	4.50	–	–	February 12, 2024	Vinay Paharia (Equity)
NIFTY LargeMidcap 250 TRI [^]	8.19	–	–		A. Anandha (Equity) Puneet Pal (Debt)
PGIM India Multi Cap Fund	3.04	–	–	September 10, 2024	Vivek Sharma (Equity)
NIFTY 500 Multicap 50:25:25 TRI [^]	5.29	–	–		A. Anandha (Equity) Puneet Pal (Debt)
Bottom 3 Schemes Performance (%)					
PGIM India Healthcare Fund	-2.67	–	–	December 06, 2024	A. Anandha (Equity)
BSE Healthcare TRI [^]	-2.72	–	–		Vivek Sharma (Equity) Puneet Pal (Debt)
PGIM India Midcap Fund	0.02	13.47	18.67	November 01, 2023	Vinay Paharia (Equity)
NIFTY Midcap 150 TRI [^]	5.98	23.97	24.03		Vivek Sharma (Equity) Puneet Pal (Debt)
PGIM India ELSS Tax Saver Fund	1.98	12.07	15.17	April 15, 2024	Vinay Paharia (Equity)
NIFTY 500 TRI [^]	7.76	16.68	16.87		Vivek Sharma (Equity) Bhupesh Kalyani (Debt)

Source: Internal. Mr. Utsav Mehta is managing 8 schemes of PGIM India Mutual Fund. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on December 31, 2025.

[^] Scheme Benchmark. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The above returns are of Regular Plan - Growth Option of respective schemes. All the above returns are CAGR. CAGR - Compounded Annual Growth Rate. Different plans have a different expense structure. On account of difference in scheme features, the performance of these schemes are not strictly comparable. Returns for the benchmark have been calculated using TRI values. Please refer www.pgimindia.com/mutual-funds for details on performance of all schemes (including Direct Plan).

About Us

PGIM India Mutual Fund is part of PGIM, the global investment management arm of Prudential Financial, Inc. (PFI), with over **\$1.44 trillion** in assets under management. PGIM India Asset Management offers a comprehensive range of equity and fixed income solutions through mutual funds, alternatives, and portfolio management services. Leveraging PGIM's 150-year **shared legacy** and expertise across more than 30 market cycles, PGIM India combines global insights with local investment expertise to provide an enriching investment experience. Headquartered in Mumbai, the fund house operates across **25 cities** in India, managing 25 open-ended funds.

Source: www.pgim.com

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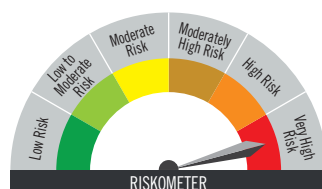
Riskometer

This product is suitable for investors who are seeking*:

- Capital appreciation over a long period of time.
- Investment in equity and equity related instruments of small cap companies.
- Degree of risk – VERY HIGH

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Scheme Riskometer



The risk of the scheme is very high

Benchmark Riskometer



AMFI Tier 1 Benchmark - NIFTY Smallcap 250 TRI
The risk of the benchmark is very high

Return on Equity: Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Debt/Equity (ex-financials):** Debt/Equity Ratio is a debt ratio used to measure a company's financial leverage, calculated by dividing a company's total liabilities by its stockholders' equity. The D/E ratio indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity. (Ex-Financials means excluding Banks and NBFCs). **Price/Earnings:** The price-earnings ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings. **Beta:** Beta is a measure of an investment's volatility vis-à-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.

The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary. Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of the PGIM India Mutual Fund ("Fund").

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.