Good Reasons To Invest In Smallcaps

Well-managed small caps present a lucrative opportunity for wealth creation. Take calendar year 2017, when the small cap index rose 58% vis-à-vis 47% in midcaps and 28% in Sensex, giving ample proof of the small cap potential.

Here are FIVE key reasons to consider investing in small caps

1. Huge opportunity in over 370 companies that are making PAT of over Rs 50 crores
2. GST rollout, shift from unorganised to organised sectors big boost for small caps
3. 1/3 of small caps are trading below their December 2014 level, increasing prospect of wealth creation
4. Political stability could see government pursue reforms
5. Stability in policies to have long-term impact on earnings recovery

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