

# Bajaj Finserv Large Cap Fund

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

---

**Focusing on  
Champions of Corporate India**

July 2025



# What are Large Caps?

# What are Large Cap?

## Large Cap consists of Top 100 Companies by Market Cap

- Market Leaders
- Extensively researched by Analysts
- High Institutional Holding Both Domestic and International.



**Market Cap  
19,00,000 Cr  
to 84,000 Cr**

## Mid Cap consists of Top 101<sup>st</sup> to 250<sup>th</sup> Companies by Market Cap

- Under researched by analysts,
- Under owned by FII/DII\*
- Companies with High Growth potential.



**Market Cap  
82,000 Cr  
to 27,000 Cr**

## Small Cap Consists of 251<sup>st</sup> Company and below by Market Cap

- Early-Stage companies
- Volatile Growth Story
- Under owned by FII/DII
- Under researched by analysts.



**Market Cap  
below 27,000 Cr**

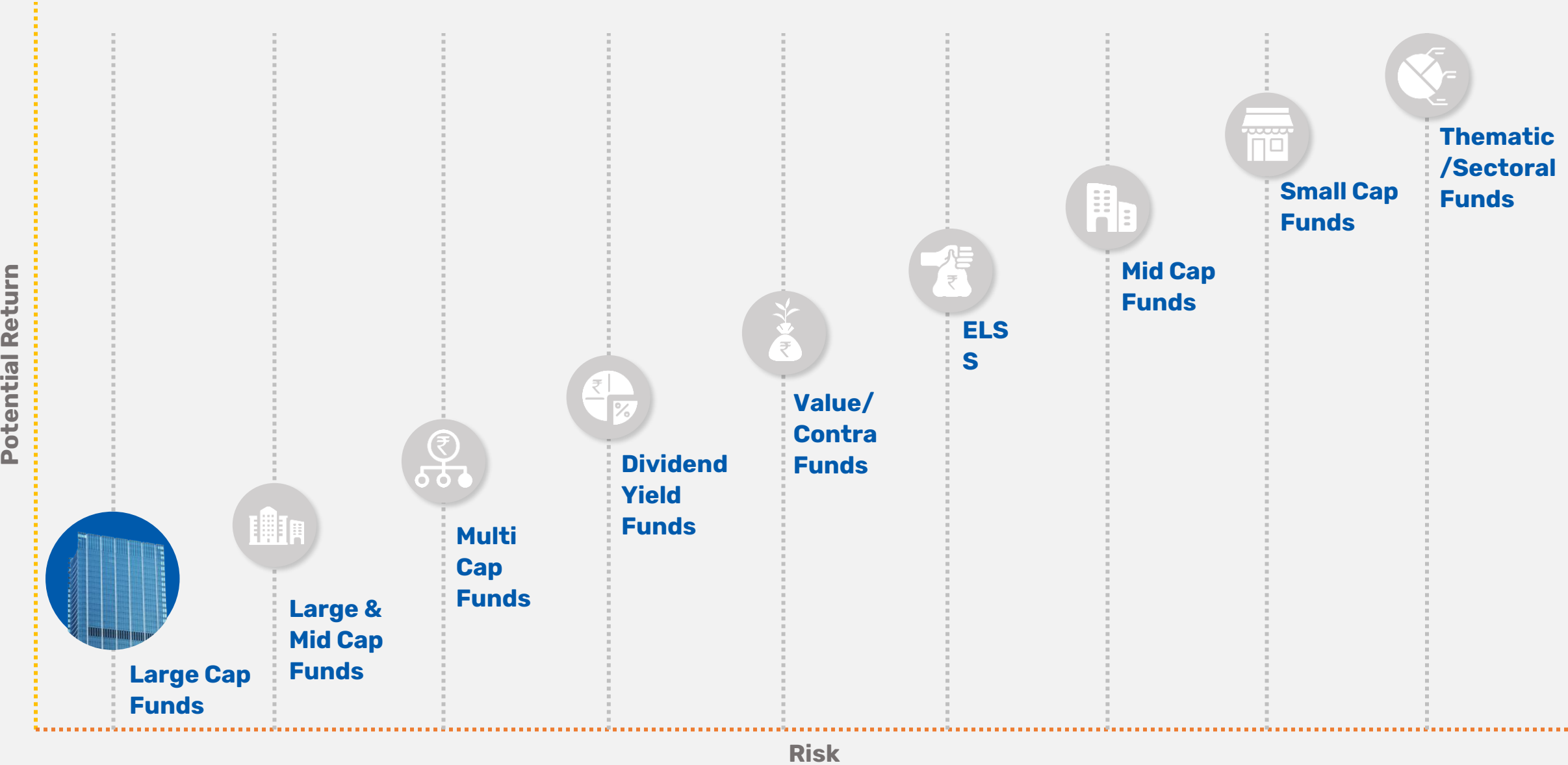
\*FII- Foreign Institutional Investors  
\*DII- Domestic Institutional Investors

Source: AMFI Data as of 30th June 2024





# Risk Return Matrix of Equity Funds

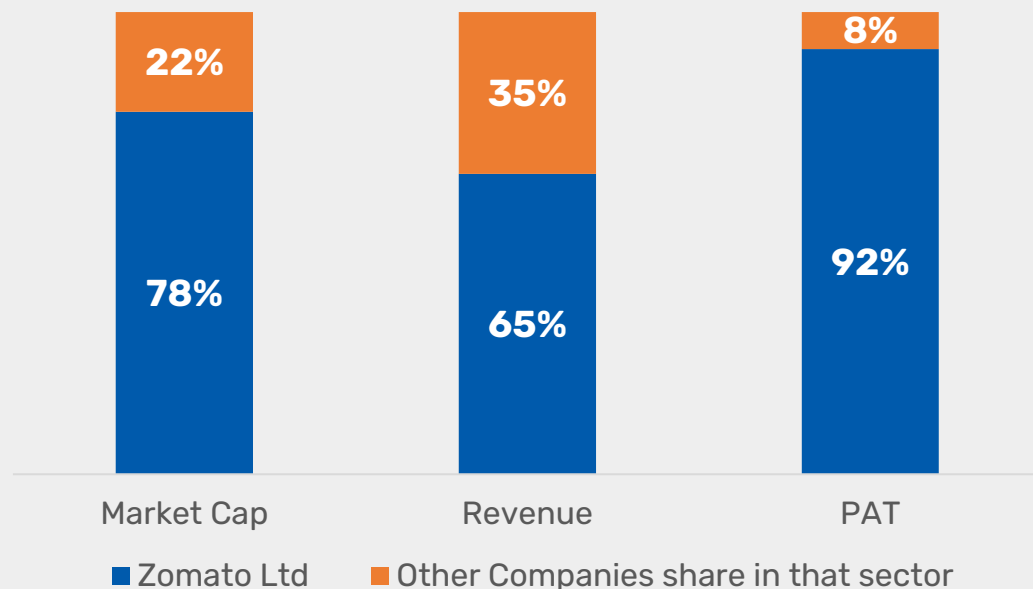


# Champions of Corporate India

## Proxy Play for growth in many sectors: Revenue Champions



### E-Retail/ E-Commerce

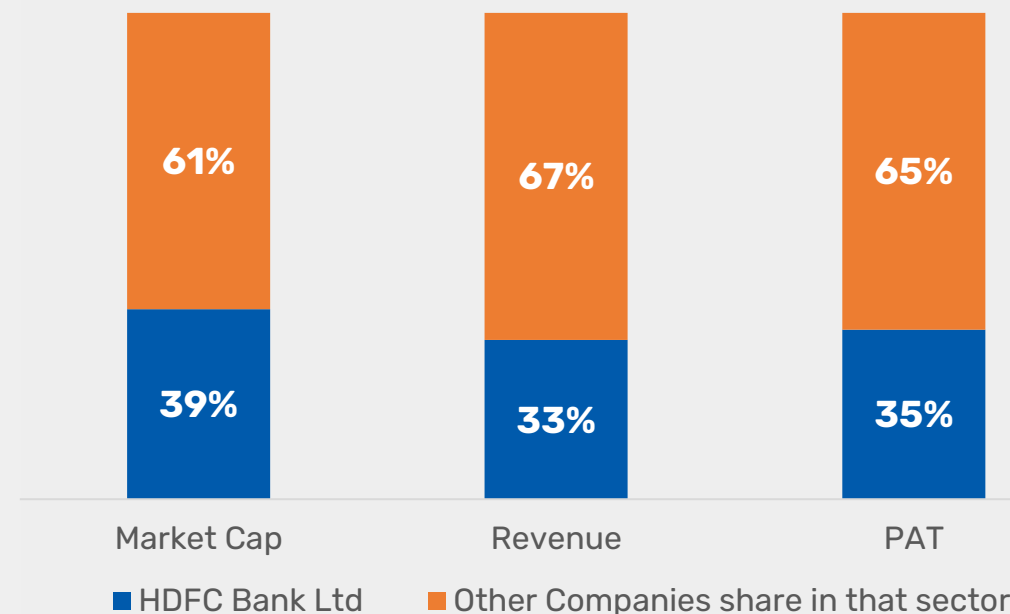


#### Zomato Ltd:

**Disrupted food delivery with user-friendly platform, extensive restaurant partnerships, and strategic expansions, becoming a leading food tech company in India.**



### Private Sector Bank



#### HDFC Bank Ltd:

**Transformed Indian banking with customer-centric approach, innovation, and strong financial performance, emerging as India's premier private bank.**

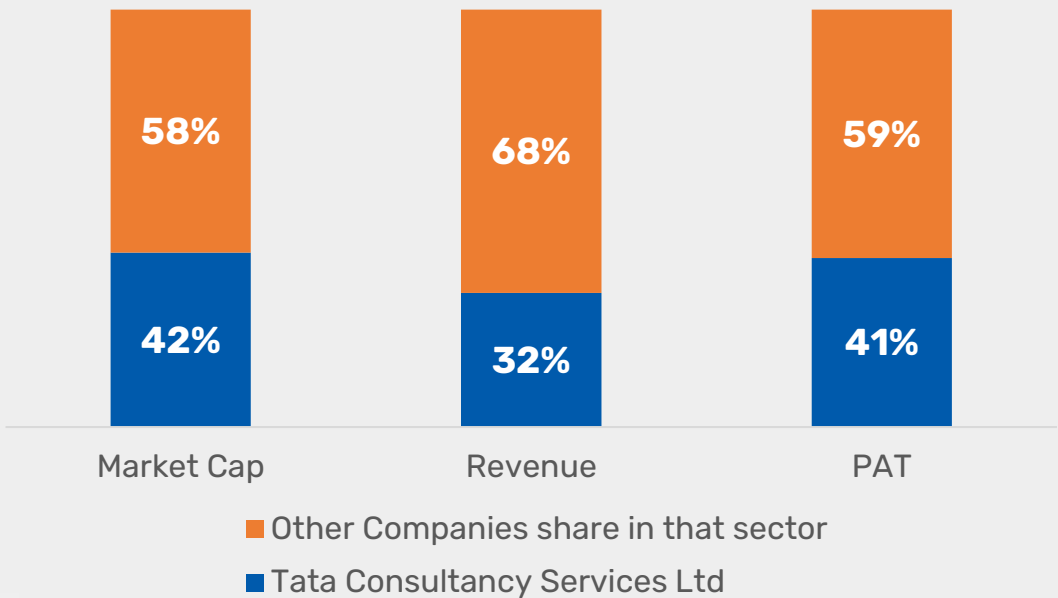
This slide is used for illustrative purpose to explain the concept of how some companies have demonstrated strong growth, performance and profitability thereby becoming Champions of Corporate India. There might be other companies apart from the mentioned in these slides who can be called as Champions of Corporate India. Past performance may or may not be sustained in future and should not in any manner be construed that these companies might be able to retain their market leadership. This stock may/may not form part of the portfolio and investors are advised to consult with their financial advisors before investing.



## Proxy Play for growth in many sectors: Champions across parameters



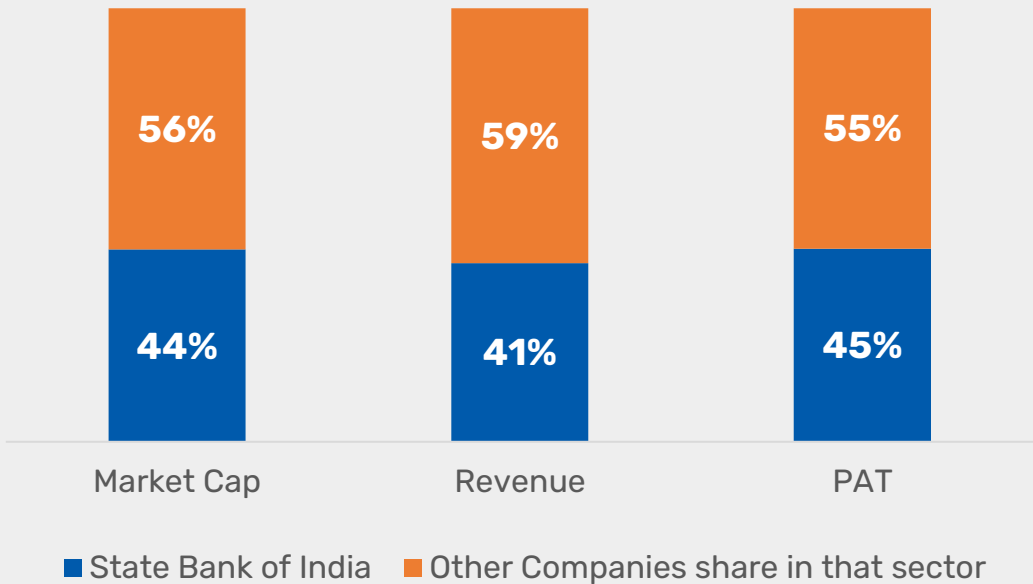
### Computers - Software & Consulting



**Tata Consultancy Services Ltd:**  
Pioneered Indian IT services globally through innovation, quality, and customer-centric solutions, becoming a top global IT leader.



### Public Sector Bank



**State Bank of India:**  
Leveraged extensive network, government backing, and customer trust to dominate Indian banking as the largest public sector bank.

This slide is used for illustrative purpose to explain the concept of how some companies have demonstrated strong growth, performance and profitability thereby becoming Champions of Corporate India. There might be other companies apart from the mentioned in these slides who can be called as Champions of Corporate India. Past performance may or may not be sustained in future and should not in any manner be construed that these companies might be able to retain their market leadership. This stock may/may not form part of the portfolio and investors are advised to consult with their financial advisors before investing.

# Contribution of Champions to India's Growth.



## **Economic Growth:**

**Major GDP\* contributors with extensive operations, creating millions of jobs.**



## **Technological Advancement:**

**Lead innovation in IT, automotive, and aerospace sectors.**



## **Trade and Exports:**

**Enhance trade balance and foreign exchange through significant exports.**



## **Access to capital:**

**Attracts easy domestic credit and FDI, fostering growth.**

This slide is used for illustrative purpose to explain the concept of how some companies have demonstrated strong growth, performance and profitability thereby becoming Champions of Corporate India. There might be other companies apart from the mentioned in these slides who can be called as Champions of Corporate India. Past performance may or may not be sustained in future and should not in any manner be construed that these companies might be able to retain their market leadership. Source: Bloomberg Data as on 31st March 24 for Nifty 100 Index| Past performance may or may not be sustained in future

Revenue is as on FY24  
GDP\* Gross Domestic Product



# Why invest in Champions of Corporate India?



# Growth Contribution of Some of the Largest Companies in India

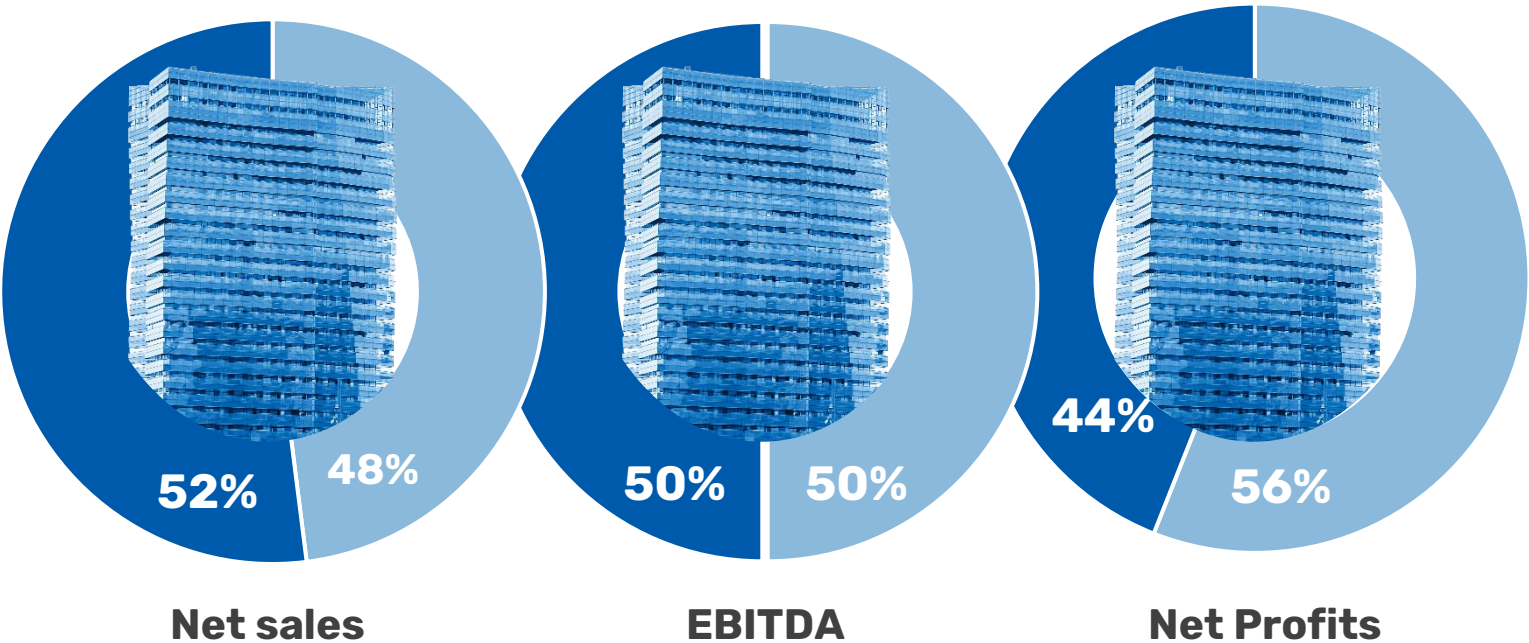
Large caps have meaningful economic contribution



Top 50 (Nifty 50 Cos)



Next 450 Cos



Barometers of economy's health.



Considered as safe haven by FIIs and FPIs.

Market/Sector leaders.

Resilience to economic downturns.



History of consistent long term wealth creation.

Prudent liquidity profile.



Large Cap have easier access to Capital and Reputed Management. and many more advantages...

Global presence.

Source: Bloomberg, As on 31st March 24 for Nifty 50 and Nifty 500 | Past performance may or may not be sustained in future

# Indian Economy Rising to the 3rd Spot

## Top 10 Economies Decade Wise in USD

Rank	1980	1990	2000	2010	2020	2030E
1	United States	United States	United States	United States	United States	China
2	Japan	Japan	Japan	China	China	United States
3	Germany	Germany	Germany	Japan	Japan	India
4	France	France	United Kingdom	Germany	Germany	Japan
5	United Kingdom	United Kingdom	France	France	United Kingdom	Germany
6	Italy	Italy	China	United Kingdom	India	United Kingdom
7	Canada	Canada	Italy	Brazil	France	France
8	Mexico	Spain	Canada	Italy	Italy	Brazil
9	China	China	Mexico	India	Canada	Canada
10	Spain	Brazil	Brazil	Russia	Korea	Russia

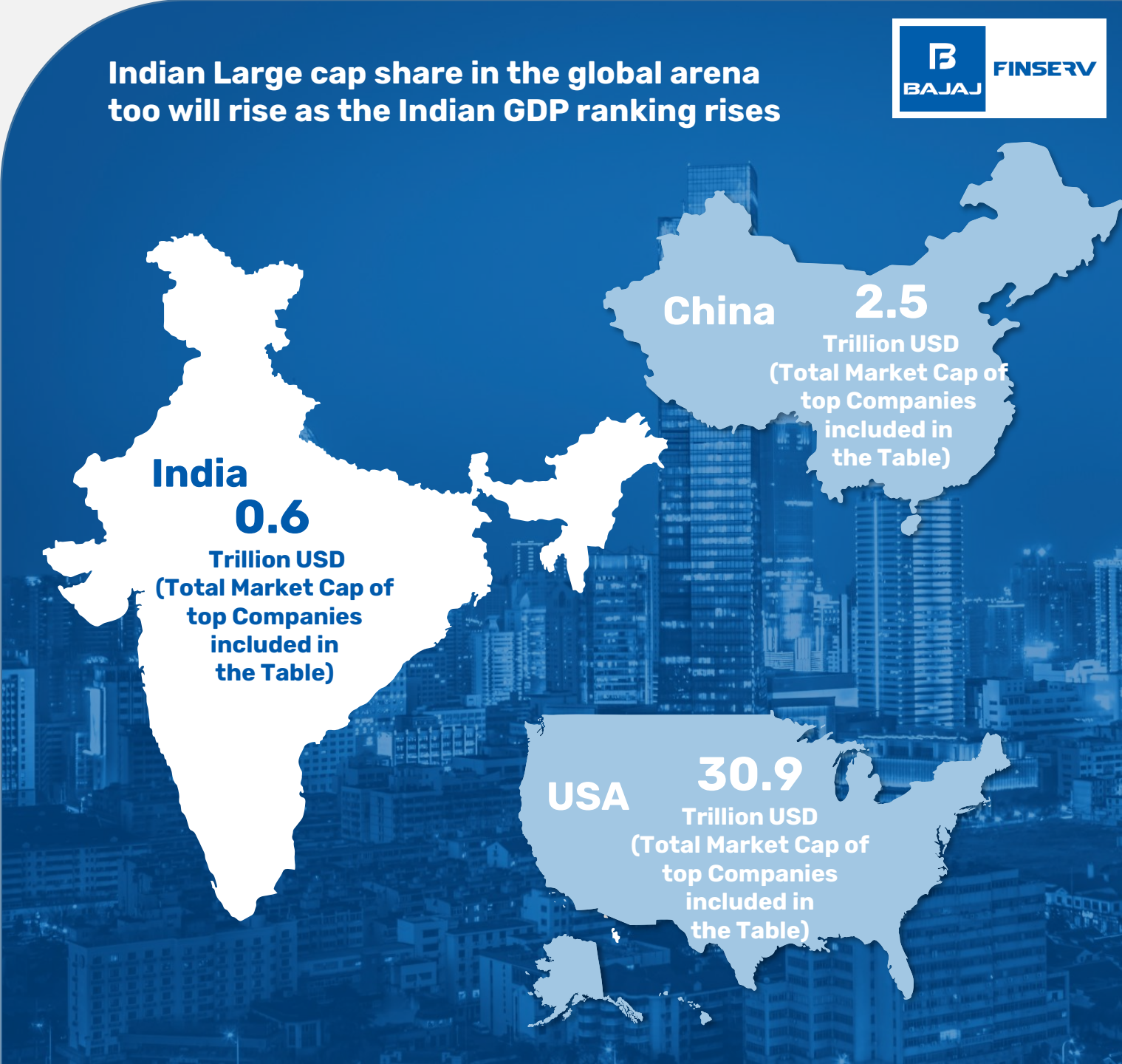
Source: Bloomberg, IMF, 2030 estimates from CEBR (The Centre for Economics and Business Research)

# A lot more room to grow..

Countries	Number of Companies	% Share in top 100
United States	60	72.50%
China	11	5.87%
Saudi Arabia	1	4.26%
France	4	2.47%
United Kingdom	5	2.38%
Taiwan	1	2.10%
Switzerland	3	1.70%
Denmark	1	1.55%
India	3	1.34%
Netherlands	2	1.32%
South Korea	1	0.91%
Germany	2	0.87%
Japan	1	0.65%
UAE	1	0.57%
Ireland	1	0.45%
Spain	1	0.37%
Canada	1	0.35%
Australia	1	0.34%
Total	100	100%

Source: Bloomberg, As of 30<sup>th</sup> June 24  
Market capitalization in Trillion USD has been considered for the above data.

Indian Large cap share in the global arena  
too will rise as the Indian GDP ranking rises



## Top companies by market cap in India

Top 10 Indian Companies	Market Cap (Billion USD)
Reliance Industries Ltd.	\$197
Tata Consultancy Services Ltd.	\$174
HDFC Bank Ltd.	\$150
ICICI Bank Ltd.	\$104
Bharti Airtel Ltd.	\$102
Infosys Ltd.	\$82
State Bank Of India	\$81
ITC Ltd.	\$65
Larsen & Toubro Ltd.	\$60
Axis Bank Ltd.	\$48

## Top companies by market cap in USA

Top 10 US Companies	Market Cap (Billion USD)
Microsoft	\$3,475
Apple	\$3,471
NVIDIA	\$3,095
Alphabet (Google)	\$2,363
Amazon	\$2,081
Meta Platforms (Facebook)	\$1,370
Berkshire Hathaway	\$887
Eli Lilly	\$869
Tesla	\$802
Broadcom	\$793

- **Champions of Corporate India, embodying resilience and innovation, are rapidly expanding to capitalize on India's dynamic economy, leveraging a robust consumer base and rising middle class.**
- **Indian large caps still have substantial room to grow compared to the largest US companies.**

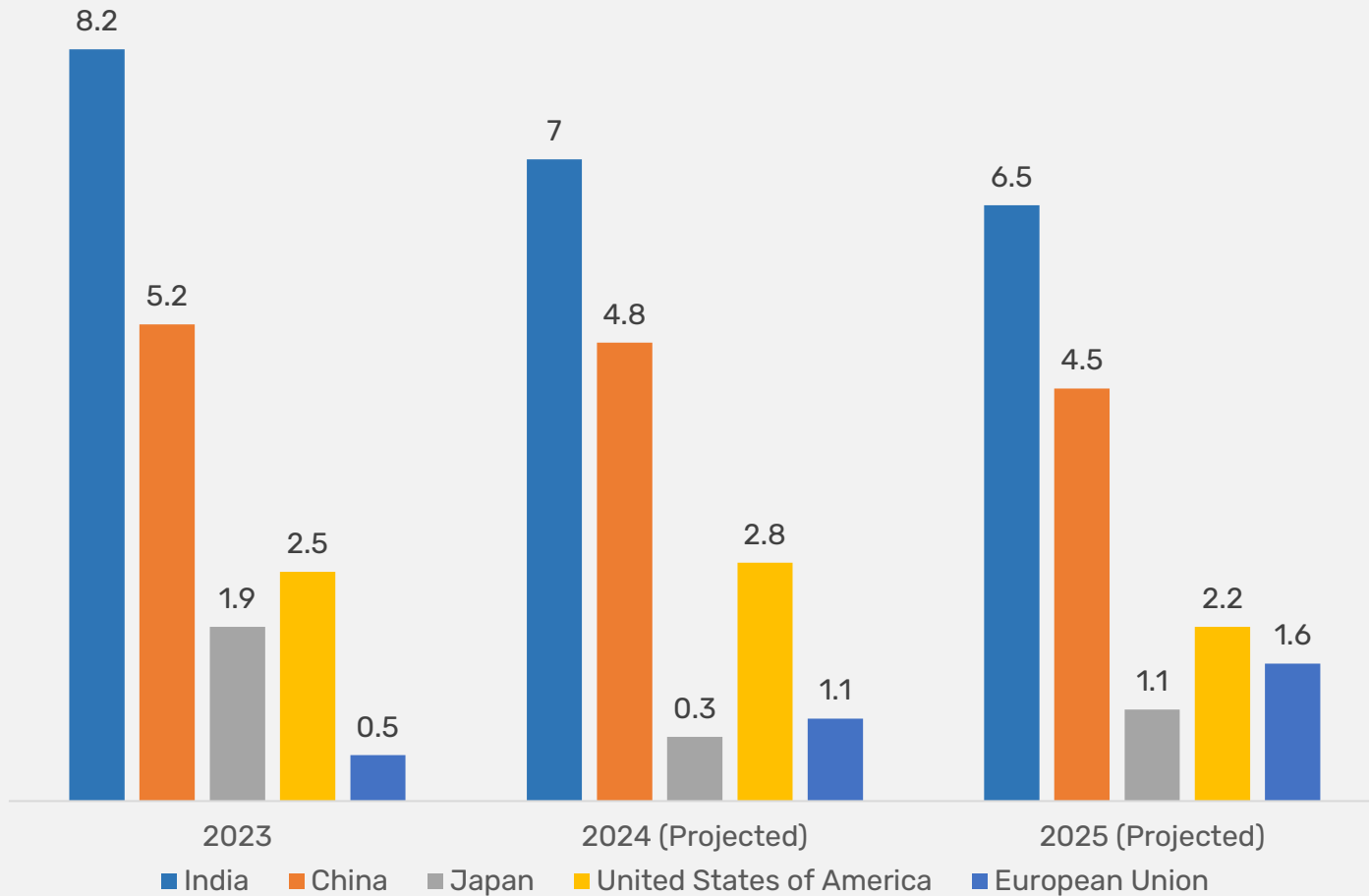




# India poised to grow with Champions of Corporate India at the forefront

# Gearing up for India's Golden Era

## GDP Growth Rate (%)



Source: IMF; Latest available data as on October 2024.

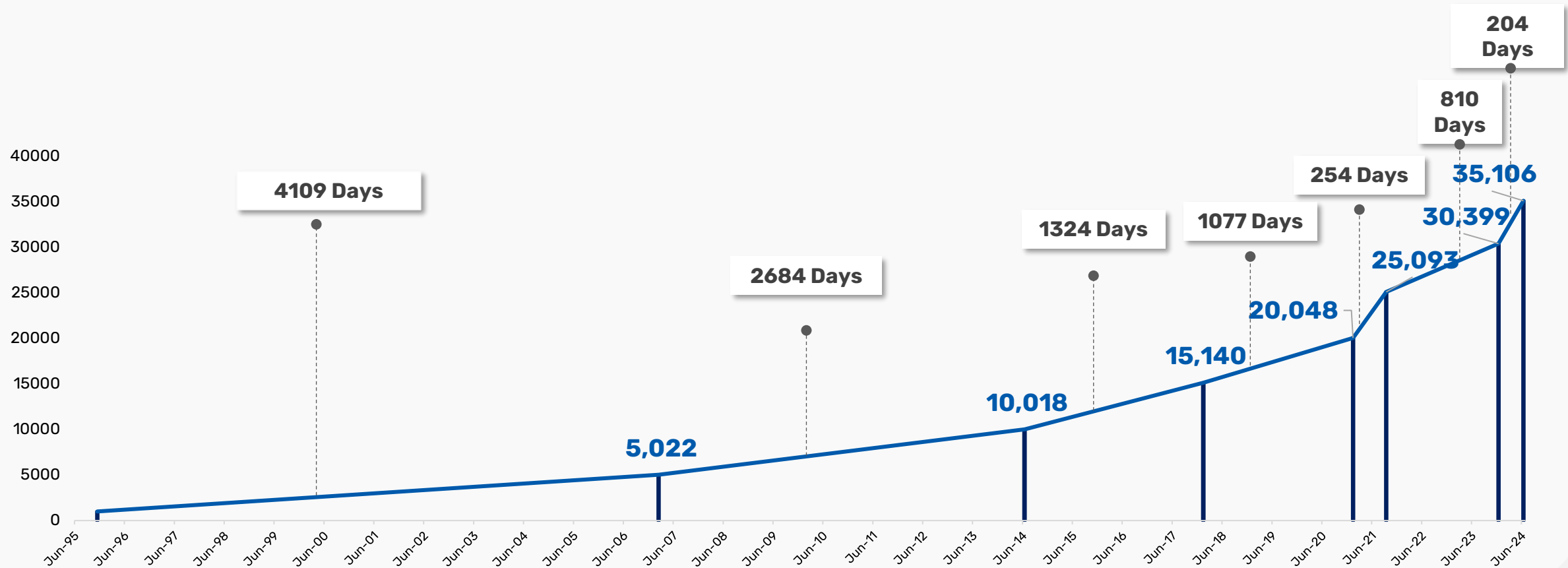


- **India has historically exceeded global performance estimates on growth.**
- **Large caps are likely to be major beneficiary from India's GDP (Gross Domestic Product) growth through increased consumer demand and expanded investment opportunities.**



# Why Large Caps Now?

# Nifty 50 TRI Milestones: Time taken to cross 5,000 points



- The intervals of achieving incremental 5K points on Nifty 50 TRI is on a declining trend.

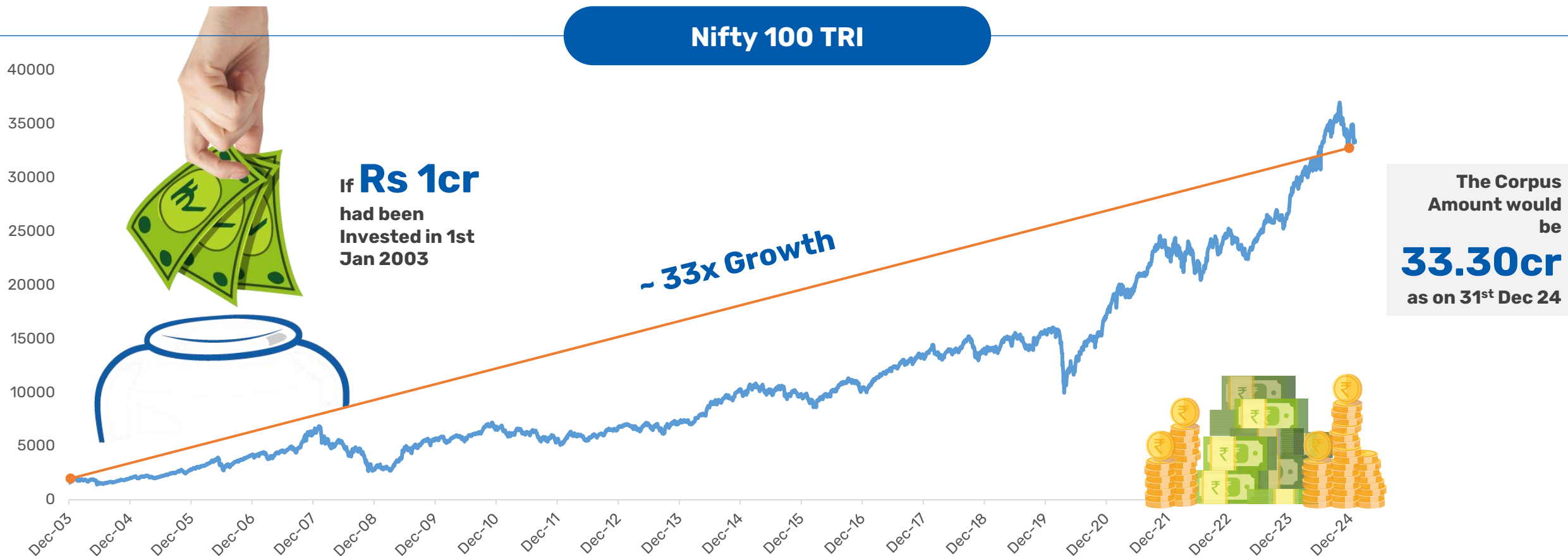
- Thus, highlighting the potential for faster wealth creation from large caps.

- Recently Nifty 50 TRI has reached 35000 in record 204 days.

Source: NSE Indices, As on 31st Dec 24| Past performance may or may not be sustained in future

# Nifty 100 TRI Historical Performance

## Nifty 100 TRI



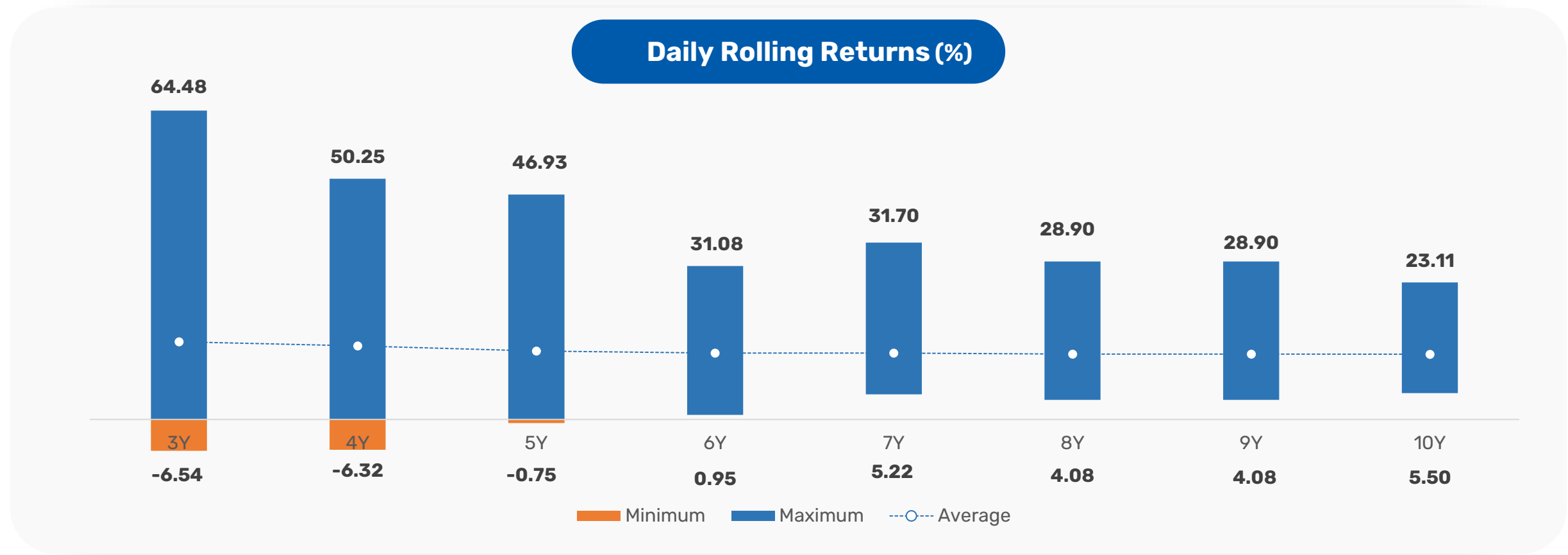
Index Name	1 Year	3 Years	5 Years	Since Inception
Nifty 100 TRI	12.9%	13.21%	15.92%	18.17%

\* Less than 1-year Absolute returns, Greater than 1 year Compound Annualized returns

Source: ICRA MFI, Data As on 31st Dec 24 | Past performance may or may not be sustained in future



# Relatively Steady Returns & Wealth Creation over Long Term



**No negative returns over the 5 years holding period.**

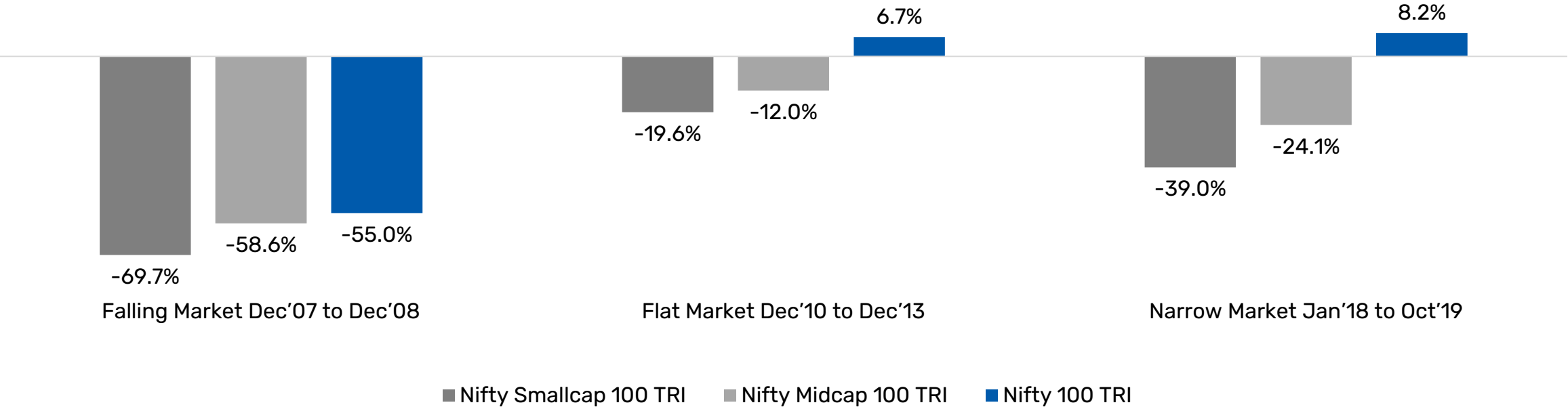


**High potential for long term wealth creation.**

Source: NSE & Internal Analysis, As on 31st Dec 24 Index Nifty 100 TRI | Past performance may or may not be sustained in future  
"RR" Denotes Rolling Return presented on Y axis and number of years on X axis.



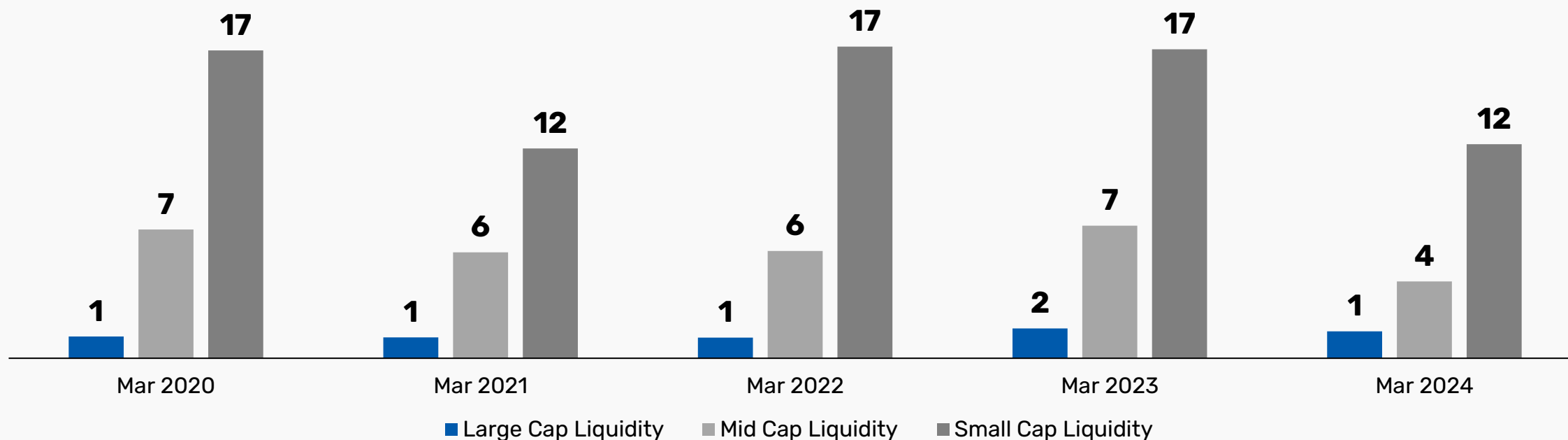
# Large-caps tend to be relatively stable during market fluctuations.



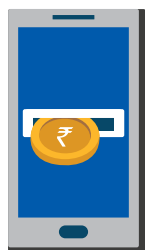
**Large Cap Index performed relatively well during Falling Market, Flat Market and Narrow Market than Mid and Small Caps**

Past performance may or may not be sustained in future | Source: ICRA MFI  
Point to Point Absolute returns has been considered for the above calculation

# Liquidity Risk in Large Cap are very Low



## Liquidity in Large-Cap Stocks:



**High trading volumes offer frequent trading opportunities**



**Narrow bid-ask spreads show efficient market transactions.**

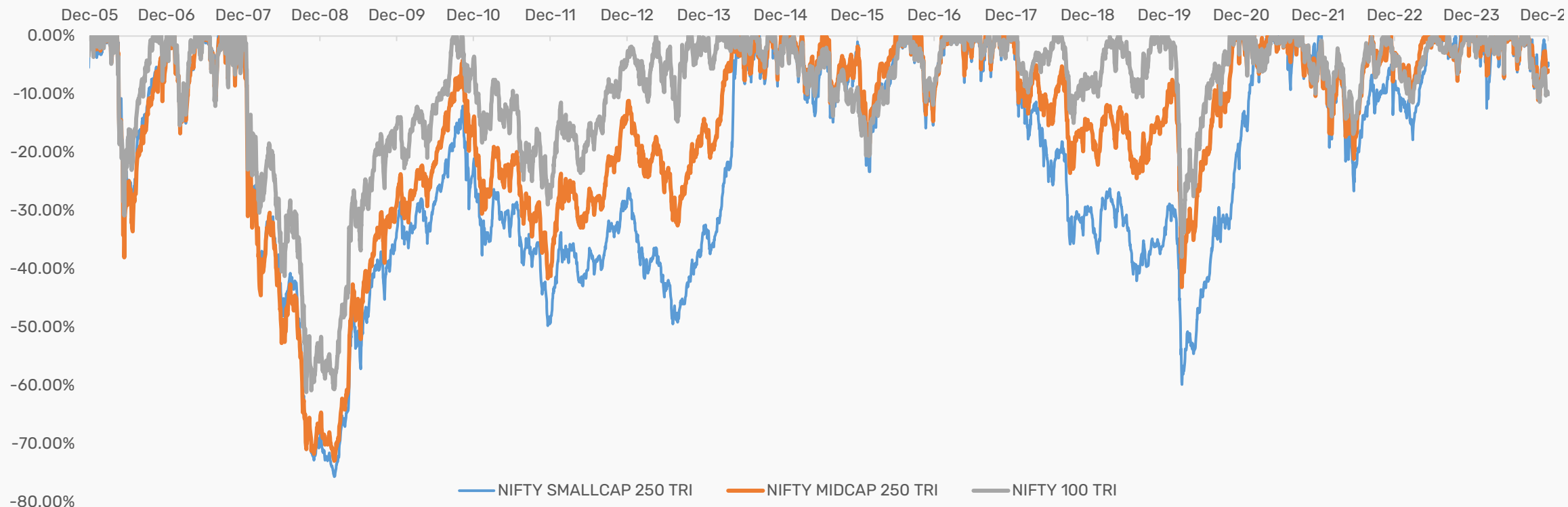


**Liquidity in Days indicates days needed to cash out a portfolio.**



**Low impact costs allow large trades with minimal price impact.**

Source ICRA MF | Average of all Large Cap, Mid Cap and Small cap fund's portfolio liquidity measured which are present in the industry. Past performance may or may not be sustained in future

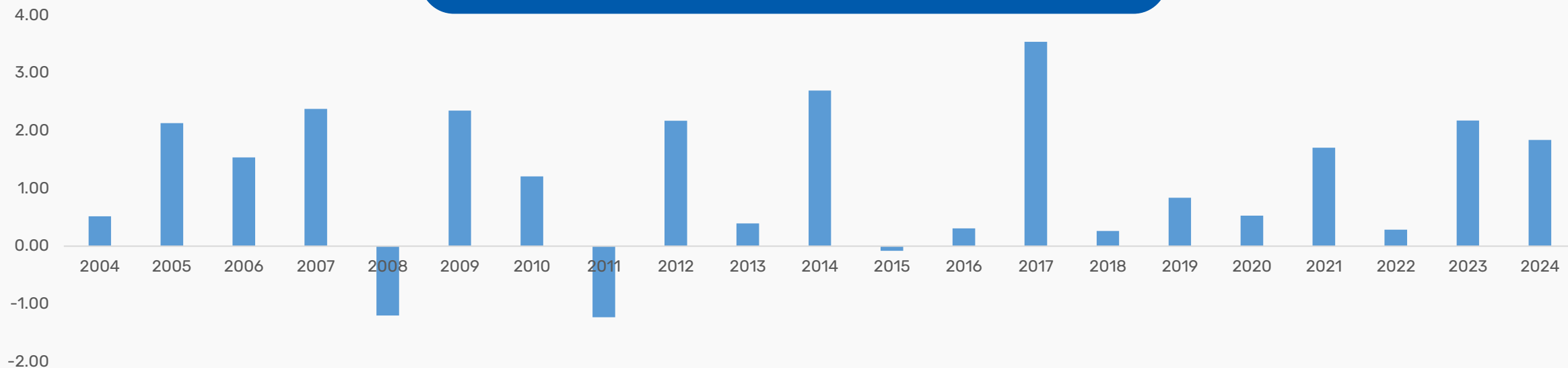


- Large caps tends to fall lesser than their peers in mid and small cap space.

- They regain their losses much faster than their peers

Source: ICRA MFI & Internal Analysis, As on 31st December 24 | Past performance may or may not be sustained in future | Y axis shows the Returns

## CY Risk Adjusted Return Nifty 100 TRI



### Stability

Large-cap stocks offer stability and lower volatility, boosting risk-adjusted returns.



### Liquidity

High trading volumes and liquidity reduce costs and enhance portfolio management.



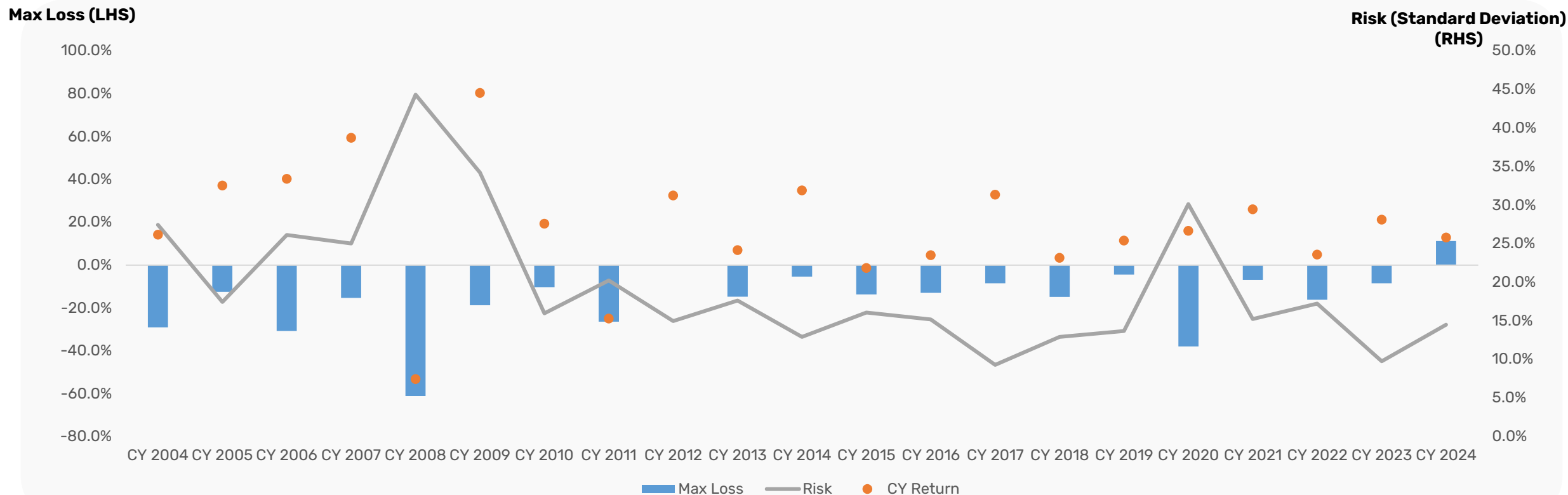
### Resilience

Large-cap stocks perform relatively consistently across market cycles.

Source: ICRA MFI & Internal Analysis, As on 31st Dec 24 | Past performance may or may not be sustained in future | Y axis shows the Risk adjusted Returns in %.



# Large Caps are Relatively Consistent Performers



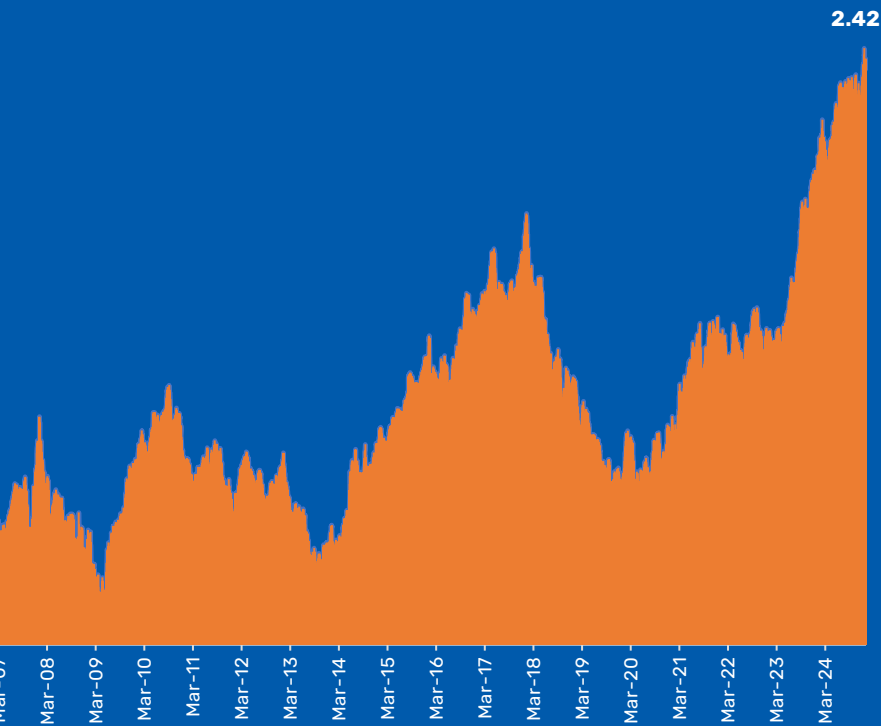
- **18 out of 21 years, Large Caps have closed in the positive territory.**

- **The Risk (Standard Deviation) of Large Caps have been in below 20 zone for 14 out of last 21 years.**

Source: NSE & Internal Analysis, Nifty 100 TRI Data As on 31st Dec 24 | Past performance may or may not be sustained in future

# Large Caps more Attractive Vis a Vis Small & Mid Cap

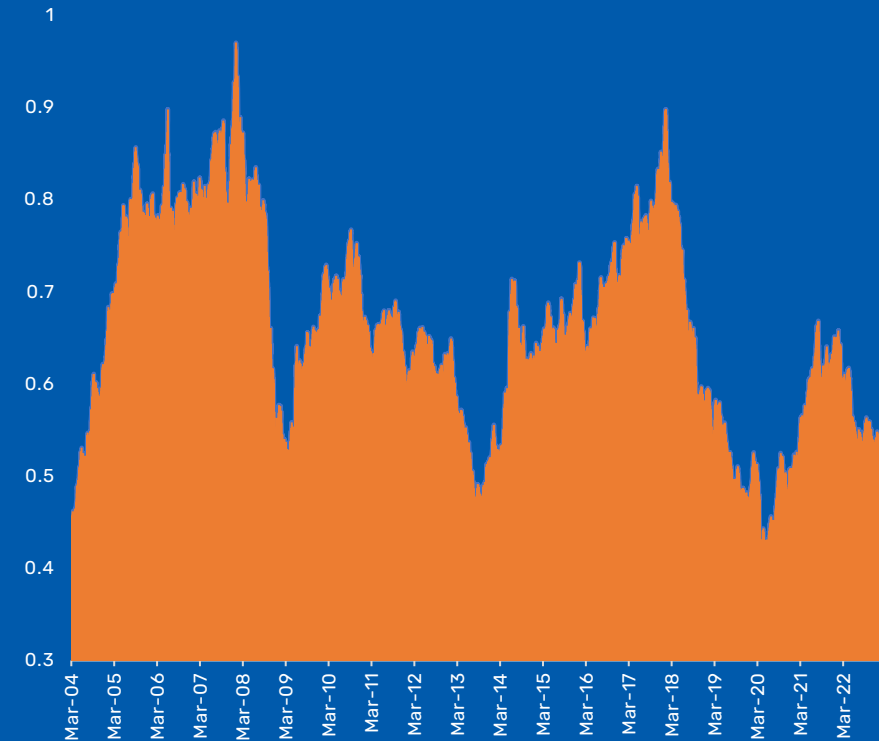
## Midcaps vs large caps



- The relative strength of midcap vis-à-vis large caps is at **2.3X** and small caps vis-à-vis large caps at **0.7X**.
- The trend has been in an upward move, indicating that the midcap and small cap indices has been outperforming the large cap index.
- The current relative strength, when compared to the long-term median indicates that any mean reversion would be largely positive for large cap stocks.

Source: Bloomberg & Internal Analysis, Nifty 50, Nifty Midcap 100 & Nifty Smallcap 100 Indices value data As on 31<sup>st</sup> December 24 | Y axis represents the valuation. Past performance may or may not be sustained in future

## Small caps vs large caps





# Large Cap currently available at Fair valuation

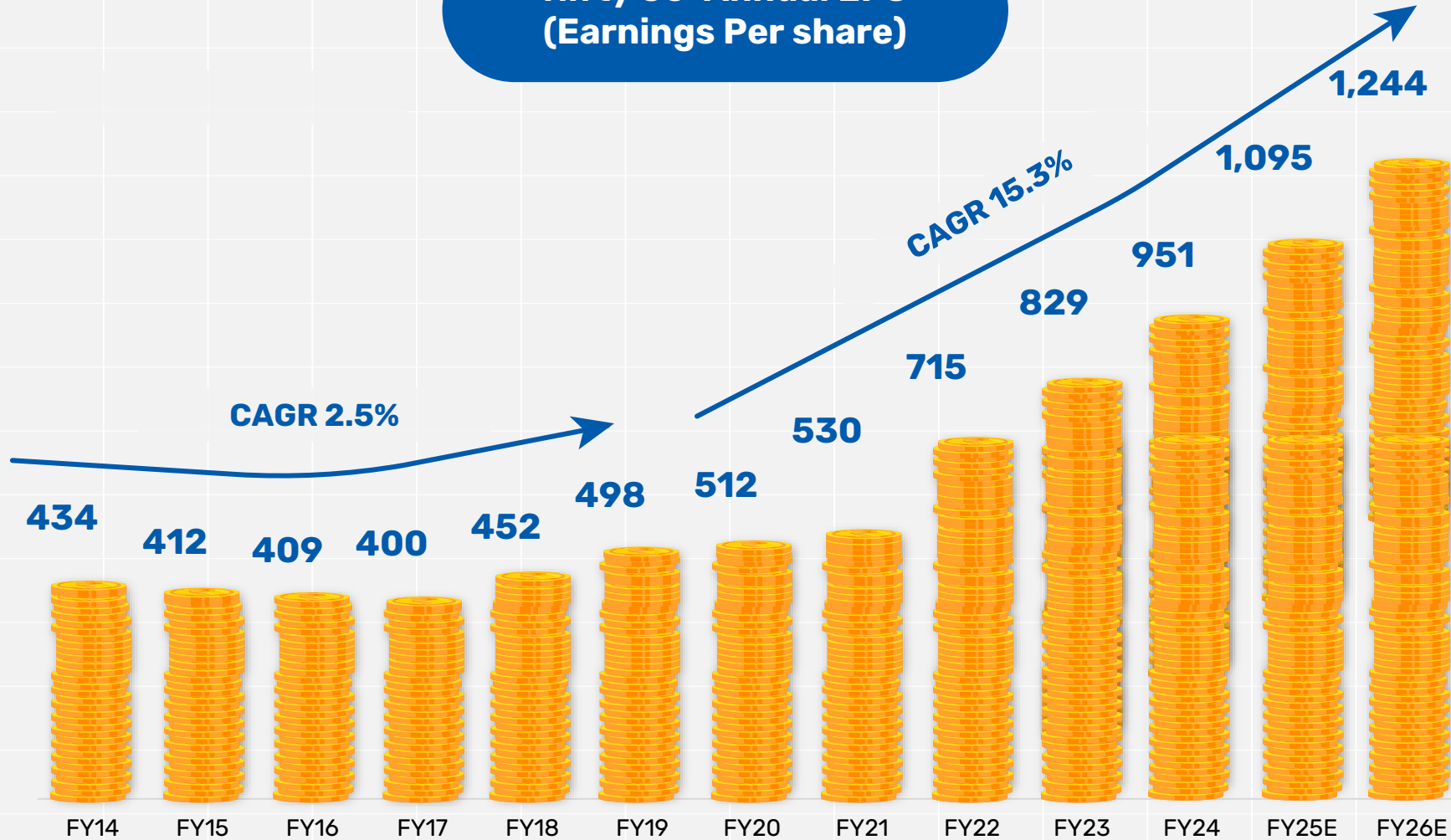


- The current valuation of the large caps is closer to the long-term average of 23.1.
- The valuations have been range bound around the long-term average.
- This indicates that the large caps are fairly valued for long term investments.

Source: NSE & Internal Analysis, Nifty 100 TRI Data as on 31st December 24 | Past performance does not guarantee future results  
PE- Price to Earning Ratio | TTM-Trailing Twelve Month | Y axis represents the valuation

# Earnings Growth of Large Caps

## Nifty 50-Annual EPS (Earnings Per share)



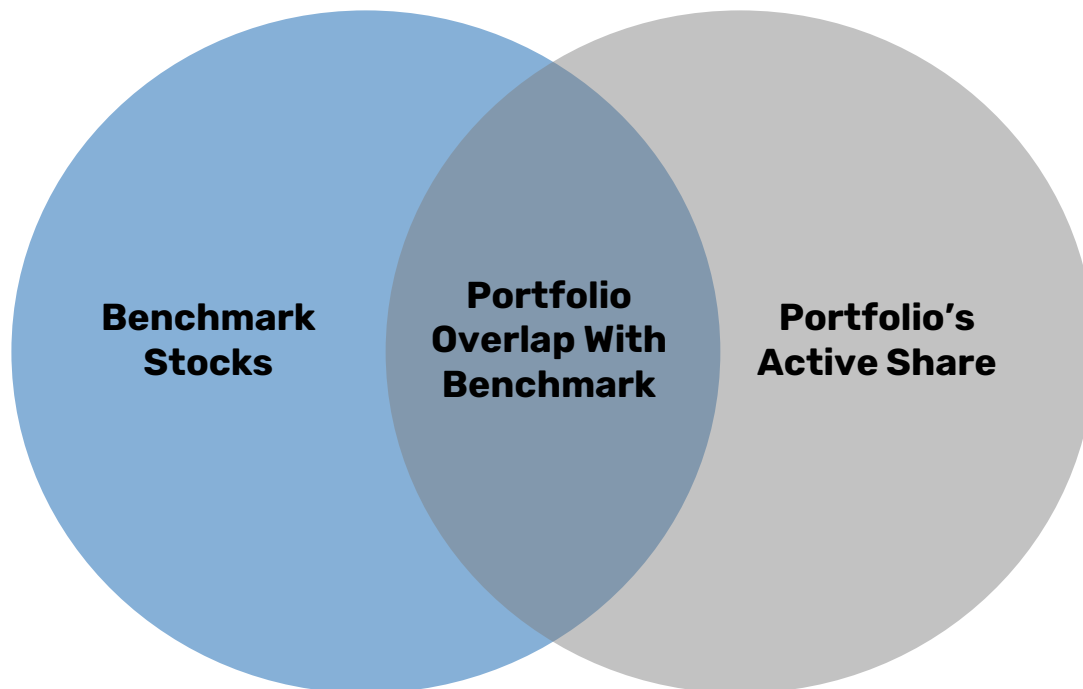
Source: Bloomberg, & Internal Analysis As on 31st March 24 | Past performance may or may not be sustained in future  
"E" Denotes Estimated

- Large Caps' earnings have crossed the inflection point in 2021 and currently appears to be in a robust growth phase.
- The EPS is expected to grow at 15% and 14% for FY25 and FY26 respectively.

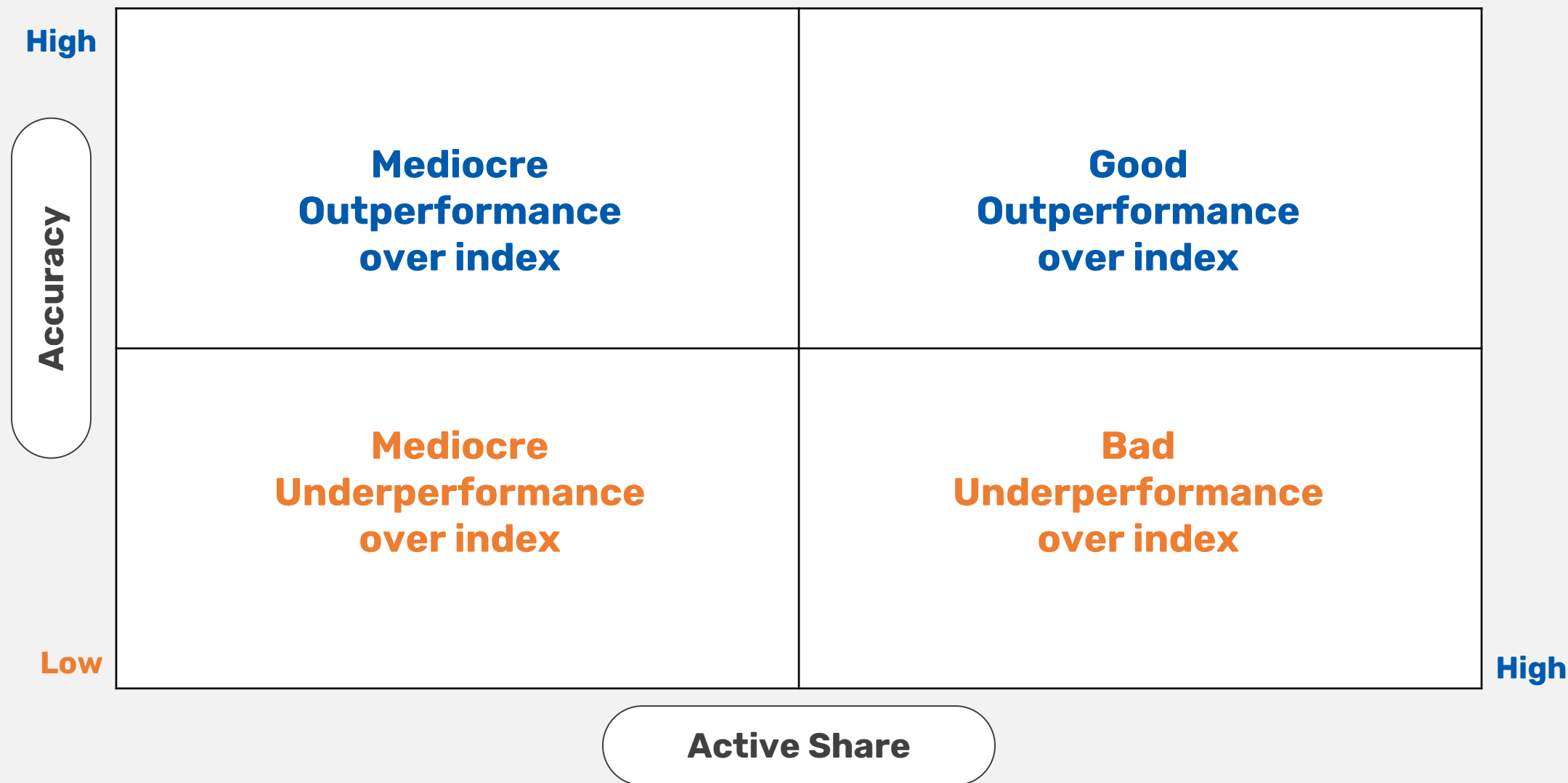
# Why to Invest in Bajaj Finserv Large Cap Fund?



# If You Buy The Index, You Cannot Beat The Index



- **Bajaj Finserv Large Cap Fund will aim to have a high Active Share which would indicate that the fund will take high conviction bets in select stocks for growth.**
- **Active Share measures the percentage of stock holdings, that deviates from the benchmark index.**
- **We believe and practice that “if you buy the index, you cannot beat the index.”**
- **Traditional indices reflect the past, but our investment strategy looks ahead, positioning your portfolio for future opportunities and growth.**



Stock Name	Allocation		Overlap
	Portfolio A	Index	
Stock A	19	20	19
Stock B	16	18	16
Stock C	12	15	12
Stock D	15	12	12
Stock E	12	10	10
Stock F	9	8	8
Stock G	5	6	5
Stock H	4	5	4
Stock I	5	4	4
Stock J	3	2	2
Total Portfolio Overlap			92
Active Share (100 - Overlap)			8

Stock Name	Allocation		Overlap
	Portfolio B	Index	
Stock A	9	20	9
Stock B	12	18	12
Stock C	8	15	8
Stock D	7	12	7
Stock E	5	10	5
Stock F	11	8	8
Stock G	15	6	6
Stock H	10	5	5
Stock I	10	4	4
Stock J	13	2	2
Total Portfolio Overlap			66
Active Share (100 - Overlap)			34

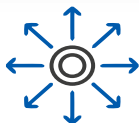
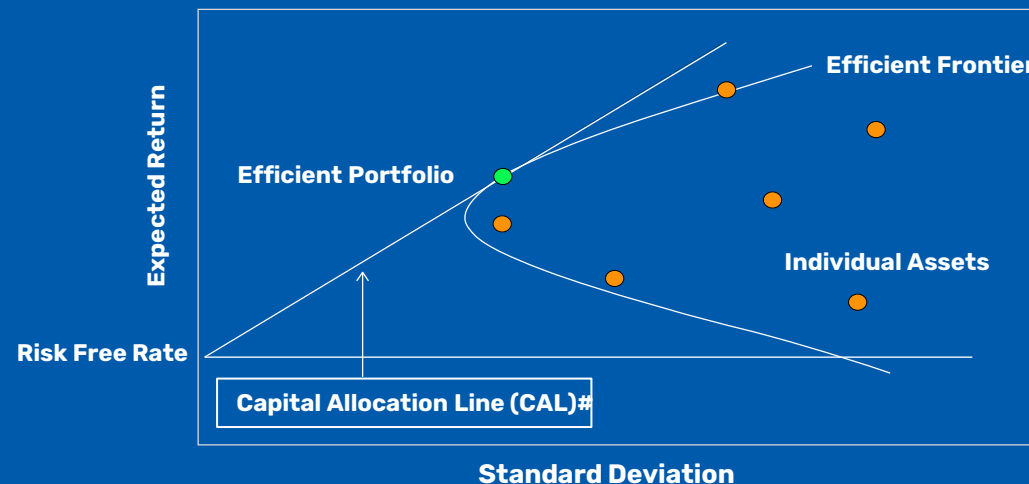
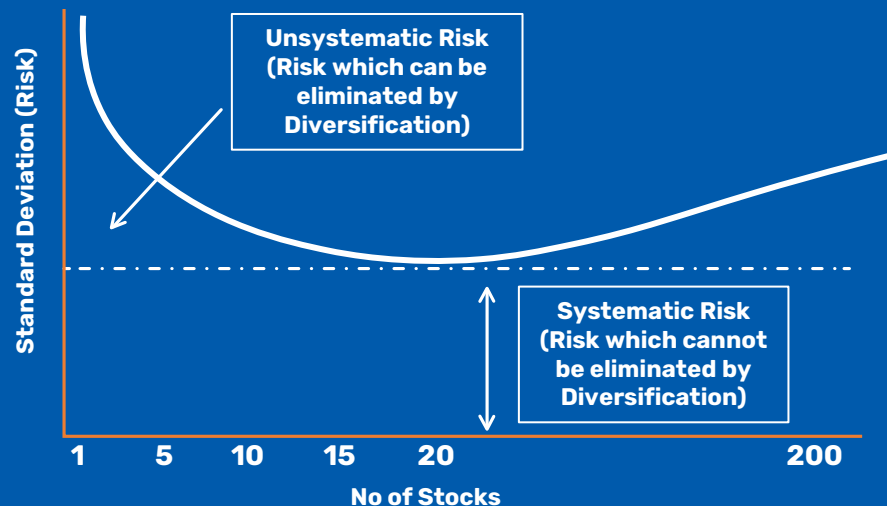
The above table is an illustration.

**Portfolio A is more index hugging whereas Portfolio B is more actively managed.**

- Portfolio Managers often face the stock selection challenge owing to limited stocks in large cap universe (only Top 100).
- Hence, allocating to high-conviction stocks is key to success in managing a Large Cap Fund.
- High Active Share is outcome of high conviction concentrated bets in select stocks

# Concentrated Portfolio of 25 to 30 stocks for optimum risk return reward\*

## Stock Specific Risk



Research indicates that holding 20-30 stocks provides statistically significant **diversification** benefits, reducing portfolio-specific risk.



Introduced by Nobel laureate Harry Markowitz in 1952, **MPT (Modern Portfolio Theory)** optimizes expected returns for a given risk level by **diversifying** across different asset types.



Our strategy is to build a portfolio of approximately **25 to 30 Stocks**, aiming for optimal **risk diversification** consistent with **MPT** principles.

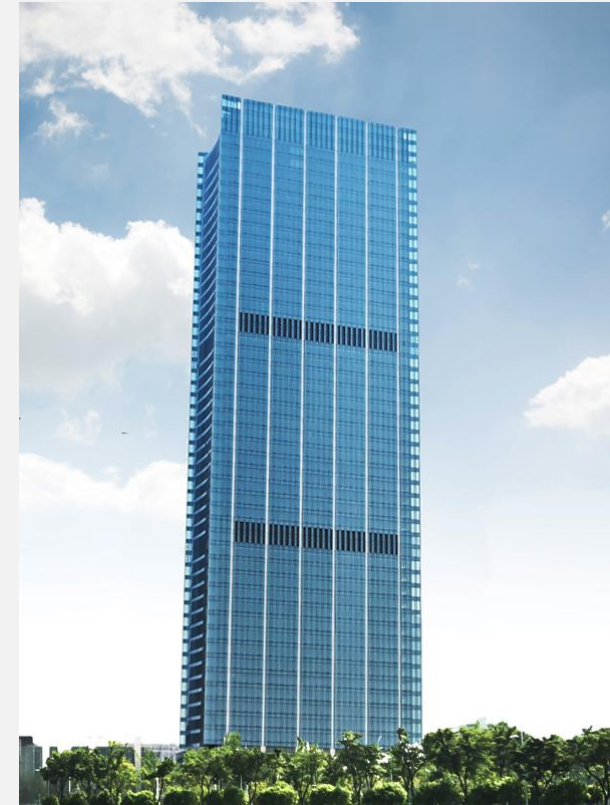
\*The above investment strategy is based on prevailing market conditions and opportunities available at the time of investment. The Fund Manager reserves the right to change the count of stocks invested based on the SID and the opportunities available at the time of investment done, Position in derivatives will not be considered for the computation of total number of stocks in the portfolio

#The Capital Allocation Line (CAL) is a line that graphically depicts the risk-and-reward profile of assets and can be used to find the optimal portfolio.

**Highly  
Concentrated  
portfolio** with high  
conviction in stock  
selection



**High Active  
Share** with aim  
to outperform  
the benchmark  
index over  
long-term



**Bajaj Finserv  
Large Cap Fund**

# IN

**INFORMATION**  
EDGE

- Outperform the market on superior information collection

# QU

**QUANTITATIVE**  
EDGE

- Outperform the market on processing information better
- Quant models, Analytical models

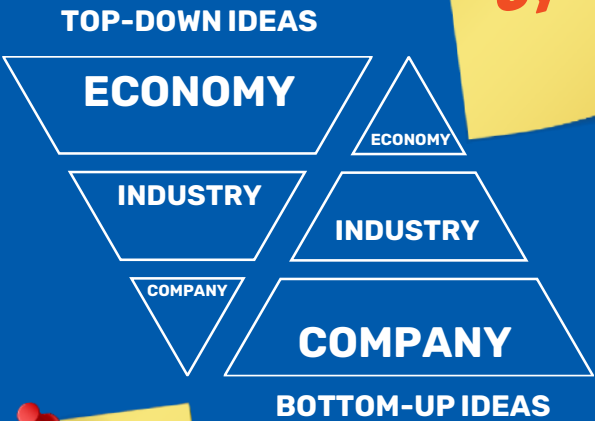
# BE

**BEHAVIORAL**  
EDGE

- Outperform the market by better decision making
- Take advantage of crowd over-reaction and underreaction
- Reduces one's own behavioral pitfalls



# Hunting Ideas



Cycles

# Analysing Ideas

- Business
- Management
- Valuation

Checklist

Pre-mortem

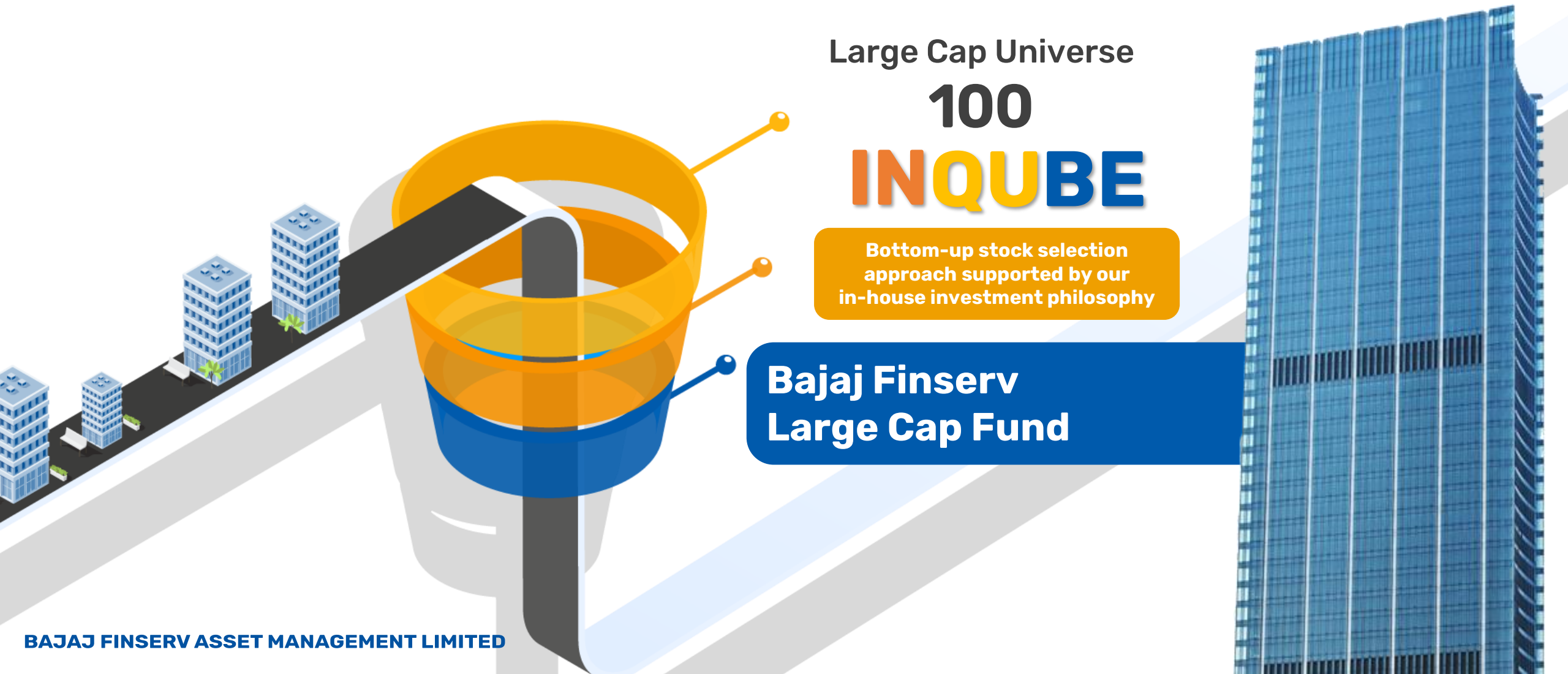
# Allocating

- Size
- Quality
- Value
- Growth
- Risk

Journal

Quant

Pre-commitment



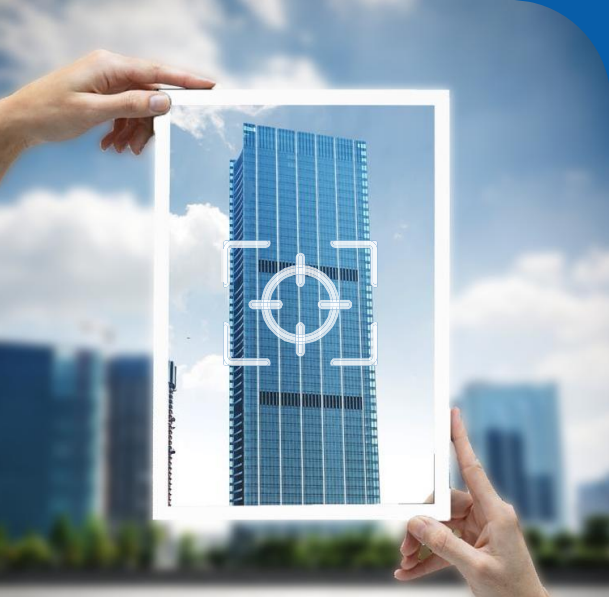
Large Cap Universe

100

INQUBE

Bottom-up stock selection  
approach supported by our  
in-house investment philosophy

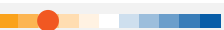

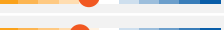
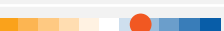
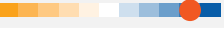
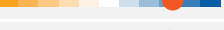
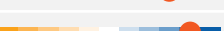
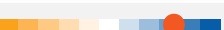




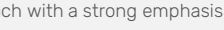


Bajaj Finserv  
Large Cap Fund

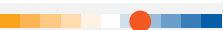
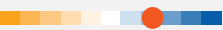

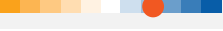
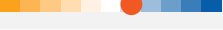


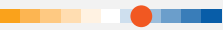
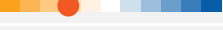

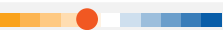

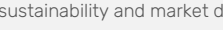



# BAJAJ FINSERV LARGE CAP FUND

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

July 2025

Company name	% to NAV	Underweight/Overweight
HDFC Bank Limited	7.77%	
State Bank of India	6.59%	
Reliance Industries Limited	6.28%	
ICICI Bank Limited	5.95%	
Larsen & Toubro Limited	4.75%	
DLF Limited	4.42%	
UltraTech Cement Limited	4.41%	
Bharat Electronics Limited	4.08%	
Aditya Birla Capital Limited	4.06%	
HDFC Life Insurance Company Limited	4.02%	
Kotak Mahindra Bank Limited	3.92%	
Divi's Laboratories Limited	3.72%	
Infosys Limited	3.62%	
Tata Steel Limited	3.50%	
United Spirits Limited	3.39%	

Company name	% to NAV	Underweight/Overweight
Bajaj Finance Limited	3.29%	
Adani Ports and Special Economic Zone Limited	2.98%	
Indus Towers Limited	2.78%	
Britannia Industries Limited	2.67%	
Sun Pharmaceutical Industries Limited	2.37%	
Maruti Suzuki India Limited	2.18%	
Havells India Limited	1.95%	
Tech Mahindra Limited	1.90%	
LTIMindtree Limited	1.88%	
Bharti Airtel Limited	1.58%	
Eternal Limited	1.48%	
Siemens Energy India Limited	1.05%	
Mahindra & Mahindra Limited	0.74%	
Hindustan Aeronautics Limited	0.71%	

**Bajaj Finserv Large Cap Fund** reflects a balanced yet growth-oriented approach with a strong emphasis on market leaders across diversified sectors. The core thesis focuses on long-term sustainability and market dominance.



#### Blue-chip stock allocation

Preference for established market players with potential for returns in long term, even in volatile conditions.



#### Pharmaceuticals & insurance exposure

Highlights belief in healthcare and financial protection as critical for navigating uncertainties and sectoral resilience.



#### Consumer staples & telecom presence

Indicates belief in steady cash flow generation due to recurring demand, regardless of market disruptions.



#### Digital economy exposure

Reflects optimism in India's tech-driven transformation and future growth potential.

The fund's portfolio is strategically constructed on the back of high conviction investment ideas. Furthermore, the overall philosophy revolves around balancing defensive plays with selective growth opportunities, underpinned by quality, market leadership, and sectoral resilience. The sequence, relationship and nature of trends in these assets helps understand and anticipate market movements driven by psychological factors, leading to more informed and effective investment decisions. By integrating behavioural insights with fundamental analysis, our model offers a comprehensive approach to asset allocation, optimizing returns while managing risks.



Data as on 30<sup>th</sup> June 2025

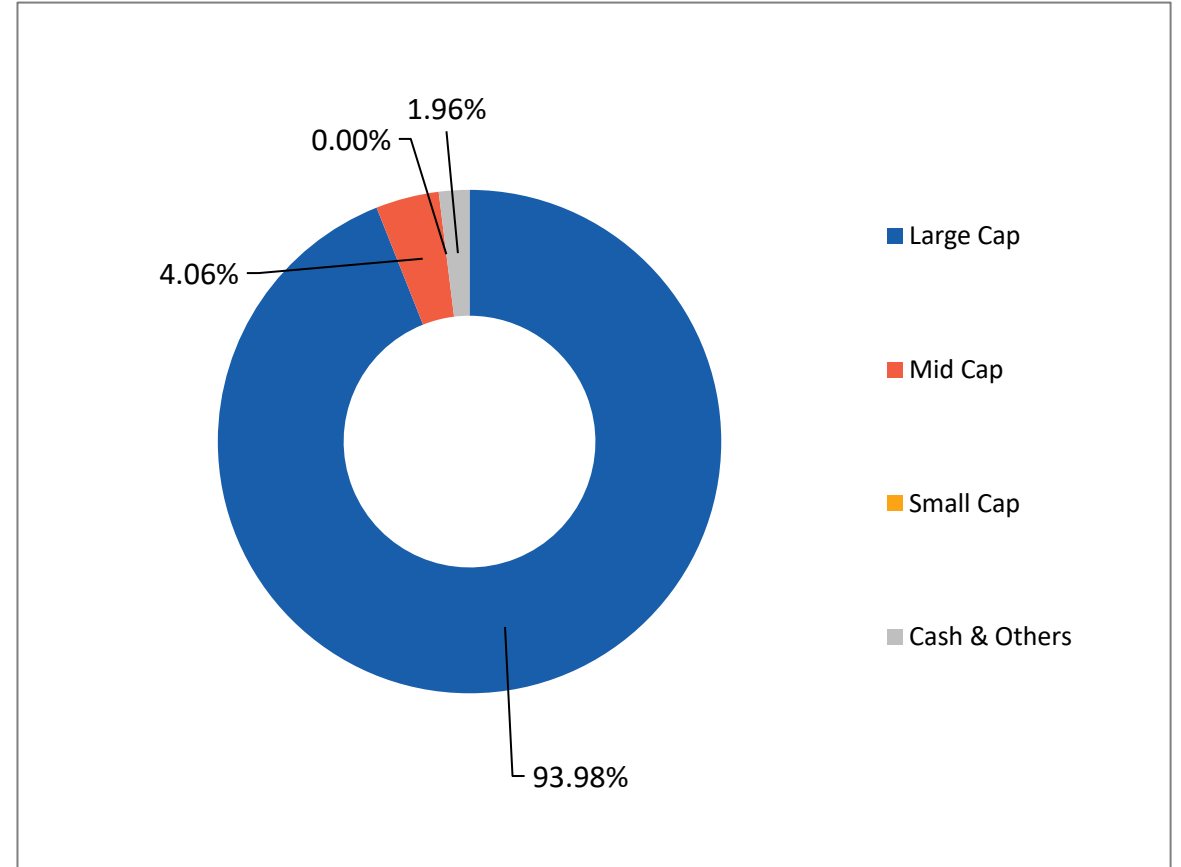
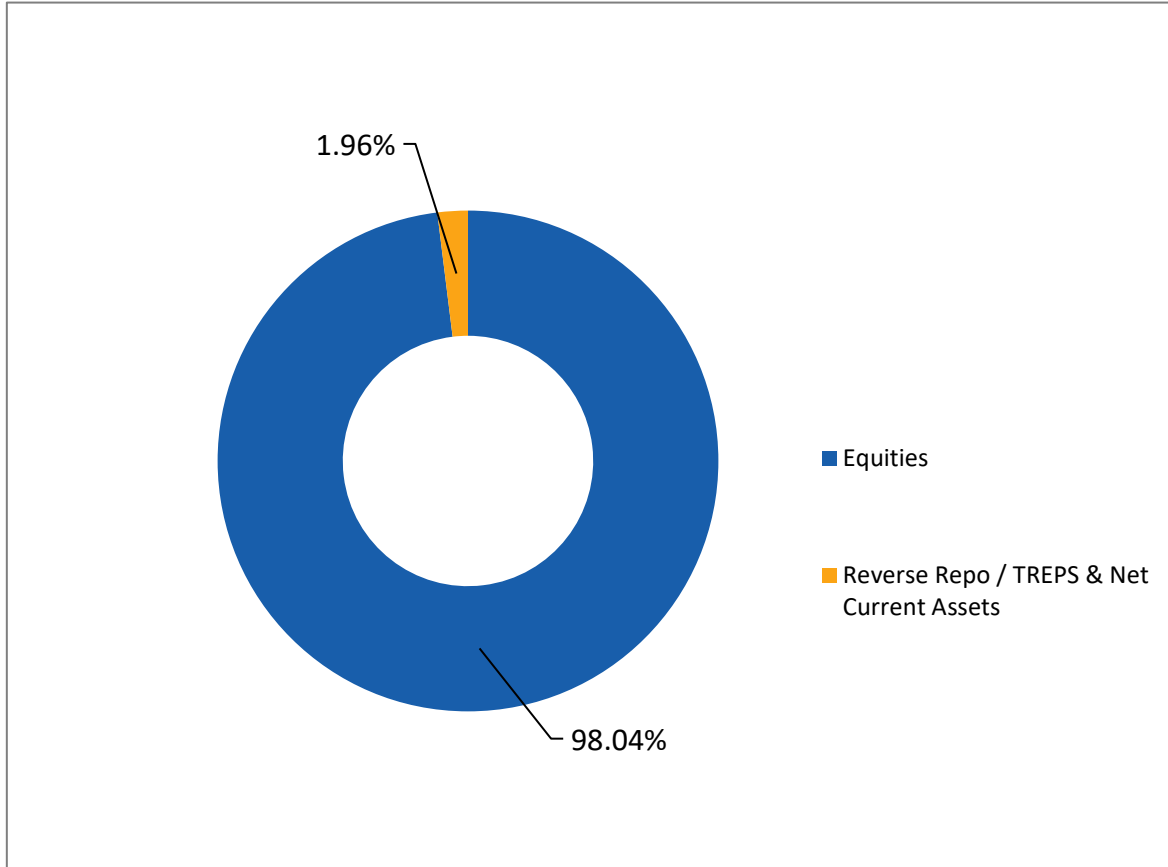
**Active Share** measures the percentage of stock holdings, based on weights (% to NAV) in a investment manager's portfolio that differs from the benchmark index.

- A low Active Share score is said to indicate that a portfolio manager is closely replicating the benchmark index and engaging in a passive investment strategy.
- A high Active Share score is said to indicate that a fund's holdings differ from the benchmark index and that the portfolio manager is actively managing it.

**Active Share : 53%**

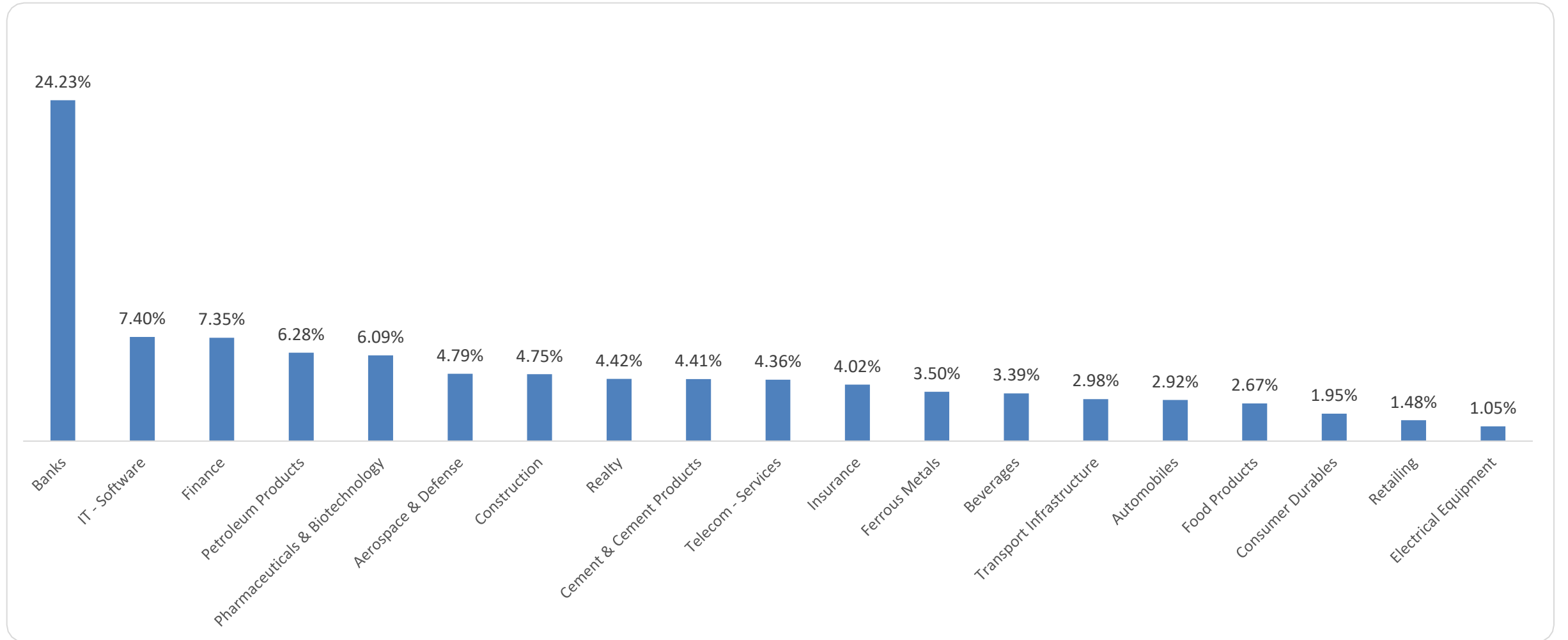
**Portfolio Overlap: 47%**

# Bajaj Finserv Large Cap Fund - Allocation



Data as on 30<sup>th</sup> June 2025

# Bajaj Finserv Large Cap Fund – Allocation



Data as on 30<sup>th</sup> June 2025

## Scheme Type

An open ended equity scheme predominantly investing in large cap stocks

## Plans

Bajaj Finserv Large Cap Fund - Regular Plan | Bajaj Finserv Large Cap Fund - Direct Plan

## Option

Growth & IDCW

## Minimum Application Amount

Rs. 500 (Plus multiples of Re.1)

## Minimum Additional Application

Rs. 100 (Plus multiples of Re.1)

## Entry Load

Nil

## Exit Load

For each purchase of units through Lumpsum / switch-in / Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP), exit load will be as follows:

- if units are redeemed / switched out within 6 months from the date of allotment: 1% of applicable NAV.
- if units are redeemed/switched out after 6 months from the date of allotment, no exit load is payable.

The Scheme will not levy exit load in case the timelines for rebalancing portfolio as stated in SEBI Master Circular for Mutual Funds dated June 27, 2024, is not complied with.

## Fund Manager

Mr. Nimesh Chandan and Mr. Sorbh Gupta (Equity Portion) | Mr. Siddharth Chaudhary (Debt Portion)

## Benchmark Index

Nifty 100 Total Return Index (TRI)

## SIP / SWP / STP

Available



# BAJAJ FINSERV LARGE CAP FUND

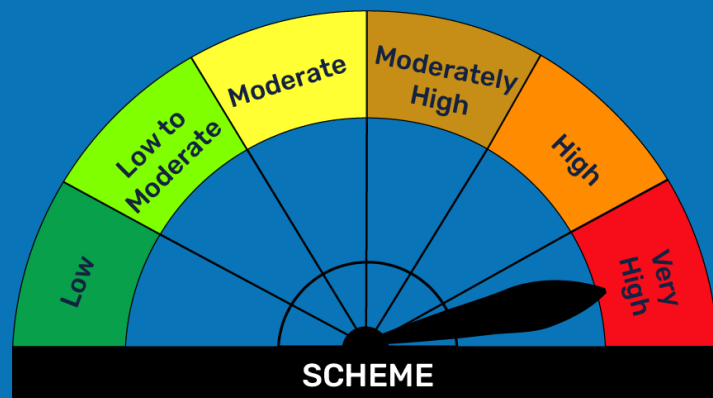
An open ended equity scheme predominantly investing in large cap stocks

**This product is suitable for investors who are seeking\*:**

- wealth creation over long term
- to invest predominantly in equity and equity related instruments of large cap companies

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

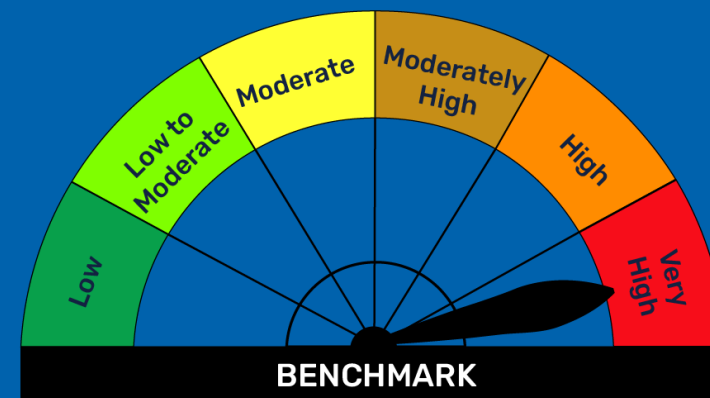
## SCHEME



The risk of the scheme is very high

## RISKOMETER

## BENCHMARK



The risk of the benchmark i.e. NIFTY 100 Total Return Index (TRI) is very high

**This document should not be treated as endorsement of the views/opinions or as an investment advice. This document should not be construed as a research report or a recommendation to buy or sell any security. This document alone is not sufficient and should not be used for the development or implementation of an investment strategy. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. Neither Bajaj Finserv Mutual Fund / Bajaj Finserv Mutual Fund Trustee Limited / Bajaj Finserv Asset Management Limited nor its Directors or employees shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Investors are advised to consult their own investment advisor before making any investment decision in light of their risk appetite, investment goals and horizon. This information is subject to change without any prior notice.**

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

**THANK YOU**