Bajaj Finserv Large and Mid Cap Fund

(An open ended equity scheme investing in both large cap and mid cap stocks)

FORTIFYING YOUR WEALTH WITH MOAT BASED INVESTING

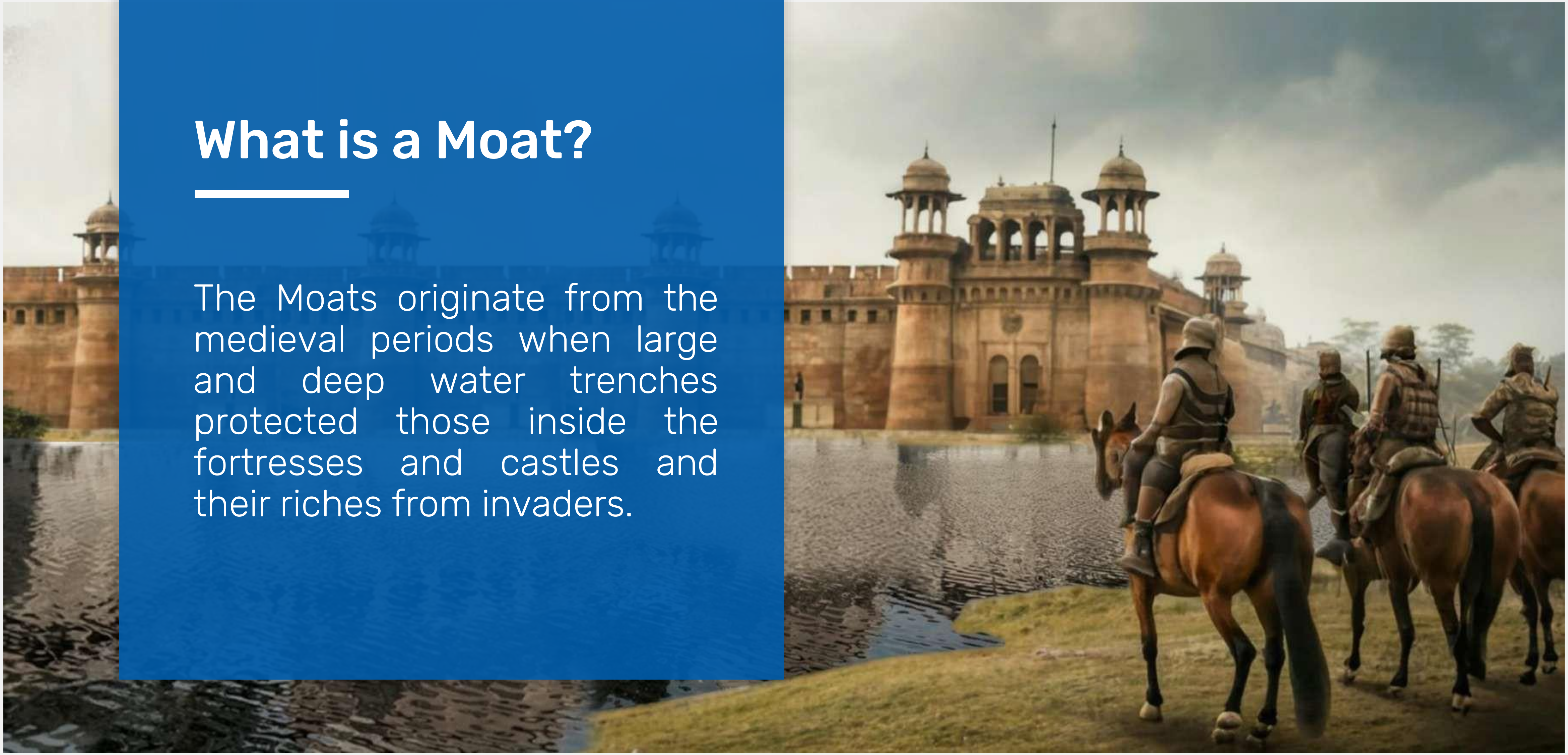
November 2025

The Fort That Could Never Be Conquered

- Lohagarh Fort, located in Bharatpur, Rajasthan, was built in the 18th century.
- The fort's name, "Lohagarh," literally translates to "Iron Fort".
- Lohagarh Fort is renowned for its formidable defensive structures, with a **wide and deep moat,** known as “Gajadhar” encircling its perimeter.
- This **moat** is, an artificial lake ranging from 41 to 72 meters in width, filled with water at a depth of 8 to 10 meters.
- "Gajadhar" played a crucial role in safeguarding the fort from invasions and the fort, with its sturdy walls and the protective moat, withstanding multiple attacks by the Mughals and the British.

What is a Moat?

The Moats originate from the medieval periods when large and deep water trenches protected those inside the fortresses and castles and their riches from invaders.



What is an Economic Moat?

The Economic moats safeguard businesses by shielding them from competitors, preserving their market share, and ensuring the long-term sustainability of profits.

Sources of Economic Moats*

Brand Strength

Cost Leadership

Network Effect

Intellectual Properties

Switching costs

Economies of Scale

Unique Business Model

*Based on Morningstar’s “Why Economic Moats Matter”

Sources of Economic Moats* - Some Examples

Brand Strength
Example: **Baby Food.**

Unparalleled market recognition, trust, and consumer loyalty.

Cost Leadership
Example: **FMCG**

Strategic efficiency to produce at lower costs than rivals.

Network effect
Example: **Food Delivery**

More people use the product / services because more people use it.

Intellectual Properties
Example: **Pharma**

Ideas and creations that are legally owned and protected.

Switching Cost
Example: **Bank**

Makes it hard for customers to switch, keeping them loyal.

Economies of Scale
Example: **Telecom**

Cost savings when making more, leading to efficiency.

Unique Business Models
Example: **IoT**

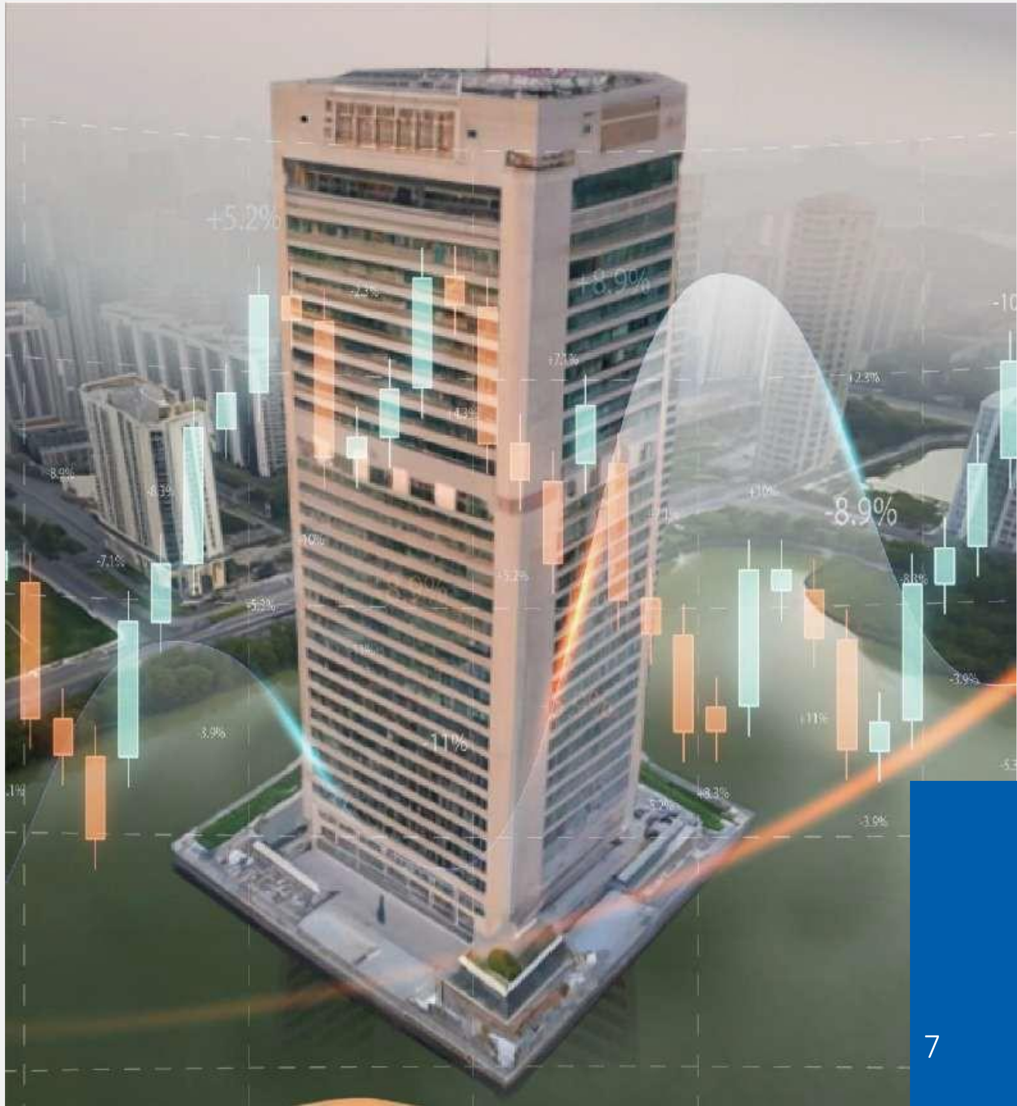
Special ways companies work and create value for success.

*Based on Morningstar's "Why Economic Moats Matter"

Why Moat Based Investing?

Companies with economic moats possess characteristics that leads to

- Rapid Growth Potential
- High Profits
- Competitive Advantage
- Risk Mitigation
- Capitalizing on Opportunities



Economic Moat Identification

BAJAJ FINSERV

High Return on Capital Employed (ROCE), Return on Assets (RoA) and Return on Equity (RoE)

Efficient Capital Allocation decision

Low requirement of external capital

Scalability

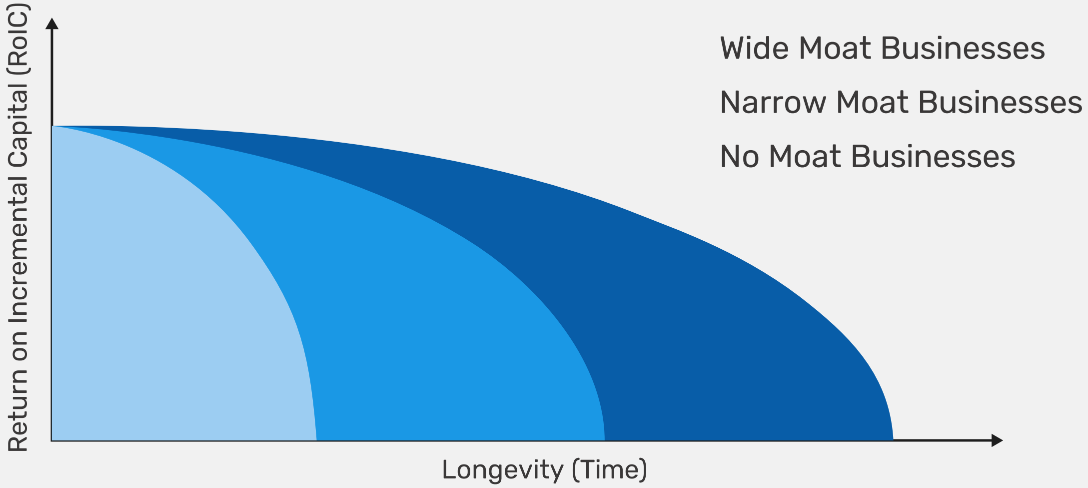
Returns reinvested in business for higher returns

Characteristics and Implications of Wide Economic Moat Advantage

Powerful and enduring competitive advantage leading to dominant brand, unmatched operational scales and/or unique technology.

Robust protective barriers resulting in long term resilience and growth potential.

Consistent profits creating long term wealth for the investors and stakeholders.

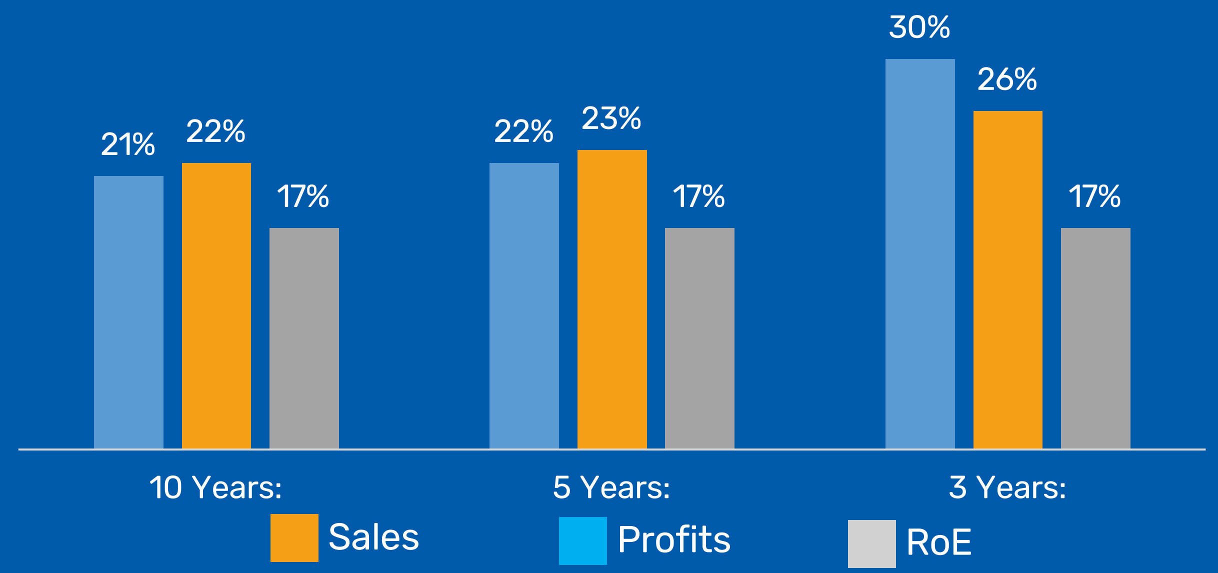


Based on Morningstar's "Why Economic Moats Matter"

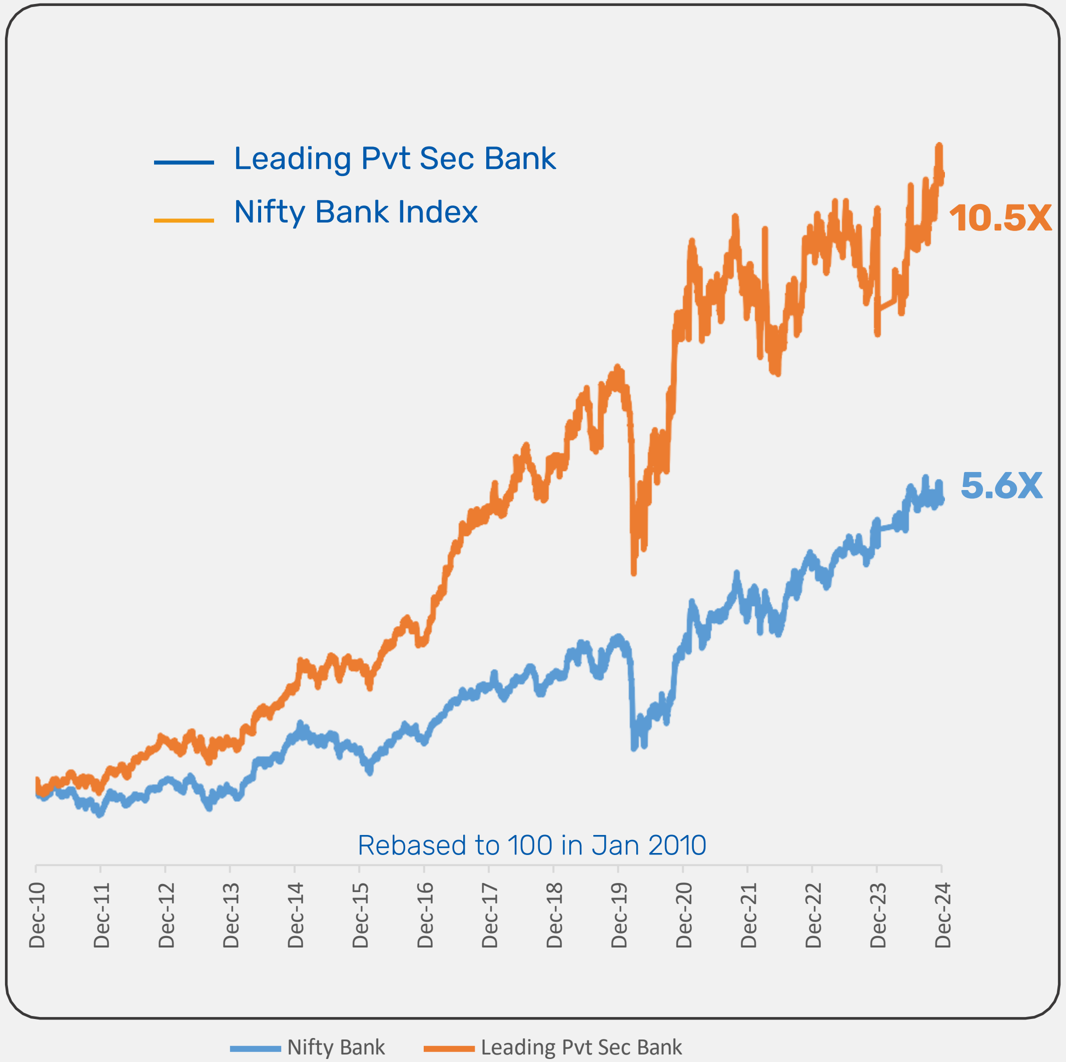
Case Study 1

This leading private sector bank stands out among its competitors due to its sustained net interest margin, minimal non-performing assets (NPAs), and effective risk management system. Additionally, the bank possesses a robust network, a formidable loan portfolio, and a well-diversified revenue stream.

Fundamentals



Sales and Profits numbers stated above are compounded annualized. RoE numbers are averaged

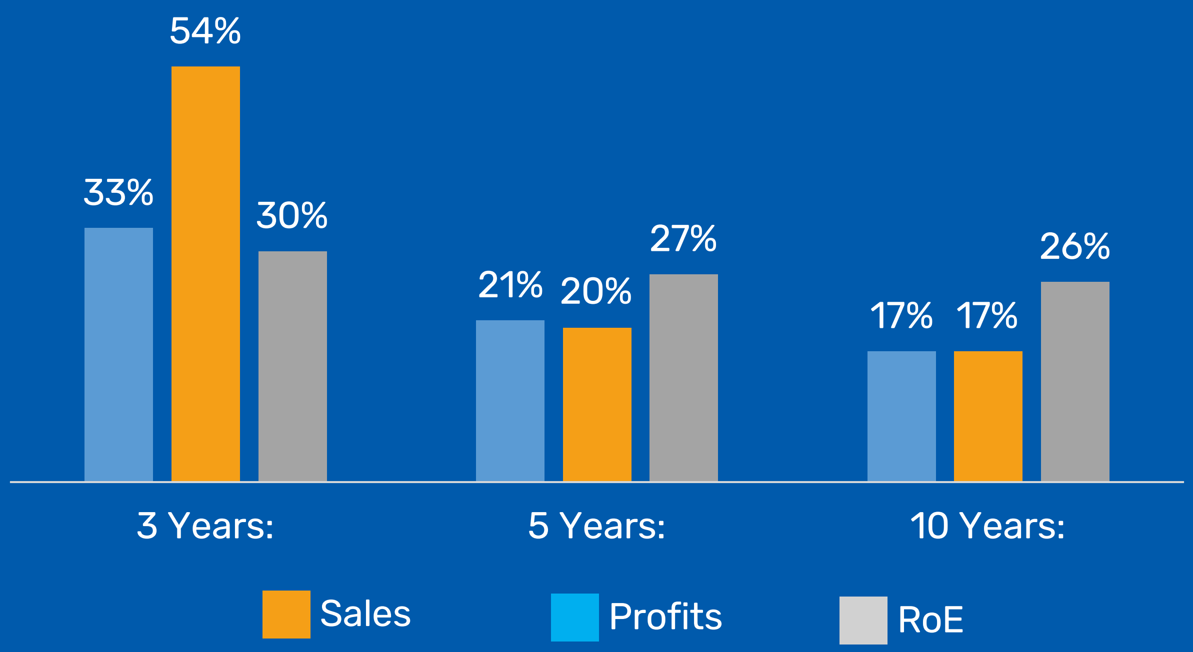


Source: Bloomberg, Internal Research, MFI Explorer; Data as on 31st Dec 2024. Past performance may or may not sustain in future.

Case Study 2

This cult 2W brand, boasts a strong economic moat through distinctive products, global recognition, customer loyalty, and efficient manufacturing, securing a lasting competitive advantage in motorcycles. No other 2W manufacturer have successfully entered this space despite their endeavors.

Fundamentals



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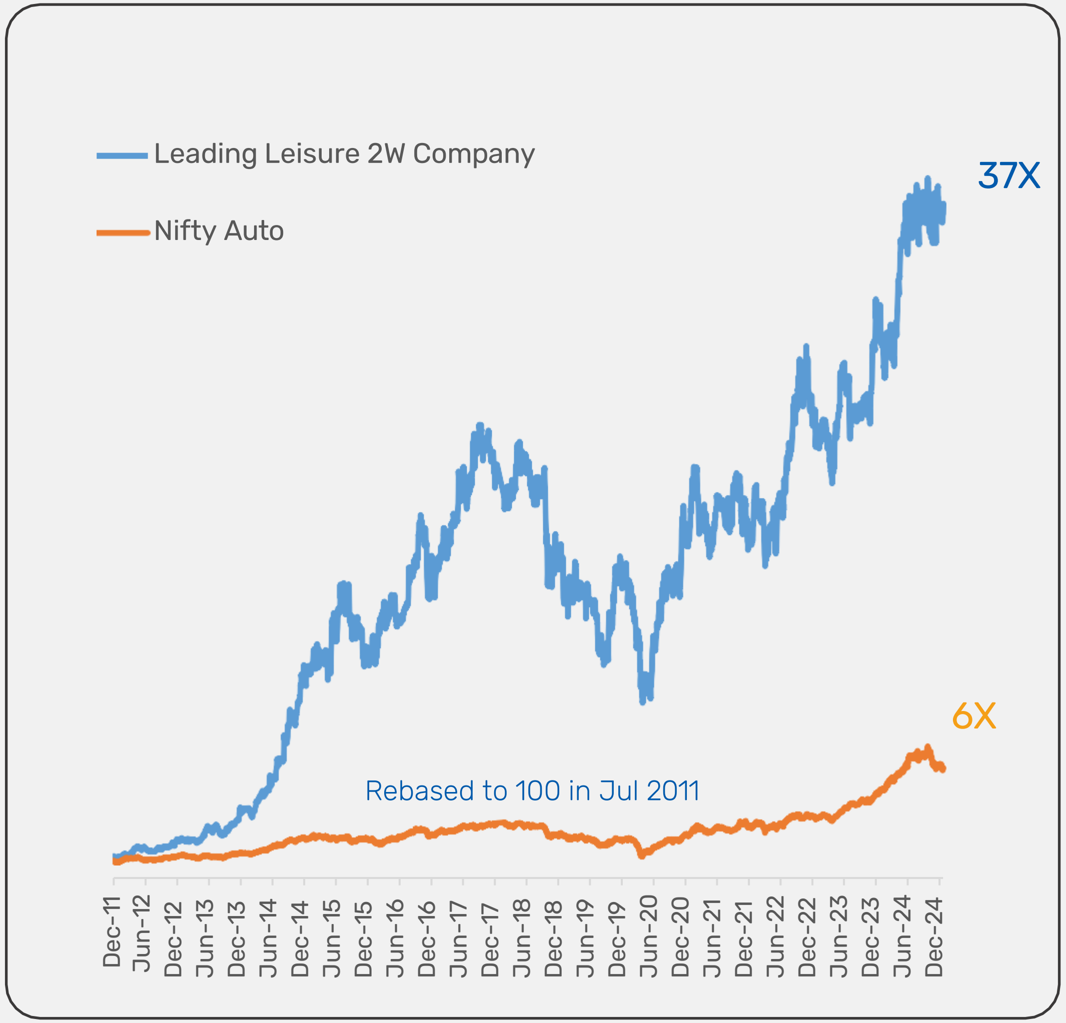
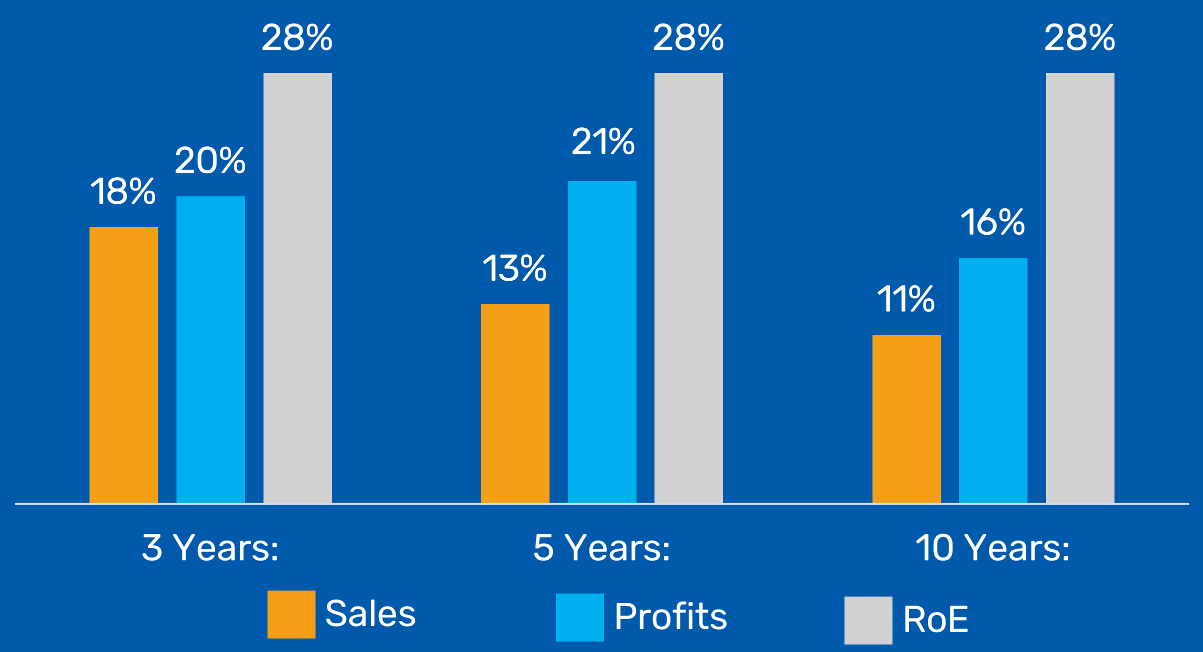


Source: Bloomberg, Internal Research, MFI Explorer; Data as on 31st Dec 2024. Past performance may or may not sustain in future.

Case Study 3

The well-established name of the parent company instills trust and quality across various subsidiaries. This leading jewellery business leveraged the parent's reputation for honesty and transparency. In the 90s, this business addressed consumer concerns by investing in machinery at each store to verify jewelry caratage, solidifying its position as a trusted brand in high-value purchases.

Fundamentals



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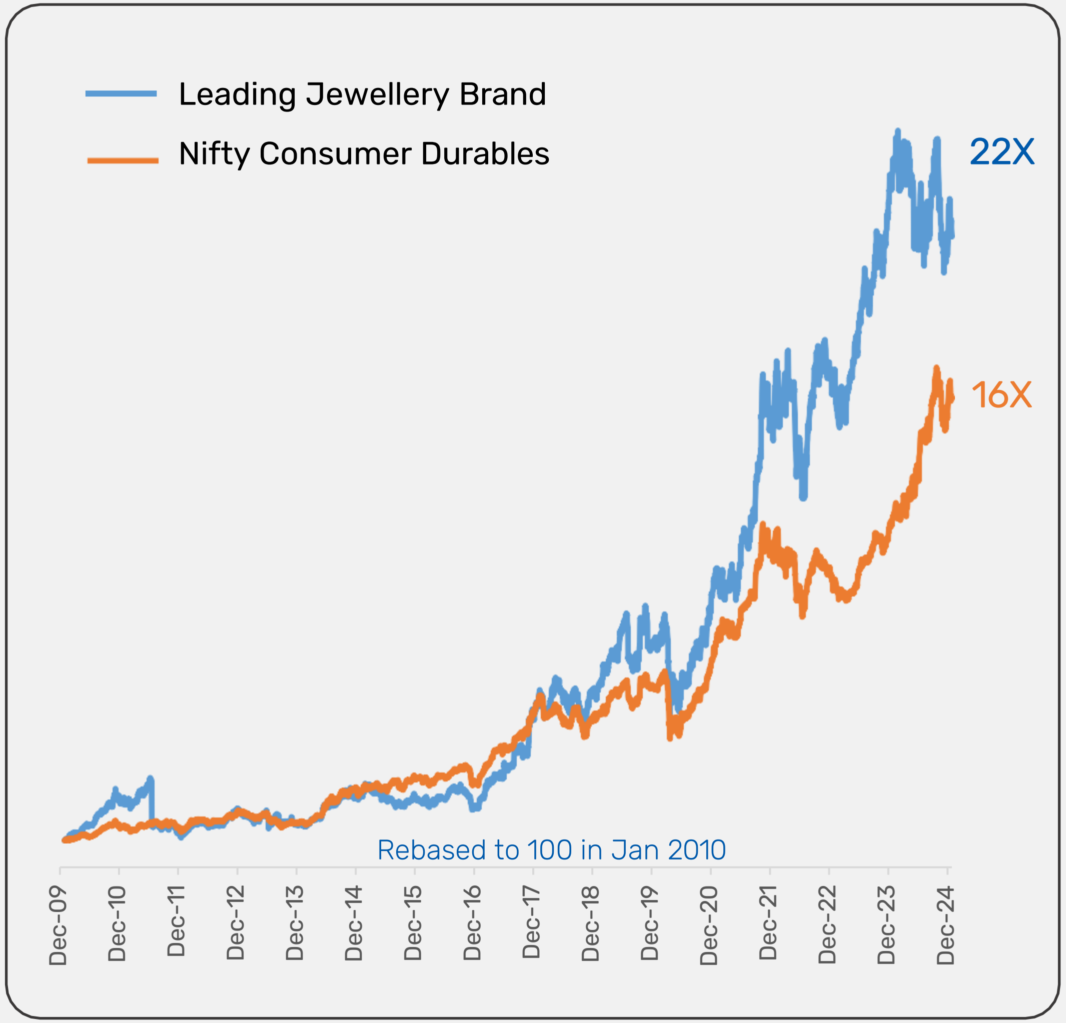


Source: Bloomberg, Internal Research, MFI Explorer; Data as on 31st Dec 2024. Past performance may or may not sustain in future.

Bajaj Finserv Large and Mid Cap Fund

(An open ended equity scheme investing in both large cap and mid cap stocks)

"My idea of a great business is one that has a shortage of competitors."

\- Peter Lynch

What is Large and Mid Cap Fund?

Fund Type	Large Cap (Top 100)	Mid Cap (101-250)	Small Cap (Beyond 250)
Large and Mid Cap Fund	35% to 65%	35% to 65%	0% - 30%
Large Cap Fund	More than 80%	Between 0% - 20%	
Mid Cap Fund	0% to 35%	>65%	0% - 35%
Small Cap Fund	0% to 35%		More than 65%

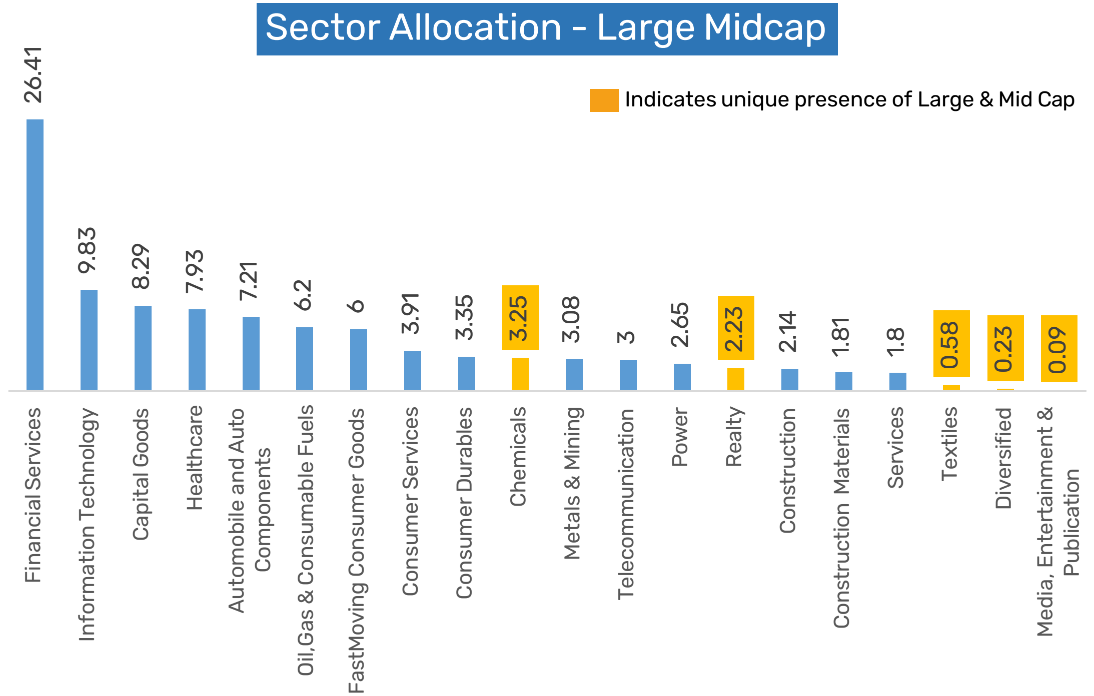
Top 100 Companies by market cap are classified as Large cap, The 101st-250th companies by market cap are classified as Mid cap; 251 and beyond are considered as Small caps.

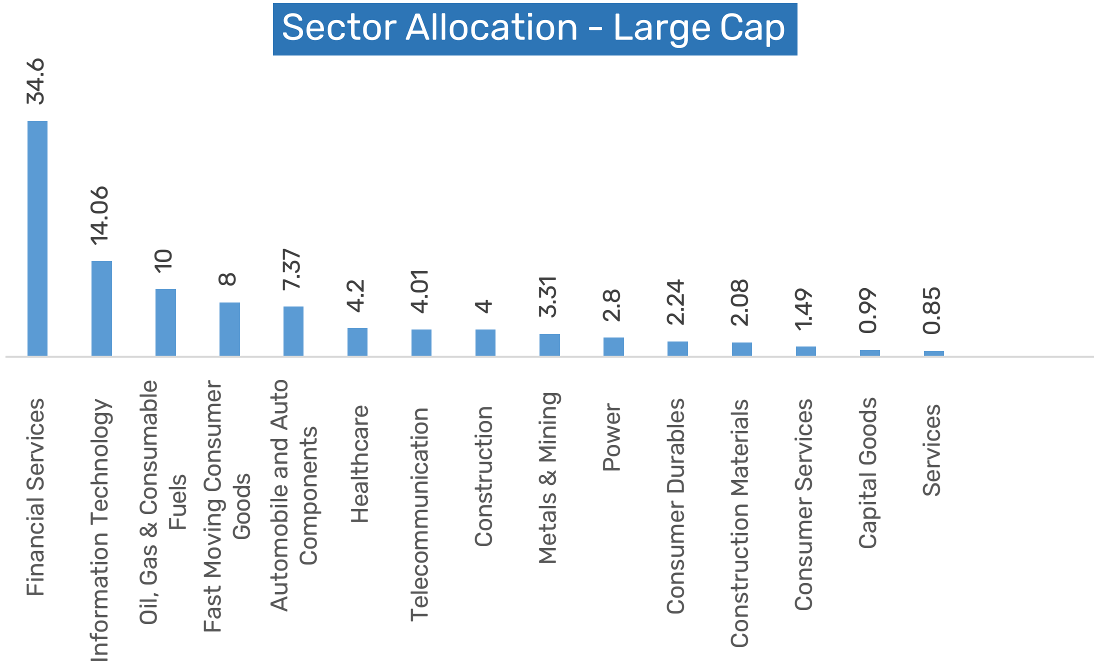
Why Large and Mid Cap Fund?

Nifty 50 Index has concentrated exposure to sectors like Financial Services, Oil Gas & Consumable Fuel and IT.

Its exposure to sectors like Capital goods, Consumer services, Realty and Chemicals are low compared to Nifty Large and Midcap 250 Index.

Hence, Large and Mid Caps combined together, offers a diversified investment opportunities.



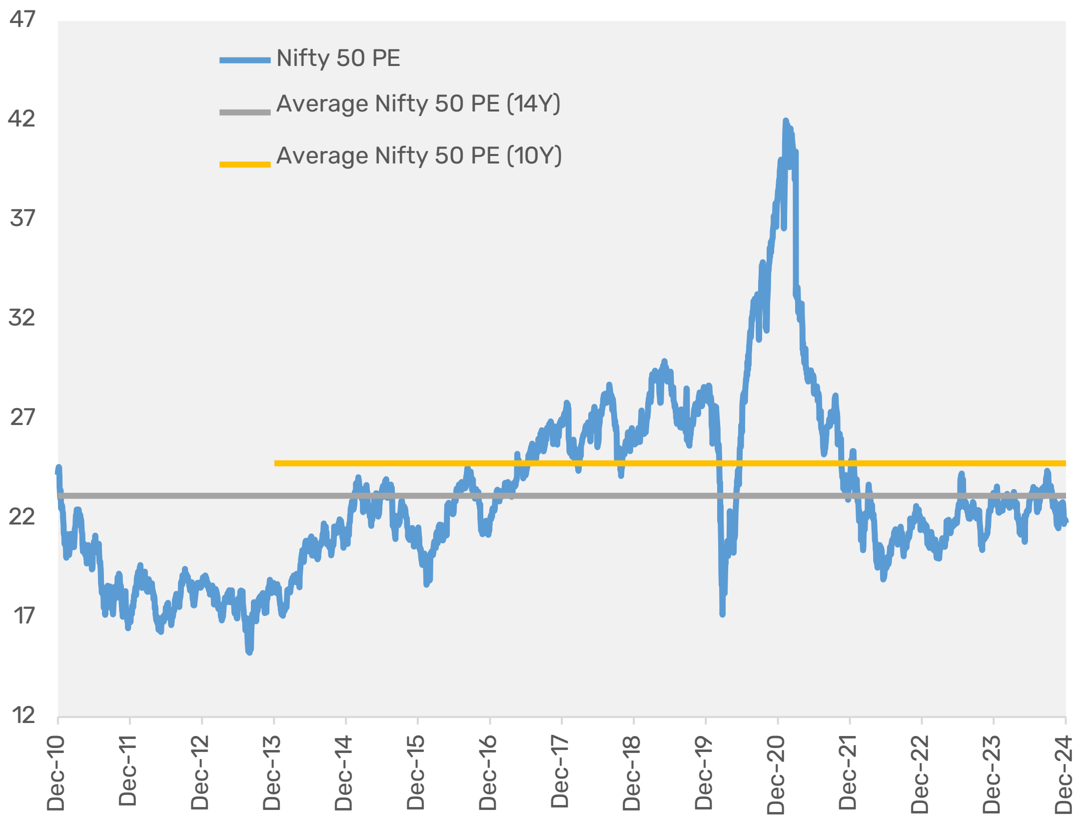


Source: NSE, MFI Explorer, Internal Research; Data as on 31st Dec 2024.

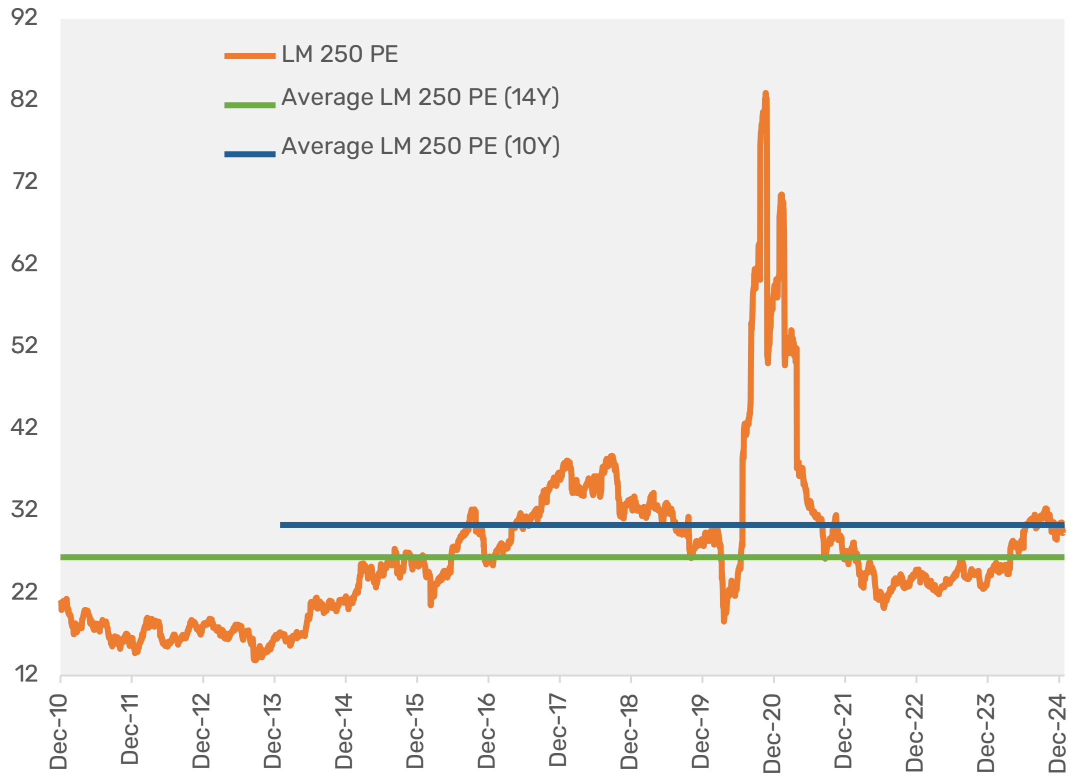
Why Large and Mid Caps Now?

At current valuation, both, the large caps and combination large and mid cap are below their long term averages.

Large Cap Valuations



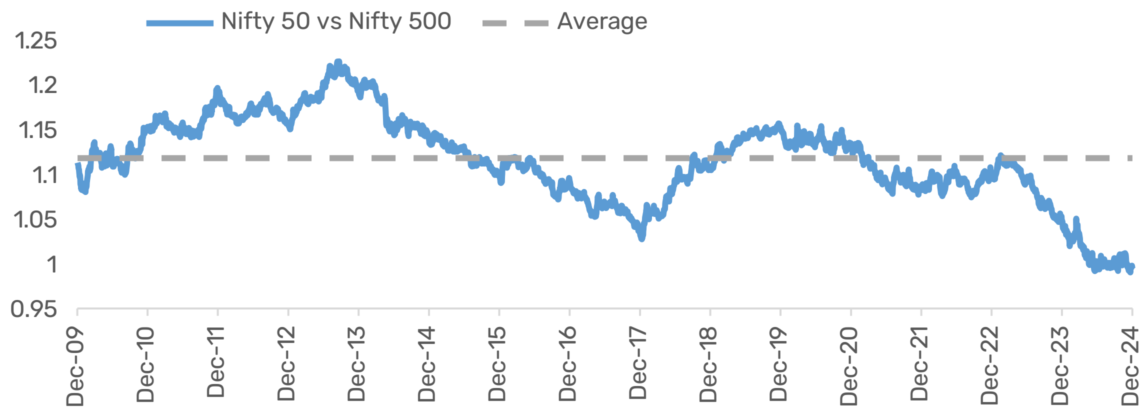
Large Mid Cap Valuations

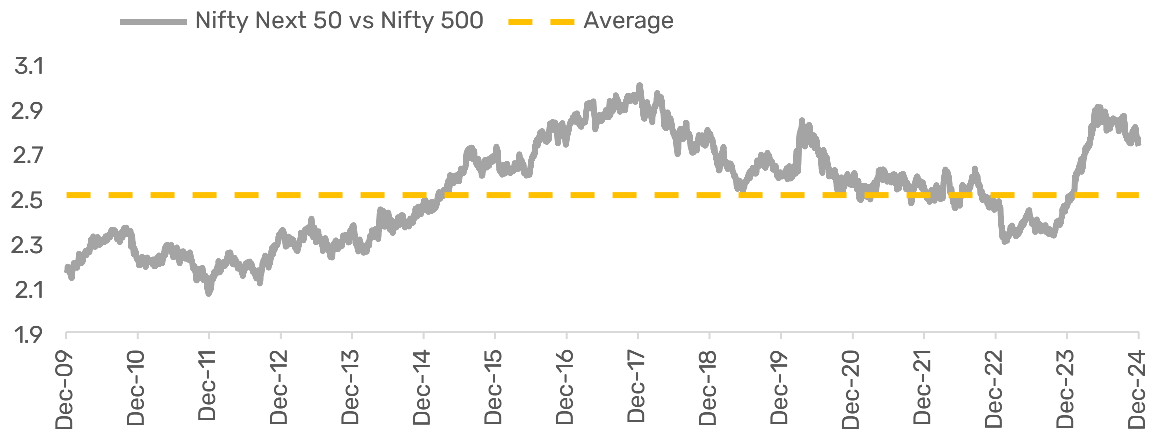


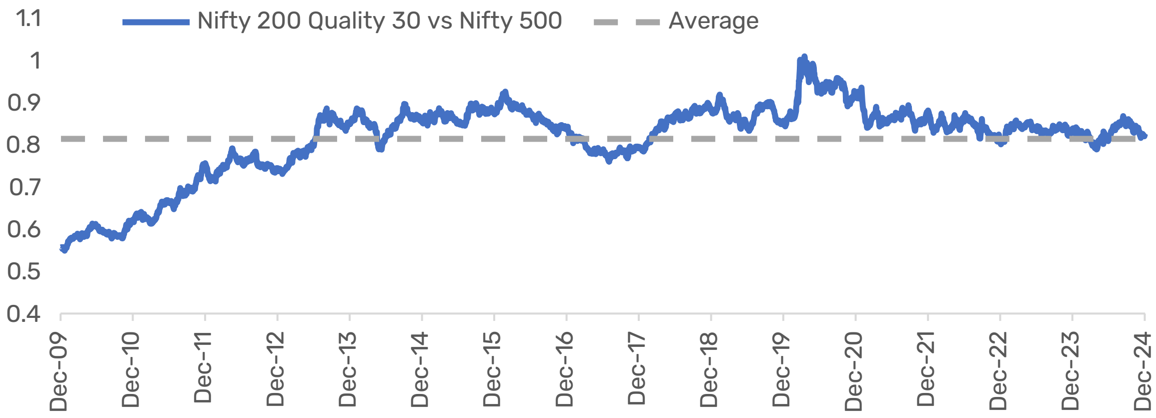
Source: MFI Explorer, Internal Research; Data as on 31st Dec 2024. Past performance may or may not sustain in future.

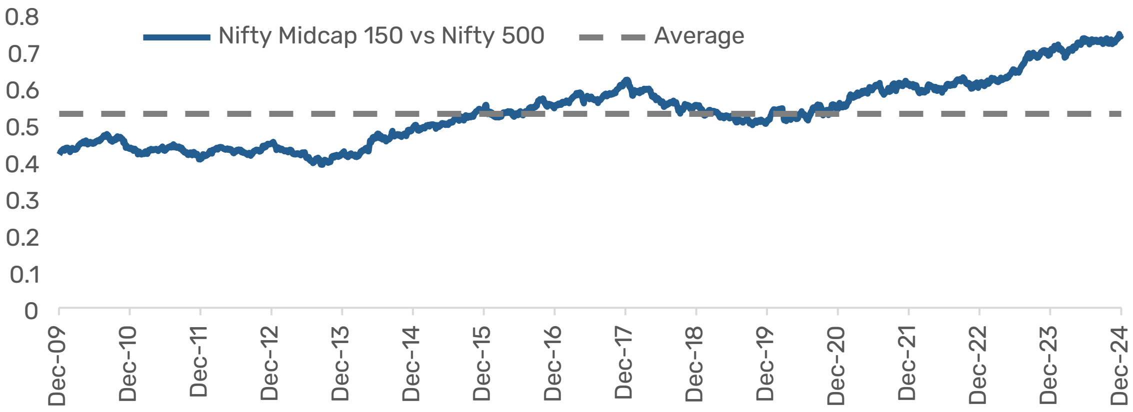
Why Large and Mid Caps Now?

Currently, the combination of large cap and quality mid cap index seems to be better placed compared to Nifty 500 index.









The analysis is based on the trend in relative price of the daily index values of the given benchmark.

Source: MFI Explorer, Internal Research; Data as on 31st December 2024. Past performance may or may not sustain in future.

Why Moat Investing in Large and Mid Caps?

1. Enduring Advantage
2. Stability Amid Fluctuations
3. Potential Profitability
4. Long-Term Growth
5. Quality Over Size

Segment Leaderships Across Market Cap

Economic Moats are not confined only to Large businesses

Tyre

Mid Cap

QSR

Mid Cap

Capital Market

Small Cap

Cons Durables

Mid Cap

Hotel

Mid Cap

Exchange Platform

Small Cap

Source: Internal Research; Data as on 29th Dec 2023.

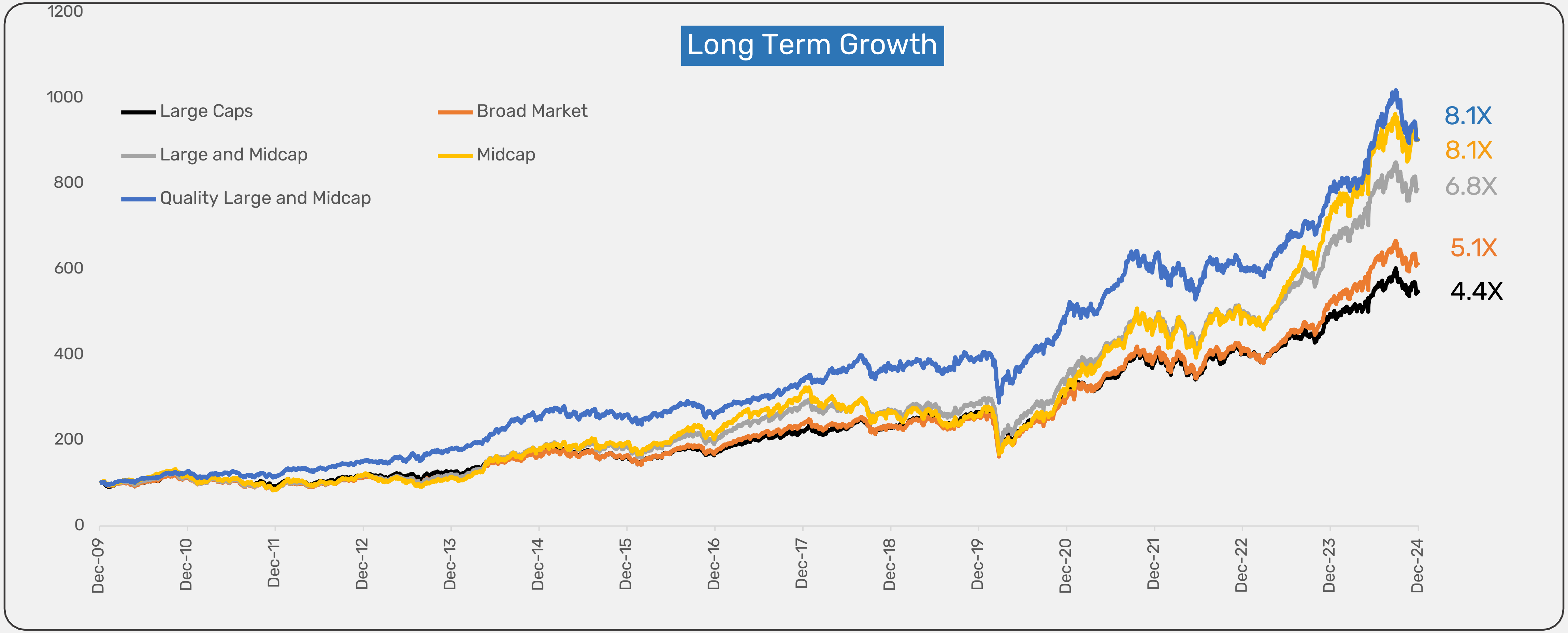
Favourable Risk Reward in High Quality Large and Mid Caps

Year	Returns					Standard Deviation				
	Nifty 50 TRI	Nifty Mid Cap 100 TRI	Nifty 500 TRI	NIFTY Large Mid Cap 250 TRI	Nifty 200 Quality 30 Index TRI	Nifty 50 TRI	Nifty Mid Cap 100 TRI	Nifty 500 TRI	NIFTY Large Mid Cap 250 TRI	Nifty 200 Quality 30 Index TRI
CY2010	19%	20%	15%	17%	28%	16%	16%	15%	16%	12%
CY2011	-24%	-30%	-26%	-28%	-10%	21%	18%	19%	19%	15%
CY2012	29%	41%	33%	39%	31%	15%	16%	15%	15%	12%
CY2013	8%	-4%	5%	3%	20%	18%	18%	17%	16%	14%
CY2014	33%	58%	39%	48%	40%	13%	18%	13%	14%	11%
CY2015	-3%	8%	0%	4%	2%	16%	18%	16%	16%	14%
CY2016	4%	8%	5%	6%	1%	15%	18%	15%	16%	14%
CY2017	30%	49%	38%	44%	30%	9%	13%	10%	10%	9%
CY2018	5%	-15%	-2%	-5%	9%	13%	18%	13%	14%	13%
CY2019	13%	-3%	9%	6%	6%	14%	16%	14%	14%	13%
CY2020	16%	23%	18%	21%	26%	31%	29%	29%	28%	25%
CY2021	26%	48%	32%	37%	26%	16%	18%	15%	15%	13%
CY2022	6%	5%	4%	4%	-4%	17%	21%	17%	18%	16%
CY2023	21%	48%	27%	33%	32%	10%	12%	10%	10%	9%
CY2024	10%	24%	16%	18%	14%	17%	18%	16%	16%	14%

Highest Return   Lowest Return   Lowest Risk (Standard Deviation)   Highest Risk (Standard Deviation)

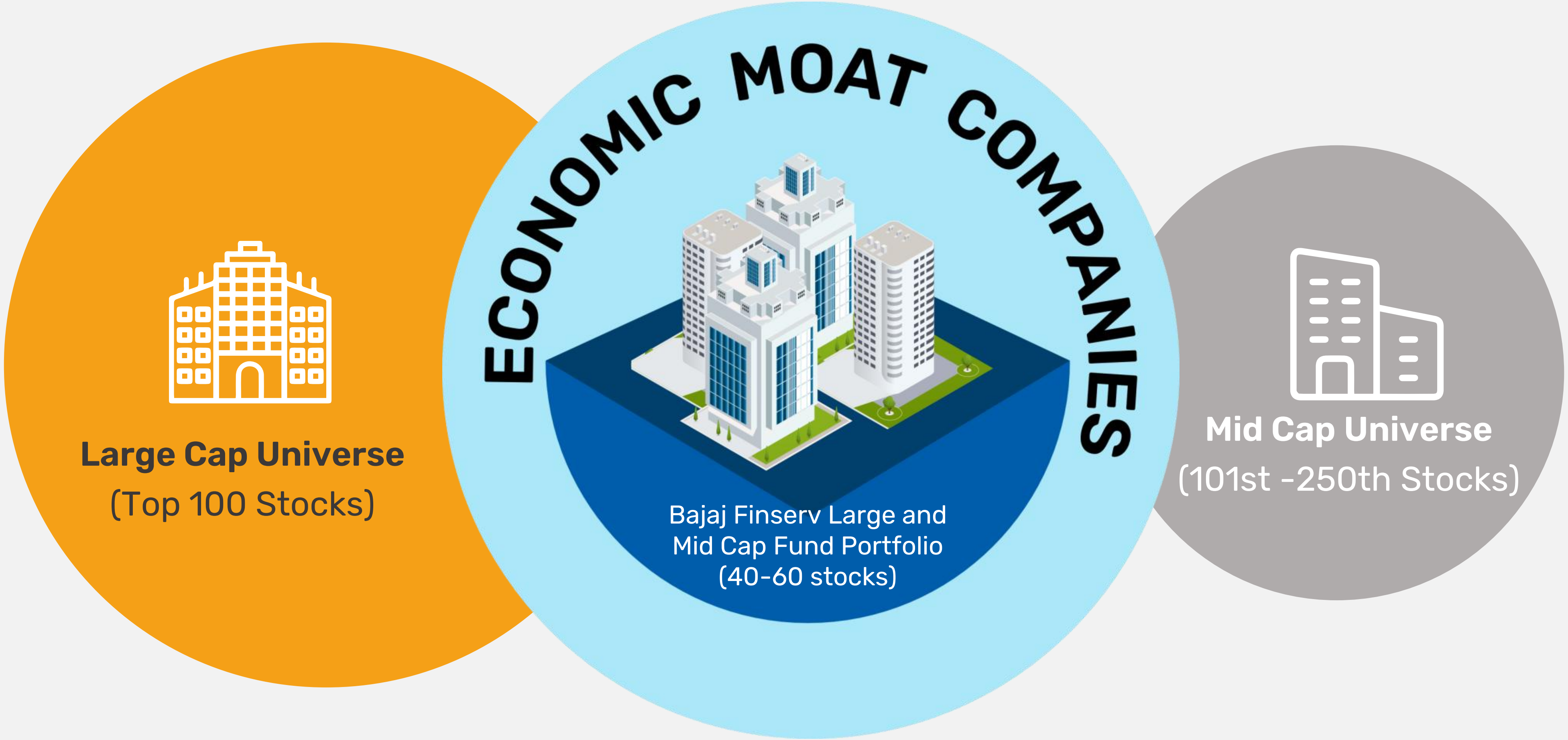
Source: MFI Explorer, Internal Research. Past performance may or may not sustain in future.

High Quality Large And Mid Caps Offers Better Potential For Long Term Wealth Creation



Large Caps – Nifty 50 TRI; Broad Market – Nifty 500 TRI; Large and Midcap – Nifty Large and Midcap 250 TRI; Quality Large and Midcaps – Nifty 200 Quality 30 Index TRI. Source: MFI Explorer, Internal Research. Data as on 31st Dec 2024. Past performance may or may not sustain in future. | Y axis represents the growth in NAV of the mentioned indices.

How Moat Investing Works with
Bajaj Finserv Large and Mid Cap Fund?

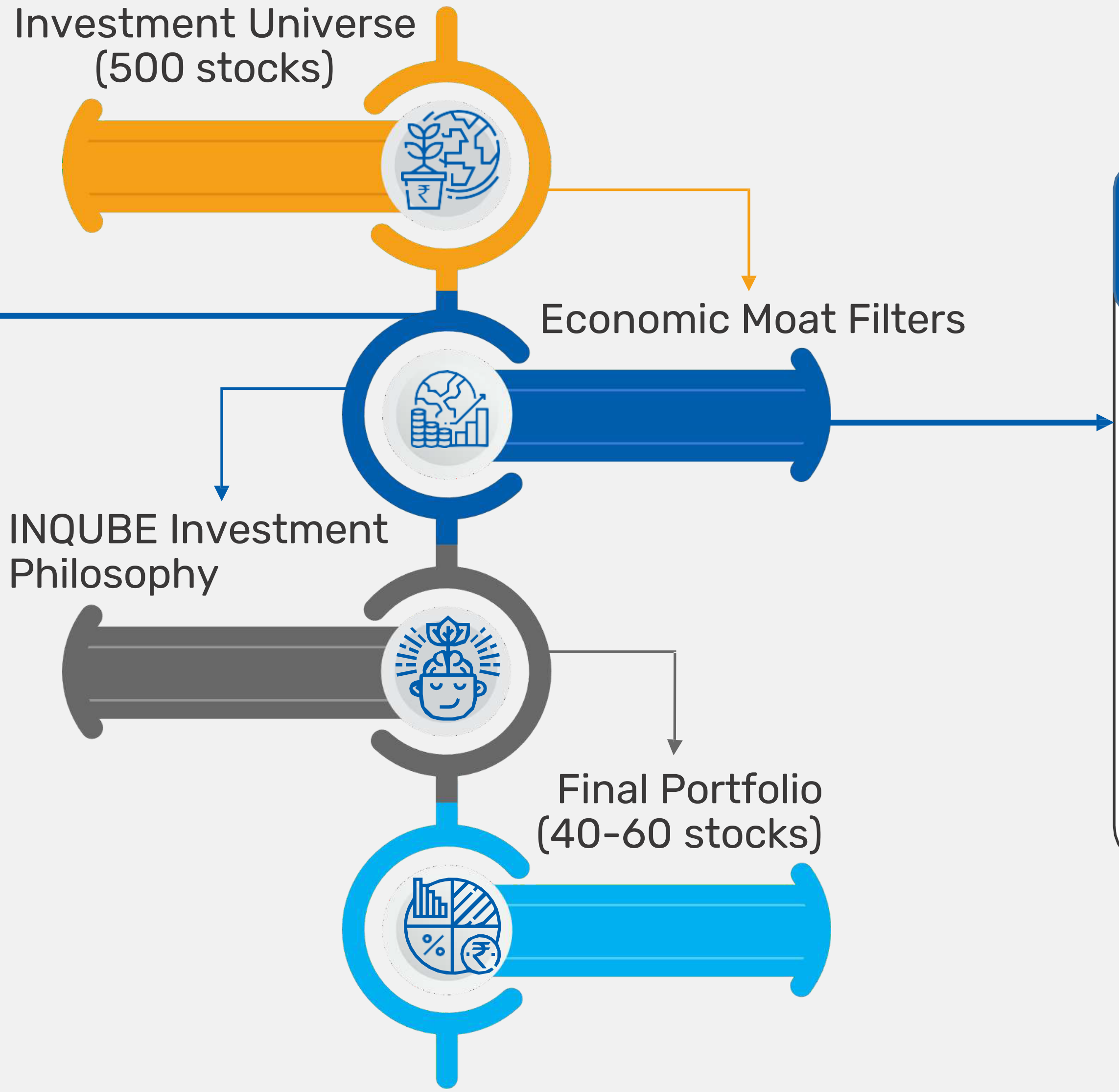


The count of stocks mentioned is indicative and actual count will be subject to market conditions and opportunities available at the time of investment.

Investment Process

Quantitative Attributes

- Return on Incremental Capital(ROIC) > Weighted Average Cost of Capital (WACC)
- High and Sustained Margins
- High Market Share
- Longevity of Return on Equity (RoE)
- High Reinvestments



Qualitative Attributes

- High Pricing Power
- Segment Leader
- Management Quality
- Innovative Offerings

Our Investment Philosophy

INQUBE

INFORMATION EDGE

- Outperform the market on superior information collection

QUANTITATIVE EDGE

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

BEHAVIORAL EDGE

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

Our Investment Philosophy

Hunting Ideas

Cycles

TOP-DOWN IDEAS

ECONOMY
INDUSTRY
COMPANY

ECONOMY
INDUSTRY
COMPANY

BOTTOM-UP IDEAS

Behavioral Screening

Analysing Ideas

Checklist

- Business
- Management
- Valuation

Pre-mortem

Allocating

Journal

- Size
- Quality
- Value
- Growth
- Risk

Quant

Pre-commitment

Bajaj Finserv Large and Mid Cap Fund

Key Characteristics:

- Stock selection based on Moat investing resulting into:
  - Quality Oriented Portfolio
  - Long Term Value Creation
  - Robust Businesses across sectors
- Bottom up stock selection
- Diversified portfolio
- Growth oriented
- High active share
- Low turnover portfolio

Fortifying your wealth with moat based investing

Bajaj Finserv
Large and Mid Cap Fund

(An open ended equity scheme investing in both large cap and mid cap stocks)

The Economic Moats safeguard businesses by shielding them from competitors, preserving their market share, and ensuring the long-term sustainability of profits.

MOATS

November 2025

Management | Cost Advantages | Network Effects | Efficient scale | Switching Cost | Intangible Assets Patent | Intangible Assets Brand | Intangible Assets Regulation

BAJAJ FINSERV

Company Name	Moat	% of NAV
HDFC Bank Limited		4.34%
State Bank of India		3.71%
Infosys Limited		3.57%
Larsen & Toubro Limited		3.32%
ICICI Bank Limited		2.79%
Biocon Limited		2.78%
Tata Consumer Products Limited		2.68%
Reliance Industries Limited		2.63%
Tata Steel Limited		2.55%
Bharti Airtel Limited		2.51%
Canara Bank		2.48%
Divi's Laboratories Limited		2.42%
Oberoi Realty Limited		2.18%
The Federal Bank Limited		2.15%
Sun Pharmaceutical Industries Limited		2.14%
Eternal Limited		2.12%
Mahindra & Mahindra Limited		2.07%
Jio Financial Services Limited		1.99%
Adani Ports and Special Economic Zone Limited		1.98%
UNO Minda Limited		1.97%
Prestige Estates Projects Limited		1.80%
Glenmark Pharmaceuticals Limited		1.72%
Berger Paints (I) Limited		1.70%
Dalmia Bharat Limited		1.68%
Aditya Birla Capital Limited		1.65%
Yes Bank Limited		1.60%
Vedanta Limited		1.54%
Aditya Birla Real Estate Limited		1.48%
Computer Age Management Services Limited		1.47%
Devyani International Limited		1.40%
Bajaj Finserv Limited		1.34%
Schaeffler India Limited		1.15%
Multi Commodity Exchange of India Limited		1.13%
GlaxoSmithKline Pharmaceuticals Limited		1.10%
Gabriel India Limited		1.09%

Company Name	Moat	% of NAV
360 One WAM Limited		1.08%
Cummins India Limited		1.05%
Hitachi Energy India Limited		1.03%
National Aluminium Company Limited		1.01%
Jindal Stainless Limited		1.00%
ZF Commercial Vehicle Control Systems India Limited		1.00%
City Union Bank Limited		0.99%
Siemens Energy India Limited		0.97%
Apollo Hospitals Enterprise Limited		0.96%
BSE Limited		0.89%
Coforge Limited		0.89%
Suzlon Energy Limited		0.85%
Shriram Finance Limited		0.83%
Schneider Electric Infrastructure Limited		0.78%
Bosch Limited		0.75%
Eicher Motors Limited		0.70%
United Spirits Limited		0.69%
Fortis Healthcare Limited		0.69%
Timken India Limited		0.65%
Neuland Laboratories Limited		0.60%
Aptus Value Housing Finance India Limited		0.60%
Whirlpool of India Limited		0.58%
Emami Limited		0.55%
Navin Fluorine International Limited		0.52%
Aurobindo Pharma Limited		0.51%
Indus Towers Limited		0.50%
CRISIL Limited		0.49%
Jubilant Foodworks Limited		0.44%
Sanofi Consumer Healthcare India Limited		0.38%
LTIMindtree Limited		0.28%
PB Fintech Limited		0.21%
Kansai Nerolac Paints Limited		0.08%
Fedbank Financial Services Limited		0.01%
Hindustan Zinc Limited		0.00%
K.P.R. Mill Limited		0.00%

Management | Cost Advantages | Network Effects | Efficient Scale | Switching Cost | Intangible Assets Patent | Intangible Assets Brand | Intangible Assets Regulation

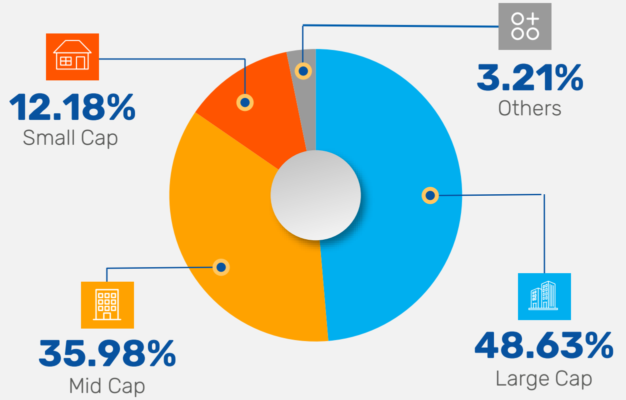
These 8 color boxes represent each Moat and the boxes after each company's name represent it's presence in that particular Moat wherever applicable. We have also shown % to Net Assets for each company. Data as on 31st October 2025

Fortifying your wealth with moat based investing

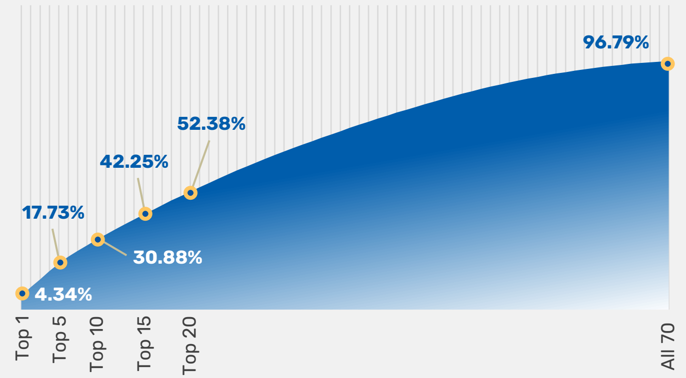
Bajaj Finserv Large and Mid Cap Fund

An open ended equity scheme investing in both large cap and mid cap stocks

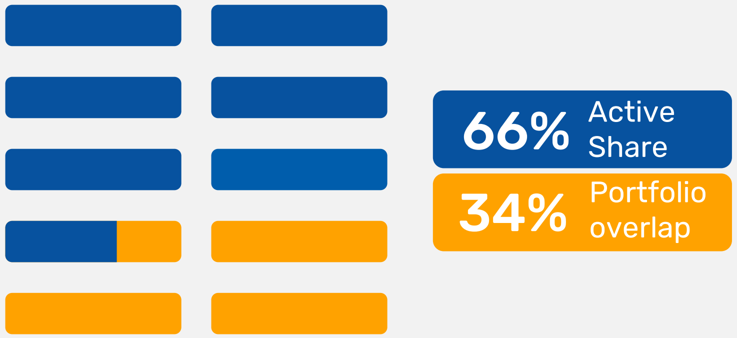
Market Cap Breakup



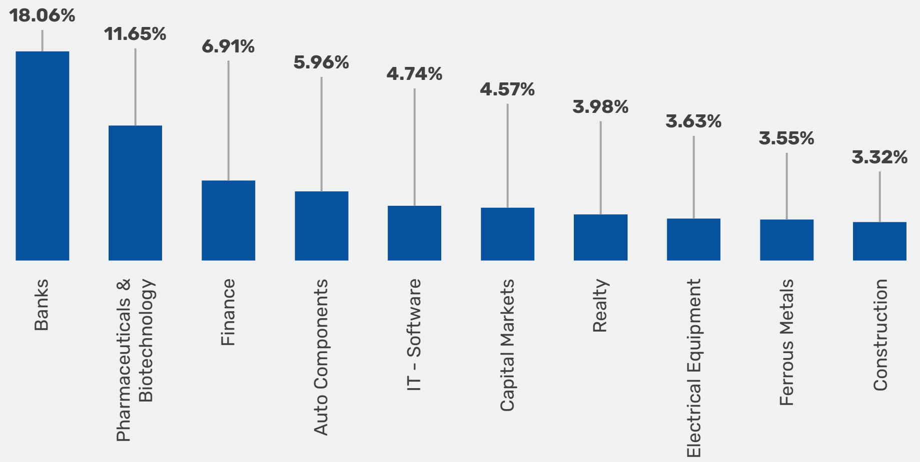
Portfolio Concentration



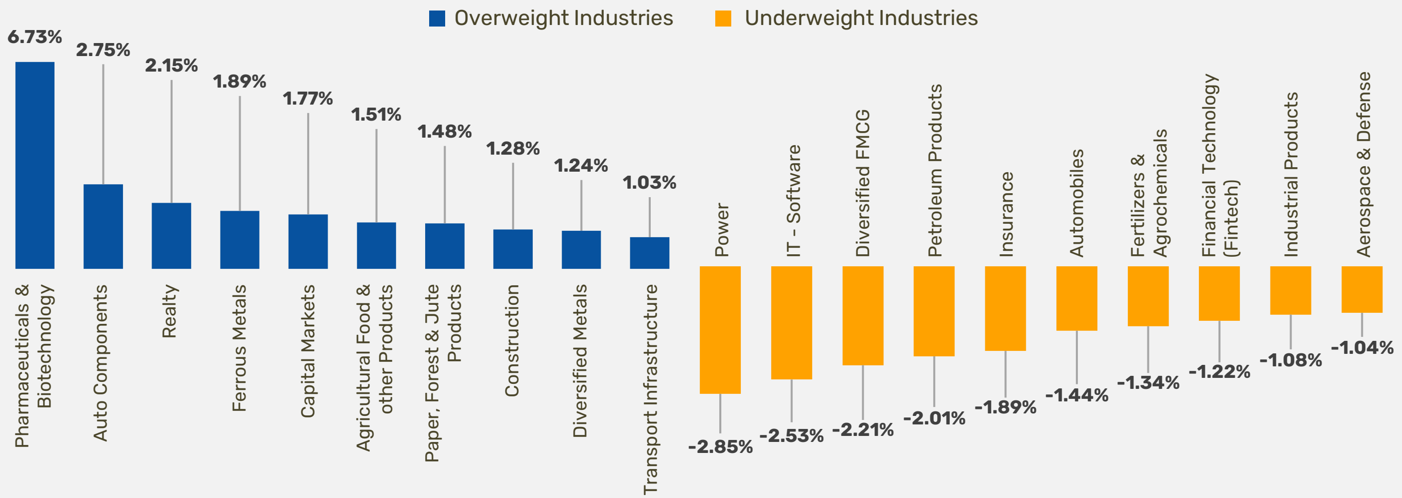
Portfolio Active Share



Top 10 Industries



Top 10 Underweight & Overweight Industries



All data as on 31st October 2025. Active Share, Top 10 Overweight and Top 10 Underweight is calculated vis-a-vis Scheme Benchmark i.e. Nifty Large Midcap 250 TRI

Scheme Features

Type of Scheme	An open ended equity scheme investing in both large cap and mid cap stocks
Plans	Bajaj Finserv Large and Mid Cap Fund – Direct Plan
	Bajaj Finserv Large and Mid Cap Fund – Regular 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	Not Applicable
Exit Load	if units are redeemed / switched out within 6 months from the date of allotment: - if upto 10% of units allotted are redeemed/switched out – Nil - any redemption / switch-out of units in excess of 10% of units allotted - 1% of applicable NAV.
	if units are redeemed/switched out after 6 months from the date of allotment, no exit load is payable.
Fund Manager	Mr. Nimesh Chandan and Mr. Sorbh Gupta (Equity Portion)
	Mr. Siddharth Chaudhary (Debt Portion)
Benchmark Index	Nifty Large Midcap 250 TRI
SIP / SWP / STP	Available

Product Label

Bajaj Finserv Large and Mid Cap Fund

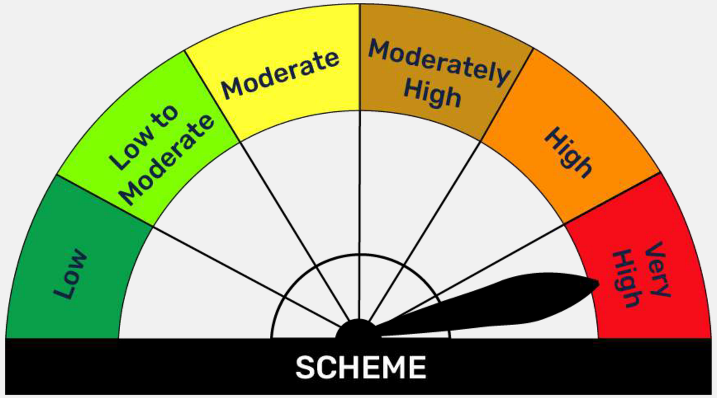
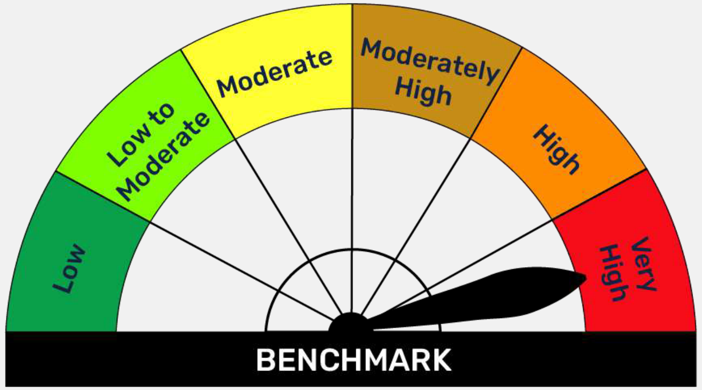
(An open ended equity scheme investing in both large cap and mid cap stocks)

This product is suitable for investors who are seeking*:

- Wealth creation over long term
- Open ended equity scheme investing in both large cap and mid cap stocks

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

Riskometer

Scheme	Benchmark
	
The risk of the scheme is very high	The risk of the benchmark i.e. Nifty Large Midcap 250 TRI is very high

Disclaimer

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

THANK YOU