

# BARODA BNP PARIBAS LARGE CAP FUND

(AN OPEN-ENDED EQUITY SCHEME PREDOMINANTLY INVESTING  
IN LARGE CAP STOCKS)

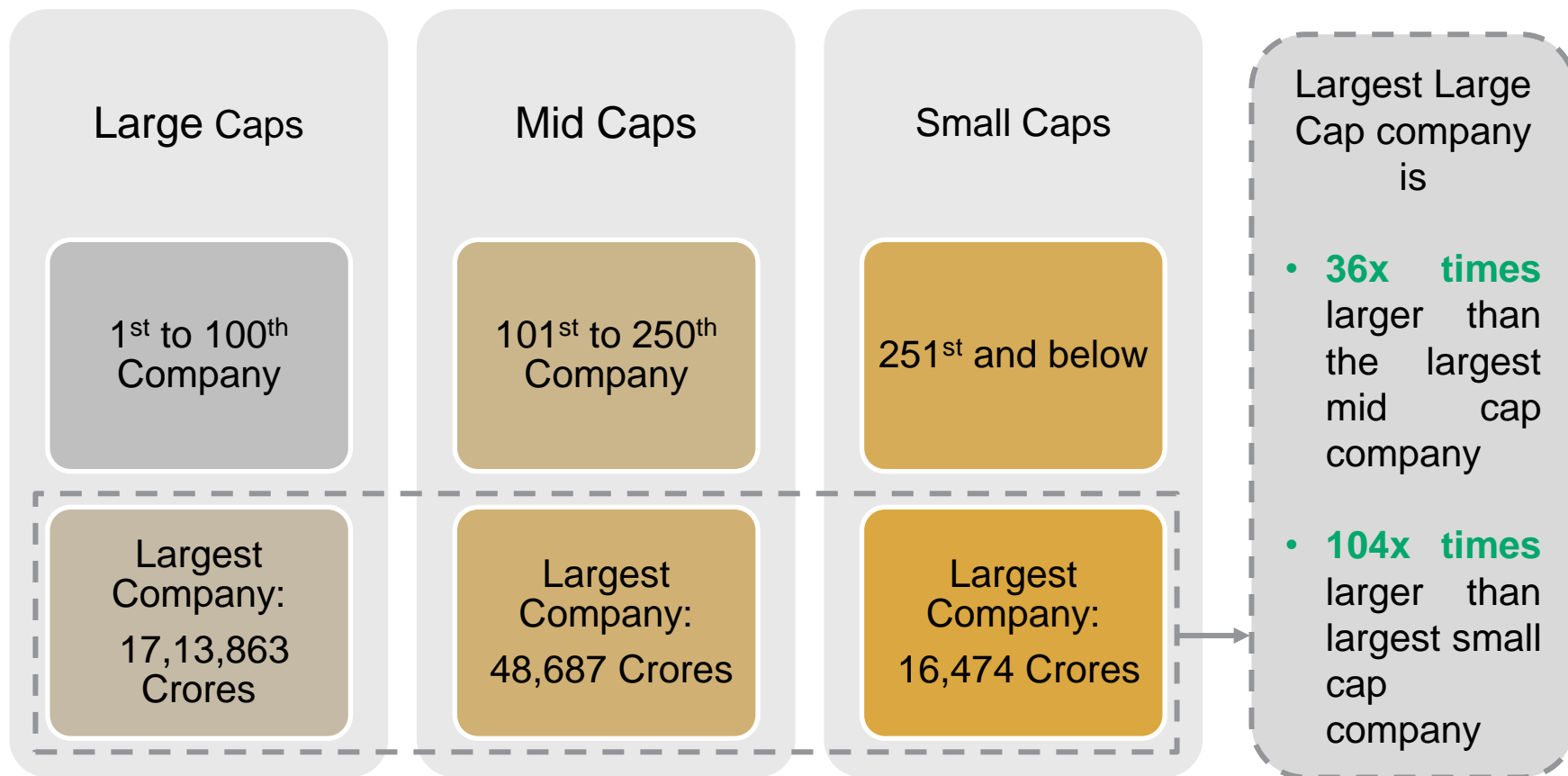
February 2023



Together for more

The word 'more' does not imply more returns or assurance of scheme performance. It refers to the additional value provided by the joint venture, as compared to Baroda AMC and BNP Paribas AMC individually.

# How big are Large Caps in India?



Source: Amfiindia.com. Latest Available Data as on December 30, 2022.. **Past performance may or may not be sustained in the future.**

Market Capitalization as per SEBI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251<sup>st</sup> company onwards in terms of full market capitalization. For complete portfolio details please refer to the website ([www.barodabnpparibasmf.in](http://www.barodabnpparibasmf.in)) The stocks mentioned above, may or not form part of the portfolio in future.

# Features of Large Caps

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Relatively  
stable  
companies

Economies of  
scale

Less likely  
to be  
impacted  
during  
slowdowns

Superior  
business  
models  
with core  
competency

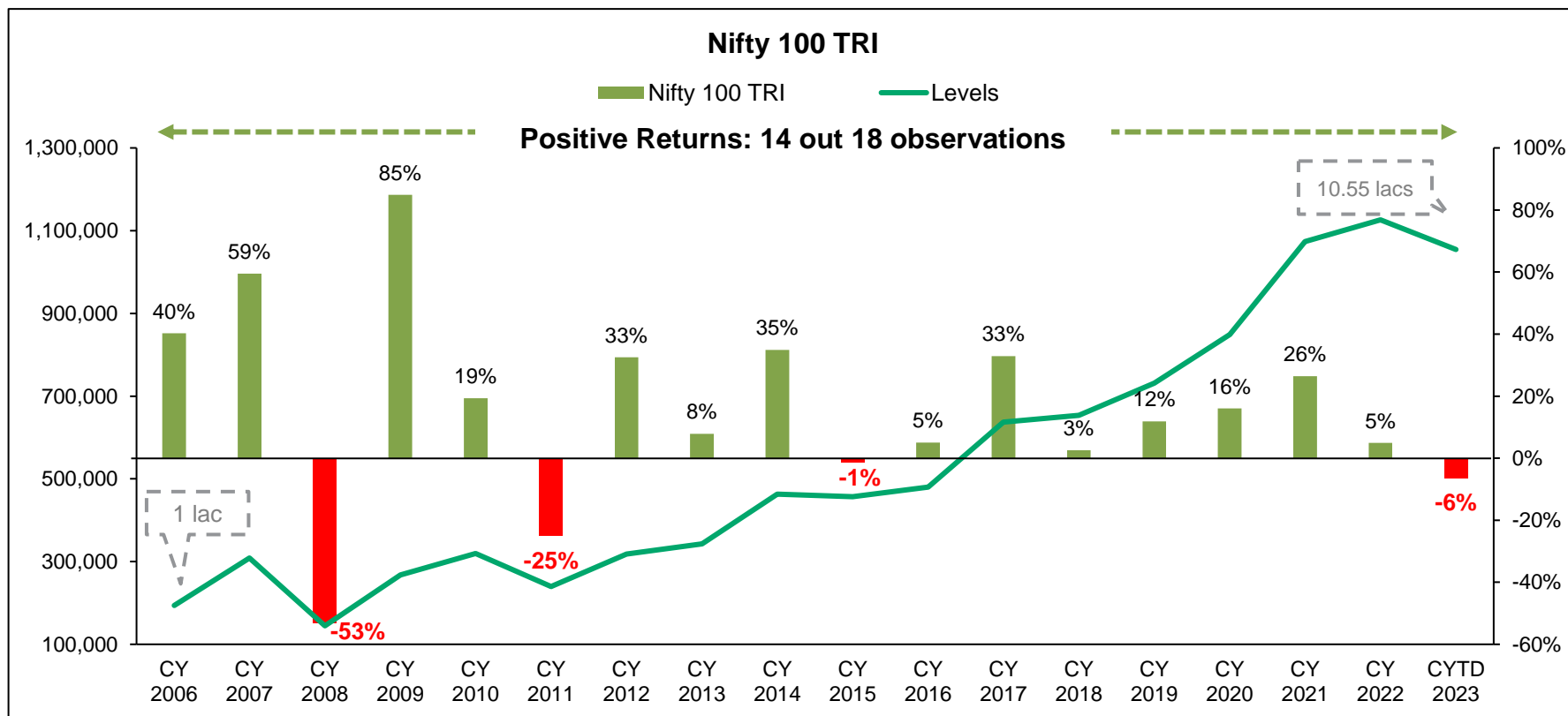
Liquidity &  
low impact  
costs

Proven track  
record

# WHY LARGE CAPS?

# Large Cap Performance History

**Rs 1 Lac** invested in the large cap index in April 2005, would have grown to **Rs 10.55 Lacs**.

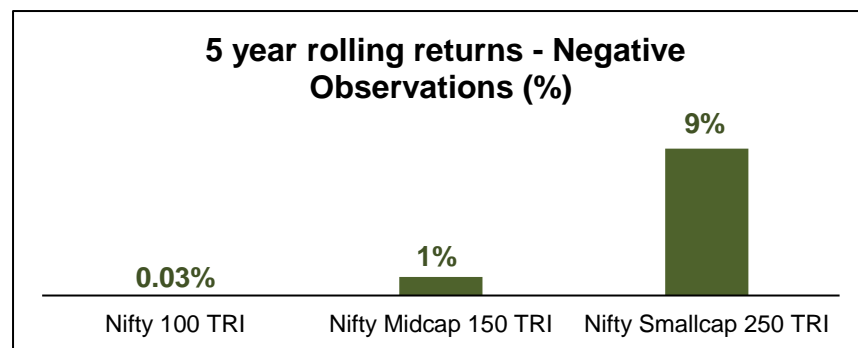
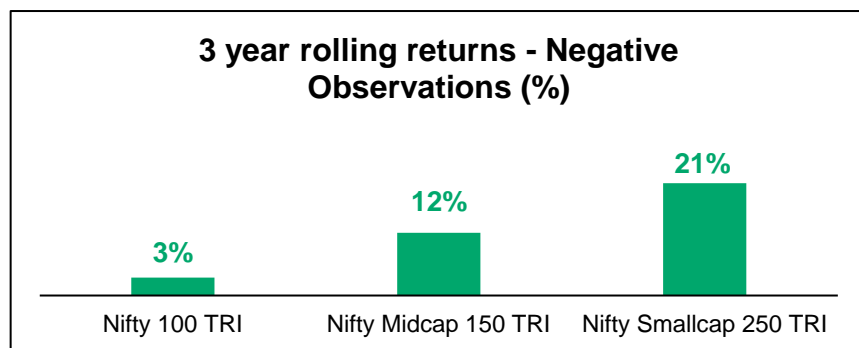
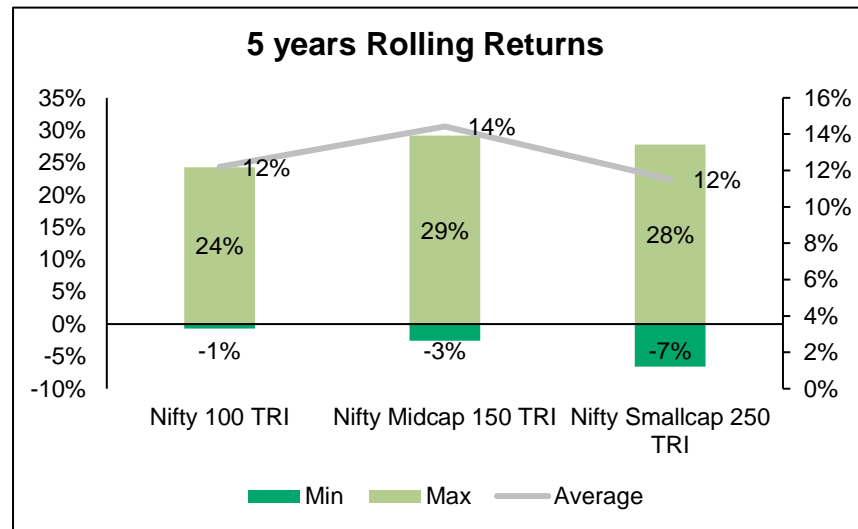
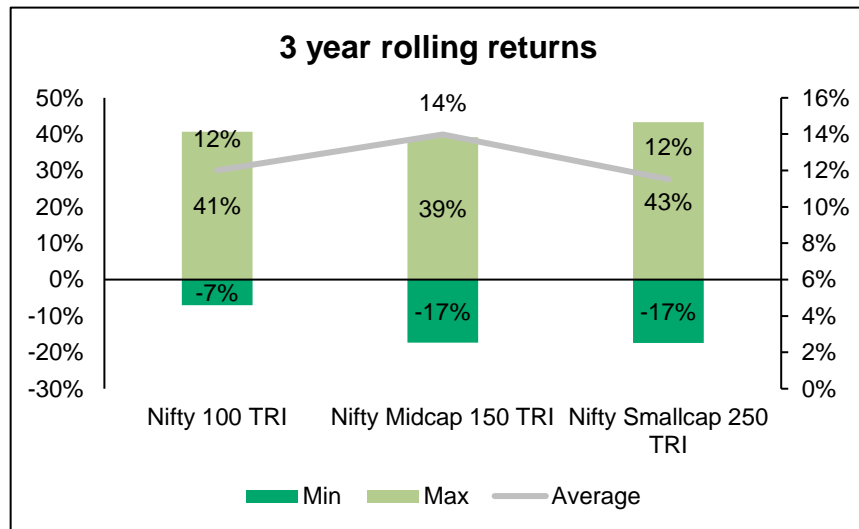


Source: MFI Explorer, (Data from 1st April 2005 to 28<sup>th</sup> February 2023)

Past performance, including such scenarios, is not an indication of future performance.

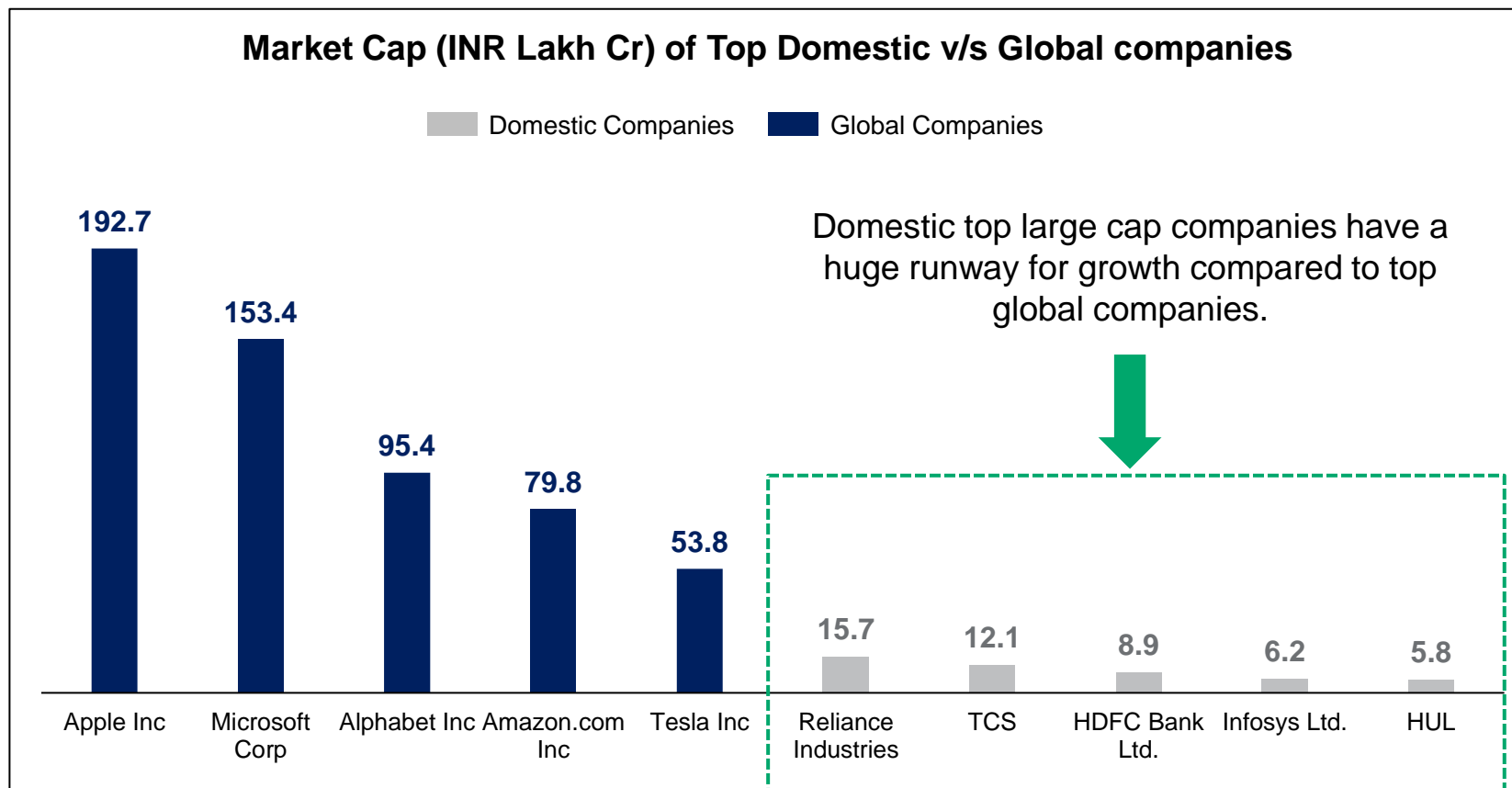
# Risk Return Profile

Historically, large caps have given a decent returns with lower number of negative observations



Source: MFI Explorer, (Data from 1st April 2005 to 28<sup>th</sup> February 2023) Daily Rolling Returns have been calculated. Probability of negative returns is the percentage of negative returns in total observations. **Past performance, including such scenarios, is not an indication of future performance.**

# Runway for Growth



Source: Bloomberg | Data as on 28 February 2023 | conversion rate considered 1\$ = 82.62 INR | Past performance, including such scenarios, is not an indication of future performance.

Disclaimer: The scripts mentioned herein are for general and comparison purposes only and not a complete disclosure of every material fact. It should not be construed as investment advice to any party. The scripts may or may not be part of our portfolio/strategy/scheme. **Past performance may or may not be sustained in the future.**

**WHY NOW?**



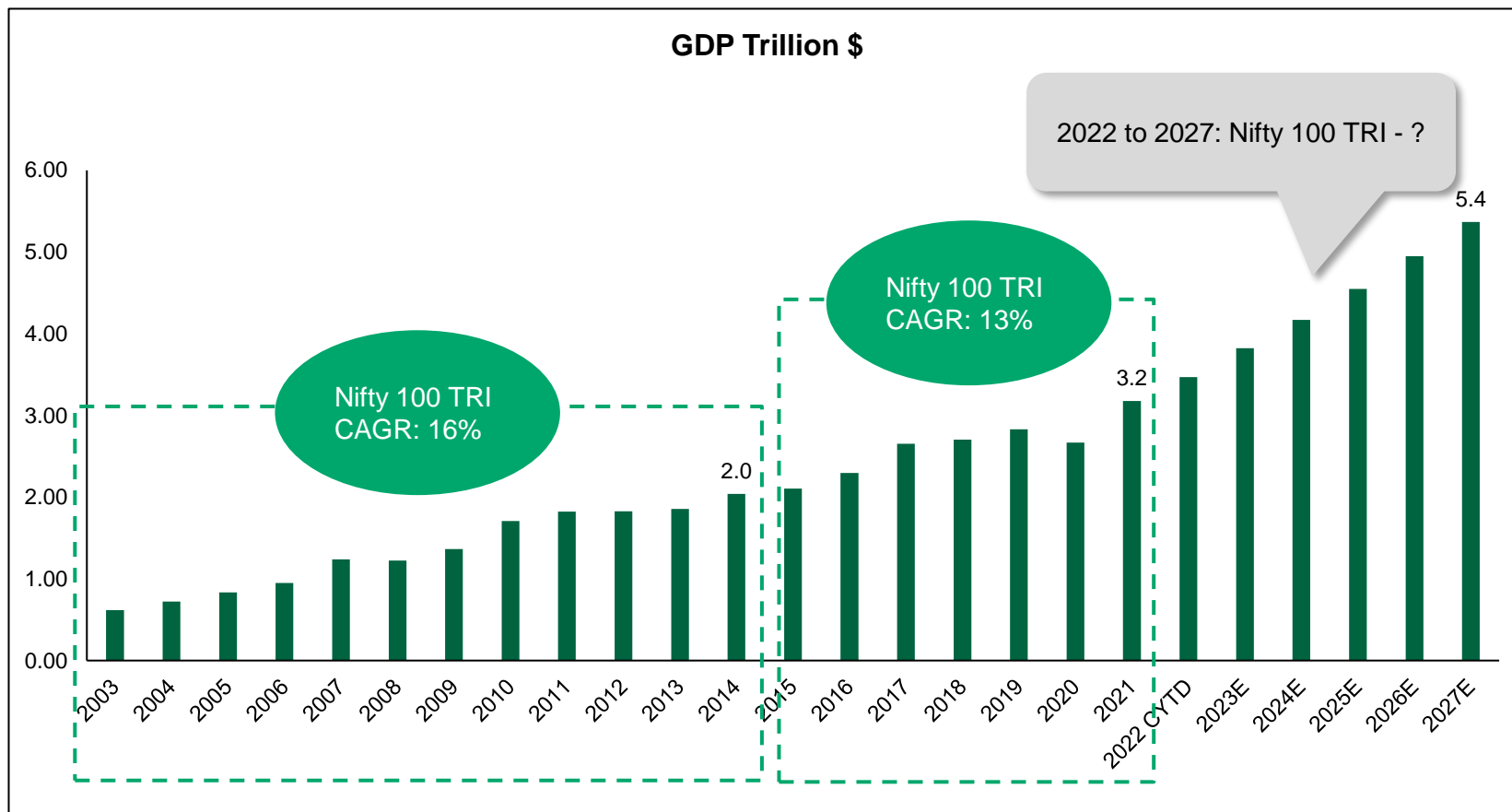
**Baroda**  
**BNP PARIBAS**  
MUTUAL FUND



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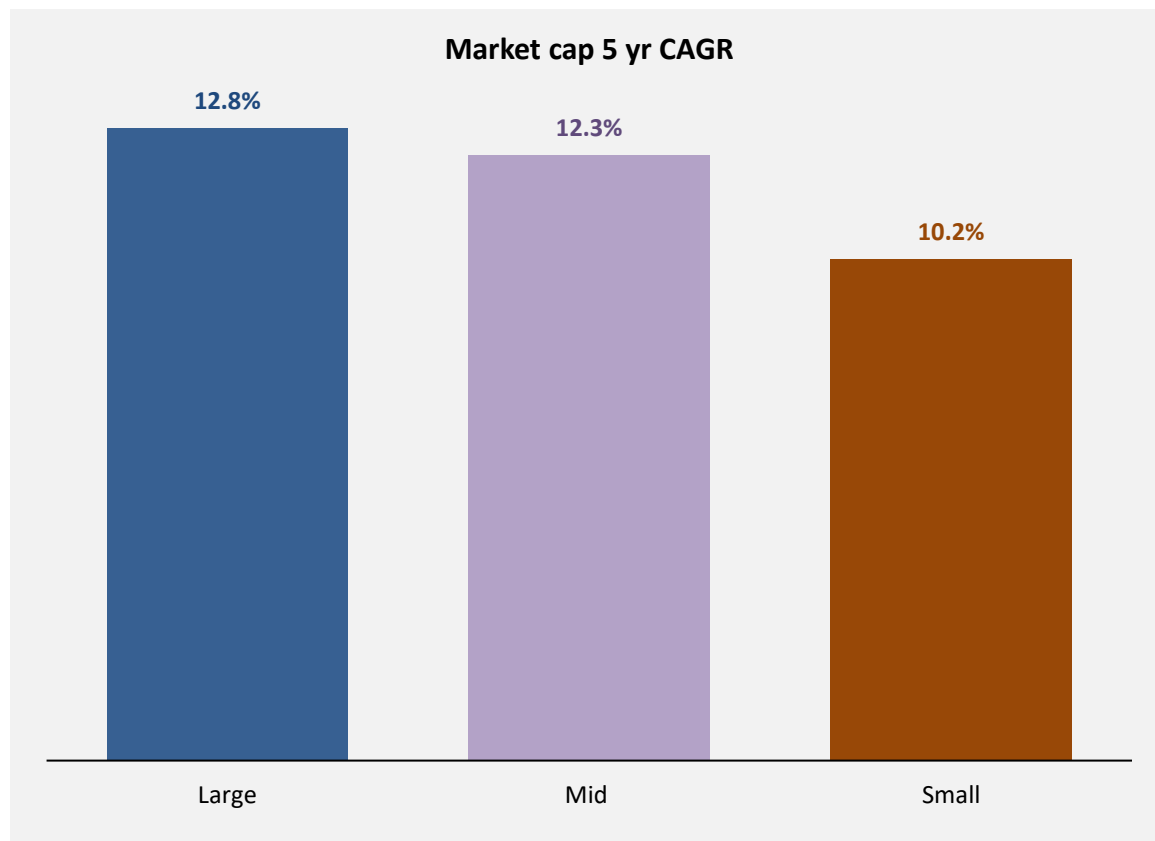


# India's GDP growth through the decade



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

# Large caps are getting larger



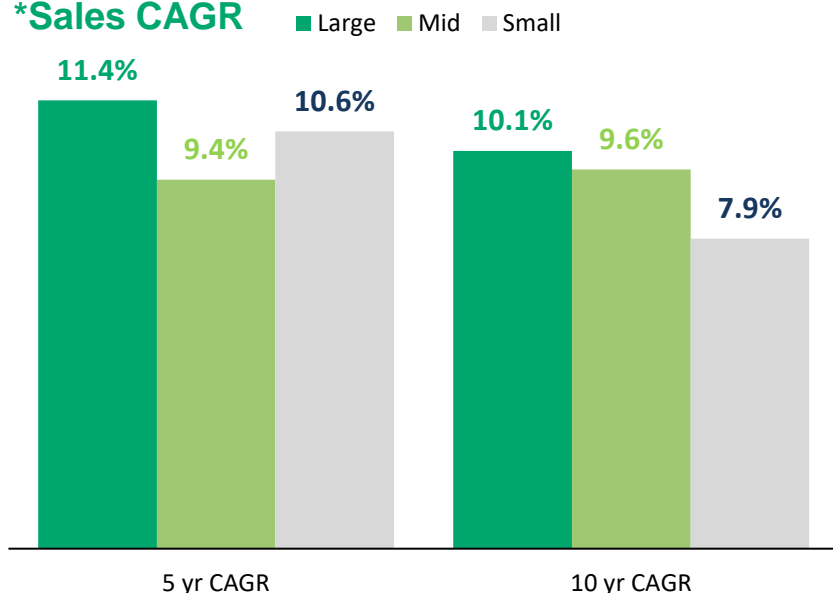
Large companies index grew faster than mid and small cap companies in last five years, however moderated in the FY23.

Latest available data as on 15<sup>th</sup> March 2023. Source: MOSFSL, Capital line, AMFI. Market Capitalization as per SEBI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251<sup>st</sup> company onwards in terms of full market capitalization.

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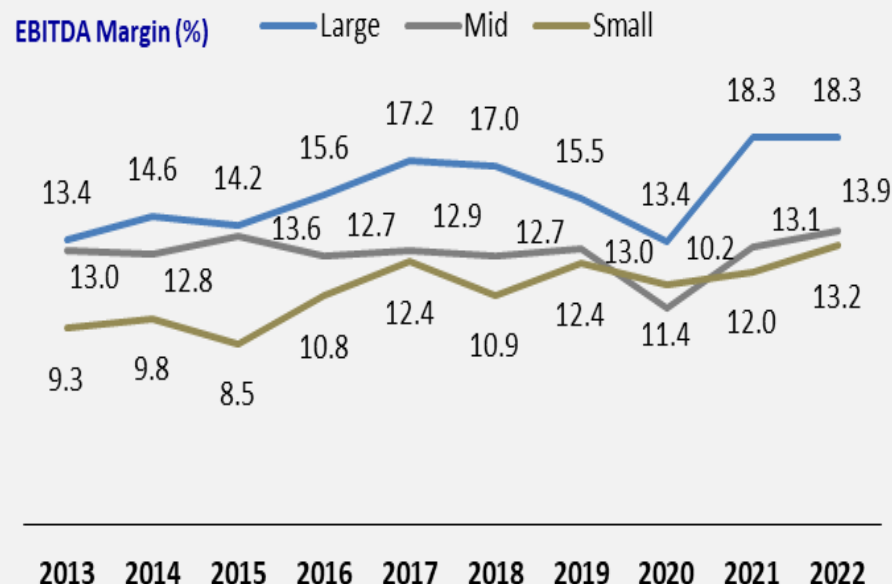
# Large caps outperform Mid and Small caps

## \*Sales CAGR



Source: MOSFSL, Capital line

## EBITDA Margin (%)



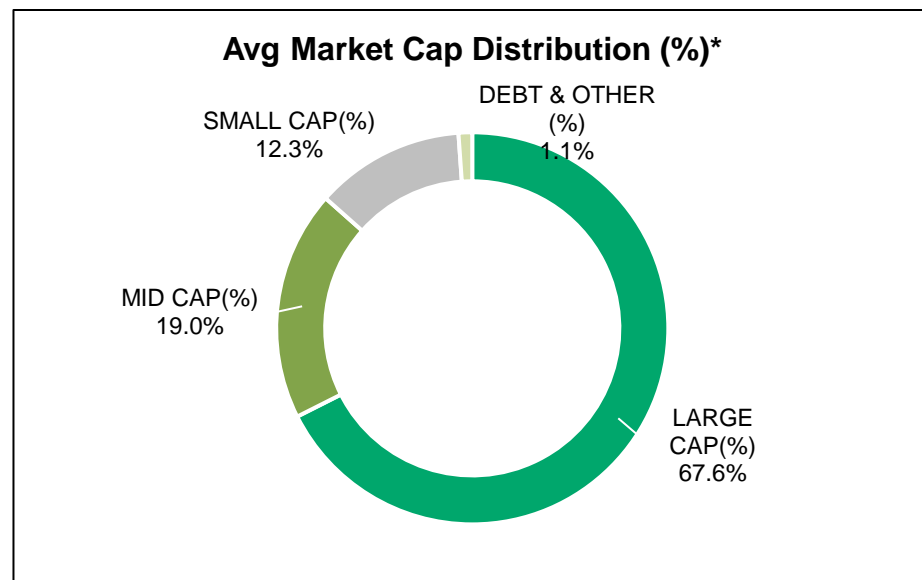
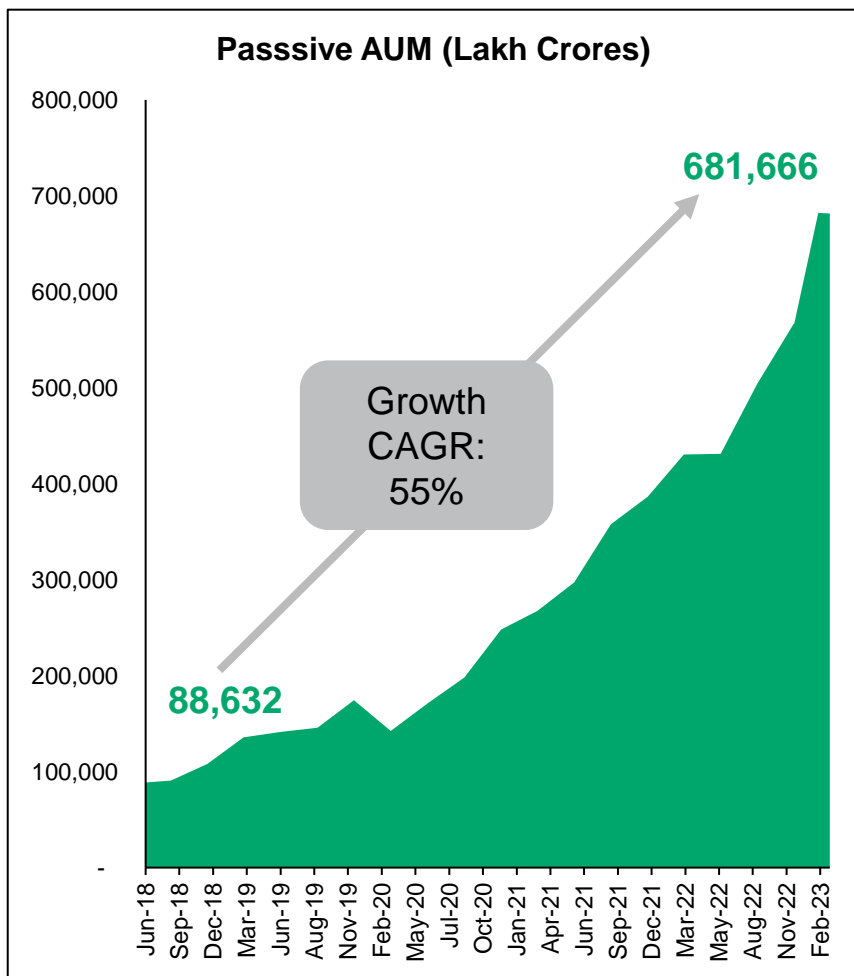
EBITDA margins (Excluding financials)

- Large companies continues to command leadership position in Sales/ EBITDA/PAT growth.
- In last 10 years, Large companies (Ex-financials) saw EBITDA margin expansion of 490 bps, while mid and small companies saw EBITDA margin expanded by 90 bps and 490 bps respectively.

Data as of March 31, 2022. The same would be updated end of every financial year.

\*This is based on actual financial data released by the companies every financial year. Past performance, including such scenarios, is not an indication of future performance.

# Tailwinds from inflows to Passives



- The Passive funds have seen a rapid growth in the AUM in the past years
- Majority of this AUM will flow into large cap stocks
- This tends to provide growth tailwinds for the large cap stock to grow further

Data as on February 28, 2023, | Source: MFI Explorer,

\* Average ETF exposure rebased to 100%

For AUM growth the entire universe of Domestic ETFs and Index Funds. Past performance, including such scenarios, is not an indication of future performance.

# UPDATE ON BARODA BNP PARIBAS LARGE CAP FUND

(AN OPEN-ENDED EQUITY SCHEME PREDOMINANTLY INVESTING IN  
LARGE CAP STOCKS)

For Product Label and Riskometer of the Scheme please refer slide no. 24



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# About the Fund

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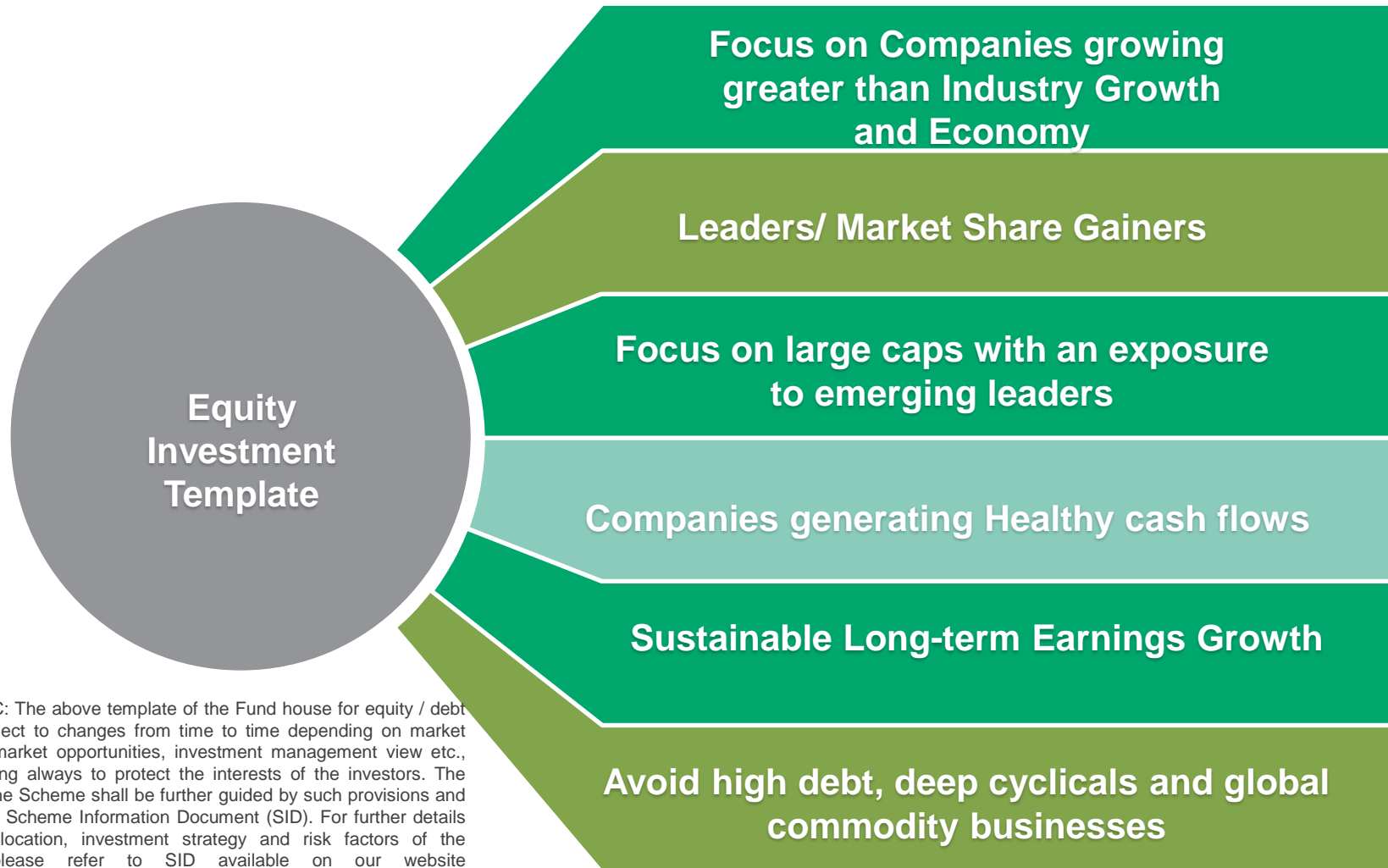
- Large cap funds typically invest in blue chip companies and market leaders which could generate stable revenue and earnings due to their established businesses and tenure.
- These companies being seasoned and large corporate houses, are likely to withstand market cycles. Mid or small cap companies tend to not have the same level of stability and therefore carry a higher degree of risk than large caps.
- Baroda BNP Paribas Large Cap Fund invests predominantly in such **large capitalization** companies with a **track record of growth in the long term**.
- The scheme intends to be well diversified across sectors and intends to focus on **quality names** exhibiting sound management and fundamentals with sustainable earnings growth potential.
- The scheme is suitable for investors who have a long-term investment horizon.

# Overarching Philosophy

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- Allocation more than Selection is a key determinant for success
  - The Investment Universe is made up of India's largest and the most successful companies
  - Basic hygiene Governance levels exist in all the companies
  - Theses are the most well researched and well tracked companies under constant scrutiny
- The Interplay of Macro-economics and their sectoral impacts is an important facet of allocating weights
- Active shuffling of sectors based on our views on the economy (accelerating vs decelerating), and monetary conditions (hardening vs softening)
- Growth at a Reasonable Price (GARP) remains a key philosophy of selection of companies.

# BBNPP AMC Equity Investment Template



BBNPP AMC: The above template of the Fund house for equity / debt may be subject to changes from time to time depending on market conditions, market opportunities, investment management view etc., intention being always to protect the interests of the investors. The portfolio of the Scheme shall be further guided by such provisions and limitations of Scheme Information Document (SID). For further details on asset allocation, investment strategy and risk factors of the Scheme, please refer to SID available on our website ([www.barodabnp-paribasmf.in](http://www.barodabnp-paribasmf.in)). Data as of February 2023.



# Current Themes

## Digitalization of the financial industry

- India is rapidly evolving on financial penetration with micro finance, small finance banks, payment banks and payment apps. UPI has made affordable even small transfers and promises to be a multi year theme.

## Enhancing manufacturing capabilities

- Combination of rapid indigenisation (eg defence), import substitution (eg electronics), diversification of supply chains (eg China +1 in chemicals/drugs etc), competitive offshoring of manufacturing (eg Europe + 1 by MNC's) could augur well for the capital goods & crop protection industry.

## Formalisation of trade

- Favourable push from legislation such as GST is reducing the spread between the formal and local industry. We see favourable tailwinds for retailing, consumer durables, jewellery and other parts of staples etc

## New energy initiatives

- A big focus is on reducing carbon footprint and reliance on fossil fuels over time. This manifests itself via investments in electric vehicles, hydrogen chain or renewables. We see benefits accruing to asset owners in this space as well as technology/product suppliers to builders of such eco-systems.

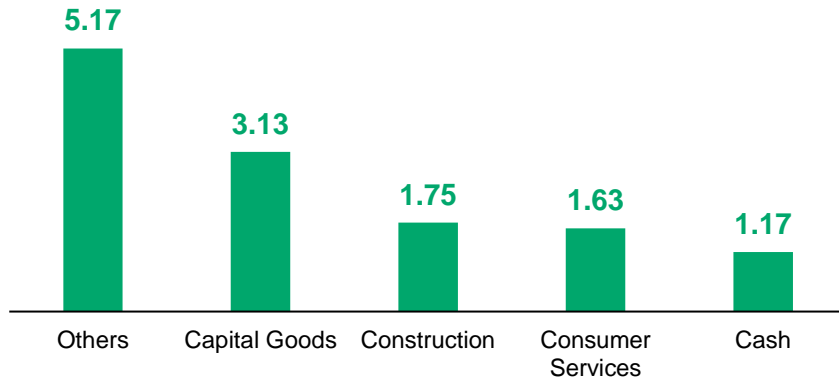
## Plays on macro stress points

- India's savings-investment gap has meant a constant fracture point on the issue of its twin deficit. Segments such as IT, healthcare & tourism offer a play to benefit from the pains of India's twin deficits

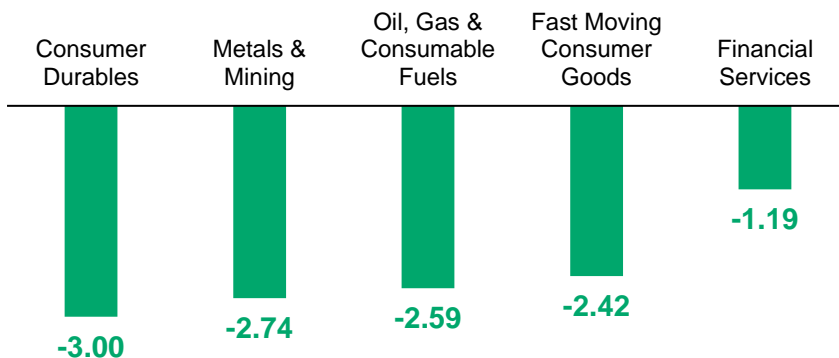
The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and Baroda BNP Paribas Mutual Fund may or may not have any future position in these sector(s)/stock(s). Further, the portfolio of the Scheme is subject to changes within the provisions and limitations of Scheme Information Document (SID). For further details on asset allocation, investment strategy and risk factors of the Scheme please refer to SID available on our website ([www.barodabnpparibasmf.in](http://www.barodabnpparibasmf.in)).

# Current Positioning (1/2)

**Top 5 Active Weight (% of Net Assets)**



**Bottom 5 Active Weight (% of Net Assets)**



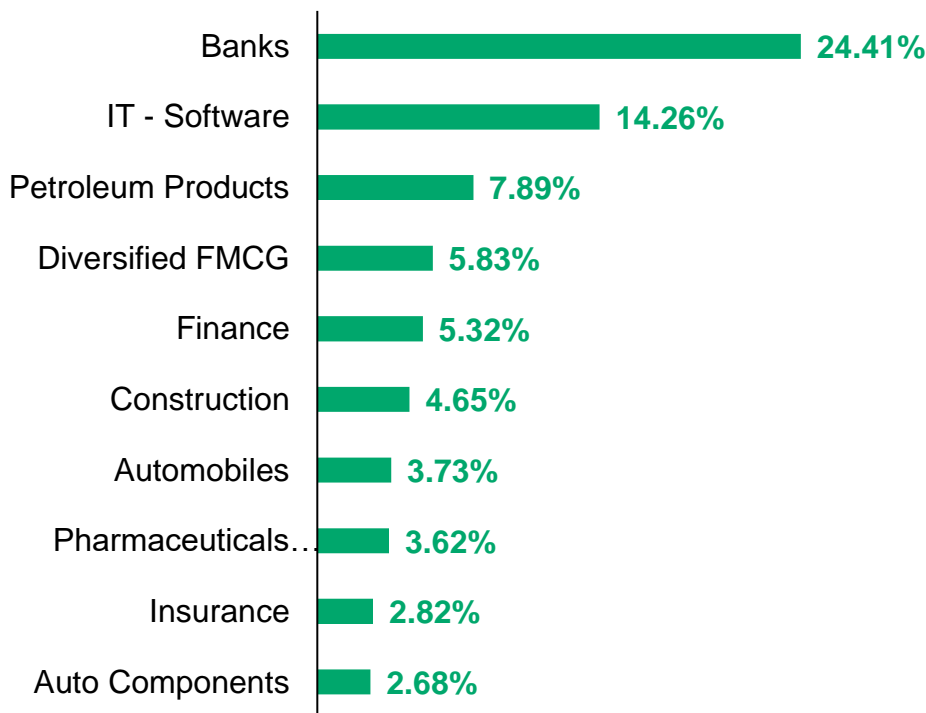
- The fund increased its defensive bets into the month by adding marginally to exposures across consumer, IT and pharma largely funded by lowering exposures to financial sector wherein we have cut our overweight positioning to a marginally below benchmark weight.
- Industrials (capital goods) and IT are the other major overweight in the fund. We have increased our overweight to this sector by adding to our core positions.
- Commodities (largely metals) and energy continue to be an underweight sector for the fund. Consumer staples was also an underweight sector, but we have marginally trimmed our underweight stance by adding weights to a tobacco play. We have also turned neutral to the pharma space by adding one more name to our pharma exposures.

Source: Internal Research. Data as on February 28, 2023.

Portfolio details contained herein is for general information purposes only and does not indicate assurance of future Scheme performance. The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and Baroda BNP Paribas Mutual Fund may or may not have any future position in these sector(s)/stock(s). Further, the portfolio of the Scheme is subject to changes within the provisions and limitations of Scheme Information Document (SID). For further details on asset allocation, investment strategy and risk factors of the Scheme please refer to SID available on our website ([www.barodabnpparibasmf.in](http://www.barodabnpparibasmf.in)).

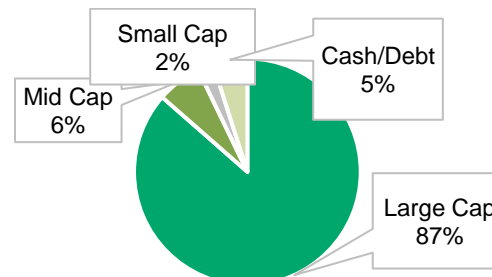
# Current Positioning (2/2)

## Top 10 Sectors (% of Net Assets)



Top 10 Holdings	% of Net Assets
HDFC Bank Ltd.	9.08%
ICICI Bank Ltd.	8.57%
Reliance Industries Ltd.	6.83%
Infosys Ltd.	6.26%
Tata Consultancy Services Ltd.	6.20%
Larsen & Toubro Ltd.	4.65%
ITC Ltd.	4.03%
Housing Development Finance Corporation Ltd.	3.85%
Axis Bank Ltd.	3.38%
Siemens Ltd.	2.17%

## Market Capitalization



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# Performance of the Fund

Scheme Managed by Jitendra Sriram~	Last 1 Year		Last 3 Year		Last 5 Year		Since Inception		Date of Inception of the Scheme
	Returns In INR*	CAGR	Returns In INR*	CAGR	Returns In INR*	CAGR	Returns In INR*	CAGR	
Baroda BNP Paribas Large Cap Fund	10401.05	4.01	14872.61	14.13	16682.67	10.77	139211.50	15.35	23-09-2004
Nifty 100 TRI	10156.47	1.56	15626.73	16.03	16698.83	10.79	128004.97	14.82	
Additional Benchmark Nifty 50 TRI	10427.05	4.27	16013.61	16.98	17539.51	11.89	126034.52	14.73	

## SIP PERFORMANCE

	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
Amount Invested	120,000	360,000	600,000	840,000	1,200,000	2,220,000
Market value of the Fund	120,955	429,807	813,975	1,271,065	2,241,409	8,062,957
Fund Returns	1.49	11.90	12.17	11.64	12.02	12.54
Market Value of Benchmark	117,593	432,711	809,916	1,288,563	2,259,023	7,981,478
Benchmark Returns	-3.73	12.36	11.97	12.03	12.16	12.45

Source: Internal Research, Data as on February 28, 2023.

**\*Baroda BNP Paribas Mutual Fund does not guarantee returns on investments in the scheme**

~ Dedicated Fund Manager for Overseas Investments: Mr. Miten Vora (managing fund since December 01, 2022) | Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments. Returns do not take into account the load and taxes, if any. Different plans shall have a different expense structure. The performance details provided above are for Regular Plan - Growth Option. [\*Returns in INR show the value of 10,000/- invested for last 1 year, last 3 years, last 5 years and since inception respectively]

Above investment simulation is for illustration purpose only and should not be construed as a promise on minimum returns and safeguard of capital. Above SIP calculation is based on Regular Plan - Growth Option NAV. Assuming Rs. 10,000 invested systematically on the first business day of every month over a period of time. SIP returns are computed after accounting for the cash flow by using XIRR method (investment internal rate of return).

Number of Schemes managed by Jitendra Sriram are 3

# Performance of the other funds managed by fund manager

Schemes Managed by Jitendra Sriram, Pratish Krishnan & Mayank Prakash	CAGR		
	Last 1 Year	Last 3 Year	Last 5 Year
Baroda BNP Paribas Aggressive Hybrid Fund ~	3.92	12.54	11.17
CRISIL Hybrid 35+65 - Aggressive Index	3.15	13.86	10.44

## FUND MANAGER AND MANAGING SINCE DETAILS

Scheme Name	Fund Managers	Managing Fund Since
Baroda BNP Paribas Large Cap Fund~	Jitendra Sriram	16-Jun-22
Baroda BNP Paribas Aggressive Hybrid Fund~	Jitendra Sriram (Equity Portfolio)	16-Jun-22
	Pratish Krishnan (Equity Portfolio)	14-Mar-22
	Mayank Prakash (Fixed Income Portfolio)	07-Apr-17
Baroda BNP Paribas Multi Asset Fund	Jitendra Sriram (Equity Portfolio)	19-Dec-22
	Vikram Pamnani (Fixed Income Portfolio)	19-Dec-22

Source: Internal Research, Data as on February 28, 2023.

Performance of Baroda BNP Paribas Multi Asset Fund is not provided as the scheme has not completed 6 months.

**\*Baroda BNP Paribas Mutual Fund does not guarantee returns on investments in the scheme** ~ Dedicated Fund Manager for Overseas Investments: Mr. Miten Vora (managing fund since December 01, 2022) | **Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments.** Returns do not take into account the load and taxes, if any. Different plans shall have a different expense structure. The performance details provided above are for Regular Plan - Growth Option. Different plans shall have a different expense structure.

Where returns are not available for a particular period, they have not been shown.

Number of Schemes managed by Jitendra Sriram are 3

# Fund Facts

Scheme Name	Baroda BNP Paribas Large Cap Fund																			
Type of the Scheme	An Open-ended Equity Scheme predominantly investing in large cap stocks																			
Category	Large Cap Fund																			
Investment Objective	The investment objective of the Scheme is to generate long-term capital growth from a diversified and actively managed portfolio of equity and equity related securities by predominantly investing in large market capitalization companies. However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee /indicate any returns.																			
Asset Allocation	<table><thead><tr><th>Type of Instruments</th><th>Minimum Allocation (% of Net Assets)</th><th>Maximum Allocation (% of Net Assets)</th><th>Risk Profile</th></tr></thead><tbody><tr><td>Equity &amp; equity related instruments# of Large Cap companies</td><td>80%</td><td>100%</td><td>Medium to High</td></tr><tr><td>Equity &amp; equity related instruments of other than Large Cap companies, Debt instruments* &amp; Money Market Instruments (including cash and money at call)</td><td>0%</td><td>20%</td><td>Low to Medium</td></tr><tr><td>Units issued by REITs &amp; InvITs</td><td>0%</td><td>10%</td><td>Medium to High</td></tr></tbody></table> <p># including investments in foreign equity and equity related securities, ADR / GDR upto 25% of the net assets. Exposure upto 50% of equity assets in equity derivatives instruments as permitted under the SEBI (Mutual Funds) Regulations, 1996 from time to time. The Scheme may use derivatives for such purposes as maybe permitted under the SEBI (Mutual Funds) Regulations, 1996, including but not limited for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time.</p> <p>*Debt instruments may include securitized debt upto 20% of the net assets, exposure in debt derivatives only for hedging and portfolio balancing upto 20% of the net assets. The Scheme may invest in foreign debt securities including foreign securitized debt upto 10% of the net assets. The Scheme will not engage in short selling. The Scheme will not invest into debt instruments having Structured Obligations / Credit Enhancements.</p> <p>For further details on asset allocation, please refer to SID available on our website (<a href="http://www.barodabnpparibasmf.in">www.barodabnpparibasmf.in</a>).</p>				Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity & equity related instruments# of Large Cap companies	80%	100%	Medium to High	Equity & equity related instruments of other than Large Cap companies, Debt instruments* & Money Market Instruments (including cash and money at call)	0%	20%	Low to Medium	Units issued by REITs & InvITs	0%	10%	Medium to High
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Units issued by REITs & InvITs	0%	10%	Medium to High																	
Benchmark	Nifty 100 Total Return Index																			
Inception Date	September 23, 2004																			
Fund Manager~	Mr. Jitendra Sriram (Managing since June 16, 2022) (Total experience: 25 years)																			
Load Structure	Entry Load: Not applicable. Exit Load: <ul style="list-style-type: none"><li>• If units redeemed or switched out up to 10% of the units (the limit) within 12 months from the date of allotment - Nil</li><li>• If units redeemed or switched out in excess of the limit within 12 months from the date of allotment - 1% of the applicable NAV</li><li>• If units redeemed or switched out after 12 months from the date of allotment - Nil</li></ul>																			

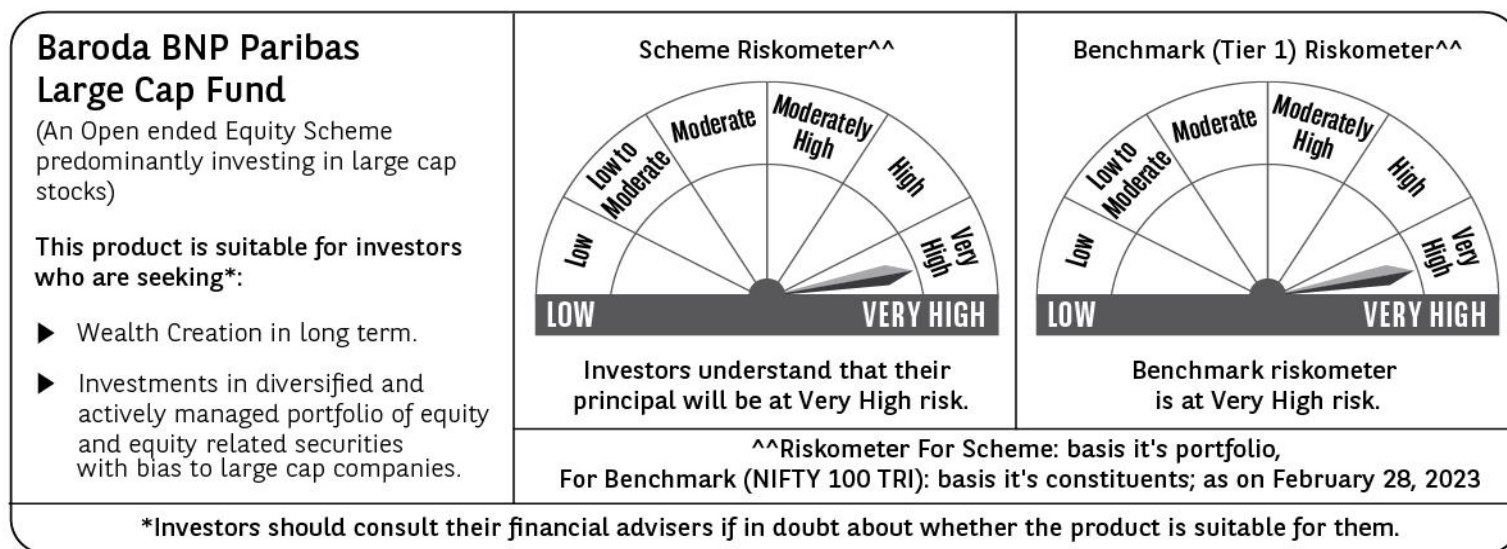
~Dedicated Fund Manager for Overseas Investments: Mr. Miten Vora (managing fund since December 01, 2022)

# Risk Factors

The risks associated with investments in equities include fluctuations in prices, as stock markets can be volatile and decline in response to political, regulatory, economic, market and stock-specific development etc. Please refer to scheme information document for detailed risk factors, asset allocation, investment strategy etc.

Further, to the extent the scheme invests in fixed income securities, the Scheme shall be subject to various risks associated with investments in Fixed Income Securities such as Credit and Counterparty risk, Liquidity risk, Market risk, Interest Rate risk & Re-investment risk etc., Further, the Scheme may use various permitted derivative instruments and techniques which may increase the volatility of scheme's performance. Also, the risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Please refer to Scheme Information Document available on our website ([www.barodabnpparibasmf.in](http://www.barodabnpparibasmf.in)) for detailed Risk Factors, assets allocation, investment strategy etc.





# Disclaimers

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In the preparation of the material contained in this document, Baroda BNP Paribas Asset Management India Ltd. (“AMC”) has used information that is publicly available, including information developed in-house. The AMC, however, does not warrant the accuracy, reasonableness and/or completeness of any information. This document may contain statements/opinions/ recommendations, which contain words, or phrases such as “expect”, “believe” and similar expressions or variations of such expressions that are “forward looking statements”. Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, etc. The AMC (including its affiliates), Baroda BNP Paribas Mutual Fund (“Mutual Fund”), its sponsor / trustee and any of its officers, directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this document in any manner. The recipient alone shall be fully responsible / liable for any decision taken based on this document. All figures and other data given in this document are dated and may or may not be relevant at a future date. Prospective investors are therefore 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 schemes of Baroda BNP Paribas Mutual Fund . Past performance may or may not be sustained in the future. Please refer to the Scheme Information Document of the schemes before investing for details of the scheme including investment objective, asset allocation pattern, investment strategy, risk factors and taxation.

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**





**THANK YOU**