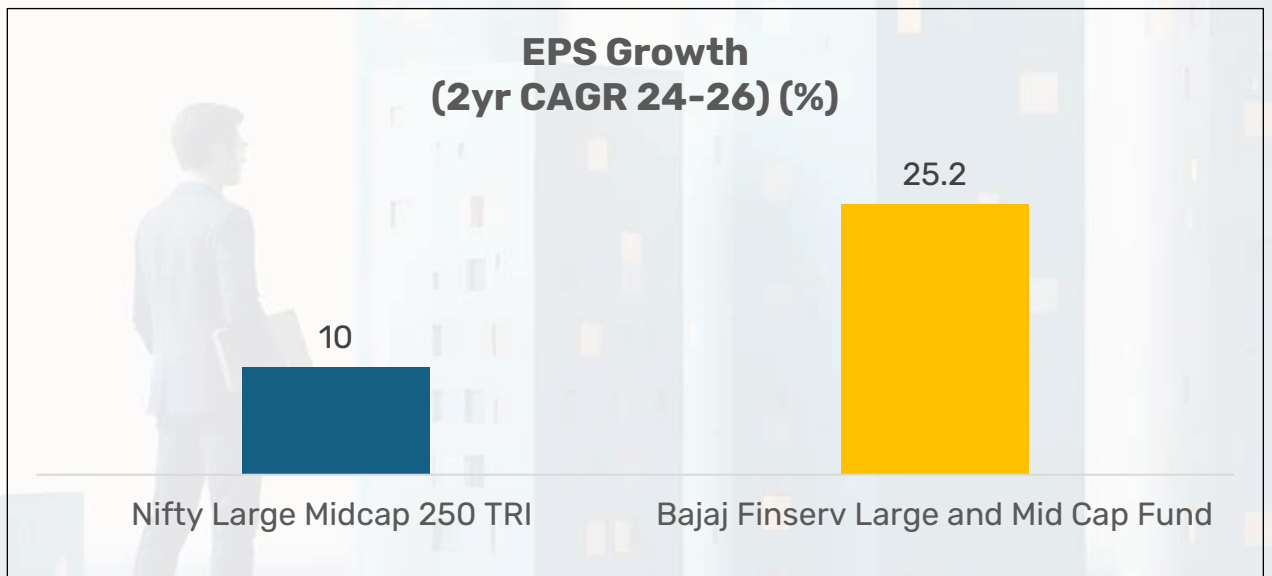


# INVEST IN QUALITY PORTFOLIO BACKED BY STRONG FUNDAMENTALS WITH BAJAJ FINSERV LARGE AND MID CAP FUND

## ROE (Return on Equity )

- ROE measures how efficiently a company generates profit from its shareholders' equity.
- Formula:  $\text{Net Income} / \text{Shareholders' Equity}$
- Bajaj Finserv Large and Mid Cap Fund portfolio has an **ROE of 22%**, significantly higher than the benchmark's **15%** for FY26P this reflects its focus on **quality companies** in it's portfolio.

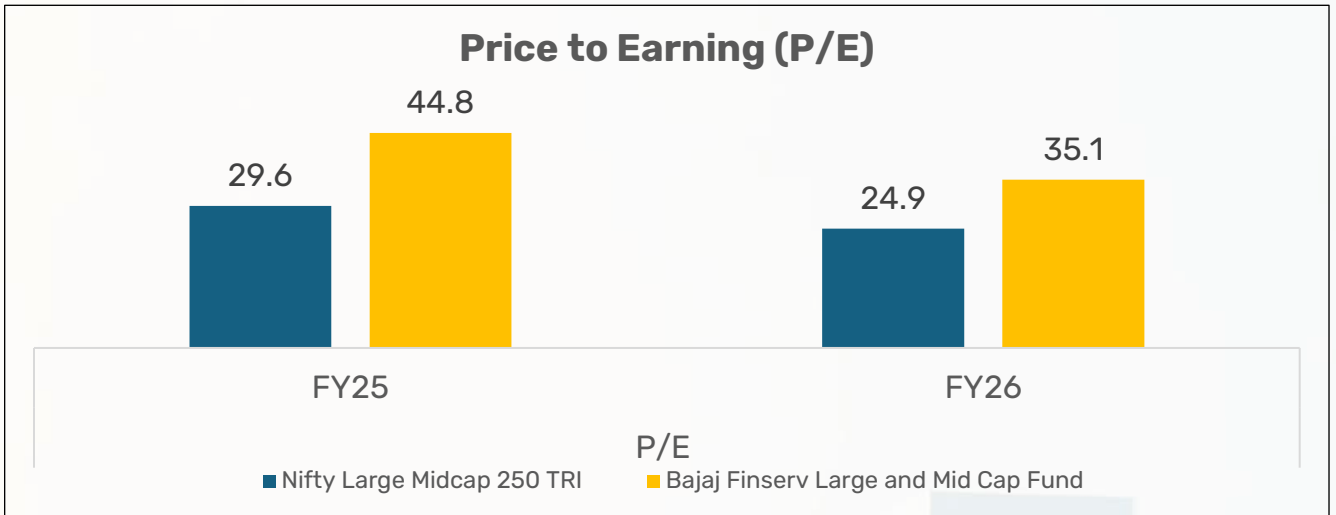
## EPS (Earnings Per Share)



- EPS quantifies the amount of profit a company makes for each share of stock.
- Formula: **Net Profit / Total Number of Shares Outstanding.**
- A higher EPS means the company is more profitable compared to its industry peers.

The fund's EPS growth is **significantly higher than the benchmark**, with an expected 25.2% CAGR for 2 years i.e. 2024-26 compared to the benchmark's 10% for the same period. This shows that the fund comprises of **companies with strong earnings growth potential.**

## P/E Ratio (Price to Earnings Ratio)

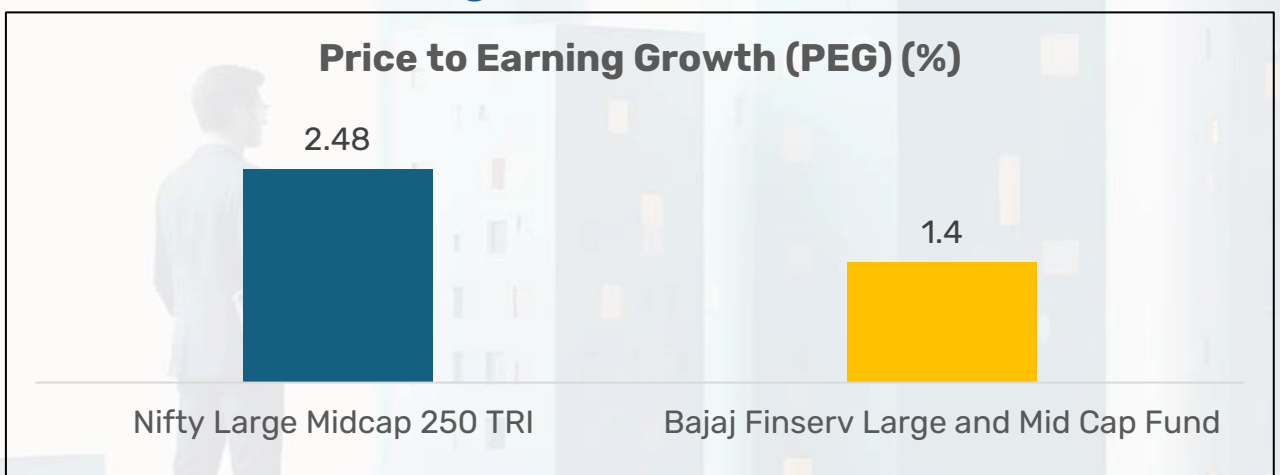


This tells you how much investors are willing to pay for each Rupee of a company's earnings.

- Formula: **Stock Price / Earnings Per Share (EPS)**.
- A high PE ratio might mean investors expect future growth, but it could also mean the stock is at premium.

The fund has higher P/E ratio (44.8) compared to the benchmark (29.6) indicating that the fund manager has strong confidence in the **growth potential of the companies in portfolio**.

## PEG (Price to Earnings Growth Ratio)



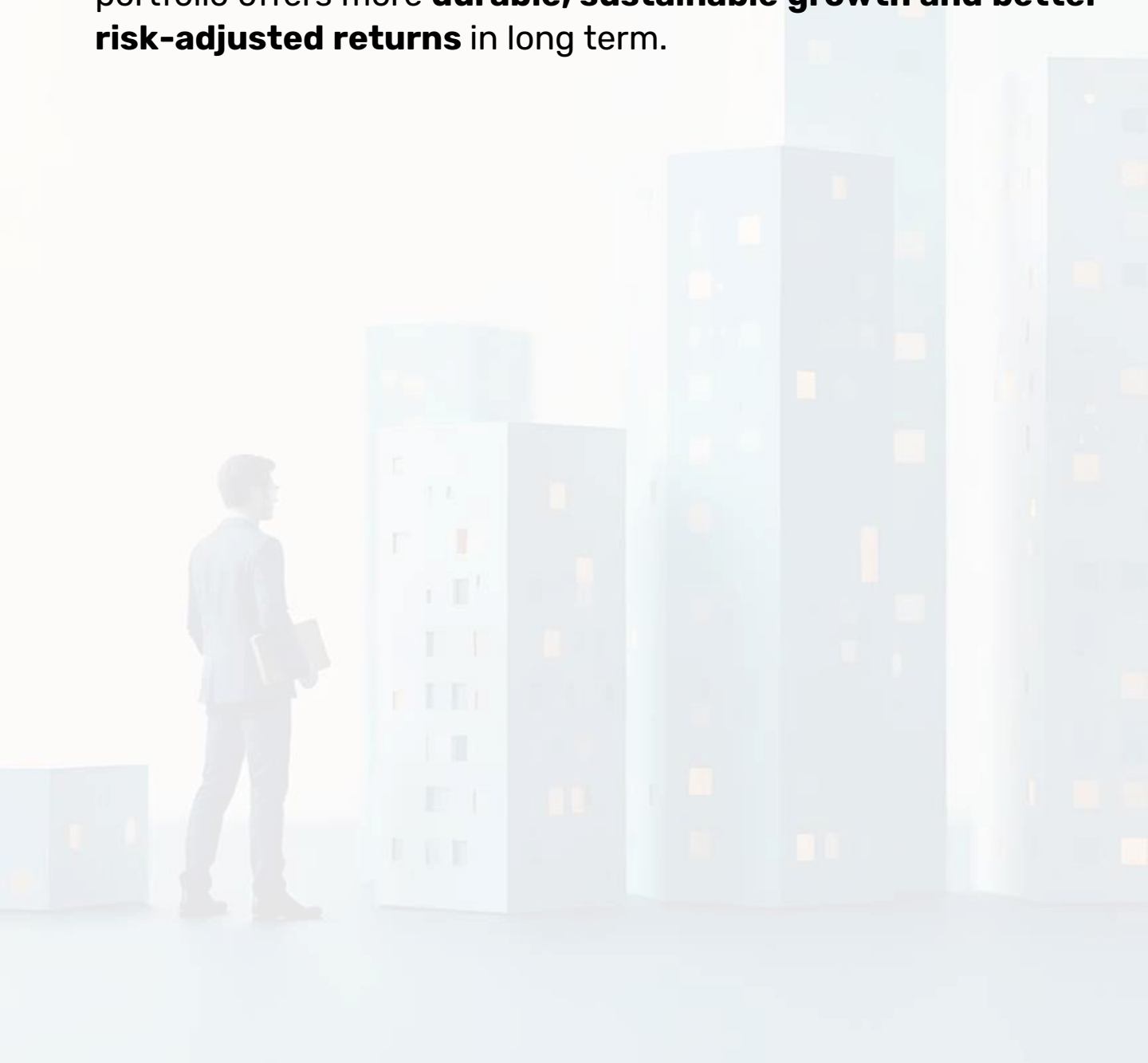
- This adjusts the PE ratio by factoring in the company's expected earnings growth rate.
- Formula: **PE Ratio / Earnings Growth Rate**.
- A PEG below 1 is often seen as good value because it suggests the stock is cheap relative to its growth.

The fund has a much lower PEG ratio (1.44) than the benchmark (2.46) **reflecting that the fund offers better value relative** to its expected growth rate. This means that fund offers better growth potential at a **more reasonable valuation** compared to the benchmark.

The above numbers for EPS, PEG and P/E ratios, ROE are calculated on the basis of the underlying components of the scheme portfolio and benchmark. This will be subject to change based on the reported numbers by the constituents of the scheme portfolio and benchmark index. Data as on 30<sup>th</sup> Nov 24 | Source: Bloomberg and Internal Analysis. Past Performance may or may not be sustained in future

## Key Highlights

- Bajaj Finserv Large and Mid Cap reflects **high-quality portfolio** with backing of **strong fundamentals**.
- The PE ratio may suggest the fund is expensive, but when considered alongside ROE and PEG, it highlights the fund's **higher growth potential at a better valuation** than the benchmark.
- In the current uncertain market, investing in a high-quality portfolio offers more **durable, sustainable growth and better risk-adjusted returns** in long term.



## Product Label

### Bajaj Finserv Large and Mid Cap Fund

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

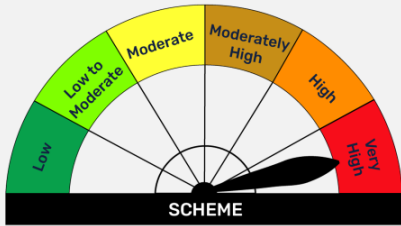
This product is suitable for investors who are seeking\*:

- 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

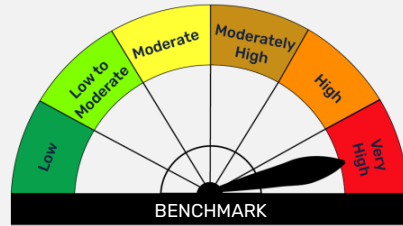
#### Riskometer

##### Scheme



The risk of the scheme is very high

##### Benchmark



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



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