

# Mirae Asset Large Cap Fund

(Large Cap Fund - An open ended equity scheme predominantly investing across large cap stocks)

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September 2021

# Contents

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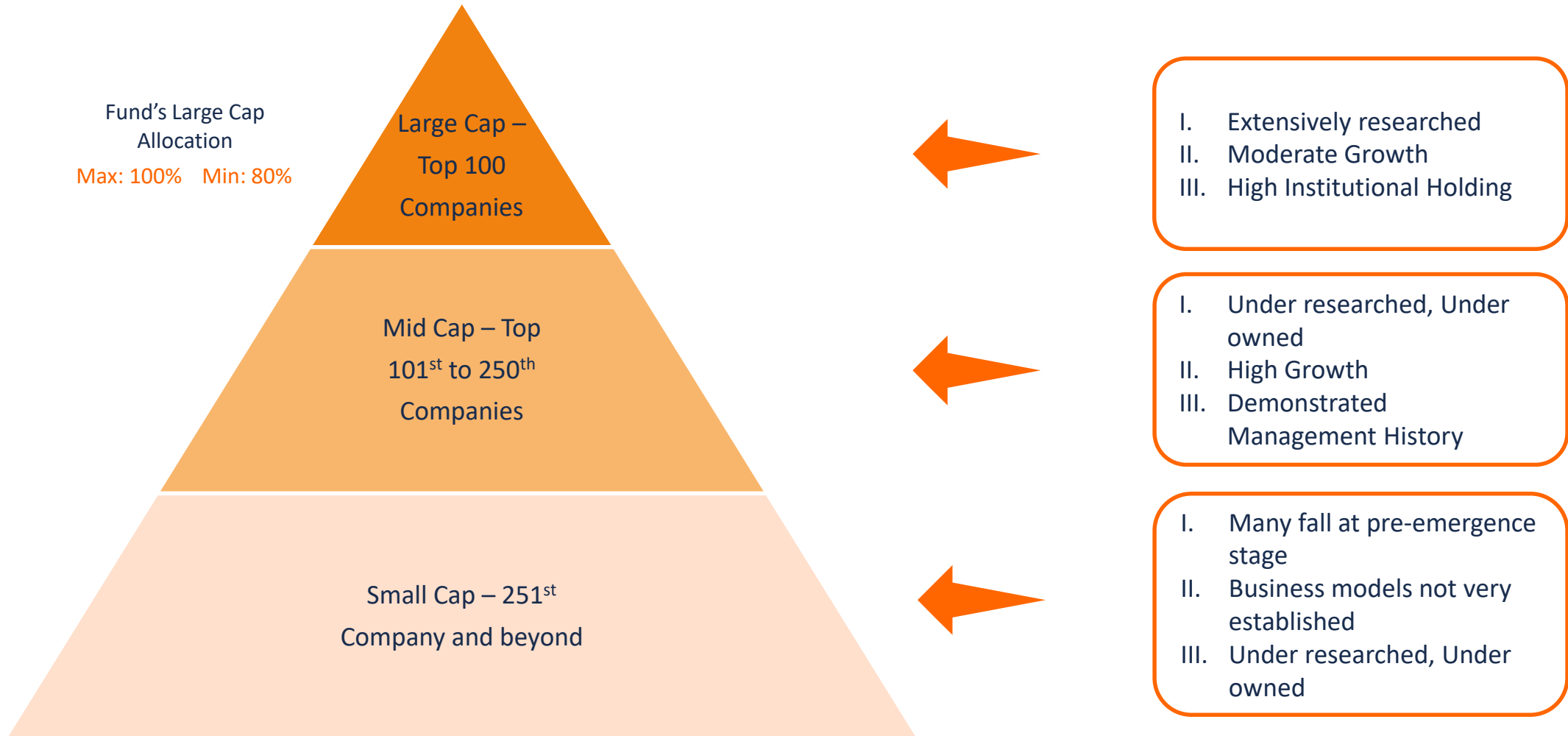
- I. Understanding Large Caps
- II. The Case For Large Cap Investing
- III. About Mirae Asset Large Cap Fund(MALCF)
- IV. Investment Process
- V. Disclaimer & Contacts

# Understanding Large Caps

Aim to identify and stay with long term wealth creators

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# Stock Universe – Market Cap Range



# A Few Generic Advantages Of Large Cap Companies



Large cap companies usually have strong balance sheet with the sector leader advantage and have a long way to go.



Large cap companies have large scale of operations (less likely to be impacted by slowdown in economic environment)



Liquidity - Large cap companies have high liquidity compared to Midcaps – Liquidity is very important while making long term investment decisions.



Large cap companies usually have low cost of capital (high capital efficiency)



Large cap companies usually have seen multiple cycles of upturns and downturns (strong competent management) high and more compliant/corporate governance standards.

# Large Cap Companies have a Long Way to Go

Top companies (each sector) by market cap in India		
Top 10 Companies	Sector	Market Cap(Lk. Crs.)
Reliance Industries	Energy	16.50
TCS Ltd	IT services	13.97
HDFC Bank Ltd	Banks	8.83
Hindustan Unilever Ltd	Consumer	6.35
HDFC Ltd	Finance	4.98
Bharti Airtel Ltd	Communication Services	3.78
Asian Paints Ltd	Materials	3.11
Larsen & Toubro Ltd	Industrial	2.39
Maruti Suzuki	Auto	2.22
Sun Pharma	Pharma	1.96

Similar top companies by market cap globally		
Top 10 Companies	Sector	Market Cap(Lk. Crs.)
Exxon Mobil Corp	Energy	18.49
Apple Inc	IT services	173.67
Bank of America Corp	Banks	26.52
Amazon.com Inc	Consumer	123.53
Berkshire Hathaway Inc	Finance	45.90
Alphabet Inc	Communication Services	132.14
Linde PLC	Materials	11.22
United Parcel Service Inc	Industrial	11.78
General Motors Co	Auto	5.68
Johnson & Johnson	Pharma	31.57

The largest of the companies in India are smaller than the largest companies globally. The Large Cap companies in India thus have a long way to go.

Market Cap of the companies are as of a specified date and may or may not change in future

The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the fund may or may not have any future position in these sector(s)/stock(s)/issuer(s).

Source: Bloomberg, Data as on 30<sup>th</sup> Sept 2021.

## Large Cap – Less Volatile Over Long Term

Benchmark	1 Year Returns (%)	Standard Deviation	3 Years Returns (%)	Standard Deviation	5 Years Returns (%)	Standard Deviation	10 Years Returns (%)	Standard Deviation
NIFTY 50 Index	50.80	18.46	19.75	26.12	15.59	21.93	13.43	20.61
NIFTY 100 Index	52.17	17.95	19.59	25.50	15.24	21.58	13.83	20.36
Nifty Midcap 100 Index	87.15	21.06	23.82	26.33	14.71	23.91	16.15	22.51
Nifty Smallcap 100 Index	96.89	20.61	24.12	27.36	12.57	26.05	12.93	25.27

Large Cap indices are usually less volatile over long term

Past performance may or may not sustain in future. The above data pertains to performance of the Index and does not in any manner indicate the performance of any individual scheme of the Fund

Source: ACEMF, Data as on 12<sup>th</sup> Oct 2021.

# The Case For Large Cap Investing

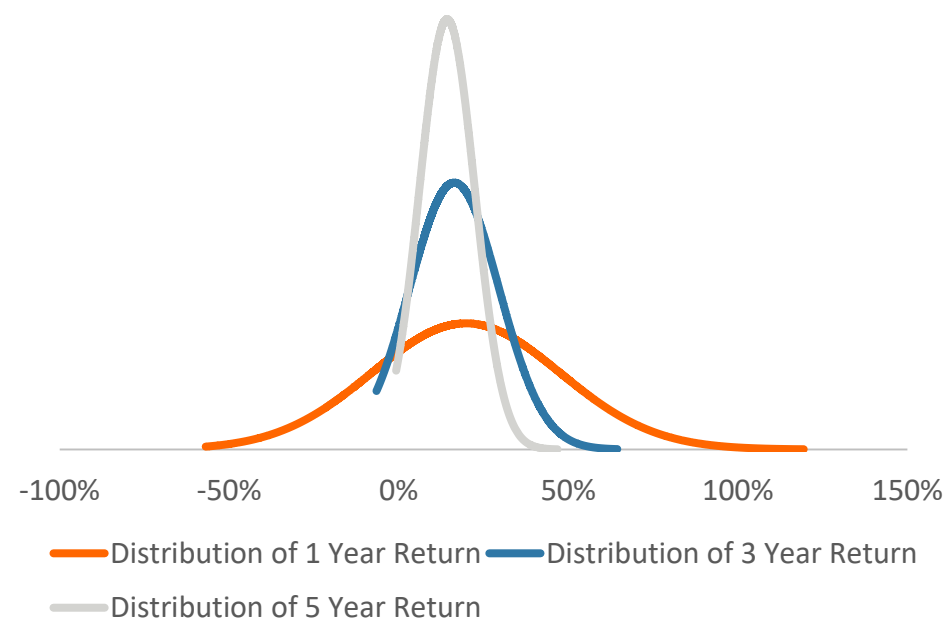
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## Investing in Large Caps During Crisis

How Large Caps Have Behaved Post Crisis			
Time Period	Date of Investment	Crisis Scenario	Next 1 Year Returns (Nifty 50 Index)
2001	30/09/2001	Attack on World Trade Centre US	11%
2002-2003	30/06/2003	SARS Outbreak	31%
2003	30/06/2003	Iraq War	31%
2004	31/05/2004	BJP Unexpectedly Loosing Elections	28%
2008	31/12/2008	Global Financial Crisis	70%
2011-12	31/12/2011	European Debt Crisis	27%
2013	28/02/2013	Taper Tantrum	7%
2016	30/06/2016	BREXIT Announcement	16%
2020	23/03/2020	Corona Virus	52%

# Nifty 100 TRI Returns Distribution – Rolling Return



Rolling Return Distribution (%CAGR)			
	1 Year Returns	3 Year Returns	5 Year Returns
Minimum	-56.9%	-6.5%	-0.7%
Maximum	119.4%	64.5%	46.8%
Negative Returns	17.3%	3.2%	0.1%
Positive Returns	82.7%	96.8%	99.9%
Median Returns	16.8%	12.7%	13.6%

Over a Longer Term Horizon the disparity in positive and negative returns are mostly minimized. Staying Invested over a long time horizon leads to more possibility of generating a positive return.

Source: Internal and ACEMF, Data as on 12<sup>th</sup> Oct 2021. Data From 02<sup>nd</sup> April 2004 to 12<sup>th</sup> Oct 2021. Past performance may or may not sustain in future. The return are of Nifty 100 Index.  
The data represents 1 Year/3 years/5 years rolling returns since the inception of the benchmark. minimum and maximum returns denote the 1 Year, 3 Year or 5 Year CAGR return generated in the Nifty 100 TRI Index. The positive and negative returns represents the percentage times the Nifty 100 TRI Index generated a positive or negative returns.

# Analyzing the Large Cap Index Through Ratios

Sharpe Ratio			
Time Period	Nifty 100 Index	Nifty Midcap 100 Index	Nifty Small Cap 100 Index
1 Year	0.17	0.22	0.25
3 Year	0.05	0.06	0.06
5 Year	0.05	0.04	0.03
10 Year	0.04	0.05	0.04

Standard Deviation			
Time Period	Nifty 100 Index	Nifty Midcap 100 Index	Nifty Small Cap 100 Index
1 Year	17.95%	21.60%	20.61%
3 Year	25.50%	26.33%	27.36%
5 Year	21.58%	23.91%	26.05%
10 Year	20.36%	22.51%	25.27%

Source: Bloomberg, Data as on 12<sup>th</sup> Oct 2021. Past performance may or may not sustain in future. For Risk Free Rate Crisil 1 Year Tbill Has been Considered.

# Portfolio Psychographics - Mirae Asset Large Cap Fund

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# Investment Framework

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Invests > 80% in large cap stocks (Top 100 companies by market capitalization).



The fund aims to combine consistency of large caps with few conviction midcap ideas (upto a max of 20%).



The investment approach is centered around participating in high quality businesses upto a reasonable price and holding the same over an extended period of time.



The fund tries to identify companies which have sustainable competitive advantage – stocks which has strong pricing power and are sector leaders.

# Mirae Asset Large Cap Fund (MALCF)

## Investments in Fund

Invests minimum 80% in large cap stocks

## Investment Framework

- Fund has flexibility to invest across sectors and themes
- Aims to combine consistency of large caps with few conviction midcap ideas

## Why Mirae Asset Large Cap Fund?

Large cap funds aims to provides stable returns with low risk and high liquidity compared to other equity funds.

## Fund Manager

Mr. Gaurav Misra

Mr. Gaurav Khandelwal

### Fund Inception

04 April 2008

### Benchmark

Nifty 100 (TRI)

### Goal



Wealth  
Creation

### Ideal Investment Horizon



3+  
Years

### Risk Profile



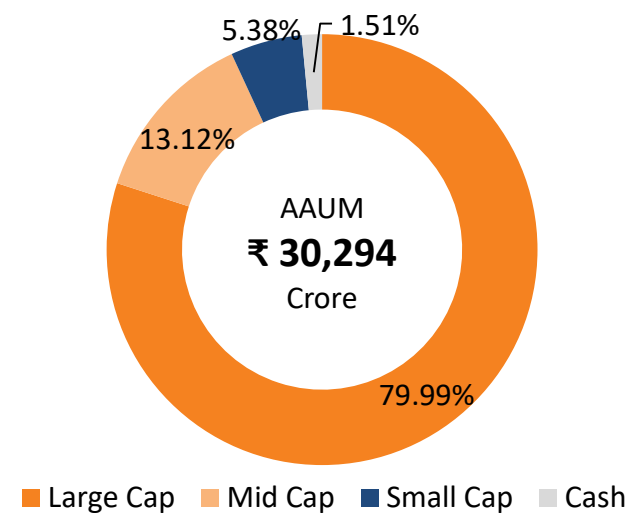
Aggressive

# Portfolio Psychographics

Portfolio Top 10 holdings	% Allocation
Infosys Limited	8.78%
HDFC Bank Limited	8.65%
ICICI Bank Limited	7.96%
Reliance Industries Limited	6.78%
Axis Bank Limited	4.60%
State Bank of India	4.28%
Tata Consultancy Services Limited	3.81%
Bharti Airtel Limited	3.38%
Hindustan Unilever Limited	2.39%
Larsen & Toubro Limited	2.25%
Other Equities	45.61%
Equity Holding Total	98.49%
Cash & Other Receivables	1.51%
<b>Total</b>	<b>100.00%</b>

Concentration	% Allocation
Top 10	53%
Top 20	69%
Top 30	80%
Top 40	89%

Current Allocation



Source: Bloomberg, Data as on 30<sup>th</sup> Sept 2021. Classification as per SEBI circular (SEBI/HO/IMD/DF3/CIR/P/2017/114) dated October 6th, 2017, the universe of "Large Cap" shall consist of Top 100 company in terms of full market capitalization, "Mid Cap" shall consist of 101st to 250th company in terms of full market capitalization and "Small Cap" shall consist of 250th company onwards in terms of full market capitalization

## Sector Allocation

Portfolio Top 10 Sectors^	% Allocation
Banks	25.92%
Software	15.01%
Petroleum Products	8.26%
Pharmaceuticals	5.90%
Consumer Non Durables	5.35%
Consumer Durables	5.33%
Auto	4.66%
Finance	4.41%
Insurance	4.10%
Telecom - Services	3.38%
Other Sectors	16.18%

Concentration	% Allocation
Top 3	49%
Top 5	60%
Top 10	82%



# Mirae Asset Large Cap Fund's 13 Year Journey

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## Performance of MALCF During Various Market Cycles

Scenario	MALCF	NIFTY 100 - TRI	Nifty Midcap 100 - TRI	Nifty Smallcap 100 - TRI
Sub-Prime Crisis(Apr '08-Mar-'09)	-34.7	-37.9	-46.2	-58.4
Recovery post Sub-prime crisis (Apr '09-Dec '10)	127.1	83.8	129.4	122.8
European Crisis (Jan'11-June'13)	12.0	6.0	-7.3	-19.3
Post European Crisis (Jul'13-Feb'15)	88.0	57.1	60.4	114.9
China Slowdown (Mar'15-Feb'16)	-13.9	-16.5	-11.1	22.4
Global liquidity and domestic reforms (Mar'16-Dec'17)	55.9	40.3	65.7	86.2
Global trade war concerns(Jan'18 - Dec'19)	9.5	7.7	-17.7	-33.8
Before Corona Virus Pandemic(Dec'20-Mar'20)	-28.5	-28.8	-31.6	38.4
Post Pandemic Recovery(Mar'20 – Oct'21)	61.8	65.3	93.7	109.8

Source: ACEMF, Data as on 12<sup>th</sup> Oct 2021. Past performance may or may not sustain in future. The return are of MALCF Vs Nifty 100 TRI & Nifty Midcap 100 TRI For performance in SEBI format refer slide 25. Above Returns are in %

## Consistent Dividends Across Time Frames

Record Date	Rate of Dividend (per unit)	Face Value
23-Mar-21	1.65	21.616
16-Dec-19	1.50	18.902
06-Dec-18	1.60	18.697
12-Mar-18	2.00	19.938
24-Jul-17	1.70	19.049
26-Jul-16	1.50	17.922
11-Mar-16	1.35	16.616
13-Feb-15	1.60	19.709
27-Jan-14	1.20	13.196
14-Mar-13	1.40	13.559
22-Mar-12	1.50	13.376
10-Dec-10	1.50	13.978

\*Past Performance may or may not sustained in future.

Pursuant to payment of dividend the NAV of the dividend option of the scheme will fall to the extent of payout and statutory levy (if applicable). Dividend history is for MALCF - Regular Plan – Dividend Option

# Mirae Asset Large Cap Fund – SIP Report Card

## Systematic Investment Plan (SIP)

	Since Inception	10 Years	7 Years	5 Years	3 Years
Total Amount Invested	1,620,000	1,200,000	840,000	600,000	360,000
MKT Value as on 30 <sup>th</sup> Sept, 2021	6,054,221	3,073,399	1,573,531	983,140	540,183
Fund Return (%)	18.12	18.14	17.65	19.85	28.23
Benchmark Returns	14.96	15.91	17.19	20.18	28.91
Add. Benchmark Return	14.86	15.94	17.73	21.07	28.65

Past Performance may or may not be sustained in future.

The above table shows performance since inception for Mirae Asset Large Cap Fund - Regular Plan - Growth Option.

For computation of since inception returns (%) the allotment NAV has been taken as RS. 10.00. The data is as on 30th Sept 2021

The SIP returns are calculated by XIRR approach assuming investment of 10,000/- on the 1st working day of every month.

# Investment Process

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# Investment Team Structure

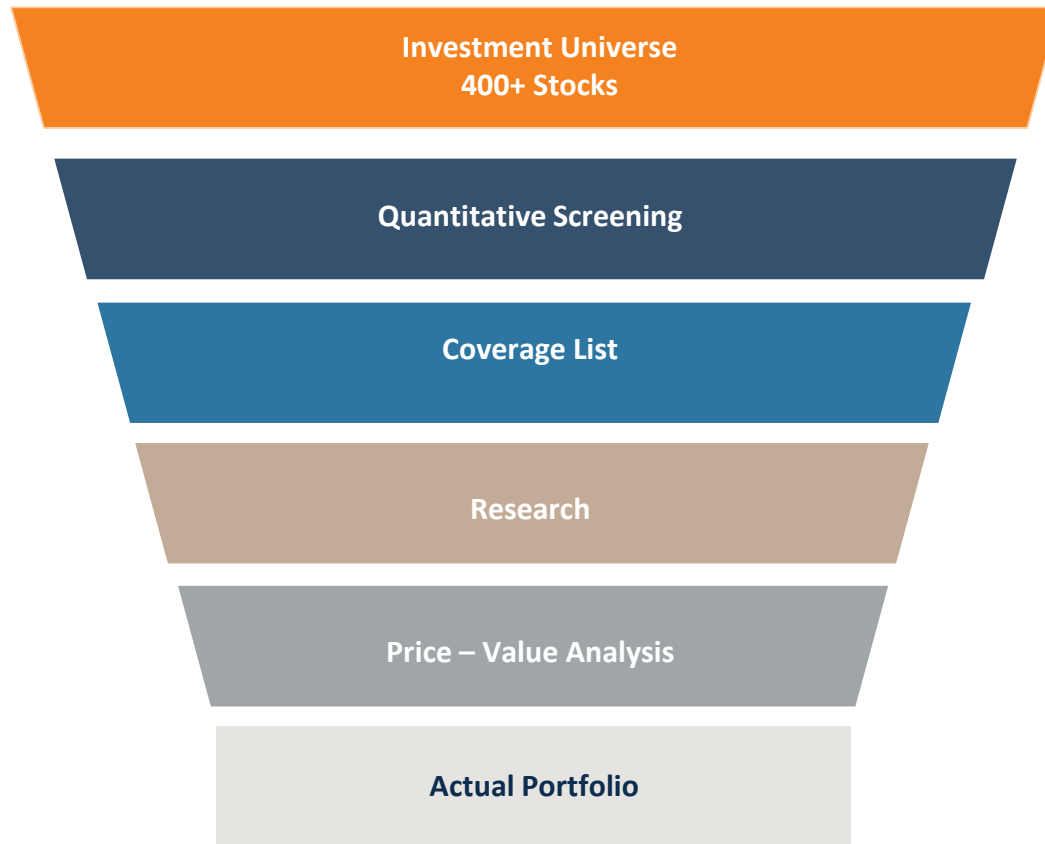
## Investment

<b>Neelesh Surana</b>	<b>Gaurav Misra</b>	<b>Harshad Borawake</b>	<b>Ankit Jain</b>	<b>Vrijesh Kasera</b>
Chief Investment Officer	Co-Head – Equity	Head of Research Energy, Metals	Fund Manager Consumer Staples	Fund Manager Healthcare

## Research

<b>Bharti Sawant</b>	<b>Jignesh Rao, Jigar Sethia</b>	<b>Gaurav Khandelwal</b>	<b>Siddhant Chhabria</b>	<b>Gaurav Kochar</b>	<b>Tanmay Mehta</b>
Associate Fund Manager and Sr. Research Analyst Infra & New commerce	Fund Manager's & Dealer's	Associate Fund Manager and Sr. Research Analyst IT, Automobile & Cement	Associate Fund Manager and Research Analyst Consumer Discretio nary	Associate Fund Manager and Research Analyst	Research Analyst Chemicals

## Investment Process – Equity



### Quantitative Screening

- Management Quality
- Earnings Growth
- Return on Investment
- Size, Liquidity and Benchmark

### Extensive Primary Research

- Management Meetings
- Detailed financial models
- Market intelligence: Dealer checks, Plant visits, industry experts
- Broker Support

### Considerations for Portfolio Construction

- Analyst recommendation
- Valuation screener
- Benchmark, Liquidity, etc..
- Risk Parameters

Our focus is on extensive 'Primary research'

## Investment Philosophy – Stock Selection



Our portfolio strategy is centered around participating in high quality growth businesses,  
upto a reasonable price and holding the same over an extended period



# Annexure

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# Mirae Asset Large Cap Fund – Lumpsum Report Card

## Lump sum Investment

Period	Returns(%)		
	MALCF	Nifty 100 TRI*	S&P BSE Sensex TRI**
Last 1 year	54.31	58.51	56.96
Last 3 years	18.62	18.34	19.03
Last 5 years	16.82	16.49	17.6
Since Inception	16.59	12.26	12.06
Value of Rs. 10000 invested (in Rs.) Since Inception*	79,380	47,642	46,490
NAV	79.38		
Index Value	Index Value of Nifty 100 (TRI) is 23410.48 and S&P BSE Sensex (TRI) is 88090.42		
Date of allotment	4 April, 2008		

Past Performance may or may not be sustained in future.

Note:1. Different Plans under the scheme has different expense structure. The reference and details provided herein are of Regular Plan - Growth Option

2. Fund manager :Mr. Harshad Borawake (since May 01, 2017 till October 17, 2021) and Mr. Gaurav Misra (since January 31, 2019) and Gaurav Khandelwal (since October 18, 2021)

## Performance of other funds managed by the same fund manager

	<b>Fund AUM/Date of Allotment</b>	<b>6 Months (Return in %)</b>	<b>1 Year (Return in %)</b>	<b>3 Year (Return in %)</b>	<b>5 Year (Return in %)</b>	<b>Since Inception (Return in %)</b>	<b>Value of Rs. 10000 invested (in Rs.) Since Inception</b>
Mirae Asset Hybrid Equity Fund	3,468	NA	44.26	17.04	14.71	13.62	22,013
CRISIL Hybrid 35+65 -Aggressive Index*	29 <sup>th</sup> July, 2015	NA	39.66	16.97	14.17	13.07	21,357
S&P BSE Sensex (TRI)**		NA	56.96	19.03	17.6	14.53	23,118
Mirae Asset Focused Fund	2,921	NA	63.89	NA	NA	32.23	19,463
Nifty 200 Index (TRI)*	14 <sup>th</sup> May, 2019	NA	61.08	NA	NA	23.44	16,518
S&P BSE Sensex (TRI)**		NA	56.96	NA	NA	22.82	16,323
Mirae Asset Equity Savings Fund	92	NA	26.02	NA	NA	14.26	14,504
Nifty Equity Savings Index*	18 <sup>th</sup> Dec, 2018	NA	21.83	NA	NA	11.89	13,678
S&P BSE Sensex (TRI)**		NA	3.88	NA	NA	7.86	12,351
Mirae Asset Banking and Financial Services	774.03	29.41	NA	NA	NA	33.67	NA
Nifty Financial Services Index (TRI)*	11 <sup>th</sup> Dec 2020	33.94	NA	NA	NA	34.47	NA
S&P BSE Sensex (TRI)**		40.37	NA	NA	NA	37.83	NA

Past Performance may or may not be sustained in future.  
Please refer to disclaimer on slide 27.

## Disclaimer

**Statutory Details:** Trustee: Mirae Asset Trustee Company Private Limited; Investment Manager: Mirae Asset Investment Managers (India) Private Limited (AMC); Sponsor: Mirae Asset Global Investments Company Limited.

The information contained in this document is compiled from third party and publically available sources and is included for general information purposes only. There can be no assurance and guarantee on the yields. Views expressed by the Fund Manager cannot be construed to be a decision to invest. The statements contained herein are based on current views and involve known and unknown risks and uncertainties. Whilst Mirae Asset Investment Managers (India) Private Limited (the AMC) shall have no responsibility/liability whatsoever for the accuracy or any use or reliance thereof of such information. The AMC, its associate or sponsors or group companies, its Directors or employees accepts no liability for any loss or damage of any kind resulting out of the use of this document. The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein. Any reliance on the accuracy or use of such information shall be done only after consultation to the financial consultant to understand the specific legal, tax or financial implications.

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

For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC: [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

## Please consult your financial advisor before investing

Note: \$ For computation of since inception returns (%) the allotment NAV has been taken as Rs. 1000.00 for MACMF, MASF & MAOF and Rs. 10.00 for all other Schemes. In case, the start / end date of the concerned period is a non-business date (NBD), the NAV of the previous date is considered for computation of returns.

Returns (%) for less than 1 year calculated on simple annualized basis.

The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. CAGR - Compounded Annualised Growth returns. NAV (per unit) is at the end of the period.

\*Scheme Benchmark \*\*Standard benchmark prescribed as per the applicable SEBI circular.

Different Plans under the scheme has different expense structure. The reference and details provided herein are of Regular Plan - Growth Option.

MAFF : Mr. Gaurav Misra managing the scheme since May, 2019

MABFSF: Mr. Harshad Borawake managing the scheme since 11th December, 2020 & Mr. Gaurav Kochar since 11th December, 2020.

1. MAHEF : Mr. Harshad Borawake (Equity Portion) (April 01, 2020), Vrijesh Kasera (Equity Portion) (Since April 01, 2020) & Mr. Mahendra Jajoo (Debt Portion) (since September 08, 2016)

2. MAESF : Mr. Harshad Borawake (since October 12, 2019), Mr. Vrijesh Kasera (since October 12, 2019), Ms. Bharti Sawant (since December 28, 2020) and Mr. Mahendra Jajoo (Debt Portion) (since December 18, 2018)

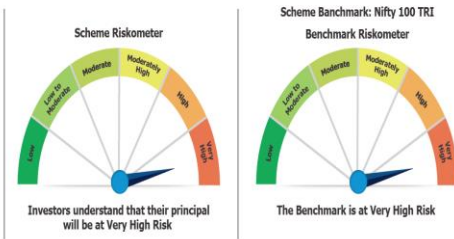
# Product Label

## PRODUCT LABELLING

Mirae Asset Large Cap Fund is suitable for investors who are seeking\*

- To generate long term capital appreciation / income
- Investment predominantly in Large Cap companies

\*Investors should consult their financial advisers if they are not clear about the suitability of the product.

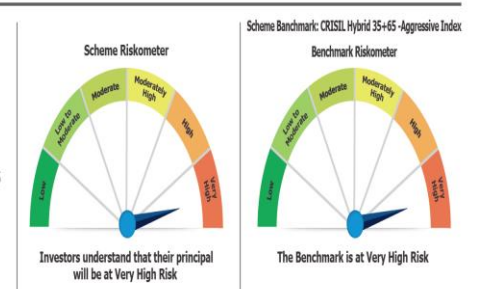


## PRODUCT LABELLING

Mirae Asset Hybrid Equity Fund is suitable for investors who are seeking\*

- Capital appreciation along with current income over long term
- Aggressive hybrid fund investing predominantly in equities & equity related instruments with balance exposure to debt & money market instruments

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.

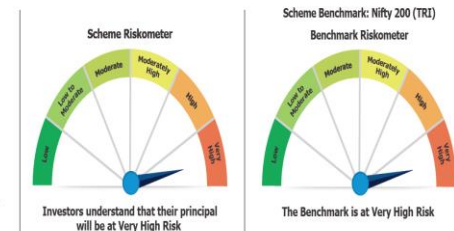


## PRODUCT LABELLING

Mirae Asset Focused Fund is suitable for investors who are seeking\*

- To generate long term capital appreciation/income
- Investment in a concentrated portfolio of equity & equity related instrument of up to 30 companies across large, mid and small cap category

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.

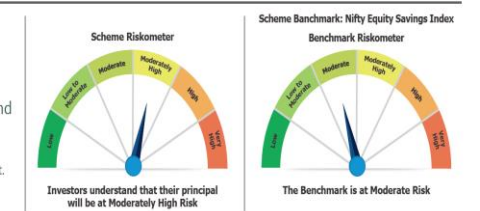


## PRODUCT LABELLING

Mirae Asset Equity Savings Fund is suitable for investors who are seeking\*

- Capital appreciation and income distribution
- Investment in equity and equity related instruments, arbitrage opportunities and debt & money market instruments

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.

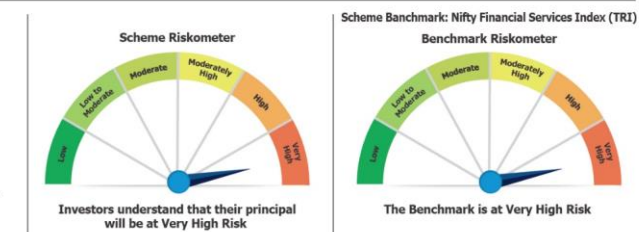


## PRODUCT LABELLING

Mirae Asset Banking and Financial Services Fund is suitable for investors who are seeking\*

- To generate long term capital appreciation
- Investments predominantly in equity and equity related securities of companies in banking and financial services sector in India

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.



THANK YOU

