

MF Tracker: How Edelweiss Large Cap Fund logged positive returns in last 10 calendar years

By Surbhi Khanna, Published on: 25th June 2026



Edelweiss Large Cap Fund a large cap fund managed by Radhika Gupta led Edelweiss Mutual Fund has never delivered negative returns in the last 10 years, according to an analysis by ETMutualFund..

The analysis further showed that in the last 10 calendar years, the lowest return that the fund gave was 0.40% in 2016 and the highest was 33.80% in 2017.

Launched on May 20, 2009, the fund is assigned three star rating by Value Research and Morningstar. Based on the trailing returns, since its inception the fund has delivered a CAGR of 13.07%. The fund has failed to outperform its benchmark and category average in a shorter time period but outperformed in the longer horizon. In the last three months, the fund delivered a return of 7.56% compared to 8.30% by the benchmark and 8.58% by the large cap category.

In the last six months, the fund delivered a negative return of 6.04% against a loss of 6.23% by the benchmark and a negative average of 5.48% by the category. In the last one year, the fund delivered a negative return of 2.21% against a loss of 1.26% by the benchmark and a negative average return of 1.54%.

In the last three years, the fund delivered a return of 10.81% against 11.43% by the benchmark and 11.58% by the category average. In the last five years, the fund delivered a return of 10.75% against 10.57% by the benchmark and 10.32% as the category.

The fund delivered a return of 12.41% in the last 10 years against 12.85% by the benchmark and 11.78% as the category average.

What does the fund house say on the performance?

Vishal Dhawan, Founder & CEO, Plan Ahead Wealth Advisors shared with ETMutualFunds that the fund uses a structured FACTOR investment strategy that prioritizes active risk management to control volatility and it applies specific filters to construct a quality investible universe before selecting individual stock

“This screening process could help in protecting capital by systematically excluding companies with problematic accounting quality or weak ownership backgrounds. Portfolio construction incorporates Growth at a Reasonable Price (GARP) and Quality at a Reasonable Price (QARP) factor.”

Dhawan further said that this methodology prevents the fund managers from overpaying for earnings growth during periods of market exuberance. Consequently, the fund establishes an entry price cushion that helps manage downside risks during volatile market phases.

In the end, Dhawan said that quantitative parameters are evaluated dynamically to keep the investment model responsive to changing macroeconomic realities, the portfolio maintains an active share of 31.60% to ensure meaningful differentiation from the NIFTY 100 TRI benchmark and continuous factor updates have helped the fund protect capital and avoid negative calendar-year returns over ten-year trailing periods.

SIP and lumpsum investments

If an investor invested Rs 10,000 via SIP in the fund at the time of its inception, the current value would have been Rs 65.73 lakh with an XIRR of 12.40%. If the same investment was done five years ago, the value would have been Rs 7.43 lakh with an XIRR of 8.56%.

The same monthly investment done three years ago would have been Rs 3.80 lakh with an XIRR of 3.74%.

A lumpsum investment of Rs 1 lakh made in the fund at the time of inception would have been Rs 8.17 lakh now with a CAGR of 13.07%. The same lumpsum investment made five years ago would have been Rs 1.65 lakh with a CAGR of 10.62%. The same investment made three years ago would have been Rs 1.36 lakh with a CAGR of 10.81%.

Being a large cap fund, the fund holds 79.8% in large caps, 15.41% in mid caps, 1.5% in small caps, and 3.29% in others. In comparison to the large category, the fund is overweight on mid caps.

This large cap fund has the highest allocation in banks of around 23.71%, followed by 10.05% in automobiles & ancillaries.

Sectors and themes - core part of portfolio

Dhawan said that Financial services form a major allocation of the portfolio, representing 30.52% of total assets. The fund positions in this sector to capture possible credit growth acceleration within the domestic economy.

He further said that Healthcare serves as a notable overweight sector for the fund, with an allocation of 9.98% compared to the benchmark's 4.89%, Capital goods and construction are combined to form an important component, totalling 10.83% of the fund's assets, and National priority shifts toward achieving energy security act as a driver for the fund's utility and material allocations.

The PE and PBV ratio of the large cap fund were recorded at 33.57 times and 7.78 times respectively whereas the dividend yield ratio was recorded at 1.40 times as of May 2026.

ETMutualFunds analysed the other key ratios of the fund in a three year period. Based on the last three years, the scheme has offered a Treynor ratio of 0.64 and an alpha of (0.01). The sortino ratio of the scheme was recorded at 0.30.

The return due to net selectivity was recorded at (0.02) and return due to improper diversification was recorded at 0.006 in the last three years.

A report by Tata Mutual Fund showed that Nifty is now trading at a reasonable PE of 21x and with earnings growth of 15-17% visible next financial year. This sets the tone for better equity returns in the next 12-18 months. Midcap and small cap premium has come down but risk reward and flows will still favor large caps more.

Current valuation metrics suggest the relative attractiveness of large caps over mid and small caps as they offer better risk-reward, the report further said.

Time to choose large caps?

Dhawan said that valuation figures demonstrate that large-cap stocks currently trade at a small premium relative to their long-term historical average. This modest deviation indicates that large-cap stock prices remain close to their standard historical parameters. Consequently, this relative price stability highlights their favourable positioning compared to extended mid & small caps.

He further said that in contrast, mid-cap and small-cap stocks continue to trade at substantial valuation premiums over their historical averages and these valuation disparities support a defensive asset deployment strategy within the primary investment portfolio.

Others in large cap basket

Around 27 large cap funds have completed five years of existence in the market of which Nippon India Large Cap Fund delivered the highest return of 15.29% and Axis Large Cap Fund delivered the lowest return of 7.02% in the last five years.

ICICI Pru Large Cap Fund, the largest large cap fund based on assets managed, delivered a return of 13.35% in the last five years.

Commenting on the outlook for large caps, Dhawan said that the medium-term outlook for large-cap capital goods and infrastructure remains positive as country-wide manufacturing plans mature and large corporate entities are expected to receive steady revenue inflows from long-term infrastructure rebuilds. He further said that renewable energy and energy-transition infrastructure are expected to drive growth over the next few years, improving credit growth could support earnings growth for large private sector banks and AI adoption and enterprise technology spending are likely to create long-term growth opportunities for Indian IT companies.

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