Bandhan Mutual Fund
Badhte Raho

A fund that tunes to Market's rhythm.

Introducing

Bandhan Multi-Factor Fund

(An open ended equity scheme investing based on an adaptive and evolving multi-factor quantitative model theme)

NFO Opens: **10th July 2025**
NFO Closes: **24th July 2025**

What is Multi-Factor Investing?

Single-factor portfolios target specific exposure, but short-term returns can be unpredictable as factors fluctuate with market cycles, requiring strong conviction for allocation decisions.

A multi-factor strategy combines factors like Momentum, Alpha, Low Volatility, Value, and Quality, reducing the risk of underperformance from relying on a single factor. This approach may also deliver higher risk-adjusted returns.

Introducing Bandhan Multi-Factor Fund

Bandhan's Multi-Factor Strategy is **a data-backed investment strategy** that focuses on selecting core factors like **quality, value, momentum and low volatility.** By **blending multiple factors** that perform differently in different market environments, this strategy will endeavor to **mitigate concentration risk and enhances overall portfolio stability**. The commonly used metrics in each of the core factors are as follows:

Momentum
Price Momentum, Earnings Momentum

Value
Interest Rate Value, Relative Value, Valuation Ratios

Low Volatility
Sharpe Ratio, Sortino Ratio, Realized Volatility

Quality
Earnings Quality, Sales and Earnings Growth, and Balance Sheet Strength

Disclaimer: The above-mentioned list is not exhaustive.

Methodology: A Holistic Framework for Factor Selection

Universe
Primary focus on top 250 companies across large and mid-cap segments

Factor Scoring
Every stock is scored based on Momentum, Value, Low Volatility, and Quality factors

Factor Selection
Identify and shortlist the most effective factor combinations based on their scores

Stock Scoring
Compute final score for each stocks across the shortlisted factors

Portfolio Construction
Build a portfolio of around 50–65 stocks, weighted by its score and risk management framework

Portfolio rebalancing will be done on a monthly basis by the investment team.

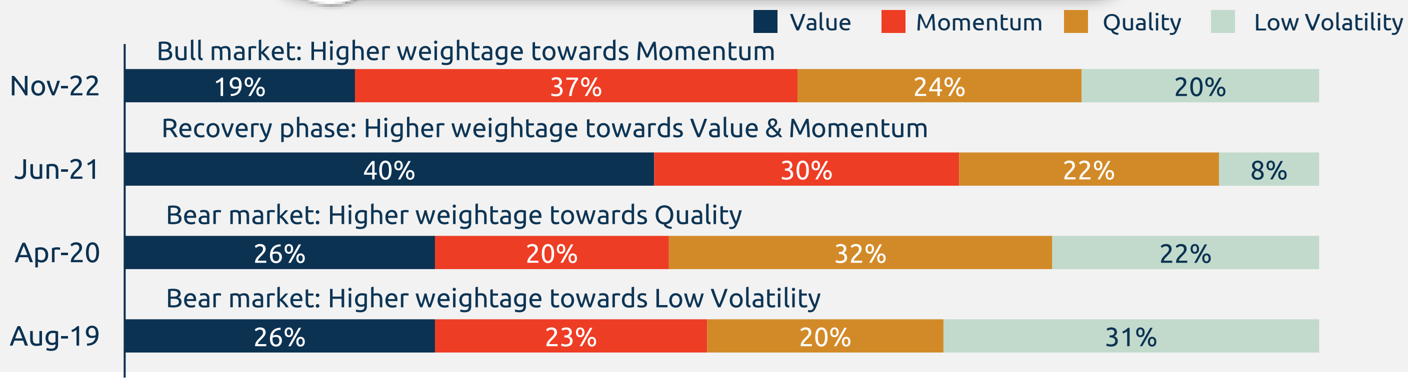
Outperformance over broad based indices

Parameter	Periodicity	Nifty 100 TRI	Large Cap Category Average	Nifty Large Mid Cap 250 TRI	Large & Mid Cap Category Average	BSE 200 TRI	Quant Funds Category Average	Multi Factor Allocation Model
Average Rolling Returns	1 year	15.0%	16.5%	18.2%	20.2%	16.1%	17.1%	27.0%
	3 year	14.0%	14.0%	16.2%	18.1%	14.8%	13.9%	24.1%
	5 year	13.9%	13.8%	15.9%	17.7%	14.7%	13.4%	23.6%
Average Volatility	1 year	17.2%	16.4%	21.2%	19.8%	18.3%	18.4%	22.5%
	3 year	5.1%	5.3%	7.4%	6.8%	5.8%	5.6%	7.5%
	5 year	4.2%	4.3%	5.7%	5.0%	4.7%	5.8%	6.1%
Risk Adjusted Return	1 year	0.9	0.6	0.5	1.0	0.5	0.9	0.9
	3 year	2.7	1.3	1.2	2.7	2.6	2.5	3.2
	5 year	3.3	1.6	1.6	3.5	3.1	2.3	3.9

The model has shown better risk-adjusted returns than broad based market indices and category averages

Past performance may or may not be sustained in the future. Source: NSE, BSE, MFI. The following indices are used- Momentum- Nifty 500 Momentum 50 TRI, Low Volatility- Nifty 500 Low Volatility 50 TRI, Quality- Nifty 500 Quality 50 TRI and Value- Nifty 500 Value 50 TRI. Performance results may have inherent limitations, and no representation is made that any investor will or is likely to achieve. The factor allocation model has been back tested since 1-Jan-2015 till 31-May-2025. The model is adaptive in nature as it is updated with incoming data. The performance of the internal model does not represent the performance of the scheme. Actual allocation and investing experience may vary. Portfolio will be managed as per the stated investment objective, investment strategy, asset allocation in the scheme information document (SID) and is subject to the changes within the provisions of the SID of the scheme. The illustrations of in-house proprietary factor model are for understanding the working of the model. Category average returns have been calculated using direct plans. TRI: Total Return Index. Above mentioned returns are absolute in nature.

Dynamic Factor Allocation by Market Phase



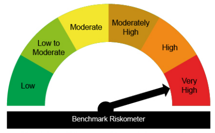
Is This Strategy Right For You?

You may consider investing if:

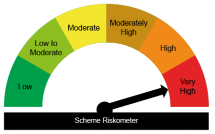
- You're looking to invest in a **differentiated factor-driven approach**
- You're looking for investing in **large and mid-cap stocks**
- You're looking for a relatively **better risk adjusted returns**

Benchmark	BSE 200 TRI	**Fund Manager**	Equity portion: Mr. Rishi Sharma Debt portion: Mr. Brijesh Shah	**Exit Load**	• If redeemed / switched out within 30 days from the date of allotment: 0.50% of the applicable NAV • If redeemed / switched out after 30 days from date of allotment – Nil

Minimum Application Amount	**Lumpsum purchase** - Rs. 1000/- and in multiples of Re. 1/- thereafter Additional purchase – Rs. 1000/- and any amount thereafter; **Repurchase/Redemption** - Rs. 500/- or the account balance of the investor, whichever is less **SIP** - Rs. 100/- and in multiples of Re. 1 thereafter [Minimum 6 installments] **SWP** - Rs. 200/- and any amount thereafter; STP - Rs. 500/- and any amount thereafter



The risk of the benchmark is very high.
As per AMFI Tier I Benchmark
i.e. BSE 200 TRI



The risk of the scheme is very high.
Investors understand that their
principal will be at Very High risk

Bandhan Multi-Factor Fund

(An open ended equity scheme investing based on an adaptive and evolving multi-factor quantitative model theme)

This product is suitable for investors who are seeking*:

- Create wealth over a long term.
- Investment predominantly in equity and equity related instruments based on an adaptive and evolving quantitative model.

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

Distributed by:

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