



Bandhan Sterling Value Fund^{\$}

An open ended equity scheme following a value investment strategy

Bandhan Sterling Value Fund is a value focused investment strategy and follows a Flexi-cap approach in identifying value opportunities across market cap segments.

- The fund follows a market cap and benchmark agnostic approach.

To identify value opportunities, the Fund looks at a variety of relative valuation tools including ratios such as Enterprise Value (EV)/Sales ratio, Operating cash flow (OCF)/EV, and Price/Book (P/B).

FUND PHILOSOPHY*

The focus of Bandhan Sterling Value Fund has been on building a portfolio of Leader/Challengers and Emerging businesses with an emphasis on bottom up stock selection. As part of the current strategy, the portfolio looks to build on the leaders/challengers – these are the market leaders in the Non-Nifty sectors (like Tyres, Bearings) or Top Challengers in the Nifty sectors (such as FMCG, Banks). The key parameters that we look at while selecting the companies here are low debt to operating cash flow and ROIC (Return on Invested Capital) greater than the Cost of Capital (CoC). The other part of the portfolio focuses on the Emerging Businesses. These are businesses in down cycles or where scale is yet to be achieved or where companies can fund growth without repeated dilutions. Many a times, earnings do not capture fair value of the businesses in down cycles or that are yet to achieve scale and hence popular ratios such as P/E ratio might not be the relevant metric to value the company. Thus, we believe that a better parameter for relative value evaluation could be the Enterprise Value (EV)/Sales ratio & Price/Book (P/B). We also filter stocks for Sustained improvement in RoE (Return on Equity) and RoCE (Return on Capital Employed) and those with Earnings Growth higher than Nifty. This segregation helps in easy management of risk & liquidity aspects of the portfolio.

OUTLOOK

How it went:

Global equities gained sharply across regions (MSCI World +5.9% MoM / +14.0% YTD). MSCI Brazil was the leader during the month (+14.8% MoM), outperforming MSCI World and other country indices by more than 5%. MSCI India (\$ Index) rose +4.5%, outperforming the region and its peers. India continues to outperform its region and peers and has bounced back strongly over the past 3 months; it is also holding up well on a 3-year basis.

How do we look ahead:

From a macroeconomic perspective, India is in a sweet spot. The external account benefits from the fall in energy prices and strong services exports, while growth remains steady despite global headwinds. From a flow perspective, India has benefited from two trends – the weakening of the dollar and China's disappointing growth, which has the highest weight in the emerging markets index leading to India getting a more significant share in emerging market flows. These trends are likely to continue in the near term, and while valuations are not cheap, we believe that the favourable macro keeps the market reasonably attractive.

^{\$}With effect from 13th March 2023, the name of "IDFC Sterling Value Fund" has changed to "Bandhan Sterling Value Fund"

FUND FEATURES:

(Data as on 30th June'23)

Category: Value

Monthly Avg AUM: ₹ 5,955.00 Crores

Inception Date: 7th March 2008

Fund Manager: Mr. Daylynn Pinto (w.e.f. 20th October 2016)

Other Parameters:

Beta: 0.94

R Squared: 0.70

Standard Deviation (Annualized): 16.39%

Benchmark: Tier 1: S&P BSE 500 TRI (w.e.f. 28th Dec, 2021) Tier 2: S&P BSE 400 MidSmallCap TRI

Minimum Investment Amount: ₹ 1,000/- and any amount thereafter.

Exit Load:

● If redeemed/switched out within 365 days from the date of allotment:

- ▶ Upto 10% of investment: Nil,
- ▶ For remaining investment: 1% of applicable NAV.

● If redeemed / switched out after 365 days from date of allotment: Nil. (w.e.f. May 08, 2020)

SIP Dates: (Monthly/Quarterly) Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

Options Available: Growth, IDCW[®] (Payout, Reinvestment and Sweep (From Equity Schemes to Debt Schemes only))

SIP (Minimum Amount): ₹ 100/- (Minimum 6 instalments)

PLAN	IDCW [®] RECORD DATE	₹/UNIT	NAV
REGULAR	29-Aug-22	1.57	30.7750
	26-Aug-21	1.46	28.4600
	20-Mar-20	0.73	12.8800
DIRECT	29-Aug-22	1.99	39.0970
	26-Aug-21	1.83	35.7600
	10-Mar-17	1.37	19.3894

Face Value per Unit (in ₹) is 10

Income Distribution cum capital withdrawal is not guaranteed and past performance may or may not be sustained in future. Pursuant to payment of Income Distribution cum capital withdrawal, the NAV of the scheme would fall to the extent of payout and statutory levy (as applicable).

[®]Income Distribution cum capital withdrawal

Ratios calculated on the basis of 3 years history of monthly data.

*The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

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

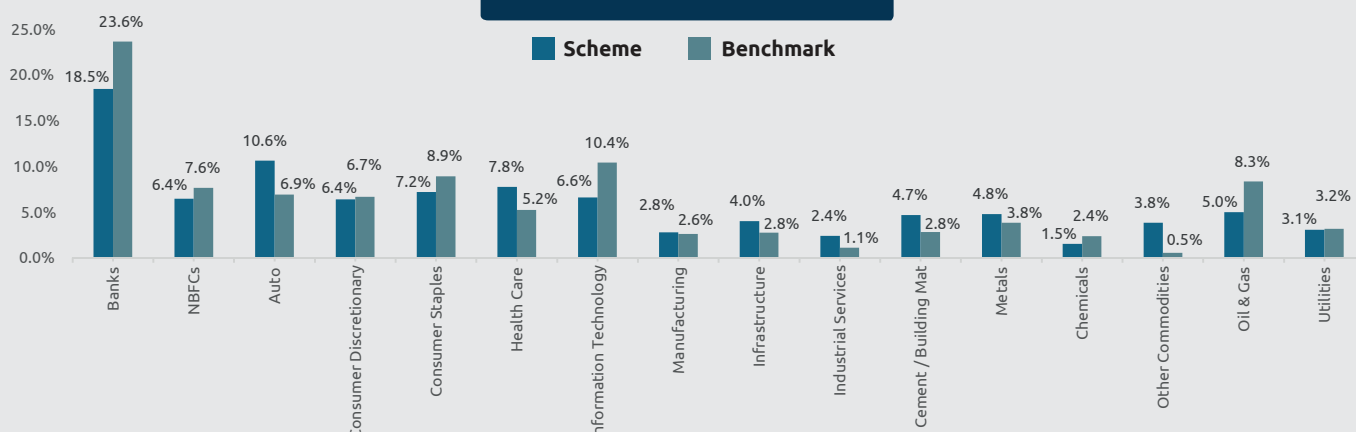
PORTFOLIO

(30 June 2023)

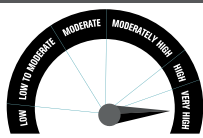


Name of the Instrument	Ratings	% to NAV	Name of the Instrument	Ratings	% to NAV
Equity and Equity related Instruments			95.53%		
Banks			18.47%		
ICICI Bank		4.58%	Graphite India		1.16%
Axis Bank		4.52%	Polycab India		1.04%
HDFC Bank		3.06%	Bharat Forge		1.03%
State Bank of India		2.34%	Cement & Cement Products		
IndusInd Bank		2.13%	The Ramco Cements		1.81%
Bank of Baroda		1.83%	Nuvoco Vistas Corporation		1.05%
Pharmaceuticals & Biotechnology			3.03%		
Cipla		1.91%	Sagar Cements		0.17%
Sun Pharmaceutical Industries		1.72%	Diversified FMCG		
Dr. Reddy's Laboratories		1.26%	ITC		2.95%
Lupin		1.11%	Consumer Durables		
Laurus Labs		1.02%	Greenpanel Industries		1.65%
IPCA Laboratories		0.75%	Mayur Uniquoters		0.81%
IT - Software			2.78%		
Tata Consultancy Services		2.16%	Voltas		0.32%
HCL Technologies		1.94%	Beverages		
Tech Mahindra		1.29%	Radico Khaitan		1.70%
Zensar Technologies		1.20%	United Spirits		0.78%
Auto Components			2.39%		
UNO Minda		2.28%	Transport Services		
Bosch		1.56%	VRL Logistics		2.39%
Wheels India		1.13%	Insurance		
Electrical Equipment			2.11%		
CG Power and Industrial Solutions		2.78%	ICICI Lombard General Insurance Company		2.11%
KEC International		2.16%	Construction		
Finance			1.85%		
Poonawalla Fincorp		2.28%	NCC		1.85%
Mahindra & Mahindra Financial Services		1.10%	Personal Products		
Mas Financial Services		0.95%	Godrej Consumer Products		1.77%
Ferrous Metals			1.70%		
Jindal Steel & Power		2.85%	Power		
Kirloskar Ferrous Industries		1.23%	NTPC		1.70%
Petroleum Products			1.60%		
Reliance Industries		2.29%	Food Products		
Bharat Petroleum Corporation		1.39%	Avanti Feeds		1.60%
Automobiles			1.53%		
Hero MotoCorp		1.76%	Chemicals & Petrochemicals		
Tata Motors		1.65%	Deepak Nitrite		1.53%
Leisure Services			1.41%		
The Indian Hotels Company		2.18%	Textiles & Apparels		
EIH		1.19%	K.P.R. Mill		1.41%
Industrial Products			3.23%		
			Gas		
			Gujarat Gas		
			Oil		
			Oil & Natural Gas Corporation		
			Retailing		
			V-Mart Retail		
			Non - Ferrous Metals		
			Hindalco Industries		
			Entertainment		
			Zee Entertainment Enterprises		
			Net Cash and Cash Equivalent		
			4.47%		
			Grand Total		
			100.00%		

SECTOR ALLOCATION



Scheme risk-o-meter



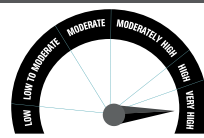
Investors understand that their principal will be at Very High risk

This product is suitable for investors who are seeking*

- To create wealth over long term.
- Investment predominantly in equity and equity related instruments following a value investment strategy.

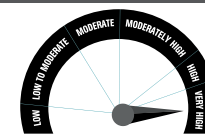
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Benchmark risk-o-meter



Tier 1: S&P BSE 500 TRI

Benchmark risk-o-meter



Tier 2: S&P BSE 400 MidSmallCap TRI