

Quality gives you
the strength to go
the **distance**

Introducing

Aditya Birla Sun Life

BSE 500 Quality 50 Index Fund

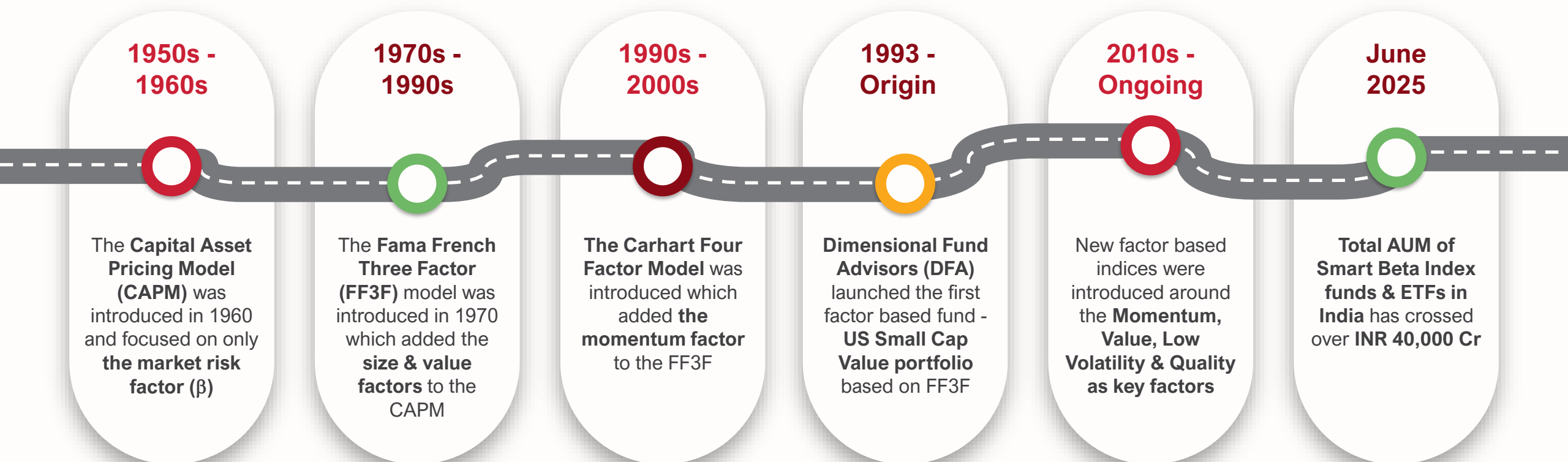
(An open ended Index Fund replicating the BSE 500
Quality 50 Total Return Index)

NFO opens on: **July 21, 2025**

NFO closes on: **August 4, 2025**

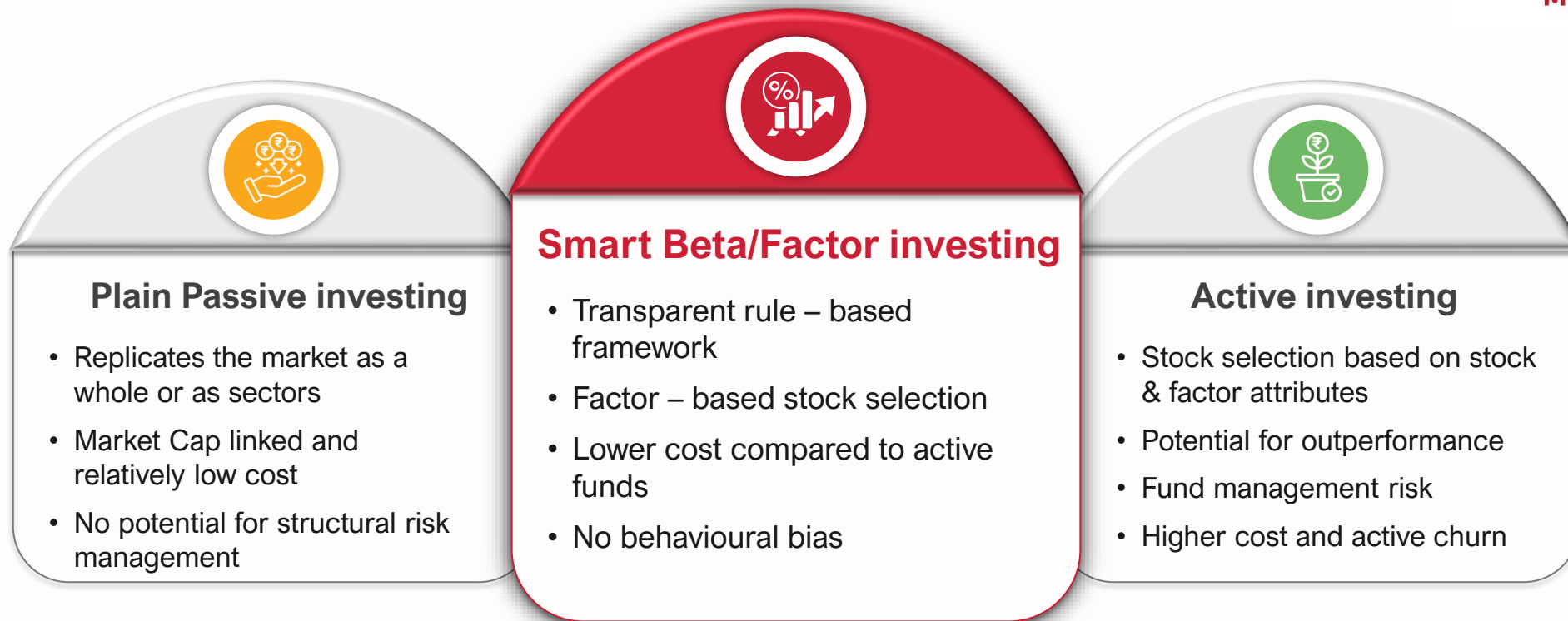
History of Factor Investing

Factor investing has **gained significant popularity and is considered an important element of portfolio management and asset allocation**. Factor risks are characteristics that explain an asset's risk premium. The models to study returns started evolving in 1960s and have evolved significantly in the decades since



Source: MFIE; S&P Dow Jones Indices; ABSLAMC Research

What is Smart Beta / Factor investing?



- A factor is any characteristic that helps explain the long – term risk and return profile of an asset/stock
- Smart beta investing deviates from passive investing by introducing additional filters for stock selection and weighting. Factor investing takes this step further by using quantitative and fundamental stock attributes for investment decisions
- The method follows a rule – based approach while considering key factor metrics or combination of factors for selecting stocks
- The well researched factors in the global markets which have helped generate returns and understand risks are: **Momentum, Quality, Low Volatility and Value**

Momentum

About: Momentum investing picks **stocks exhibiting relatively strong performances in the recent past and will likely maintain similar trajectories and vice – versa**

Type: Outcome based

Key driver: Price return trends over 6m – 1Y time frame

Suitability: Suitable for investors with high risk appetite; outperforms when markets witness persisting trends. Superior compounding of bull runs in growing economic cycles

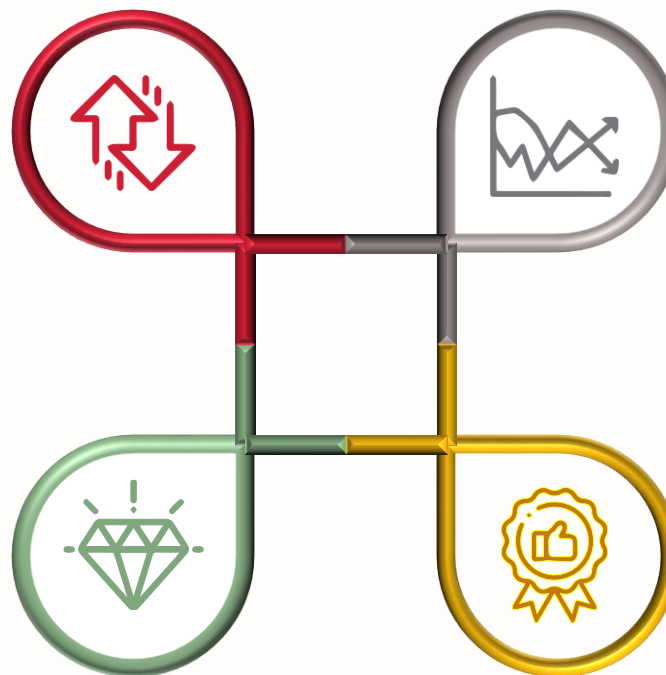
Value

About: The value factor picks **inexpensive stocks based on their fundamentals vs expensive stocks** as it believes that **cheap stocks tend to outperform expensive ones in the long run**

Type: Metric based

Key drivers: BVPS/P, EPS/P, SPS/P, dividend yield

Suitability: Suitable for investors with a lower risk appetite and preference for cash flows; outperforms when markets remain in a protracted low growth phase



Low Volatility

About: This form of investing targets stocks which have **higher price stability in volatile times** to reduce portfolio risk and **provide higher risk adjusted returns in the long term**

Type: Outcome based

Key driver: Std. Deviation of stock prices over 1Y

Suitability: Suitable for risk averse investors seeking defensive equity portfolios; outperforms when markets enter a correction phase and remain choppy

Quality

About: The quality factor focuses on companies with **robust financial health and profitability, durable business models and sustainable competitive advantages**

Type: Metric based

Key drivers: RoE, Accruals Ratio, Financial leverage

Suitability: Suitable for investors seeking long – term returns controlling downside risk. Outperforms when markets are growing but the trajectory is not stable. Typically provides stability in returns by prioritising consistency in earnings

Quality – Diversifying core portfolio

Factor indices overlap with broad benchmarks

NSE Indices	Nifty 500 Index TRI	Nifty 50 Index TRI	BSE Indices	BSE 500 Index TRI	BSE Sensex Index TRI
Nifty 500 Momentum 50 Index TRI	9.87%	5.79%	BSE 500 Momentum 50 Index TRI	14.55%	11.01%
Nifty 500 Value 50 Index TRI	12.13%	11.72%	BSE 500 Enhanced Value 50 Index TRI	8.33%	5.79%
Nifty 500 Quality 50 Index TRI	7.78%	4.25%	BSE 500 Quality 50 Index TRI	14.74%	11.05%
Nifty 500 Low Volatility 50 Index TRI	17.80%	20.72%	BSE 500 Low Volatility 50 Index TRI	32.16%	32.49%

- **Quality factor shows a low overlap with broad indices** as they select and weigh stocks basis latest financial parameters and not market capitalization
- The strategy follows a quantamental approach of stock picking **to capture financially healthy stocks with strong earnings coupled with lower earnings volatility**. This gives it flexibility through a dynamic selection filter while controlling for turnover (~15% in each rebalance)
- In contrast, Value factor products typically have material overlaps with broad benchmarks due to **exposure to common stocks - especially PSUs** in Oil & Gas, Mining, and Financial Services sectors
- Low Volatility factor is based on downside mitigation, typically **heavier on lower beta** 'stocks and sectors', with a bias for large cap. Currently, these factor indices are rich in names from the Financial services and FMCG sectors resulting in **more overlap with core benchmarks**

Notes: Index constituents taken as of December 2024 rebalance

Source: Asia Index Pvt Ltd; Niftyindices; ABSLAMC Research

What determines Quality?

Quality factor refers to the concept of capturing companies with durable business models & sustainable competitive advantages



The approach focuses on financially healthy companies with strong earnings, stable balance sheets and consistent earnings



This form of investing selects resilient, companies with strong cash flows adding stability during market stress



Focus parameters

Metrics used

Efficiency



Efficient use of equity capital to generate sustainable profits

Return on Equity (RoE):
EPS / BVPS

Resilience



Proportion of debt to equity to understand a company's ability to withstand economic downturns & balance sheet strength

Financial leverage:
Total debt / BV (Equity + retained earnings)

Stability



Sensitivity of a company's earnings to business cycle movements

EPS growth variability over the last 5 years

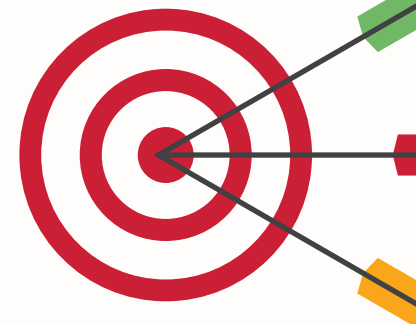
Calibre



A company's dependency on accruals to generate profits to evaluate its financial health & reported earnings

Accrual's ratio:
 $(NOA_t - NOA_{t-1}) / ((Total\ assets_t + Total\ assets_{t-1}) / 2)$

Aim to



Lower volatility & reduce drawdowns vs broad markets



Generate stable wealth via compounding



Increase portfolio stability and resilience across market cycles

Notes: EPS - Earnings per share | BVPS - Book Value per share | BV - Book Value | NOA is Net operating assets = (Total Assets - Cash & Equivalents) - (Total Liabilities - Debt)
Source: Asia Index Pvt Ltd.

Quality Investing – Reasons to consider

Attribute Driven

Quality investing generates premium for the investors as it scans for key financial health metrics during each rebalance



Quicker Recovery

During deeper drawdowns quality names showcase earning resilience and bounce back sooner



Risk Reduction

The selection logic filters for fiscal prudence. Higher leverage businesses are avoided to reduce risk of capital loss



Visibility

Quality investing improves return generation by mitigating risks which can make earnings volatile



Diversification

The strategy considers companies across different sectors and market capitalisation through the universe of 500 stocks

Quality Investing – Navigating India's volatility



- Looking back through history, we see quality indices have **shown lower drawdowns during market corrections** and **higher returns in times of market recoveries** vs broad based indices. The period from **2015 – 2020** was relatively stable (excluded).
- Indian benchmarks have consistently **outperformed the major Asian counterparts, but global growth challenges remain** due to lowering of global GDP projections driven by trade wars and ongoing military tension in multiple regions
- As **domestic indices regained** from their April 7 lows, **Quality indices witnessed alphas of ~4% vs broad based indices**

Notes: Data as of 19th June 2025 | [Eurozone crisis and its impact on India](#) | [Eurozone crisis and its impact on Indian companies](#)

Sources: Aisa Index Pvt Ltd; Nifty Indices; ABSLAMC research

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BSE 500 Quality 50 Index Fund

(An open ended Index Fund replicating the BSE 500
Quality 50 Total Return Index)

About the Index – Methodology



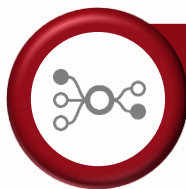
Stocks Universe

Top 50 companies from the BSE 500 index selected based on their 'quality' scores



Rebalancing Frequency

Index rebalancing & stock capping is done on a quarterly basis - March, June, September and December



Factor/Quality Score

The quality score for each company is determined based on its **Return on Equity (RoE), Accruals ratio & Financial leverage ratio values**



Stock Weightage

Each stock's weight is based on its float adjusted market cap multiplied by its quality score, subject to:

- Security constraints: A stock's weight is capped at the lower of 4% or 20 times its float adjusted weight in the eligible index universe
- Sector constraints: No sector can exceed 30% of the index

The index evaluates a company's quality score using three key metrics

- **Return on Equity (RoE):** Indicates how efficiently a company uses shareholders' funds (equity and retained earnings) to generate returns. Higher RoE reflects better efficiency
- **Financial leverage (D/E):** Measures the debt-to-equity ratio of a company. A high D/E ratio suggests inability to repay due debt
- **Balance sheet accruals ratio:** Measures the changes in the net operating assets. A lower ratio suggests more reliable, cash-based earnings

The index follows the industry's first quarterly rebalancing, allowing timely inclusion of high performing and fundamentally sound businesses basis the quality score

Eligible Universe

- Constituents forming a part of the BSE 500 Universe are considered with further liquidity checks based on an observation period of 6 months

Stocks Selection

- Liquidity checks for stocks are done based on the following 3 parameters:
 - Stocks are ranked based on their **Annualized Traded Value**; The top 450 are eligible for further selection
 - **Average daily turnover ratio** of the eligible securities should be $\geq 20\%$
 - Stocks should have traded on all working days during the reference period
- Scoring: Eligible companies
 - **Return on Equity (ROE)** – $\text{EPS (trailing 12 months)} / \text{BVPS}$
 - **Balance Sheet Accruals Ratio** – $(\text{NOA}_t - \text{NOA}_{t-1}) / ((\text{Total assets}_t + \text{Total assets}_{t-1}) / 2)$
 - **Financial Leverage** – $\text{Total debt} / \text{Book Value (Equity + Retained earnings)}$
- **Z-score computation**: The z-score for each of the three ratios is calculated using the mean and standard deviation of the relevant variable within the index universe post winsorisation
- The z-score is calculated as follows: ROE: $Z_a = (X_a - \mu_a) / \sigma_a$ | Accruals and Financial Leverage Ratios: $Z_a = - (X_a - \mu_a) / \sigma_a$
- Average z-score: For each security, the average z-score is computed by taking a simple average of the three scores
- Quality Score Computation:
 - Average $Z > 0$, Quality Score = $1 + Z$
 - Average $Z < 0$, Quality Score = $(1 / (1 - Z))$
 - Average $Z = 0$, Quality Score = 1

Constituent Weighting

Each company's weight = Quality score * float-adjusted market capitalization; stock weight is capped at lower of 4% or 20 times its float-adjusted market cap weight in the original universe; Maximum sector cap of 30% at the macroeconomic indicator (MEI) level

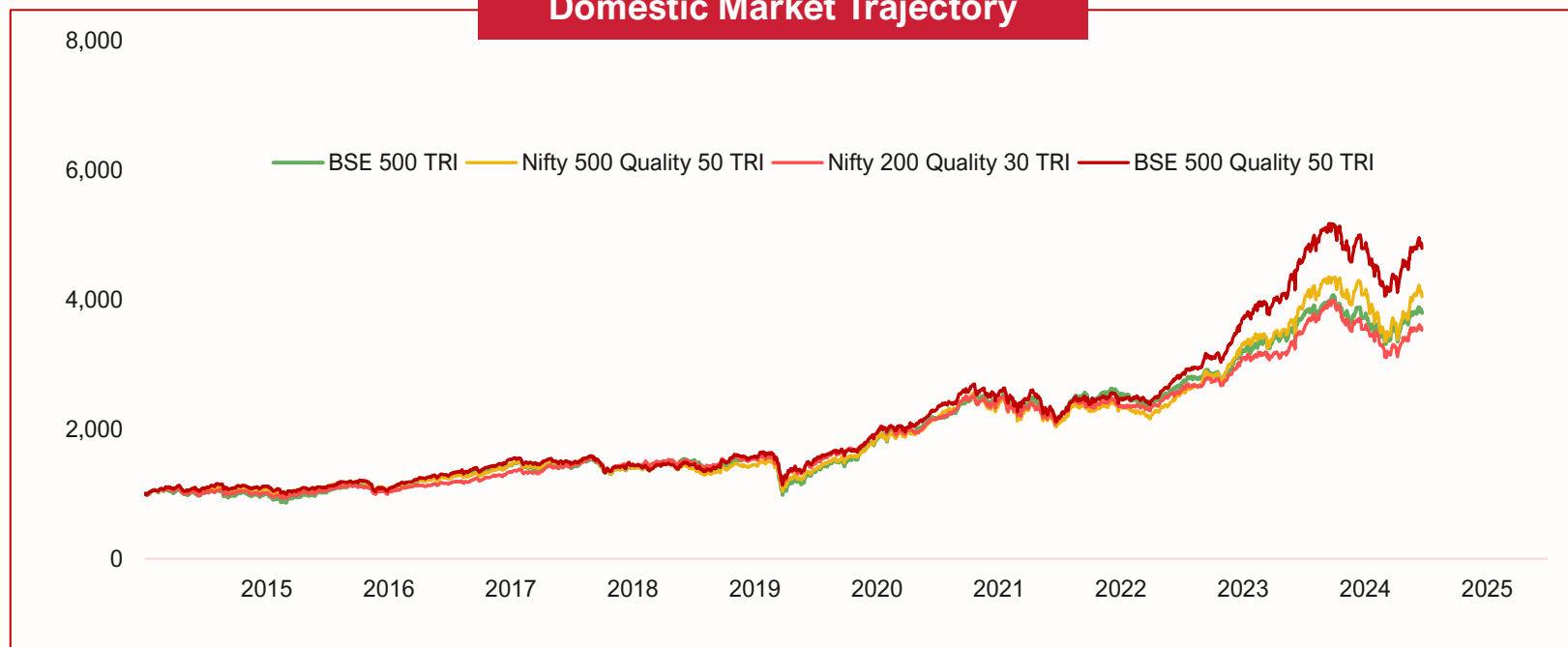
Notes: For detailed stock selection criteria & index methodology visit: [BSE Factor Indices Methodology document](#) | Annualized Traded Value: Median of monthly medians of daily traded values over 6 months | Average daily turnover: Annualized Traded Value/ average of free float market cap | EPS: Earnings per share | BVPS: Book Value per share | NOA: Net operating asset | Z_a : z-score for a given stock | X_a : Winsorized variable for a given stock | μ_a : Arithmetic mean of the winsorized variable in a given universe | σ_a : Std.deviation of the winsorized variable in the universe
Source: Asia Index Pvt. Ltd

BSE 500 Quality 50 TRI – Performance



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Domestic Market Trajectory



- Quality indices witness **lower drawdowns & sharper rises in times of corrections and recoveries vs broad based indices**. This year Nifty 50 & BSE Sensex surged **~12%** from April 7 lows, and quality indices rose further by **~4%**
- Broader quality indices i.e., **BSE & Nifty 500 Quality 50 Indices** have outperformed the **Nifty 200 Quality 30 Index** providing an **average alpha of ~3% since 2015**
- The **BSE 500 Quality 50 Index** has outperformed the **Nifty 500 Quality 50 index**. Since 2015, we see outperformance on 7 out of 11 observations. Effectively an **alpha of ~2.3% p.a.** over the 10 year period.

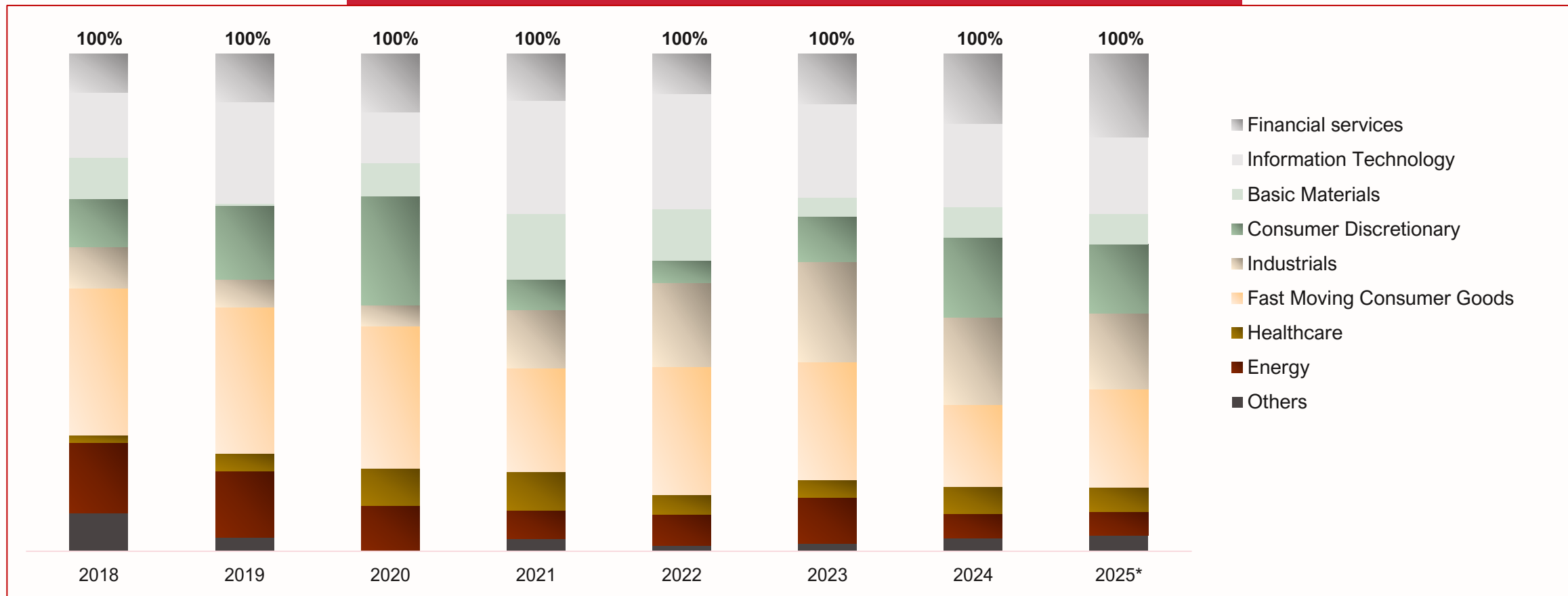
Y-o-Y returns (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
BSE 500 Quality 50 TRI	12.5%	-3.8%	42.1%	-5.2%	8.2%	22.9%	32.6%	-3.9%	50.2%	29.8%	-0.3%
NIFTY 500 Quality 50 TRI	8.6%	0.8%	33.6%	-2.4%	1.8%	27.6%	29.9%	-2.8%	41.9%	23.3%	-1.1%
NIFTY 200 Quality 30 TRI	2.4%	1.0%	30.3%	8.9%	5.6%	26.3%	26.2%	-4.4%	31.7%	14.4%	-0.5%
BSE 500 TRI	0.4%	5.2%	37.6%	-1.8%	9.0%	18.4%	31.6%	4.8%	26.5%	15.8%	2.0%

Notes: Y-o-Y growth for individual years have been calculated using Calendar year TRI values | Index TRI values have been rebased to 1000 starting from 31-12-2014 | * Returns as of CYYTD | Data as of 19th June 2025

Source: Nifty indices, MFIE, Asia Indices Pvt Ltd, ABSLAMC Research

Sector Allocation – Evolution over time

The index dynamically adjusts and focuses on emerging sectoral trends



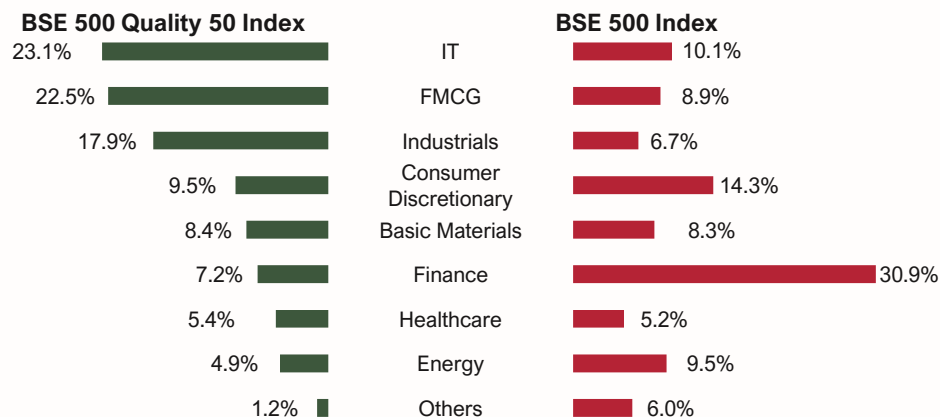
Notes: Sector weights calculated as of December rebalance periods; Others include sectors like services, diversified, telecom, utilities | *2025 Data for June rebalance | Issuer(s) / Stock(s) / Sector(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the same, from time to time.
Source: Asia Index Pvt Ltd

Delving into performance (1/2)



MUTUAL FUNDS

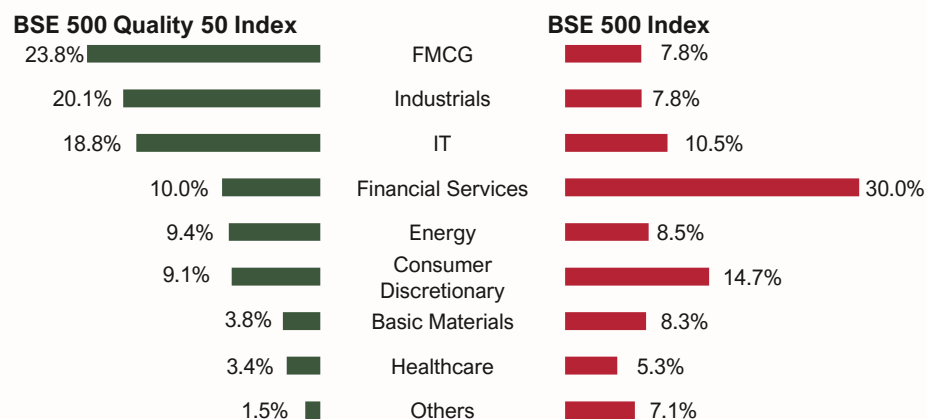
June – 2023



The index **outperformed the BSE 500 Index by ~8% between June – Dec 2023** by **overweighting IT, FMCG & Industrials sectors**

- **IT:** Broadly the sector performed inline, the overweight on **HCL Technologies Ltd., KPIT Technologies Ltd. & TATA Elxsi Ltd.** (due to high quality score) resulted in superior performance
- **FMCG:** While the sector underperformed, overweighting **Colgate Palmolive (India) Ltd.** basis its **strong ROE, low D/E & consistent outperformance** enabled the index to outperform
- **Industrials:** The sector's strong performance coupled with overweighting of **Hindustan Aeronautics Ltd. & Bharat Electronics Ltd.** led to the index's strong performance
- The weight allocation using quality factor resulted in a **~9x** factor Vs MCap weights in the BSE 500 Index
- Most overweighted strong performing quality stocks were retained in the September rebalance

Dec – 2023



The index **outperformed the BSE 500 Index by ~11% between Dec 2023 – June 2024** by **overweighting FMCG, Industrials, IT & Energy sectors**

- **FMCG:** While the sector underperformed vs broad benchmarks, the index overweighted quality stocks like **Marico Ltd. & Emami Ltd.** which helped buffer the returns
- **Industrials:** The sector provided superior returns of **~30%**. Further the quality index overweighted outperformers like **Hindustan Aeronautics Ltd., CG Power & Industrial Solutions Ltd., Bharat Electronics Ltd. & Suzlon Energy Ltd.**
- **IT:** The sector underperformed the index & the parent benchmark. Names like **Oracle Financial Services Software Ltd.** with low D/E and accruals ratio were assigned a high weight and provided outperformance
- **Energy:** The sector did well and the index overweighted strong performers like **Coal India Ltd. due to its high RoE & Bharat Petroleum Corporation Ltd. due to its low D/E & accruals ratio**

Notes: Others – services, diversified, utilities, telecommunications; IT – Information technology; FMCG – Fast moving consumer goods; D/E – Debt to equity ratio; RoE – Return on Equity | Issuer(s) / Stock(s) / Sector(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the same, from time to time.

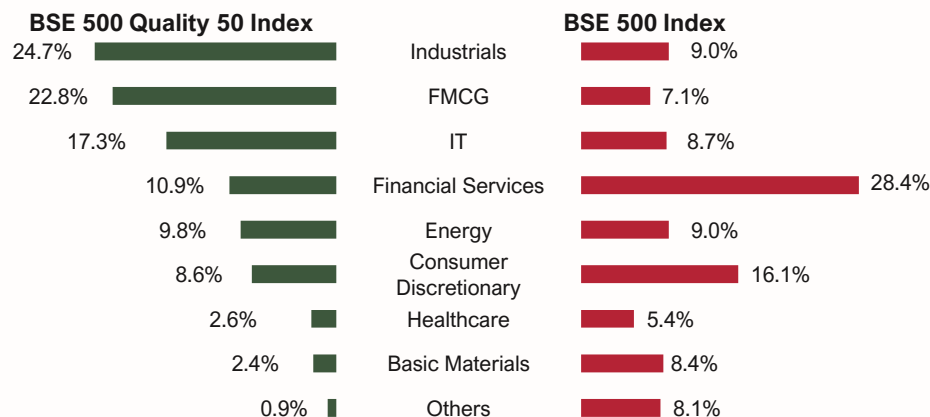
Source: Asia Index Pvt Ltd

Delving into performance (2/2)



MUTUAL FUNDS

June – 2024

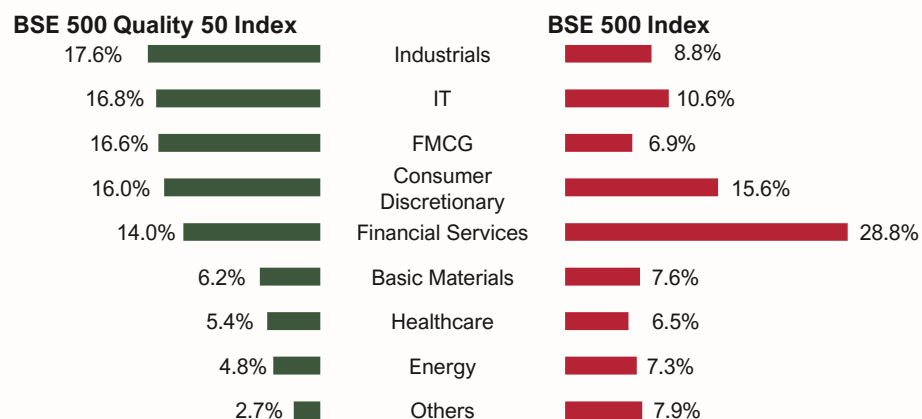


The index **outperformed with an alpha of ~5% vs the BSE 500 Index between June – Dec 2024**. The June – Sep 2024 period when the markets were bullish, the index **outperformed the parent index by ~3%**. Post September the markets started correcting and the index saw **lower drawdowns vs the parent index** & provided a further **2% alpha**:

- **Industrials:** Overweighting key performers like **CG Power & Industrial Solutions Ltd. & Suzlon Energy Ltd.** generated superior returns
- **IT:** Overweighting key performers like **TCS Ltd. & HCL Technologies Ltd.** provided good returns
- **FMCG:** Overweighting **ITC Ltd., Marico Ltd. & Colgate Palmolive (India) Ltd.** helped outperform the despite muted sector performance

The index **eliminated top banks due to their high average D/E ratio** and **overweighted other strong quality financial services outperformers** like **CAMS Ltd., HDFCAMC Ltd. & IEX Ltd** which also contributed to the alpha.

Dec – 2024



The index **underperformed the BSE 500 index by ~2% between Dec 2024 – June 2025, driven by a large underweight on core banking stocks**. The key shortfall of ~5% came during Dec to March with the quality index catching up by ~3% **post March**

- The banking sector has performed strongly in 2025 with profitability increase linked to rate cuts. The index underweights banks due to their high D/E ratio causing it to underperform vs the BSE 500 index
- With income tax incentives the consumption theme has gained traction. The quality index **overweighted FMCG outperformers** like **Gillette India Ltd. & Britannia Industries Ltd.** thereby bridging the shortfall
- IT is overweight and had underperformed between Jan – Mar 2025, due to Trump's trade policies. Since April 2025, the sector has rebounded from its low and is now generating positive returns
- Defense stocks have been rallying due to the recent military tensions. The quality index benefitted by overweighting **Hindustan Aeronautics Ltd. & Bharat Electronics Ltd.** and curbing the negative alpha

Notes: Others – services, diversified, utilities, telecommunications; IT – Information technology; FMCG – Fast moving consumer goods | Data till 19th June 2025 | Issuer(s) / Stock(s) / Sector(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the same, from time to time.

Source: Asia Index Pvt Ltd

Current Selection – A closer look

June – 2025

BSE 500 Quality 50 Index

19.7%



BSE 500 Index

6.5%

16.7%



Financial Services



30.7%

15.4%



IT



8.9%

15.3%



Industrials



8.8%

13.9%



Consumer
Discretionary



15.1%

6.1%



Basic Materials



7.6%

5.0%



Healthcare



6.3%

4.8%



Energy



8.0%

3.1%



Others



8.1%

In the June'25 rebalance, the index continued allocating more towards FMCG, IT & Industrials vs the BSE 500 index and overweighted the following stocks:

- **FMCG:** Gillette (India) Ltd., Britannia Industries Ltd., Nestle (India) Ltd., Colgate Palmolive (India) Ltd., ITC Ltd., Emami Ltd., & Marico Ltd
- **IT:** Infosys Ltd., TATA Elxsi Ltd., HCL Technologies Ltd., Oracle Financial Services Ltd., TCS Ltd. & Newgen Software Technologies Ltd.
- **Industrials:** ABB India Ltd., Bharat Electronics Ltd., Cummins India Ltd., Schneider Electric Infrastructure Ltd., HAL Ltd., & Mazagon Dock Shipbuilders Ltd.

While financial services still remains underweighted at 16.7% vs BSE 500, the quality index has been increasing allocation towards the broader sector due to improved earnings post RBI's action to increase liquidity & cut rates, with 3 names being added to the sector vs December snap

As this index undergoes **quarterly rebalance (vs Semi Annual)** the pivot towards **the better performing sectors began with the March end** rebalance cycle. The weight allocation in March on financial services was up to 15.4%, an increase of 1.4% vs December allocation

Notes: Others – Utilities, diversified, services & telecommunication | Data till 19th June 2025 | IT – Information technology; FMCG – Fast moving consumer goods | Index: BSE 500 Quality 50 index | Issuer(s) / Stock(s) / Sector(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the same, from time to time.
Source: Asia Index Pvt Ltd

Index Composition – Historical vs Current



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Common stocks across December'24, March'25 & June'25 rebalance periods

Top 10 stocks – December 2024

Company's name	Weight (%)
Trent Ltd.	4.1%
Bharat Electronics Ltd.	4.1%
Hindustan Aeronautics Ltd.	4.0%
Dixon Technologies (India) Ltd.	4.0%
Infosys Ltd.	4.0%
Britannia Industries Ltd.	4.0%
Coal India Ltd.	4.0%
Bajaj Auto Ltd.	4.0%
TCS Ltd.	4.0%
HCL Technologies Ltd.	4.0%
Total	40.2%

Size	Weight (%)	Metrics	
Large Cap	53.1%	P/E	35.2
Mid cap	32.4%	P/B	13.0
Small cap	14.5%	Div. Yield	1.8

Top 10 stocks – March 2025

Company's name	Weight (%)
Hindustan Aeronautics Ltd.	4.2%
Dixon Technologies (India) Ltd.	4.1%
HCL Technologies Ltd.	4.0%
Bharat Electronics Ltd.	4.0%
TCS Ltd.	4.0%
Bajaj Auto Ltd.	4.0%
Infosys Ltd.	3.9%
Coal India Ltd.	3.9%
Nestle India Ltd.	3.9%
Britannia Industries Ltd.	3.9%
Total	40.1%

Size	Weight (%)	Metrics	
Large Cap	52.4%	P/E	32.0
Mid cap	29.8%	P/B	12.2
Small cap	17.8%	Div. Yield	1.9

Top 10 stocks – June 2025

Company's name	Weight (%)
Bharat Electronics Ltd.	4.2%
HCL Technologies Ltd.	4.1%
Infosys Ltd.	4.1%
Britannia Industries Ltd.	4.0%
TCS Ltd.	4.0%
Hindustan Aeronautics Ltd.	4.0%
ITC Ltd.	4.0%
Nestle India Ltd.	4.0%
HDFC AMC Ltd.	3.9%
Coal India Ltd.	3.9%
Total	40.4%

Size	Weight (%)	Metrics	
Large Cap	51.1%	P/E	29.5
Mid cap	34.8%	P/B	10.6
Small cap	14.1%	Div. Yield	1.8

Notes: For detailed stock selection criteria & index methodology visit: [BSE Factor Indices Methodology document](#) | Issuer(s) / Stock(s) / Sector(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the same, from time to time.

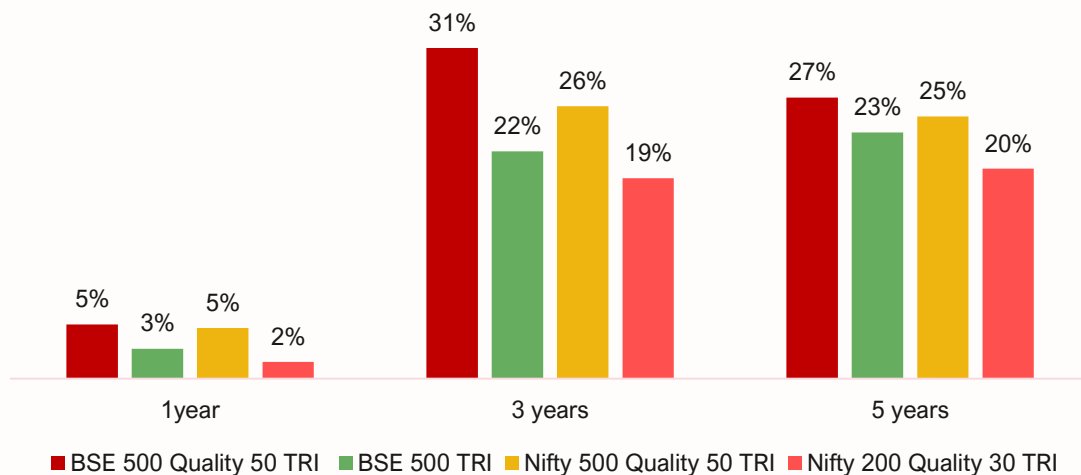
Source: Asia Index Pvt Ltd

Historical Performance - Summary

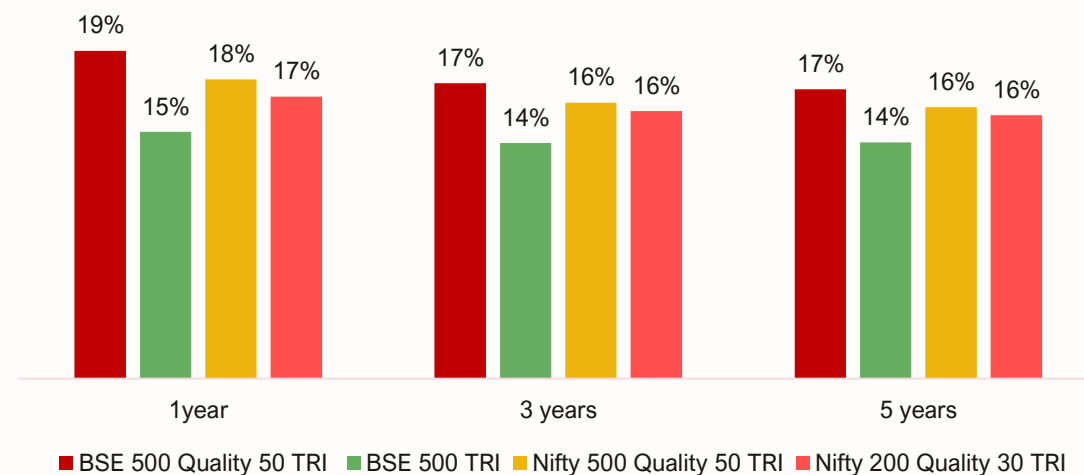


MUTUAL FUNDS

P2P returns



Rolling returns



Risk Parameters	BSE 500 Quality 50 TRI	BSE 500 TRI	Nifty 500 Quality 50 TRI	Nifty 200 Quality 30 TRI
Std. Dev	14.14%	16.25%	15.05%	14.15%
Beta	0.77	1.00	0.84	0.77
Avg. (annualized)	17.43%	13.53%	16.12%	15.45%
Sharpe Ratio	0.82	0.47	0.68	0.68
SDD	11.44%	13.01%	12.05%	10.65%
Sortino Ratio	1.01	0.59	0.85	0.90

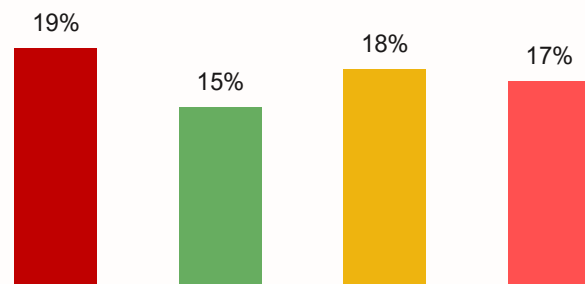
Notes: Indices data – BSE, NSE Historical | Data taken for calculation 31/12/2009 to 19/06/2025 | Rolling returns calculated based on daily rolling frequency | Past performance may or may not sustain in the future;
SDD – downside deviation | Data as of 19th June 2025
Source: Asia Index Pvt Ltd, Niftyindices

Historical Performance – Rolling Deep dive



MUTUAL FUNDS

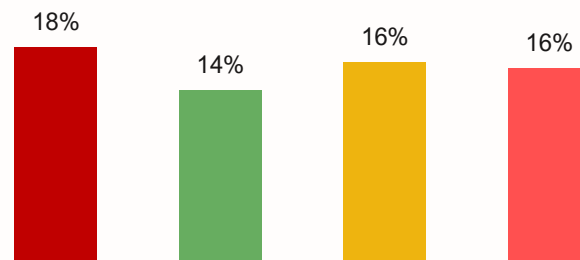
Rolling Returns (1yr)



■ BSE 500 Quality 50 TRI ■ BSE 500 TRI
■ Nifty 500 Quality 50 TRI ■ Nifty 200 Quality 30 TRI

Alpha (%)	BSE 500 TRI	Nifty500 Quality 50 TRI	Nifty 200 Quality 30 TRI
<5%	1.39%	0.83%	-1.12%
5-15%	1.34%	0.76%	1.00%
15-20%	0.06%	-0.29%	-0.18%
20-30%	-0.35%	-0.26%	-0.54%
30% +	4.60%	1.19%	8.07%

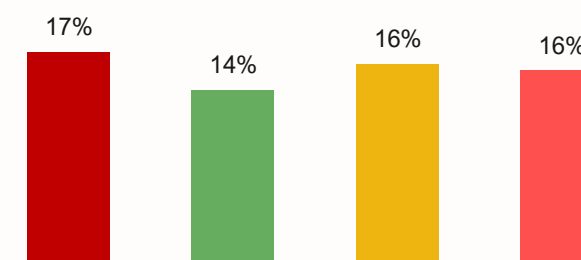
Rolling Returns (3yr)



■ BSE 500 Quality 50 TRI ■ BSE 500 TRI
■ Nifty 500 Quality 50 TRI ■ Nifty 200 Quality 30 TRI

Alpha (%)	BSE 500 TRI	Nifty500 Quality 50 TRI	Nifty 200 Quality30 TRI
<5%	1.47%	0.34%	-0.45%
5-15%	-1.04%	0.25%	-1.31%
15-20%	-0.31%	-0.31%	0.12%
20-30%	1.41%	0.55%	-0.03%
30% +	-0.34%	-0.30%	0.64%

Rolling Returns (5yr)



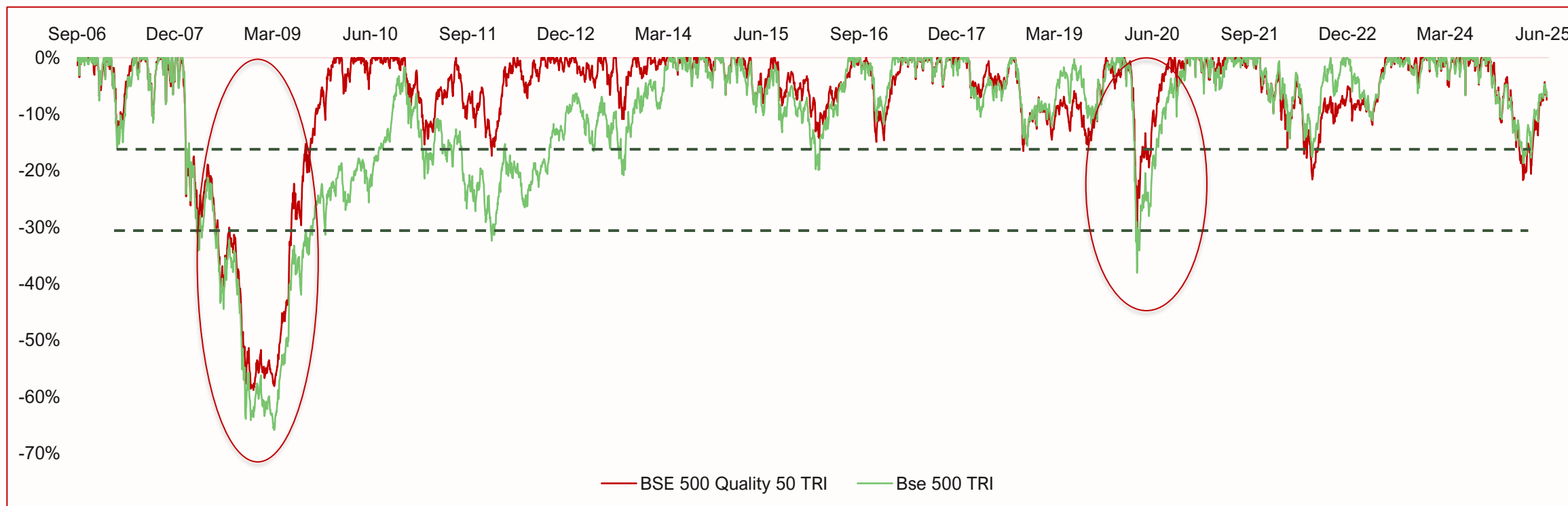
■ BSE 500 Quality 50 TRI ■ BSE 500 TRI
■ Nifty 500 Quality 50 TRI ■ Nifty 200 Quality 30 TRI

Alpha (%)	BSE 500 TRI	Nifty500 Quality 50 TRI	Nifty 200 Quality 30 TRI
<5%	0.98%	0.62%	0.15%
5-15%	-0.08%	0.21%	-0.47%
15-20%	2.76%	1.93%	1.68%
20-30%	-0.28%	0.65%	1.19%
30% +	-	-	-

Notes: Indices data – BSE, NSE Historical | Data taken for calculation 31/12/2009 to 19/06/2025 | Rolling returns calculated based on daily rolling frequency | Past performance may or may not sustain in the future | Data as of 19th June 2025

Source: Asia Index Pvt Ltd, Niftyindices, ABSLAMC Research

Drawdown Overview



- At the time of sharp corrections (i.e. in Financial Crisis 2008 & COVID) , BSE 500 Quality 50 Index has a lower drawdown compared to its universe index (BSE 500 Index) & recovers at a relatively faster pace

- This indicates the nature of portfolio construction & power of quarterly rebalancing which helps in recalibrating quickly to pick the right companies during volatile times

Notes: Indices data – BSE, NSE Historical | Data taken for calculation 31/12/2009 to 19/06/2025 | Rolling returns calculated based on daily rolling frequency | Past performance may or may not sustain in the future; SDD – downside deviation | Data as of 19th June 2025

Source: Asia Index Pvt Ltd, Niftyindices, ABSLAMC Research

Key reasons to invest in this Fund

Longer lookback period to scan the history of consistent returns

Higher frequency of re-evaluating quality parameters

Alpha of ~1.5% p.a. vs Nifty 500 Quality 50 index[^]

Industry first quality 500 strategy linked to the BSE 500 universe with quarterly rebalancing

Low-cost, quant factor-based strategy with no entry load & minimal exit load



Improved risk-adjusted returns - Sharpe ratio improvement of **over 70%** and **1.5% improvement** on SDD vs BSE 500 Index[^]

Long-term wealth creation ability – An investment of INR 1L would have resulted **12x gains** since Jan 2010[^] (CAGR: ~17.5% vs a ~13% CAGR of BSE 500)



Balanced exposure across all market capitalizations with ~50% allocation towards large cap & rest towards mid & small cap

Notes: SDD – Standard drawdown deviation

Source: ABSLAMC Research | [^]Data from Jan 2010 to 19th June 2025

Aditya Birla Sun Life BSE 500 Quality 50 Index Fund

(An open ended Index Fund replicating the BSE 500 Quality 50 Total Return Index)

This product is suitable for investors who are seeking*:	Scheme Risk-o-meter#	Benchmark Risk-o-meter (BSE 500 Quality 50 Total Return Index)
<ul style="list-style-type: none"> Long term capital growth Investment in equity and equity related securities covered by BSE 500 Quality 50 Total Return Index, subject to tracking errors. 	 <p>The risk of the scheme is Very High</p>	 <p>The risk of the benchmark is Very High</p>
<p>*Investors should consult their financial advisors if in doubt whether the product is suitable for them.</p>		

#The above product labelling and riskometer assigned during the NFO is based on internal assessment of the Scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Scheme details



MUTUAL FUNDS

Scheme Name	Aditya Birla Sun Life BSE 500 Quality 50 Index Fund		
Structure	An open ended Index Fund replicating the BSE 500 Quality 50 Total Return Index		
Investment Objective	The investment objective of the scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the BSE 500 Quality 50 Total Return Index, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There is no assurance or guarantee that the investment objective of the Scheme will be achieved.		
Asset Allocation (as a % of net assets)	Instruments	Allocation (% of total assets)	
		Minimum	Maximum
	Equity & Equity related instruments constituting the BSE 500 Quality 50 Index	95%	100%
	Debt and Money Market Instruments (including Cash and Cash Equivalent)	0%	5%
Fund Manager	Ms. Priya Sridhar		
Plan and Options^	Regular and Direct plan – Both plan have following option (i) Income Distribution cum capital withdrawal (IDCW) option and (ii) Growth Option Payout of IDCW – Amount can be distributed out of Investors capital (Equalization reserve), which is part of sale price that represents realized gains		
Minimum Application	For Lumpsum: Minimum of ₹ 500/- and in multiples of ₹ 100/- thereafter during NFO period For Monthly and weekly Systematic Investment Plan (SIP): Minimum of ₹500/- and in multiples of ₹1/- thereafter		
Load	Entry Load – Nil Exit Load – <ul style="list-style-type: none"> For redemption/switch out of units on or before 15 days from the date of allotment - 0.10% of applicable NAV For redemption/switch out of units on or after 15 days from the date of allotment – Nil 		
Benchmark	BSE 500 Quality 50 Total Return Index		

Please refer to the SID for further details & methodology

Past performance may or may not be sustained in the future. For more details, please refer the SID / KIM of the scheme.

Issuer(s) / Stock(s) and Sector(s) mentioned in the document are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the stock mentioned, from time to time.

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