



by Edelweiss Mutual Fund

**BHARAT Bond ETF - April 2032**

(An open ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents of Nifty BHARAT Bond Index - April 2032)

**Scheme Information Document (SID)****Offer of Units of ₹ 1000/- per unit at NAV based prices subject to applicable Loads.**

| Risk-o-meter of the Scheme                                                                                                                                                                                                                                                                                                                                                                                                        | Risk-o-meter of the Benchmark<br>(Nifty BHARAT Bond Index - April 2032) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                         |
| Investors understand that their principal will be at moderate risk                                                                                                                                                                                                                                                                                                                                                                |                                                                         |
| <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Income over the Target Maturity period</li> <li>An open ended Target Maturity Exchange Traded Bond Fund that seeks to track the returns provided by Nifty BHARAT Bond Index - April 2032.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p> |                                                                         |

**New Fund Offer Opens on: December 3, 2021**  
**New Fund Offer Closes on: December 9, 2021**  
**Scheme Re-opens for continuous sale and repurchase not later than December 20, 2021**

Investor should note that:

The Trustee/AMC, in consultation with Department of Investment and Public Asset Management, Ministry of Finance, Government of India (DIPAM), reserves the right to extend the closing date of NFO Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days. The Trustee reserves the right to close the NFO Period earlier by giving at least one day's prior notice in one daily newspaper.

The Scheme will re-open for continuous Sale and Repurchase within 5 Business Days from the date of allotment. The units of the Scheme will be listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The particulars of the Scheme have been prepared in accordance with The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document incorporated after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Edelweiss Mutual Fund, Tax and Legal issues and general information on [www.edelweissmf.com](http://www.edelweissmf.com).

This Document should be read in its entirety before making application and should be retained for future reference.

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website [www.edelweissmf.com](http://www.edelweissmf.com).

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated November 24, 2021.

**MUTUAL FUND:****Edelweiss Mutual Fund**

Edelweiss House, Off. C.S.T Road, Kalina,  
Mumbai - 400 098, Maharashtra  
[www.edelweissmf.com](http://www.edelweissmf.com)

**TRUSTEE:****Edelweiss Trusteeship Company Limited****Registered & Corporate Office:**

Edelweiss House,  
Off. C.S.T Road, Kalina, Mumbai 400 098

**REGISTRAR:****KFin Technologies Private Limited**

Unit - Edelweiss Mutual Fund  
Karvy Selenium Tower B, Plot No 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032,  
Tel: 040-67161500

**SPONSOR:****Edelweiss Financial Services Limited**

Edelweiss House, Off. C.S.T Road,  
Kalina, Mumbai - 400 098  
[www.edelweissfin.com](http://www.edelweissfin.com)

**INVESTMENT MANAGER:****Edelweiss Asset Management Limited****Registered & Corporate Office:**

Edelweiss House,  
Off. C.S.T Road, Kalina, Mumbai 400098  
[www.edelweissmf.com](http://www.edelweissmf.com)

**ADVISOR:****A K Capital Services Limited**

Registered office and Corporate Office:  
30-38, 3rd Floor, Free Press House,  
Free Press Journal Marg, 215, Nariman Point  
Mumbai Mumbai City MH 400021  
Email ID: [info@akgroup.co.in](mailto:info@akgroup.co.in)  
Website: [www.akgroup.co.in](http://www.akgroup.co.in)

**LEGAL ADVISOR:****MVKini Law Firm**

**Address:** Registered Office: Kini House,  
Near Citi bank, D.N. Road, Fort,  
Mumbai - 400 001

**Branch Office:** Kini House

6/39 Jangpura-B, New Delhi -110 014  
Email ID: [mailto:delhi@mvkini.com](mailto:mailto:delhi@mvkini.com),  
[delhi@mvkini.com](mailto:delhi@mvkini.com), [dnroad@mvkini.com](mailto:dnroad@mvkini.com)  
Website: [www.mvkinilaw.com](http://www.mvkinilaw.com)



### Disclaimer of National Stock Exchange of India Limited:

“As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has vide its letter no. NSE/LIST/5373 dated November 11, 2021, given permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Scheme's units are proposed to be listed subject to, the Mutual Fund fulfilling various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Scheme's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

### Disclaimer of BSE:

Disclaimer of BSE:

It is to be distinctly understood that the permission given by BSE Ltd should not in any way be deemed or construed that the SID has been cleared or approved by BSE Ltd nor does it certify the correctness or completeness of any of the contents of the SID. The investors are advised to refer to the SID for the full text of the Disclaimer clause of the BSE Ltd.

Needless to add that Edelweiss Mutual Fund should obtain all other necessary statutory approvals of the concerned regulatory authorities for the offer.

The Exchange is also pleased to grant it's in principle approval of the Edelweiss Mutual Fund's listing application seeking permission for the units of BHARAT Bond ETF - April 2032 to be dealt in on the Exchange subject to Edelweiss Mutual Fund completing post offer requirements and complying with the necessary statutory, legal & listing formalities.

### Disclaimer of NSE INDICES LTD for use of underlying Index and use of name of Index:

- (i) *BHARAT Bond ETF - April 2032 are not sponsored, endorsed, sold or promoted by NSE INDICES LTD. NSE INDICES LTD does not make any representation or warranty, express or implied, to the owners of BHARAT Bond ETF - April 2032 or any member of the public regarding the advisability of investing in securities generally or in BHARAT Bond ETF - April 2032 particularly or the ability of Nifty BHARAT Bond Index - April 2032 to track general stock market performance in India. The relationship of NSE INDICES LTD to the Licensee is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by NSE INDICES LTD without regard to the Licensee or BHARAT Bond ETF - April 2032. NSE INDICES LTD does not have any obligation to take the needs of the Licensee or the owners of BHARAT Bond ETF - April 2032 into consideration in determining, composing or calculating Nifty BHARAT Bond Index - April 2032. NSE INDICES LTD is not responsible for or has participated in the determination of the timing of, prices at, or quantities of BHARAT Bond ETF - April 2032 to be issued or in the determination or calculation of the equation by which BHARAT Bond ETF - April 2032 is to be converted into cash. NSE INDICES LTD has no obligation or liability in connection with the administration, marketing or trading of BHARAT Bond ETF - April 2032.*
- (ii) *NSE INDICES LTD does not guarantee the accuracy and/or the completeness of Nifty BHARAT Bond Index - April 2032 or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. NSE INDICES LTD does not make any warranty, express or implied, as to results to be obtained by the Licensee, owners of BHARAT Bond ETF - April 2032, or any other person or entity from the use of the Nifty BHARAT Bond Index - April 2032 or any data included therein. NSE INDICES LTD makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, NSE INDICES LTD expressly disclaim any and all liability for any damages or losses arising out of or related to BHARAT Bond ETF - April 2032, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.*
- (iii) *An investor, by subscribing or purchasing an interest in BHARAT Bond ETF - April 2032, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.*

## TABLE OF CONTENTS

|                                                                                                                                                                                                               | Pg. Nos. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| <b>HIGHLIGHTS – SUMMARY OF THE SCHEME .....</b>                                                                                                                                                               | 2        |
| <b>I. INTRODUCTION</b>                                                                                                                                                                                        |          |
| A. RISK FACTORS .....                                                                                                                                                                                         | 6        |
| B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME.....                                                                                                                                                        | 9        |
| C. SPECIAL CONSIDERATIONS .....                                                                                                                                                                               | 9        |
| D. DEFINITIONS .....                                                                                                                                                                                          | 10       |
| E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY .....                                                                                                                                                        | 14       |
| <b>II. INFORMATION ABOUT THE SCHEME</b>                                                                                                                                                                       |          |
| A. NAME & TYPE OF SCHEME .....                                                                                                                                                                                | 15       |
| B. INVESTMENT OBJECTIVE .....                                                                                                                                                                                 | 15       |
| C. ASSET ALLOCATION AND INVESTMENT PATTERN .....                                                                                                                                                              | 15       |
| D. WHERE WILL THE SCHEME INVEST? .....                                                                                                                                                                        | 17       |
| E. INVESTMENT STRATEGY & APPROACH .....                                                                                                                                                                       | 17       |
| F. FUNDAMENTAL ATTRIBUTES.....                                                                                                                                                                                | 18       |
| G. BENCHMARK .....                                                                                                                                                                                            | 19       |
| H. FUND MANAGER(S) FOR THE SCHEME .....                                                                                                                                                                       | 19       |
| I. INVESTMENT RESTRICTIONS.....                                                                                                                                                                               | 20       |
| J. INVESTMENTS BY THE AMC IN THE SCHEME .....                                                                                                                                                                 | 21       |
| K. SCHEME PERFORMANCE .....                                                                                                                                                                                   | 21       |
| L. SCHEME'S PORTFOLIO HOLDINGS .....                                                                                                                                                                          | 21       |
| M. AGGREGATE INVESTMENT .....                                                                                                                                                                                 | 21       |
| N. PRODUCT DIFFERENTIATION.....                                                                                                                                                                               | 21       |
| O. ABOUT THE INDEX.....                                                                                                                                                                                       | 23       |
| P. INDIAN DEBT MARKETS - PILLARS OF THE INDIAN ECONOMY .....                                                                                                                                                  | 26       |
| <b>III. UNITS &amp; OFFER</b>                                                                                                                                                                                 |          |
| A. NEW FUND OFFER (NFO).....                                                                                                                                                                                  | 29       |
| B. ONGOING OFFER DETAILS.....                                                                                                                                                                                 | 38       |
| C. PERIODIC DISCLOSURES & OTHER INFORMATION .....                                                                                                                                                             | 47       |
| D. COMPUTATION OF NET ASSET VALUE.....                                                                                                                                                                        | 52       |
| <b>IV. FEES AND EXPENSES</b>                                                                                                                                                                                  |          |
| A. NEW FUND OFFER (NFO) EXPENSES.....                                                                                                                                                                         | 53       |
| B. ANNUAL SCHEME RECURRING EXPENSES.....                                                                                                                                                                      | 53       |
| C. TRANSACTION CHARGES .....                                                                                                                                                                                  | 54       |
| D. LOAD STRUCTURE.....                                                                                                                                                                                        | 55       |
| E. WAIVER OF ENTRY LOAD FOR DIRECT APPLICATIONS.....                                                                                                                                                          | 55       |
| <b>V. RIGHTS OF UNIT HOLDERS .....</b>                                                                                                                                                                        | 55       |
| <b>VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY .....</b> | 56       |

## HIGHLIGHTS – SUMMARY OF THE SCHEME

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Scheme</b>                        | <b>BHARAT Bond ETF – April 2032</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Type of Scheme</b>                            | An open-ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents Nifty BHARAT Bond Index - April 2032.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Investment Objective</b>                      | <p>The investment objective of the scheme is to track the Nifty BHARAT Bond Index - April 2032 by investing in bonds of AAA-rated CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors.</p> <p>However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Maturity Date of the Scheme</b>               | <p>The Scheme will mature on April 15, 2032. If such a Maturity Date is a non-Business Day, the subsequent Business Day shall be considered as the Maturity Date for the Scheme.</p> <p>It may be noted that the Scheme will be suspended for trading on exchange closer to its Maturity Date not more than 10 business day before the Maturity Date. A notice in this regard shall be issued to the investors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Investment Plans/Options</b>                  | <p>The Scheme does not offer any Plans/Options for investment.</p> <p>The AMC/Trustee reserve the right to introduce Plans/Option(s) as may be deemed appropriate at a later date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Category of Investors</b>                     | <ul style="list-style-type: none"> <li>• Retail Individual Investors</li> <li>• Retirement Funds</li> <li>• Qualified Institutional Buyers (QIBs)</li> <li>• Non Institutional Investors</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Minimum Application / Subscription Amount</b> | <p><b>DURING NFO PERIOD :</b></p> <p><b>Retail Individual Investors:</b></p> <p>Investors in this category can invest with the minimum investment amount of Rs. 1,001 and in multiples of Re. 1 thereafter, subject to maximum investment amount of Rs. 2,00,000 (Rupees Two Lakhs Only).</p> <p><b>Retirement Funds:</b></p> <p>Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.</p> <p><b>QIBs:</b></p> <p>Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.</p> <p><b>Non Institutional Investors:</b></p> <p>Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.</p> <p><b>ONGOING OFFER PERIOD:</b></p> <p><b>a. Directly with the Mutual Fund:</b></p> <p>Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants and Large Investors only, provided the value of Units of the Scheme to be purchased/subscribed is in the below mentioned minimum Creation Size based on the Intra-Day NAV:</p> <ul style="list-style-type: none"> <li>- Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</li> <li>- BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</li> <li>- Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter</li> </ul> <p>The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.</p> <p>Subscription can be made in any of the following forms:</p> <ol style="list-style-type: none"> <li>1. Cash, or</li> <li>2. “in-kind” i.e. through Eligible Securities, or</li> <li>3. Combination of both Cash and “in-kind” (through Eligible Securities)</li> </ol> <p>Eligible Securities is defined as follows:</p> <ol style="list-style-type: none"> <li>1. Securities which are part of the Scheme Portfolio OR Securities which are part of the Index and having maturity of -not more than 90 days prior to the Maturity Date of the Scheme, and</li> <li>2. Within maximum Index weight of the eligible Issuer, and</li> <li>3. Should be in market lot of Rs. 5 crore and in multiple thereof.</li> </ol> |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <p>It may be noted that, subscriptions received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the Intra-Day NAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme for allotment and/or transfer of eligible securities which may include charges like depository participant charges, transaction handling charges etc., will be borne by the Large Investors / Authorised Participants. Accordingly, the said charges will be deducted before allotment of unit.</p> <p>Depending on the market volatility, liquidity conditions, rating action, applicable regulatory provisions and any other factors, the AMC may, at its sole discretion, decide to accept subscription either in “Cash”, “in-kind” (through eligible securities) or the combination of both.</p> <p><b>b. On the Stock Exchange(s):</b></p> <p>All categories of investors may transact in Units of the Scheme through the Stock Exchanges on which the Units of the Scheme are listed, on any trading day during trading hours in the lot size of one (1) Unit and multiples thereof.</p> <p>The AMC will appoint Authorised Participant(s) who will endeavor to provide liquidity through Stock Exchanges by providing two-way quotes in the Units of the Scheme during trading hours.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Minimum Redemption Amount</b> | <p><b>a. Directly with the Mutual Fund:</b></p> <p>Mutual Fund will repurchase Units of the Scheme only from Authorised Participants and Large Investors, provided the value of Units of the Scheme to be repurchased is in the below mentioned minimum Creation Size based on the Intra-Day NAV:</p> <ol style="list-style-type: none"> <li>1. Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</li> <li>2. BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</li> <li>3. Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter</li> </ol> <p>The Fund may change the minimum Creation Size depending upon market developments, demand-supply dynamics or any other factors.</p> <p>Payout of the redemption proceeds can be made in any of the following forms:</p> <ol style="list-style-type: none"> <li>1. Cash, or</li> <li>2. “in-kind” i.e. through slice of the entire bond Portfolio (excluding G-Sec, TREPS and Repo in Government Securities), or</li> <li>3. Combination of both Cash and “in-kind” (slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities)</li> </ol> <p>It may be noted that, redemption requests received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the Intra-Day NAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme which may include charges like depository participant charges, transaction handling charges, charges for transfer of slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities (if in-kind redemption) etc. will be borne by the Large Investor / Authorised Participants. Accordingly, redemption proceed will be made post deducting such charges.</p> <p>The AMC will endeavor to pay the redemption proceeds in Cash. However, depending on the market volatility, liquidity conditions, applicable regulatory provisions, investor request etc., the AMC may redeem the Units and make the payout either “in-kind” i.e. through slice of the entire bond Portfolio or in combination of both i.e. Cash and “in-kind”.</p> <p><b>b. On the Stock Exchange(s):</b></p> <p>All categories of investors may transact in Units of the Scheme through the Stock Exchanges on which the Units of the Scheme are listed, on any trading day during trading hours in the lot size of one (1) Unit and multiples thereof.</p> |
| <b>Dematerialization (Demat)</b> | <p><b>The Units of the Scheme will be available only in Dematerialized (‘Demat’) form.</b> Investors intending to invest in the Scheme are required to have a beneficiary depository account with a Depository Participant (DP) (registered with NSDL / CDSL as may be indicated by the Fund at the time of launch of the Scheme). Investors are required to indicate their DP’s name, DP ID Number and the Beneficiary Account Number held with the DP in the Application Form at the time of subscribing to the Units during the NFO as well as on an Ongoing Offer Period.</p> <p>Units of the Scheme will be issued, traded and settled compulsorily in the dematerialized form. Applications without relevant details of beneficiary depository accounts shall be rejected.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Benchmark Index / Underlying Index</b> | Nifty BHARAT Bond Index - April 2032                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Fund Manager</b>                       | <p>Fund Manager: Mr. Dhawal Dalal<br/>(Managing the Scheme Since Inception)</p> <p>Co-Fund Manager: Mr. Rahul Dedhia<br/>(Managing the Scheme Since Inception)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Load</b>                               | <p><b>Entry Load:</b> Not Applicable.</p> <p>In terms of circular no. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, SEBI has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Fund</p> <p><b>Exit Load:</b> NIL</p> <p>There will be no Exit Load for the Scheme.</p> <p>Investors shall note that the brokerage on sales of the units of the Scheme on the Stock Exchanges shall be borne by the investors.</p> <p><b>Other charges for transactions through Stock Exchange Mode:</b></p> <p>The units of the Scheme are compulsorily traded on Stock Exchange(s) in dematerialized form, and hence, there shall be no entry/exit load for the units purchased or sold through Stock Exchanges. However, the investor shall have to bear costs in the form of bid/ask spread and brokerage and such other costs as charged by his broker or mandated by the government from time-to-time for transacting in the units of the Scheme through secondary market.</p> <p>For more details on load structure, please refer Section on “Load Structure” in this Document.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Liquidity</b>                          | <p>The Ongoing Offer Period of the Scheme will commence within 5 Business Days from the date of allotment of Units under the Scheme.</p> <p>Units of the Scheme will be listed on the National Stock Exchange of India Limited (NSE) and/or BSE Limited (BSE) on any other recognized Stock Exchange/s as may be decided by the AMC from time to time.</p> <p>The Units of the Scheme can be purchased/redeemed on a continuous basis on the Stock Exchanges during the trading hours like any other publicly listed security.</p> <p>The AMC will appoint Authorised Participant(s) who will endeavor to provide liquidity through Stock Exchanges by providing two-way quotes in the Units of the Scheme during trading hours.</p> <p><b>Directly with Mutual Fund:</b></p> <p>Authorised Participant/Large Investors can subscribe/redeem the Units of the Scheme directly with the Mutual Fund only in the Creation Size. Details of minimum subscription/redemption amount is stated above.</p> <p>Depending on the market volatility, liquidity conditions and any other factors, the AMC may, at its sole discretion, decide to accept subscription/redeem Units of the Scheme either in “Cash”, “in-kind” (through slice of the entire Portfolio excluding G-Sec, TREPS and Repo in Government Securities) or the combination of both.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Transparency/NAV Disclosure</b>        | <p>The NAV will be calculated and disclosed on every Business Day. The AMC will prominently disclose the NAVs under a separate head on its website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) NAV will be updated on the website of the AMC (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the AMFI website (<a href="http://www.amfiindia.com">www.amfiindia.com</a>). The NAVs will be normally updated on the websites before 11.00 p.m. on every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAV.</p> <p>The NAV will be calculated in the manner as provided in this SID or as may be prescribed by the SEBI Regulations from time to time. The NAV will be computed up to four decimal places.</p> <p>The Fund may also publish intra-day indicative NAV (iNAV) of the Scheme on periodic basis. This will be based on the intra-day valuation of the Scheme received from the Agencies appointed by AMC from time to time. The iNAV is aimed at providing investors with latest update on the valuation of the Scheme during the course of the day. The indicative NAV will be updated on Edelweiss Mutual Fund's website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) on periodic basis.</p> <p>It may be noted that iNAV will not have any bearing on the creation or redemption of Units of the Scheme directly with the Fund by the Authorised Participants or Large Investor.</p> <p>The AMC will disclose portfolios of the Scheme (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year on its website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month/half year.</p> |

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                       | <p>In case of unitholders whose email addresses are registered, the AMC will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year respectively. Unitholders whose email addresses are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database.</p> <p>The AMC will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. The AMC will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.</p> <p>The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.</p> <p>The AMC will ensure compliance with and adherence to the SEBI (Mutual Funds) Regulations, 1996, SEBI circular on norms for Debt ETF /Index Funds dated November 29, 2019 and other applicable acts, guidelines, regulations etc.</p> |
| <b>Tracking Error</b> | <p>The AMC will monitor the Tracking Error of the Scheme on periodic basis and will seek to minimize it to the maximum extent possible. Under normal circumstances, the AMC will endeavor that the Tracking Error of the Scheme does not exceed 2% per annum. However, this may vary due to various reasons and market conditions, and also in case of difference in Scheme portfolio vis-à-vis Underlying Index, in case of non-availability of the issuances by the issuers, as stated under the section "Asset Allocation and Investment Pattern". Tracking Error may also occur as valuation providers are different for the constituents of the Index and for the ETF portfolio.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## I. INTRODUCTION

### A. RISK FACTORS:

Apart from the risk factors mentioned in SAI, following are some of the additional risk factors which investors are advised to go through before investing:

#### a) STANDARD RISK FACTORS:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down depending on various factors and forces affecting the capital markets. The value of investments may be affected, inter-alia, by changes in the market, interest rates, changes in credit rating, trading volumes, settlement periods and transfer procedures; the NAV is also exposed to Price/Interest-Rate Risk and Credit Risk and may be affected inter-alia, by government policy, volatility and liquidity in the money markets and pressure on the exchange rate of the rupee.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- BHARAT Bond ETF - April 2032 is the name of the Scheme & does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1,00,000 made by it towards setting up the Fund.
- The Scheme is not a guaranteed or assured return Scheme.

#### b) SCHEME SPECIFIC RISK FACTORS:

The performance of the Scheme may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems, etc. Some of the Risks are listed below:

#### 1. Risks Associated with Fixed Income and Money Market Instruments:

- **Interest rate risk:** Price of a fixed income instrument falls when the interest rates move up and vice-versa, which will affect the NAV accordingly.
- **Spread risk:** Investments in corporate bonds are exposed to the risk of widening of the spread between corporate bonds and gilts. Prices of corporate bonds tend to fall if this spread widens which will affect the NAV of the Scheme accordingly.
- **Credit risk or default risk:** Credit risk is the risk that the issuer of a debenture/ bond or a money market instrument may default on interest &/or principal payment obligations.
- **Liquidity:** The Risk of non execution of sale/purchase order due to low volumes is liquidity risk.
- **Reinvestment risk:** Interest rates may vary from time to time. The rate at which intermediate cash flows are reinvested may differ from the original interest rates on the security, which can affect the total earnings from the security.
- **Performance Risk:** Performance of the Scheme may be impacted with changes in factors, which affect the capital market and in particular the debt market.

- **Market risk:** Lower rated or unrated securities are more likely to react to developments affecting the market as they tend to be more sensitive to changes in economic conditions than higher rated securities.

### 2. Risk Factors associated with Exchange Traded Fund investing in Bonds:

#### i. Lack of Vibrant Secondary Market for Units of the Scheme:

Although the Units of the Scheme will be listed on the Stock Exchanges such as NSE and BSE, there can be no assurance that a vibrant secondary market for units of the Scheme will be developed or maintained by the Authorised Participants.

#### ii. Halting of Trading in Units of the Scheme:

Trading in the Units of the Scheme on NSE/BSE may be halted because of market conditions or for reasons that in view of NSE/BSE, SEBI or any other Regulatory authorities. Thus, active trading in the units of the Scheme is not advisable.

In addition, trading of the Units of the Scheme are subject to trading halts caused by extraordinary market volatility and pursuant to stock exchange and SEBI 'circuit filter' rules.

There can be no assurance that the requirements of NSE/BSE necessary to maintain the listing of the Units of the Scheme will continue to be met or will remain unchanged.

#### iii. Lack of secondary market depth:

In case of unit creation and unit redemption, the Scheme will have to either buy a basket of securities or sell a basket of securities. -. This requires an active secondary market for underlying securities at all points of time. A lack of depth in secondary market for underlying securities could hamper the efficient transaction in unit creation and unit redemption.

#### iv. Units of the scheme may trade at prices other than NAV:

Depending on the demand-supply dynamic, the units of the Scheme may either trade on the Stock Exchange above or below the NAV of the Scheme. This may give rise to arbitrage opportunities. However, the in-built mechanisms of unit creation and unit redemption in the form of Cash or in-kind is designed to reduce the arbitrage opportunity for market participants.

#### v. Regulatory Risk:

Any changes in Regulations by SEBI / RBI / Stock Exchange / GOI / and other decision makers may hamper the ability of the market participants in trading resulting into wider premium/discount to NAV.

#### vi. Asset Class Risk:

The returns from the types of Securities in which the Scheme invests may under-perform returns of general Securities markets or different asset classes. Different types of securities tend to go through cycles of out-performance and under-performance in comparison of Securities markets.

#### vii. Redemption Risk:

Investors should note that even though the Scheme is an open-ended Scheme, subscription/redemptions of Units of the Scheme directly with the Fund would be limited to such investors who have the ability to subscribe/redeem the units of the Scheme in specific Creation Size. Generally, these lot sizes are larger as compared to normal funds. Thus, even though this Scheme

is open ended, due to large lot size, very few investors can directly subscribe and redeem the units of the Scheme. However, investors wishing to subscribe/redeem units in other than specific lot sizes can do so by buying/selling the same on NSE/BSE.

The AMC will endeavor to pay the redemption proceeds in Cash. However depending on the market volatility, liquidity conditions, applicable regulatory provisions, investor request etc., the AMC may redeem the Units and make the payout either “in-kind” i.e. through slice of the entire bond Portfolio or in combination of both i.e. Cash and “in-kind”.

#### **viii. Risk of Investment Strategy**

As the Scheme would be primarily investing in the Bonds of CPSE or any other eligible entities, any government policy which will have an impact on central public sector enterprises, including any change in the disinvestment policy of the government, could impact the price of the underlying assets. This may have negative impact on the performance of the Scheme.

#### **ix. Risk of Credit Rating changes**

It is understood that most of the CPSE securities have higher credit rating essentially due to government ownership and implied government support. Any potential change in government control, shareholding pattern, market perception, corporate action etc., could result in potential downgrade of credit rating of the Issuers. This may have negative impact on the performance of the Scheme.

#### **x. Risk of Investment in eligible securities**

The Scheme’s objective is to invest in CPSEs securities as defined in the Index. The Scheme will invest in the securities predominantly through private placement route. These securities are generally auctioned on Electronic Bidding Platforms (EBP) in anonymous manner through competitive bidding. It is quite possible that the Scheme may not be able to subscribe to these securities in sufficient quantities. This may result in sub-optimal asset allocation until the next bidding takes place.

#### **xi. Risk of variation in asset allocation as compared to the Index**

The Scheme intends to accept “in-kind” unit creation request from investors. The criteria for securities eligible for “in-kind” subscription has been defined in this document. It is possible that the “in-kind” subscription may result in variation in asset allocation as compared to the Index asset allocation. However, the rebalancing provisions of the SEBI Regulations will be applicable.

#### **xii. Risk of sovereign rating change**

The valuation of the CPSE securities is based on the shape of the sovereign bond yield curve. The level of sovereign bonds are, apart from other factors, dependent on the sovereign rating of India by global Credit Rating Agencies. Any potential change in India’s sovereign credit rating may have direct impact on the levels of sovereign bonds which in turn may have impact on the CPSE securities.

#### **xiii. Risk of higher supply of CPSEs securities**

There has been an increase in total issuances of CPSE securities in last 3 years. This has resulted in “crowding out effect” in the corporate bond market. As a result, credit spreads of certain CPSE issuers with higher supply have widened as compare to other CPSE issuers. This has also resulted in higher concentration for certain CPSE issuers resulting in lack of appetite. Any incremental

issuance from these CPSEs is likely to be met with lukewarm response from the investors, resulting in further widening of credit spreads.

#### **xiv. Lack of supply of eligible securities with desired maturity**

The target maturity bond ETF structure has a pre-defined maturity date. This necessitate investment in securities maturing within 3 months before the maturity date of the Scheme. Any decline in potential supply of securities maturing within 3 months before the maturity date of the Scheme may expose the Scheme to the reinvestment risk or investing in lower yielding T-bills / TREPS in the maturing year of the Scheme. This may be detrimental to the investor interest.

#### **xv. Increase in supply of Tax-free bonds from CPSEs Issuers**

The target maturity bond ETF structure is designed to provide investor with long-term fixed income asset allocation to high qualities CPSEs with better tax-adjusted returns in the current interest rate environment. Any potential increase in supply of Tax-free bonds from CPSEs issuer may adversely impact the demand and future growth of the Scheme.

#### **xvi. Risk of divergence in credit rating of the Scheme and the Index**

The Scheme intends to invest in AAA rated CPSEs entities. Any potential credit rating downgrade will necessitate the Scheme to sell bonds of downgraded CPSEs entities at market level and invest in new AAA rated CPSEs entities. This exercise is dependent on the secondary market liquidity in affected CPSEs entities. In case if the Scheme is unable to liquidate these bonds in the open market, this will result in divergence in the credit rating composition between the Scheme and the Index.

#### **xvii. Risk of disinvestment / privatization of invested CPSE entities**

The GOI has recently made several announcements regarding their intentions to either disinvest full or part of their holdings in several CPSE entities. In case if a CPSE entity, which is part of the portfolio, is privatized, it will result in exclusion from the Index. The Scheme will also be required to exit their positions at the prevailing market levels and reinvest the proceeds in CPSE entities at prevailing market levels. This may result in untoward volatility and undesirable outcome.

### **3. Risks associated with investing in Tri Party Repo through CCIL (TREPS):**

Risk of exposure in the Triparty Repo settlement Segment provided by CCIL emanates mainly on two counts -

- a. Risk of failure by a lender to meet its obligations to make funds available or by a borrower to accept funds by providing adequate security at the settlement of the original trade of lending and borrowing under Triparty Repo transaction.
- b. Risk of default by a borrower in repayment.

### **4. Risks associated with stock lending**

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to

return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This, along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there can be temporary illiquidity of the securities that are lent out and the scheme will not be able to sell such lent out securities until they are returned. There is also a possibility of opportunity loss.

#### 5. Risks Associated With Segregated Portfolio

- 1) Unit holder holding units of Segregated Portfolio may not be able to liquidate their holdings till the recovery of money from the issuer.
- 2) Portfolio comprising of Segregated Portfolio may not realise any value or may have to be written down.

- 3) Listing of units of Segregated Portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

#### 4) Illustration of Segregated Portfolio

|                              |                                                                                                  |
|------------------------------|--------------------------------------------------------------------------------------------------|
| Portfolio Date:              | 1/7/2021                                                                                         |
| NAV:                         | 12.0000                                                                                          |
| Credit Event Date:           | 2/7/2021                                                                                         |
| Credit Event:                | Credit Rating Downgrade of secured NCD issued by Company "C Limited" from AAA to D               |
| Sector of affected Security: | Infrastructure                                                                                   |
| Valuation Impact:            | Affected asset to be valued at 50% of the face value<br>Accrued interest has to be valued at 50% |

#### Portfolio of Affected Scheme before the Credit Event:

| Security     | LT Credit Rating | Type of Security | Face Value              | Price | Market Value            | YTM   | % of Assets |
|--------------|------------------|------------------|-------------------------|-------|-------------------------|-------|-------------|
| A Limited    | AAA              | Bond             | 100,000,000.00          | 100.5 | 100,500,000.00          | 8.50% | 9.90%       |
| B Limited    | AAA              | Bond             | 100,000,000.00          | 100.6 | 100,600,000.00          | 8.45% | 9.91%       |
| C Limited    | AAA              | Bond             | 100,000,000.00          | 100.7 | 100,700,000.00          | 8.40% | 9.92%       |
| D Limited    | AAA              | Bond             | 100,000,000.00          | 100.8 | 100,800,000.00          | 8.35% | 9.93%       |
| E Limited    | AAA              | Bond             | 100,000,000.00          | 100.7 | 100,700,000.00          | 8.40% | 9.92%       |
| F Limited    | AAA              | Bond             | 100,000,000.00          | 100.6 | 100,600,000.00          | 8.35% | 9.91%       |
| G Limited    | AAA              | Bond             | 100,000,000.00          | 100.5 | 100,500,000.00          | 8.40% | 9.90%       |
| H Limited    | AAA              | Bond             | 100,000,000.00          | 100.4 | 100,400,000.00          | 8.45% | 9.89%       |
| I Limited    | AAA              | Bond             | 100,000,000.00          | 100.3 | 100,300,000.00          | 8.50% | 9.88%       |
| J Limited    | AAA              | Bond             | 100,000,000.00          | 100.2 | 100,200,000.00          | 8.55% | 9.87%       |
| Cash         | -                | TREPS            | 10,000,000.00           | 100   | 10,000,000.00           | 6%    | 0.98%       |
| <b>TOTAL</b> |                  |                  | <b>1,010,000,000.00</b> |       | <b>1,015,300,000.00</b> |       | <b>100%</b> |

#### Affected Security:

| Security  | LT Credit Rating | Type of Security | Face Value     | Price | Market Value   | YTM   | % of Assets |
|-----------|------------------|------------------|----------------|-------|----------------|-------|-------------|
| C Limited | AAA              | Bond             | 100,000,000.00 | 100.7 | 100,700,000.00 | 8.40% | 9.92%       |

Old NAV of Main Portfolio prior to Segregation: Rs. 12.0000

New NAV of Main Portfolio post Segregation: Rs. 10.8098

#### Main Portfolio:

| Security     | LT Credit Rating | Type of Security | Face Value            | Price | Market Value          | YTM   | % of Assets |
|--------------|------------------|------------------|-----------------------|-------|-----------------------|-------|-------------|
| A Limited    | AAA              | Bond             | 100,000,000.00        | 100.5 | 100,500,000.00        | 8.50% | 10.99%      |
| B Limited    | AAA              | Bond             | 100,000,000.00        | 100.6 | 100,600,000.00        | 8.45% | 11.00%      |
| D Limited    | AAA              | Bond             | 100,000,000.00        | 100.8 | 100,800,000.00        | 8.35% | 11.02%      |
| E Limited    | AAA              | Bond             | 100,000,000.00        | 100.7 | 100,700,000.00        | 8.40% | 11.01%      |
| F Limited    | AAA              | Bond             | 100,000,000.00        | 100.6 | 100,600,000.00        | 8.35% | 11.00%      |
| G Limited    | AAA              | Bond             | 100,000,000.00        | 100.5 | 100,500,000.00        | 8.40% | 10.99%      |
| H Limited    | AAA              | Bond             | 100,000,000.00        | 100.4 | 100,400,000.00        | 8.45% | 10.98%      |
| I Limited    | AAA              | Bond             | 100,000,000.00        | 100.3 | 100,300,000.00        | 8.50% | 10.97%      |
| J Limited    | AAA              | Bond             | 100,000,000.00        | 100.2 | 100,200,000.00        | 8.55% | 10.96%      |
| Cash         | -                | TREPS            | 10,000,000.00         | 100   | 10,000,000.00         | 6%    | 1.09%       |
| <b>TOTAL</b> |                  |                  | <b>910,000,000.00</b> |       | <b>914,600,000.00</b> |       | <b>100%</b> |

**Segregated Portfolio:**

| Security  | LT Credit Rating | Type of Security | Face Value     | Price | Market Value  | YTM | % of Assets |
|-----------|------------------|------------------|----------------|-------|---------------|-----|-------------|
| C Limited | D                | Bond             | 100,000,000.00 | 50.35 | 50,350,000.00 | -   | 100.00%     |

**NAV of Segregated Portfolio:** Rs. 0.5951

**Net Impact on Investor:**

| NAV Movement             | Main Portfolio | Segregated Portfolio | MTM Loss | Total   |
|--------------------------|----------------|----------------------|----------|---------|
| Before the Credit Event: | 12.0000        | NA                   | NA       | 12.0000 |
| After the Credit Event:  | 10.8098        | 0.5951               | 0.5951   | 12.0000 |

*Assumptions:* There is no change in the valuation of the rest of assets on the day of credit event.

Note: It may be noted that the haircut for affected assets are prescribed by AMFI in consultation with SEBI and is subject to change from time to time.

For details please refer SAI.

## B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

As per SEBI Circular SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003, the provisions with respect to minimum number of investors and maximum holding for single investor are not applicable to an exchange traded fund. Accordingly, these provisions shall not be applicable to the Scheme.

## C. SPECIAL CONSIDERATIONS

The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs.1,00,000/- (Rupees One Lakh) collectively made by them towards setting up the Fund or such other accretions and additions to the initial corpus set up by the Sponsor.

Neither this Document nor the Units have been registered in any other jurisdiction other than India. The distribution of Units /this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about, and to observe, any such restrictions.

The AMC can invest in any of the Schemes of Edelweiss Mutual Fund subject to the limits as prescribed by the SEBI Regulations and in such case it will not be entitled to charge any fees on such investments. The Sponsor, entities managed or sponsored by the affiliates or associates of the Sponsor, Funds managed/ advised by the Sponsor/and their associated entities, the Asset Management Company, the Custodian, the Registrar, any Associate, any Distributor, Dealer, any Company, Corporate Bodies, Trusts, any Service Provider, investor (resident or non resident), any Scheme / Mutual Fund managed by the Asset Management Company or by any other asset management company may invest in this Scheme, subject to the limits specified by SEBI. While at all times the Trustee Company and the Asset Management Company will endeavor that excessive holding of Units in the Scheme among a few Unit holders is avoided, however, the funds invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unit holder in the Scheme. Redemption of Units held by such persons may have an adverse impact on the value of the Units of the Scheme because of the timing of any such redemption. It may also have impact on the liquidity of the Scheme, which may lead to an adverse impact on the NAV of the Scheme.

Prospective investors should review / study this Document in addition with Statement of Additional Information in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.

The tax benefits described in this Document in addition with Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely.

In accordance with the SEBI Regulations, the AMC also acts as the investment manager to the following Alternative Investment Funds (AIFs) as per SEBI (Alternative Investment Funds) Regulations 2012:

1) Edelweiss Multi Strategy Investment Trust, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/12-13/0004; 2) Edelweiss Alpha Fund, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/13-14/0047; and 3) Edelweiss Alternative Investment Opportunities Trust, a Category II Alternative Investment Fund having SEBI Registration No. IN/AIF2/17-18/0502 (collectively known as the "AIFs") and such other AIFs as may be set up by the AMC from time to time.

Further, the AMC is also engaged in the Portfolio Management Services (PMS) as per SEBI (Portfolio Managers) Regulations 1993, vide SEBI Registration No. INP000004631, for various PMS strategies.

While undertaking the aforementioned business activities, the

AMC ensures that (i) there is no conflict of interest with the activities of the Mutual Fund; (ii) there exists a system to prohibit access to insider information as envisaged under SEBI (Mutual Funds) Regulations, 1996; and (iii) Interest of the Unit holder(s) of the Scheme(s) of the Mutual Fund are protected at all times.

## D. DEFINITIONS

The following Scheme Specific definitions/terms which apply throughout this Document in addition to the definitions mentioned in the Statement of Additional Information unless the context requires otherwise:

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Allotment Price</b>                   | <p>Units will be allotted at the face value of Rs.1000 per unit for subscriptions made during the NFO Period.</p> <p>For subscriptions made directly with the AMC / Mutual Fund during the Ongoing Offer Period, allotment of Units will be made on the basis of Applicable NAV.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>AMC or Investment Manager or EAML</b> | Edelweiss Asset Management Limited, the asset management company set up under the Companies Act, 1956 and authorized by SEBI to act as the Asset Management Company to the Schemes of Edelweiss Mutual Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Applicable NAV</b>                    | <p>Investors / Unit holders to note that Cut-off time mentioned in this document are not applicable to transactions undertaken on a recognised Stock Exchange and are only applicable to transactions undertaken at the Corporate Office of the AMC.</p> <p>Unless otherwise stated in this Document, Applicable NAV is the Net Asset Value per Unit of the Scheme as declared by the Fund and applicable for valid Purchase/ Redemption of Units of the Scheme directly with the Fund, based on the Business Day and Cut-off time at which the application is received and accepted and also subject to compliance with other conditions as mentioned in this Document.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Authorised Participant</b>            | Authorised Participant means the member of the National Stock Exchange of India Ltd. (NSE), BSE Ltd (BSE) or any other Recognized Stock Exchange(s) as defined under Section 2(f) of the Securities Contracts (Regulation) Act, 1956 and their nominated entities/persons or any person who are appointed by the AMC/Fund to act as Authorised Participant to provide two-way quotes on the Stock Exchanges in the Units of the Scheme. They will be able to access the AMC / Mutual Fund in Creation Size for the purpose of unit creation and unit redemption directly with the AMC / Mutual Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Business Day</b>                      | <p>Business Day is a day other than:</p> <ul style="list-style-type: none"> <li>(a) Saturday and Sunday or</li> <li>(b) a day on which banks in Mumbai including Reserve Bank of India are closed for business or clearing or</li> <li>(c) a day on which the Stock Exchanges are closed or</li> <li>(d) a day which is a public and/or bank holiday at AMC's branch offices or</li> <li>(e) a day on which sale and repurchase of Units is suspended by the AMC or</li> <li>(f) a day on which normal business could not be transacted due to storms, floods, bandhs, strikes or any other pandemic situation etc. or</li> <li>(g) a day on which money markets are closed for business / not accessible or</li> <li>(h) a day on which funds accompanying applications cannot be realized and / or are not available for utilisation for investments or investments cannot be liquidated and / or funds are not available for utilization for redemption / repurchase or</li> <li>(i) A day on which NSDL and/or CDSL is closed for the purpose of transfer of securities between depository (demat) accounts.</li> <li>(j) The day when banks in any location where the AMC's Investor service centers are located, are closed due to local holiday, such days will be treated as non-business days at such centers for the purpose of accepting subscriptions.</li> </ul> <p>The AMC reserves the right to change the definition of Business Day</p> <p>The AMC reserves the right to declare any day as Business Day or otherwise at any of its branches.</p> |

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Creation size</b>                 | <p>- Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</p> <p>- BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</p> <p>- Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter</p> <p>The Trustee reserves the right to change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.</p>                                                                                                         |
| <b>Custodian</b>                     | Standard Chartered Bank, registered under the SEBI (Custodian of Securities) Regulations, 1996 acting as Custodian for the Scheme, and includes such Custodian(s) as may be appointed from time to time.                                                                                                                                                                                                                                                                                                                                    |
| <b>Day</b>                           | Any day (including Saturday, Sunday and holiday) as per English Calendar viz. 365 days in a year. For the filing of an official request, if the day is a Saturday, Sunday, or federal (or gazetted or statutory) holiday, or any occurrence causes the closure of the designated accepting office (for part or whole of the day), the next day that office is open is counted as the day.                                                                                                                                                   |
| <b>Debt Instruments</b>              | Corporate debentures, bonds, credit linked note, promissory notes, money market instruments, GOI Bonds and other possible similar securities as mentioned in this Document.                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Depository</b>                    | Depository as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL).                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Depository Participant or DP</b>  | 'Depository Participant' or 'DP' means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Eligible Securities</b>           | <ol style="list-style-type: none"> <li>1. Securities which are part of the Scheme Portfolio OR Securities which are part of the Index and having maturity not more than 90 days prior to the Maturity Date of the Scheme, and</li> <li>2. Within maximum Index weight of the eligible Issuer, and</li> <li>3. Should be in market lot of Rs. 5 crore and in multiple thereof.</li> </ol>                                                                                                                                                    |
| <b>Exchange Traded Fund (ETF)</b>    | Exchange Traded Funds are passively managed funds that seek to track the benchmark index and reflect the performance of that index. They have the flexibility of trading on stock exchanges like a stock and offer the best features of mutual fund and a listed stock.                                                                                                                                                                                                                                                                     |
| <b>Electronic Fund Transfer/ EFT</b> | Electronic Fund Transfer includes all the means of electronic transfer like Direct Credit / Debit, Electronic Clearing System (ECS), RTGS, NEFT, Wire Transfer or such like modes as may be introduced by relevant authorities from time to time.                                                                                                                                                                                                                                                                                           |
| <b>Exchange or Stock Exchange</b>    | National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and such other recognized stock exchange(s) where the Units of the Scheme are listed.                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Foreign Portfolio Investor</b>    | Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.                                                                                                                                                                                                                                                                                                                               |
| <b>Fund / Mutual Fund / EMF</b>      | Edelweiss Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882 and registered as a Mutual Fund with SEBI bearing SEBI Registration No. MF/057/08/02 dated April 30, 2008.                                                                                                                                                                                                                                                                                                                                        |
| <b>Gilt or Government Securities</b> | Under the Government Securities Act 2006, "Government security" means a security created and issued by the Government for the purpose of raising a public loan or for any other purpose as may be notified by the Government in the Official Gazette and having one of the forms mentioned in section 3 of the said Act, as amended or re-enacted from time to time.                                                                                                                                                                        |
| <b>INAV</b>                          | A measure of the intraday net asset value (NAV) of an investment, which gives an updated measure of the value of the investment based on its assets less its liabilities. An investment's NAV is usually calculated at the end of the trading day, but the indicative NAV measure gives a more real-time view of this value.                                                                                                                                                                                                                |
| <b>Intra-Day NAV</b>                 | <p>Intra-day NAV shall be applicable in case of subscription/ redemption of units directly with the Fund by Authorised Participants and Large Investors.</p> <p>Intra-day NAV means the NAV applicable for subscription/ redemption transaction by an Authorized Participant/Large Investor, based on the executed price at which the securities representing the underlying index are purchased / sold.</p> <p>Additionally, transaction handling charges, if any, will have to be borne by the Authorized Participant/Large Investor.</p> |

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investor Service Centre / ISC</b>         | Investor Service Centres, as designated from time to time by the AMC, whether of the Registrar or AMC's own branches, being official points of acceptance, authorized to receive Application Forms for Purchase/ Redemption /Switch and other service requests/queries from investors/ Unit Holders. For details please refer to the application form and/or website of the Mutual Fund at <a href="http://www.edelweisssf.com">www.edelweisssf.com</a> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Large Investors</b>                       | Means investors (other than Authorised Participants) who are eligible to invest in the Scheme and who would be subscribing to / redeeming the Units of the Scheme in Creation size directly with the Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Load</b>                                  | In the case of redemption of a Unit, the sum of money deducted from the Applicable NAV and in the case of subscription / switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit in addition to the Applicable NAV.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Main Portfolio</b>                        | Means the scheme portfolio excluding the segregated portfolio.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Money Market Instruments</b>              | Money Market Instruments as defined in the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Money market instruments include commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, CBLO, certificates of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>NAV or Net Asset Value</b>                | Net Asset Value of the Units of the Scheme calculated in the manner provided in this Document and in conformity with the SEBI Regulations as prescribed from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>New Fund Offer or NFO</b>                 | Offer for purchase of Units under the Scheme during the NFO Period as described hereinafter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>New Fund Offer Period or NFO Period</b>   | The date on or the period during which the initial subscription of Units of the Scheme can be made subject to extension, if any.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Non Institutional investors</b>           | All investors who are neither QIBs nor Retirement Funds nor Retail Individual Investors, with a minimum application amount of more than Rs. 2,00,001/- (Rupees Two Lakh and One only) and multiples of Re. 1/- thereafter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Official Points of Acceptance</b>         | Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Reserve Bank of India or RBI</b>          | Reserve Bank of India established under the Reserve Bank of India Act, 1934 as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Retail Individual Investors</b>           | Retail Individual Investors shall mean natural persons including NRI, sole proprietorship concern and HUF represented by Karta, subject to maximum application amount of Rs. 2,00,000 (Rupees Two Lakhs only) per investor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Qualified Institutional Buyers (QIB)</b>  | <p>Qualified Institutional Buyers shall mean Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI (Issue of Capital and Disclosure Requirements), 2018 and shall include the following, namely:-</p> <ol style="list-style-type: none"> <li>1. a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board;</li> <li>2. foreign portfolio investor other than individuals, corporate bodies and family offices;</li> <li>3. a public financial institution;</li> <li>4. a scheduled commercial bank;</li> <li>5. a multilateral and bilateral development financial institution;</li> <li>6. a state industrial development corporation;</li> <li>7. an insurance company registered with the Insurance Regulatory and Development Authority of India;</li> <li>8. a provident fund with minimum corpus of twenty five crore rupees;</li> <li>9. a pension fund with minimum corpus of twenty five crore rupees;</li> <li>10. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</li> <li>11. insurance funds set up and managed by army, navy or air force of the Union of India;</li> <li>12. insurance funds set up and managed by the Department of Posts, India; and</li> <li>13. systemically important non-banking financial companies.</li> </ol> |
| <b>Registrar and Transfer Agent/R&amp;TA</b> | KFin Technologies Pvt. Ltd., currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Repo/Reverse Repo</b>                                        | Sale/Purchase of Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell them at a later date.                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Retirement Funds</b>                                         | Retirement Funds shall mean any private or public trust, or any other entity, set up with the objective of making investments for the benefit of retirement or social security benefits for employees or workmen in the private or public sector and includes pension funds, gratuity funds, provident funds, annuity funds, deposit-linked insurance funds or superannuation funds, whether regulated by any authority or not.                                                                                                                                                           |
| <b>Scheme</b>                                                   | BHARAT Bond ETF - APRIL 2032, an Exchange Traded Fund offered through this Document.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Scheme Information Document or SID or Document</b>           | This document issued by Edelweiss Mutual Fund offering Units of the Scheme for Subscription.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>SEBI</b>                                                     | Securities and Exchange Board of India established under the SEBI Act, 1992.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>SEBI Regulations or Regulations or SEBI (MF) Regulations</b> | The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, including its Circulars, Notification & Guidelines.                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Securities</b>                                               | As defined in The Securities Contract (Regulation) Act, 1956 & includes notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund Units, Money Market Instruments like Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities. |
| <b>Segregated portfolio</b>                                     | Means a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Statement of Additional Information / SAI</b>                | The document issued by Edelweiss Mutual Fund containing details of Edelweiss Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the SID.                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Securities Lending</b>                                       | Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio as may be permitted by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Trading Day</b>                                              | A day on which Stock Exchanges are open for trading of Securities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Tracking error</b>                                           | Tracking Error is divergence of the performance (return) of the Fund's portfolio from that of the Underlying Index.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Trustee or Trustee Company/ETCL</b>                          | Edelweiss Trusteeship Company Limited, a Company set up under the Companies Act 1956, to act as the Trustee to Edelweiss Mutual Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Total Portfolio</b>                                          | Means the scheme portfolio including the securities affected by the credit event.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Unit</b>                                                     | The interest of an investor, which consists of one undivided share in the assets of the Scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Unit holder</b>                                              | A person holding Unit(s) in the Scheme offered under this Document.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

#### Abbreviations:

| Abbreviations | Particulars                                                                                    | Abbreviations | Particulars                               |
|---------------|------------------------------------------------------------------------------------------------|---------------|-------------------------------------------|
| AMC           | Edelweiss Asset Management Limited                                                             | NEFT          | National Electronic Fund Transfer Service |
| AMFI          | Association of Mutual Fund in India                                                            | NFO           | New Fund Offer                            |
| BSE           | BSE Limited                                                                                    | NSE           | National Stock Exchange of India Limited  |
| CPSE          | Central Public Sector Enterprises                                                              | NRI           | Non-Resident Indian                       |
| CDSL          | Central Depository Services (India) Limited                                                    | PAN           | Permanent Account Number                  |
| CBLO          | Collateralised borrowing and Lending Obligations                                               | PEKRN         | PAN Exempted KYC Reference Number         |
| CPFI          | Central Public Financial Institution                                                           | PSU           | Public Sector Undertaking                 |
| DP            | Depository Participant                                                                         | Pvt.          | Private                                   |
| DIPAM         | Department of Investment and Public Asset Management, Ministry of Finance, Government of India | PSB           | Public Sector Banks                       |
| EMF           | Edelweiss Mutual Fund                                                                          | QIB           | Qualified Institutional Buyers            |

| Abbreviations | Particulars                                       | Abbreviations | Particulars                                                                                            |
|---------------|---------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------|
| FPI           | Foreign Portfolio Investors                       | SAI           | Statement of Additional Information                                                                    |
| FII           | Foreign Institutional Investors                   | SID           | Scheme Information Document                                                                            |
| GOI or Gol    | Government of India                               | RBI           | Reserve Bank of India                                                                                  |
| ISC           | Investor Service Centre                           | RII           | Retail Individual Investors                                                                            |
| I.T. Act      | Income Tax Act, 1961 as amended from time to time | RTGS          | Real Time Gross Settlement                                                                             |
| IISL          | India Index Services & Products Limited           | SEBI          | Securities Exchange Board of India                                                                     |
| KYC           | Know Your Customer                                | SEBI Act      | Securities and Exchange Board of India Act, 1992                                                       |
| LTD           | Limited                                           | Trustee       | Edelweiss Trusteeship Company Limited                                                                  |
| NAV           | Net Asset Value                                   | IMA           | Investment Management Agreement                                                                        |
| NII           | Non-Institutional Investors                       | Regulations   | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time. |

### Interpretation:

For all purposes of this Document, except as otherwise expressly provided or unless the context otherwise requires:

- Words denoting any gender shall include all genders.
- Words used in singular would include plural form and vice-versa.
- A reference to a thing includes a part of that thing.
- Any reference to any statute or statutory provision shall be construed as including a reference to any statutory modifications or re-enactment from time to time.
- Clause headings are for ease of reference only and shall not affect the construction or interpretation of this Document.
- Words and expressions used herein but not defined shall have the meaning specified in the Companies Act, 1956, Securities Contract (Regulations) Act, 1956, SEBI Act, 1992, SEBI (Mutual Funds) Regulations, 1996, Depositories Act, 1996, Reserve Bank of India Act, 1934, Public Debts Act, 1944, Information Security Act, 2000 and the Rules, Income Tax Act 1961, Contract Act 1872, Prevention of Money Laundering Act, 2002, Foreign Exchange Management Act & Regulations and the Rules, Regulations and Guidelines issued thereunder from time to time.

## E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

A Due Diligence Certificate, duly signed by the Chief Executive Officer of Edelweiss Mutual Fund, has been submitted to SEBI which reads as follows:

### DUE DILIGENCE CERTIFICATE

It is confirmed that:

- ❖ The Scheme Information Document forwarded to SEBI is in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- ❖ All legal requirements connected with the launching of the Scheme and also the Guidelines, instructions, etc. issued by the Government of India and any other competent authority in this behalf, have been duly complied with.
- ❖ The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well-informed decision regarding investments in the proposed Scheme.
- ❖ The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- ❖ The contents of Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct.

For **Edelweiss Asset Management Limited**

Place : Mumbai  
Date : November 11, 2021

Signed : Sd/-  
Name : Radhika Gupta  
Designation : Managing Director & CEO

## II INFORMATION ABOUT THE SCHEME

### A. NAME & TYPE OF SCHEME

An open-ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents of Nifty BHARAT Bond Index - April 2032.

### B. INVESTMENT OBJECTIVE

The investment objective of the scheme is to track the Nifty BHARAT Bond Index - April 2032 by investing in bonds of AAA-rated CPSEs/ CPSUs/CPFIs and other Government organizations, subject to tracking errors.

However, there is no assurance that the investment objective of the scheme will be realized and the Scheme does not assure or guarantee any returns.

### C. ASSET ALLOCATION AND INVESTMENT PATTERN

Under normal circumstances, the asset allocation of the Scheme would be as follows:

| Asset Class                                                                                                                           | Indicative Allocation (% to net assets) | Risk Profile  |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------|
| #Debt Securities issued by CPSEs/CPSUs/CPFIs and other Government organizations which are part of Nifty BHARAT Bond Index -April 2032 | 95% to 100%                             | Low to Medium |
| Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds                           | 0% to 5%                                | Low           |

#Pursuant to SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2019/147 dated November 29, 2019, replication of the Index by the Scheme shall be as follows:

- The Scheme shall replicate the index completely.
- In the event, if the condition laid down in para (a) above is not feasible due to non-availability of issuances of the issuer forming part of the index, the Scheme may invest in other issuances issued by the same issuer having deviation of +/- 10% from the weighted average duration of issuances forming part of the index, subject to single issuer limit of 15%. Further, at aggregate portfolio level, the duration of the Scheme shall not deviate +/- 5% from the duration of the index.
- In the event, if the conditions laid down in para (a) and para (b) above are not feasible, the Scheme shall invest in issuances of other issuer(s) within the index having duration, yield and credit rating in line with that of the non-available issuances of the issuer(s) forming part of the index, subject to single issuer limit of 15%. The duration of the Scheme shall not deviate +/- 5% from the duration of the index.
- In the event, if the conditions laid down in para (a), para (b) and para (c) above are not feasible, the Scheme shall invest in issuances of issuer(s) not forming part of the index with duration, yield and credit rating in line with that of the non-available issuances of issuer(s) forming part of the index. Such investment in issuances of issuer(s) not forming part of the index shall be maximum of 20% of the aggregate portfolio of the Scheme.

- The rationale for any deviation from para (a) above shall be recorded.

- In an event where the credit rating of an issuance falls below the investment grade or rating mandated in the index methodology, rebalancing by the Scheme shall be done within a period of 5 working days.

It may be noted that after the closure of the NFO Period/pending deployment of the funds of the Scheme, the Scheme may park the funds in Government Securities maturing on or before the maturity date of the Scheme, TREPS and/or REPO in government bonds for a period of not more than 30 days, until the full deployment in securities issued by eligible issuers is achieved.

The Scheme may engage in Stock Lending in accordance with SEBI guidelines in this regard. Not more than 20% of the net assets of the Scheme would generally be deployed in stock lending.

The cumulative gross exposure through all the debt securities should not exceed 100% of the net assets of the scheme. However, cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

The AMC would monitor the tracking error of the Scheme on periodic basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, the AMC will endeavour that the tracking error of the Scheme does not exceed 2% per annum.

The Scheme does not intend to undertake/ invest/ engage in:

- Derivatives;
- Repos in corporate debt securities;
- Short selling of securities;
- Unrated instruments (except TREPS/ Government Securities/ Repo in Government Securities);
- Foreign securities/ADR/GDR;
- Securitized debts;
- Instruments having Structured Obligations and Credit Enhancements (except GOI guaranteed bonds);
- Debt instruments with special features (AT1/AT2 Bonds);
- Fund of Fund Schemes; and
- Credit Default Swaps.

### Change in Asset Allocation:

Subject to the Regulations, the asset allocation pattern indicated above may deviate depending on factors as follows but not limited to the following:

- After the launch of the Scheme and until full deployment is achieved.
- In case higher-than-usual request for unit creation
- In case if the Scheme is planning to participate in the primary issue of CPSE entities on the EBP Platform
- In case of the process of rebalancing of the portfolio in the following events:
  - Event of credit rating changes,
  - Corporate events,
  - Potential disinvestment of CPSEs/CPSUs/CPFIs and other Government organizations etc.

In case of any deviation in the above mentioned asset allocation the portfolio will be rebalanced within 7 days. However, in case of deviation

in the asset allocation beyond 7 days, the justification for the same shall be provided by the Fund Manager of the Scheme to the Investment Committee and the reason for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.

Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the Regulations, as detailed later in this document.

In the last 3 months of the Scheme, additional inflows / interest payments / maturity proceeds may be invested primarily in Bonds of CPSE entities constituting part of the index, however if the same are not available the investments will be made in money market securities of the CPSE entities constituting part of the index, and if money market securities of the said CPSE entities are unavailable the Scheme may invest in G-Secs. Maturity dates of these money market securities / G-Secs will be on or before the maturity date of the Scheme. It is pertinent to note that the above will be subject to point 2 of SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2019/147 dated November 29, 2019.

### Creation of a Segregated Portfolio:

Creation of a Segregated Portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

- 1) Segregated Portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
  - a) Downgrade of a debt or money market instrument to 'below investment grade', or
  - b) Subsequent downgrades of the said instruments from 'below investment grade', or
  - c) Similar such downgrades of a loan rating.
- 2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of Segregated Portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
- 3) Creation of Segregated Portfolio is optional and is at the discretion of the AMC.

### Process for Creation of Segregated Portfolio:

- 1) On the date of credit event, the AMC shall decide on creation of Segregated Portfolio and once the decision is made, the AMC shall:
  - a) seek approval of Trustees prior to creation of the Segregated Portfolio;
  - b) immediately issue a press release disclosing its intention to segregate such debt/money market instrument and its impact on the investors. The AMC will also disclose that the segregation will be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC;
  - c) ensure that till the time the Trustee approval is received, which in no case shall exceed 1 Business Day from the day of credit event, the subscription and redemption in the Scheme will be suspended for processing with respect to creation of units and payment on redemptions.
- 2) Once Trustee approval is received by the AMC:
  - a) Segregated Portfolio will be effective from the day of credit event;

- b) AMC will issue a press release immediately with all relevant information pertaining to the Segregated Portfolio. The said information will also be submitted to SEBI;
  - c) An e-mail or SMS will be sent to all unit holders of the Scheme;
  - d) The NAV of both Segregated and Main Portfolios will be disclosed from the day of the credit event;
  - e) All existing investors in the Scheme as on the day of the credit event will be allotted equal number of units in the Segregated Portfolio as held in the Main Portfolio;
  - f) No redemption and subscription will be allowed in the Segregated Portfolio.
  - g) AMC will enable listing of Units of Segregated Portfolio on the recognized stock exchange within 10 working days of creation of Segregated Portfolio and also enable transfer of such Units on receipt of transfer requests;
  - h) Unit holders, who wish to redeem their units under the Scheme will receive redemption proceeds only for the units held under the Main Portfolio of the Scheme based on its NAV and will continue to hold the Units of Segregated Portfolio. However, upon recovery of money from Segregated Portfolio, whether partial or full, it will be immediately distributed to the unit holders in proportion to their holding in the Segregated Portfolio;
- 3) If the Trustees do not approve the proposal to segregate portfolio, the AMC will issue a press release immediately informing investors of the same. In that case, subscription and redemption applications will be processed based on the NAV of Total Portfolio.

### Valuation:

The valuation would take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.

### Disclosure Requirement:

- a. A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b. Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.
- c. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d. The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e. The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.

- f. The disclosures at paragraph (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

### Monitoring by Trustees

- a. In order to ensure timely recovery of investments of the segregated portfolio, trustees shall ensure that:
  - i. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
  - ii. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
  - iii. An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustee meeting till the investments are fully recovered/ written-off.
  - iv. The trustees shall monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.
- b. In order to avoid mis-use of segregated portfolio during the credit event trustees have put mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

### D. WHERE WILL THE SCHEME INVEST?

The Scheme shall invest in Bonds and money market instruments of the CPSE issuers as stated under the section 'Asset Allocation and Investment Pattern' with residual maturity in lines with but not exceeding the Maturity Date of the Scheme subject to availability and suitability.

In order to maintain minimum liquidity buffer to take care of the unanticipated redemption, the Scheme may invest a portion of its portfolio in Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds as indicated in asset allocation table.

The investment restrictions and limits as specified in the SID under heading 'Investment Restrictions', shall be applicable.

### E INVESTMENT STRATEGY & APPROACH

- The Scheme seeks to track investment results of Nifty BHARAT Bond Index -April 2032 subject to tracking errors. Accordingly, the Scheme will invest in AAA rated bonds issued by CPSEs/

CPSUs/CPFIs and other Government organizations maturing not beyond the maturity date of the Scheme. The Scheme is a Target Maturity Date bond ETF. It will mature on April 15, 2032 and will distribute all of its maturity proceeds (Net Assets) to the Unitholders after the maturity date.

- The Scheme will follow Buy & Hold investment strategy in which existing bonds will be held till maturity unless sold for meeting redemptions, rebalancing requirement or optimizing portfolio construction process.
- The portfolio of eligible securities invested by the Scheme is expected to have, in aggregate, fundamental characteristics such as modified duration, weighted average maturity, aggregate credit ratings, aggregate Yield To Maturity (YTM) etc. along with other liquidity parameters in line with Nifty BHARAT Bond Index - April 2032. The Scheme may or may not hold all of the eligible securities which are part of Nifty BHARAT Bond Index, in line with SEBI circular no. SEBI/HO/IMD/ DF3/CIR/P/2019/147 dated November 29, 2019. The Issuer weight of the Scheme will be in line with the Issuer weights in the Index subject to suitability and availability of the eligible CPSEs bonds from time to time.
- The Scheme may also participate in new issuances / private placement by the eligible issuers which are currently not part of the index but will eventually get included in the index during the next rebalancing period in line with SEBI circular no. SEBI/HO/IMD/ DF3/CIR/P/2019/147 dated November 29, 2019. The Scheme may participate in such issuances only if they meet all eligibility criteria as defined by the index and suitable from asset allocation perspective and other parameters of the Scheme.
- The Scheme may also invest a portion of its portfolio in Government securities maturing on or before the maturity date of the Scheme, Repo in government securities and TREPS to manage liquidity requirement.

### Risk Mitigation Measures:

The Scheme will predominantly invest in securities of CPSEs/CPSUs/ CPFIs and other Government organizations which are constituents of the underlying Index viz. Nifty BHARAT Bond Index - April 2032. Based on the availability of issuances, it is expected that the Portfolio allocation could be different than that of underlying index allocation and could result in Tracking Error. That said, broad risk parameters of the portfolio of the Scheme such as credit rating, weighted average YTM, weighted average maturity, asset allocation etc. are expected to be similar to the Underlying Index.

The Scheme may also invest a portion of its portfolio in Government securities maturing on or before the maturity date of the Scheme, Repo in government securities and TREPS to manage liquidity requirement.

This allocation will be monitored periodically and it shall be ensured that investments are made in accordance with the Scheme objective and within the regulatory and internal investment restrictions prescribed from time to time.

Since disciplined investing requires risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process.

The Scheme has a detailed process to identify, measure, monitor and manage various portfolio risks. The objective is to understand these risk and mitigate them wherever possible.

Few of the key risk identified are:

| <b>Risk &amp; Description specific to the Scheme</b>                                                                                                 | <b>Risk mitigants / Management Strategy</b>                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Market/Volatility Risk</b><br>Risk arising due to price fluctuations and volatility, having material impact on the overall returns of the Scheme. | The Scheme, being a Target Maturity Date ETF structure, is expected to follow a Buy and Hold investment strategy in a passive manner. Based on that, we expect to mitigate intermittent price volatility in the underlying assets. Investors who remain invested until the maturity of the Scheme are expected to mitigate market / volatility risk to large extent. |
| <b>Credit risk</b><br>Risk associated with repayment of investment                                                                                   | The Scheme intends to invest predominantly in AAA rated bonds issued by CPSEs/CPSUs/CPFIs and other Government organizations. These CPSEs/ CPSUs/CPFIs and other Government organizations are controlled by the Government of India. As a result the bond issued by them are considered as relatively safe.                                                          |
| <b>Liquidity risk</b><br>Risk arising due to inefficient Asset Liability Management, resulting in high impact costs                                  | The Scheme intends to invest predominantly in AAA rated bonds issued by CPSEs/CPSUs/CPFIs and other Government organizations. In general, bonds issued by CPSEs entities enjoy higher level of secondary market liquidity.                                                                                                                                           |
| <b>Interest rate risk</b><br>Price volatility due to movement in interest rates                                                                      | The Scheme, being a Target Maturity Date ETF structure, is expected to follow a Buy and Hold investment strategy in a passive manner. All investments are in line with the maturity date of the Scheme and the underlying Index. This should help mitigate the interest rate risk.                                                                                   |
| <b>Event risk</b><br>Price risk due to company or sector specific event                                                                              | The Scheme intends to invest in AAA rated bonds of CPSEs/CPSUs/CPFIs and other Government organizations. These bonds are perceived to be relatively safe with quasi sovereign risk due their government ownership.                                                                                                                                                   |

#### Portfolio Turnover:

The Scheme is a Target Maturity Date Exchange Traded Fund. It is expected to be managed in a passive manner. However, there may be request of subscriptions and redemption from Authorised Participants and Large Investors on periodic basis, which may necessitate transaction in underlying basket of eligible securities. In general, the portfolio turnover of the Scheme will depend upon the extent of request of unit creation and unit redemption received from Authorised Participants and Large investors, requirement to rebalance the portfolio on account of change in the credit rating, corporate event etc. It may be noted that in the last year of maturity of the Scheme, the Portfolio Turnover may increase on account of re-deployment of maturity proceeds realized from initial investment.

#### Tracking Error:

Tracking Error is divergence of the performance (return) of the Fund's portfolio from that of the Underlying Index. Based on that the availability of issuances by the CPSEs/CPSUs/CPFIs and other Government organizations, it is expected that the Portfolio allocation could be different than that of underlying index allocation and could result in Tracking Error. That said, the risk parameters of the portfolio of the Scheme and underlying index could be similar.

The Fund will endeavor to keep the tracking error as low as possible. Under normal circumstances, such tracking error is not expected to exceed 2% per annum.

Tracking error could be the result of a variety of factors including but not limited to:

- Delay in the purchase or non-availability of CPSEs securities which are part of the Index
- Delay in liquidation of CPSEs bonds which have been removed by the Index
- Due to partial investment in Government securities, Repo in Government securities and TREPS
- Due to investment in eligible CPSEs issuer which are yet to be part of the Index
- Due to mismatch in the weight of the Index and the Scheme throughout life of the Scheme.
- Change in asset allocation between the Index and the Scheme in the last year of the Scheme.
- Difference in valuation of underlying bonds by the Index Provider and AMC's valuation providers.

#### F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

##### (i) Type of Scheme -

BHARAT BOND ETF - April 2032 is an open-ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents of Nifty BHARAT Bond Index - April 2032.

##### (ii) Investment Objective

**Main Objective** - The investment objective of the scheme is to track the Nifty BHARAT Bond Index - April 2032 by investing in bonds of AAA-rated CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors.

However, there is no assurance that the investment objective of the scheme will be realized and the Scheme does not assure or guarantee any returns.

**Investment pattern** - The tentative portfolio break-up with minimum and maximum asset allocation is disclosed in the Section II-C on "Asset Allocation and Investment Pattern" in this Document.

##### (iii) Terms of Issue

**Liquidity Provisions:** Authorised Participants and Large Investors can directly buy and sell units of the Scheme from the Mutual Fund in Creation size. Units of the Scheme will be listed on the National Stock Exchange of India Limited (NSE) or on any other recognized Stock Exchange/s as may be decided by the AMC from time to time, provide liquidity through the secondary market. All categories of investors may purchase the units through secondary market on any trading day.

The AMC will appoint Authorised Participants to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would provide daily two-way quote (buy and sell quotes) in the secondary market for ensuring liquidity.

As per SEBI Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving a valid Redemption request. In case the Redemption proceeds are not

made within 10 Business Days of the date of receipt of a valid Redemption request, interest will be paid @ 15% per annum or such other rate from the 11th day onwards as may be prescribed by SEBI from time to time.

**Aggregate fees and expenses charged to the Scheme:** The aggregate fees and expenses charged to the Scheme will be in line with the limits defined in the SEBI Regulations as amended from time to time. The aggregate fee and expenses to be charged to the Scheme are detailed in Section IV of this Document.

**Any safety net or guarantee provided:** The Scheme does not provide any guaranteed or assured return.

- An addendum to the existing SID shall be issued and displayed on AMC website immediately.
- A written communication about the proposed change is sent to each Unit holder and a public notice / advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated;
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load; and
- The SID shall be revised and updated immediately after completion of duration of the exit option (not less than 30 days from the notice date).

### Change in Fundamental Attributes:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Board of Trustees shall ensure that no change in the fundamental attributes of the Scheme or the trust or fee and expenses payable or any other change which would modify the Scheme and affect the interests of Unit holders is carried out unless:

- The Trustees have taken/received comments from SEBI in this regard before carrying out such changes.

### G. BENCHMARK

The Benchmark for the Scheme will be Nifty BHARAT Bond Index - April 2032.

The same has been chosen as the Scheme will predominantly invest in securities which are constituents of Nifty BHARAT Bond Index - April 2032. Thus, the composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme.

### H. FUND MANAGERS FOR THE SCHEME

Mr. Dhawal Dalal is the Fund Manager and Mr. Rahul Dedhia is the Co - Fund Manager of the Scheme. Details of the Fund Managers are as stated below:

| Name of the Fund Manager & Age             | Educational Qualification | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Other Schemes Managed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mr. Dhawal Dalal</b><br><b>49 years</b> | B.E., MBA                 | Mr. Dhawal Dalal, aged 49 years, is a B.E. (Ahmedabad, Gujarat University), and MBA (University of Dallas, Irving, TX) by qualification and has an overall work experience of 24 years mostly in the investment management function. Mr. Dhawal has joined Edelweiss AMC as Chief Investment Officer - Fixed Income in October 2016 and a key personnel. Prior to joining Edelweiss AMC, he was associated with DSP BlackRock Investment Managers Pvt.Ltd as Executive Vice President and Head of Fixed Income from January 2012 to July 2016, as Sr. Vice President and Head of Fixed Income schemes from January 2006 to December 2011 and as Asst. Vice President for fixed income products from May 1998 to December 2005. Prior to that he was associated with Merrill Lynch Investment Managers as Assistant Portfolio Manager, from August 1996 to April 1998. | <b>Fund Manager:</b> <ul style="list-style-type: none"> <li>▪ Edelweiss Money Market Fund</li> <li>▪ Edelweiss Banking and PSU Debt Fund</li> <li>▪ Edelweiss Government Securities Fund</li> <li>▪ Edelweiss Equity Savings Fund (Debt Portion)</li> <li>▪ Edelweiss Arbitrage Fund (Debt Portion)</li> <li>▪ Edelweiss Aggressive Hybrid Fund (Debt Portion)</li> <li>▪ BHARAT Bond ETF - April 2023</li> <li>▪ BHARAT Bond ETF - April 2030</li> <li>▪ BHARAT Bond FOF - April 2023</li> <li>▪ BHARAT Bond FOF - April 2030</li> <li>▪ BHARAT Bond ETF - April 2025</li> <li>▪ BHARAT Bond ETF - April 2031</li> <li>▪ BHARAT Bond FOF - April 2025</li> <li>▪ BHARAT Bond FOF - April 2031</li> <li>▪ Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026</li> <li>▪ Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027</li> </ul> |

| Name of the Fund Manager & Age                                                           | Educational Qualification                                                           | Experience                                                                                                                                                                                                                                                                                                                                                   | Other Schemes Managed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mr. Rahul Dedhia</b><br><b>Age: 35 Years</b><br>(Managing the Scheme since inception) | B.E. (Electronics) from Mumbai University and MBA (Finance) from MET College Mumbai | Mr. Rahul Dedhia, has over 9 years of experience in fixed income market including 6 years in the mutual fund industry. Prior to joining Edelweiss AMC, Mr. Dedhia was associated as Assistant Fund Manager with DHFL Pramerica Mutual Fund from March 2016 to October 2017 and with Deutsche Asset Management (India) Pvt. Ltd from July 2014 to March 2016. | <b>Fund Manager:</b> <ul style="list-style-type: none"> <li>Edelweiss Liquid Fund</li> <li>Edelweiss Overnight Fund</li> <li>Edelweiss Banking and PSU Debt Fund</li> <li>Edelweiss Government Securities Fund</li> <li>Edelweiss Balanced Advantage Fund (Debt Portion)</li> <li>BHARAT Bond ETF - April 2023</li> <li>BHARAT Bond ETF - April 2030</li> <li>BHARAT Bond FOF - April 2023</li> <li>BHARAT Bond FOF - April 2030</li> <li>BHARAT Bond ETF - April 2025</li> <li>BHARAT Bond ETF - April 2031</li> <li>BHARAT Bond FOF - April 2025</li> <li>BHARAT Bond FOF - April 2031</li> <li>Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026</li> <li>Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027</li> <li>Edelweiss Fixed Maturity Plan - Series 55</li> </ul> |

## 1. INVESTMENT RESTRICTIONS

As per the Regulations, the following investment restrictions are currently applicable to the Scheme:

- The Scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:  
Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- The Fund shall get the securities purchased or transferred in the name of the Fund on account of the Scheme, wherever investments are intended to be of a long-term nature.
- The Scheme shall not make any investment in:
  - Any unlisted security of an associate or group company of the Sponsor; or
  - Any security issued by way of private placement by an associate or group company of the Sponsor; or
  - The listed securities of group companies of the Sponsor, which is in excess of 25% of the net assets of the Scheme of the Fund.
- The Scheme shall not make any investment in any fund of funds Scheme.
- No loans for any purpose shall be advanced by the Scheme.
- The Scheme will comply with any other regulations applicable to the investments of Mutual Funds from time to time.
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:
  - Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
  - The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer

has been made.

- The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase / redemption of Units or payment of interest and IDCW to the Unit holders. Provided that the Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of the borrowing shall not exceed a period of 6 months.
- Pursuant to SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2019/147 dated November 29, 2019, replication of the Index by the Scheme shall be as follows:
  - The Scheme shall replicate the index completely.
  - In the event, if the condition laid down in para (a) above is not feasible due to non-availability of issuances of the issuer forming part of the index, the Scheme may invest in other issuances issued by the same issuer having deviation of +/- 10% from the weighted average duration of issuances forming part of the index, subject to single issuer limit of 15%. Further, at aggregate portfolio level, the duration of the Scheme shall not deviate +/- 5% from the duration of the index.
  - In the event, if the conditions laid down in para (a) and para (b) above are not feasible, the Scheme shall invest in issuances of other issuer(s) within the index having duration, yield and credit rating in line with that of the non-available issuances of the issuer(s) forming part of the index, subject to single issuer limit of 15%. The duration of the Scheme shall not deviate +/- 5% from the duration of the index.
  - In the event, if the conditions laid down in para (a), para (b) and para (c) above are not feasible, the Scheme shall invest in issuances of issuer(s) not forming part of the index with duration, yield and credit rating in line with that of the non-available issuances of issuer(s) forming part of the index. Such investment in issuances of issuer(s) not forming part of the index shall be maximum of 20% of the aggregate portfolio of the Scheme.

- (e) The rationale for any deviation from para (a) above shall be recorded.
- (f) In an event where the credit rating of an issuance falls below the investment grade or rating mandated in the index methodology, rebalancing by the Scheme shall be done within a period of 5 working days.

These investment restrictions shall be applicable at the time of investment. Changes, if any, do not have to be effected merely because, owing to appreciations or depreciations in value, or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any Schemes of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, AMC shall as soon as possible take appropriate corrective action, taking into account the interests of the Unit holders.

In addition, certain investment parameters may be adopted internally by AMC, and amended from time to time, to ensure appropriate diversification / security for the Fund. The Trustee Company / AMC may alter these above stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for Mutual Funds to achieve its investment objective. As such all investments of the Scheme will be made in accordance with SEBI (Mutual Funds) Regulations, 1996.

#### J. INVESTMENTS BY THE AMC IN THE SCHEME

The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time. The AMC is not

permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

#### K. SCHEME PERFORMANCE

This is new scheme and hence performance details is not available

#### L. SCHEME'S PORTFOLIO HOLDINGS (TOP 10 HOLDINGS BY ISSUER AND FUND ALLOCATION TOWARDS VARIOUS SECTORS), ALONG WITH A WEBSITE LINK TO OBTAIN SCHEME'S LATEST MONTHLY PORTFOLIO HOLDING

Not Available

#### Monthly Portfolio Disclosure:

The Fund/AMC will disclose the portfolio (along with ISIN) of the Scheme as on the last day of the month on its website [www.edelweissmf.com](http://www.edelweissmf.com) on or before the tenth day of the succeeding month in a user-friendly and downloadable format.

Additionally, the Fund / AMC may also disclose the daily portfolio of the Scheme on the website, however the same will commence 30 days post the allotment date.

**Portfolio Turnover Ratio: Not Available**

#### M. AGGREGATE INVESTMENT

| Sr. | Category                     | Aggregate Investment (Amount in Rs.) |
|-----|------------------------------|--------------------------------------|
| 1.  | AMC's Board of Director      | Not Available*                       |
| 2.  | Fund Manager's of the Scheme |                                      |
| 3.  | Other Key Personnel          |                                      |

\* Since this is new scheme details are not available.

#### N. PRODUCT DIFFERENTIATION:

| Name of the existing scheme | Investment Objective                                                                                                                                                                                   | Asset Allocation Pattern | Investment Strategy                                                                                                                                                                                                                                                                                                                                  | Differentiation                                                                                                                                                                                         | AUM (Crores) (as on October 31, 2021) | No. of Folios (as on October 31, 2021) |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------------------------------|
| BHARAT Bond ETF -April 2023 | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2023 by investing in bonds of CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors. |                          | The Scheme seeks to track investment results of Nifty BHARAT Bond Index -April 2023 subject to tracking errors. Accordingly, the Scheme will invest in AAA rated bonds issued by eligible CPSEs/ CPSUs/ CPFIs and other Government organizations maturing not beyond the maturity date of the Scheme. The Scheme is a Target Maturity Date bond ETF. | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2023 by investing in bonds of CPSEs/ CPSUs/CPFIs and other Government organizations, subject to tracking errors. | 912.90                                | 9158                                   |

| Name of the existing scheme | Investment Objective                                                                                                                                                                                   | Asset Allocation Pattern                                                                                                                                                  |                                                | Investment Strategy                                                                                                                                                                                                                                                                                                                                  | Differentiation                                                                                                                                                                                         | AUM (Crores)<br>(as on October 31, 2021) | No. of Folios (as on October 31, 2021) |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------------|
| BHARAT Bond ETF -April 2030 | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2030 by investing in bonds of CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors. | <b>Asset Class Allocation</b>                                                                                                                                             | <b>Indicative allocation (% of net assets)</b> | The Scheme seeks to track investment results of Nifty BHARAT Bond Index -April 2030 subject to tracking errors. Accordingly, the Scheme will invest in AAA rated bonds issued by eligible CPSEs/ CPSUs/ CPFIs and other Government organizations maturing not beyond the maturity date of the Scheme. The Scheme is a Target Maturity Date bond ETF. | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2030 by investing in bonds of CPSEs/ CPSUs/CPFIs and other Government organizations, subject to tracking errors. | 2726.18                                  | 5836                                   |
|                             |                                                                                                                                                                                                        | #Securities issued by eligible CPSEs/ CPSUs/CPFIs and other vernment organizations which are either part of or eligible to be part of Nifty BHARAT Bond Index -April 2023 | 95% to 100%                                    |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |
|                             |                                                                                                                                                                                                        | Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds                                                               | 0% to 5%                                       |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |
| BHARAT Bond ETF -April 2025 | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2025 by investing in bonds of CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors. | <b>Asset Class Allocation</b>                                                                                                                                             | <b>Indicative allocation (% of net assets)</b> | The Scheme seeks to track investment results of Nifty BHARAT Bond Index -April 2025 subject to tracking errors. Accordingly, the Scheme will invest in AAA rated bonds issued by eligible CPSEs/ CPSUs/ CPFIs and other Government organizations maturing not beyond the maturity date of the Scheme. The Scheme is a Target Maturity Date bond ETF. | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2025 by investing in bonds of CPSEs/CPSUs/ CPFIs and other Government organizations, subject to tracking errors. | 3110.66                                  | 6074                                   |
|                             |                                                                                                                                                                                                        | #Securities issued by eligible CPSEs/CPSUs/ CPFIs and other vernment organizations which are either part of or eligible to be part of Nifty BHARAT Bond Index -April 2023 | 95% to 100%                                    |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |
|                             |                                                                                                                                                                                                        | Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds                                                               | 0% to 5%                                       |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |
| BHARAT Bond ETF -April 2031 | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2031 by investing in bonds of CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors. | <b>Asset Class Allocation</b>                                                                                                                                             | <b>Indicative allocation (% of net assets)</b> | The Scheme seeks to track investment results of Nifty BHARAT Bond Index -April 2031 subject to tracking errors. Accordingly, the Scheme will invest in AAA rated bonds issued by eligible CPSEs/ CPSUs/ CPFIs and other Government organizations maturing not beyond the maturity date of the Scheme. The Scheme is a Target Maturity Date bond ETF. | The investment objective of the Scheme is to replicate Nifty BHARAT Bond Index - April 2031 by investing in bonds of CPSEs/CPSUs/ CPFIs and other Government organizations, subject to tracking errors. | 1949.35                                  | 4316                                   |
|                             |                                                                                                                                                                                                        | #Securities issued by eligible CPSEs/CPSUs/ CPFIs and other vernment organizations which are either part of or eligible to be part of Nifty BHARAT Bond Index -April 2023 | 95% to 100%                                    |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |
|                             |                                                                                                                                                                                                        | Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds                                                               | 0% to 5%                                       |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |                                          |                                        |

| Name of the existing scheme                         | Investment Objective                                                                                                                                                                                            | Asset Allocation Pattern                                                                                         |                                           | Investment Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Differentiation                                                                                                                      | AUM (Crores) (as on October 31, 2021) | No. of Folios (as on October 31, 2021) |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------------------------------|
| Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 | The investment objective of the scheme is to track the Nifty PSU Bond Plus SDL Apr 2026 50:50 Index by investing in AAA rated PSU Bonds and SDLs, maturing on or before April 2026, subject to tracking errors. | Asset Class Allocation                                                                                           | Indicative allocation (% of total assets) | The Scheme seeks to track the Nifty PSU Bond Plus SDL Apr 2026 50:50 Index subject to tracking errors. Accordingly, the Scheme will invest in AAA rated PSU bonds and SDLs maturing within the maturity date of the Scheme. The Scheme is a Target Maturity Date Index Fund. It will mature on Thursday, April 30, 2026 and will distribute all of its maturity proceeds (Net Assets) to the Unitholders within 10 (Ten) Business days from the date of maturity of the Scheme, in line with current regulatory timelines.<br><br>The Scheme will follow Buy & Hold investment strategy in which existing bonds will be held till maturity unless sold for meeting redemptions, payment of dividend, rebalancing requirement or optimizing portfolio construction process. | An open-ended target maturity Index Fund predominantly investing in the constituents of Nifty PSU Bond Plus SDL Apr 2026 50:50 Index | 3611.56                               | 2651                                   |
|                                                     |                                                                                                                                                                                                                 | # Bonds issued by PSUs forming part of the bonds portion of Nifty PSU Bond Plus SDL Apr 2026 50:50 Index         | 95% - 100%                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 | # State Development Loans (SDLs) forming part of the SDL portion of Nifty PSU Bond Plus SDL Apr 2026 50:50 Index |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 | *Money Market Instruments including cash and cash equivalents                                                    | 0% - 5%                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 |                                                                                                                  |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
| Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027 | The investment objective of the scheme is to track the Nifty PSU Bond Plus SDL Apr 2027 50:50 Index by investing in AAA rated PSU Bonds and SDLs, maturing on or before April 2027, subject to tracking errors. | Asset Class Allocation                                                                                           | Indicative allocation (% of total assets) | The Scheme seeks to track the Nifty PSU Bond Plus SDL Apr 2027 50:50 Index subject to tracking errors. Accordingly, the Scheme will invest in AAA rated PSU bonds and SDLs maturing within the maturity date of the Scheme. The Scheme is a Target Maturity Date Index Fund. It will mature on Thursday, April 30, 2027 and will distribute all of its maturity proceeds (Net Assets) to the Unitholders within 10 (Ten) Business days from the date of maturity of the Scheme, in line with current regulatory timelines.<br><br>The Scheme will follow Buy & Hold investment strategy in which existing bonds will be held till maturity unless sold for meeting redemptions, payment of dividend, rebalancing requirement or optimizing portfolio construction process. | An open-ended target maturity Index Fund predominantly investing in the constituents of Nifty PSU Bond Plus SDL Apr 2027 50:50 Index | 816.23                                | 1927                                   |
|                                                     |                                                                                                                                                                                                                 | # Bonds issued by PSUs forming part of the bonds portion of Nifty PSU Bond Plus SDL Apr 2027 50:50 Index         | 95% - 100%                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 | # State Development Loans (SDLs) forming part of the SDL portion of Nifty PSU Bond Plus SDL Apr 2027 50:50 Index |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 | *Money Market Instruments including cash and cash equivalents                                                    | 0% - 5%                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |
|                                                     |                                                                                                                                                                                                                 |                                                                                                                  |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                      |                                       |                                        |

## O. ABOUT THE INDEX

### NIFTY BHARAT Bond Index - April 2032:

The Nifty BHARAT Bond Index series measures the performance of portfolio of AAA rated bonds issued by government owned entities maturing in a specific year.

The index holds underlying bonds issued by AAA rated government owned entities maturing in a specific year, at which point the index terminates.

### Highlights

1. Index follow a unique structure with defined maturity dates
2. Index will terminate on April 15, 2032
3. Index include portfolio of AAA rated bonds issued by government owned entities

## Index Methodology

### Eligibility norms:

- **Issuer eligibility:**
  - Issuers should be domiciled in India and should satisfy either of the following:
    - Central Public Sector Enterprises (CPSEs) as listed on DPE & DIPAM website
    - Maharatna, Navratna and Miniratna as listed on DPE website, if not included in CPSEs list as mentioned in point 1
    - Public Financial Institutions (PFIs) owned and managed by GOI and not included in points 1 and 2 above
    - Statutory body set-up by Act of Parliament and having outstanding bonds of more than Rs. 100 crores
    - Any other issuer as and when advised by Department of Investment and Public Asset Management (DIPAM)
- **Bond eligibility:**
  - Bond should be
    1. Plain vanilla with fixed coupon and fixed maturity
    2. Denominated in INR
    3. Be listed and traded on NSE and/or BSE and should be rated
  - Bond should not be
    1. Tax Free
    2. Backed or serviced by GOI
    3. Floating Rate Bond
    4. Partially Paid up
    5. Perpetual
    6. Having Single Option (Call/Put)
    7. Having step up/step down coupon which is linked to any contingent event
    8. Convertible bonds
    9. Having Staggered redemption

### Selection criteria:

- **Issuer Selection:**
  - Eligible issuers having credit rating of “AAA” (Triple A) at the time of index creation/review are shortlisted. In case an entity is rated by multiple rating agencies, the lowest rating assigned to the Non-Convertible Debenture/Long Term Debt of the entity is considered for the index selection purpose
  - Further, issuers from the above step which have individual total outstanding of more than Rs. 100 crores in eligible bonds maturing during the twelve months period prior to the maturity date of the corresponding index are selected for the index
- **Bond Selection:**
  - All eligible bonds of the issuers selected in the above step are to be considered as part of the index provided the term sheet (with requisite details for pricing) is available in public domain as of the cut-off date (NSE/BSE)

### Weights Assignment for each BHARAT Bond Index:

Weights of bonds in each index in the series are based on total outstanding amount of each bond, subject to -

- Single issuer weight capped at 15% at the time of index creation/review. Excess weight to be redistributed amongst rest of the issuers proportional to their original weights
- Any coupon amount received is assumed to be reinvested in the portfolio on the same date, in the proportion of the existing weights

### Index Rebalancing/Reconstitution:

- Each constituent of the index is reviewed at the end of each calendar quarter with data cut-off date being 15 working days (T-15) before last working day of calendar quarter (T). Changes shall be effective from last working day of calendar quarters (T) with a prior notice of 3 working days (T-3 being the portfolio disclosure date)
- During the quarterly index review, existing issuers and their bonds in each index in the series to be continued if they continue to meet the eligibility and selection criteria. Similarly, new issuances during previous calendar quarter shall be included in the index if they meet the eligibility and selection criteria
- During the quarterly review, the weights of all the bonds in each index in the series will reset based on total outstanding amount of each bond subject to 15% single issuer limit
- In case any of the index constituent undergoes a scheme of arrangement for corporate events such as merger, spin-off, compulsory delisting or suspension etc., additional index reconstitution may be undertaken. The equity shareholders' approval to a scheme of arrangement is considered as a trigger to reset the combined issuer weight to single issuer limit on the next rebalance date
- Based on the governments 'in principle approval' to disinvest its stake in some of the government owned entities, such entities are not included to be part of the index at launch/inception of each index in the series. On account of disinvestment in an existing constituent, such issuer shall be excluded from the index effective next rebalancing/reconstitution only if the disinvestment process has been completed
- In case an eligible issuer gets downgraded and fails to meet index methodology before the portfolio disclosure date (T-3), such issuer shall be excluded from being a part of each index in the series within 5 working days
- Apart from scheduled review, in case an existing issuer gets downgraded below AAA, bonds of such issuer to be excluded from each index in the series within 5 working days
- Due to the above stated reasons, if any index in the series is rebalanced and issuer/s move out of the index in the series,
  - o If the total number of issuers in the index in the series is 8 and above, then the total weight of the securities being excluded will be redistributed among the remaining securities proportionally. This will be subject to 15% single issuer limit
  - o If the total number of issuers in the index in the series fall below 8, then new issuers will be included in the index in the series based on the issuer selection and bond selection

criteria mentioned in the index methodology above, to take the issuer count to 8 and the weight of all the bonds in the index in the series will be based on the total outstanding amount of each bond

- Bonds of new issuer to be included in an index in the series as and when advised by Department of Investment and Public Asset Management (DIPAM). On inclusion of such bonds, the weights of all the bonds in each index in the series will reset based on total outstanding amount of each bond subject to 15% single issuer limit
- As the constituents of the index includes securities that shall mature during the twelve month period ending on the final maturity date of the corresponding index, any proceeds from the security redemption prior to the final maturity date of each index in the series shall be re-invested using the following waterfall approach:
  - o The proceeds from security redemption will be reinvested in the longest maturity outstanding security issued by the same issuer (Bond/money market instrument in case of corporate bond) and maturing on or just before the maturity date of each index in the series. This will be subject to 15% single issuer limit
  - o In case a replacement in the form of outstanding security of the same issuer cannot be found for reinvestment then the proceeds from such redemption shall be reinvested in the remaining portfolio on the same date in the proportion of the existing weights. This will be subject to compliance to the SEBI portfolio concentration norms (minimum 8 issuers and single issuer weight cap of 15%)
  - o In case due to any reason it is not possible to meet the portfolio concentration norms as prescribed by SEBI, then the proceeds from such redemption shall be reinvested in a T-Bill maturing on or just before the maturity date of each index in the series. This will be subject to 15% single issuer limit
- If the last outstanding security (including T-Bill) in the index matures before the final maturity date of each index in the series, all redemption proceeds shall be assumed to be re-invested in The Clearing Corporation of India Ltd.'s (CCIL) TREPS overnight rate for any subsequent days till the maturity of each index in the series.

#### Index Termination

- NIFTY BHARAT Bond Index - April 2032 will mature on April 15, 2032

**Constituents of 'Nifty BHARAT Bond Index- April 2032 as on November 2, 2021 is as follows:**

| Sr. No. | ISIN         | Issuer Name                                | Date of Maturity | Weight |
|---------|--------------|--------------------------------------------|------------------|--------|
| 1       | INE514E08FF7 | EXPORT-IMPORT BANK OF INDIA                | 11-Jul-31        | 3.94%  |
| 2       | INE514E08FC4 | EXPORT-IMPORT BANK OF INDIA                | 25-Apr-31        | 3.32%  |
| 3       | INE514E08FH3 | EXPORT-IMPORT BANK OF INDIA                | 25-Nov-31        | 2.90%  |
| 4       | INE514E08FE0 | EXPORT-IMPORT BANK OF INDIA                | 23-Jun-31        | 1.99%  |
| 5       | INE053F08122 | INDIAN RAILWAY FINANCE CORPORATION LIMITED | 31-Aug-31        | 7.31%  |

| Sr. No. | ISIN         | Issuer Name                                         | Date of Maturity | Weight |
|---------|--------------|-----------------------------------------------------|------------------|--------|
| 6       | INE053F08106 | INDIAN RAILWAY FINANCE CORPORATION LIMITED          | 19-Jul-31        | 5.45%  |
| 7       | INE053F09HQ4 | INDIAN RAILWAY FINANCE CORPORATION LIMITED          | 10-May-31        | 1.82%  |
| 8       | INE053F09HD2 | INDIAN RAILWAY FINANCE CORPORATION LIMITED          | 14-May-31        | 0.40%  |
| 9       | INE053F09GY0 | INDIAN RAILWAY FINANCE CORPORATION LIMITED          | 04-May-31        | 0.03%  |
| 10      | INE261F08709 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 22-Dec-31        | 5.61%  |
| 11      | INE261F08832 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 31-Mar-32        | 2.54%  |
| 12      | INE261F08683 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 20-Oct-31        | 1.75%  |
| 13      | INE261F08683 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 20-Oct-31        | 1.75%  |
| 14      | INE261F08774 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 15-Mar-32        | 1.63%  |
| 15      | INE261F08717 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 26-Dec-31        | 0.88%  |
| 16      | INE261F08733 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 13-Jan-32        | 0.56%  |
| 17      | INE261F08725 | NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 12-Jan-32        | 0.26%  |
| 18      | INE848E07914 | NHPC LIMITED                                        | 27-Jun-31        | 4.48%  |
| 19      | INE848E07922 | NHPC LIMITED                                        | 27-Jun-31        | 2.99%  |
| 20      | INE848E07BT1 | NHPC LIMITED                                        | 12-Feb-32        | 1.24%  |
| 21      | INE733E07K19 | NTPC LIMITED                                        | 13-Dec-31        | 7.35%  |
| 22      | INE733E08197 | NTPC LIMITED                                        | 13-Sep-31        | 5.62%  |
| 23      | INE733E07KG3 | NTPC LIMITED                                        | 07-Nov-31        | 1.31%  |
| 24      | INE733E07KD0 | NTPC LIMITED                                        | 27-May-31        | 0.67%  |
| 25      | INE733E07FT6 | NTPC LIMITED                                        | 09-Jun-31        | 0.01%  |
| 26      | INE733E07GI7 | NTPC LIMITED                                        | 29-Jul-31        | 0.01%  |
| 27      | INE733E07HR6 | NTPC LIMITED                                        | 02-Mar-32        | 0.01%  |
| 28      | INE733E07I27 | NTPC LIMITED                                        | 20-Jul-31        | 0.01%  |
| 29      | INE733E07IK9 | NTPC LIMITED                                        | 16-May-31        | 0.01%  |
| 30      | INE206D08451 | NUCLEAR POWER CORPORATION OF INDIA LIMITED          | 15-Dec-31        | 4.15%  |
| 31      | INE134E08LM8 | POWER FINANCE CORPORATION LIMITED                   | 01-Oct-31        | 15.00% |
| 32      | INE752E07OB6 | POWER GRID CORPORATION OF INDIA LIMITED             | 21-Sep-31        | 5.86%  |

| Sr. No. | ISIN         | Issuer Name                             | Date of Maturity | Weight         |
|---------|--------------|-----------------------------------------|------------------|----------------|
| 33      | INE752E070A8 | POWER GRID CORPORATION OF INDIA LIMITED | 15-Jul-31        | 4.73%          |
| 34      | INE752E08536 | POWER GRID CORPORATION OF INDIA LIMITED | 12-Dec-31        | 2.84%          |
| 35      | INE752E07NX2 | POWER GRID CORPORATION OF INDIA LIMITED | 25-Apr-31        | 1.57%          |
|         |              | <b>Total</b>                            |                  | <b>100.00%</b> |

| Instrument     | Yield Range (% per annum) |
|----------------|---------------------------|
| Treps          | 3.30-40                   |
| 1 month T Bill | 3.30-35                   |
| 3 month T Bill | 3.50-55                   |
| 6 month T Bill | 3.65-70                   |
| 1 year T Bill  | 4.00-05                   |
| 1 month CP     | 3.50-55                   |
| 3 month CP     | 3.65-70                   |
| 6 month CP     | 3.90-4.00                 |
| 1 year CP      | 4.25-30                   |

Source: Bloomberg/Reuters

## P. INDIAN DEBT MARKETS - PILLARS OF THE INDIAN ECONOMY

India's bond market has witnessed a rapid growth in the last five years. The aggregate Face Value of bonds was Rs. 168 trillion (\$2.24 trillion) as on September 2021 according to data from RBI, SEBI and CCIL.

India's bond market comprises mainly of sovereign bonds, corporate bonds and money market assets. Sovereign bonds comprised 71%; corporate bonds were 22% while money market assets comprised 7% of the aggregate Face Value of bonds as on September 2021.

Sovereign bonds are issued by the Government of India & Indian States to finance their budget deficits. The budget deficit is generally announced in the Union Budget for the next financial year. It is widely followed by the market participants for their analysis on the government finances. It forms the basis for India's monetary policy and demand-supply dynamic in the secondary market.

The Government of India typically funds a significant portion of its budget deficit by auctioning government bonds on weekly basis. The auction calendar is made public in advance. For last few years, the government has made conscious efforts to auction bonds with residual maturity greater than ten years in order to lengthen its maturity profile. The government also auctions Treasury Bills on weekly basis to finance their short-term cash flow mismatches. The government's Treasury Bill auction calendar is also available for market participants in advance. The government auctions 91-day treasury bills on every Wednesday while 182-day & 364-day treasury bills are auctioned on alternate Wednesday. Indian states also borrow in the bond market by auctioning State Development Loans (SDL) on alternate Tuesdays. These bonds are mostly purchased by Banks, Insurance companies as well as other market participants due to their sovereign nature, superior secondary market liquidity and statutory holding requirements by the regulators.

Indian corporate entities as well as Public Financial Institutions typically borrow wholesale money from the debt capital market. Primary supply of corporate bonds has been steadily increasing in the last three years in proportion to the increase in the demand for quality assets from mutual funds, insurance companies, foreign portfolio investors and pension funds.

As on September 30, 2021, size of the Indian government bond market is around 77 trillion, which is distributed amongst 96 unique issues. As compared to that India's corporate bond market is more fragmented. The total corporate bond market size is around Rs. 37 trillion, which is distributed amongst ~26,600 unique issues.

Following table exhibits various debt instruments along with indicative yields as on November 8, 2021:

## INTRODUCTION TO EXCHANGE TRADED FUNDS

ETFs are innovative products that provide exposure to an index or a basket of securities that trade on the exchange like a single stock. ETFs have a number of advantages over traditional open-ended index funds as they can be bought and sold on the Exchange at prices that are usually close to the actual Intra-Day NAV of the scheme. ETFs are an innovation to traditional mutual funds as ETFs provide investors a fund that closely tracks the performance of an index with the ability to buy / sell on an intra-day basis. Unlike listed close ended funds, which trade at substantial premiums or more frequently at discounts to net asset value, ETFs are structured in a manner which allows to subscription and redemption of units directly with the fund in creation size, thereby ensuring that ETFs trade close to their actual net asset values.

ETFs are usually passively managed funds wherein subscription / redemption of units work on the concept of exchange with underlying securities. In other words, large investors / Authorised Participants can also purchase units by depositing the underlying eligible securities with the mutual fund / asset management company and can redeem by receiving the underlying securities in exchange of units. Units can also be bought and sold directly on the exchange.

ETFs have all the benefits of indexing such as diversification, low cost and transparency. As ETFs are listed on the exchange, costs of distribution are much lower and the reach is wider. These savings in cost are passed on to the investors in the form of lower costs. Furthermore, exchange traded mechanism helps reduce minimal collection, disbursement and other processing charges.

The structure of ETFs is such that it protects long-term investors from inflows and outflows of short-term Investor. This is because the mutual fund does not bear extra transaction cost when buying / selling due to frequent subscriptions and redemptions. Due to the creation / redemption of units through the in-kind mechanism the fund can keep lesser funds in cash.

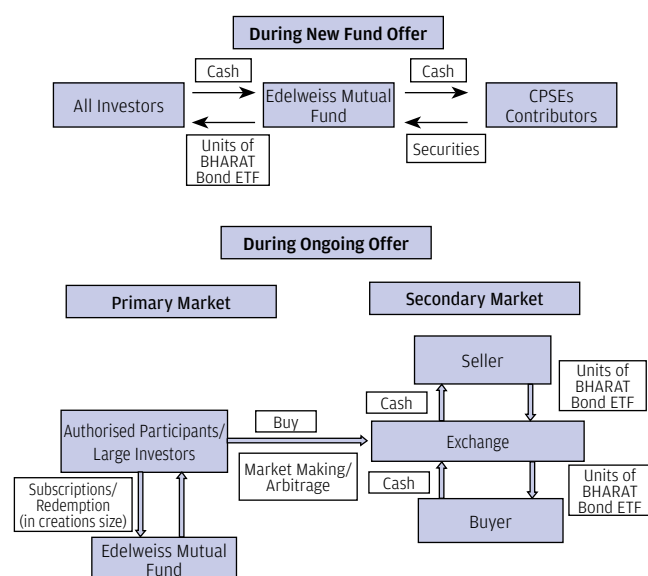
### Benefits of ETFs

- Can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
- Can be bought / sold anytime during trading hours at prices that are expected to be close to actual net asset value of the scheme. Thus, investor invests at real-time prices as opposed to end of day prices.
- No separate form filling for buying / selling units. It is just a phone call to your broker or a click on the internet.
- Minimum investment for an ETF is one unit.
- Protects long-term investors from the inflows and outflows of short-term investors.

- Underlying Index Constituents available on the website every day.
- Live price of the units is quoted on the exchange following every trade allowing investor to know the fair value of the portfolio.
- Bond ETF provides easy access to the Bond Market at low cost.
- Passive Investment Strategy helps lower Operational expenses as compared to actively managed bond fund.
- Target Maturity: Since the maturity of this ETF is determined, the investor can get the money back along with return on such maturity date.

For various scheme related risk factors investor are requested to read **RISK FACTORS** in detail.

#### AN ILLUSTRATION OF THE WORKING OF ETF IS GIVEN BELOW:



#### PROCEDURE FOR CREATION OF UNITS DIRECTLY WITH MUTUAL FUND DURING THE ON-GOING OFFER PERIOD:

Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants and Large Investors only, provided the value of Units of the Scheme to be purchased/subscribed is in the below mentioned minimum Creation Size based at Intra-Day NAV:

- Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Subscription can be made in any of the following forms:

1. Cash, or
2. "in-kind" i.e. through Eligible Securities, or
3. Combination of both Cash and "in-kind" (through Eligible Securities)

Eligible Securities is defined as follows:

1. Securities which are part of the Scheme Portfolio, OR Securities which are part of the Index and having maturity not more than 90 days prior to the Maturity Date of the Scheme, and

2. Within maximum Index weight of the eligible Issuer, and
3. Should be in market lot of Rs. 5 crore and in multiple thereof.

It may be noted that, subscriptions received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the applicable Intra-Day NAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme for allotment and/or transfer of eligible securities which may include charges like depository participant charges, transaction handling charges etc., will be borne by the Large Investors / Authorised Participants. Accordingly, the said charges will be deducted before allotment of unit.

Depending on the market volatility, liquidity conditions, rating action, applicable regulatory provisions and any other factors, the AMC may, at its sole discretion, decide to accept subscription either in "Cash", "in-kind" (through eligible securities) or the combination of both.

#### PROCEDURE FOR REDEMPTION OF UNITS DIRECTLY WITH MUTUAL FUND DURING THE ON-GOING OFFER PERIOD:

Mutual Fund will repurchase Units of the Scheme only from Authorised Participants and Large Investors, provided the value of Units of the Scheme to be repurchased is in the below mentioned minimum Creation Size based at Intra-Day NAV:

- 1) Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- 2) BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- 3) Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Payout of the redemption proceeds can be made in any of the following forms:

1. Cash, or
2. "in-kind" i.e. through slice of the entire bond Portfolio (excluding G-Sec, TREPS and Repo in Government Securities), or
3. Combination of both Cash and "in-kind" (slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities)

It may be noted that, redemption requests received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the applicable Intra-Day NAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme which may include charges like depository participant charges, transaction handling charges, charges for transfer of slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities (if in-kind redemption) etc. will be borne by the Large Investor / Authorized Participants. Accordingly, redemption proceed will be made post deducting such charges.

The AMC will endeavor to pay the redemption proceeds in Cash. However, depending on the market volatility, liquidity conditions, applicable regulatory provisions, investor request etc., the AMC may redeem the Units and make the payout either "in-kind" i.e. through slice of the entire bond Portfolio or in combination of both i.e. Cash and "in-kind".

#### Example of Creation and Redemption of Units of BHARAT Bond ETF

The Authorized Participant and Large Investor can purchase and redeem the unit in Creation Size as stated above. An illustration for creation / redemption of units is as follows:

### Creation of Unit

| Particulars                                                |       | Amount             |
|------------------------------------------------------------|-------|--------------------|
| Hypothetical NAV of the ETF as on November 11, 2021        | A     | Rs.1,100.2591      |
| Creation Size amount                                       | B     | Rs.25,00,00,000.00 |
| Charges (Corporate action)                                 | C     | Rs.1180            |
| Amount Available for allotment                             | D     | Rs.24,99,98,820.00 |
| No of units                                                | E=D/A | 227218.1343        |
| No of units to be allotted (Round down to nearest Integer) | F     | 227218             |
| Refund Amount                                              | G     | Rs.147.82          |

### Redemption of Units

| Particulars                                         |   | Amount             |
|-----------------------------------------------------|---|--------------------|
| Hypothetical NAV of the ETF as on November 11, 2021 | A | Rs.1,125.0569      |
| No of units for redemption                          | B | 227218             |
| Redemption Amount                                   | C | Rs.25,56,33,178.70 |

### ONGOING TRANSACTION THROUGH STOCK EXCHANGE:

All categories of investors may transact in Units of the Scheme through the Stock Exchanges on which the Units of the Scheme are listed, on any Trading Day during trading hours in the lot size of one (1) Unit and multiples thereof.

### III UNITS & OFFER

This section provides details you need to know for investing in the Scheme.

#### A NEW FUND OFFER (NFO):

##### New Fund Offer Period

This is the period during which a new scheme sells its units to the investors.

NFO Period Opens on : December 3, 2021

NFO Period Closes on : December 9, 2021

\*Application forms supported by Transfer Cheques/Demand drafts, Transfer requests/ RTGS and NEFT will be accepted till the end of business hours upto December 9, 2021.

Scheme re-opens for continuous sale & repurchase not later than: December 20, 2021

The Scheme, when offered for subscription, would be open for such number of days (not exceeding 15 days) as may be decided by the AMC.

The AMC / Trustee also reserve the right to close the Scheme earlier by giving at least one day's notice.

The AMC / Trustee, in consultation with DIPAM, reserve the right to extend the closing date of the NFO Period, subject to the condition that the NFO shall not be kept open for more than 15 days. Any such extension shall be announced by way of a notice in one national newspaper.

##### New Fund Offer Price:

This is the price per unit that the investors have to pay to invest during the NFO.

The units being offered will have a face value of Rs.1000/- each.

##### Category of Investors

- Retail Individual Investors;
- Retirement Funds;
- Qualified Institutional Buyers; and
- Non Institutional Investors.

##### Minimum Amount for Application in the NFO

##### Retail Individual Investors:

Investors in this category can invest with the minimum investment amount of Rs. 1,001 and in multiples of Re. 1 thereafter, subject to maximum investment amount of Rs. 2,00,000 (Rupees Two Lakhs Only).

##### Retirement Funds:

Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.

##### QIBs:

Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.

##### Non Institutional Investors:

Investors in this category can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1 thereafter.

##### Application Size for Determining Investor Category

##### For Retail Individual Investors (RIIs)

The application amount by the Retail Individual Investors should not exceed 2,00,000 (Rupees Two Lakhs). If the application amount is over 2,00,000 (Rupees Two Lakhs), the same would be considered for allocation under the category of Non Institutional Investors. Please refer to sections "Allotment" and "Illustration on Proportionate Amount" to be considered for investing in the Scheme from different Investor Categories in case their Total Application Amount Exceeds the Maximum Amount Available for Respective Investor Categories" for details of the manner in which Units would be allotted in the event that the Subscriptions received from all Retail Individual Investors exceeds 25% of the "Maximum Amount to be Raised".

##### For Investors of all other Categories [i.e. Retirement Funds (RFs), Qualified Institutional Buyers (QIBs) and Non-Institutional Investors (NIIs)]

Investors in these categories can invest with a minimum investment amount of Rs. 2,00,001 (Rupees Two Lakhs and One Only) and in multiples of Re. 1/- thereafter. An application by any investor falling in this category cannot be submitted for more than 75% of the "Maximum Amount to be Raised", with first preference to RFs. Please refer to sections "Allotment" and "Illustration on Proportionate Amount" to be considered for investing in the Scheme from different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount Available for Respective Investor Categories" for details of the manner in which Units would be allotted in the event that the Subscriptions received from all Retirement Funds exceeds 75% of the "Maximum Amount to be Raised".

|                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                | <p>Please note that in case of under Subscription in the RII category, the under subscribed portion will be allowed to be met with spill over in the following order of preference:</p> <ol style="list-style-type: none"> <li>1. Firstly, to the Retirement Funds; and</li> <li>2. Then, to the Qualified Institutional Buyers and Non Institutional Investors.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Multiple Applications by Same Investor</b>                                                                                                  | <p>An investor should make only one application / submit only one Application Form for the total amount to be invested in the Scheme. In the event that an Investor submits two or more Applications Forms, the same will be deemed to be a single application, for the purpose of determining the Investor category (Retail Individual Investors, Retirement Funds, Qualified Institutional Buyers and Non-Institutional Investors) and the total amount received under multiple Application Forms are liable to be taken together and clubbed by the AMC.</p> <p>In this regard, the procedures which would be followed by the Registrar to detect whether more than one application has been made by a single Investor include the following:</p> <p>All applications will be checked for common PAN as per Depository records. For investor applications other than mutual funds and FPI sub-accounts, applications bearing the same PAN will be deemed to be single application for the purpose of determining the Investor category. In the case of an application in joint name, the PAN of the first holder will be considered.</p> <p>For applications from Mutual Funds and FPI sub-accounts, which are submitted under the same PAN, as well as applications for whom the submission of PAN is not mandatory such as on behalf of the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the applications will be scrutinized for DP ID and beneficiary account number. In case such applications bear the same DP ID and / or beneficiary account number, these will be deemed to be a single application for the purpose of determining the Investor category. In case of applications by a mutual fund, a separate application may be made in respect of each scheme of such mutual fund, and such applications in respect of more than one scheme of such mutual fund will not be treated as a single application, provided that the such applications clearly indicate the name of the concerned scheme in respect of which the application is being made by such mutual fund.</p> |
| <b>Minimum Target amount</b>                                                                                                                   | <p>The minimum target amount to be raised during the NFO Period shall be Rs. 20 Crores.</p> <p>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period of the Scheme, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 Business Days from the date of closure of the NFO Period, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of fifth business day of the closure of the subscription period.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Maximum Amount to be raised (if any)</b><br>This is the maximum amount which can be collected during the NFO period, as decided by the AMC. | <p>Rs. 5000 Crores [(“Initial Amount” - Rs. 1000 Crores plus “Additional Amount” - Rs. 4000 Crores which is in addition to the stated “Initial Amount”) (“Initial Amount” plus “Additional Amount” to be collectively called as “Maximum Amount to be Raised”)]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Plans / Options offered</b>                                                                                                                 | <p>The Scheme does not offer any Plans/Options for investment.</p> <p>The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Dematerialization</b>                                                                                                                       | <ol style="list-style-type: none"> <li>1. Units of the Scheme will be available only in the Dematerialized form.</li> <li>2. The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the DP's name, DP ID Number and its beneficiary account number with DP.</li> <li>3. The units of the Scheme are to be issued/ repurchased and traded compulsorily in dematerialized form, no request for rematerialisation of units of the Scheme will be accepted.</li> <li>4. Application forms without relevant details of their depository account or with inactive depository accounts are liable to be rejected.</li> <li>5. Incase of any discrepancy in demat account mentioned by the investor, the AMC will allot the units and keep the same in AMC's beneficiary demat account. Upon query resolution the AMC will transfer the units in the investor's demat account.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## Allotment

Subject to :

- the achievement of the Minimum Target Amount;
- receipt of duly completed Application Forms with valid information;
- realization of the specified minimum Application amount from the Investors,

Allotment will be completed after due reconciliation of receipt of funds for all valid applications within 5 Business Days from the closure of the NFO Period. Allotment to NRIs/FIIs will be subject to RBI approval, if required. Subject to the SEBI (MF) Regulations, the Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in the Trustee's sole discretion.

Investors to note that in case of over Subscriptions, allotment will be made on a proportionate basis as set out in this SID. Please refer to the Section on "Illustration on Proportionate Amount to be Considered for Investing in the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount available for Respective Investor Categories" below for further details in this regard.

### Account Statement:

For investors who have given valid demat account details at the time of NFO, Units issued by the AMC shall be credited by the Registrar to the investor's beneficiary account with the DP as per information provided in the Application Form. Such investors will receive the holding statement directly from their depository participant (DP) at such a frequency as may be defined in the Depository Act or Regulations or on specific request.

Upon allotment, each Unit holder shall be sent an account statement / allotment advice by ordinary post / courier / e-mail / SMS on the Unit holder's registered email address and/or mobile number, confirming the number of Units allotted to the Unit holder, not later than five Business Days from date of Non-Anchor NFO Closure.

In case the Investor provides an email address in the Application Form, the account statement / allotment advice will be provided only through email. Such email address will be considered as the registered email address of the Investor for all purposes by the AMC/ Mutual Fund. Provided that the Fund reserves the right to reverse the transaction of crediting Units in the Unit holder's account, in the event of non-realisation of any cheque or other instrument remitted by the Investor. Unit holders may verify the contents of allotment advice and revert to the Fund immediately in case of any discrepancy. In the event the Unit holder fails to inform the Fund within 5 days from the date of allotment advice, it shall be deemed to be correct.

The AMC will only issue the initial account statement / allotment advice to the Unit holder. Thereafter, the Depository Participant with whom the Unit holder has a Depository account will send a holding statement in accordance with the byelaws of the Depository. As the Units of the Scheme are in demat form, the holding statement issued by the Depository Participant would be deemed to be adequate compliance with requirements of SEBI regarding provision of account statements.

Investors to also note that the AMC will not co-ordinate to issue any monthly or half yearly consolidated account statement to Unit holders of this Scheme.

Allotment price of Units will be based on the investment of NFO proceeds in the Securities of the Scheme as mentioned in the asset allocation pattern.

The allotment price for the Scheme in the NFO will be calculated as per the method set out in this document

### Illustration :

The below mentioned illustration is for reference purpose only. Actual results may vary.

| Category/ Sub-category      | % allocation | Maximum amount to be allocated | Scenario 1 -Under subscription in both investor Categories |                  | Scenario 2 -Under subscription in RIIs Category |                  |
|-----------------------------|--------------|--------------------------------|------------------------------------------------------------|------------------|-------------------------------------------------|------------------|
|                             |              |                                | Subscription Amount                                        | Amount allocated | Subscription amount                             | Amount allocated |
| RIIs                        | 25           | 2500                           | 2400                                                       | 2400             | 2000                                            | 2000             |
| RFs, QIBs & NIIs            | 75           | 7500                           | 6400                                                       | 6400             | 7700                                            | 7700             |
| Maximum amount to be raised | 100          | 10000                          |                                                            |                  |                                                 |                  |

- Scenario 2 - Amount undersubscribed in RIIs has been met with spill over from RFs, QIBs & NIIs.

The Mutual Fund reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by him/her/it for purchase of Units.

**Illustration on Proportionate Amount to be Considered for Investing in the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount**

Maximum Amount to be Raised (as stated under heading “Maximum Amount to be Raised” in the New Fund Offer section:

Maximum Investor Portion Available for Subscription: Amongst following categories of investors in the percentages given below.

- Retail Individual Investors - 25% of the Maximum Amount to be Raised
- Retirement Funds, Qualified Institutional Buyers and Non Institutional Investors - 75% of the Maximum Amount to be Raised

In case of oversubscription in RII category, the allotment would be made proportionately on the basis of application amounts received against valid applications made under that category.

**Illustration for over-subscription cases:**

1. Investor sub-category (either RII or RF, QIB and NII) under Investor Category portion available for Subscription for RII: Rs. 2,500 Crores (Not exceeding 25% of the Maximum Amount to be Raised) and for RF, QIB and NII: Rs. 7,500 Crores (Not exceeding 75% of the Maximum Amount to be Raised).
2. Each of the Investors named G, H, I, J, & K in category RII have applied for buying for Rs. 3,000 Crores worth of Units.

Total application amount received from Investor sub-category: Rs. 15,000 Crores, hence this category portion is oversubscribed by 6 times the Maximum amount available to this category).

**Allotment of Unit** = Application amount of Investor \* Maximum amount available for Subscription to this category) / Total application amount received under this category

| Sr. No. | Name of Investor | Application Amount (Rs. Crores.) | Amount to be Considered for Investing in the Scheme (Rs. Crores) |
|---------|------------------|----------------------------------|------------------------------------------------------------------|
| 1       | G                | 3000                             | $\{(3,000 \times 2,500) / 15,000\} = 500$                        |
| 2       | H                | 3000                             | $\{(3,000 \times 2,500) / 15,000\} = 500$                        |
| 3       | I                | 3000                             | $\{(3,000 \times 2,500) / 15,000\} = 500$                        |
| 4       | J                | 3000                             | $\{(3,000 \times 2,500) / 15,000\} = 500$                        |
| 5       | K                | 3000                             | $\{(3,000 \times 2,500) / 15,000\} = 500$                        |

**Please note that in case of under-subscription, following methodology will be followed:**

In case of under-subscription in Retail Individual Investors, the under subscribed portion will be allowed to be met with spill over from the following Investors in the following order of preference:

1. Firstly, to the Retirement Funds
2. Then, to the Qualified Institutional Buyers and Non-Institutional Investors

**Illustration for over-subscription cases in other investor categories (RF, QIB and NII):**

1. Investor sub-category (either RII or RF, QIB and NII) under Investor Category portion available for Subscription for RII: Rs. 2,500 Crores (Not exceeding 25% of the Maximum Amount to be Raised) and for RF, QIB and NII: Rs. 7,500 Crores (Not exceeding 75% of the Maximum Amount to be Raised).
2. Investors under each of the sub categories RF, QIB and NII have cumulatively applied for buying for Rs. 3,000 Crores worth of Units.

Allotment of Unit = Application amount of Investor \* Allocated amount available for Subscription to the sub categories in this category) / Total application amount received under this sub category

| Sr. No. | Sub-Category of Investor | Application Amount (Rs. Crores.) | Amount to be Considered for Investing in the Scheme (Rs. Crores)                                                                                |
|---------|--------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | RF                       | 3,000                            | 3,000 (full allocation to RF)                                                                                                                   |
| 2       | QIB                      | 3,000                            | $\{(3000 \times 4500) / 6000\} = 2250$<br>7,500 - 3,000 = 4,500 will be allocated to all investors in this sub-category on proportionate basis) |
| 3       | NII                      | 3,000                            | $\{(3000 \times 4500) / 6000\} = 2250$                                                                                                          |

**Please note that in case of under-subscription, following methodology will be followed:**

In case of under-subscription in RF, QIB and NII the under subscribed portion will be allowed to be met with spill over from the over subscriptions under RII category.

#### Refund

In accordance with the SEBI Regulations, if the Scheme fails to collect the Minimum Target Amount as specified above, the Fund shall be liable to refund the Subscription money to the applicants Bank account registered with DPs. In case DP ID & Client ID provided in the application form is found to be incorrect / invalid, the refund shall be made in the Bank account from which AMC / Mutual Fund has received subscription.

Also in case the amount available for allocation to any particular investor category is oversubscribed, the Fund would consider proportionate amount from each investor category for investing the proceeds in the Scheme and refund the excess amount to the applicants. Please refer to the above illustration on proportionate amount to be considered for investment in the Scheme from different Investor categories. In addition to the above, if an application is rejected or is required to be cancelled for any reason whatsoever, full amount will be refunded within 5 Business Days of the NFO Closure. If the Fund refunds the Subscription money later than 5 Business Days from the NFO Closure, interest @ 15% p.a. for the delayed period will be paid and charged to the AMC. The refund may also be made through electronic mode or through a cheque or demand draft marked as "Account Payee only" drawn in the name of the applicant in the case of the sole applicant and in the name of the first applicant in all other cases. The cheque or demand draft shall be sent by registered post or as permitted by SEBI Regulations.

#### Policy on Unclaimed Redemption and IDCW Amounts

In terms of SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption amount and IDCW amounts (the funds) may be deployed by the Mutual Fund in money market instruments and separate plan of liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts only. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

The details of such unclaimed redemption/IDCW amounts are made available to investors upon them providing proper credentials, on website of Mutual Funds and AMFI along with the information on the process of claiming the unclaimed amount and the necessary forms / documents required for the same.

#### Who can invest

**This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.**

The following persons are eligible and may apply for subscription to the Units of the Scheme of the Fund (subject, wherever relevant, to purchase of units of Mutual Funds being permitted and duly authorised under their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions etc):

- Resident adult Indian individuals either singly or jointly (not exceeding three), or on an Anyone or Survivor basis;
- Karta of Hindu Undivided Family (HUF in the name of Karta);
- Partnership Firms in the name of any one of the partner(constituted under the Indian partnership law) & Limited Liability Partnerships (LLP);
- Minors (Resident or NRI) through parent / legal guardian;

- Schemes of Mutual Funds registered with SEBI, including schemes of Edelweiss Mutual Fund, subject to the conditions and limits prescribed by SEBI Regulations and the respective Scheme Information Documents;
- Companies, Bodies Corporate, Public Sector Undertakings (PSU), Association of Persons (AOP) or bodies of individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions);
- Banks, including Scheduled Bank, Regional Rural Bank, Co-Operative Bank etc. & Financial Institutions;
- Special Purpose Vehicles (SPV) approved by appropriate authority;
- Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts (subject to receipt of necessary approvals as required & who are authorised to invest in Mutual Fund schemes under their trust deeds);
- Non-Resident Indians (NRIs) / Persons of Indian origin residing abroad (POI) on repatriation or non repatriation basis;
- Foreign Institutional Investors (FIIs) registered with
- SEBI on fully repatriation basis;
- Foreign Portfolio Investors (FPIs) subject to the applicable Regulations;
- Provident/Pension/Gratuity/superannuation, such other retirement and employee benefit and such other funds to the extent they are permitted to invest;
- Army, Air Force, Navy and other para-military units and bodies created by such institutions;
- Scientific and Industrial Research Organisations;
- Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;
- Trustee, the AMC, their Shareholders or Sponsor, their associates, affiliates, group companies may subscribe to Units under the Scheme;
- Overseas financial organizations which have entered into an arrangement for investment in India, inter-alia with a mutual fund registered with SEBI and which arrangement is approved by Government of India.
- Insurers, insurance companies / corporations registered with the Insurance Regulatory Development Authority (subject to IRDA circular (Ref: IRDA/F&I/INV/ CIR/074/03/2014) dated March 3, 2014)
- Any other category of individuals / institutions / body corporate etc., so long as wherever applicable they are in conformity with SEBI Regulations/other applicable Regulations/ the constituent documents of the applicants.

**Notes:**

- a. Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor.
- b. It is expressly understood that at the time of investment, the investor/Unit holder has the express authority to invest in Units of the Scheme and AMC / Trustees / Mutual Fund will not be responsible if such investment is ultra-vires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.
- c. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad/ Overseas Citizens of India (OCI) / Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. If a person who is a resident Indian at the time of subscription becomes a resident outside India subsequently, he/she shall have the option to either be paid repurchase value of Units, or continue into the Scheme if he/she so desires and is otherwise eligible.

However, the AMC shall not be liable to pay interest or any compensation, arising on account of taxation law or otherwise, on redemption, IDCW or otherwise, to such a person during the period it takes for the Fund to record change in residential status, bank mandates, and change in address due to change in tax status on account of change in residential status.

Notwithstanding the aforesaid, the Trustee reserves the right to close the Unit holder's account and to pay the repurchase value of Units, subsequent to his becoming a person resident outside India, should the reasons of cost, interest of other Unit holders and any other circumstances make it necessary for the Fund to do so.

- d. Investors desiring to invest / transact in the Scheme are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Passport/PAN Card/Memorandum and Articles of Association/bye-laws/Trust Deed/ Partnership Deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.
- e. The Government of India has authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI, an independent body), to perform the function of Central KYC Records including receiving, storing, safeguarding and retrieving KYC records in digital form. Accordingly, in line with SEBI circular nos. CIR/ MIRSD/66/2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016 on Operationalisation of Central KYC (CKYC), read with AMFI Best Practice Guidelines circular no. 68/2016-17 dated December 22, 2016, new individual investors investing into the Fund are requested to comply with the CKYC norms.
- f. It is compulsory for investors to give certain mandatory disclosures while applying in the Scheme like bank details & PAN/PEKRN copy etc. For details please refer SAI.
- g. The Trustee may also periodically add and review the persons eligible for making application for purchase of Units under the Scheme.
- h. The minor unitholder, on attaining majority, shall inform the same to AMC / Mutual Fund / Registrar and submit following documents to change the status of the account (folio) from 'minor' to 'major' to allow him/her to operate the account in his/her own right viz., (a) Duly filled request form for changing the status of the account (folio) from 'minor' to 'major'; (b) updated bank account details including cancelled original cheque leaf of the new account; (c) Signature attestation of the major by a bank manager of Scheduled bank / Bank certificate or Bank letter; (d) KYC acknowledgement letter of major. The guardian cannot undertake any financial and non-financial transactions after the date of the minor attaining majority in an account (folio) where the units are held on behalf of the minor, and further, no financial and non-financial transactions can be undertaken till the time the change in the status from 'minor' to 'major' is registered in the account (folio) by the AMC/ Mutual Fund.
- i. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/ Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.

**Investors are requested to view full details on eligibility /non-eligibility for investment in the Scheme mentioned in the SAI under the head "Who Can Invest" & also note that this is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.**

#### Who cannot invest?

The following persons/entities cannot invest in the Scheme:

- Overseas Corporate Bodies pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003
- Non-Resident Indians residing in the Financial Action Task Force (FATF) declared Non Compliant Countries or Territories (NCCTs)

|                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                         | <ul style="list-style-type: none"> <li>United States Person (US Person) as defined under the extant laws of the United States of America, except where such US Person is an NRI / PIO, he/she shall be permitted to make an investment in the Scheme, when present in India, as lump-sum subscription and/or switch transaction (other than systematic transactions) only through physical form and upon submission of such additional documents/undertakings, as may be stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme.</li> <li>Persons residing in Canada.</li> <li>The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time. In case the application is found invalid / incomplete or for any other reason Trustee feels that the application is incomplete, the Trustee at its sole discretion may reject the application, subject to SEBI Regulations and other prevailing statutory regulations, if any.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Where can you submit the filled up applications</b>                                                                                                                  | <p>Duly completed application form for purchase of Units under the Scheme during the NFO period along with the instrument for payment may be submitted at any of the Official Point of Acceptance/ISC of the AMC or to the Registrars - KFin Technologies Pvt. Ltd., Unit - Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot number 31 &amp; 32, Financial District, Gachibowli, Hyderabad - 500032, Tel: 040-4030 8000.</p> <p>For any other investor related query you may call us at our toll free number 1800 425 0090 (for MTNL/BSNL land line) and/or non-toll free number 040-23001181 (for non MTNL/BSNL land line, mobile users and investors outside India) or email us at <a href="mailto:Bharatbond@edelweissfin.com">Bharatbond@edelweissfin.com</a>.</p> <p>For further details please refer the back cover page of this Document.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>How to Apply</b>                                                                                                                                                     | Investors are requested to refer to the SAI and Application form for instructions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Listing</b>                                                                                                                                                          | The units of the Scheme are proposed to be listed on the NSE and BSE within 5 Business Days from the date of allotment. Units of the Scheme may also be listed on such other stock exchange(s) as may be decided from time to time. The trading will be as per the normal settlement cycle.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Special facilities available during the NFO</b>                                                                                                                      | <p><b>Stock Exchange Infrastructure Facility:</b></p> <p>During NFO of the Scheme the AMC may make available facility to investors to subscribe to the Units of the Scheme through Mutual Fund Services System (MFSS) of the National Stock Exchange of India Ltd. (NSE) and through BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds (BSE StAR MF System) of BSE Limited. For more information on this facility, please refer to SAI.</p> <p><b>Switching Options:</b></p> <p>Unit holders having the Demat Account will be able to invest in the NFO of the Scheme by switching part or all of their unit holdings in physical mode held in the respective plan(s) / option(s) of the existing scheme(s) established by the Mutual Fund. Application for switch of units from existing schemes to the Scheme(s) will be accepted upto 3.00 p.m. on the last day of the NFO.</p> <p>This option will be useful to unit holders who wish to alter the allocation of their investment among the scheme(s) of the Mutual Fund (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched) in order to meet their changed investment needs.</p> <p>The switch will be effected by way of a redemption of units from the scheme and a reinvestment of the redemption proceeds in the Scheme and accordingly, to be effective, the switch must comply with the redemption rules of the scheme and the issue rules of the respective Scheme(s) (e.g. as to the minimum number of units that may be redeemed or issued, exit load etc). The price at which the units will be switched-out of the scheme will be based on the redemption price and the proceeds will be invested in the Scheme at Rs. 1000/- per unit.</p> |
| <b>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</b> | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**Restrictions, if any, on the right to freely retain or dispose of units being offered.**

The Units of the Scheme will mandatory required to be held in electronic (demat) mode which are freely transferable.

SEBI Circular no. SEBI / HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the following conditions, in case the AMC wish to impose restrictions on redemption:

- i. Restrictions may be imposed when there are circumstances leading to a systematic crisis or event that severely constricts market liquidity or the efficient functioning of market such as:
  1. Liquidity issues
  2. Market failures, exchange closure
  3. Operational issues
- ii. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
- iii. Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.
- iv. When restriction on redemption is imposed, the following procedure shall be applied:
  - No redemption request upto INR 2 lakh shall be subject to such restriction.
  - When redemption request are above INR 2 lakhs, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

If the restriction on redemption will be made applicable in accordance with SEBI Regulation, the provision of redemption in 'creation size' will not be applicable.

For details please refer to paragraph on "Right to limit redemption, "suspension of purchase and / or redemption of Units" & paragraph on "Lien & pledge" under SAI.

**Bank Mandate**

It may be noted that, the Bank account provided to the DP shall be considered for redemption, refund, maturity proceeds or any other transactional purposes by the AMC/Mutual Fund.

During the NFO, in case the DP ID & Client ID provided is incorrect / invalid, the refund shall be made in the account from the Fund has received subscription.

**Know Your Client (KYC) Norms**

KYC (Know Your Customer) norms are mandatory for all investors for making investments in Mutual Funds, for more information refer SAI.

**Third party Cheques**

Investment/subscription made through third party cheque(s) will not be accepted for investments.

Third party cheque(s) for this purpose are defined as:

- i) Investment made through instruments issued from an account other than that of the beneficiary investor,
- ii) in case the investment is made from a joint bank account, the first holder of the Fund folio is not one of the joint holders of the bank account from which payment is made.

Third party cheque(s) for investment/subscription shall be accepted, only in exceptional circumstances, as detailed below:

1. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift. Provided the minor is an account holder in the said bank account.
2. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum/one-time subscription through Payroll deductions.
3. Custodian on behalf of a Foreign Institutional Investor (FII) or a client.
4. Payment by registered Stock brokers of recognized stock exchanges for their clients having demat accounts.

The above mentioned exception cases will be processed after carrying out necessary checks and verification of documents attached along with the purchase transaction slip/application form, as stated below:

1. Determining the identity of the Investor and the person making payment i.e. mandatory now Your Client (KYC) for Investor and the person making the payment.

2. Obtaining necessary declaration from the Investor/unitholder and the person making the payment. Declaration by the person making the payment should give details of the bank account from which the payment is made and the relationship with the beneficiary.
3. Verifying the source of funds to ensure that funds have come from the drawer's account only.

The AMC reserves a right to seek information and/or obtain such other additional documents other than the aforesaid documents from third party for establishing the identity of the Third Party, before processing such applications. Please visit [www.edelweisstmf.com](http://www.edelweisstmf.com) for further details.

## B ONGOING OFFER DETAILS

### Ongoing Offer Period

This is the date from which the Scheme will reopen for subscriptions/redemptions after the closure of the NFO period.

The Scheme will re-open for continuous Sale and Repurchase within 5 Business Days from the date of allotment.

The units of the Scheme are proposed to be listed on the NSE and BSE. All investors, including Authorised Participant(s) may sell their units in the stock exchange(s) on which these units are listed on all the Trading Days of the stock exchanges. The Fund will repurchase units from Authorised Participant(s) and Investors on any Business Day provided the value of units offered for repurchase is not less than Creation Size.

Investors, other than Authorised Participants, can sell units in less than Creation Size of the Scheme directly to the Fund, without any exit load under following circumstances:

1. the traded price of the units of the Scheme is at a discount of more than 3% to the NAV for continuous 30 days; or
2. Discount of bid price to NAV over a period of 7 consecutive days is greater than 3%, or
3. there are no quotes available on the Stock Exchange for 3 consecutive Trading Days.
4. Total bid size on the exchange is less than half of Creation Size daily, averaged over a period of 7 consecutive Trading Days

Please note that all the redemption / subscription directly with the AMC / Mutual Fund will be processed based on End Of the Day NAV.

### Ongoing price for subscription (purchase) by investors

This is the price you need to pay for purchase

#### a. For Subscription of units directly with the Mutual Fund:

Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants and Large Investors only, provided the value of Units of the Scheme to be purchased/subscribed is in the below mentioned minimum Creation Size based on Intra-Day NAV:

- Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Subscription can be made in any of the following forms:

1. Cash, or
2. "in-kind" i.e. through Eligible Securities, or
3. Combination of both Cash and "in-kind" (through Eligible Securities)

Eligible Securities is defined as follows:

1. Securities which are part of the Scheme Portfolio OR  
Securities which are part of the Index and having maturity of not more than 90 days prior to the Maturity Date of the Scheme, and
2. Within maximum Index weight of the eligible Issuer, and
3. Should be in market lot of Rs. 5 crore and in multiple thereof.

It may be noted that, subscriptions received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the Intra-Day NAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme

for allotment and/or transfer of eligible securities which may include charges like depository participant charges, transaction handling charges etc., will be borne by the Large Investors / Authorised Participants. Accordingly, the said charges will be deducted before allotment of unit.

Depending on the market volatility, liquidity conditions, applicable regulatory provisions and any other factors, the AMC may, at its sole discretion, decide to accept subscription either in "Cash", "in-kind" (through eligible securities) or the combination of both.

The AMC has appointed Authorised Participants to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote in the market

**b. On the Stock Exchange(s):**

The units are listed on NSE and BSE to provide liquidity through secondary market. It may also be listed on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any trading day during trading hours in the lot size of one (1) Unit and multiples thereof.

The trading members shall be responsible for delivering the units to the demat account of the investors on successful completion of settlement. Investors are advised to contact their trading members to understand the various cut-off times to meet their fund pay-in obligations for ensuring successful settlement of their transactions.

The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the Application Form the Depository Participants (DP's) name, DP ID Number and the beneficiary account number of the applicant.

**Suspension of acceptance of subscription:**

In the interest of the investors and in order to protect the portfolio from market volatility, the Trustees reserve the right to discontinue subscriptions under the Scheme for a specified period of time or till further notice.

|                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Plans/Options offered</b>                                                                                                                                                             | <p>The Scheme does not offer any Plans/Options for investment.</p> <p>The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Listing</b>                                                                                                                                                                           | <p>The units of the Scheme shall be listed on NSE and BSE.</p> <p>It may also list on any other recognized Stock Exchange/s subsequently as may be decided by the AMC from time to time.</p> <p>AMC has proposed to engage Authorized Participants for creating liquidity for ETFs in the stock exchange(s) so that retail investors (investors other than Authorized Participants and Large Investors) are able to buy or redeem units on the stock exchange(s) using the services of a stock broker. The list of Authorized participants would be available on <a href="http://www.edelweisssf.com">www.edelweisssf.com</a>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p><b>Who can invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</p> | <p>The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of Mutual Funds being permitted and duly authorised under their respective constitutions, charter documents, corporate / other authorizations, jurisdiction and relevant statutory provisions etc.):</p> <ol style="list-style-type: none"> <li>Resident adult Indian individuals either singly or jointly (not exceeding three), or on an Anyone or Survivor basis;</li> <li>Karta of Hindu Undivided Family (HUF in the name of Karta);</li> <li>Partnership Firms in the name of any one of the partner (constituted under the Indian partnership law) &amp; Limited Liability Partnerships (LLP);</li> <li>Minors (Resident or NRI) through parent / legal guardian;</li> <li>Schemes of Mutual Funds registered with SEBI, including schemes of Edelweiss Mutual Fund, subject to the conditions and limits prescribed by SEBI Regulations and the respective Scheme Information Documents;</li> <li>Companies, Bodies Corporate, Public Sector Undertakings (PSU), Association of Persons (AOP) or bodies of individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions);</li> </ol> |

- g. Banks, including Scheduled Bank, Regional Rural Bank, Co-Operative Bank etc. & Financial Institutions;
- h. Special Purpose Vehicles (SPV) approved by appropriate authority;
- i. Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts (subject to receipt of necessary approvals as required & who are authorised to invest in Mutual Fund schemes under their trust deeds);
- j. Non-Resident Indians (NRIs) / Persons of Indian origin residing abroad (POI) on repatriation or non- repatriation basis;
- k. Foreign Institutional Investors (FIIs) registered with SEBI on fully repatriation basis;
- l. Foreign Portfolio Investors (FPIs) subject to the applicable Regulations;
- m. Provident/Pension/Gratuity/Superannuation, such other retirement and employee benefit and such other funds to the extent they are permitted to invest;
- n. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
- o. Scientific and Industrial Research Organisations;
- p. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;
- q. Trustee, the AMC, their Shareholders or Sponsor, their associates, affiliates, group companies may subscribe to Units under the Scheme;
- r. Overseas financial organizations which have entered into an arrangement for investment in India, inter-alia with a mutual fund registered with SEBI and which arrangement is approved by Government of India.
- s. Insurers, insurance companies / corporations registered with the Insurance Regulatory Development Authority (subject to IRDA Circular (Ref: IRDA/F&I/INV/CIR/074/03/2014) dated March 3, 2014
- t. Any other category of individuals / institutions / body corporate etc., so long as wherever applicable they are in conformity with SEBI Regulations/other applicable Regulations/ the constituent documents of the applicants.

**Notes:**

1. Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor.
2. It is expressly understood that at the time of investment, the investor/Unit holder has the express authority to invest in Units of the Scheme and AMC / Trustees / Mutual Fund will not be responsible if such investment is ultra-vires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.
3. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad/ Overseas Citizens of India (OCI) / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. If a person who is a resident Indian at the time of subscription becomes a resident outside India subsequently, he/she shall have the option to either be paid repurchase value of Units, or continue into the Scheme if he/she so desires and is otherwise eligible.

However, the AMC shall not be liable to pay interest or any compensation, arising on account of taxation law or otherwise, on redemption, IDCW or otherwise, to such a person during the period it takes for the Fund to record change in residential status, bank mandates, and change in address due to change in tax status on account of change in residential status.

Notwithstanding the aforesaid, the Trustee reserves the right to close the Unit holder's account and to pay the repurchase value of Units, subsequent to his becoming a person resident outside India, should the reasons of cost, interest of other Unit holders and any other circumstances make it necessary for the Fund to do so.

4. Investors desiring to invest / transact in the Scheme are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Passport / PAN Card / Memorandum and Articles of Association / bye-laws / Trust Deed / Partnership Deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.
5. The Government of India has authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI, an independent body), to perform the function of Central KYC Records including receiving, storing, safeguarding and retrieving KYC records in digital form. Accordingly, in line with SEBI circular nos. CIR/ MIRSD/66/2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016 on Operationalisation of Central KYC (CKYC), read with AMFI Best Practice Guidelines circular no. 68/2016-17 dated December 22, 2016, new individual investors investing into the Fund are requested to comply with the CKYC norms.
6. The Trustee may also periodically add and review the persons eligible for making application for purchase of Units under the Scheme.
7. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/ Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.

Investors are requested to view full details on eligibility /non-eligibility for investment in the Scheme mentioned in the SAI under the head "Who Can Invest" & also note that this is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.

|                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Who cannot invest?</b>                                                                                           | <p>The following persons/entities cannot invest in the Scheme:</p> <ul style="list-style-type: none"> <li>▪ Overseas Corporate Bodies pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003</li> <li>▪ Non-Resident Indians residing in the Financial Action Task Force (FATF) declared Non Compliant Countries or Territories (NCCTs)</li> <li>▪ United States Person (US Person) as defined under the extant laws of the United States of America, except where such US Person is an NRI / PIO, he/she shall be permitted to make an investment in the Scheme, when present in India, as lump-sum subscription and/or switch transaction (other than systematic transactions) only through physical form and upon submission of such additional documents/undertakings, as may be stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme.</li> <li>▪ Persons residing in Canada.</li> <li>▪ The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time. In case the application is found invalid / incomplete or for any other reason Trustee feels that the application is incomplete, the Trustee at its sole discretion may reject the application, subject to SEBI Regulations and other prevailing statutory regulations, if any</li> </ul> |
| <b>How to Apply</b>                                                                                                 | Investors are requested to refer to the SAI and Application form for instructions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Switch to the Scheme</b>                                                                                         | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Ongoing price for redemption (sale) by investors.</b><br><br>This is the price you will receive for redemptions. | <p><b>a. Directly with Mutual Fund:</b></p> <p>Mutual Fund will repurchase Units of the Scheme only from Authorised Participants and Large Investors, provided the value of Units of the Scheme to be repurchased is in the below mentioned minimum Creation Size based on the Intra-Day NAV:</p> <ol style="list-style-type: none"> <li>1) Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 there after</li> <li>2) BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter</li> <li>3) Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 there after</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Payout of the redemption proceeds can be made in any of the following forms:

- 1) Cash, or
- 2) "in-kind" i.e. through slice of the entire bond Portfolio (excluding G-Sec, TREPS and Repo in Government Securities), or
- 3) Combination of both Cash and "in-kind" (slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities)

It may be noted that, redemption requests received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the applicable Intra-DayNAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme which may include charges like depository participant charges, transaction handling charges, charges for transfer of slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities (if in-kind redemption) etc. will be borne by the Large Investor / Authorised Participants. Accordingly, redemption proceed will be made post deducting such charges.

The AMC will endeavor to pay the redemption proceeds in Cash. However, depending on the market volatility, liquidity conditions, applicable regulatory provisions, investor request etc., the AMC may redeem the Units and make the payout either "in-kind" i.e. through slice of the entire bond Portfolio or in combination of both i.e. Cash and "in-kind".

Investors other than Authorised Participants can redeem units directly with the Fund for less than Creation size at Applicable NAV based prices and no exit load shall be charged for redemption of units if:

1. the traded price of the units of the Scheme is at a discount of more than 3% to the NAV for continuous 30 days; or
2. Discount of bid price to NAV over a period of 7 consecutive days is greater than 3%, or
3. there are no quotes available on the Stock Exchange for 3 consecutive Trading Days.
4. Total bid size on the exchange is less than half of Creation Size daily, averaged over a period of 7 consecutive Trading Days.

Such instances shall be tracked by the AMC on an ongoing basis and in case, if any, of the above mentioned scenario arises the same shall be disclosed on the website of the Fund i.e. [www.edelweissmf.com](http://www.edelweissmf.com).

Please note that all the redemption / subscription directly with the AMC / Mutual Fund will be processed based on End of the day NAV.

#### **b. On the Stock Exchange(s):**

All categories of investors may transact in Units of the Scheme through the Stock Exchanges on which the Units of the Scheme are listed, on any trading day during trading hours in the lot size of one (1) Unit and multiples thereof.

#### **Note:**

The transaction handling charges which include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/redemption or accepting the eligible securities or for giving slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities as consideration for a redemption request, shall be recoverable from the transacting Authorised Participant or Large Investor.

#### **Suspension of acceptance of subscription:**

In the interest of the investors and in order to protect the portfolio from market volatility, the Trustees reserve the right to discontinue subscriptions under the Scheme for a specified period of time or till further notice.

### **Suspension of Sale and Redemption of Units**

The Trustee and the Board of Directors of the AMC may decide to temporarily suspend determination of NAV of the Scheme offered under this Document, and consequently sale and redemption of Units, in any of the following events:

1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unitholders.
3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unitholders of the Scheme.
5. In case of natural calamities, strikes, riots and bandhs.
6. In the event of any force, majeure or disaster that affects the normal functioning of the AMC or the Registrar.
7. If so directed by SEBI.

In the above eventualities, the time limits indicated above, for processing of requests for purchase and redemption of Units will not be applicable.

Suspension or restriction of repurchase/ redemption facility under any scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees.

After obtaining the approval from the AMC Board and the Trustees, intimation would be sent to SEBI in advance providing details of circumstances and justification for the proposed action shall also be informed.

### **Right to Limit Redemptions:**

SEBI Circular no. SEBI / HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the following conditions, in case the AMC wish to impose restrictions on redemption:

- 4) Restrictions may be imposed when there are circumstances leading to a systematic crisis or event that severely constricts market liquidity or the efficient functioning of market such as:
- 5) Liquidity issues
- 6) Market failures, exchange closure
- 7) Operational issue
- 8) Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
- 9) Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.
- 10) When restriction on redemption is imposed, the following procedure shall be applied:
- 11) No redemption request upto INR 2 lakh shall be subject to such restriction.
- 12) When redemption request are above INR 2 lakhs, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

If the restriction on redemption will be made applicable in accordance with SEBI Regulation, the provision of redemption in 'creation size' will not be applicable.

**Cut off timing for subscriptions/ redemptions**

This is the time before which your application (complete in all respects) should reach the official points of acceptance.

**a) In case of Purchase / Redemption directly with Mutual Fund:**

The Fund will allow subscription/ redemption in "Creation Size" only by Large Investor(s)/ Authorised Participant(s).

The Cut-off time for receipt of valid application for Subscriptions and Redemptions is 3.00 p.m. Please note that all the redemption / subscription requests received directly by the AMC /Edelweiss Mutual Fund upto 3.00 pm, will be processed based on the applicable End Of the Day NAV.

In case of Subscription, allotment of Units shall be subject to the following:

1. Valid application received before cut-off time; and
2. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cut-off time, and / or
3. Eligible securities as per the application are credited to the Depository account of the Scheme / MF before cut-off time.

In case of Redemption, the proceeds (cash or in-kind) shall be credited to the unit holders Bank Account / DP Account, only upon receipt of Units of the Scheme in the Scheme/Mutual Fund's DP Account.

**b) In case of Purchase/Redemption through Stock Exchange:**

An investor can buy/sell Units on a continuous basis on the National Stock Exchange of India Limited or such other stock exchange where the Scheme shall be listed during the trading hours on all Trading Days.

**Processing of Subscription and Redemption Proceeds in case of Segregation**

All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:

Upon trustees' approval to create a segregated portfolio -

- (i) Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
- (ii) Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.

In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

**Where can the applications for purchase/ redemption- be submitted?**

Investors can submit the Application Forms for purchase or redemption post NFO, only at the Corporate Office of the AMC. For details please visit AMC website ([www.edelweissmf.com](http://www.edelweissmf.com))

**Minimum amount for purchase/redemption/ switches**
**a. For Subscription of units directly with the Mutual Fund:**

Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants and Large Investors only, provided the value of Units of the Scheme to be purchased/subscribed is in the below mentioned minimum Creation Size based on the Intra-Day NAV:

- Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Subscription can be made in any of the following forms:

1. Cash, or
2. "in-kind" i.e. through Eligible Securities, or
3. Combination of both Cash and "in-kind" (through Eligible Securities)

Eligible Securities is defined as follows:

1. Securities which are part of the Scheme Portfolio OR  
Securities which are part of the Index and having maturity of not more than 90 days prior to the Maturity Date of the Scheme, and
2. Within maximum Index weight of the eligible Issuer, and
3. Should be in market lot of Rs. 5 crore and in multiple thereof.

It may be noted that, subscriptions received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the applicable Intra-DayNAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme for allotment and/or transfer of eligible securities which may include charges like depository participant charges, transaction handling charges etc., will be borne by the Large Investors / Authorised Participants. Accordingly, the said charges will be deducted before allotment of unit. Depending on the market volatility, liquidity conditions, rating action applicable regulatory provisions and any other factors, the AMC may, at its sole discretion, decide to accept subscription either in "Cash", "in-kind" (through eligible securities) or the combination of both.

**b. For Redemption of units directly with the Mutual Fund:**

Mutual Fund will repurchase Units of the Scheme only from Authorised Participants and Large Investors, provided the value of Units of the Scheme to be repurchased is in the below mentioned minimum Creation Size based on the Intra-Day NAV:

- 1) Authorized Participant: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- 2) BHARAT Bond ETF FOF - April 2032: Minimum Rs. 1 crore and in multiples of Re. 1 thereafter
- 3) Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter

The Fund may change the Creation Size depending upon market developments, demand-supply dynamics or any other factors.

Payout of the redemption proceeds can be made in any of the following forms:

1. Cash, or
2. "in-kind" i.e. through slice of the entire bond Portfolio (excluding G-Sec, TREPS and Repo in Government Securities), or
3. Combination of both Cash and "in-kind" (slice of the entire portfolio excluding G-Sec, TREPS and Repo in Government Securities)

It may be noted that, redemption requests received by the AMC / Mutual Fund within cut-off time on a Business Day shall be processed based on the applicable Intra-DayNAV calculated in accordance with SEBI (MF) Regulations, 1996. Any expenditure incurred by the Scheme which may include charges like depository participant charges, transaction handling charges, charges for transfer of slice of the entire portfolio (if in-kind redemption) etc. will be borne by the Large Investor / Authorised Participants. Accordingly, redemption proceed will be made post deducting such charges.

The AMC will endeavor to pay the redemption proceeds in Cash. However, depending on the market volatility, liquidity conditions, applicable regulatory provisions, investor request etc., the AMC may redeem the Units and make the payout either "in-kind" i.e. through slice of the entire bond Portfolio or in combination of both i.e. Cash and "in-kind".

**c. For Transaction through Stock Exchange(s):**

All categories of investors may transact the Units of the Scheme through the Stock Exchange on which the units of the Scheme are listed, on any trading day in round lot of one (1) Unit and multiples thereof.

The AMC has appointed Authorised Participants to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote in the market.

|                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Minimum balance to be maintained and consequences of non maintenance.</b> | There is no minimum balance requirement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Special Products available</b>                                            | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Account Statements</b>                                                    | <p>For transactions during ongoing subscription and redemption:</p> <p>As the Units of the Scheme are in demat, the holding statement issued by the Depository Participant would be deemed to be adequate compliance with requirements of SEBI regarding dispatch of statements of account.</p> <p>In order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, SEBI vide its circular no. CIR/ MRD/DP/31/2014 dated November 12, 2014 had advised to generate and dispatch a single Consolidated Account Statement for investors having Mutual Fund investments and holding demat accounts. Accordingly,</p> |

- i. Investors shall receive a single CAS from the Depository.
- ii. Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
- iii. In case an investor has multiple accounts across two Depositories, the Depository with whom the account has been opened earlier will be the default Depository.
- iv. The CAS shall be generated on a monthly basis.
- v. If there is any transaction in any of the Demat accounts of the investor or in any of his Mutual Fund folios, Depositories shall send the CAS within 15 days from the month end. In case there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis (i.e. September/ March), on or before 21st day of succeeding month.
- vi. In case of demat accounts with nil balance and no transactions in securities and in Mutual Fund folios, the Depository shall send holding statement in terms of regulations applicable to the Depositories.
- vii. For Unit holders who have provided an e-mail address to the Fund or have updated the same in KYC records, CAS will be sent to such Unit holders by e-mail. However, where an investor does not wish to receive CAS through e-mail, option shall be given to such investor to receive the CAS in physical form at the address registered with the Depository.
- viii. Investors who do not wish to receive CAS sent by Depositories have an option to indicate their negative consent. Such investors may contact the Depositories to opt out.
- ix. The dispatch of CAS by the Depositories would constitute compliance by the AMC/the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.

**Redemption/Repurchase Proceeds**

Redemption proceeds shall be paid to the Unitholder in the Bank Account registered with DP, through ECS, direct credit, RTGS, demand draft, etc., as the AMC may decide, from time to time, for the smooth and the efficient functioning of the Scheme. In case of failure of transfer, the AMC may issue cheque / pay order in the name and address of the unit holder (or if there is more than one holders / joint holders, the address of the first name holder), not later than 10 (Ten) working days from the date of redemption. Proceeds (cash or in-kind) shall be credited to the unit holders Bank Account / DP Account, only upon receipt of Units of the Scheme in the Scheme/Mutual Fund's DP Account.

Note: The mutual fund will rely on the address and the bank account details recorded in the depository system. Any changes to the address and bank account details can be made only through the depository system.

As per SEBI Regulations, the Mutual Fund shall dispatch redemption proceeds within 10 Business Days of receiving a valid redemption request.

**Delay in payment of redemption / repurchase proceeds**

The AMC shall be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC/Trustee is required to obtain from the Unit Holder verification of identity or such other details as may be required under any applicable law or as may be required by a regulatory authority which may result in delay in processing the application.

**Settlement of Purchase / Sale on stock exchange(s)**

Buying / Selling units of the Scheme on the stock exchange is similar to buying / selling any other listed securities. If an investor has bought units, the investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realized before funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, the investor has to deliver the units to the broker/ sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or units to the investor in accordance with the time prescribed by the stock exchange regulation. If an investor has bought units, he/she should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange's clearing corporation.

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                     | <p>An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her beneficiary account to the Pool Account of his/her trading member through whom he/she has sold the units. The details of the Pool Account of investor's trading member to which the units are to be transferred, unit quantity, etc. should be mentioned in the delivery out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the delivery out instructions should be given at least 24 hours prior to the cut off time for the prescribed securities pay in to avoid any rejection of instructions due to data entry errors, network problems, etc. All investors including Authorized Participants, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all the Trading Days of the stock exchange.</p>                                                                                                                                                                                                                                                                                                                                 |
| <b>IDCW Policy</b>                  | <p>Unit holders to note that the Trustee may declare IDCW from time to time in accordance with the IDCW Policy set out below.</p> <p>IDCW Policy: The Trustee may declare IDCW to the Unit holders under the Scheme subject to the availability of distributable surplus and the actual distribution of IDCWs and the frequency of distribution will be entirely at the discretion of the Trustee. Such IDCW will be payable to the Unit holders whose names appear on the register of Unit holders on the record date as fixed for the respective Schemes. The IDCW declared will be paid net of tax deducted at source, wherever applicable, to the Unit holders within 30 days from the declaration of the IDCW. There is no assurance or guarantee to the Unit holders as to the rate of IDCW distribution nor that will the IDCW be paid regularly. If the Fund declares IDCW, the NAV of the respective Schemes will stand reduced by the amount of IDCW and Dividend distribution tax (if applicable) paid. All the IDCW payments shall be in accordance and compliance with SEBI Regulations and Listing Regulations, as applicable from time to time.</p> <p>Further, investors are requested to note that the amounts can be distributed out of the investors capital (Equilization Reserve), which is part of sales price that represents realized gains.</p> |
| <b>Pledge of Units for loans</b>    | <p>The Units can be pledged by the Unitholders as security for raising loans subject to the conditions of the lending institution and the terms and conditions laid down by the Depositories.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Know Your Client (KYC) Norms</b> | <p>KYC (Know Your Customer) norms are mandatory for all investors for making investments in Mutual Funds, for more information refer SAI.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## C PERIODIC DISCLOSURES & OTHER INFORMATION

### Net Asset Value

This is the value per unit of the Scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.

Units of the Scheme will be listed on NSE and all purchase and sale of units by investors other than Authorised Participants and Large Investors can be done on the stock exchange(s). The NAV has a reference value for investors and will be useful for Authorised Participants for offering quotes on the Stock Exchange(s).

The AMC will calculate and disclose the first NAVs of the scheme not later than 5 Business days from the date of allotment. NAVs will be calculated up to four decimal places. Subsequently, the Mutual Fund shall declare the NAVs of the scheme on every Business Day and prominently disclose the NAVs under a separate head on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the AMFI website ([www.amfiindia.com](http://www.amfiindia.com)) by 11.00 p.m. on every Business Day. NAV shall also be communicated to Stock Exchanges where the units of the Scheme are listed.

In case of any delay, the reasons for such delay would be explained to AMFI by the next Business Day. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.

The information on NAV of the scheme may be obtained by the unit holders, on any day by calling the office of the AMC or any of the ISCs at various locations. Investors may also write to the AMC for availing facility of receiving the latest NAVs through SMS.

The Fund may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and will be updated during the market hours on Edelweiss Mutual Fund's website ([www.edelweissmf.com](http://www.edelweissmf.com)). Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Large Investors /Authorised Participants.

**Portfolio Disclosures**

The AMC will disclose portfolios (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for the Scheme on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI [www.amfiindia.com](http://www.amfiindia.com) within 10 days from the close of each month/half year.

In case of unitholders whose email addresses are registered, the AMC will send via email both the monthly and half yearly statement of Scheme portfolio within 10 days from the close of each month /half year respectively.

The AMC will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the Scheme's portfolio on the AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. The AMC will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

**Risk-o-meter**

In accordance with circular no. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 5, 2020 the risk-o-meter will be disclosed alongwith monthly portfolio and on annual basis on the website of the AMC and AMFI. Further, the same will also be disclosed in the Annual Report in the format specified in the circular. Further in accordance with SEBI circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/555 dated April 29, 2021 and circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR /2021/621 dated August 31, 2021 the risk-o-meter of the scheme, name of the benchmark and risk-o-meter of the scheme shall be disclosed alongwith the monthly and half yearly portfolios sent via email to the investors.

In addition to the above, the AMC shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:

- a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed
- b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.

**Half yearly Financial Results**

The Mutual Fund shall within one month of the close of each half year i.e., 31st March and 30th September, upload the soft copy of its unaudited financial results containing the details specified in Regulation 59 on its website and shall publish an advertisement disclosing uploading of such financial results on its website, in one English newspaper having nationwide circulation and in one regional newspaper circulating in the region where the head office of the Mutual Fund is situated. This shall also be displayed on the website of AMFI.

**Annual Report**

The Scheme wise annual report or an abridged summary thereof shall be provided to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e., 31st March each year). The Annual report or Abridged summary thereof in the format prescribed by SEBI will be hosted on AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The Annual Report or Abridged Summary thereof will also be sent by way of e-mail to the Unit holder's registered e-mail address. Unit holders, who have not registered their email id, will have an option of receiving a physical copy of the Annual Report or Abridged summary thereof. The Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a Unit holder. Physical copies of the report will also be available to the Unit holders at the registered office at all times. The Fund will publish an advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the of the scheme wise annual report or abridged summary thereof.

**Associate Transactions**

Please refer to the Statement of Additional Information.

## Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.

Equity oriented fund has been defined u/s 112A of Income Tax Act, 1961 to mean a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,–

- (i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,– (A) a minimum of ninety per cent of the total proceeds of such fund is invested in the units of such other fund; and (B) such other fund also invests a minimum of ninety per cent of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and
- (ii) in any other case, a minimum of sixty-five per cent of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange.

Further, the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

The Scheme's corpus shall predominantly be invested in equity and equity related securities including equity derivatives in the Indian and international markets. However, in order to protect its objective of giving absolute returns with low volatility, the Scheme may even invest its corpus largely in debt and money market securities. In such a situation, the Scheme may at any point of time lose its status of an equity oriented Scheme and such conversion may have tax consequences. It may be noted that no prior intimation/ indication would be given to investors in such cases.

In such an aforesaid situation, tax provisions of an Equity Oriented Scheme may not be applicable for such a period where the Scheme is not classified as equity oriented Scheme under the Income Tax Act, 1961. Consequently, tax provisions as summarized in table 2 below would be applicable. Investors are requested to examine the asset allocation from time to time for every purchase / transfer / redemption before claiming tax exemptions available for Equity Oriented Schemes.

The Information is provided only for general information purposes. However, in view of the individual nature of the implications, each investor is advised to consult his or her or its own tax advisors/ authorised dealers with respect to the specific amount of tax and other implications arising out of his or her or its participation in the Scheme. The tax to the investors and the Mutual Fund are based on status of the Scheme.

In case the Scheme is categorized as Equity Oriented Fund, the tax status will be as follows:

| TAX STATUS FOR EQUITY ORIENTED FUND |                            |                                         |             |
|-------------------------------------|----------------------------|-----------------------------------------|-------------|
| Tax on Capital Gains :              | Resident Individuals & HUF | FII's/ Overseas financial Organisations | Mutual Fund |
| Long Term                           | 10%*                       | 10%*                                    | Nil         |
| Short term                          | 15%                        | 15%                                     | Nil         |
|                                     | Partnership Firms          | Non-resident Indians                    |             |
| Long Term                           | 10%*                       | 10%*                                    |             |
| Short term                          | 15%                        | 15%                                     |             |
|                                     | Indian Companies           | Foreign Companies                       |             |
| Long Term                           | 10%*                       | 10%*                                    |             |
| Short term                          | 15%                        | 15%                                     |             |

Note:

(\*) From AY 2019-20 (FY 2018-19) Any Long Term Capital Gains arising on transfer of unit of an equity oriented mutual fund will be taxable at 10% without indexation benefit of such capital gains exceeding Rs.1,00,000/-. No Chapter VI-A or rebate will be allowed from this capital gains.

With the amendment in Finance Act 2020, any income received in respect of units of Mutual Fund specified under section 10(23D) is taxable in the hands of the unit holders.

The tax rate would be increased by a surcharge of:

- (a) 7% in case of domestic corporate unit holders where the income exceeds Rs.1 crore but is upto 10 crores and 12% where it exceeds Rs. 10 crores.
- (b) 2% in case of foreign corporate unit holders where the income exceeds Rs.1 crore is upto 10 crores, 5% where income exceeds Rs. 10 crores.

- (c) At the rate of 12% in case of Partnership Firm, Local Authorities and Co-operative Societies where income exceeds Rs. 1 crore.
- (d) In case of Individuals, Hindu Undivided Family, AOP, Artificial Juridical Person and BOI at the rate of 10% where the income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and 15% where income exceeds Rs. 1 crore but does not exceed 2 Crore Further, at the rate of 25% where income exceeds 2 Crore but does not exceed Rs. 5 crore and 37% where income exceeds Rs. 5 crore. {The maximum rate of Surcharge for dividend income, income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}

In addition to the above, Health and education cess of 4% is applicable for all categories of Tax Payers.

From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS under section 194K of Income Tax Act, 1961 @ 10%.

TDS shall not be deductible in the following cases:

- 1) Where income distributed does not exceed INR 5,000/-
- 2) Where income distributed is in nature of Capital Gains

Further, Income distributed to Non Resident Unit Holders, will be subject to TDS under section 196A of Income Tax Act, 1961 @ 20% plus applicable surcharge and Health and Education Cess.

Under section 206AB of the Act, TDS shall be at higher of following rates on specified payments, where recipient has not filed return of income for 2 previous years and TDS in each year is INR 50,000 or more: (with effect from the 1st day of July, 2021)

- Twice the rate specified in the Act or
- Twice the rates in force
- Rate of 5 %

Section 206AB excludes non-resident who does not have a permanent establishment in India.

In case the Scheme does not fulfill the criteria of an Equity Oriented fund as specified under Income Tax Act, 1961, the tax status will be as stated below (Table - 2):

| <b>TAX STATUS FOR FUND OTHER THAN EQUITY ORIENTED FUND</b><br><b>Units of mutual fund other than equity oriented fund shall be a short term capital asset if the period of holding is less than 36</b> |                                       |                                                |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------|--------------------|
| <b>Tax on Capital Gains :</b>                                                                                                                                                                          | <b>Resident Individuals &amp; HUF</b> | <b>FII's/ Overseas financial Organisations</b> | <b>Mutual Fund</b> |
| Long Term                                                                                                                                                                                              | 20% with Indexation                   | 10% u/s. 115AD                                 | Not Applicable     |
| Short term                                                                                                                                                                                             | Applicable Slab Rates                 | 30%                                            |                    |
|                                                                                                                                                                                                        | <b>Partnership Firms</b>              | <b>Non-resident Indians</b>                    |                    |
| Long Term                                                                                                                                                                                              | 20% with Indexation                   | 20%                                            |                    |
| Short term                                                                                                                                                                                             | 30%                                   | Applicable Slab Rates                          |                    |
|                                                                                                                                                                                                        | <b>Indian Companies</b>               | <b>Foreign Companies</b>                       |                    |
| Long Term                                                                                                                                                                                              | 20% with Indexation                   | 20%                                            |                    |
| Short term                                                                                                                                                                                             | 30%                                   | 40%                                            |                    |

\*A tax rate of 25% is applicable for the financial year 2021-22 in the case of domestic companies having total turnover or gross receipts not exceeding Rs. 400 crores in the financial year 2018-19.

Domestic companies may opt for a lower tax rate of 22% under section 115BAA of the Act, subject to fulfillment of prescribed conditions.

Further, new domestic manufacturing companies may opt for a lower tax rate of 15% under section 115BAB of the Act, subject to fulfillment of prescribed conditions.

With the amendment in Finance Act 2020, any income received in respect of units of Mutual Fund specified under section 10(23D) is taxable in the hands of the unit holders.

Note-1: The tax rate would be increased by a surcharge of:

- (a) 7% in case of domestic corporate unit holders where the income exceeds Rs.1 crore but is upto 10 crores and 12% where it exceeds Rs. 10 crores.
- (b) 2% in case of foreign corporate unit holders where the income exceeds Rs.1 crore is upto 10 crores, 5% where income exceeds Rs. 10 crores.
- (c) At the rate of 12% in case of Partnership Firm, Local Authorities and Co-operative Societies where income exceeds Rs. 1 crore.
- (d) In case of Individuals, Hindu Undivided Family, AOP, Artificial Juridical Person and BOI at the rate of 10% where the income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and 15% where income exceeds Rs. 1 crore but does not exceed 2 Crore Further, at the rate of 25% where income exceeds 2 Crore but does not exceed Rs. 5 crore and 37% where income exceeds Rs. 5 crore. {The maximum rate of Surcharge for dividend income, income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}

In addition to the above, Health and education cess of 4% is applicable for all categories of Tax Payers.

From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS under section 194K of Income Tax Act, 1961 @ 10%.

TDS shall not be deductible in the following cases:

- 1) Where income distributed does not exceed INR 5,000/-
- 2) Where income distributed is in nature of Capital Gains

Further, Income distributed to Non Resident Unit Holders, will be subject to TDS under section 196A of Income Tax Act, 1961 @ 20% plus applicable Surcharge and Health and Education Cess

Under section 206AB of the Act, TDS shall be at higher of following rates on specified payments, where recipient has not filed return of income for 2 previous years and TDS in each year is INR 50,000 or more: (with effect from the 1st day of July, 2021)

- Twice the rate specified in the Act or
- Twice the rates in force
- Rate of 5 %

Section 206AB excludes non-resident who does not have a permanent establishment in India.

Note 2: Non Equity Oriented Fund will not attract securities transaction tax (STT).

Note 3: In case if the Income is treated as Business Income, then the relevant **Income Tax provisions would be applicable.**

## Investor services

Investors can enquire about NAVs, Unit Holdings, IDCWs, etc or lodge any service request including change in the name, address, designated bank account number and bank branch, loss of Account Statement, etc. to M/s. KFin Technologies Private Limited - UNIT EMF, Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Tel: 040-67161500 or can also call us at our toll free number 1800 425 0090 (MTNL/BSNL) and non toll free number +91 40 23001181 for others and investors outside India. The Toll Free Number and the Non-Toll Free Number will be available between 9.00 am to 7.00 pm from Monday to Saturday.

Alternatively, the Unit holder can call at the EAML branch office for any services / information. Some service requests can be processed only upon receipt of a written request with required supporting documents. In order to protect confidentiality of information, the service representatives at our branches/ ISC's may require personal information of the investor for verification of his / her identity.

Unit holder's grievances should be addressed to Investor Services Centres (ISC's) at the EAML branch offices, or KFin Technologies Pvt. Ltd (KFPL) Investor Service Centres. All grievances will then be forwarded to the Registrar, if required, for necessary action. The complaints will be closely monitored /followed up with the Registrar to ensure timely redressal.

EAML will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly. A comprehensive complaint management system is in place for managing complaints with features for tracking each complaint through its lifecycle from recording and initiation to investigation, reporting, and closure - following the appropriate process to ensure that nothing slips through the cracks enabling EAML to conduct root cause analysis and trigger corrective and preventive action. There is a built in customised workflow process as well as assignment and escalation process to EAML officials. Investors can also address their queries/grievances to Mr. Abdulla Chaudhary, Head - Investor Services & R&T Operations at Edelweiss Mutual Fund, Edelweiss House, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098

Contact Details:

Tel. No. (022) 40933400 / 40979821 / 40979949

Fax no. (022) 4093 3401 / 4093 3402 / 4093 3403

E-mail id: E-mail id: EMFHelp@edelweissfin.com

#### **D. COMPUTATION OF NET ASSET VALUE**

The Net Asset Value (NAV) of the Units will be determined as of every Business Day and for such other days as may be required for the purpose for transaction of Units. The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time:

$$\frac{\text{Market or Fair Value of Scheme's investments} + \text{Current assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme}} = \text{NAV (₹)}$$

The NAV of the Scheme will be calculated and declared upto 4 decimal places & the Forth decimal will be rounded off higher to next digit if the fifth decimal is or more than 5 i.e., if the NAV is 10.12566 it will be rounded off to 10.1257.

The Fund may also calculate intra-day indicative NAV and will be updated during the market hours on Edelweiss Mutual Fund's website ([www.edelweisssmf.com](http://www.edelweisssmf.com)).

Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the AP/LI.

## IV FEES AND EXPENSES

This section outlines the expenses that will be charged to the Schemes.

### A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The New Fund Offer Expenses in relation to the Scheme will be borne by the AMC. Thus, the entire amount received from the Unit Holder will be available for investment.

### B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated the following recurring expenses of the daily net assets of the Scheme that will be charged to the Scheme as expenses. The total expenses may be more or less than as specified in the table below. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund. Any change in the current expense ratios will be updated on the website and the same will be communicated to the investor via SMS / e-mail 3 working days prior to the effective date of change.

| Expense Head                                                                                                                                                                                                                                                                 | % of daily Net Assets |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Investment Management and Advisory Fees                                                                                                                                                                                                                                      | *Upto 0.0005%         |
| Trustee fee                                                                                                                                                                                                                                                                  |                       |
| Audit fees                                                                                                                                                                                                                                                                   |                       |
| Custodian fees                                                                                                                                                                                                                                                               |                       |
| RTA Fees                                                                                                                                                                                                                                                                     |                       |
| Marketing & Selling expenses                                                                                                                                                                                                                                                 |                       |
| Cost related to investor communications                                                                                                                                                                                                                                      |                       |
| Cost of fund transfer from location to location                                                                                                                                                                                                                              |                       |
| Cost of providing account statements and IDCW redemption cheques and warrants                                                                                                                                                                                                |                       |
| Costs of statutory Advertisements                                                                                                                                                                                                                                            |                       |
| Cost towards investor education & awareness (at least 2 bps)                                                                                                                                                                                                                 |                       |
| Brokerage & transaction cost over and above 0.12% for cash.                                                                                                                                                                                                                  |                       |
| Goods & Service tax on expenses other than investment and advisory fees                                                                                                                                                                                                      |                       |
| Goods & Service tax on brokerage and transaction cost                                                                                                                                                                                                                        |                       |
| Other Expenses                                                                                                                                                                                                                                                               |                       |
| *Subject to the Regulations and as permitted under Regulation 52 of SEBI (MF) Regulations, 1996, any other expenses which are directly attributable to the Scheme may be charged with the approval of the Trustee within the overall limits as specified in the Regulations. |                       |

\* Though permissible limit as per the SEBI regulation is higher, same has been kept at 0.0005% as per the Financial Bid submitted by the AMC to Government of India (GOI) on December 24, 2018, based on GOI Request for Proposal towards engagement of an asset management company for creation and launch of exchange traded fund comprising

Bonds of Central Public Sector Enterprise (CPSEs).

The total expense ratio (TER) shall not be increased for at least 3 (three) years from the date of listing of Units allotted in the NFO, and may be changed in accordance with the Regulations. All applicable taxes, cess, duties can be charged to the Scheme, as per SEBI Regulations and any other applicable guidelines.

Permissible limit as per the Financial Bid submitted by the AMC to Government of India (GOI) on December 24, 2018 is as follows:

| Daily Average Net Assets of the Debt ETF | Total expense limit as % of daily average net assets |
|------------------------------------------|------------------------------------------------------|
| Upto Rs. 10,000 crores only              | 0.0005%                                              |
| Next Rs. 10,001 to 20,000 crores only    | 0.0004%                                              |
| Over Rs. 20,001 crores only              | 0.0001%                                              |

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme will bear directly or indirectly. These estimates have been made in good faith by AMC and are subject to change inter se. The total recurring expenses that can be charged to the Scheme as provided in table above are subject to any changes that may be directed by DIPAM and within the limits prescribed from time to time under the SEBI Regulations.

Expenses over and above the limits prescribed above shall be borne by AMC or by the trustee or sponsors. Details of the actual TER charged to the Scheme after allotment would be available on the website of the Mutual Fund on [www.edelweissemf.com](http://www.edelweissemf.com).

There will be no internal sub-limits on aforementioned expense heads and the AMC is free to allocate them within the overall TER.

Any shortfall with respect to contribution of 2bps towards investor education & awareness shall be borne by the AMC or as may be specified in the applicable Regulations / circulars.

The AMC shall be permitted to charge additional expenses as defined under Regulation 52(6A) of the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

- brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions;
- expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by the Board from time to time are at least -
  - 30 per cent of gross new inflows in the scheme, or;
  - 15 per cent of the average assets under management (year to date) of the scheme,
 whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis:

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities:

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

### Goods and Service Tax:

In addition to the expenses under Regulation 52 (6) and (6A), AMC shall charge Goods & service tax as below:

1. Goods & Service tax on investment and advisory fees will be charged to the Scheme in addition to the maximum limit of TER as prescribed in Regulation 52 (6).
2. Goods & Service tax on other than investment and advisory fees, if any, will be borne by the Scheme within the maximum limit of TER as prescribed in Regulation 52 (6).
3. Goods & Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52.

### Stamp Duty:

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by the Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value would be levied on mutual fund transactions (including transactions carried through stock exchanges and depositories for units in demat mode), with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including IDCW reinvestment and IDCW transfers) to the unitholders would be reduced to that extent.

The AMC may incur expenses on behalf of the Scheme which can be reimbursed on actual basis to the AMC to the extent such expenses are permissible & as per the TER table indicated above and within the prescribed SEBI limit.

### Illustration of impact of expense ratio on scheme's returns:

An illustration providing the impact of expense ratio on scheme return is provided below:

| Particulars                                                 |          |                 |
|-------------------------------------------------------------|----------|-----------------|
| Units                                                       | A        | 5,00,00,000.00  |
| Face value (in Rs.)                                         | B        | 10.00           |
| Unit Capital (in Rs.)                                       | $c=a*b$  | 50,00,00,000.00 |
| Portfolio at Cost (in Rs.)                                  | D        | 50,00,00,000.00 |
| Income on Investment for 1 day (assumed rate 8.00% p.a.)    | E        | 1,09,589.04     |
| Total Portfolio value                                       | $f= d+e$ | 50,01,09,589.04 |
| NAV before charging expense ratio (In Rs. Per unit)         | $g=f/a$  | 10.0022         |
| Expense at per unit level (assumed expense ratio 0.5% p.a.) | H        | 0.0500          |
| NAV after charging expense ratio (In Rs. Per unit)          | $I=g-h$  | 10.0021         |
| Returns p.a. without expense ratio for 1 day                | J        | 8.00%           |
| Returns p.a. with expense ratio for 1 day                   | K        | 7.50%           |
| Difference in returns p.a.                                  | $I=j-k$  | 0.50%           |

Details of the actual TER charged to the scheme after allotment would be available on the website of the Mutual Fund on [www.edelweissmf.com](http://www.edelweissmf.com).

### TER for the Segregated Portfolio

- AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence. In addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below.
- The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- The costs related to segregated portfolio shall in no case be charged to the main portfolio.

### C. TRANSACTION CHARGES

The AMC will deduct Transaction Charges on purchase/subsorption of Rs.10,000/- and above made through a valid ARN Holder i.e. AMFI Registered distributors/intermediaries, provided such distributor has opted to receive the Transaction Charges. The distributors have an option either to opt in or opt out of levying transaction charge based on type of the product. Such Transaction Charges collected by the AMC will be paid to the ARN Holder in the following manner:

- (i) For the First Time Investor in Mutual Funds (across all mutual funds): Transaction Charge of Rs. 150/- for subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor/agent of such First Time Investor and the balance amount will be invested.
- (ii) For Investor other than First Time Mutual Fund Investor (existing investors in any mutual fund): Transaction Charge of Rs. 100/- per subscription of Rs.10,000/- and above will be deducted from the subscription amount and paid to the distributor/agent of the investor and the balance amount will be invested.
- (iii) No Transaction Charges shall be deducted:
  1. where the ARN Holder/distributor of the investor has not opted to receive any Transaction Charges;
  2. for purchases/subscriptions of an amount less than Rs. 10,000/-;
  3. for transactions other than purchases/ subscriptions relating to new inflows such as Switches etc;
  4. for purchases/subscriptions made directly with the Mutual Fund (i.e. not through any distributor);
  5. for purchase/subsorption routed through the Stock Exchange Platform.

Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN) at the First/Sole Applicant/

Guardian level. Hence, Unit holders are urged to ensure that their PAN / KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund in this regard.

The Account Statement / Consolidated Account Statement sent to the Unit holders shall clearly state the net investments as gross subscription less Transaction Charges and shall also show the number of units allotted against the net investments.

## D. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time.

The Load Structure would comprise of an Entry Load and /or an Exit Load / CDSC, as may be permissible under the Regulations. The current load structure is stated as under:

| Type of Load | Load chargeable (as %age of Applicable NAV) |
|--------------|---------------------------------------------|
| Entry Load*  | Not Applicable                              |
| Exit Load#   | Nil                                         |

\*No entry load will be charged for purchase / additional purchase / switch-in transaction(s) accepted by the Fund. The upfront commission shall be paid by the investor directly to the ARN Holder based on the investor's assessment of various factors including service rendered by the ARN Holder.

There will be no exit load for units sold through the secondary market on the NSE/BSE. Investors shall note that the brokerage on sales of the units of the scheme on the stock exchanges shall be borne by the investors.

#The Authorised Participant(s)/Investor(s) can redeem units directly with the Fund/the AMC in Creation size. Currently there is no exit load applicable for the said transactions.

However, during the process of creation/redemption there may be transaction costs and/or other incidental expenses (forming part of the Cash Component), which are liable to be borne by the investors/ Authorized Participants.

Investors other than Authorised Participants can redeem units directly with the Fund for less than Creation size at Applicable NAV based prices and no exit load shall be charged for redemption of units if:

1. the traded price of the units of the Scheme is at a discount of more than 3% to the NAV for continuous 30 days; or
2. Discount of bid price to NAV over a period of 7 consecutive days is greater than 3%, or

3. there are no quotes available on the Stock Exchange for 3 consecutive trading days.
4. Total bid size on the exchange is less than half of Creation Units size daily, averaged over a period of 7 consecutive trading days.

Such instances shall be tracked by the AMC on an ongoing basis and in case if any of the above mentioned scenario arises the same shall be disclosed on the website of the Fund i.e. [www.edelweisssf.com](http://www.edelweisssf.com).

The exit load charged, if any, shall be credited to the Scheme net of Goods & service tax.

For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

***The investor is requested to check the prevailing load structure of the Scheme before investing.***

## Changing the Load Structure:

Under the Scheme, the AMC, in consultation with the Trustee, reserves the right to change the Load structure if it so deems fit in the interest of investors & for the smooth and efficient functioning of the Scheme. Any imposition or enhancement in the load shall be applicable on prospective investments only. However, the AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of IDCW for existing as well as prospective investors. At the time of changing the load structure, the AMC shall issue a public notice in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated. Unit Holders / Prospective investors will be informed of the changed / prevailing Load structures through various means of communication such as public notice and / or display at ISCs / Distributors' offices, on acknowledgements, investor newsletters etc. The addendum detailing the changes may be attached to Scheme Information Documents and Key Information Memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and Key Information Memorandum already in stock.

## E. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable.

## V RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

## VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. N.A
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. Please refer point 3 below.
3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.
  - In the matter of IPO of Electrosteel Steels Limited, Edelweiss Financial Services Limited (EFSL), along with other Merchant Bankers received an adjudication order dated March 31, 2016 from SEBI imposing penalty of Rs. 1,00,00,000/- on all the Merchant Bankers, which the Merchant Bankers are liable to pay jointly and severally. EFSL along with other Merchant Bankers have filed an Appeal before Securities Appellate Tribunal against the Adjudicating order. The matter is currently pending.
4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or

any of the directors and/ or key personnel are a party should also be disclosed separately. Nil

5. Any deficiency in the systems and operations of the sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. Nil

### Notes:

1. Further, any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Document shall prevail over those specified in this Document.
2. The Scheme under this Document was approved by the Board of Trustees on October 26, 2021.
3. The Board of the Trustees has ensured that, BHARAT Bond ETF - April 2032 approved by it, is a new product offered by Edelweiss Mutual Fund and is not a minor modification of the existing Fund.
4. The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the Tax Act, and has been included relying upon advice provided to the Fund's tax advisor based on the relevant provisions prevailing as at the currently applicable Laws.
5. Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India.

**Notwithstanding anything contained in the Scheme Information Document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines there under shall be applicable.**

**For and on behalf of the Board of Directors of  
Edelweiss Asset Management Limited**

Sd/-

Place: Mumbai  
Date: November 24, 2021

**Radhika Gupta**  
Managing Director &  
Chief Executive Officer

## INVESTOR SERVICE CENTERS (ISC) / OFFICIAL POINT OF ACCEPTANCE (OPA)

### EDELWEISS ASSET MANAGEMENT LIMITED - ISC / OPA

#### EDELWEISS ASSET MANAGEMENT LIMITED - ISC / OPA

|                   |                                                                                                                                                                     |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ahmedabad</b>  | : 404, Ten-11 4th Floor, Next to Maradia Plaza, Opp. Yes Bank, CG Road, Ahmedabad - 380006. Tel No.: 079-68140359/079-68140360                                      |
| <b>Bengaluru</b>  | : Unit No.803 & 804, 8th Floor, Prestige Meridian-II, No.20, MG Road, Bangalore - 560001. Tel No.: 080-41103389/41272294                                            |
| <b>Chandigarh</b> | : Cabin No 7/C/O Meeting Point, SCO 487-488, Himalaya Marg, Sector 35 C, Chandigarh-160 022. Tel No.: 7208957585, 7208957586                                        |
| <b>Chennai</b>    | : 2nd floor, Sheriff Towers, G. N. Chetty Road, T. Nagar, Chennai - 600017. Tamilnadu. Tel No.: 044 40164707 / 044 40164708                                         |
| <b>Hyderabad</b>  | : No. 6-3-1085/D/303, 3rd Floor, Dega Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500 082. Mobile: +91 8297033388                                               |
| <b>Indore</b>     | : 312-313, D.M. Tower, Third Floor, Race Course Road, Indore, Madhya Pradesh - 452001. Tel No. : 0731 6701522                                                       |
| <b>Jaipur</b>     | : 7th Floor, G Business Park, D-34, Subhash Marg, C-Scheme, Jaipur - 302001. Tel No.: 91 (141) 4641 724 / 91 (141) 4641 726                                         |
| <b>Kanpur</b>     | : Office No. 202, 203, IInd Floor, Kan Chambers, 14/113, Civil Lines, Kanpur - 208001. Tel No.: 7304590658, 7304470500                                              |
| <b>Kolkata</b>    | : Srishti Building, 3B, 3rd Floor, 12, ho-chiminh Sarani, Kolkata - 700071. Tel.: 033 40902456/57                                                                   |
| <b>Lucknow</b>    | : Cabin No. 102, A Small Store Trade Point, Ground Floor, Saran Chamber-1, 5-Park Road, Hazratgunj, Lucknow - 226001. Tel No. : 0522-4070679                        |
| <b>Mumbai</b>     | : Edelweiss House, Off. C.S.T Road, Kalina, Mumbai - 400 098, Maharashtra. Tel No. : 022 4093 3400 / 4097 9821                                                      |
| <b>New Delhi</b>  | : 704, 707 & 708, 7th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi-110001. Tel No. : 011-42145152 / 42145158                                         |
| <b>Pune</b>       | : Sunit Capital, 4th Floor, 402, B-50, Vetalbaba Chowk, Above Mahalaxmi Maruti, Showroom, Senapati Bapat Road, Shivajinagar, Pune - 411016. Ph no. : +91 9028058348 |

### KFIN TECHNOLOGIES PRIVATE LIMITED - ISC / OPA

UNIT : Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial, District, Nanakramguda, Serilingampally, Hyderabad - 500 008. Tel: 040-67161500

**Agra** : House No. 17/2/4, 2nd Floor, Deepak Wasan Plaza, Behind Hotel Holiday INN, Sanjay Place, Agra - 282002. Tel.: 7518801801, 0562-2526663 • **Ahmedabad** : Office No. 401, on 4th Floor, ABC-I, Off. C.G. Road, Ahmedabad - 380009. Tel.: 9081903021, 9081903022 • **Ajmer** : 302, 3rd Floor, Ajmer Auto Building, Opposite City Power House, Jaipur Road, Ajmer - 305001. Tel.: 0145-5120725 • **Aligarh** : Sebti Complex Centre Point, Sebti Complex Centre Point, Aligarh - 202001. Tel.: 7518801802, 0571-3297766, 68 • **Allahabad** : RSA Towers, 2nd Floor, Above Sony Tv Showroom, 57 S P Marg Civil Lines, Allahabad - 211001. Tel.: 7518801803, 0532-2260291 • **Alwar** : 137, Jai Complex, Road No - 2, Alwar 301001. Tel.: 0144-4901131 • **Ambala** : 6349, 2nd Floor, Nicholson Road, Adjacent Kos Hospital, Ambala Cant, Ambala - 133001. Tel.: 7518801804 • **Amritsar** : SCO 5, 2nd Floor, District Shopping Complex, Ranjit Avenue, Amritsar, Punjab - 143001. Tel.: 0183-5158158 • **Anand** : B-42 Vaibhav Commercial Center, Nr Tvs Down Town Shrow Room, Grid Char Rasta, Anand - 380001. Tel.: 9081903038 • **Asansol** : 112/N G. T. Road Bhangra Pachil, G.T Road, Paschim Bardhaman, West Bengal, Asansol - 713303. Tel.: 0341-2220077 • **Aurangabad** : Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad - 431005. Tel.: 0240-2343414 • **Balasore** : 1-B, 1st Floor, Kalinga Hotel Lane, Baleshwar, Baleshwar Sadar, Balasore - 756001. Tel.: 06782-260503 • **Bangalore** : No 35, Puttanna Road, Basavanagudi, Bangalore - 560004. Tel.: 080-26602852, 080-26609625 • **Bareilly** : 1st Floor, Rear Sidea - Square Building, 54-Civil Lines, Ayub Khan Chauraha, Bareilly - 243001. Tel.: 7518801806 • **Baroda** : 203 Corner point, Jetalpur Road, Baroda Gujarat, Baroda - 390007. Tel.: 0265-2353506, 0265-2353507 • **Begusarai** : C/o. Dr Hazari Prasad Sahu, Ward No 13, Behind Alka Cinema, Begusarai (Bihar), Begusarai - 851117. Tel.: 7518801807 • **Belgaum** : Cts No 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum - 590001. Tel.: 0831-2402544 • **Berhampur (Or)** : Opp. Divya Nandan Kalyan Mandap, 3rd Lane Dharam Nagar, Near Lohiya Motor, Berhampur (Or) 760001. Tel.: 0680-2228106 • **Bhagalpur** : 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur - 812001. Tel.: 7518801808 • **Bharuch** : 123 Nexus business Hub, Near Gangotri Hotel, B/s Rajeshwari Petroleum, Makampur Road, Bharuch - 392001. Tel.: 9081903042 • **Bhavnagar** : 303 Sterling Point, Waghawadi Road, Bhavnagar - 364001. Tel.: 278-3003149 • **Bhilai** : Office No. 2, 1st Floor, Plot No. 9/6, Nehru Nagar [East], Bhilai - 490020. Tel.: 0788-2289499/2295332 • **Bhopal** : Gurukripa Plaza, Plot No. 48A, Opposite City Hospital, Zone-2, M P nagar, Bhopal - 462011. Tel.: 0755-4092712, 0755-4092715 • **Bhubaneswar** : A/181 Back Side Of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar - 751007. Tel.: 0674-2548981, 0674-2360334 • **Bokaro** : B-1, 1st Floor City Centre, Sector- 4, Near Sona Chandi Jewellers, Bokaro - 827004. Tel.: 7542979444, 06542-335616 • **Borivali** : Gomati Smuti, Ground Floor, Jambli Gully, Near Railway Station, Borivali, Mumbai - 400092. Tel.: 022- 28916319 • **Burdwan** : Anima Bhavan, 1st Floor Holding No. 42, Sreepally G. T. Road, West Bengal, Burdwan - 713103. Tel.: 0342-2665140, 0342-2550840 • **Calicut** : Second Floor, Manimuriyil Centre, Bank Road, Kasaba Village, Calicut - 673001. Tel.: 0495-4022480 • **Chandigarh** : First floor, SCO 2469-70, Sec. 22-C, Chandigarh - 160022. Tel.: 1725101342 • **Chennai** : F-11 Akshaya Plaza 1st Floor, 108 Adhithanar Salai, Egmore Opp To Chief Metropolitan Court, Chennai - 600002. Tel.: 044-42028512, 044-42028513, 044-42028858 • **Chinsurah** : No : 96, PO: Chinsurah, Doctors Lane, Chinsurah-712101. • **Cochin** : Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakulam - 682036. Tel.: 0484-4025059 • **Coimbatore** : 3rd Floor Jaya Enclave, 1057 Avinashi Road, Coimbatore - 641018. Tel.: 0422-4388011/012/013/014, 0422-4388451 • **Cuttack** : Shop No. 45, 2nd Floor, Netaji Subas Bose Arcade, (Big Bazar Building) Adjusent To Reliance Trends, Dargha Bazar, Cuttack - 753001. Tel.: 0671-2203077 • **Davangere** : D.No 162/6 , 1st Floor, 3rd Main,P J Extension,Davangere taluk, Davangere Manda, Davangere 577002 • **Dehradun** : Shop No-809/799 , Street No-2 A, Rajendra Nagar, Near Sheesha Lounge, Kaulagarh Road, Dehradun-248001 Tel.: 7518801810 • **Dhanbad** : 208 Lane Market, 2nd Floor, Bank More, Dhanbad - 826001. Tel.: 9264445981 • **Dharwad** : Adinath Complex, Beside Kamal Automobiles, Bhoovi Galli, Opp. Old Laxmi Talkies, PB Road, Dharwad - 580001. Tel.: 0836-2440200 • **Durgapur** : MWAV-16 Bengal Ambuja, 2nd Floor City Centre, Distt. Burdwan, Durgapur - 713216. Tel.: 0343-6512111 • **Erode** : Address No 38/1, Ground Floor, Sathy Road, (VCTV Main Road), Sorna Krishna Complex, Erode - 638003. Tel.: 0424-4021212 • **Faridabad** : A-2B 3rd Floor, Neelam Bata Road Peer ki Mazar, Nehru Groundnit, Faridabad - 121001. Tel.: 7518801812 • **Gandhidham** : Shop # 12, Shree Ambica Arcade, Plot # 300, Ward 12, Opp. CG High School, Near HDFC Bank, Gandhidham - 370201. Tel.: 9081903027 • **Gaya** : Property No. 711045129, Ground Floor, Hotel Skylark, Swaraipuri Road, Gaya - 823001. Tel.: 0631-2220065 • **Ghaziabad** : FF - 31, Konark Building, Rajnagar, Ghaziabad - 201001. Tel.: 7518801813 • **Gorakhpur** : Above V.I.P. House adjacent, A.D. Girls College, Bank Road, Gorakhpur - 273001. Tel.: 7518801816, 0551-2333825 • **Guntur** : 2nd Shatter, 1st Floor, Hno. 6-14-48, 14/2 Lane, Arundal Pet, Guntur - 522002. Tel.: 0863-2339094 • **Gurgaon** : No: 212A, 2nd Floor, Vipul Agora, M. G. Road, Gurgaon - 122001. Tel.: 7518801817 • **Guwahati** : Ganapati Enclave, 4th Floor, Opposite Bora service, Ullubari, Guwahati, Assam 781007. Tel.: 8811036746 • **Gwalior** : City Centre, Near Axis Bank, Gwalior - 474011. Tel.: 7518801818 • **Haldwani** : Shop No. 5, KMVN Shopping Complex, Haldwani - 263139. Tel.: 7518801819 • **Hissar** : Shop No. 20, Ground Floor, R D City Centre, Railway Road, Hissar - 125001. Tel.: 7518801821 • **Hubli** : CTC No.483/A1/A2, Ground Floor, Shri Ram Palza, Behind Kotak Mahindra Bank, Club Road, Hubli - 580029. Tel.: 0836-2252444 • **Hyderabad** : No:303, Vamssee Estates, Opp: Bigbazaar, Ameerpet, Hyderabad - 500016. Tel.: 040-44857874 / 75 / 76 • **Hyderabad (Gachibowli)** : Selenium Plot No: 31 & 32, Tower B Survey No.115/22 115/24 115/25, Financial District Gachibowli Nanakramguda Serilingampally Mandal, Hyderabad - 500032. Tel.: 040-33215122 • **Indore** : 19/1 New Palasia Balaji Corporate 203-204-205, Above ICICI bank 19/1 New Palasia,

Near Curewell Hospital Janjeerwala Square Indore, Indore - 452001. Tel.: 0731-4266828/4218902 • **Jabalpur** : 2nd Floor, 290/1 (615-New), Near Bhavartal Garden, Jabalpur - 482001. Tel.: 0761-4923303 • **Jaipur** : S16/A IIIrd Floor, Land Mark Building Opp Jai Club, Mahaver Marg C Scheme, Jaipur - 302001. Tel.: 01414167715/17 • **Jalandhar** : Office No. 7, 3rd Floor, City Square building, E-H197 Civil Lines, Jalandhar - 144001. Tel.: 0181-5094410 • **Jalgaon** : 269 Jaee Vishwa 1st Floor, Baliram Peth Above United Bank Of India, Near Kishor Agencies, Jalgaon - 425001. Tel.: 9421521406 • **Jalpaiguri** : D B C Road, Opp Nirla Hotel, Jalpaiguri - 735101. Tel.: 03561-222136 • **Jammu** : 1D/D Extension 2, Valmiki Chowk, Gandhi Nagar, Jammu 180004, State - J&K. Tel.: 0191-2951822 • **Jamnagar** : 131 Madhav Plaza, Opp SBI Bank, Nr Lal Bunglow, Jamnagar - 361008. Tel.: 0288 3065810, 0288-2558887 • **Jamshedpur** : Madhukunj, 3rd Floor, Q Road, Sakchi, Bistupur, East Singhbhum, Jamshedpur - 831001. Tel.: 0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007 • **Jhansi** : 1st Floor, Puja Tower, Near 48 Chambers, ELITE Crossing, Jhansi - 284001. Tel.: 7518801823 • **Jodhpur** : Shop No. 6, Ground Floor, Gang Tower, Opposite Arora Moter Service Centre, Near Bombay Moter Circle, Jodhpur - 342003, Tel.: 7737014590 • **Junagadh** : Shop No. 201, 2nd Floor, V-ARCADE Complex, Near vanzari chowk, M.G. Road, Junagadh, 362001, Gujarat. Tel.: 0285 2652220 • **Kanpur** : 15/46 B Ground Floor, Opp : Muir Mills, Civil Lines, Kanpur - 208001. Tel.: 7518801824 • **Karur** : No 88/11, BB plaza, NRMP street, K S Mess Back side, Karur - 639001. Tel.: 8004324-241755 • **Kharagpur** : Holding No 254/220, SBI Building, Malancha Road, Ward No.16, PO: Kharagpur, PS: Kharagpur, Dist: Paschim Medinipur, Kharagpur - 721304. Tel.: 322253380 • **Kolhapur** : 605/1/4 E, Ward Shahupuri, 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur - 416001. Tel.: 0231 2653656 • **Kolkata** : Apeejay House (Beside Park Hotel), C Block, 3rd Floor, 15 Park Street, Kolkata - 700016. Tel.: 033 66285900 • **Kollam** : Ground Floor, Narayanan Shopping Complex, Kausthubhree Block, Kadapakada, Kollam - 691008. Tel.: 474-2747055 • **Kota** : D-8, Shri Ram Complex, Opposite Multi Purpose School, Gumanpur, Kota - 324007. Tel.: 0744-5100964 • **Kottayam** : 1st Floor, Csiascension Square, Railway Station Road, Collectorate P O, Kottayam - 686002. Tel.: 0481-2300868/2302420 • **Lucknow** : Ist Floor, A. A. Complex, 5 Park Road, Hazratganj Thaper House, Lucknow - 226001. Tel.: 7518801830, 0522-2236819/3213115 • **Ludhiana** : SCO 122, Second floor, Above Hdfe Mutual Fund, Feroze Gandhi Market, Ludhiana - 141001. Tel.: 0161-4670278 • **Madurai** : G-16/17, AR Plaza, 1st floor, North Veli Street, Madurai - 625001. Tel.: 0452-2605856 • **Malda** : Ram Krishna Pally; Ground Floor, English Bazar, Malda - 732101. Tel.: 03512-223763 • **Mangalore** : Mahendra Arcade, Opp Court Road, Karangal Padi, Mangalore - 575003. Tel.: 0824-2496289 • **Margao** : Shop No 21, Osia Mall, 1st Floor, Near KTC Bus Stand, SGDP Market Complex, Margao - 403601 Tel.: 0832-2731823 • **Mathura** : Shop No. 9, Ground Floor, Vihari Lal Plaza, Opposite Brijwasi Centrum, Near New Bus Stand, Mathura - 281001. Tel.: 7518801834 • **Meerut** : H No. 5, Purva Eran, Opp Syndicate Bank, Hapur Road, Meerut - 250002. Tel.: 7518801835 • **Mehsana** : FF-21 Someshwar Shopping Mall, Modhera Char Rasta, Mehsana - 384002. Tel.: 02762-242950 • **Moradabad** : Chadha Complex, G. M. D. Road, Near Tadi Khana Chowk, Moradabad - 244001. Tel.: 7518801837 • **Mumbai** : 24/B Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg, Fort, Mumbai - 400001. Tel.: 022-66235353 • **Muzaffarpur** : First Floor, Saroj Complex, Diwam Road, Near Kalyani Chowk, Muzaffarpur - 842001. Tel.: 7518801839 • **Mysore** : No 2924, 2nd Floor, 1st Main, 5th Cross, Saraswathi Puram, Mysore 570009. Tel.: 0821-2438006 • **Nadiad** : 311-3rd Floor City Center, Near Paras Circle, Nadiad - 387001. Tel.: 0268-2563245 • **Nagpur** : Plot No. 2/1, House No. 102/1, Mata Mandir Road, Mangaldeep Apartment Opp. Khandelwal Jewelers Dharampeth, Nagpur - 440010. Tel.: 0712-2533040 • **Nasik** : S-9 Second Floor, Suyojit Sankul, Sharanpur Road, Nasik - 422002. Tel.: 0253-6608999, 0755-3010732 • **Navsari** : 103, 1st Floor, Landmark Mall, Near Sayaji Library, Navsari - 396445, Gujarat. Tel.: 9081903040 • **New Delhi** : 305 New Delhi House, 27 Barakhamba Road, New Delhi - 110001. Tel.: 011- 43681700 • **Noida** : 405 4th Floor, Vishal Chamber, Plot No.1, Sector-18, Noida - 201301. Tel.: 7518801840 • **Panipat** : Preet Tower, 3rd Floor, Behind Akash Institute, Near NK Tower, G.T. Road, Panipat - 132103. Tel.: 7518801841, 0180-3095517 • **Panjim** : H. No: T-9, T-10, Affran plaza, 3rd Floor, Near Don Bosco High School, Panjim Goa, 403001. Tel.: 0832-2426874 • **Patiala** : B-17/423 Opp Modi College, Lower Mall, Patiala - 147001. Tel.: 0175-5004349 • **Patna** : 3A 3rd Floor, Anand Tower, Exhibition Road, Opp Icici Bank, Patna - 800001. Tel.: 0612-4323066 • **Pondicherry** : Building No:7, 1st Floor, Thiayagaraja Street, Pondicherry - 605001. Tel.: 0413-45490253 • **Pune** : Office # 207-210, Second floor, Kamla Arcade, JM Road, Opposite Balgandharva, Shivaji Nagar, Pune - 411005. Tel.: 020-66210449, 9833067872 • **Raipur** : Office No S-13 Second Floor Reheja Tower, Fafadih Chowk, Jail Road, Raipur - 492001. Tel.: 0771-4912611 • **Rajahmundry** : No. 46-23-10/A, Tirumala Arcade, 2nd floor, Ganuga Veedhi, Danavaipeta, Rajahmundry, East Godavari Dist, AP - 533103. Tel.: 0883-2434468 • **Rajkot** : 302 Metro Plaza, Near Moti Tanki Chowk, Rajkot, Gujarat - 360001. Tel.: 9081903025 • **Ranchi** : Room No 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi - 834001. Tel.: 0651-2331320 • **Rohtak** : Shop No 14, Ground Floor, Delhi Road, Rohtak - 124001. Tel.: 7518801844 • **Rourkela** : 2nd Floor, Main Road, Udit Nagar, Sundargarh, Rourekla - 769012. Tel.: 0661-2500005 • **Saharanpur** : 18 Mission Market, Court Road, Saharanpur - 247001. Tel.: 7518801846 • **Salem** : No.6 NS Complex, Omalur Main Road, Salem 636009 Tel.: 0427-4020300 • **Sambalpur** : First Floor, Shop No. 219, Sahej Plaza, Golebazar, Sambalpur - 768001. Tel.: 0663-2533437 • **Shillong** : Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong - 793001. Tel.: 0364 - 2506106 • **Shimla** : 1st Floor, Hills View Complex, Near Tara Hall, Shimla - 171001. Tel.: 7518801849 • **Shimoga** : Jayarama Nilaya, 2nd Corss, Mission Compound, Shimoga 577201. Tel.: 08182 295491 • **Silchar** : N.N. Dutta Road, Chowchakra Complex, Premtala, Silchar - 788001. Tel.: 3842261714 • **Siliguri** : Nanak Complex, 2nd Floor, Sevoke Road, Siliguri - 734001. Tel.: 0353-2522579 • **Surat** : Office no: 516, 5th Floor Empire State building, Near Udhna Darwaja, Ring Road, Surat - 395002. Tel.: 9081903041, 9081903035 • **Thane** : Room No. 302, 3rd Floor, Ganga Prasad, Near RBL Bank Ltd, Ram Maruti Cross Road, Naupada, Thane - West - 400602. Tel.: 022-25303013 • **Tirupati** : H.No:10-13-425, 1st Floor Tilak Road, Opp: Sridevi Complex, Tirupathi -517501. • **Tirunelveli** : 55/18 Jeney Building, 2nd Floor, S N Road, Near Aravind Eye Hospital, Tirunelveli - 627001. Tel.: 0462-4001416 • **Tirupur** : No 669A, Kamaraj Road, Near old collector office, Tirupur - 641604. Tel.: 0421-2214221, 0421-2214319 • **Trichur** : 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road, Near Dhanalakshmi Bank H O, Thrissur - 680001. Tel.: 0487-6999987, 9074053268 • **Trichy** : No 23C/1 E V R road, Near Vekkaliannan Kalyana Mandapam, Putthur, Trichy - 620017. Tel.: 0431-4020227 • **Trivandrum** : 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum - 695010. Tel.: 0471 - 2725728 • **Udaipur** : Shop No. 202, 2nd Floor business Centre, 1C Madhuvan, Opp G P O Chetak Circle, Udaipur - 313001. Tel.: 0294 2429370 • **Valsad** : 406 Dreamland Arcade, Opp Jade Blue, Tithal Road, Valsad - 396001. Tel.: 02632-258481 • **Vapi** : A-8 First Floor, Solitaire Business Centre, Opp Dcb Bank, Gidc Char Rasta, Silvassa Road, Vapi - 396191. Tel.: 9081903028 • **Varanasi** : D-64/132, 2nd Floor, KA, Mauza, Shivpurwa, Settlement Plot No. 478 Pargana, Dehat Amanat, Mohalla Sigra, Varanashi - 221010. Tel.: 7518801855 • **Vashi** : Vashi Plaza, Shop no. 324, C Wing, 1st Floor, Sector 17, Vashi, Navi Mumbai - 400705. Tel.: 022 27802684 • **Vellore** : No 2/19, 1st floor, Vellore city centre, Anna salai, Vellore 632001. Tel.: 0416 4200381 • **Vijayawada** : H No 26-23, 1st Floor, Sundaramma street, Gandhi Nagar, Krishna, Vijayawada - 520010. Tel.: 0866-6604032/39/40 • **Vile Parle** : Shop No. 1, Ground Floor, Dipti Jyothi Co-operative Housing Society, Near MTNL office P M Road, Vile Parle East - 400057. Tel.: 022-26100967 • **Visakhapatnam** : Door No: 48-8-7, Dwaraka Diamond, Ground Floor, Srinagar, Visakhapatnam - 530016. Tel.: 0891-2714125 • **Warangal** : Shop No. 22, Ground Floor, Warangal City Center, 15-I-237, Mulugu Road Junction, Warangal - 506002. Tel.: 0870-2441513

**www.kfintech.com** - Website of KFin Technologies Private Limited would also be considered as an Official Point of Acceptance ("OPA") for all the Schemes of the AMC. The online transaction portal of MF Utilities India Private Limited ("MFUI") i.e **www.mfunline.com** and the POS locations of MFUI will be in addition to the existing OPA of the AMC



**Edelweiss Asset Management Limited (CIN - U65991MH2007PLC173409)**

Registered Office & Corporate Office: Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400098, Maharashtra

Tel No:- 022 4093 3400 / 4097 9821, Toll Free No. 1800 425 0090 (MTNL/BSNL), Non Toll Free No. 91 40 23001181 • Fax: 022 4093 3401 / 4093 3402 / 4093 3403  
Website: [www.edelweissmf.com](http://www.edelweissmf.com)