

## Scheme Information Document (SID)



by Edelweiss Mutual Fund

### SECTION I

## BHARAT Bond ETF - April 2031

(An open ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents of Nifty BHARAT Bond Index - April 2031. A relatively high interest rate risk and relatively low credit risk.)

#### Potential Risk Class Matrix:

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

This product is suitable for investors who are seeking*:	Scheme Risk-o-meter	Benchmark Risk-o-meter As per AMFI Tier I Benchmark - Nifty BHARAT Bond Index - April 2031
<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 2031</li> </ul>		
Investors understand that their principal will be at Low to Moderate risk		

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

The above risk-o-meter is based on the scheme portfolio as on October 31, 2024. An addendum may be issued or updated in accordance with provisions of Paragraph 17.4 of SEBI Master circular on Mutual Funds dated June 27, 2024, on an ongoing basis on the website <https://www.edelweissmf.com/>.

### Offer of Units of Rs. 1,000/- per unit at NAV based prices subject to applicable Loads

Name of the Sponsor	Edelweiss Financial Services Limited
Name of Mutual Fund	Edelweiss Mutual Fund
Name of Asset Management Company	Edelweiss Asset Management Limited (CIN: U65991MH2007PLC173409)
Name of Trustee Company	Edelweiss Trusteeship Company Limited (CIN: U67100MH2007PLC173779)
Addresses	<b>Registered Office:</b> Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400098
Website	<a href="https://www.edelweissmf.com/">https://www.edelweissmf.com/</a>

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 circulars issued thereunder 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 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, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on <https://www.edelweissmf.com/>.

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 <https://www.edelweissmf.com/>.

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated November 29, 2024.



**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/5233 dated June 3, 2020, 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:**

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 2031 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 2031 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 2031 or any member of the public regarding the advisability of investing in securities generally or in BHARAT Bond ETF - April 2031 particularly or the ability of Nifty BHARAT Bond Index - April 2031 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 2031. NSE INDICES LTD does not have any obligation to take the needs of the Licensee or the owners of BHARAT Bond ETF - April 2031 into consideration in determining, composing or calculating Nifty BHARAT Bond Index - April 2031. 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 2031 to be issued or in the determination or calculation of the equation by which BHARAT Bond ETF - April 2031 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 2031”.*
- (ii) *NSE INDICES LTD does not guarantee the accuracy and/or the completeness of Nifty BHARAT Bond Index - April 2031 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 2031, or any other person or entity from the use of the Nifty BHARAT Bond Index - April 2031 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 2031, 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 2031, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.*

<b>TABLE OF CONTENTS</b>	<b>PAGE NO.</b>
<b>SECTION I</b>	
<b>I. HIGHLIGHT / SUMMARY OF THE SCHEME</b>	3
DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY	8
<b>II. INFORMATION ABOUT THE SCHEME</b>	9
A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?	9
B. WHERE WILL THE SCHEME INVEST?	12
C. WHAT ARE THE INVESTMENT STRATEGIES?	12
D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?	13
E. WHO MANAGES THE SCHEME?	13
F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?	15
G. HOW HAS THE SCHEME PERFORMED	15
H. ADDITIONAL SCHEME RELATED DISCLOSURES	15
<b>III. OTHER DETAILS</b>	16
A. COMPUTATION OF NAV	16
B. NEW FUND OFFER (NFO) EXPENSES	17
C. ANNUAL SCHEME RECURRING EXPENSES	17
D. LOAD STRUCTURE	20
<b>SECTION II</b>	
<b>I. INTRODUCTION</b>	22
A. DEFINITIONS/INTERPRETATION	22
B. RISK FACTORS	22
C. RISK MITIGATION STRATEGIES	26
<b>II. INFORMATION ABOUT THE SCHEME</b>	27
A. WHERE WILL THE SCHEME INVEST	27
B. WHAT ARE THE INVESTMENT RESTRICTIONS?	27
C. FUNDAMENTAL ATTRIBUTES	29
D. INDEX METHODOLOGY	30
E. PRINCIPLES OF INCENTIVE STRUCTURE FOR MARKET MAKERS (FOR ETFs)	34
F. INTENDED ALLOCATION AGAINST EACH SUB CLASS OF ASSET	34
G. OTHER SCHEME SPECIFIC DISCLOSURES:	34
<b>III. OTHER DETAILS</b>	47
A. DISCLOSURE IN CASE OF FUND OF FUNDS SCHEME	47
B. PERIODIC DISCLOSURES	48
C. TRANSPARENCY/ NAV DISCLOSURES	49
D. TRANSACTION CHARGES AND STAMP DUTY	50
E. ASSOCIATE TRANSACTIONS	50
F. TAXATION	50
G. RIGHTS OF UNITHOLDERS	51
H. LIST OF OFFICAL POINTS OF ACCEPTANCE	51
I. 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	51

## **SCHEME BACKGROUND**

The Government of India ('GoI') through DIPAM i.e. the Organiser, approved the creation and launch of Debt ETF umbrella program which is further referred to as 'Bharat Bond ETF'. The Debt ETF shall comprise of Fixed Income Securities such as Bonds, Credit Linked Note ("CLN"), Debentures, Promissory Notes, Government of India Bonds ("GoI Bonds") etc. as underlying instruments issued by participating CPSEs, CPSUs, CPFIs and other Government Organisations and other entities as elaborated in the definition of "Contributors", to help them meet their CAPEX & business needs. This will bring enhanced liquidity, enhanced investors base and transparency and smoothening of borrowing plans of the participating Contributors and will benefit both, the investors and the Contributors.

Pursuant to the RFP for engaging asset management company dated November 16, 2018 and corrigendum to the RFP dated December 5, 2018, the DIPAM vide its letter bearing no. F. No. 3/2/2018- DIPAM-II (Vol. IV) dated January 18, 2019 has appointed Edelweiss Asset Management Limited (AMC) for the creation, launch and management of the Debt ETF in accordance with SEBI Regulations based on the capex and business needs of CPSEs/ PSBs/ PSUs. The AMC has been authorized under the SEBI Regulations to act as an asset management company to the schemes of the Mutual Fund.

Accordingly, pursuant to the Request for Proposal (RFP) for engaging Advisor, DIPAM has appointed A K Capital Services Limited as Advisor for the creation and launch of Bharat Bond ETF. Further, pursuant to the RFP for engaging Legal Advisor dated September 05, 2018, DIPAM has appointed M.V Kini Law Firm as Legal Advisor to DIPAM vide its letter no. F.No.3/2/2018-DIPAM-II(Vol-II) dated October 17, 2018.

The creation and launch of Debt ETF and its structure has been approved by the Cabinet Committee on Economic Affairs, Ministry of Finance, Government of India in its note bearing no. F. No. 3/2/2018- DIPAM-II (Vol. V) dated November 29, 2019.

The first launch under the BHARAT Bond ETF was successfully completed in December 2019, followed by the second and third launch in July 2020 and December 2021 respectively. Following up to these launches is the new series of BHARAT Bond ETF being launched with maturity of April 2031.

**Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME**

Sr. No.	Title	Description
I	<b>Name of the scheme</b>	BHARAT Bond ETF – April 2031
II	<b>Category of the Scheme</b>	Exchange Traded Fund
III	<b>Scheme type</b>	An open-ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents Nifty BHARAT Bond Index - April 2031. A relatively high interest rate risk and relatively low credit risk.
IV	<b>Scheme code</b>	EDEL/O/D/DET/20/07/0030
V	<b>Investment objective</b>	<p>The investment objective of the scheme is to track the Nifty BHARAT Bond Index – April 2031 by investing in bonds of AAA-rated CPSEs/CPSUs/CPFIs and other Government organizations, subject to tracking errors.</p> <p>There is no assurance that the investment objective of the Scheme will be achieved.</p>
VI	<b>Liquidity/listing details</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 at least two Market Maker(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> Market Maker/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>
VII	<b>Benchmark (Total Return Index)</b>	<p>Nifty BHARAT Bond Index – April 2031</p> <p><b>Justification for use of benchmark:</b> The same has been chosen as the Scheme will predominantly invest in securities which are constituents of Nifty BHARAT Bond Index - April 2031. Thus, the composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme. The</p>

		Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.
VIII	<b>NAV disclosure</b>	<p>The AMC will prominently disclose the NAVs under a separate head on its website (www.edelweissmf.com) and on the Association of Mutual Funds of India (AMFI) website (www.amfiindia.com). 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>For further details refer Section II.</p>
IX	<b>Applicable timelines</b>	<p><b>Dispatch of redemption proceeds</b></p> <p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 3 working days from the date of redemption or repurchase.</p> <p><b>Dispatch of IDCW</b></p> <p>The payment of dividend/IDCW to the unitholders shall be made within 7 working days from the record date.</p>
X	<b>Plans and Options Plans/Options and sub options under the Scheme</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>
XI	<b>Load Structure</b>	<p><b>Exit Load:</b> NIL</p> <p>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.</p> <p>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.</p> <p>For details on load structure, please refer Section II on 'Load Structure'.</p>
XII	<b>Minimum Application Amount/switch in</b>	<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 25 Lakh and in multiples thereafter</li> </ul>

		<ul style="list-style-type: none"> <li>- Bharat Bond FOF - April 2031: 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>
XIII	<b>Minimum Purchase Amount</b>	Additional Not Applicable
XIV	<b>Minimum Redemption/switch out amount</b>	<b>a. Directly with the Mutual Fund:</b> Mutual Fund will repurchase Units of the Scheme only from Authorised Participants and Large Investors, provided the value of Units of the

		<p>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 25 Lakh and in multiples thereafter</li><li>2. Bharat Bond FOF - April 2031: 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 threshold of INR 25 crores for large investor for direct transaction in the units of the Scheme with the AMC shall be effective from November 1, 2022.</p> <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>
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<b>XV</b>	<b>New Fund Offer Period</b>  This is the period during which a new scheme sells its units to the investors.	Not Applicable.
<b>XVI</b>	<b>New Fund Offer Price:</b> This is the price per unit that the investors have to pay to invest during the NFO.	Not Applicable.
<b>XVII</b>	<b>Segregated portfolio/side pocketing disclosure</b>	The AMC has a written down policy on Creation of segregated portfolio which is approved by the Trustees.  Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time.  Creation of segregated portfolio is optional and is at the discretion of the of the AMC. For details, kindly refer SAI
<b>XVIII</b>	<b>Swing pricing disclosure</b>	Not Applicable.
<b>XIX</b>	<b>Stock lending/short selling</b>	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.
<b>XX</b>	<b>How to Apply and other details</b>	Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or RTA or Distributors or can be downloaded from our website ( <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> ). The list of the OPA / ISC are available on our website ( <a href="https://www.edelweissmf.com/reach-us/locate-us">https://www.edelweissmf.com/reach-us/locate-us</a> ) as well.  For further details, please refer Section II.
<b>XXI</b>	<b>Investor services</b>	<b>Contact details for general service requests:</b> Investors can enquire about NAVs, Unit holdings, valuation, IDCWs, etc or lodge any service request including change in the name, address, designated bank account number and bank branch, loss of Account Statement / Unit certificates, etc. to M/s. KFin Technologies Limited - UNIT Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial, District, Nanakramguda, Serilingampally, Hyderabad – 500 008, Tel no: 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.  <b>Contact details for complaint resolution:</b> Unit holder’s grievances should be addressed to Investor Services Centres (ISC’s) at the EAML branch offices, or KFin Technologies Ltd (KCL) Investor Service Centres. All grievances will then be forwarded to the Registrar, if required, for necessary action. The complaints will be

		<p>closely monitored /followed up with the Registrar to ensure timely redressal.</p> <p>Investors can also address their queries/grievances to Mr. Abdulla Chaudhari, Head – Investor Services, at Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400098</p> <p>Contact Details:  Tel. No. (022) 4097 9737  Fax no. (022) 4097 9878  E-mail id: <a href="mailto:EMFHelp@edelweissmf.com">EMFHelp@edelweissmf.com</a></p>
XXII	Specific attribute of the scheme	Not applicable
XXIII	Special product/facility available during the NFO and on ongoing basis	None
XXIV	Weblink	<p><b>Weblink for TER for last 6 months and Daily TER:</b>  <a href="https://www.edelweissmf.com/statutory/total-expense-ratio-of-mutual-fund-scheme">https://www.edelweissmf.com/statutory/total-expense-ratio-of-mutual-fund-scheme</a></p> <p><b>Weblink for scheme factsheet:</b>  <a href="https://www.edelweissmf.com/downloads/factsheets">https://www.edelweissmf.com/downloads/factsheets</a></p>

#### **DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

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

#### **DUE DILIGENCE CERTIFICATE**

It is confirmed that:

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- (iv) 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.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.
- (vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.
- (vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- (viii) The Trustees have ensured that the Bharat Bond ETF – April 2031 approved by them is a new product offered by Edelweiss Mutual Fund and is not a minor modification of any existing scheme/fund/product.

**Date: November 29, 2024**  
**Place: Mumbai**

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

## **Part II. INFORMATION ABOUT THE SCHEME**

### **A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?**

Under normal circumstances the asset allocation pattern will be:

<b>Instruments</b>	<b>Indicative allocations (% of total assets)</b>	
	<b>Minimum</b>	<b>Maximum</b>
#Debt Securities issued by CPSEs/CPSUs/CPFIs and other Government organizations which are part of Nifty BHARAT Bond Index –April 2031	95%	100%
Government Securities maturing on or before maturity date of the Scheme, TREPS and REPO in government bonds	0%	5%

#Debt ETFs/ Index Funds based on index comprising of corporate debt securities (including debt securities and money market instruments i.e. CDs and CPs having short term rating as A1+) shall be considered to be replicating the underlying debt index provided:

- Investment in securities of issuers accounting for at least 60% of weight in the index, represents at least 80% of net asset value (NAV) of the ETF/ Index Fund
- At no point of time the securities of issuers not forming part of the index exceed 20% of NAV of the ETF/ Index Fund
- At least 8 issuers from the underlying index form part of the portfolio of the ETF/ Index Fund
- The investment in various securities are aggregated at issuer level for the purpose of exposure limits.
- For single issuer and sector exposure by a scheme shall be sum of the exposure to debt and money market instruments of the issuers. This includes CDs/ CPs with rating of A1+.
- The Macaulay Duration (hereinafter referred as “duration”) of the portfolio of the ETF/ Index Fund replicates the duration of the underlying index within a maximum permissible deviation of +/- 10%. In case of Target Maturity (or Target Date) ETFs/ Index Funds, the following norms for permissible deviation in duration shall apply:
  - a) For portfolio with residual maturity of greater than 5 years: Either +/- 6 months or +/- 10% of duration, whichever is higher.
  - b) For a portfolio with residual maturity of up to 5 years: Either +/- 3 months or +/- 10% of duration, whichever is higher.
  - c) However, at no point of time, the residual maturity of any security forming part of the portfolio shall be beyond the target maturity date of the ETF/ Index Fund
- The rating wise weightage of debt securities in the portfolio of ETF/ Index Fund replicates the underlying index. However, greater allocation of up to 10% of the portfolio may be made to higher rated debt securities.

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 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 a periodic basis and would seek to minimize

tracking error to the maximum extent possible.

**Indicative Table** (Actual instrument/percentages may vary subject to applicable SEBI circulars)

Sl.no	Type of Instrument	Percentage of Exposure	Circular References
1	Exposure of ETF in particular sector	Total exposure of the ETF/ Index Fund in a particular sector (excluding G-sec, T-Bills, SDLs and AAA rated securities issued by PSUs, PFIs and PSBs) shall not exceed 25% of the NAV of the scheme.	Paragraph 3.5.3.7 of SEBI Master Circular dated June 27, 2024
2	Single issuer by the ETF/ Index Fund	The exposure limit to a single issuer by the ETF/ Index Fund shall be as under: a) For AAA rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 15% weight in the portfolio. b) For AA rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 12.5% weight in the portfolio. c) For A and below rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 10% weight in the portfolio.	Paragraph 3.5.3.5 of SEBI Master Circular dated June 27, 2024
3	Exposure of ETF / Index Fund in a particular group	Total exposure of the ETF/ Index Fund in a particular group (excluding investments in securities issued by PSUs, PFIs and PSBs) shall not exceed 25% of NAV of the scheme. For the purpose of this provision, 'group' shall have the same meaning as defined in Paragraph 12.9.3.3 of SEBI Master Circular dated June 27, 2024.	Paragraph 3.5.2.8 of SEBI Master Circular dated June 27, 2024
4	Derivatives	The Scheme shall not invest in the said security.	-
5	Repos in corporate debt securities	The Scheme shall not invest in the said security.	-
6	Short Selling of Securities	The Scheme shall not invest in the said security.	-
7	Unrated instruments (except TREPs/ Government	The Scheme shall not invest in the said security.	-

	Securities/ Repo in Government Securities)		
8	Foreign securities/ADR/GDR	The Scheme shall not invest in the said security.	-
9	Securitised debts	The Scheme shall not invest in the said security.	-
10	Instruments having Structured Obligations and Credit Enhancements (except GOI guaranteed bonds)	The Scheme shall not invest in the said security.	-
11	Debt instruments with special features (AT1/AT2 Bonds)	The Scheme shall not invest in the said security.	-
12	Fund of Fund Schemes	The Scheme shall not invest in the said security.	-
13	Credit Default Swaps	The Scheme shall not invest in the said security.	-
14	Securities Lending	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.	Clause 12.11 of the SEBI Master Circular dated June 27, 2024 for Mutual Funds

Portfolio allocation may deviate from the asset allocation for a short-term period due to defensive considerations as per Paragraph 1.14.1.2 of SEBI Master Circular dated June 27, 2024 and as amended from time to time. Defensive considerations may be determined by the fund manager and/or AMC from time to time. In case of the said deviations, the fund manager will endeavor to rebalance the scheme within 7 calendar days from the date of such deviation.

The Scheme is a passively managed open-ended Index scheme, therefore change in investment pattern is normally not foreseen. However, for short durations part of the corpus may be pending for deployment, like on account of new subscriptions, redemptions and changes in composition of the underlying index. In case of any deviation, for rebalancing the portfolio of the Scheme, the following norms shall apply:

- 1) In case of change in constituents of the index due to periodic review, the portfolio of the Fund be rebalanced within 7 calendar days.
- 2) In case the rating of any security is downgraded to below the rating mandated in the index methodology (including downgrade to below investment grade), the portfolio be rebalanced within 30 calendar days.
- 3) In case the rating of any security is downgraded to below investment grade, the said security may be segregated in accordance Paragraph 4.4 of SEBI Master Circular dated June 27, 2024 on creation of segregated portfolio in mutual fund schemes.

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

## **B. WHERE WILL THE SCHEME INVEST?**

The scheme shall invest in any of the following securities:

1. Bonds
2. Money Market Instruments
3. Government Securities
4. TREPS
5. REPO in government bonds

Please refer **Section II** of the document for further details for each instrument.

## **C. WHAT ARE THE INVESTMENT STRATEGIES?**

- 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 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, 2031 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 predominantly in line with Nifty BHARAT Bond Index – April 2031. The Scheme may or may not hold all of the eligible securities which are part of Nifty BHARAT Bond Index, in line with Paragraph 3.5 of SEBI Master Circular dated June 27, 2024. The Issuer weight of the Scheme will be broadly 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 Paragraph 3.5 of SEBI Master Circular dated June 27, 2024. 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.

### **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 Market Makers 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 Market Makers 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 difference:**

Tracking Error / Tracking difference 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 / Tracking difference. That said, the risk parameters of the

portfolio of the Scheme and underlying index would be similar.

The Fund will endeavor to keep the tracking error as low as possible. The fund shall disclose the tracking error based on past one year rolling data, on a daily basis, and tracking difference on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units on the AMC's and AMFI's website.

The annualized tracking difference averaged over one year period shall not exceed 1.25%. In case the average annualized tracking difference over one year period for Debt ETFs is higher than 1.25%, the same shall be brought to the notice of trustees with corrective actions taken by the AMC, if any.

#### **D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?**

The Benchmark for the Scheme will be **Nifty BHARAT Bond Index – April 2031**.

#### **Justification for adoption of benchmark:**

The same has been chosen as the Scheme will predominantly invest in securities which are constituents of Nifty BHARAT Bond Index - April 2031. Thus, the composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme. The Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

#### **E. WHO MANAGES 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:

<b>Name of Fund Manager &amp; Managing Scheme Since</b>	<b>Age &amp; Educational Qualifications</b>	<b>Previous Experience</b>	<b>Other Funds Managed</b>
Mr. Dhawal Dalal (Managing the scheme since July 22, 2020)	52 years B.E., MBA	Mr. Dhawal Dalal, aged 52 years, is a B.E. (Gujarat University, Ahmedabad), and MBA (University of Dallas, Texas, USA) by qualification and has an overall work experience of 25+ years mostly in the fixed income investment & research function. Mr. Dalal has joined Edelweiss AMC as Chief Investment Officer – Fixed Income in October 2016 and is 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.	<ol style="list-style-type: none"> <li>1. Edelweiss Banking and PSU Debt Fund</li> <li>2. BHARAT Bond ETF – April 2023</li> <li>3. BHARAT Bond ETF – April 2030</li> <li>4. BHARAT Bond ETF - April 2025</li> <li>5. BHARAT Bond ETF - April 2031</li> <li>6. BHARAT Bond ETF - April 2032</li> <li>7. Edelweiss Nifty PSU Bond Plus SDL Apr 2027 50:50 Index Fund</li> <li>8. Edelweiss CRISIL PSU Plus SDL 50:50 Oct 2025 Index Fund</li> <li>9. Bharat Bond ETF - APRIL 2033</li> <li>10. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund</li> <li>11. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL June 2027 Index Fund</li> <li>12. Bharat Bond ETF - April 2033</li> <li>13. Bharat Bond ETF FOF - April 2033</li> <li>14. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Sep 2028 Index Fund</li> </ol>

Name of Fund Manager & Managing Scheme Since	Age & Educational Qualifications	Previous Experience	Other Funds Managed
		Prior to that he was associated with Merrill Lynch Investment Managers as Assistant Portfolio Manager, from August 1996 to April 1998.	
Mr. Rahul Dedhia (Managing the scheme since November 23, 2021)	38 years B.E (Electronics) from Mumbai University and MBA (Finance) from MET College Mumbai	Mr. Rahul Dedhia, has over 13 years of experience in fixed income market including 11 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.	<ol style="list-style-type: none"> <li>1. Edelweiss Liquid Fund</li> <li>2. Edelweiss Balanced Advantage Fund</li> <li>3. Edelweiss Aggressive Hybrid Fund</li> <li>4. Edelweiss Banking &amp; PSU Debt Fund</li> <li>5. Edelweiss Government Securities Fund</li> <li>6. Edelweiss Equity Savings Fund</li> <li>7. BHARAT Bond ETF 2030</li> <li>8. BHARAT Bond ETF 2025</li> <li>9. BHARAT Bond ETF 2031</li> <li>10. BHARAT Bond ETF – April 2033</li> <li>11. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Short Duration Index Fund</li> <li>12. Edelweiss Multi Asset Allocation Fund</li> <li>13. Edelweiss NIFTY PSU Bond Plus SDL Index Fund – 2026</li> <li>14. Edelweiss NIFTY PSU Bond Plus SDL Index Fund – 2027</li> <li>15. BHARAT Bond ETF 2032</li> <li>16. Edelweiss Crisil PSU Plus SDL 50:50 Oct 2025 Index Fund</li> <li>17. Edelweiss Crisil IBX 50:50 Gilt Plus SDL Apr 2037 Index Fund</li> <li>18. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL June 2027 Index Fund</li> <li>19. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Sep 2028 Index Fund</li> </ol>

**F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?**

1. BHARAT Bond ETF -April 2030
2. BHARAT Bond ETF - April 2025
3. BHARAT Bond ETF - April 2031



4. BHARAT Bond ETF -April 2032
5. BHARAT Bond ETF -April 2033

For detailed comparative table please refer the website:

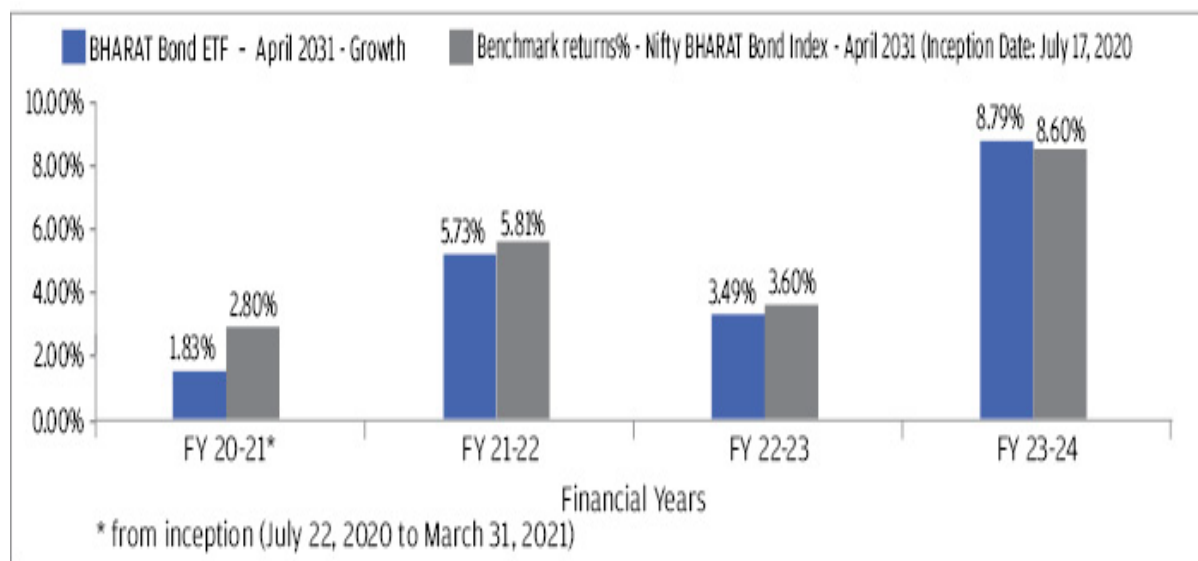
[https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/Publish ed/Scheme%20Differentiation\\_28112024\\_033255\\_PM.pdf](https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/Publish ed/Scheme%20Differentiation_28112024_033255_PM.pdf)

#### G. HOW HAS THE SCHEME PERFORMED?

Scheme Performance as on September 30, 2024

Compounded Annualised Returns	Scheme Returns %	Benchmark Returns %
Returns for the last 1 years	9.53%	9.24%
Returns for the last 3 years	6.31%	6.22%
Returns for the last 5 years	-	-
Returns since inception	5.89%	6.08%

Absolute Returns for each financial year for the last 4 years



**Note:** Since Inception Returns have been calculated from the date of Allotment  
**Past performance may or may not be sustained in future.**

#### H. ADDITIONAL SCHEME RELATED DISCLOSURES

- i. Scheme's portfolio holdings as on September 30, 2024 (top 10 holdings by issuer and fund allocation towards various sectors) is available at <https://www.edelweissmf.com/statutory/sid-kim-sai-related-disclosure>

- ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description. –

[https://www.edelweissmf.com/Files/downloads/Product%20Collateral/Other/2024/Nov/published/BHARAT%20Bond%20ETF%20-%20April%202031\\_22112024\\_055312\\_PM.xlsx](https://www.edelweissmf.com/Files/downloads/Product%20Collateral/Other/2024/Nov/published/BHARAT%20Bond%20ETF%20-%20April%202031_22112024_055312_PM.xlsx)

- iii. Portfolio Disclosure –

Monthly Portfolio - <https://www.edelweissmf.com/statutory/portfolio-of-schemes>

Half yearly Portfolio - <https://www.edelweissmf.com/statutory/financials-portfolios>

- iv. Portfolio Turnover Rate as on September 30, 2024 – Not Applicable

- v. Aggregate investment in the Scheme by:

Sl. No.	Category of Persons	Net Value		Market Value ( in Rs.)
		Units	NAV per unit	
1	Mr. Dhawal Dalal	NIL	NIL	NIL
2.	Mr. Rahul Dedhia	NIL	NIL	NIL

For disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

- vi. Investments of AMC in the Scheme – Please visit website (<https://www.edelweissmf.com/statutory/other-disclosures>)#Investment by AMCs in each of their Mutual Fund Scheme(s).

The AMC may invest either directly or indirectly in the Scheme during the NFO Period and on ongoing basis. However, the AMC shall not charge any investment management and advisory services fee on such investments in a Scheme.

### **Part III- OTHER DETAILS**

#### **A. COMPUTATION OF NAV**

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.

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

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 1000.12566 it will be rounded off to 1000.1257.

The Fund may also calculate intra-day indicative NAV and will be updated during the market hours on Edelweiss Mutual Fund's website ([www.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 AP/LI.

The Mutual Fund will ensure that the repurchase price will not be lower than 95% of the Applicable NAV.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

#### B. 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.

#### C. 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 that upto 0.0005% of the daily net assets of the scheme will be charged to the scheme as expenses. Details of the actual TER charged to the scheme after allotment and any change in the current expense ratios would be available on the website of the Mutual Fund on <https://www.edelweissmf.com/statutory/total-expense-ratio-of-mutual-fund-scheme> 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 * (Estimated p.a.)
Investment Management and Advisory Fees	Upto 0.0005%
Audit fees/fees and expenses of trustees	
Custodial fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing & Selling Expenses including Agents Commission and statutory advertisement	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education & awareness	
Brokerage & transaction cost pertaining to distribution of units	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost	
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations) *	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)</b>	
*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:

<b>Daily Average Net Assets of the Debt ETF</b>	<b>Total expense limit as % of daily average net assets</b>
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 1bps 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.

- (a) Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.
- (b) 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 -
  - (i) 30 per cent of gross new inflows in the scheme, or;
  - (ii) 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.

**Note:** In line with AMFI communication no.35P/MEM-COR/85-a/2022-23 dated March 2, 2023 and SEBI letter no. SEBI/H0/IMD/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023, the B-30 incentive structure is kept in abeyance from March 1, 2023, till appropriate re-instatement of incentive structure by SEBI with necessary safeguards.

#### **Goods & Services Tax:**

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

1. Goods & Services 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 & Services 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 & Services tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52.

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.

Any change in the current expense ratios will be updated on the website viz. [www.edelweissmf.com](http://www.edelweissmf.com) and the same will be communicated to the investor via SMS / e-mail 3 working days prior to the effective date of change.

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

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

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

**TER for the Segregated Portfolio, please refer SAI.**

#### D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.edelweissmf.com](http://www.edelweissmf.com)) or call at toll free number 1800 425 0090 (MTNL/BSNL) and non-toll free number +91 40 23001181. Investors outside India can also contact their distributors.

##### Applicable Load Structure

The Load Structure would comprise of 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 NAV)
Exit Load <sup>#</sup>	Nil

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 Market Maker(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.

Direct Redemptions for ETFs, for transaction of upto INR 25 Cr. without any exit load, in case of the following scenarios:

- Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or
- No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or
- Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.

In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day and the same shall be tracked on continuous basis and in case if any of the above-mentioned scenario arises, the same will be disclosed on the website of AMC.

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.

## Section II

### I. Introduction

#### A. Definitions/interpretation

For detailed description please refer -

[https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/published/Definition\\_04062024\\_115739\\_AM.pdf](https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/published/Definition_04062024_115739_AM.pdf)

#### B. Risk factors

##### 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. Risk associated with Tracking error / Tracking difference

Tracking error / Tracking difference is the annualized standard deviation of the difference in daily returns between the underlying index and the NAV of the Index Fund.

Tracking errors / Tracking difference are inherent in any ETF and such errors may cause the schemes to generate returns which are not in line with the performance of the underlying index. Tracking error / Tracking difference 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.

## 6. 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. For further details please refer SAI.

For details, please refer SAI.

## C. Risk Mitigation Strategies

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 2031. 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:

Risk & Description specific to the Scheme	Risk mitigants / Management Strategy
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<b>Market/Volatility Risk</b> 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> 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> 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> 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> 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.

## II. Information about the Scheme:

### A. 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.

### B. What are the investment restrictions?

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

1. 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.

2. 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.

3. The Scheme shall not make any investment in:

- a) Any unlisted security of an associate or group company of the Sponsor; or
- b) Any security issued by way of private placement by an associate or group company of the Sponsor; or
- c) 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.

4. The Scheme shall not make any investment in any fund of funds Scheme.

5. No loans for any purpose shall be advanced by the Scheme.

6. The Scheme will comply with any other regulations applicable to the investments of Mutual Funds from time to time.

7. 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.

8. 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.

9. Debt ETFs/ Index Funds based on index comprising of corporate debt securities (including debt securities and money market instruments i.e. CDs and CPs having short term rating as A1+) shall be considered to be replicating the underlying debt index provided:

- Investment in securities of issuers accounting for at least 60% of weight in the index, represents at least 80% of net asset value (NAV) of the ETF/ Index Fund
- At no point of time the securities of issuers not forming part of the index exceed 20% of NAV of the ETF/ Index Fund
- At least 8 issuers from the underlying index form part of the portfolio of the ETF/ Index Fund
- The investment in various securities are aggregated at issuer level for the purpose of exposure limits
- The exposure limit to a single issuer by the ETF/ Index Fund shall be as under:
  - a) For AAA rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 15% weight in the portfolio.
  - b) For AA rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 12.5% weight in the portfolio.
  - c) For A and below rated securities, exposure to a single issuer by the ETF/ Index Fund shall not have more than 10% weight in the portfolio.
- For single issuer and sector exposure by a scheme shall be sum of the exposure to debt and money market instruments of the issuers. This includes CDs/ CPs with rating of A1+.
- The Macaulay Duration (hereinafter referred as "duration") of the portfolio of the ETF/ Index Fund replicates the duration of the underlying index within a maximum permissible deviation of +/- 10%. In case of Target Maturity (or Target Date) ETFs/ Index Funds, the following norms for permissible deviation in duration shall apply:

- a) For portfolio with residual maturity of greater than 5 years: Either +/- 6 months or +/- 10% of duration, whichever is higher.
  - b) For a portfolio with residual maturity of up to 5 years: Either +/- 3 months or +/- 10% of duration, whichever is higher.
  - c) However, at no point of time, the residual maturity of any security forming part of the portfolio shall be beyond the target maturity date of the ETF/ Index Fund
- The rating wise weightage of debt securities in the portfolio of ETF/ Index Fund replicates the underlying index. However, greater allocation of up to 10% of the portfolio may be made to higher rated debt securities.

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.

### **C. Fundamental Attributes**

Following are the Fundamental Attributes of the Scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated June 27, 2024:

#### **(i) Type of a Scheme –**

BHARAT BOND ETF – April 2031 is an open-ended Target Maturity Exchange Traded Bond Fund predominantly investing in constituents of Nifty BHARAT Bond Index - April 2031. A relatively high interest rate risk and relatively low credit risk.

#### **(ii) Investment Objective**

##### **Main Objective –**

The investment objective of the scheme is to track the Nifty BHARAT Bond Index – April 2031 by investing in bonds of AAA-rated CPSEs/ CPSUs/CPFIs and other Government organizations, subject to tracking errors.

There is no assurance that the investment objective of the Scheme will be achieved.

**Investment pattern** – The tentative portfolio break-up with minimum and maximum asset allocation is disclosed in the Please refer to Part II – A. ‘**How will the Scheme Allocate its Assets?**’ in this Document.

#### **(iii) Terms of Issue**

**Liquidity Provisions:** Market Makers 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 at least two Market Makers to provide liquidity in secondary market on an ongoing basis. The Market Maker(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.

#### **Change in Fundamental Attributes:**

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024, 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.
- 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).

#### **D. Index methodology (for index funds, ETFs and FOFs having one underlying domestic ETF) NIFTY BHARAT Bond Index - April 2031:**

##### **NIFTY BHARAT Bond Index - April 2031:**

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, 2031
3. Index include portfolio of AAA rated bonds issued by government owned entities

##### **Index Methodology**

##### **Eligibility norms**

##### **• Issuer eligibility**

Issuing entity should be either of the following:

1. Central Public Sector Enterprises (CPSEs) as listed on DPE website



2. Maharatna, Navratna and Miniratna as listed on DPE website, if not included in CPSEs list as mentioned in point 1.
3. Public Financial Institutions (PFIs) owned and managed by GOI and not included in points 1 and 2 above.
4. Statutory body set-up by Act of Parliament and having outstanding bonds of more than R 100 crores.
5. Should be domiciled in India.
6. Any other issuer as and when advised by Department of Investment and Public Asset Management (DIPAM).

• **Bond eligibility**

a) Bond should be

- Plain vanilla with fixed coupon and fixed maturity
- Denominated in INR
- Be listed and traded on NSE and/or BSE and should be rated

b) Bond should not be

- Tax Free
- Backed or serviced by GoI
- Floating Rate Bond
- Partially Paid up
- Perpetual
- Having Single Option (Call/Put)
- Having step up/step down coupon which is linked to any contingent event
- Convertible bonds
- Having Staggered redemption

**Selection criteria**

• **Issuer Selection**

- a) 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 will be considered for the index selection purpose.
- b) Further, Eligible Issuers from the above step which have bonds outstanding of more than R 100 crores and are maturing within 12 months period before the maturity date of the index are selected.  
Eg: If index is maturing on 15th April 2031, then bonds which have outstanding amount of more than R 100 crore and are maturing between 16th April 2024 to 15th April 2031 (both days inclusive) will form part of the index.

• **Bond Selection**

- a. 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 on public domain as of the cut-off date (NSE/BSE).

**Index Rebalancing/Reconstitution**

- Index will be 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 the index 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.
- 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 the index. 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 post the data cut-off date but before the portfolio disclosure date (T-3), such issuer shall be excluded from being a part of the index.

#### Index Termination NIFTY

BHARAT Bond Index - April 2031 will mature on April 15, 2031

In the last year of the index maturity (12 months prior to the maturity date of the corresponding index), any proceeds from bond redemption prior to the maturity of the index shall be re-invested in the T-Bill maturing on or just before the index maturity date. In case the T-Bill in which the proceeds from bond redemption have been reinvested matures before the index maturity date, the redemption proceeds of such T-Bill shall be re-invested in The Clearing Corporation of India Ltd. (CCIL) TREP overnight rate for subsequent days till the maturity of the index.

Constituents of 'Nifty BHARAT Bond Index- April 2031 as on September 30, 2024 is as follows:

ISIN	Nomenclature	Issuer	Weightage
INE557F08FX6	NATIONAL HOUSING BANK 7.51% 04APR31	NATIONAL HOUSING BANK	7.70%
INE733E08171	NTPC LIMITED 6.43% 27Jan2031	NTPC LIMITED	6.41%
INE053F07CR7	INDIAN RAILWAY FINANCE CORPORATION LIMITED 6.41% 11Apr2031	INDIAN RAILWAY FINANCE CORPORATION LIMITED	5.13%
INE557F08FT4	NATIONAL HOUSING BANK 7.57% 09JAN2031	NATIONAL HOUSING BANK	5.13%
INE094A08093	HINDUSTAN PETROLEUM CORPORATION LIMITED 6.63% 11Apr2031	HINDUSTAN PETROLEUM CORPORATION LIMITED	5.00%
INE906B07HP8	NATIONAL HIGHWAYS AUTHORITY OF INDIA 7.35% 28Apr2030	NATIONAL HIGHWAYS AUTHORITY OF INDIA	4.68%
INE206D08477	NUCLEAR POWER CORPORATION OF INDIA LIMITED 6.80% 21Mar2031	NUCLEAR POWER CORPORATION OF INDIA LIMITED	4.58%
INE261F08CJ1	NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT 6.45% 11042031	NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	3.72%
INE020B08DE9	REC LIMITED 6.80% 20Dec2030	REC LIMITED	3.62%
INE053F09GX2	INDIAN RAILWAY FINANCE CORPORATION LIMITED 8.79% 04052030	INDIAN RAILWAY FINANCE CORPORATION LIMITED	3.62%
INE906B07IE0	NATIONAL HIGHWAYS AUTHORITY OF INDIA 6.50% 11Apr2031	NATIONAL HIGHWAYS AUTHORITY OF INDIA	3.26%
INE134E08KM0	POWER FINANCE CORPORATION LIMITED 7.41% 15052030	POWER FINANCE CORPORATION LIMITED	2.87%
INE020B08CU7	REC LIMITED 7.55% 11052030	REC LIMITED	2.71%
INE031A08806	HOUSING URBAN DEVELOPMENT CORPORATION LIMITED 6.75% 29052030	HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED	2.67%

INE213A08024	OIL AND NATURAL GAS CORPORATION LIMITED 6.40% 11Apr2031	OIL AND NATURAL GAS CORPORATION LIMITED	2.57%
INE733E08155	NTPC LIMITED 6.29% 11042031	NTPC LIMITED	2.57%
INE020B08DB5	REC LIMITED 7.25% 30Sep2030	REC LIMITED	2.53%
INE134E08LC9	POWER FINANCE CORPORATION LIMITED 7.04% 16Dec2030	POWER FINANCE CORPORATION LIMITED	2.09%
INE134E08KV1	POWER FINANCE CORPORATION LIMITED 7.75% 11Jun2030	POWER FINANCE CORPORATION LIMITED	1.90%
INE020B08DG4	REC LIMITED 6.90% 31Jan2031	REC LIMITED	1.81%
INE206D08352	NUCLEAR POWER CORPORATION OF INDIA LIMITED 8.23% 04Aug2030	NUCLEAR POWER CORPORATION OF INDIA LIMITED	1.80%
INE134E08KR9	POWER FINANCE CORPORATION LIMITED 7.68% 15072030	POWER FINANCE CORPORATION LIMITED	1.78%
INE020B08DA7	REC LIMITED 6.90% 31Mar2031	REC LIMITED	1.75%
INE134E08KQ1	POWER FINANCE CORPORATION LIMITED 7.40% 08052030	POWER FINANCE CORPORATION LIMITED	1.67%
INE752E08528	POWER GRID CORPORATION OF INDIA LIMITED 7.74% 12122030	POWER GRID CORPORATION OF INDIA LIMITED	1.54%
INE020B08CX1	REC LIMITED 7.96% 15Jun2030	REC LIMITED	1.45%
INE752E08650	POWER GRID CORPORATION OF INDIA LIMITED 6.28% 11Apr2031	POWER GRID CORPORATION OF INDIA LIMITED	1.28%
INE202E08060	INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED 7.74% 08May2030	INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED	1.28%
INE206D08444	NUCLEAR POWER CORPORATION OF INDIA LIMITED 7.25% 15Dec2030	NUCLEAR POWER CORPORATION OF INDIA LIMITED	1.28%
INE752E07NL7	POWER GRID CORPORATION OF INDIA LIMITED 8.32% 23122030	POWER GRID CORPORATION OF INDIA LIMITED	1.20%
INE020B08CW3	REC LIMITED 7.79% 21052030	REC LIMITED	1.14%
INE134E08KU3	POWER FINANCE CORPORATION LIMITED 7.79% 22072030	POWER FINANCE CORPORATION LIMITED	1.11%
INE206D08402	NUCLEAR POWER CORPORATION OF INDIA LIMITED 8.13% 28Mar2031	NUCLEAR POWER CORPORATION OF INDIA LIMITED	1.03%
INE134E07AN1	POWER FINANCE CORPORATION LIMITED 7.00% 22Jan2031	POWER FINANCE CORPORATION LIMITED	0.94%
INE134E08KZ2	POWER FINANCE CORPORATION LIMITED 7.05% 09Aug2030	POWER FINANCE CORPORATION LIMITED	0.92%
INE752E07NW4	POWER GRID CORPORATION OF INDIA LIMITED 8.13% 25042030	POWER GRID CORPORATION OF INDIA LIMITED	0.85%
INE134E08KY5	POWER FINANCE CORPORATION LIMITED 6.88% 11Apr2031	POWER FINANCE CORPORATION LIMITED	0.75%
INE752E07NI3	POWER GRID CORPORATION OF INDIA LIMITED 8.40% 14092030	POWER GRID CORPORATION OF INDIA LIMITED	0.64%
INE752E07MW6	POWER GRID CORPORATION OF INDIA LIMITED 8.40% 27052030	POWER GRID CORPORATION OF INDIA LIMITED	0.63%
INE848E07BS3	NHPC LIMITED 6.86% 12Feb2031	NHPC LIMITED	0.38%
INE848E07BN4	NHPC LIMITED 6.80% 24Apr2030	NHPC LIMITED	0.38%
INE134E08DB8	POWER FINANCE CORPORATION LIMITED 8.85% 15062030	POWER FINANCE CORPORATION LIMITED	0.36%

INE134E08MG8	POWER FINANCE CORPORATION LIMITED 7.82% 13Mar31	POWER FINANCE CORPORATION LIMITED	0.36%
INE848E07906	NHPC LIMITED 8.50% 14Jul2030	NHPC LIMITED	0.32%
INE134E08DJ1	POWER FINANCE CORPORATION LIMITED 9.05% 15122030	POWER FINANCE CORPORATION LIMITED	0.22%
INE848E08219	NHPC LIMITED 7.59% 20Feb31	NHPC LIMITED	0.21%
INE733E07DK0	NTPC LIMITED 8.71% 10Jun2030	NTPC LIMITED	0.03%
INE733E07DZ8	NTPC LIMITED 8.79% 15Sep2030	NTPC LIMITED	0.02%
INE134E07AM3	POWER FINANCE CORPORATION LIMITED 6.80% 22Jan2031	POWER FINANCE CORPORATION LIMITED	0.02%
INE733E07FS8	NTPC LIMITED 9.39% 09Jun2030	NTPC LIMITED	0.02%
INE134E07AL5	POWER FINANCE CORPORATION LIMITED 6.82% 22Jan2031	POWER FINANCE CORPORATION LIMITED	0.02%
INE733E07GH9	NTPC LIMITED 9.56% 29Jul2030	NTPC LIMITED	0.01%
INE733E07FE8	NTPC LIMITED 9.17% 22Mar2031	NTPC LIMITED	0.01%
INE733E07GW8	NTPC LIMITED 9.67% 23Dec2030	NTPC LIMITED	0.01%
INE733E07EO0	NTPC LIMITED 8.81% 15Dec2030	NTPC LIMITED	0.01%
INE733E07IJ1	NTPC LIMITED 9.44% 16May2030	NTPC LIMITED	0.01%
INE733E07HQ8	NTPC LIMITED 9.26% 02Mar2031	NTPC LIMITED	0.01%
INE733E07IY0	NTPC LIMITED 9.35% 20Jul2030	NTPC LIMITED	0.01%
INE134E07AK7	POWER FINANCE CORPORATION LIMITED 6.63% 22Jan2031	POWER FINANCE CORPORATION LIMITED	0.00%

#### E. Principles of incentive structure for market makers

The principles of incentive structure with Authorized participants will be in line with the agreement with authorized participants.

**F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 13.6.2 of SEBI master circular for mutual funds dated June 27, 2024(only for close ended debt schemes) – Not Applicable**

#### G. Other Scheme Specific Disclosures:

<b>Listing and transfer of units</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 Market Makers for creating liquidity for ETFs in the stock exchange(s) so that retail investors (investors other than Market Makers 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 Market Makers would be available on <a href="http://www.edelweissmf.com">www.edelweissmf.com</a>.</p>
<b>Dematerialization of units</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</p>

	<p>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>Minimum Target amount</b>	Not Applicable
<b>Maximum Amount to be raised (if any)</b>	Not Applicable
<b>Dividend Policy (IDCW)</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>Allotment</b>	<p>Subject to:</p> <ul style="list-style-type: none"> <li>▪ the achievement of the Minimum Target Amount;</li> <li>▪ receipt of duly completed Application Forms with valid information;</li> <li>▪ realization of the specified minimum Application amount from the Investors,</li> </ul> <p>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.</p> <p>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.</p>

**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-	% allocation	Maximum amount	Scenario 1 -Under subscription in both investor Categories	Scenario 2 -Under subscrip
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category		to be allocated			on in RIs Category		Amount allocated
			Subscription Amount	Amount allocated	Subscription amount		
RIs	25	2500	2400	2400	2000	2000	
RFs, QIBs & NIIs	75	7500	6400	6400	7700	7700	
Maximum amount to be raised	100	10000					
<ul style="list-style-type: none"> <li>Scenario 2 - Amount undersubscribed in RIs has been met with spill over from RFs, QIBs &amp; NIIs.</li> </ul> <p>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.</p>							
<b>Refund</b>	<p>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 &amp; 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.</p> <p>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.</p>						
<b>Who can invest</b> <b>This is an indicative list and investors shall consult their financial advisor to ascertain</b>	<p>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):</p>						

**whether the scheme is suitable to their risk profile.**

1. Resident adult Indian individuals either singly or jointly (not exceeding three), or on an Anyone or Survivor basis;
2. Karta of Hindu Undivided Family (HUF in the name of Karta);
3. Partnership Firms in the name of any one of the partner(constituted under the Indian partnership law) & Limited Liability Partnerships (LLP);
4. Minors (Resident or NRI) through parent / legal guardian;
5. 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;
6. 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);
7. Banks, including Scheduled Bank, Regional Rural Bank, Co-Operative Bank etc. & Financial Institutions;
8. Special Purpose Vehicles (SPV) approved by appropriate authority;
9. 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);
10. Non-Resident Indians (NRIs) / Persons of Indian origin residing abroad (POI) on repatriation or non repatriation basis;
11. Foreign Institutional Investors (FIIs) registered with SEBI on fully repatriation basis;
12. Foreign Portfolio Investors (FPIs) subject to the applicable Regulations;
13. Provident/Pension/Gratuity/superannuation, such other retirement and employee benefit and such other funds to the extent they are permitted to invest;
14. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
15. Scientific and Industrial Research Organisations;
16. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;
17. Trustee, the AMC, their Shareholders or Sponsor, their associates, affiliates, group companies may subscribe to Units under the Scheme;
18. 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.
19. 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
20. 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.



21. Religious, charitable and private trusts under the provisions of 11(5) of Income Tax Act, 1961 read with Rule 17C of Income Tax Rules, 1961(subject to receipt of necessary approvals as “Public Securities” where required)

**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.**

<p><b>Who cannot invest</b></p>	<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>
<p><b>How to Apply and other details?</b></p>	<ol style="list-style-type: none"> <li>1. Application form shall be available from either the Investor Service Centers (ISCs)/Official Points of Acceptance (OPAs) of AMC or may be downloaded from the website of AMC (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>).</li> <li>2. List of official points of acceptance, collecting banker details etc. shall be available at <a href="#">List of ISCs, OPAs &amp; Collecting Banker details 04062024 031225 PM.pdf (edelweissmf.com)</a></li> <li>3. Details of the Registrar and Transfer Agent (R&amp;T), official points of acceptance, collecting banker details etc. are available on back cover page.</li> </ol> <p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar/AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p>
<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></p>	<p>Not Applicable</p>
<p><b>Restrictions, if any, on the right to freely retain or dispose off units being offered.</b></p>	<p>The Units of the Scheme will mandatory required to be held in electronic (demat) mode which are freely transferable.</p>

	<p>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:</p> <p>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:</p> <ul style="list-style-type: none"> <li>Liquidity issues</li> <li>Market failures, exchange closure</li> <li>Operational issues</li> </ul> <p>ii. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.</p> <p>iii. Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.</p> <p>iv. When restriction on redemption is imposed, the following procedure shall be applied:</p> <ul style="list-style-type: none"> <li>• No redemption request upto INR 2 lakh shall be subject to such restriction.</li> <li>• 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.</li> </ul> <p>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.</p> <p>For details please refer to paragraph on "Right to limit redemption, "suspension of purchase and / or redemption of Units" &amp; paragraph on "Lien &amp; pledge" under SAI.</p>
<p><b>Cut off timing for subscriptions/ redemptions/ switches</b>  <b>This is the time before which your application (complete in all respects) should reach the official points of acceptance</b></p>	<p><b>a) In case of Purchase / Redemption directly with Mutual Fund:</b></p> <p>The Fund will allow subscription/ redemption in "Creation Size" only by Large Investor(s)/ Authorised Participant(s).</p> <p>The cut-off timing for NAV applicability as prescribed by SEBI shall not be applicable for direct transactions with AMCs in ETFs by authorised participant and large investors since the NAV applicability is based on the Intra-day NAV on the actual execution price of the underlying portfolio. The transactions of such nature shall be accepted within a reasonable time before the close of market hours of the major markets in which the trades are carried out.</p> <p>In case of Subscription, allotment of Units shall be subject to the following:</p> <ol style="list-style-type: none"> <li>1. Valid application received before cut-off time; and</li> <li>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</li> <li>3. Eligible securities as per the application are credited to the Depository account of the Scheme / MF before cut-off time.</li> </ol> <p>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.</p>

	<p><b>b) In case of Purchase/Redemption through Stock Exchange:</b> 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.</p>
<p>Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable, for direct subscription/redemption with AMC.</p>	<p><b>a. For Subscription of units directly with the Mutual Fund:</b> 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 25 lakh and in multiples 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 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.</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. For Redemption of units 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>

	<p>- Authorized Participant: Minimum Rs 25 lakh and in multiples thereafter Large Investor: Minimum Rs. 25 crore and in multiples of Re. 1 thereafter</p> <p>The Fund may change the 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 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.</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>c. For Transaction through Stock Exchange(s):</b> 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.</p> <p>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.</p>
<p><b>Accounts Statements</b></p>	<p>The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).</p> <p>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month.</p>

	<p>Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable. For further details, refer SAI.</p>
<b>Dividend/ IDCW</b>	<p>Not Applicable - The payment of dividend/IDCW to the unitholders shall be made within 7 working days from the record date.</p>
<b>Redemption</b>	<p>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.</p> <p>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.</p> <p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 3 working days from the date of redemption or repurchase.</p> <p>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024</p>
<b>Bank Mandate</b>	<p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar/AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p> <p><b>Multiple Bank Account Registration</b></p> <p>The Mutual Fund offers a facility to register multiple bank accounts for payin &amp; payout purposes and designate one of the registered bank accounts as "Default Bank Account". Individuals, HUFs, Sole proprietor firms can register upto five bank accounts and a non-individual investor can register upto ten bank accounts in a folio. This facility can be availed by using a designated "Bank Accounts Registration Form" available at Investor Service Centers and Registrar and Transfer Agent's offices. In case of new investors, the bank account mentioned on the purchase application form, used for opening the folio, will be treated as default bank account till the investor gives a separate request to register multiple bank accounts and change the default bank account to any of other registered bank account. Registered bank accounts may also be used for verification of pay-ins (i.e. receiving of subscription funds) to ensure that a third party payment is not used for mutual fund subscription. Default Bank Account will be used for all IDCW and redemption payouts unless investor specifies one</p>

	<p>of the existing registered bank account in the redemption request for receiving redemption proceeds. However, in case a Unit holder does not specify the default account, the Mutual Fund reserves the right to designate any of the registered bank accounts as default bank account.</p> <p>Consequent to introduction of “Multiple Bank Accounts Facility”, registering a new bank account will require a cooling period of not more than 10 days from the date of receipt of request. In the interim, in case of any IDCW/ redemption/ maturity payout, the same would be credited in the existing registered bank account.</p> <p><b>Change in Bank Mandate:</b> Change in Bank Mandate: Pursuant to AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process changes will be carried out in relation to change in bank mandate:</p> <ol style="list-style-type: none"> <li>1. In case of standalone change of bank details, documents as enlisted in the SAI should be submitted as a proof of new bank account details.</li> <li>2. In case of standalone change of bank details, documents as enlisted below should be submitted as a proof of new bank account details:</li> <li>3. Investors/Unit holders are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;</li> <li>4. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;</li> </ol> <p>Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request or received along with the redemption request, Edelweiss Asset Management Ltd will continue to follow cooling period of 10 calendar days for validation and registration of new bank account and dispatch/credit of redemption proceeds shall be completed in 10 working days from the date of redemption.</p>
<p><b>Delay in payment of redemption / repurchase proceeds/dividend</b></p>	<p>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.</p> <p>The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay</p>
<p><b>Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount</b></p>	<p>In terms of Paragraph 14.3 of SEBI Master Circular dated June 27, 2024, 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</p>



	<p>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.</p> <p>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.</p>
<b>Disclosure w.r.t investment by minors</b>	<ol style="list-style-type: none"> <li>1. 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 (financial/ non-financial transaction including existing Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP) after the date of minor attaining majority) till the time the change in the status from 'minor' to 'major' is registered in the account (folio) by the AMC/ Mutual Fund. The AMC/RTA will execute standing instructions like SIP, STP, SWP etc. in a folio of minor only upto the date of minor attaining majority though the instruction may be for the period beyond that date. The above provisions are in line with the Clause 17.6 of the SEBI Master Circular dated June 27, 2024 for Mutual Funds.</li> <li>2. Payment for investment by minor in any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. The above provisions are in line with the SEBI circular no. SEBI/HO/IMD/POD-II/CIR/P/2023/0069 dated May 12, 2023.</li> </ol>
Any other disclosure in terms of Consolidated Checklist on Standard Observation	Currently not applicable

### III. Other Details

- A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund should be provided – Not Applicable**

## B. Periodic Disclosures

<p><b>Monthly Portfolio Disclosure / Half yearly Disclosures: Portfolio / Half yearly Financial Results</b></p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>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 (<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 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 half year respectively.</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 Scheme's 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 Fund shall, before the expiry of one month from the close of each half year, (i.e. March 31 and September 30) shall display the unaudited financial results on <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> and the advertisement in this regards will be published by the Fund in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Fund is situated.</p>
<p><b>Annual Report</b></p>	<p>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 (<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>). 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 (<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 of the scheme wise annual report or abridged summary thereof.</p>
<p><b>Scheme Summary Document (SSD)</b></p>	<p>In accordance with Paragraph 1.2 of SEBI Master on Mutual Funds dated June 27, 2024, Scheme summary document for all schemes of Mutual Fund in the requisite format (pdf, spreadsheet and machine readable format) shall be uploaded on a monthly basis i.e. 15th of every month or within 5 Business days from the date of any change or modification in the scheme information on the website of the AMC i.e. <a href="https://www.edelweissmf.com/downloads/scheme-summary-document">https://www.edelweissmf.com/downloads/scheme-summary-document</a> and AMFI i.e.</p>

	<a href="http://www.amfiindia.com">www.amfiindia.com</a> and Registered Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.
<b>Risk-o-meter</b>	<p>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.</p> <p>In addition to the above, the AMC shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:</p> <ol style="list-style-type: none"> <li>risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.</li> </ol>
<b>Tracking Difference</b>	<p>Tracking difference is defined as the annualized difference of returns between the NAV of the scheme and the underlying index. Tracking Difference shall be computed considering the return of the portfolio net of TER. The AMC would monitor the tracking difference of the Scheme on an ongoing basis. The annualized tracking difference averaged over one year period shall not exceed 1.25%. In case, the average annualized tracking difference over one year period for the scheme is higher than 1.25%, the same shall be brought to the notice of trustees with corrective actions taken by the AMC, if any.</p> <p>Tracking Difference shall be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units only for schemes which have completed 1 year. For Index funds, the tracking difference will be maintained and disclosed for both direct and regular plans separately.</p>
<b>Disclosure of Tracking Error</b>	<p>The Tracking Error is the annualized standard deviation of the difference in daily returns between the underlying index and the NAV of the Index Fund.</p> <p>The Scheme shall disclose the Tracking Error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI. Till the Scheme completes one year it shall disclose the annualized standard deviation based on available data</p>
<b>Disclosure of Tracking Difference</b>	<p>Tracking difference i.e. the annualized difference of daily returns between the index and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 years, 5 years, 10 years and since the date of allotment of units.</p>

## B. Transparency/NAV Disclosure

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 ([www.edelweissmf.com](http://www.edelweissmf.com)) NAV will be updated on the website of the AMC ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the AMFI website ([www.amfiindia.com](http://www.amfiindia.com)). 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.

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.

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. iNAV of the Scheme i.e. the per unit NAV based on the current market value of its portfolio during the trading hours of the ETF, shall be disclosed on a continuous basis on the Stock Exchange(s), where the units of these ETFs are listed and traded and shall be updated at least four times a day i.e. opening and closing iNAV and at least two times during the intervening period with minimum time lag of 90 minutes between the two disclosures.

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.

#### **C. Transaction charges and stamp duty-**

##### **(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.

Note: There shall be no transaction charge on subscription below Rs. 10,000/-

Investors are requested to note that no transaction charges shall be deducted from the investment amount for transactions / applications received from the distributor (i.e. in Regular Plan) and full subscription amount will be invested in the Scheme.

#### **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.

For further details, please refer to SAI.

**D. Associate Transactions-** Please refer to Statement of Additional Information

**E. Taxation-** For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

	Resident Investors		Mutual Fund
	Individuals	Domestic Companies / Partnership Firms	

<b>Tax on Dividend</b>	As per applicable slab rates.	NIL
<b>Tax on Capital Gain (Equity Oriented Funds)</b>		
Long Term	12.5% (on gains more than Rs. 100000)	NIL
Short Term	20%	NIL
<b>Tax on Capital Gain (Other than Equity Oriented Funds not being a Specified Mutual Fund)*</b>		
Long Term	12.5%	Nil
Short Term	Applicable slab rates	Nil

*\*Long term capital gain is not applicable to Specified Mutual Funds.*

*All tax rates mentioned above are base rates and will be increased by applicable surcharge and cess.*

**F. Rights of Unitholders-** Please refer to SAI for details.

**G. List of official points of acceptance:**

The details of List of official points of acceptance is available at <https://www.edelweissmf.com/reach-us/locate-us>.

**H. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations**

Please refer AMC website for latest update.

[https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/Publish ed/Pending%20Litigation\\_04062024\\_123721\\_PM\\_04112024\\_115100\\_AM.pdf](https://www.edelweissmf.com/Files/SID%20/%20KIM%20/%20SAI%20related%20Disclosure/Publish%20ed/Pending%20Litigation_04062024_123721_PM_04112024_115100_AM.pdf)

**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 May 22, 2020.
3. The Board of the Trustees has ensured that, BHARAT Bond ETF – April 2031 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 thereunder shall be applicable.**

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

Sd/-

**Place: Mumbai**

**Date: November, 29, 2024**

**Radhika Gupta  
Managing Director & CEO**



