



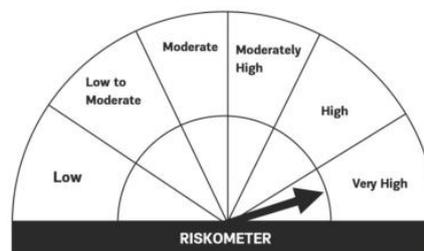
Scheme Information Document

# Aditya Birla Sun Life S&P BSE SENSEX ETF

(An open ended scheme replicating BSE SENSEX index)

**This product is suitable for investors who are seeking:**

- long term capital growth
- investments in stocks in line with BSE SENSEX to generate comparable returns, subject to tracking errors



Investors understand that their principal will be at Very High risk

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

Continuous offer for Units in Creation Unit size at NAV based prices.

**Name of Mutual Fund**

**Aditya Birla Sun Life Mutual Fund (ABSLMF)**

One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.

Tel. 43568000, Fax No. 43568110/ 8111

Website:

[www.mutualfund.adityabirlacapital.com](http://www.mutualfund.adityabirlacapital.com)

**Name of the Asset Management Company**

**Aditya Birla Sun Life AMC Limited (ABSLAMC)**

One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel. 43568000, Fax No. 43568110/ 8111

CIN: L65991MH1994PLC080811

**Name of the Trustee Company**

**Aditya Birla Sun Life Trustee Private Limited (ABSLTPL)**

One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013

Tel. 43568000, Fax No. 43568110/ 8111

CIN: U74899MH1994PTC166755

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

Please refer BSE disclaimer Clause overleaf, as applicable to the schemes.

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 Aditya Birla Sun Life Mutual Fund, Tax and Legal issues and general information on [www.mutualfund.adityabirlacapital.com](http://www.mutualfund.adityabirlacapital.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

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

This Scheme Information Document is date October 31, 2023

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The units of Aditya Birla Sun Life S&P BSE SENSEX ETF are listed on the National Stock Exchange of India Limited (NSE) and BSE Ltd (BSE). All investors including Market Makers and Large Investors can subscribe (buy) / redeem (sell) units on a continuous basis on the BSE on which the Units are listed during the trading hours on all the trading days. In addition, Market Makers can directly subscribe to / redeem units of the Scheme on all Business Days with the Fund in 'Creation Unit Size' at NAV based prices on an ongoing basis. Large Investors can transact directly with the Fund for an amount greater than INR 25 crores.

## **DISCLAIMER CLAUSE OF BSE**

BSE Ltd. ("the Exchange") has given vide its letter dated June 9, 2016 permission to Aditya Birla Sun Life Mutual Fund to use the Exchange's name in this SID as one of the Stock Exchanges on which this Mutual Fund's unit are proposed to be listed. The Exchange has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to Aditya Birla Sun Life Mutual Fund. The Exchange does not in any manner: - i) warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or ii) warrant that this scheme's unit will be listed or will continue to be listed on the Exchange; or iii) take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund; and it should not for any reason be deemed or construed that this SID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of Aditya Birla Sun Life S&P BSE SENSEX ETF 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 for any other reason whatsoever.

## **DISCLAIMER CLAUSE OF NSE**

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 given vide its letter NSE/LIST/5361 dated October 5, 2021 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 Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the 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 Mutual Fund'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.

## HIGHLIGHTS OF THE SCHEME

<b>Name of the Scheme</b>	<b>Aditya Birla Sun Life S&amp;P BSE SENSEX ETF</b>
<b>Type of the Scheme</b>	An open ended scheme replicating BSE SENSEX index
<b>Inception Date</b>	July 14, 2016
<b>Scheme Code</b>	ABSL/O/O/OET/16/06/0050
<b>Scheme Category</b>	Exchange Traded Fund (ETF)
<b>No. of Investors &amp; AUM</b> (as on September 30, 2023)	Folios: ,3202 AUM in Crs: ₹ 416.91
<b>Investment Objective</b>	<p>The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of securities as represented by S&amp;P BSE SENSEX TRI, subject to tracking errors.</p> <p><b>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</b></p>
<b>Plans/ Options offered</b>	Not Available
<b>Liquidity / Listing</b>	<p>The Units of the scheme are listed on National Stock Exchange Limited (NSE) / BSE Limited (BSE) and/or any other recognised stock exchanges as may be decided by AMC from time to time. The Units of the scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange(s).</p> <p>The AMC will appoint Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote (buy and sell quotes) in the market.</p> <p>Presently, following Market Makers have been appointed by the AMC:</p> <ol style="list-style-type: none"> <li>1) Kotak Securities Limited</li> <li>2) Edelweiss Securities Limited</li> </ol> <p>Alternatively, the Market Makers and Large Investors may subscribe to and/or redeem the units of the scheme with the Mutual Fund on any business day at a price equivalent to applicable NAV and transaction charges, if any, the Market Makers may transact directly with AMC, provided the units offered for subscription and/or redemption are not less than Creation Unit size &amp; in multiples thereof. Large investors can subscribe/redeem directly with the AMC for an amount greater than INR 25 crores.</p> <p>Further, investor other than Market Makers and Large Investors can also directly approach AMC for redemption of units if:</p> <ol style="list-style-type: none"> <li>a. Traded price (closing price) of the ETF units is at a discount of more than 1% to the end day NAV for 7 continuous trading days or</li> <li>b. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days or</li> <li>c. Total bid size on the exchange(s) is less than half of the Creation Unit Size daily, averaged over a period of 7 consecutive trading days.</li> </ol> <p>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.</p> <p>In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds. The mutual fund will track the aforesaid liquidity criteria on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be displayed on website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>.</p>
<b>Sale of Units by Mutual Fund</b>	<b>Ongoing basis:</b>

	<ul style="list-style-type: none"> <li>Ongoing purchases directly from the Mutual Fund would be restricted to Market Makers and Large Investors provided the value of units to be purchased is in creation unit size and in multiples thereof. Large investors can transact directly with the Fund for an amount greater than INR 25 crores. Market Makers and Large Investors may buy the units on any business day of the scheme directly from the Mutual Fund at applicable NAV, and transaction charges by depositing basket of securities comprising S &amp; P BSE Sensex.</li> <li>The units are listed on BSE to provide liquidity through secondary market. All categories of Investors may purchase the units through secondary market on any trading day.</li> <li>The AMC will appoint Market Maker(s) (currently Kotak Securities Limited and Edelweiss Securities Limited) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.</li> <li>The AMC reserves the right to list the units of the scheme on any other recognised stock exchange, in future.</li> </ul>
<b>Creation Unit Size</b>	<p>Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the "Portfolio Deposit" and a "Cash Component" or cash of equivalent value.</p> <p>The Portfolio Deposit and Cash Component are defined as follows:</p> <p><b>Portfolio Deposit:</b> Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.</p> <p><b>Cash Component:</b> Cash component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit.</p> <p>The Portfolio Deposit and Cash Component may change from time to time due to change in NAV and will be announced by the AMC on its website.</p> <p><b>The Creation Unit size for the scheme shall be 1,00,000 units and in multiples thereof.</b></p> <p>The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on website of Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>)</p>
<b>Transaction handling charges</b>	Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Maker or large investor.
<b>Cost of trading on the Stock Exchange</b>	The cost of brokerage and other applicable statutory levies e.g. Securities Transaction Tax, etc. when the units are bought or sold on the stock exchange.
<b>Flexibility</b>	The Mutual Fund will allow investors the flexibility to switch their investments (subject to minimum application amount under the scheme) from any other scheme(s) / plans managed by Mutual Fund, Fund, as per the features of the respective scheme offered by the Mutual Fund to Aditya Birla Sun Life S&P BSE SENSEX ETF on an ongoing basis (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched).
<b>Minimum Application / Redemption Amount</b>	<p><b>a) Minimum Application Amount</b></p> <p><b>For Subscription / Redemption of units directly with Mutual Fund:</b></p> <ul style="list-style-type: none"> <li>Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Makers and Large Investors.</li> <li>Units of scheme may be subscribed to / redeemed only in Creation Unit size &amp; in multiples thereof. Large investors can transact directly with the Fund for an amount greater than INR 25 crores.</li> <li>Market Makers and Large Investors may subscribe to/redeem the units of the scheme on any business day directly with the Mutual Fund at applicable NAV and transaction charges, if any, by depositing/receiving stocks comprising the benchmark index and/or cash, value of which is equivalent to Creation Unit size.</li> </ul>

	<ul style="list-style-type: none"> <li>The Creation Unit size in case of Aditya Birla Sun Life S&amp;P BSE SENSEX ETF shall be 1,00,000 units and in multiples thereof.</li> </ul> <p><b>For Purchase / Sale of units through Stock Exchange:</b></p> <ul style="list-style-type: none"> <li>All categories of Investors may purchase / sale the units of the scheme through Stock exchange on which the units of the scheme are listed on any trading day in round lot of 1(one) Unit at the prevailing listed price.</li> <li><b>No switch-ins/switch-outs shall be allowed under the scheme on an ongoing basis.</b></li> </ul> <p><b>b) Minimum Redemption Amount</b> The Mutual Fund will redeem units only in Creation Unit size, i.e., not less than 1,00,000 units and multiples thereafter.</p> <p><b>From Exchange:</b> The minimum number of Units that can be bought or sold on the exchange is 1 (one) unit and in multiples of 1 unit.</p>
<p><b>Transparency / NAV Disclosure</b></p>	<p>The NAVs will be calculated and disclosed for every Business Day. NAV of the scheme will be calculated up to four decimal places. AMC shall update the NAV on the AMFI website (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and on the website of the Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) by 11.00 pm on the day of declaration of the NAV.</p> <p>In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>Further, the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p> <p>NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE / BSE) and will be updated during the market hours on its website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>. However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE / BSE) and update the Indicative NAV periodically on its website atleast once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market.</p> <p>In terms of SEBI regulations, a complete statement of the Scheme portfolio will be sent to all unitholders, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund.</p> <p>The portfolio of the Scheme (alongwith ISIN) shall also be disclosed on the website of Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.</p>
<p><b>Dematerialization</b></p>	<p><b>Units of the scheme shall be available and compulsorily be issued/ repurchased and traded in dematerialized form.</b></p> <p>An Investor intending to invest in the Scheme is required to have a beneficiary account with a Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant held with the DP.</p>

<b>Transfer of Units</b>	Units are freely transferable, the Asset Management Company shall on production of instrument of transfer together with the relevant documents, register the transfer within thirty days from the date of such production. Further, units held in demat form are transferable in accordance with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time. Transfer of units will be subject to payment of applicable stamp duty by the Unitholder(s).
<b>Benchmark Index</b>	S & P BSE Sensex TRI
<b>Load</b>	<p><b>Entry Load: Nil</b> In terms of para 10.4.1.a of SEBI Master Circular on Mutual Funds dated May 19, 2023, no entry load will be charged by the Scheme to the investor effective August 1, 2009.</p> <p><b>Exit Load: Nil</b> The units of the scheme shall be compulsorily traded in dematerialized form, and hence, there shall be no entry/exit load for the units purchased or sold through stock exchanges.</p> <p>However, the investor shall have to bear costs in form of bid/ask spread and brokerage or such other cost as charged by the broker for transacting in units of the Scheme through secondary market.</p> <p>The Load Structure is subject to change from time to time and shall be implemented prospectively and will be calculated on First in First Out (FIFO) basis. For further details on Load Structure, please refer <b>Section IV</b> of this Scheme Information Document.</p>
<b>Transaction Charges (For Lumpsum Purchases and SIP Investments routed through distributor / agent)</b>	<p>In accordance with para 10.5 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the AMC shall deduct the Transaction Charges on purchase / subscription of ₹10,000 and above received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor/agent (who have opted-in to receive the transaction charges on basis of type of product) as under:</p> <p><b>First Time Mutual Fund Investor (across Mutual Funds):</b> Transaction charge of ₹ 150/- for subscription of ₹10,000/- and above will be deducted from the subscription amount and paid to the distributor / agent of the first time investor. The balance of the subscription amount shall be invested and accordingly units allotted.</p> <p><b>Investor other than First Time Mutual Fund Investor:</b> Transaction charge of ₹ 100/- per subscription of ₹ 10,000/- and above will be deducted from the subscription amount and paid to the distributor/ agent of the investor. The balance of the subscription amount shall be invested and accordingly units allotted.</p> <p>However, Transaction charges in case of investments through Systematic Investment Plan (SIP) from first time mutual fund investor and investor other than first time mutual fund investor shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The transaction charges shall be deducted in 3-4 installments.</p> <p><b>Transaction charges shall not be deducted/applicable for :</b></p> <ul style="list-style-type: none"> <li>○ Purchases /subscriptions for an amount less than ₹ 10,000/-;</li> <li>○ Transaction other than purchases / subscriptions relating to new inflows such as Switches, STPs, Reinvestment of IDCW etc.</li> <li>○ Transactions carried out through the Stock Exchange Platforms for Mutual Funds.</li> </ul> <p><b>No transaction charges will be deducted for any purchase / subscription made directly with the Fund (i.e. not routed through any distributor/ agent).</b></p> <p>For further details on transaction charges refer to the section 'Transaction Charges'</p>

Investors in the Scheme are not being offered any guaranteed / assured returns.

Investors are advised to consult their Legal / Tax and other Professional Advisors with regard to tax / legal implications relating to their investments in the Scheme and before making decision to invest in or redeem the Units.

## Section I – INTRODUCTION

### A. RISK FACTORS

#### STANDARD RISK FACTORS

- Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Scheme will be achieved.
- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down depending on the various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor / AMC / Mutual Fund does not guarantee future performance of the Scheme and may not necessarily provide a basis of comparison with other investments.
- Aditya Birla Sun Life S&P BSE SENSEX ETF is the name of the Scheme and does not, in any manner, indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes beyond the initial contribution of ₹ 1,00,000 made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### SCHEME SPECIFIC RISK FACTORS

Some of the scheme specific risk factors are included as below but are not limited to the following:

#### Tracking Error & Tracking Difference:

##### Tracking Error Risk:

The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as the fees and expenses of the Scheme, corporate actions, cash balance and changes to the underlying index and regulatory restrictions, lack of liquidity which may result in Tracking Error. Hence it may affect AMC's ability to achieve close correlation with the underlying index of the Scheme. The Scheme's returns may therefore deviate from its underlying index. "Tracking Error" is defined as the standard deviation of the difference between daily returns of the underlying index and the NAV of the Scheme. The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible.

Tracking errors are inherent in any ETFs and such errors may cause the scheme to generate returns which are not in line with the performance of the Nifty Next 50 Index or one or more securities covered by / included in the Nifty Next 50 Index and may arise from a variety of factors including but not limited to:

- Any delay experienced in the purchase or sale of shares due to illiquidity of the market, settlement and realisation of sale proceeds and / or the registration of any securities transferred and / or any delays in receiving cash IDCW and resulting delays in reinvesting them.
- The Nifty Next 50 Index reflects the prices of securities at close of business hours. However, the Fund may buy or sell the securities at different points of time during the trading session at the then prevailing prices which may not correspond to the closing prices on the NSE.
- The constituent stocks of the underlying index may be revised periodically by either excluding or including new securities listing. In such an event, the Fund will endeavour to reallocate its portfolio but the available investment/disinvestment opportunities may not permit precise mirroring of the underlying index in a short period of time.
- The charging of expenses to the scheme including investment management fees and custodian fees.
- The potential for trades to fail, which may result the Schemes not having acquired shares at a price necessary to track the index.
- The holding of a cash position and accrued income prior to distribution and accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, etc.

AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, such tracking errors are not expected to exceed 2% per annum. However, this may vary due to the reasons mentioned above or any other reasons that may arise and particularly when the markets are very volatile.



In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMC, the tracking error may exceed 2% and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

The Scheme will disclose the tracking error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI. In case the Scheme has been in existence for a period of less than one year, the annualized standard deviation will be calculated based on available data.

**Tracking Difference:** The 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 year, 5 year, 10 year and since the date of allotment of units.

- **Liquidity Risk:** Trading in units of the scheme on the Exchange may be halted because of market conditions or for reasons that in view of the Exchange authorities or SEBI, trading in units of the scheme is not advisable. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to Stock Exchange(s) and SEBI "circuit filter" rules as applicable from time to time. There can be no assurance that the requirements of the exchange/s necessary to maintain the listing of units of the scheme will continue to be met or will remain unchanged.
- **Regulatory Risk:** Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Market Maker/ Large Investor to arbitrage resulting into wider premium/ discount to NAV.
- **Passive Management of Investments:** Scheme shall follow a passive investment strategy and shall provide exposure to constituents of the underlying index with an aim to track its performance and yield as closely as possible. The scheme's performance may be affected by the general price decline in the stock markets relating to the underlying Index. The scheme shall invest in constituents of the underlying index regardless of their investment merit. The scheme does not aim to take any defensive position in case of falling markets nor shall the scheme attempt to make individual stock selection. ETF being a passive management tool does not carry risk of active fund management. An actively managed mutual fund manager, on the other hand, can tailor portfolio holdings which are beyond the mandate of an ETF. ETFs are passively managed and hence the risk associated with the particular ETF corresponds closely to the risk of the underlying asset subclass the scheme is tracking.
- **Active Market:** Although the scheme is proposed to be listed on exchanges, there can be no assurance that an active secondary market will be developed or maintained. The AMC and the Trustees will not be liable for delay in trading of Units on Stock Exchange due to the occurrence of any event beyond their control. For an investor in less than creation unit size, exchange quotes may not be always available.
- **Redemption Risk:** Investors may note that even though this is an open ended scheme, the Scheme would repurchase units in creation unit size only. Thus, if the unit holding is less than the creation unit size then it can be sold only through the secondary market on the exchange where the units are listed, subject to rules and regulations of the Stock Exchange. The AMC will appoint Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.
- The market price of the ETF unit like any other listed security is largely dependent on two factors viz. the intrinsic value of the unit (or NAV) and demand and supply of the units in the market. Sizeable demand or supply of the units in exchange may lead to market price of the units to quote at premium or discount to NAV. And hence the units of the scheme may trade above or below the NAV. However given that the investors can transact with AMC directly beyond the creation unit size of the scheme there should not be a significant variation (large premium or discount) and it may not sustain due to the arbitrage opportunity available.
- The index reflects the prices of securities at a point in time, which is the price at close of business day on National Stock Exchange of India Limited (NSE) / BSE Limited (BSE). The scheme, however, may trade these securities at different points in time during the trading session and therefore the prices at which the scheme trades may not be identical to the closing price of each scrip on that day on the BSE. In addition, the scheme may opt to trade the same securities on different exchanges due to price or liquidity factors, which may also result in traded prices being at variance from BSE closing prices.
- The performance of the index will have a direct bearing on the performance of the scheme. Hence, any composition change made by the index service provider in terms of weightage or stocks selection will have an impact on the scheme.
- The scheme may not be able to acquire or sell the desired number of securities due to conditions prevailing in the securities market, such as, but not restricted to circuit filters in the securities, liquidity and volatility in security prices.
- The units of the scheme will be compulsorily issued in dematerialised form through depositories. The records of the depository are final with respect to the number of Units available to the credit of Unit holder. Settlement of trades, repurchase of Units by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control. Further, Investors may note that buying and selling units on stock exchange requires the investor to engage the services of a broker and are subject to payment of



margins as required by the stock exchange/ broker, payment of brokerage, securities transactions tax and such other costs.

#### **Risks associated with investment in Equity and Equity related instruments:**

- Equity and Equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors.
- The NAVs of schemes investing in equity will fluctuate as the daily prices of the individual securities in which they invest fluctuate and the units when redeemed may be worth more or less than their original cost.
- The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the units of the Scheme may fluctuate and can go up or down.
- In respect of investments in equity and equity-related instruments, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity-related securities. In the event of inordinately large number of redemptions or of a restructuring of the schemes' investment portfolio, there may be delays in the redemption of units.
- Within the regulatory limits, the Fund Manager may choose to invest in listed or to be listed securities that offer attractive yields. Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. This may however increase the risk of the portfolio. The liquidity and valuation of the schemes' investments due to their holdings of listed or to be listed securities may be affected if they have to be sold prior to their target date of disinvestments.
- Investment made in listed or to be listed equity or equity-related securities may only be realizable upon listing of these securities. Settlement problems could cause the Scheme to miss certain investment opportunities.
- Investors may note that Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- Though the constituent stocks of most indexes are typically liquid, liquidity differs across stocks. Due to the heterogeneity in liquidity in the capital market segment, trades on this segment may not get implemented instantly.

#### **Risk Factors associated with investments in Fixed Income Securities:**

The Scheme intends to invest not less than 95% its corpus in the securities representing S & P BSE Index. As this Scheme endeavors to earn returns that closely correspond to the total returns represented by S&P BSE SENSEX Index, the Scheme will have insignificant cash or debt/ market investments. Therefore, the Scheme is not significantly susceptible to risks associated with debt/ money markets.

- **Price-Risk or Interest-Rate Risk:** Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today's characteristic of the Indian fixed income market.
- **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Pre-payment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.
- Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively more risky than bonds, which are AAA rated.
- The above are some of the common risks associated with investments in fixed income and money market securities. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

**Risk Factors associated with Listing of units:**

- Listing of units of the scheme on stock exchange(s) does not necessarily guarantee liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained.
- Trading in the units of the Scheme on the Exchange may be halted because of market conditions, including any halt in the operations of Depository Participants or for reasons that in view of the Exchange Authorities or SEBI, trading in the units is suspended and / or restricted. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to stock exchange rules of 'circuit filter'. There can be no assurance that the requirements of Stock Exchange necessary to maintain the listing of units of scheme will continue to be met or will remain unchanged
- Further, the Scheme being listed on stock exchange, as per SEBI guidelines, no redemption / repurchase / switches of units will be allowed prior to maturity of the scheme. The investors wishing to redeem their units may do so through stock exchange at prevailing listed price on such Stock Exchange, if any.
- The Units of the scheme may trade above or below their face value / NAV. The NAV of the scheme will fluctuate with changes in the market value of schemes holdings. The trading prices of units of the scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand which may even lead the units to quote at significant premium or discount to NAV.
- There is a possibility that the Unitholders find it difficult or uneconomical to liquidate their investments at any particular time. As a result, investors in the scheme must be prepared to hold the units until the maturity under the Scheme.
- Regulatory Risk: Any changes in trading regulations by the Stock Exchange or SEBI, inter alia, may also result in wider premium/ discount to the NAV of the Scheme. Although the Units are proposed to be listed on the Stock Exchange, the AMC and the Trustees will not be liable for any loss suffered by investors due to delay in listing of units of the Scheme on the Stock Exchange or due to connectivity problems with the depositories due to the occurrence of any event beyond their control.
- As the units of the scheme may be held in electronic (Demat) mode through depositories, the records of the depository shall be final with respect to the number of units available to the credit of unitholder. Settlement of trades, redemption/IDCW payment, in lieu of such units held in electronic (demat) form, by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control.

**Risk Factors associated with Securities Lending and Borrowing:**

Securities Lending is lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. 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 lenders 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 intermedia. The Scheme may not be able to sell lent out securities, which can lead to temporary illiquidity & loss of opportunity.

**B. RISK CONTROL STRATEGIES**

The Scheme aims to track the S&P BSE SENSEX TRI as closely as possible before expenses. The index is tracked on a regular basis and changes to the constituents or their weights, if any, are replicated in the underlying portfolio with the purpose of minimizing tracking error.

Investments in equity and equity related securities and debt securities carry various risks such as inability to sell securities, trading volumes and settlement periods, interest rate risk, liquidity risk, default risk, reinvestment risk etc. Whilst such risks cannot be eliminated, they may be mitigated by diversification and hedging.

In order to mitigate the various risks, the portfolio of the Scheme will be constructed in accordance with the investment restriction specified under the Regulations which would help in mitigating certain risks relating to investments in securities market.

For risk control, the following may be noted:

**Liquidity risks:**

The 30 stocks in the S&P BSE SENSEX TRI are selected by applying liquidity as one of the criterion and hence the portfolio of the Scheme is highly liquid. The index is rebalanced based on certain criteria after which certain illiquid stocks are replaced by more liquid stocks. The fund manager makes the changes to the portfolio accordingly. Therefore liquidity issues in the scheme are not envisaged.

**Interest Rate Risk:**

Changes in interest rates affect the prices of bonds as well as equities. If interest rates rise the prices of bonds fall and vice versa. Equity might be negatively affected as well in a rising interest rate environment. A well diversified portfolio may help to mitigate this risk.

**Volatility risks:**

ETF being a passive investment carries lesser risk as compared to active fund management. The portfolio follows the index and therefore the level of stock concentration in the portfolio and its volatility would be the same as that of the index, subject to tracking error. Thus there is no additional element of volatility or stock concentration on account of fund manager

**C. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

As per provision 6.11.4.2 of para 6.4 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the provisions with respect to minimum number of investors and maximum holding for single investor are not applicable to an exchange traded fund and accordingly, these provisions shall not be applicable to Aditya Birla Sun Life S&P BSE SENSEX ETF.

**D. SPECIAL CONSIDERATIONS**

- Changes in Government Policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Schemes. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unitholder is advised to consult his / her own professional tax advisor.
- The NAV of the Schemes may be affected by changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in Statement of Additional Information (SAI) / Scheme Information Document.
- Mutual Funds are vehicles of securities investments that are subject to market and other risks and there can be no guarantee against loss resulting from investing in the Schemes. The various factors that impact the value of the Scheme's investments include, but are not restricted to, fluctuations in the bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc.
- Redemptions due to change in the fundamental attributes of the Schemes or due to any other reasons may entail tax consequences. The Trustees, the Mutual Fund, the AMC, their directors or their employees shall not be liable for any tax consequences that may arise.
- Growth, appreciation, IDCW, bonus, income, etc if any, referred to in this Document are subject to the tax laws and other fiscal enactments as they exist from time to time.
- Investors should study this Scheme Information Document carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before taking a decision to invest/redeem Units. Investors who intend to invest in the Scheme are required to and deemed to have understood the risk factors associated with the scheme.
- From time to time, funds managed by the associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme. Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective Units.
- A Unitholder may invest in the schemes and acquire a substantial portion of the scheme units. The repurchase of units by the Unitholder may have an adverse impact on the units of the schemes, because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- Within the regulatory limits, the AMC may choose to invest in listed or to be listed securities that offer attractive yields. Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. This may however increase the risk of the portfolio.
- Execution of investment strategies depends upon the ability of the fund manager to identify such opportunities which may not be available at all times and that the decisions made by the fund manager may not always be



profitable. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

- In respect of transaction in Units of the Scheme through Stock Exchange Platform for Mutual Funds, allotment and redemption of Units on any Business Day will depend upon the modalities of processing viz. collection of application form, the order processing / settlement by respective stock exchanges and their respective clearing corporations, on which the Fund has no control. Moreover, transactions conducted through the Stock Exchange Platform shall be governed by the guidelines and directives issued by respective recognised stock exchange(s).
- The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Riskometer categorizes the schemes of Fund under different levels of risk based on the respective scheme's investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the schemes falling under the same level of risk in the Riskometer may not be similar in nature. Investors are advised before investing to evaluate a scheme not only on the basis of the Product labeling (including the Riskometer) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall also consult their financial advisers, if they are unsure about the suitability of the scheme before investing. Further, pursuant to para 17.4.1. of SEBI Master Circular on Mutual Funds dated May 19, 2023, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on their website and on AMFI website within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on their website and AMFI website
- The AMC and its Registrar reserve the right to disclose/share investors' personal information with the following third parties:
  1. Registrar, Banks and / or authorised external third parties who are involved in transaction processing, dispatches, etc., of investors' investment in the Scheme;
  2. Distributors or Sub-brokers through whom applications of investors are received for the Scheme; or
  3. Any other organisations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.

Account statements or financial information pertaining to the investor, if it is to be sent over the internet to the Unitholder, distributors or any other entity as indicated above, will be sent only through a secure means and / or through encrypted electronic mail.

- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the investor. Further, the Mutual Fund may disclose details of the investor's account and transactions thereunder to any Regulatory/Statutory entities as per the provisions of law.
- Neither this Document nor the Units have been registered in any jurisdiction. The distribution of this Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.
- No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this Document. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.

- **Other Activities of ABSLAMC**

1. Aditya Birla Sun Life AMC Limited is registered with SEBI vide Registration Certificate no. PM/INP00000597 to act as Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993.
2. Aditya Birla Sun Life AMC Limited is also appointed as an investment manager to the Venture Capital Fund-Aditya Birla Real Estate Fund (bearing Registration No. IN/VCF/09-10/169 dated February 26, 2010) registered with SEBI under the SEBI (Venture Capital Funds) Regulations, 1996.
3. SEBI vide its letters dated August 20, 2009 having reference no. IMD/SM/174044/2009 and August 16, 2010 having reference no. IMD/SM/16522/10 granted its no-objection to Aditya Birla Sun Life AMC Limited (ABSLAMC) to set up wholly owned subsidiaries, namely; Aditya Birla Sun Life Asset Management Company Pte Ltd., incorporated in the Republic of Singapore under the Companies Act, Cap. 50 bearing license no CMSI00176-I; Aditya Birla Asset Management Company Ltd., incorporated in Dubai under the Companies Law, DIFC Law no.2 of 2009 bearing registration no. 0993, for undertaking fund management services, investment advisory services, distribution of financial products or any such permissible activity subject to SEBI (Mutual Funds) Regulations, 1996. Further, its subsidiary company, Aditya Birla Sun Life AMC (Mauritius) Limited (erstwhile Birla Sun Life AMC (Mauritius) Limited), is registered with Financial Service Commission and acts as Investment Manager to India Advantage Fund Limited, a Collective Investment Company set-up in Mauritius having license no. OC96002833 under approval of SEBI vide its letter dated April 18, 1996 having reference no. IIMARP/1108/96.



4. ABSLAMC also acts as an Investment Manager to Aditya Birla Real Estate Debt Fund (Category II) registered with Securities and Exchange Board of India (SEBI) on January 27, 2016 at Mumbai having registration number as IN/AIF2/15-16/0200.
5. Further, the Company has also received SEBI registration for Alternative Investment Fund (AIFs) Category III namely 'Aditya Birla Sun Life AIF Trust – I' under registration code IN/AIF3/17-18/0319 dated April 11, 2017 and AIF Category II namely 'Aditya Birla Sun Life AIF Trust – II' under registration code IN/AIF2/17- 18/0513 dated January 19, 2018.
6. Pursuant to the no-objection from SEBI vide its email dated July 15, 2020, ABSLAMC will offer non-binding Investment Advisory Services (including credit research) to Funds/Schemes managed by Aditya Birla Sun Life Asset Management Company Pte. Limited, a wholly owned subsidiary of ABSLAMC incorporated in Singapore. While undertaking the aforesaid business activity, ABSLAMC will ensure that (i) There is no conflict of interest with the activities of the Fund; (ii) Interest of the Unit holder(s) of the Schemes of the Fund are protected at all times; and (iii) This business activity is in Compliance with the provisions of Regulation 24(b) of SEBI (Mutual Funds) Regulations, 1996 and relevant circulars issued in this regard from time to time.
7. Pursuant to the no-objection from SEBI vide its letter dated August 02, 2022 and subsequent approval from International Financial Services Centres Authority ("IFSCA") on November 28, 2022, ABSLAMC will act as a "Registered Fund Management Entity (Non-Retail)" and will carry out Alternative Investment Fund ('AIF') and Portfolio Management Services (PMS) activities through a branch office in Gujarat International Finance Tec-City (GIFT City).

These activities are being undertaken in compliance with the provisions of Regulation 24(b) of SEBI (Mutual Funds) Regulations and such other applicable regulations and there is no conflict of interest.

- All rights in the SENSEX vest in BSE Limited (Formerly known as Bombay Stock Exchange Limited ("BSE")). S&P BSE and SENSEX are trademarks of S&P BSE and are used by Aditya Birla Sun Life AMC Limited under license and governed by the Index License Agreement. S&P BSE shall not be liable in any manner whatsoever (including in negligence) for any loss arising to any person whatsoever out of use of or reliance on the SENSEX by any person. The S&P BSE SENSEX Index (the Index) is published by Asia Index Private limited (AIPL) which is a joint venture among affiliates of S&P Dow Jones Indices LLC (SPDJI) and BSE Limited (BSE) and has been licensed for use by Aditya Birla Sun Life AMC Limited (ABSLAMC) (Licensee). Standard & Poor's and S&P are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). BSE and SENSEX are registered trademark of BSE. The trademarks have been licensed to AIPL and have been sublicensed for use for certain purposes by Licensee.

Licensee's Scheme Aditya Birla Sun Life S&P BSE SENSEX ETF (the Scheme) is not sponsored, endorsed, sold or promoted by AIPL, SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "S&P Dow Jones Indices") or BSE. None of AIPL, S&P Dow Jones Indices or BSE makes any representations or warranty, express or implied, to the owners of the Scheme or any member of the public regarding the advisability of investing in securities generally or in the Scheme particularly or the ability of the Index to track general market performance.

AIPL's, S&P Dow Jones Indices' and BSE's only relationship to Licensee with respect to the Index is the licensing of the Index and certain trademarks, service marks and / or trade names of AIPL's, S&P Dow Jones Indices, BSE and/or their licensors. The S&P BSE SENSEX TRI is determined, composed and calculated by AIPL or its agent without regard to Licensee or the Scheme. None of AIPL, S&P Dow Jones Indices or BSE are responsible for and have not participated in the determination of the prices, and amount of the Scheme or the timing of the issuance or sale of the Scheme or in the determination or calculation of the equation by which the Scheme is to be converted into cash, surrendered or redeemed, as the case may be. AIPL, S&P Dow Jones Indices and BSE have no obligation or liability in connection with the administration, marketing or trading of the Scheme. There is no assurance that investment in the Scheme based on the Index will accurately track index performance or provide positive investment returns. AIPL and S&P Dow Jones Indices

LLC are not investment advisors. Inclusion of a security within the index is not a recommendation by AIPL, S&P Dow Jones Indices or BSE to buy, sell or hold such security nor is it considered to be investment advise.

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## E. DEFINITIONS

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

<b>“AMC” or “Asset Management Company” or “Investment Manager” or “ABSLAMC”</b>	Aditya Birla Sun Life AMC Limited, incorporated under the provisions of Companies Act, 1956 and approved by the Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Aditya Birla Sun Life Mutual Fund.
<b>“Applicable NAV”</b>	The NAV applicable for purchase or redemption or switching, based on the time of the Business Day on which the application is accepted.
<b>"Market Maker"</b>	Member of the BSE Limited or any other recognised stock exchange or any other person who is appointed by the AMC to act as Market Maker to give two way quotes on the stock exchanges and who deal in Creation Unit size for the purpose of purchase and sale of units directly from the AMC.
<b>“Business Day”</b>	A day other than: Saturday and Sunday or A day on which the banks in Mumbai and / RBI are closed for business / clearing or A day on which the Stock Exchange, Mumbai is closed or A day, which is a public and /or bank holiday at a Investor Service Centre where the application is received or A day on which Sale and Repurchase of Units is suspended by the AMC or A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centers.
<b>"Call Money"/ "Money at Call"</b>	Refers to the money lent by Mutual Funds in the Interbank Call Money Market, subject to necessary regulatory approvals
<b>“Cash Component”</b>	Cash component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit. This difference will represent accrued interest, income earned by the Scheme, accrued annual charges including management fees and residual cash in the Scheme. In addition the Cash Component will include transaction cost as charged by the Custodian/DP and other incidental expenses for creating units. The cash component will vary from time to time and will be decided and announced by the AMC.
<b>“Consolidated Account Statement” or “CAS”</b>	Consolidated Account Statement is a statement containing details relating to all the transactions across all mutual funds viz. purchase, redemption, switch, payout of IDCW, reinvestment of IDCW, Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and bonus transactions, etc.
<b>"Creation Date"</b>	The date on which Units of the scheme are created.
<b>“Creation Unit”</b>	Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the Portfolio Deposit and a Cash Component equal to the value of 1,00,000 units of the Scheme or cash equal to the value of 1,00,000 units of the scheme. For redemption of units it is vice versa i.e. fixed number of units of Scheme are exchanged for Portfolio Deposit and Cash Component or cash equal to the value of 1,00,000 units of the scheme.  Each creation unit consists of 1,00,000 units of Aditya Birla Sun Life S&P BSE SENSEX ETF and in multiples thereof  The Portfolio Deposit and Cash Component are defined as follows:

	<p>Portfolio Deposit: Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.</p> <p>Cash Component: Cash component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit.</p> <p>The Portfolio Deposit and Cash Component for the Scheme may change from time to time and will be decided and announced by AMC.</p> <p>The creation unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.</p> <p>Units will not be created in the Scheme by accepting collaterals in the form of liquid schemes and other securities, or a letter or indemnification from bankers or the custodian bank etc. Hence, no kind of credit facility would be extended during Creation of Units.</p>
<b>"Custodian"</b>	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996
<b>"Depository"</b>	Depository as defined in the Depositories Act, 1996 (22 of 1996) and in this SID refers to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
<b>"Depository Participants"</b>	Depository Participant (DP) means a person registered as such under sub-section (1A) of section 12 of the SEBI Act, 1992.
<b>"Distributor"</b>	Such persons/firms/ companies/ corporates who fulfill the criteria laid down by SEBI / AMFI from time to time and empanelled by the AMC to distribute / sell /market the schemes of the Fund.
<b>"Exchange"</b>	In the context provided shall mean BSE Limited (BSE) or such other exchange where units of the Scheme will be listed.
<b>"Exchange Traded Fund" or "ETF"</b>	Exchange Traded Fund means a mutual fund scheme that invests in securities in the same proportion as an index of securities and the units of exchange traded fund are mandatorily listed and traded on exchange platform.
<b>"Exit Load" or "Redemption Load"</b>	Load on Redemption / Repurchase / Switch out Units.
<b>"Equity related instruments"</b>	Equity related instruments include convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and such other instrument as may be specified by the Board from time to time;
<b>"Fixed Income Securities"</b>	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Unincorporated SPVs and any other entities which may be recognized / permitted which yield a fixed or variable rate by way of interest, premium, discount or a combination of any of them.
<b>"Floating Rate Instruments"</b>	Floating rate instruments are debt / money market instruments issued by Central / State Governments, with interest rates that are reset periodically. The periodicity of interest reset could be daily, monthly, annually or any other periodicity that may be mutually agreed between the issuer and the Fund.
<b>"Foreign Portfolio Investor" or "FPI"</b>	<p>Means a person who satisfies the eligibility criteria prescribed under regulation 4 of SEBI (Foreign Portfolio Investors) Regulations, 2014 and has been registered under Chapter II of these regulations, which shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992.</p> <p>Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.</p>

<b>Income Distribution cum capital withdrawal (“IDCW”)</b>	When units are sold, and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account (investors capital) and this amount can be distributed to investors under this option.
<b>“Fund Manager”</b>	Person/s managing the scheme.
<b>Indicative Net Asset Value (iNAV)</b>	The per unit NAV based on the current market value of its portfolio during the trading hours of the ETF
<b>“Investment Management Agreement”</b>	The agreement dated December 16, 1994 entered into between Aditya Birla Sun Life Trustee Private Limited and Aditya Birla Sun Life AMC Limited, as amended from time to time.
<b>“Investor Service Centres” or “ISCs” or “Official Points of acceptance of transactions”</b>	Designated branches of Aditya Birla Sun Life AMC Limited or such other enters / offices as may be designated by the AMC from time to time. All these locations are official points of acceptance of transactions and cut-off time as mentioned in the Scheme Information Document shall be reckoned at these official points.
<b>“Large Investor”</b>	Large Investor for the purpose of subscription of Unit would mean Investors other than Market Makers who are eligible to invest in the Scheme by depositing Portfolio Deposit and/ or Cash Component for transactions above a specified threshold. Further Large Investor would also mean those Investors who would be Redeeming Units for transactions above a specified threshold.
<b>“Load”</b>	In the case of Repurchase / Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Repurchase / Redemption / Switch out and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit in addition to the Applicable NAV.
<b>“Money Market Instruments”</b>	Money Market Instruments include Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India/SEBI from time to time subject to regulatory approvals, if any
<b>“Mutual Fund” or “the Fund”</b>	Aditya Birla Sun Life Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
<b>“NAV”</b>	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
<b>“NRI”</b>	A Non-Resident Indian or a person of Indian origin residing outside India.
<b>“Overseas Citizen of India” or “OCI”</b>	A person registered as an overseas citizen of India by the Central Government under section 7A of ‘The Citizenship Act, 1955’. The Central Government may register as an OCI a foreign national (except a person who is or had been a citizen of Pakistan or Bangladesh or such other person as may be specified by Central Government by notification in the Official Gazette), who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at any time after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his/her children and grandchildren (including Minor children), provided his/her country of citizenship allows dual citizenship in some form or other under the local laws.
<b>“Person of Indian Origin” or “PIO”</b>	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or a person referred to in sub-clause (a) or (b).
<b>“Portfolio deposit”</b>	Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.
<b>“Qualified Foreign Investor” or “QFI”</b>	QFI shall mean a person who fulfills the following criteria: (i) Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and (ii) Resident in a country that is a signatory to IOSCO’s MMOU (Appendix A Signatories) or a signatory of a bilateral MOU with SEBI: Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on: (i) jurisdictions having a strategic Anti-Money

	<p>Laundering/ Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies:</p> <p>Provided further such person is not resident in India.</p> <p>Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor.</p> <p>Explanation: For the purposes of this definition: (1) The term "Person" shall carry the same meaning under Foreign Exchange Management Act (FEMA), 1999 and section 2(31) of the Income Tax Act, 1961; (2) The phrase "resident in India" shall carry the same meaning as in the FEMA 1999, and Income Tax Act, 1961; (3) "Resident" in a country, other than India, shall mean resident as per the direct tax laws of that country. (4) "Bilateral MoU with SEBI" shall mean a bilateral MoU between SEBI and the overseas regulator that inter alia provides for information sharing arrangements. (5) Member of FATF shall not mean an Associate member of FATF.</p>
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
"RBI Regulations"	Rules, regulations, guidelines or circulars as notified by RBI from time to time.
"Recognised Stock Exchange"	Stock exchanges recognized by SEBI.
"Redemption Price"	Redemption Price to an investor of Units under the Scheme computed in the manner indicated elsewhere in this SID.
"Registrar and Transfer Agent"	Computer Age Management Services Limited (CAMS) is currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.
"Repurchase / Redemption"	Repurchase / Redemption of Units of the Scheme as permitted.
"Repo/ Reverse Repo"	Sale/ Purchase of Government Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell at a later date.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the investor / applicant under the Scheme.
"Scheme Information Document" or "SID"	This document issued by Aditya Birla Sun Life Mutual Fund, inviting offer for subscription to the units of the scheme for subscription.
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Self-Certified Syndicate Bank" or "SCSB"	Means a banker to an issue registered with the SEBI, which offers the facility of ASBA.
"Single Consolidated Account" or "SCAS"	Single Consolidated Account Statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of IDCW, reinvestment of IDCW, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributors) and transaction in dematerialized securities across demat accounts of the investors and holding at the end of the month.
"Statement of Additional Information" or "SAI"	The document issued by Aditya Birla Sun Life Mutual Fund containing details of Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference & is legally a part of the Scheme Information Document.
"The Scheme"	Aditya Birla Sun Life S&P BSE SENSEX ETF
"Tri-party Repo"	Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the



	repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.
<b>"Tracking Error"</b>	Tracking Error is defined as the annualized standard deviation of the difference in the daily returns of the underlying index and the NAV of the Scheme
<b>"Transaction Handling Charges"</b>	Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the Mutual Fund may have to incur in the course of accepting the Portfolio Deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Maker or Large Investor.
<b>"Trustee"</b>	Aditya Birla Sun Life Trustee Private Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as Trustee to the schemes of Aditya Birla Sun Life Mutual Fund (ABSLMF).
<b>"Trust Deed"</b>	The Trust Deed dated December 16, 1994 (read with all amendments and supplemental trust deeds thereto) made by and between the Sponsor and Aditya Birla Sun Life Trustee Private Limited ("Trustee"), thereby establishing an irrevocable trust, called Aditya Birla Sun Life Mutual Fund as amended from time to time.
<b>"Unit"</b>	The interest of the Unit holder, which consists of, each Unit representing one undivided share in the assets of the Scheme.
<b>"Unit holder"</b>	A person holding Units in the Scheme of the Aditya Birla Sun Life Mutual Fund (ABSLMF) offered under this Scheme Information Document.

### Interpretation

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Scheme Information Document include the plural as well as the singular. Pronouns having a masculine or feminine gender shall be deemed to include the other. Words and expressions used herein but not defined herein shall have the meanings respectively assigned to them therein under the SEBI Act or the SEBI (MF) Regulations.

### F. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

The Asset Management Company confirms that a Due Diligence Certificate duly signed by the Compliance Officer of Aditya Birla Sun Life AMC Limited, has been submitted on October 31, 2023 which reads as follows:

#### Due Diligence Certificate

It is confirmed that:

- (i) The revised and updated Scheme Information Document forwarded 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 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 proposed 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.

**For Aditya Birla Sun Life AMC Limited**  
Sd/-

**Hemanti Wadhwa**  
Chief Compliance Officer

PLACE: Mumbai  
DATE: October 31, 2023

## Section II – INFORMATION ABOUT THE SCHEME

### A. TYPE OF THE SCHEME

Aditya Birla Sun Life S&P BSE SENSEX ETF is an open ended scheme replicating S&P BSE SENSEX TRI

### B. INVESTMENT OBJECTIVE

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of securities as represented by S&P BSE SENSEX TRI, subject to tracking errors

**The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.**

### C. ASSET ALLOCATION AND INVESTMENT PATTERN

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

Instrument	Normal Allocation (% of total Assets)	Risk Profile
Securities comprising of underlying benchmark Index	95 to 100%	Medium to high
Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days)	0 to 5%	Low

The net assets of the scheme will be invested predominantly in stocks constituting the S&P BSE SENSEX TRI. This would be done by investing in all the stocks comprising the S&P BSE SENSEX TRI in approximately the same weightage that they represent in the S&P BSE SENSEX TRI. A small portion of the net assets will be invested in money market instruments permitted by SEBI / RBI including call money market or in alternative investment for the call money market as may be provided by the RBI, to meet the liquidity requirements of the scheme.

The scheme does not intend to invest in securitized debt instruments, ADR, GDR and Foreign securities. The scheme does not intend to invest in Credit default Swaps, repo in corporate debt securities, short selling and/or derivative instruments.

The cumulative gross exposure through equity shall not exceed 100% of the net assets of the scheme.

AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, such tracking errors are not expected to exceed 2% per annum. However, this may vary due to the reasons mentioned above or any other reasons that may arise and particularly when the markets are very volatile.

Subject to SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997, para 12.11 of SEBI Master Circular on Mutual Funds dated May 19, 2023, as amended from time to time, the Scheme may engage in Stock Lending not more than 20% of the net assets of the Scheme.

#### Change in Asset Allocation

The Scheme, in general, will hold all the securities that comprise of underline Index in the same proportion as the index. Expectation is that, over a period of time, the tracking error of the Scheme relative to the performance of the Underlying Index will be relatively low.

The Investment Manager would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible.

The funds raised under the Scheme shall be invested only in securities as permitted by SEBI (Mutual Funds) Regulations, 1996.

Since the scheme is an exchange traded fund, it will endeavor that at no point of time the scheme will deviate from the index.



In the interest of investors, the AMC reserves the right to change the above asset allocation pattern due to corporate action activity undertaken in the underlying securities to bring it in line with the underlying index. Also, the AMC shall ensure that in case of involuntary corporate action (Refer note 1) undertaken in the underlying securities, the portfolio will be realigned to the constituents of S&P BSE Sensex TRI.

Pursuant to provisions of 3.6.7.1 of SEBI Master Circular on Mutual Funds dated May 19, rebalancing the portfolio of the Scheme shall be as follows:

- In case of change in constituents of the index due to periodic review, the portfolio will be rebalanced within 7 calendar days.
- Any transactions undertaken in the scheme portfolio in order to meet the redemption and subscription obligations will be done while ensuring that post such transactions replication of the portfolio with the index is maintained at all points of time.

## D. INVESTMENT BY SCHEME

The Scheme would invest in stocks comprising the underlying index and endeavour to track the benchmark index. The Scheme may also invest in money market instruments, in compliance with Regulations to meet liquidity requirements.

The corpus of the Scheme will be invested in money market instruments. Subject to the SEBI (MF) Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Money Market Instruments include Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India from time to time subject to regulatory approvals, if any.
2. Certificate of Deposits (CDs).
3. Commercial Paper (CPs).
4. Any other money market instruments as may be permitted by RBI/SEBI from time to time.

The securities mentioned above could be listed or to be listed, secured or unsecured, and of varying maturity, as enabled under SEBI Regulations/ circulars/ RBI. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals

The Scheme will track S & P BSE Index TRI and is a passively managed scheme. The investment decisions will be determined as per the S & P BSE Index TRI. In case of any change in the index due to corporate actions or change in the constituents of S & P BSE Index TRI, relevant investment decisions will be determined considering the composition of the S & P BSE Index TRI.

## E. INVESTMENT STRATEGY

The Scheme would invest not less than 95% of its corpus in stocks comprising the underlying index and endeavour to track the benchmark index while minimizing the tracking error and therefore would follow a passive investment strategy. The Scheme would aim to maintain least amount of cash and will also try and avoid investment in debt and money market securities. This would only be for the purpose of redemption requirements.

### Portfolio Turnover

The Scheme shall be a passively managed, open ended, exchange traded fund. It is therefore expected that there would be a number of subscriptions and redemptions on a daily basis through Market Makers and Large Investors. Generally, turnover will depend upon the extent of purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in Index.

The scheme has no explicit constraints either to maintain or limit the portfolio turnover. It would be also difficult to have any reasonable accuracy in estimating the likely portfolio turnover. However, the fund manager intends to avoid any transactions in the portfolio unless there is any subscription, redemption or change in the underlying Index. Thus, given the structure and objective of the portfolio, the portfolio turnover is likely to be low.

### Investment Process and Recording of Investment Decisions

The AMC through its various policies and procedures defines prudential and concentration limits to de-risk the portfolio. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The responsibility for the investment decisions is with the portfolio managers and the CEO of the AMC



does not have any role in the day to day decision making process. All the decisions will be recorded alongwith their justifications. The AMC and Trustee will review the performance of the scheme in their Board meetings. The performance would be compared with the performance of the benchmark index and with peer group in the industry.

#### **Investment in other Schemes**

The Scheme may, in line with its investment objectives, invest in another Scheme under the management of ABSLAMC or of any other Asset Management Company. The aggregate Interscheme investment by Aditya Birla Sun Life Mutual Fund under all its Schemes, other than fund of fund schemes, taken together, in another Scheme managed by ABSLAMC or in any other Scheme of any other Mutual Fund, shall not be more than 5% of the net asset value of the Fund. No fee shall be charged by the AMC on any investment in another Scheme under the management of ABSLAMC or of any other Asset Management Company.

#### **Investments in the Scheme by the AMC, Sponsor, or their Associate in the Scheme**

Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996 and para 6.9 of SEBI Master Circular on Mutual Funds dated May 19, 2023, AMC shall not be required to invest minimum amount as a percentage of AUM in the Scheme. However, the mandatory contribution already made by the AMCs in compliance with the applicable MF Regulations shall not be withdrawn.

The AMC may invest in the scheme during the continuous offer period subject to the SEBI (MF) Regulations 1996. As per the existing SEBI (MF) Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the scheme. The Sponsor, Trustee and their associates may invest in the scheme on an ongoing basis subject to SEBI (MF) Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time.

#### **Investment of Subscription Money**

Pending deployment of the funds of the Scheme in terms of the investment objective, the Scheme can invest the funds of the Scheme in short term deposits of scheduled commercial banks as per the guidelines given in para 12.16 of SEBI Master Circular on Mutual Funds dated May 19, 2023 and such other guidelines as may be specified by SEBI from time to time.

#### **Borrowing by the Mutual Fund**

Under the SEBI (MF) Regulations, the Mutual Fund is allowed to borrow to meet the temporary liquidity requirements of its Scheme for the purpose of Redemption of Units or the payment of interest or IDCW to the Unit holders. Further, as per the SEBI (MF) Regulations, the Mutual Fund shall not borrow more than 20% of the Net Assets of the scheme and the duration of such borrowing shall not exceed a period of six months. The Mutual Fund may raise such borrowings after approval by the Trustee from Sponsor or any of its Associate / Group Companies or Banks in India or any other entity at market related rates prevailing at the time and applicable to similar borrowings. The security for such borrowings, if required, will be as determined by the Trustee.

#### **Differentiation with Existing Schemes of Aditya Birla Sun Life Mutual Fund:**



Name of Existing Scheme	Asset Allocation Pattern			Primary Investment Pattern	Differentiation	AUM in Crs. (as on September 30, 2023)	No. Of Folios (as on September 30, 2023)														
ADITYA BIRLA SUN LIFE NIFTY 50 ETF	<table border="1"> <thead> <tr> <th data-bbox="272 277 416 416" rowspan="2">Instruments</th> <th colspan="2" data-bbox="424 277 676 360">Indicative Asset Allocation (% of total assets)</th> <th data-bbox="676 277 780 416" rowspan="2">Risk Profile</th> </tr> <tr> <th data-bbox="424 360 549 416">Minimum</th> <th data-bbox="549 360 676 416">Maximum</th> </tr> </thead> <tbody> <tr> <td data-bbox="272 416 416 546">Securities comprising of underlying benchmark Index</td> <td data-bbox="424 416 549 546">95%</td> <td data-bbox="549 416 676 546">100%</td> <td data-bbox="676 416 780 546">Medium</td> </tr> <tr> <td data-bbox="272 546 416 651">Debt &amp; Money market instruments*</td> <td data-bbox="424 546 549 651">0%</td> <td data-bbox="549 546 676 651">5%</td> <td data-bbox="676 546 780 651">Low to Medium</td> </tr> </tbody> </table>	Instruments	Indicative Asset Allocation (% of total assets)		Risk Profile	Minimum	Maximum	Securities comprising of underlying benchmark Index	95%	100%	Medium	Debt & Money market instruments*	0%	5%	Low to Medium			<p>The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by Nifty 50 TRI, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There can be no assurance that the scheme objectives will be achieved.</p>	An open ended scheme replicating NIFTY 50 TR Index	1,714.30	1,45,382
Instruments	Indicative Asset Allocation (% of total assets)		Risk Profile																		
	Minimum	Maximum																			
Securities comprising of underlying benchmark Index	95%	100%	Medium																		
Debt & Money market instruments*	0%	5%	Low to Medium																		
Aditya Birla Sun Life S&P BSE SENSEX ETF	<table border="1"> <thead> <tr> <th data-bbox="328 768 496 887">Instrument</th> <th data-bbox="496 768 632 887">Normal Allocation (% of total assets)</th> <th data-bbox="632 768 727 887">Risk Profile</th> </tr> </thead> <tbody> <tr> <td data-bbox="328 887 496 1016">Securities comprising of underlying benchmark Index</td> <td data-bbox="496 887 632 1016">95 to 100%</td> <td data-bbox="632 887 727 1016">Medium to high</td> </tr> <tr> <td data-bbox="328 1016 496 1193">Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days)</td> <td data-bbox="496 1016 632 1193">0 to 5%</td> <td data-bbox="632 1016 727 1193">Low</td> </tr> </tbody> </table>	Instrument	Normal Allocation (% of total assets)	Risk Profile	Securities comprising of underlying benchmark Index	95 to 100%	Medium to high	Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days)	0 to 5%	Low			<p>The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of securities as represented by S&amp;P BSE SENSEX TRI, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	An open ended scheme replicating BSE SENSEX index	416.91	3,202					
Instrument	Normal Allocation (% of total assets)	Risk Profile																			
Securities comprising of underlying benchmark Index	95 to 100%	Medium to high																			
Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days)	0 to 5%	Low																			
Aditya Birla Sun Life Nifty Next 50 ETF	<table border="1"> <thead> <tr> <th data-bbox="272 1357 480 1464">Instrument</th> <th data-bbox="488 1357 624 1464">Normal Allocation (% of total Assets)</th> <th data-bbox="624 1357 780 1464">Risk Profile</th> </tr> </thead> <tbody> <tr> <td data-bbox="272 1464 480 1572">Equities and Equity Linked instruments covered by the underlying Index</td> <td data-bbox="488 1464 624 1572">95% to 100%</td> <td data-bbox="624 1464 780 1572">Medium to High</td> </tr> <tr> <td data-bbox="272 1572 480 1709">Cash/Money Market Instruments* and Units of Liquid Mutual Fund</td> <td data-bbox="488 1572 624 1709">0% to 5%</td> <td data-bbox="624 1572 780 1709">Low</td> </tr> </tbody> </table>	Instrument	Normal Allocation (% of total Assets)	Risk Profile	Equities and Equity Linked instruments covered by the underlying Index	95% to 100%	Medium to High	Cash/Money Market Instruments* and Units of Liquid Mutual Fund	0% to 5%	Low			<p>The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by Nifty Next 50, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	An Open ended Scheme tracking Nifty Next 50 Index	66.87	46,76					
Instrument	Normal Allocation (% of total Assets)	Risk Profile																			
Equities and Equity Linked instruments covered by the underlying Index	95% to 100%	Medium to High																			
Cash/Money Market Instruments* and Units of Liquid Mutual Fund	0% to 5%	Low																			



<p>Aditya Birla Sun Life Nifty Bank ETF</p>	<table border="1"> <thead> <tr> <th data-bbox="271 190 422 280">Instrument</th> <th data-bbox="430 190 558 280">Normal Allocation (% of total Assets)</th> <th data-bbox="566 190 662 280">Risk Profile</th> </tr> </thead> <tbody> <tr> <td data-bbox="271 291 422 392">Stocks comprising Nifty Bank Index</td> <td data-bbox="430 291 558 392">95 to 100%</td> <td data-bbox="566 291 662 392">Medium to High</td> </tr> <tr> <td data-bbox="271 403 422 481">Debt/money market instruments*</td> <td data-bbox="430 403 558 481">0 to 5%</td> <td data-bbox="566 403 662 481">Low</td> </tr> </tbody> </table>	Instrument	Normal Allocation (% of total Assets)	Risk Profile	Stocks comprising Nifty Bank Index	95 to 100%	Medium to High	Debt/money market instruments*	0 to 5%	Low	<p>The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty Bank Index. However, the performance of Scheme may differ from that of the underlying index due to tracking error.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	<p>An Open ended exchange traded fund tracking Nifty Bank Index</p>	<p>2,931.83</p>	<p>9,064</p>					
Instrument	Normal Allocation (% of total Assets)	Risk Profile																	
Stocks comprising Nifty Bank Index	95 to 100%	Medium to High																	
Debt/money market instruments*	0 to 5%	Low																	
<p>Aditya Birla Sun Life Gold ETF</p>	<table border="1"> <thead> <tr> <th data-bbox="271 862 422 940" rowspan="2">Instrument</th> <th colspan="2" data-bbox="430 862 662 940">Indicative Asset Allocation (% of total assets)</th> <th data-bbox="670 862 774 940" rowspan="2">Risk Profile</th> </tr> <tr> <th data-bbox="430 952 534 985">Minimum</th> <th data-bbox="542 952 662 985">Maximum</th> </tr> </thead> <tbody> <tr> <td data-bbox="271 996 422 1064">Physical gold</td> <td data-bbox="430 996 534 1064">95%</td> <td data-bbox="542 996 662 1064">100%</td> <td data-bbox="670 996 774 1064">Medium</td> </tr> <tr> <td data-bbox="271 1075 422 1198">Debt &amp; Money market instruments (including Cash and Cash Equivalent)</td> <td data-bbox="430 1075 534 1198">0%</td> <td data-bbox="542 1075 662 1198">5%</td> <td data-bbox="670 1075 774 1198">Low to Medium</td> </tr> </tbody> </table>	Instrument	Indicative Asset Allocation (% of total assets)		Risk Profile	Minimum	Maximum	Physical gold	95%	100%	Medium	Debt & Money market instruments (including Cash and Cash Equivalent)	0%	5%	Low to Medium	<p>The investment objective of the Scheme is to generate returns that are in line with the performance of gold, subject to tracking errors.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	<p>An open ended scheme tracking physical price of Gold</p>	<p>610.85</p>	<p>13,317</p>
Instrument	Indicative Asset Allocation (% of total assets)		Risk Profile																
	Minimum	Maximum																	
Physical gold	95%	100%	Medium																
Debt & Money market instruments (including Cash and Cash Equivalent)	0%	5%	Low to Medium																
<p>Aditya Birla Sun Life Nifty Healthcare ETF</p>	<table border="1"> <thead> <tr> <th data-bbox="271 1299 422 1377" rowspan="2">Instrument</th> <th colspan="2" data-bbox="430 1299 662 1377">Indicative Asset Allocation (% of total assets)</th> <th data-bbox="670 1299 774 1377" rowspan="2">Risk Profile</th> </tr> <tr> <th data-bbox="430 1388 534 1422">Minimum</th> <th data-bbox="542 1388 662 1422">Maximum</th> </tr> </thead> <tbody> <tr> <td data-bbox="271 1433 422 1579">Equity &amp; Equity related instruments constituting Nifty Healthcare TRI</td> <td data-bbox="430 1433 534 1579">95%</td> <td data-bbox="542 1433 662 1579">100%</td> <td data-bbox="670 1433 774 1579">Medium</td> </tr> <tr> <td data-bbox="271 1590 422 1713">Cash, Money Market &amp; Debt instruments</td> <td data-bbox="430 1590 534 1713">0%</td> <td data-bbox="542 1590 662 1713">5%</td> <td data-bbox="670 1590 774 1713">Low to Medium</td> </tr> </tbody> </table>	Instrument	Indicative Asset Allocation (% of total assets)		Risk Profile	Minimum	Maximum	Equity & Equity related instruments constituting Nifty Healthcare TRI	95%	100%	Medium	Cash, Money Market & Debt instruments	0%	5%	Low to Medium	<p>The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Healthcare TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	<p>Aditya Birla Sun Life Nifty Healthcare ETF is an open ended exchange traded fund tracking Nifty Healthcare TRI</p>	<p>33.87</p>	<p>1,02,802</p>
Instrument	Indicative Asset Allocation (% of total assets)		Risk Profile																
	Minimum	Maximum																	
Equity & Equity related instruments constituting Nifty Healthcare TRI	95%	100%	Medium																
Cash, Money Market & Debt instruments	0%	5%	Low to Medium																



Aditya Birla Sun Life Nifty IT ETF	<b>Instrument</b>	<b>Indicative Asset Allocation (% of total assets)</b>		<b>Risk Profile</b>	<p>The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Information Technology TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved</p>	Aditya Birla Sun Life Nifty IT ETF is an open ended exchange traded fund tracking Nifty IT TRI	141.61	5,882
		<b>Minimum</b>	<b>Maximum</b>					
	Equity & Equity related instruments constituting Nifty IT TRI	95%	100%	Medium				
	Cash, Money Market & Debt instruments	0%	5%	Low to Medium				
Aditya Birla Sun Life Silver ETF	<b>Instrument</b>	<b>Indicative Asset Allocation (% of total assets)</b>		<b>Risk Profile</b>	<p>The investment objective of the scheme is to generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	An open ended exchange traded fund tracking physical price of Silver	266.40	12,851
		<b>Minimum</b>	<b>Maximum</b>					
	Silver and Silver related Instruments	95%	100%	Medium				
	Debt & Money market instruments (including Cash and Cash Equivalent)	0%	5%	Low to Medium				
Aditya Birla Sun Life Nifty 200 Momentum 30 ETF	<b>Instrument</b>	<b>Indicative Asset Allocation (% of total assets)</b>		<b>Risk Profile</b>	<p>The investment objective of the Scheme is to generate returns that are in line with the performance of Nifty 200 Momentum 30 Index, subject to tracking errors.</p> <p>The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</p>	An open ended exchange traded fund tracking Nifty 200 Momentum 30 TRI	14.56	2,336
		<b>Minimum</b>	<b>Maximum</b>					
	Equity & Equity related instruments constituting Nifty 200 Momentum 30 TRI	95%	100%	Very High				
	Cash, Money Market & Debt instruments	0%	5%	Low to Medium				



Aditya Birla Sun Life Nifty 200 Quality 30 ETF	<b>Instrument</b>	<b>Indicative Asset Allocation (% of total assets)</b>		<b>Risk Profile</b>	The investment objective of the Scheme is to generate returns that are in line with the performance of Nifty 200 Quality 30 Index, subject to tracking errors.  The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.	An open ended exchange traded fund tracking Nifty 200 Quality 30 TRI	12.35	7,215
		<b>Minimum</b>	<b>Maximum</b>					
	Equity & Equity related instruments constituting Nifty 200 Quality 30 TRI	95%	100%	Very High				
	Cash, Money Market & Debt instruments	0%	5%	Low to Medium				
Aditya Birla Sun Life CRISIL Liquid Overnight ETF	Under normal circumstances, the asset allocation of the Scheme will be as follows:				The investment objective of the Scheme is to generate returns corresponding to the total returns of the securities as represented by the CRISIL Liquid Overnight Index before expenses, subject to tracking errors.  The Scheme does not guarantee/indicate any returns. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved.	An open-ended Exchange Traded Fund replicating the CRISIL Liquid Overnight Index. A relatively low interest rate risk and relatively low credit risk.	55.81	109
	<b>Instrument</b>	<b>Allocation (% of total Assets)</b>		<b>Risk Profile</b>				
		<b>Minimum</b>	<b>Maximum</b>					
	Instruments comprising CRISIL Liquid Overnight Index	95 %	100%	Low				
	Cash and Money Market instruments	0 %	5%	Low				
*Money Market Instruments include commercial papers, commercial bills, treasury bills, and Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, Triparty repo on Government securities or treasury bills and any other like instruments as specified by the Reserve Bank of India from time to time.								

**F. EXCHANGE TRADED FUND (ETF)**

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

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

ETFs have all the benefits of indexing such as diversification, low cost and transparency. As ETFs are listed on the exchange, costs of distribution are much lower and the reach is wider. These savings in cost are passed on to the investors in the form of lower costs. Furthermore, exchange traded mechanism helps reduce minimal collection, disbursement and other processing charges. The structure of ETFs is such that it protects long-term investors from inflows and outflows of short-term investor. This is because the fund does not bear extra transaction cost when buying/selling due to frequent subscriptions and redemptions.



Tracking Error of ETFs is likely to be low as compared to a normal index fund. Due to the Creation/Redemption of units through the in-kind mechanism the mutual fund can keep lesser funds in cash. Also, time lag between buying/selling units and the underlying shares is much lower.

ETFs are highly flexible and can be used as a tool for gaining instant exposure to the equity markets, equitising cash or for arbitraging between the cash and futures market.

**Benefits of ETFs**

- a. Can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
- b. Can be bought / sold anytime during market hours at prices that are expected to be close to actual NAV of the Scheme. Thus, investor invests at real-time prices as opposed to end of day prices.
- c. No separate form filling for buying / selling units. It is just a phone call to your broker or a click on the net.
- d. Ability to put limit orders.
- e. Minimum investment for an ETF is one unit.
- f. Protects long-term investors from the inflows and outflows of short-term investors.
- g. Flexible as it can be used as a tool for gaining instant exposure to the equity markets, equitising cash, hedging or for arbitraging between the cash and futures market.
- h. Helps in increasing liquidity of underlying cash market.
- i. Aids low cost arbitrage between futures and cash market.

**Risks of ETFs**

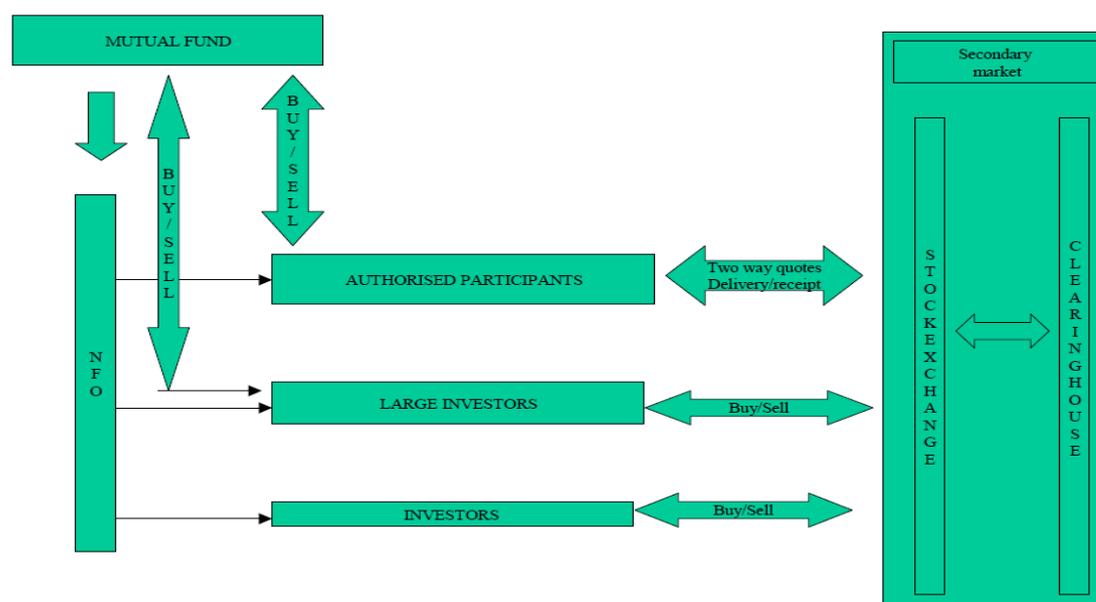
a. Absence of Prior Active Market: Although the units of ETFs are listed on the Stock Exchange for trading, there can be no assurance that an active secondary market will develop or be maintained.

b. Lack of Market Liquidity: Trading in units of ETFs on the Stock Exchange on which it is listed may be halted because of market conditions or for reasons that, in the view of the concerned Stock Exchange or Market Regulator, trading in the ETF Units is inadvisable. In addition, trading in the units of ETFs is subject to trading halts caused by extraordinary market volatility pursuant to ‘circuit filter’ rules. There can be no assurance that the requirements of the concerned Stock Exchange necessary to maintain the listing of the units of ETFs will continue to be met or will remain unchanged.

c. Units of Exchange Traded Funds May Trade at Prices Other than NAV: Units of ETFs may trade above or below their NAV. The NAV of Units of ETFs may fluctuate with changes in the market value of a Scheme’s holdings.

The trading prices of units of ETF will fluctuate in accordance with changes in their NAVs as well as market supply and demand. However, given that ETFs can be created/ redeemed in Creation Units, directly with the fund, large discounts or premiums to the NAVs will not sustain due to arbitrage possibility available.

**ILLUSTRATION OF WORKING OF ADITYA BIRLA SUN LIFE S&P BSE Sensex ETF**



#### Procedure for creation of units in Creation Unit size:

- The Fund/AMC allows cash/exchange of Portfolio Deposit for Purchase of Units of the Scheme in Creation Unit size by Large Investors Market Makers.
- Purchase request for Creation Unit shall be made by such Investor to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio Securities. The Portfolio Deposit and/or Cash Component will be exchanged for units of the Scheme in Creation Unit size.

**Creation of Units in exchange of Portfolio Deposit:** The requisite Securities constituting the Portfolio Deposit have to be transferred to the Fund's Depository Participant account while the Cash Component has to be paid to the Custodian/AMC. On confirmation of the same by the Custodian/AMC, the AMC will create and transfer the equivalent number of Units of the Scheme into the Investor's Depository Participant account and pay/ recover the Cash Component and transaction handling charges, if any.

**Creation of Units in Cash:** For subscription of Units of the Scheme in Creation Unit Size will be made by payment of requisite Cash, as determined by the AMC equivalent to the cost incurred towards the purchase of predefined basket of securities that represent the underlying index (i.e. portfolio deposit), Cash Component and transaction handling charges, if any, only by means of payment instruction of Real Time Gross Settlement (RTGS) / National Electronic Funds Transfer (NEFT) or Funds Transfer Letter / Transfer Cheque of a bank where the Scheme has a collection account.

- The Creation Unit will be subject to transaction handling charges incurred by the Fund/AMC. Such transaction handling charges shall be recoverable from the transacting Market MakersMarket Makers or Large Investor.
- The Portfolio Deposit and/or Cash Component for units of the Scheme may change from time to time due to changes in the Underlying Index on account of corporate actions and changes to the index constituents.

The investors are requested to note that the Units of the Scheme will be credited into the Investor's Depository Participant account only on receipt of Cash Component and transaction handling charges, if any.

#### Procedure for Redemption in Creation Unit size

- The requisite number of Units of the Scheme equivalent to the Creation Unit has to be transferred to the Fund's Depository Participant account and the Cash Component to be paid to the AMC/Custodian.
- On confirmation of the same by the AMC, the AMC will transfer the Portfolio Deposit to the Investor's Depository Participant account and pay/recover the Cash Component and transaction handling charges, if any.
- The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Large Investors/ Market Makers.
- Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor.

Accordingly, the sale proceeds of portfolio Securities, after adjusting the Cash Component and transaction handling charges will be remitted to the Investor.

#### Note:

1. The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.
2. Transaction handling charges include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/redemption or accepting the Portfolio Deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Makersor Large Investor.
3. The Portfolio Deposit and / or Cash Component for the Scheme may change from time to time due to change in NAV.
4. The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying securities.
5. Large investors can transact directly with the Fund for an amount greater than INR 25 crores.

#### Exit opportunity for investors other than Authorised Participants and Large Investors

Investors, other than Market Makers, can sell units in less than Creation Unit Size of the Scheme directly to the Mutual Fund without any exit load in the following cases if:

- d. Traded price (closing price) of the ETF units is at a discount of more than 1% to the end day NAV for 7 continuous trading days; or
- e. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days; or
- f. Total bid size on the exchange(s) is less than half of the Creation Unit 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.

In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds. The mutual fund will track the aforesaid liquidity criteria on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be displayed on website [www.mutualfund.adityabirlacapital.com](http://www.mutualfund.adityabirlacapital.com).

## ABOUT THE INDEX

SENSEX, first compiled in 1986, was calculated on a “Market Capitalization-Weighted” methodology of 30 component stocks representing largest, most liquid and financially sound companies across key sectors of the Indian economy that are listed at BSE Ltd. The base year of SENSEX was taken as 1978-79. SENSEX today is widely reported in both domestic and international markets through print as well as electronic media. It is scientifically designed and is based on globally accepted construction and review methodology. The Index represents large-cap companies listed at BSE Ltd. and is calculated based on a float-adjusted market-cap-weighted methodology. Widely used as both a benchmark and an investable index, the S&P BSE SENSEX TRI has a long history of more than 30 years and covers more than 50% of the total market cap of the listed universe at BSE Limited. The index generally attempts to maintain index sector weights that are broadly in line with the overall market.

The scrips and the weightages of the S&P BSE SENSEX TRI as on September 30, 2023 are as follows:

Name	Weight
Asian Paints Ltd	1.83%
Axis Bank Ltd	3.84%
Bajaj Finance Ltd	2.74%
Bajaj Finserv Ltd	1.16%
Bharti Airtel Ltd	3.19%
HCL Technologies Ltd	1.83%
HDFC Bank Ltd	15.35%
Hindustan Unilever Ltd	3.03%
ICICI Bank Ltd	8.86%
IndusInd Bank Ltd	1.30%
Infosys Ltd	6.73%
ITC Ltd	5.22%
JSW Steel Ltd	0.95%
Kotak Mahindra Bank Ltd	3.37%
Larsen & Toubro Ltd	4.84%
Mahindra & Mahindra Ltd	1.96%
Maruti Suzuki India Ltd	1.89%
Nestle India Ltd	1.18%
NTPC Ltd	1.53%
Power Grid Corp of India Ltd	1.25%
Reliance Industries Ltd	10.92%

State Bank of India	2.97%
Sun Pharmaceutical Industries Ltd	1.65%
Tata Consultancy Services Ltd	4.74%
Tata Motors Ltd	1.54%
Tata Steel Ltd	1.32%
Tech Mahindra Ltd	0.96%
Titan Co Ltd	1.78%
UltraTech Cement Ltd	1.33%
Wipro Ltd	0.74%

## F. FUNDAMENTAL ATTRIBUTES

Following are the fundamental attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI Regulations

- **Type of Scheme:** An open ended scheme replicating BSE SENSEX TRI.
- **Investment objective:** The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by S&P BSE SENSEX TRI, subject to tracking errors.

**The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.**

- **Asset Allocation Pattern:**

Please refer to 'Section II – C. Asset Allocation and Investment Pattern' of this SID for details.

- **Terms of Issue: Listing/Redemption Of Units:**

As mentioned in Section III B of this SID

- **Aggregate Fees and Expenses**

Please refer to 'Section IV. Fees and Expenses' of this SID.

- **Any Safety Net or Guarantee provided:**

This Scheme does not provide any guaranteed or assured return to its Investors

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and subject to SEBI approval, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal
- A written communication about the proposed change is sent to each Unitholders and an 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; and
- The unitholders are given an option to exit at the prevailing Net Asset Value without any exit load for a period of atleast 30 days.

In addition to the conditions specified under Regulation 18 (15A) for bringing change in the fundamental attributes of the Scheme, the Trustees shall take comments of the Board before bringing such change(s).

## G. BENCHMARK

The performance of the scheme will be benchmarked to the performance of **S&P BSE SENSEX TRI**

### ABOUT THE INDEX:

The Benchmark Index is S&P BSE SENSEX TRI as the Scheme will be invested predominantly in stocks constituting the S&P BSE SENSEX TRI and hence, it is most suitable for evaluating performance of the scheme.

## H. FUND MANAGER

Mr. Pranav Gupta and Mr. Haresh Mehta would be the designated Fund Managers of the Scheme.

Name	Age	Educational Qualifications	Experience	Managing Scheme Since	Tenure
Mr. Pranav Gupta	32 years	Master in Management Studies– Finance from N.L Dalmia Institute of Management Studies and Research.	He has over 5 years of experience in capital market across segments such as derivative sales trading and Alternative Research. Prior to joining Aditya Birla Sun Life AMC Limited, he was part of the Alternate Research and Strategy department at Centrum Broking Limited and has also worked with OHM Stock Broker Pvt. Ltd .	June 8, 2022	1.4 years

**Names of other schemes under the management of Mr. Pranav Gupta:**

Name of the Scheme	Fund responsibilities jointly with
Aditya Birla Sun Life Arbitrage Fund	Mr. Lovelish Solanki
Aditya Birla Sun Life Equity Savings Fund	Mr. Vishal Gajwani and Mr. Harshil Suvarnkar
Aditya Birla Sun Life Gold Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 200 Momentum 30 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 200 Quality 30 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Bank ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Healthcare ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty IT ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Next 50 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Next 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Silver ETF Fund of Fund	Mr. Haresh Mehta

Name	Age	Educational Qualifications	Experience	Managing Scheme Since	Tenure
Mr. Haresh Mehta	39 years	B. Com. And MBA (International Business Management) from Sikkim Manipal University	Mr. Haresh Mehta has work experience of over 16 years in dealing related activities. Prior to joining Aditya Birla Sun Life AMC Limited, he was associated with Baroda BNP Paribas Asset Management India Pvt. Ltd for over 4 years as a Dealer and Investment Support. He has also worked for over 11 years as a Trader in Institutional equities with First Global Stockbroking Pvt. Ltd.	April 1, 2023	0.6 years

**Names of other schemes under the management of Mr. Haresh Mehta:**

Name of the Scheme	Fund responsibilities jointly with
Aditya Birla Sun Life Gold Fund	Mr. Pranav Gupta



Aditya Birla Sun Life Nifty 200 Momentum 30 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 200 Quality 30 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Bank ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Healthcare ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty IT ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Silver ETF Fund of Fund	Mr. Pranav Gupta

## I. INVESTMENT RESTRICTIONS FOR THE SCHEME

All investments by the Scheme and the Mutual Fund will be within the investment restrictions as specified in the SEBI (MF) Regulations. Pursuant to the SEBI (MF) Regulations, the following investment and other restrictions are presently applicable to the scheme:

- All investments by the Scheme shall be made only in listed or to be listed equity shares and equity related instruments.
- The Scheme shall not own more than 10% of any company's paid up capital carrying voting rights.
- The Mutual Fund under all its Scheme shall not own more than 10% of any company's paid up capital carrying voting rights.  
Provided, for investments in asset management company or trustee company of other mutual fund, collective investment of sponsor of a mutual fund, its associate and/or its group company, and its AMC through Schemes should be considered for calculating 10% voting rights.
- Investment in unrated debt and money market instruments (other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc.) by the Scheme shall not exceed 5% of the net assets of the Scheme. However, all such investments shall be made with the prior approval of the Board of AMC and Trustees.
- The Scheme may invest in other schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the Schemes under the same management or in schemes under management of any other Asset Management Company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other schemes of the fund or in the schemes of any other Mutual Fund.
- 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.
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided the same are in line with para 12.30 of SEBI Master Circular on Mutual Funds dated May 19, 2023
- The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
- The Mutual fund 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.
- Pending deployment of the corpus of the Scheme in securities in terms of investment objective, the Fund can invest the corpus of the Scheme in short term deposits of scheduled commercial banks in accordance with the guidelines issued by SEBI. Accordingly, as presently prescribed, the requirements of in para 12.16 of SEBI Master Circular on Mutual Funds dated May 19, 2023 and such other guidelines as may be specified by SEBI from time to time:
  - "Short Term" for parking of funds shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
  - The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with the approval of the Trustee.



- Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- The Scheme shall not park funds in short-term deposit of a bank which has invested in the Scheme. The bank in which a scheme has short-term deposit shall not invest in the scheme until the scheme has short-term deposit with such bank.

The AMC will not charge any investment management and advisory fees for funds under the Scheme parked in short term deposits of scheduled commercial banks.

The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market. However, all term deposits placed as margins shall be disclosed in the half yearly portfolio statements under a separate heading. Details such as name of bank, amount of term deposits, duration of term deposits, percentage of NAV should be disclosed.

- The Mutual Fund shall not borrow except to meet temporary liquidity needs of the Mutual Fund for the purpose of repurchase / redemption of Units or payment of interest and IDCW to the Unitholders.

Provided that the Mutual Fund shall not borrow more than 20% of the net assets of any individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

- The entire Scheme's investments will be in transferable securities (whether in capital markets or money markets) or in privately placed debenture or dispatch debt, or bank deposits (pending deployment in securities in line with the investment objectives of the scheme) or in money at call.
- Mutual Fund shall not advance any loans for any purpose.
- The Scheme shall not invest in a fund of funds scheme.
- The Scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.

The Trustees may alter the above restrictions from time to time to the extent that changes in the SEBI (MF) Regulations may allow and as deemed fit in the general interest of the unit holders.

All investment restrictions shall be applicable at the time of making investment.

These investment restrictions shall in the ordinary course apply as at the date of the most recent transaction or commitment to invest, and changes 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 Scheme 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 Unitholders.

In addition, certain investment parameters (like limits on exposure to Sectors, Industries, Companies, etc.) 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 investments by the Scheme will be made in accordance with SEBI (MF) Regulations, including schedule VII thereof.

## J. SCHEME PERFORMANCE

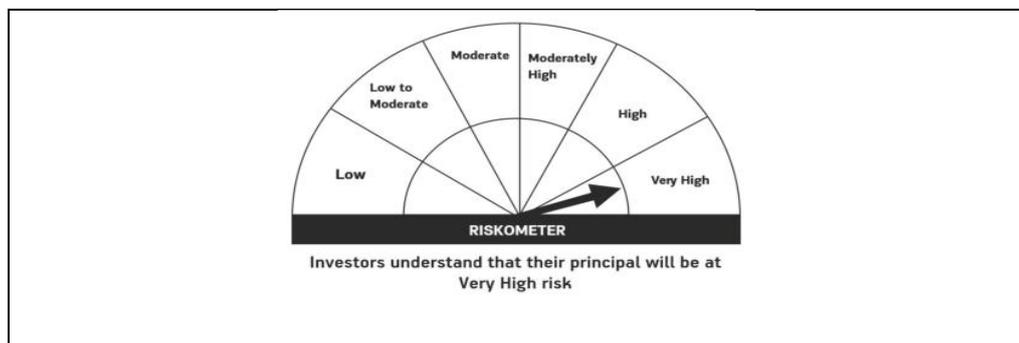
### I. PERFORMANCE OF THE SCHEMES AS AT SEPTEMBER 30, 2023

Returns	Last 1 Year *	Last 3 years	Last 5 years	Since Inception
Aditya Birla Sun Life S&P BSE SENSEX ETF (Inception - July 14, 2016)	16.11	21.41	13.43	12.40
S&P BSE Sensex Total Return Index	16.15	21.51	14.03	14.11

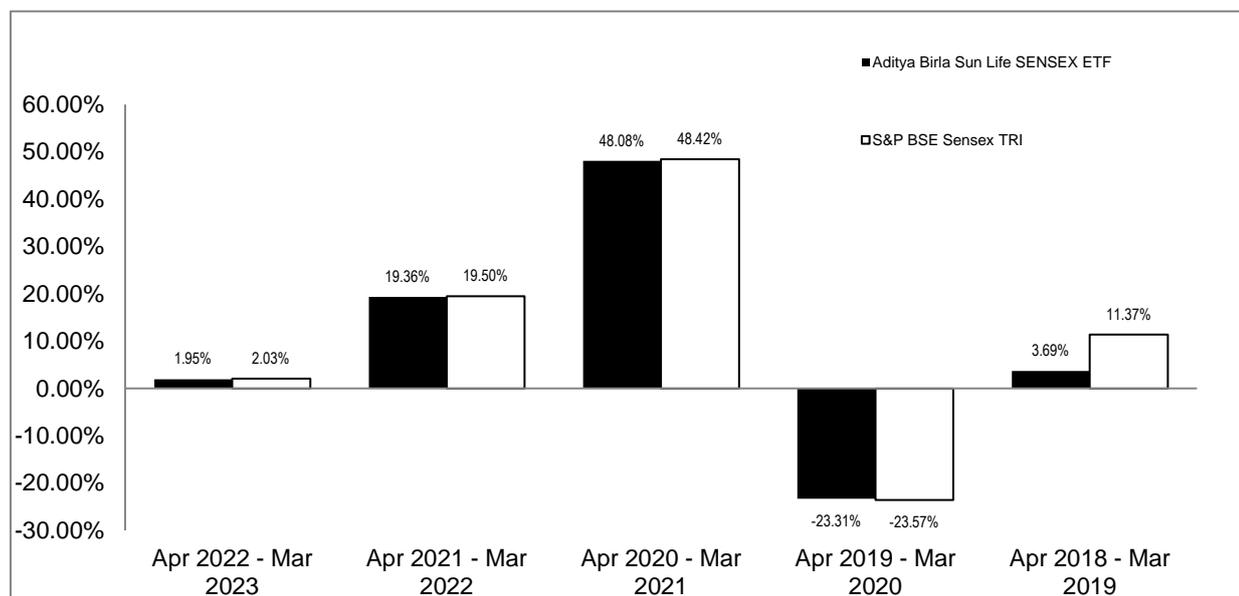
**Note:** Past performance may or may not be sustained in future

\*Absolute Returns

<b>Risk-o-meter of the Benchmark of the Scheme – S&amp;P BSE Sensex Total Return Index</b>
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**II. ABSOLUTE RETURNS FOR EACH FINANCIAL YEAR (FY APR-MAR)**



**Past performance may or may not be sustained in future.** Returns are in % and absolute returns for period less than 1 year & CAGR for period 1 year or more. Load and taxes not considered.

**Section III – UNITS AND OFFER**

This Section provides details you need to know for investing in the scheme

**A. NEW FUND OFFER**

This section of 'NEW FUND OFFER' is not relevant except for the details as provided under, as the ongoing offer of the Scheme has already commenced after the NFO and the Units are available for continuous subscription and redemption in Creation Unit size at NAV based prices.

The date of inception for Aditya Birla Sun Life S&P BSE SENSEX ETF is July 14, 2016.

**B. ONGOING OFFER DETAILS**

<p><b>Ongoing Offer Period</b> This is the date from which the scheme will reopen for subscriptions / redemptions after the closure of the NFO period</p>	<p>This is not applicable since this Document has been prepared for existing schemes already open for ongoing subscription / redemption.</p>
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<p><b>Ongoing Price for subscription (purchase) / switch-in (from other schemes / plans of the Mutual Fund) by investors</b></p> <p>This is the price you need to pay for purchase/switch-in.</p>	<ul style="list-style-type: none"> <li>• <b>For Purchase of units through Stock Exchange</b> All categories of Investors may purchase the units of the Scheme through Stock exchange on which the units of the scheme are listed on any trading day in round lot of 1(one) Unit at the prevailing listed price.</li> <li>• <b>For Subscription of units directly with Mutual Fund:</b> <ul style="list-style-type: none"> <li>(a) Ongoing purchases directly from the Mutual Fund would be restricted to Market Makers and Large Investors, provided the value of units to be purchased is in Creation Unit Size and in multiples thereof. Market Makers/Large Investors may buy the units on any Business Day of the Scheme directly from the Mutual Fund at intra-Day NAV. The minimum subscription amount for Large Investors is Rs. 25 Crores and the application must be in multiples of Creation Unit Size.</li> </ul> <p>The Fund may allow cash (through RTGS/Transfer/ Cheque) Purchases of Units of the Scheme in Creation Unit size by Large Investors/Market Makers. Purchase request for Creation Unit shall be made by such Investors to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio Securities on behalf of the Investor. The Portfolio Deposit and Cash Component will be exchanged for the Units of the Scheme in Creation Unit size.</p> <p><b>Illustration- NAV for continuous offer</b></p> <table border="1" data-bbox="384 869 1465 1070"> <tr> <td>Value of portfolio deposit (A)</td> <td>56,77,754.95</td> </tr> <tr> <td>NAV as on 31 March 2023</td> <td>57.0639</td> </tr> <tr> <td>Creation Unit</td> <td>1,00,000.00</td> </tr> <tr> <td>Value of creation unit (B)</td> <td>57,06,390.00</td> </tr> <tr> <td>CASH COMPONENT (C = B-A)</td> <td>28,635.05</td> </tr> </table> <ul style="list-style-type: none"> <li>1. In addition to the NAV, any person transacting with the fund will have to reimburse transaction charges - brokerage, STT, Depository charges etc</li> <li>2. Transaction charges payable by the investor is per creation request and will be as determined by the AMC at the time of transaction.</li> <li>3. The above creation unit is for 1,00,000 units of Aditya Birla Sun Life S&amp;P BSE SENSEX ETF which is minimum lots size for creation.</li> <li>b) The units will be listed on BSE to provide liquidity through secondary market. All categories of Investors may purchase the units through secondary market on any trading day.</li> <li>c) The AMC will appoint Market Maker(s) (currently Kotak Securities Limited and Edelweiss Securities Limited) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.</li> <li>(d) Switches are not allowed under the scheme</li> </ul> <p>Units of the Scheme in less than Creation Unit cannot be purchased directly with the Fund.</p> </li> </ul>	Value of portfolio deposit (A)	56,77,754.95	NAV as on 31 March 2023	57.0639	Creation Unit	1,00,000.00	Value of creation unit (B)	57,06,390.00	CASH COMPONENT (C = B-A)	28,635.05
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Value of creation unit (B)	57,06,390.00										
CASH COMPONENT (C = B-A)	28,635.05										
<p><b>Transaction costs</b></p>	<p>Transaction costs include brokerage, depository participant charges, uploading charges and such other charges that the AMC/Mutual Fund may have to incur in the course of accepting/providing the portfolio deposit as consideration for a subscription/redemption request. Such transaction handling costs shall be recoverable from the transacting Market Maker/Large Investor.</p>										
<p><b>Ongoing Price for redemption (sale) / switch outs (to other schemes / plans of the</b></p>	<p><b>On the Exchange :</b> The minimum number of Units that can be bought or sold on the exchange is 1 (one) unit.</p> <p><b>Directly with the Mutual Fund :</b> The Market Maker/large investor can redeem the units of the Scheme directly with the Mutual Fund only in creation unit size in exchange of the Portfolio Deposit and Cash Component. The number of units of the Scheme that Market Maker/large investor can redeem is 1,00,000 units and in multiples thereafter.</p>										

<p><b>Mutual Fund) by investors.</b></p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>The Fund may allow cash Redemption of the Units of the Schemes in Creation Unit size by Large Investors/Market Makers. Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor. Accordingly, the sale proceeds of portfolio Securities, after adjusting necessary charges/costs, will be remitted to the Investor.</p> <p>The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.</p>
<p><b>Cut off timing for subscriptions/redemptions/switches.</b></p> <p>(This is the time before which your application (complete in all respects) should reach the official points of acceptance).</p>	<p>In accordance with provisions of 3.6.2.3 and para 8.4, 8.7 of SEBI Master Circular on Mutual Funds dated May 19, 2023 and further amendments if any, thereto, the following cut-off timings shall be observed by Mutual Fund in respect of purchase/ redemption of units of the scheme, and the following NAVs shall be applied in each case:</p> <p><b>For Subscriptions/Purchases/Redemptions/Sales of units directly with Mutual Fund</b></p> <p>On an ongoing basis, only Market Makers (in Creation Unit Size) and Large Investors (with Minimum application amount of Rs. 25 Crores and in multiples of Creation Unit Size) may approach the Fund directly for subscription/redemption of units of the ETF on all Business Days at the Intra-Day NAV.</p> <p>The creation/redemption of units would be based on Portfolio deposit and the applicable cash component for the respective business day on which such creation/ redemption of units are made and the deposit and cash are credited to the Scheme's account. The Fund may also allow Cash (through RTGS / Transfer / Cheque) subscription /redemption in creation unit size by Market Makers and for large investors having execution value greater than Rs. 25 Cr.</p> <p>Further, pursuant to SEBI Clarification dated April 28, 2023, the said threshold limit of INR 25 crore for direct transaction in the units of the ETFs with the AMC shall not be applicable for the below mentioned category of investors till October 31, 2023:</p> <ol style="list-style-type: none"> <li>Schemes managed by Employee Provident Fund Organisation, India</li> <li>Recognised Provident Funds, approved gratuity funds and approved superannuation funds under Income tax act, 1961</li> </ol> <p>The NAV shall be declared in accordance with the provisions as mentioned in this SID.</p> <p>For all direct transactions in units of ETFs by MMs or other eligible investors (only for large investors) with AMCs shall be at intra-day NAV based on the actual execution price of the underlying portfolio.</p> <p><b>For transactions done on the stock exchange</b></p> <p>An investor can buy/sell Units on a continuous basis on the NSE and BSE on which the Units are listed during the trading hours on all trading days. Therefore, the provisions of Cut-off timing for subscriptions/redemptions will not be applicable.</p>
<p><b>Who can invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted under relevant statutory regulations and their respective constitutions):</p> <ol style="list-style-type: none"> <li>Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>Karta of Hindu Undivided Family (HUF)</li> <li>Minors through parent / legal guardian;</li> <li>Partnership Firms &amp; Limited Liability Partnerships (LLPs);</li> <li>Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;</li> <li>Banks &amp; Financial Institutions;</li> <li>Mutual Funds / Alternative Investment Funds registered with SEBI;</li> <li>Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</li> <li>Non-Resident Indians / Persons of Indian origin residing abroad (NRIs)/OCIs on repatriation basis or on non-repatriation basis;</li> <li>Foreign Portfolio Investors (FPIs) registered with SEBI</li> </ol>

11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
12. Scientific and Industrial Research Organisations;
13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;
14. Other schemes of Mutual Funds subject to the conditions and limits prescribed by SEBI (MF) Regulations;
15. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;
16. Such other individuals / institutions / body corporate etc., as may be decided by the Mutual Fund from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations.

**Notes:**

- Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) / FPIs have been granted a general permission by Reserve Bank of India [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.
- Subject to provisions of SEBI (MF) Regulations, FEMA and other applicable regulations read with guidelines and notifications issued from time to time by SEBI and RBI, investments in the Scheme can be made by various categories of persons as listed above including NRIs, FPIs, etc.

FATCA is a United States (US) Federal Law, aimed at prevention of tax evasion by US Citizens and Residents (US Persons) through use of offshore accounts. FATCA provisions were included in the Hiring Incentives to Restore Employment (HIRE) Act, enacted by US Legislature.

SEBI vide its circular no. CIR/MIRSD/2/2014 dated June 30, 2014, has advised that Government of India and US Government have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA and India is now treated as having an IGA in effect from April 11, 2014. Aditya Birla Sun Life AMC Limited (the AMC)/the Fund is likely to be classified as a Foreign Financial Institution (FFI) under the FATCA provisions and in accordance therewith, the AMC/the Fund would be required, from time to time:

- (i) To undertake necessary due diligence process by collecting information/ documentary evidence about US/Non US status of the investors/unit holders and identify US reportable accounts;
- (ii) To the extent legally permitted, disclose/report information (through itself or its service provider) about the holdings, investments returns pertaining to US reportable accounts to the specified US agencies and/or such Indian authorities as may be specified under FATCA guidelines or under any other guidelines issued by Indian Authorities such as SEBI, Income Tax etc. (collectively referred to as 'the Guidelines'); and ;
- (iii) Carry out any other related activities, as may be mandated under the Guidelines, as amended from time to time.

FATCA due diligence will be applicable at each investor/unit holder (including joint holders) level and on being identified as reportable person/specified US person, all folios/accounts will be reported including their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Further, in case of folio(s)/account(s) with joint holder(s), the entire account value of the investment portfolio will be attributable under each such reportable person. Investor(s)/Unit Holder(s) will therefore be required to comply with the request of the AMC/the Fund to furnish such information, in a timely manner as may be required by the AMC/the Fund to comply with the due diligence/reporting requirements stated under IGA and/or the Guidelines issued from time to time.

FATCA provisions are relevant not only at on-boarding stage of investor(s)/unit holder(s) but also throughout the life cycle of investment with the Fund/the AMC. In view of this, Investors should immediately intimate to the Fund/the AMC, in case of any change in their status with respect to FATCA related declaration provided by them previously.

The Fund/AMC reserves the right to reject any application or redeem the units held directly or beneficially in case the applicant/investor(s) fails to furnish the relevant information and/or documentation in accordance with the FATCA provisions, notified.

The AMC reserves the right to change/modify the provisions mentioned above in response to any new regulatory development which may require to do so at a later date.

**Unitholders should consult their own tax advisors regarding the FATCA requirements with respect to their own situation and investment in the schemes of Aditya Birla Sun Life Mutual Fund to ensure that they do not suffer U.S. withholding tax on their investment returns.**

- In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions.
- 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.
- In case of application in the name of minor, the minor has to be the first and the sole holder. No joint holder will be allowed with the Minor as the first or sole holder. The Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. In accordance with para 17.6 of SEBI Master Circular on Mutual Funds dated May 19, 2023 read with SEBI circular dated May 12, 2023, payment for investment by 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, else the transaction is liable to get rejected. A copy of birth certificate, passport copy, etc. evidencing date of birth of the minor and relationship of the guardian with the minor, should be mandatorily attached with the application. Further, 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 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 to operate the account in his own right viz., (a) Duly filled request form for changing the status of the account (folio) from 'minor' to 'major'. (b) Updated Bank details where account changed from 'minor' to 'major'. (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
- The list given above is indicative and the applicable law, if any, shall supersede the list.
- The Trustee, reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme

Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme(s) and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.

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

**Registrar & Transfer Agents –**  
**Computer Age Management Services Limited (CAMS)**  
 Rayala Towers, 158, Anna Salai, Chennai - 600002.  
 Contact Details: 1800-425-2267  
 E-mail: adityabirlacapital.mf@camsonline.com

	<p>Website Address:www.camsonline.com</p> <p>The application forms can also be submitted at the designated offices / ISCs of Aditya Birla Sun Life Mutual Fund as mentioned in this SID.</p>
<b>Minimum amount for Purchase / Redemptions</b>	<ul style="list-style-type: none"> <li>• <b>For Subscription / Redemption of units directly with Mutual Fund:</b> <ul style="list-style-type: none"> <li>- Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Makers and Large Investors.</li> <li>- Units of schemes may be subscribed to / redeemed only in Creation Unit size &amp; in multiples thereof. Large investors can subscribe to/ redeem Units of the Scheme for an amount greater than 25 crores on all Business Days on an ongoing basis.</li> <li>- Market Makers and Large Investors may subscribe to/redeem the units of the scheme on any business day directly with the Mutual Fund <b>at applicable NAV and transaction costs</b>, if any, by depositing / receiving stocks comprising the benchmark index (and/or cash, value of which is equivalent to Creation Unit size.</li> <li>- The Creation Unit size shall be 50,000 units and in multiples thereof.</li> </ul> </li> <li>• <b>For Purchase / Sale of units through Stock Exchange</b></li> </ul> <p>All categories of Investors may purchase/sell the units of the scheme through Stock exchange on which the units of the scheme are listed on any trading day in round lot of 1(one) Unit at the prevailing listed price.</p>
<b>How to Apply</b>	<p>Application form and Key Information Memorandum may be obtained from the designated offices / ISCs of AMC or Investor Service Centres (ISCs) of the Registrar or distributors or downloaded from <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>.</p> <p>Please refer to the SAI and Application form for the instructions.</p>
<b>Minimum balance to be maintained and consequences of non-maintenance</b>	Not Applicable.
<b>Special Products Available</b>	<p><b>TRANSACTION THROUGH MF UTILITY</b></p> <p>MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Aditya Birla Sun Life AMC Limited, has entered into arrangement with MF Utilities India Private Limited (MFUI), a "Category -I - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to facilitate non financial transactions.</p> <p>Accordingly, all non-financial transactions for the Schemes can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> as and when such a facility is made available by MFUI or physically through the authorized Points of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the POS locations. Investors can refer the list of POS of MFUI available on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a> as may be updated from time to time. The Online Transaction Portal of MFU i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a> and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance ("OPA") of the ABSLAMC.</p> <p>MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments across all the Mutual Funds, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and/or its Registrar and Transfer Agent (RTA) i.e Computer Age Management Services Private Limited (CAMS) shall provide necessary details to MFUI as may be needed for providing the required services to investors/ distributors through MFU. Investors are requested to visit the websites of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a> or the AMC at <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a> to download the relevant forms.</p> <p>For facilitating transactions through MFU, Aditya Birla Sun Life Mutual Fund (Fund)/AMC may require to submit and disclose information/details about the investor(s) with MFUI and/or</p>

	<p>its authorised service providers. Investors transacting through MFU shall be deemed and consented and authorised the Fund/AMC to furnish and disclose all such information to MFUI and/its authorised service providers as may be required by MFUI from time to time.</p> <p>For any queries or clarifications related to MFU, investors are requested to contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to <a href="mailto:clientservices@mfuindia.com">clientservices@mfuindia.com</a></p> <p><b>No switch-ins/switch-outs of units shall be allowed under the scheme on an ongoing basis.</b></p>
<p><b>Accounts Statements</b></p>	<p><b>APPLICABLE TO INVESTORS WHO OPT TO HOLD UNITS IN PHYSICAL (NON-DEMAT) MODE AND DO NOT HAVE DEMAT ACCOUNT:</b></p> <p><b>For normal transactions during ongoing sales and repurchase:</b></p> <ul style="list-style-type: none"> <li>▪ On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted to the investor shall be sent by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of receipt of the application.</li> <li>▪ Thereafter, a Consolidated Account Statement (CAS) for each calendar month to the Unitholder(s) in whose folio(s) transaction(s) has/have taken place during the month, on or before fifteenth day of the succeeding month shall be sent by e-mail/mail. CAS shall contain details relating to all the transactions** carried out by the investor, including details of transaction charges paid to the distributor, if any, across all schemes of all mutual funds, during the month and holding at the end of the month. <i>**The word 'transaction' shall include purchase, redemption, switch, payout of IDCW, reinvestment of IDCW, Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and bonus transactions.</i></li> <li>▪ In case of specific request is received from investors, account statement shall be issued to the investors within 5 (five) business days from the receipt of such request without any charges. The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&amp;T.</li> <li>▪ In the event the account has more than one registered holder, the first named Unitholder shall receive the CAS/account statement.</li> <li>▪ The transactions viz. purchase, redemption, switch, payout of IDCW, etc., carried out by the Unitholders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).</li> <li>▪ The CAS shall not be received by the Unitholders for the folio(s) not updated with PAN details. The Unitholders are therefore requested to ensure that the folio(s) are updated with their PAN.</li> <li>▪ <b>No Account statements will be issued to investors opted to hold units in electronic (demat) mode, since the statement of account furnished by depository participant periodically will contain the details of transactions</b></li> </ul> <p><b>APPLICABLE TO INVESTORS WHO OPT TO HOLD UNITS IN ELECTRONIC (DEMAT) MODE:</b></p> <ul style="list-style-type: none"> <li>▪ On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted to the investor shall be sent by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of receipt of the application.</li> <li>▪ The asset management company shall issue units in dematerialized form to a unit holder in a scheme within 2 (two) working days of the receipt of request from the unit holder</li> <li>i. Thereafter, Single Consolidated Account Statement (SCAS), based on PAN of the holders, shall be sent by Depositories, for each calendar month on or before fifteenth day of the succeeding month to the unitholders in whose folio(s)/demat account(s) transactions have taken place during that month.</li> <li>ii. SCAS shall be sent by Depositories every half yearly (September/ March), on or before twenty first day of the succeeding month, detailing holding at the end of the sixth month, to all such unitholders in whose folios and demat accounts there have been no transactions during that period.</li> </ul>

	<p>iii. In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.</p> <p>iv. Consolidation shall be done on the basis of Permanent Account Number (PAN). In the event the folio / demat account has more than one registered holder, the first named Unit holder / Account holder shall receive the SCAS. For the purpose of SCAS, common investors across mutual funds / depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/ order of investors in various folios/ demats accounts across mutual funds / demats accounts across depository participants.</p> <p>v. In case of multiple accounts across two depositories, the depository with whom the demat account has been opened earlier will be the default depository which will consolidate the details across depositories and Mutual Fund investments and dispatch the SCAS to the unitholders.</p> <p>vi. Unitholders whose folio(s)/demat account(s) are not updated with PAN shall not receive SCAS. Unitholders are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.</p> <p>vii. For Unitholders who have provided an e-mail address in KYC records, the SCAS will be sent by e-mail.</p> <p>viii. The Unitholders may request for account statement for mutual fund units held in physical mode. In case of a specific request received from the Unitholders, account statement shall be provided to the unitholders within 5 business days from the receipt of such request.</p> <p>ix. No account statements will be issued to unitholders opted to hold units in demat mode, since the statement of account furnished by depository participant periodically will contain the details of transactions.</p> <p>x. SCAS sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form</p> <p><b>Half Yearly Consolidated Account Statement:</b></p> <ul style="list-style-type: none"> <li>▪ A CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before twenty first day of the succeeding month, to all such Unitholders in whose folios no transaction has taken place during that period. Such Consolidated Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the consolidated account statement.</li> <li>▪ The half yearly consolidated account statement will be sent by e-mail to the Unitholders whose e-mail address is available, unless a specific request is made to receive in physical.</li> </ul> <p><b>COMMUNICATION BY EMAIL</b></p> <p>For those unitholders who have provided an e-mail address, the AMC will send the communication by email. Unitholders who receive e-mail statements may download the documents after receiving e-mail from the Mutual Fund. Should the Unitholder experience any difficulty in accessing the electronically delivered documents, the Unitholder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unitholder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</p> <p>For ease of communication, first applicant's own email ID and mobile number should be provided.</p>
<b>IDCW</b>	Not Applicable. The Scheme currently does not offer any IDCW Option.
<b>Redemption</b>	All investors including Market Makers, Large Investors and other investors can sell their units in the stock exchange(s) on which units of the Schemes are listed on all the trading days of the stock exchange.

Mutual Fund will repurchase units from Market Makers and Large Investors on any business day provided the units offered for repurchase is not less than 1,00,000 units and in multiples thereof.

Mutual Fund will repurchase units from Large Investors on any business day provided the execution value is greater than Rs. 25 Cr.

Type of investor	Sale of units by Mutual Fund	Redemption of units by unit holders
Market Maker	Any business day in Creation Unit size directly through Mutual Fund	Any business day in Creation Unit size directly through Mutual Fund
Large Investors	Any business day for execution value greater than Rs. 25 Cr. directly through Mutual Fund	Any business day for execution value greater than Rs. 25 Cr. directly through Mutual Fund
Other investors	Only through stock exchange	Only through stock exchange

Redemption proceeds in the form of basket of securities included in the S & P BSE Index in the same proportion will be credited to the designated DP account of the Market Maker /Large Investor. Any fractions in the number of securities transferable to Market Maker/Large Investor will be rounded off to the lower integer and the value of the fractions will be added to the cash component payable. The cash component of the proceeds at the applicable NAV will be paid by way of cheque or direct credit.

Payment of proceeds in cash: The Fund at its discretion may accept the request of Market Maker/Large Investor for payment of redemption proceeds in cash. Such investors shall make redemption request to the Fund whereupon the Fund will arrange to sell underlying portfolio securities on behalf of the investor.

Accordingly, the sale proceeds of portfolio securities, after adjusting necessary charges/costs, will be remitted to the investor. The number of Units so redeemed will be subtracted from the unitholder's account balance (DP) and a statement to this effect will be issued to the unitholder by depository.

Further, investor other than Market Makers and Large Investors can also directly approach AMC for redemption of units if:

- Traded price (closing price) of the ETF units is at a discount of more than 1% to the end day 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(s) is less than half of the Creation Unit 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.

Redemption or repurchase proceeds shall be transferred to the unitholders within three working days from the date of redemption or repurchase.

However, in case of exceptional circumstances mentioned in para 14.1.3 of SEBI Master Circular dated May 19, 2023, redemption or repurchase proceeds will be transferred / dispatched to Unitholders within the time frame prescribed for such exceptional circumstances. For further details, investors are requested to refer to Statement of Additional Information (SAI).

In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds. The mutual fund will track the aforesaid liquidity criteria on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be displayed on website [www.mutualfund.adityabirlacapital.com](http://www.mutualfund.adityabirlacapital.com).

	<p><b>Bank Details:</b> In order to protect the interest of investors from fraudulent encashment of cheques, the current SEBI (MF) Regulations have made it mandatory for investors to mention in their application / Redemption request, the bank name and account number. Applications without these details are liable to be rejected.</p>										
<p><b>Delay in payment of redemption / repurchase proceeds dispatched of IDCW warrants</b></p>	<p>The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p>										
<p><b>Purchase / Sale of the units of Scheme on the Exchange</b></p>	<p>Buying / Selling of units of the Scheme on the Exchange is just like buying / selling any other normal listed security. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realized before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker / sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in the case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or units to the investor in accordance with the time prescribed by the stock exchange regulation.</p> <p>If an investor has bought units, he/she should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange's clearing corporation.</p> <p>An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her beneficiary account to the Pool Account of his/her trading member through whom he/she have sold the units. The details of the pool a/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the Delivery Out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the cut-off time for the prescribed securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.</p> <p>There can be difference between the trading price of the units at the stock exchange &amp; NAV. Units may trade at premium or discount to NAV on the stock exchange. Since units can also be bought/ sold directly from the fund, it is expected that large premium or discount to the NAV of units of the Scheme will not sustain due to arbitrage opportunity available.</p>										
<p><b>Rolling Settlement</b></p>	<p>As per the SEBI's circular dated March 4, 2003, the rolling settlement on T+2 basis for all trades has commenced from April 1, 2003 onwards. The Pay-in and Pay-out of funds and the securities/units takes place within 2 working days after the trading date.</p> <p>The pay-in and pay-out days for funds and securities are prescribed as per the Settlement Cycle. A typical Settlement Cycle of Rolling Settlement is given below:</p> <p><b>Day activity:</b></p> <table border="1"> <tr> <td>T</td> <td>The day on which the transaction is executed by a trading member.</td> </tr> <tr> <td>T+1</td> <td>Confirmation of all trades including custodial trades by 11.00 a.m.</td> </tr> <tr> <td>T+1</td> <td>Processing and downloading of obligation files to brokers /custodians by 1.30 p.m.</td> </tr> <tr> <td>T+2</td> <td>Pay-in of funds and securities by 11.00 a.m.</td> </tr> <tr> <td>T+2</td> <td>Pay out of funds and securities by 1.30 p.m.</td> </tr> </table> <p>While calculating the days from the Trading day (Day T), weekend days (i.e. Saturday and Sundays) and bank holidays are not taken into consideration.</p>	T	The day on which the transaction is executed by a trading member.	T+1	Confirmation of all trades including custodial trades by 11.00 a.m.	T+1	Processing and downloading of obligation files to brokers /custodians by 1.30 p.m.	T+2	Pay-in of funds and securities by 11.00 a.m.	T+2	Pay out of funds and securities by 1.30 p.m.
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<b>Transfer of Units</b>	<p>Units of the scheme shall be available and compulsorily be issued/repurchased and traded in dematerialized form.</p> <p>On listing, the Units of the scheme held in dematerialised form would be transferable. Transfers should be only in favour of transferees who are eligible for holding Units under the Scheme. The AMC shall not be bound to recognise any other transfer. For effecting the transfer of Units held in electronic form, the Unitholders would be required to lodge delivery instructions for transfer of Units with the DP in the requisite form as may be required from time to time and the transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialised mode.</p> <p>If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units.</p> <p>Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence. No request for rematerialization of units of the scheme shall be accepted by Mutual Fund/AMC.</p>
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### Example of Creation and Redemption of Units

Each Creation Unit consists of 1,00,000 units of Aditya Birla Sun Life S&P BSE SENSEX ETF. The Creation Unit is made up of 2 components i.e. Portfolio Deposit and Cash Component. The Portfolio Deposit will be determined by the Fund as per the weights of each security in the Underlying Index. The value of this Portfolio Deposit will change due to change in prices during the day. The number of shares of each security that constitute the Portfolio Deposit will remain constant unless there is any corporate action in the Underlying Index or there is a rebalance in the Underlying Index.

The example of Creation Unit as on September 30, 2023 for Aditya Birla Sun Life S&P BSE SENSEX ETF is as follows:

Security Name	Quantity	Closing Market Price	Value of shares
HDFC BANK LIMITED	647.00	1526.55	9,87,677.85
RELIANCE INDUSTRIES LTD	295.00	2346.5	6,92,217.50
ICICI BANK LTD	599.00	952.05	5,70,277.95
INFOSYS LTD	305.00	1435.05	4,37,690.25
ITC LTD	758.00	444.4	3,36,855.20
LARSEN & TOUBRO LIMITED	103.00	3021.95	3,11,260.85
TATA CONSULTANCY SVS LTD	87.00	3530.75	3,07,175.25
AXIS BANK LTD	242.00	1036.75	2,50,893.50
KOTAK MAHINDRA BANK LTD	122.00	1735.7	2,11,755.40
BHARTI AIRTEL LIMITED	215.00	926.4	1,99,176.00
STATE BANK OF INDIA	328.00	598.7	1,96,373.60
HINDUSTAN UNILEVER LIMITED	76.00	2465.85	1,87,404.60
BAJAJ FINANCE LTD	22.00	7809.4	1,71,806.80
MAHINDRA & MAHINDRA LTD	82.00	1553.65	1,27,399.30
ASIAN PAINTS LTD	38.00	3161.35	1,20,131.30
MARUTI SUZUKI INDIA LTD	11.00	10601.7	1,16,618.70
HCL TECHNOLOGIES LTD	90.00	1236.2	1,11,258.00
TITAN CO LTD	35.00	3149.6	1,10,236.00
SUN PHARMACEUTICAL INDUS	92.00	1159.1	1,06,637.20
NATIONAL THERMAL POWER CORP INR10	407.00	245.65	99,979.55
TATA MOTORS LTD.	153.00	630.35	96,443.55
TATA STEEL LTD	691.00	129	89,139.00
INDUSIND BANK LIMITED	55.00	1428.8	78,584.00
POWER GRID CORP OF INDIA LTD	390.00	199.85	77,941.50



ULTRATECH CEMENT LTD	9.00	8257.5	74,317.50
BAJAJ FINSERV LTD	46.00	1540.45	70,860.70
NESTLE INDIA LIMITED INR10	3.00	22493.25	67,479.75
TECH MAHINDRA LTD	53.00	1223.1	64,824.30
JSW STEEL LTD	80.00	779.25	62,340.00
WIPRO LTD	120.00	406.25	48,750.00

The cash component is arrived in the following manner:

Value of portfolio deposit (A)	63,83,505.10
NAV as on 31 March 2023	64.2994
Creation Unit	1,00,000
Value of creation unit (B)	64,29,940.00
CASH COMPONENT (C = B-A)	46,434.90

The above is just an example to illustrate the calculation of cash component. Cash Component will vary depending upon the actual charges incurred like Custodial Charges and other incidental charges for creating units.

### C. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b> This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The NAVs will be calculated and disclosed for every Business Day. NAV of the scheme will be calculated up to four decimal places. AMC shall update the NAV on the AMFI website (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and on the website of the Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) by 11.00 pm on the day of declaration of the NAV.</p> <p>In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE/BSE) and will be updated during the market hours on its website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>. However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE/BSE) and update the Indicative NAV periodically on its website at least once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market.</p> <p>Further, the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p> <p>In terms of SEBI regulations, a complete statement of the Scheme portfolio will be sent to all unitholders, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund.</p> <p>The portfolio of the Scheme (alongwith ISIN) shall also be disclosed on the website of Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.</p>
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<p><b>Monthly Disclosures</b></p>	<p>The Scheme shall disclose the following on monthly basis:</p> <p>a) Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme.</p> <p>b) Name and exposure to top 7 groups as a percentage of NAV of the scheme.</p> <p>c) Name and exposure to top 4 sectors as a percentage of NAV of the scheme.</p> <p>Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of changed.</p> <p>For above disclosures, please refer the website of the AMC <a href="https://mutualfund.adityabirlacapital.com/">https://mutualfund.adityabirlacapital.com/</a></p>																																																						
<p><b>Monthly Disclosures</b>      <b>Portfolio</b></p>	<p><b>a) <u>Top 10 holdings (as on September 30, 2023)</u></b></p> <table border="1" data-bbox="507 555 1471 952"> <thead> <tr> <th>Issuer</th> <th>% to net assets</th> </tr> </thead> <tbody> <tr> <td>HDFC Bank Limited</td> <td>15.37%</td> </tr> <tr> <td>Reliance Industries Limited</td> <td>10.79%</td> </tr> <tr> <td>ICICI Bank Limited</td> <td>8.88%</td> </tr> <tr> <td>Infosys Limited</td> <td>6.83%</td> </tr> <tr> <td>ITC Limited</td> <td>5.24%</td> </tr> <tr> <td>Larsen &amp; Toubro Limited</td> <td>4.87%</td> </tr> <tr> <td>Tata Consultancy Services Limited</td> <td>4.82%</td> </tr> <tr> <td>Axis Bank Limited</td> <td>3.92%</td> </tr> <tr> <td>Kotak Mahindra Bank Limited</td> <td>3.31%</td> </tr> <tr> <td>Bharti Airtel Limited</td> <td>3.11%</td> </tr> </tbody> </table> <p><b>b) <u>Sector-wise Allocation (as on September 30, 2023)</u></b></p> <table border="1" data-bbox="507 1055 1425 1713"> <thead> <tr> <th>Sector</th> <th>% exposure</th> </tr> </thead> <tbody> <tr> <td>Banks</td> <td>35.78%</td> </tr> <tr> <td>IT - Software</td> <td>15.18%</td> </tr> <tr> <td>Petroleum Products</td> <td>10.79%</td> </tr> <tr> <td>Diversified FMCG</td> <td>8.18%</td> </tr> <tr> <td>Automobiles</td> <td>5.37%</td> </tr> <tr> <td>Construction</td> <td>4.87%</td> </tr> <tr> <td>Finance</td> <td>3.89%</td> </tr> <tr> <td>Consumer Durables</td> <td>3.65%</td> </tr> <tr> <td>Telecom - Services</td> <td>3.11%</td> </tr> <tr> <td>Power</td> <td>2.77%</td> </tr> <tr> <td>Ferrous Metals</td> <td>2.37%</td> </tr> <tr> <td>Pharmaceuticals &amp; Biotechnology</td> <td>1.67%</td> </tr> <tr> <td>Cement &amp; Cement Products</td> <td>1.27%</td> </tr> <tr> <td>Food Products</td> <td>1.07%</td> </tr> <tr> <td>Cash &amp; Current Assets</td> <td>0.03%</td> </tr> </tbody> </table> <p><b>** includes Cash/ Tri-Party Repo / Money Market Instruments</b></p> <p>The monthly portfolio of the scheme (alongwith ISIN) shall also be made available on the website of the Mutual Fund (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) on or before tenth day of the succeeding month.</p>	Issuer	% to net assets	HDFC Bank Limited	15.37%	Reliance Industries Limited	10.79%	ICICI Bank Limited	8.88%	Infosys Limited	6.83%	ITC Limited	5.24%	Larsen & Toubro Limited	4.87%	Tata Consultancy Services Limited	4.82%	Axis Bank Limited	3.92%	Kotak Mahindra Bank Limited	3.31%	Bharti Airtel Limited	3.11%	Sector	% exposure	Banks	35.78%	IT - Software	15.18%	Petroleum Products	10.79%	Diversified FMCG	8.18%	Automobiles	5.37%	Construction	4.87%	Finance	3.89%	Consumer Durables	3.65%	Telecom - Services	3.11%	Power	2.77%	Ferrous Metals	2.37%	Pharmaceuticals & Biotechnology	1.67%	Cement & Cement Products	1.27%	Food Products	1.07%	Cash & Current Assets	0.03%
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<p><b>Portfolio Disclosures</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>In terms of SEBI Regulations, Mutual Funds/ AMCs will disclose portfolio (along with ISIN) as on the last day of the month / half-year for all Schemes on its website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a> and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format. The Mutual Fund/AMCs will send to Unitholders a complete statement of the scheme portfolio, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund. Further, the Mutual Fund / AMC shall publish an</p>																																																						

	advertisement disclosing the hosting of such half yearly scheme portfolio on its website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a> and on the website of AMFI ( <a href="http://www.amfiindia.com">www.amfiindia.com</a> ). Mutual Funds/ AMCs will also provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.															
<b>Half Yearly Results</b>	Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website ( <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a> ). Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website.															
<b>Annual Report</b>	<p>The scheme wise annual report or an abridged summary thereof shall be provided to all Unitholders not later than four months from the date of closure of the relevant accounting year whose email addresses are registered with the Mutual Fund. The physical copies of Scheme wise Annual report will also be made available to the unitholders, at the registered offices at all times. The scheme wise annual report will also be hosted on the website on its website (<a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p> <p>The physical copy of the abridged summary shall be provided to the investors without charging any cost, if a specific request through any mode is received from the unitholder.</p> <p>Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of scheme wise annual report on its website <a href="http://www.mutualfund.adityabirlacapital.com">www.mutualfund.adityabirlacapital.com</a> and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p>															
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).															
<b>Taxation</b> The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	<table border="1"> <thead> <tr> <th>Tax</th> <th>Resident Investors</th> <th>Mutual Fund</th> </tr> </thead> <tbody> <tr> <td>Tax on IDCW*</td> <td>10%<sup>@</sup>/20%<sup>@@</sup> (Note 1)</td> <td>Nil (Note 1)</td> </tr> <tr> <td>Capital Gains*:</td> <td></td> <td></td> </tr> <tr> <td>Long Term</td> <td>10% without indexation + applicable Surcharge<sup>^</sup> + 4% Cess</td> <td>Nil</td> </tr> <tr> <td>Short Term</td> <td>15% + applicable Surcharge<sup>^</sup>+ 4% Cess</td> <td>Nil</td> </tr> </tbody> </table> <p>*plus applicable surcharge and education cess</p> <p><b>Note:</b></p> <ol style="list-style-type: none"> <li>IDCW distribution tax is abolished w.e.f. 1<sup>st</sup> April 2020. Accordingly, IDCW will be taxed in the hands of investor. Section 194K is introduced in order to deduct tax on IDCW.  <sup>@</sup>Tax is not deductible if cumulative IDCW income in respect of units of a mutual fund is below Rs. 5000/- in a financial year  <sup>@@</sup> If PAN is not provided/ invalid, the base tax is further increased by surcharge at the following rates:            a. 15% where total income exceeds Rs. 1 Cr but does not exceed Rs. 2 Crs            b. 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 Crs</li> <li>Finance Act, 2020 has capped maximum surcharge at 15% w.r.t. WHT on IDCW paid to non-resident non-corporate investors (namely individual, HUF, AOP, BOI, artificial judicial person etc.)</li> <li>Equity Oriented Funds will also attract Securities Transaction Tax (STT) at applicable rates.</li> </ol> <p><sup>^</sup>Surcharge rates are as under:</p> <p>- <b>In case of Corporate Assesses:</b></p>	Tax	Resident Investors	Mutual Fund	Tax on IDCW*	10% <sup>@</sup> /20% <sup>@@</sup> (Note 1)	Nil (Note 1)	Capital Gains*:			Long Term	10% without indexation + applicable Surcharge <sup>^</sup> + 4% Cess	Nil	Short Term	15% + applicable Surcharge <sup>^</sup> + 4% Cess	Nil
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Short Term	15% + applicable Surcharge <sup>^</sup> + 4% Cess	Nil														

	<p>i. Where the taxable income exceeds Rs. 1 crore but less than Rs. 10 Crores- At the rate of 7% (Marginal Relief in Surcharge, if applicable)</p> <p>ii. Where the taxable income exceeds Rs. 10 crore - At the rate of 12% (Marginal Relief in Surcharge, if applicable)</p> <p>iii. For domestic company whose income is chargeable to tax under section 115BAA or section 115BAB, surcharge rate shall be 10%.</p> <p>- <b>In case of Non- Corporate Assesses:</b></p> <p>i. <u>New Regime</u> for individuals, HUF, association of persons, body of individuals and artificial juridical person, surcharge at 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and surcharge at 15% where total income exceeds Rs. 1 crore.</p> <p><u>Old regime</u> for individuals, HUF, association of persons, body of individuals and artificial juridical person, surcharge at 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and surcharge at 15% where total income exceeds Rs. 1 crore for firm, co-operative society and local authority, surcharge at 12% is applicable where income exceeds Rs. 1 crore. For co-operative society whose income is chargeable to tax under section 115BAD or section 115BAE, surcharge rate shall be 10%.</p> <p>\$The Health and Education Cess to be applicable at 4% on aggregate of base tax and surcharge.</p> <p>For details on taxation please refer to the clause on Taxation in the SAI.</p>
<b>Investor services</b>	<p>Investors may contact the ISCs or the office of the AMC for any queries /clarifications. The Head Office of the AMC will follow up with the respective ISC to ensure timely redressal and prompt investor services. Ms. Keerti Gupta, can be contacted at the office of the AMC at One World Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013. Contact Nos: 1800-270-7000(Toll free) Email: <a href="mailto:care.mutualfunds@adityabirlacapital.com">care.mutualfunds@adityabirlacapital.com</a>.</p> <p>For any grievances with respect to transactions through Stock Exchange Platform for Mutual Funds, the investors should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
<b>Disclosure related to Risk-o-meter</b>	<p>The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Riskometer categorizes the scheme of Fund under different levels of risk based on the respective scheme's investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the scheme falling under the same level of risk in the Riskometer may not be similar in nature. Investors are advised before investing to evaluate a scheme not only on the basis of the Product labeling (including the Riskometer) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall also consult their financial advisers, if they are unsure about the suitability of the scheme before investing. Further, pursuant to para 17.4 of SEBI Master Circular on Mutual Funds dated May 19, 2023, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website.</p>

**ADDITIONAL DISCLOSURES –**

- Aggregate investment in the Scheme:**

Sr. no.	Particulars	Total amount invested as on September 30, 2023
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		(Rs. In Crores)
1	AMC's Board of Directors	-
2	Concerned Scheme's Fund Manager	-
3	Other key personnel	-

- Portfolio Turnover Ratio: 0.13

## D. COMPUTATION OF NET ASSET VALUE

The Net Asset Value (NAV) per Unit of the scheme will be computed by dividing the net assets of the scheme by the number of Units outstanding under the scheme on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

NAV of Units under the scheme shall be calculated as shown below:

$$\begin{aligned} & \text{Market or Fair Value of the scheme's Investments} \\ & + \text{Current Assets (including accrued income)} \\ & - \text{Current Liabilities and Provisions (including accrued expenses)} \end{aligned}$$

$$\text{NAV (₹) per Unit} = \frac{\text{NAV of Units under the scheme}}{\text{No. of Units outstanding under the scheme}}$$

The AMC will calculate and disclose the NAV of the scheme on every business day. The NAVs of the Scheme will be calculated upto four decimals.

## Section IV – FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme and also about the transaction charges, if any, to be borne by the investors. The information provided under this Section seeks to assist the investor in understanding the expense structure of the Scheme and types of different fees / expenses and their percentage the investor is likely to incur on purchasing and selling the Units of the Scheme.

### A. NEW FUND OFFER 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 stationery, bank charges etc. All the NFO expenses of the Scheme were borne by the AMC.

### B. ANNUAL SCHEME RECURRING EXPENSES

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

Within the limits specified under the SEBI (MF) Regulations, the AMC has estimated that the following will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund. Further, any change in the expense ratio will be updated on our website and the same will be communicated to investor via SMS / e-mail 3 working days prior to the effective date of change.

**As per Regulation 52(6)(b) of SEBI (MF) Regulations, the total expense ratio of the scheme including the investment and advisory fees shall not exceed 1.00 per cent of the daily net assets.**

**In addition to total expense permissible within limits of Regulation 52(6)(b) of SEBI (MF) Regulations as above, the AMC may charge the following to the scheme in terms of Regulation 52(6A) of SEBI (MF) Regulations:**

- (a) Additional expenses not exceeding of 0.30% of daily net assets may be charged to the Scheme, if the new inflows from retail investors<sup>^</sup> from beyond top 30 cities\* are at least (i) 30% of gross new inflows in the scheme or (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher.

<sup>^</sup>As per para 10.1 of SEBI Master Circular on Mutual Funds dated May 19, 2023, inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".

\*Beyond Top 30 (B30) cities shall mean beyond top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

In case inflows from beyond such cities is less than the higher of (i) or (ii) mentioned above, such additional expense on daily net assets of the scheme shall be charged on proportionate basis in accordance with para 10.1.3 of SEBI Master Circular on Mutual Funds dated May 19, 2023.

*Inflows from corporates and institutions from B-30 cities will not be considered for computing the inflows from B-30 cities for the purpose of additional TER of 30 basis points.*

The expense so charged shall be utilised for distribution expenses incurred for bringing inflows from such cities. However, the 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.

- (b) Brokerage and transaction costs incurred for the execution of trades and included in the cost of investment, not exceeding 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Thus, in terms of para 10.1.14 of SEBI Master Circular on Mutual Funds dated May 19, 2023, it is hereby clarified that the brokerage and transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Any payment towards brokerage and transaction costs (including GST, if any) incurred for the execution of trades, over and above the said 0.12 per cent and 0.05 per cent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (MF) Regulations.

The AMC has estimated the following recurring expenses, as detailed in table related to maximum permissible expense below. The expenses are estimated in good faith as per the information available to the AMC based on past experience and are subject to change inter se. **The purpose of the below table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.**

A. Expense Head / Nature of expense	% of daily net assets
Investment Management and Advisory Fees (AMC fees)	Upto 1.00%
Trustee fee	
Registrar & Transfer Agent (RTA) Fees	
Audit fees	
Custodian fees	
Marketing & Selling expense including agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements/allotment advice and IDCW/ redemption cheques and warrants	
Costs of Statutory advertisements	
Cost towards investor education & awareness (at least 1 bps) <sup>^</sup>	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively.	
Goods and Service Tax (GST) on expenses other than investment management and advisory fees	
GST on brokerage and transaction cost	
Other expenses \$	
<b>Maximum total expense ratio (TER) permissible under Regulation 52(6)(b)</b>	
<b>C. Additional expense for gross new inflows from specified cities under Regulation 52 (6A) (b) to improve geographical reach of scheme.</b>	<b>Upto 0.30%</b>

\$ Listing expenses are part of other expenses.

**Note:**

- (a) The TER of the Direct Plan will be lower to the extent of the abovementioned distribution expenses/ commission which is charged in the Regular Plan
- (b) <sup>^</sup>In terms of para 10.1.16 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the AMC / Mutual Fund shall annually set apart at least 1 basis points (i.e. 0.01%), the AMC / Mutual Fund shall annually set apart at least 2 basis points (i.e. 0.02%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (MF) Regulations for investor education and awareness initiatives.
- (c) In terms of para 10.3 of SEBI Master Circular on Mutual Funds dated May 19, 2023 AMC may charge GST on following Fees and expenses as below:

- a. **Investment Management and Advisory Fees:** AMC may charge GST on investment management and advisory fees to the scheme in addition to the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.
- b. **Other than Investment Management and Advisory Fees:** AMC may charge GST on expenses other than investment management and advisory fees to the scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations. Further, GST on Brokerage and transaction cost incurred for execution of trades, will be within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.
- (d) **Maximum Permissible expense:** The maximum total expense ratio (TER) that can be charged to the scheme will be subject to such limits as prescribed under the SEBI (MF) Regulations. The said maximum TER shall either be apportioned under various expense heads as enumerated above, without any sub limit or allocated to any of the said expense head(s) at the discretion of AMC. Also, the types of expenses charged shall be as per the SEBI (MF) Regulations.

Investors should note that, all scheme related expenses including commission paid to distributors will necessarily be paid from the Scheme only within the regulatory limits and not from the books of the ABSLAMC, its associate, sponsor, trustee or any other entity through any route.

The total recurring expenses of the Scheme excluding issue or redemption expenses, whether initially borne by the Mutual Fund or by the AMC, but including the investment management and advisory fee, shall not exceed the limits as prescribed under Regulation 52 of the SEBI (MF) Regulations.

#### **Illustration of impact of expense ratio on schemes returns:**

Expense ratio, normally expressed as a percentage of Average Assets under Management, is calculated by dividing the permissible expenses under the Regulations by the average net assets.

To further illustrate the above, for the Scheme under reference, suppose an Investor invested Rs. 10,000/- the impact of expenses charged will be as under:

	Regular Plan			Direct Plan		
	Amount (Rs.)	Units	NAV (Rs.)	Amount (Rs.)	Units	NAV (Rs.)
Invested on March 31, 2022 (A)	10,000.00	950.299	10.523	10,000.00	931.619	10.734
Value of above investment as on March 31, 2023 (post all applicable expenses) (B)	10,902.89	950.299	11.473	10,977.89	931.619	11.473
Expenses charged during the year (C)	150.00			150.00		
Distribution Expenses/Commission charged during the year (D)	75.00			0.00		
Value of above investment as on March 31, 2023 (after adding back all expenses charged) (D) [D= B+C]	11,052.89	950.299	11.710	11,127.89	931.619	11.945
Returns (%) (post all applicable expenses) (E) [E= (B-A)/A]		9.03%			9.78%	
Returns (%) (without considering any expenses) (F) [F= (D-A)/A]		11.28%			11.28%	

#### **Note(s):**

- The purpose of the above illustration is to purely explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year.
- The expenses of the Direct Option under the Scheme will be lower to the extent of the above mentioned distribution expenses/ commission. The NAVs of Direct Plan and Regular Plan will be different.
- Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor.

### **C. TRANSACTION CHARGES**

SEBI has, with the intent to enable investment by people with small saving potential and to increase reach of Mutual Fund products in urban areas and in smaller towns, wherein the role of the distributor is considered vital, allowed AMCs

vide its para 10.5 of SEBI Master Circular on Mutual Funds dated May 19, 2023 to deduct transaction charges for subscription of ₹ 10,000/- and above.

In accordance with the said circular, ABSLAMC / Mutual Fund will deduct the transaction charges from the subscription amount and pay to the distributors as shown below (who have opted-in to receive the transaction charges on basis of type of product). Thereafter, the balance of the subscription amount shall be invested.

- Transaction charges shall be deducted for Applications for purchase/ subscription relating to new inflows and routed through distributor / agent:

Investor Type	Transaction charges <sup>^</sup>
<b>First Time Mutual Fund Investor (across Mutual Funds)</b>	₹ 150 for subscription application of ₹ 10,000 and above.
<b>Investor other than First Time Mutual Fund Investor</b>	₹ 100 for subscription application of ₹ 10,000 and above.

- <sup>^</sup>The transaction charge, if any, shall be deducted by the ABSLAMC from the subscription amount and paid to the distributor; and the balance shall be invested and accordingly units allotted. The statement of account shall clearly state the net investment as gross subscription less transaction charge and depict the number of units allotted against the net investment amount.

However, Transaction charges in case of investments through Systematic Investment Plan (SIP) from first time mutual fund investor and investor other than first time mutual fund investor shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The transaction charges shall be deducted in 3-4 installments.

- Transaction charges shall not be deducted/applicable for:**

- purchases / subscriptions for an amount less than ₹ 10,000/-;
- Transaction other than purchases / subscriptions relating to new inflows such as Switches, STPs, Reinvestment of IDCW, etc.
- Purchases / subscriptions made directly with the Mutual Fund (i.e. not routed through any distributor / agent).**
- Transactions carried out through the Stock Exchange Platforms for Mutual Funds.

## D. LOAD STRUCTURE

Load is an amount that is paid by the investor to subscribe to the units or to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.mutualfund.adityabirlacapital.com](http://www.mutualfund.adityabirlacapital.com)) or may call at 1-800-22-7000/1-800-270-7000 or your distributor.

Type of Load	Load Chargeable (as %age of NAV) during NFO Period and Ongoing Offer Period
<b>Entry Load*</b>	Nil.
<b>Exit Load</b>	<p>Nil.</p> <p>The units of the scheme are compulsorily traded in dematerialized form, and hence, there shall be no entry/exit load for the units purchased or sold through stock exchanges. However, the investor shall have to bear costs in form of bid/ask spread or brokerage or such other cost as charged by his broker for transacting in units of the scheme through secondary market.</p> <p>*In terms of para 10.4.1.a of SEBI Master Circular on Mutual Funds dated May 19, 2023, no entry load will be charged by the Scheme to the investor effective August 1, 2009.</p>

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

AMC reserves the right to change / modify the Load structure under the scheme if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. AMC reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (MF) Regulations.

Any imposition or enhancement of Load in future as may be permitted under SEBI (MF) Regulations shall be applicable on prospective investments only and will be calculated on First in First Out (FIFO) basis. However, 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 following measures would be undertaken to avoid complaints from investors about investment in the schemes without knowing the loads:



- I. The addendum detailing the changes would be attached to Scheme Information Document and Key Information Document. The addendum will be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Documents already in stock.
- II. Arrangements will be made to display the addendum in the Scheme Information Document in the form of a notice in all the Investor Service Centres and distributors / brokers office.
- III. The introduction of the Exit Load alongwith the details would be stamped in the acknowledgement slip issued to the investors on submission of the application form and would also be disclosed in the statement of accounts issued after the introduction of such load.
- IV. Any other measure which the AMC/Mutual Fund may feel necessary.

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

## **E. WAIVER OF LOAD FOR DIRECT APPLICATIONS**

Not Applicable

## **Section V - RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

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

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

NIL

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

NIL

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

NIL

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

There are cases pending before the Consumer Redressal Commissions, Civil Courts and High Courts. The contingent liability aggregates to Rs. 82.22 lakhs approximately.

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

NIL.

Asides the above, there is no other disclosure



**Note:**

- (a) Further, any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Document.
- (b) This SID is an updated version and in line with current laws/ regulations.
- (c) **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.**

**For and on behalf of the Board of Directors of  
Aditya Birla Sun Life AMC Limited**

Sd/-

**Hemanti Wadhwa  
Chief Compliance Officer**

PLACE: MUMBAI  
DATE: October 31, 2023

### THE REGISTRAR

AMC has appointed Computer Age Management Services Limited (CAMS) located at Rayala Towers, 158, Anna Salai, Chennai – 600002 to act as Registrar and Transfer Agents (“The Registrar”) to the Schemes. The Registrar is registered with SEBI under registration number INR 000002813.

**For further details on our Fund, please contact our customer service centres at details given below:**

### BRANCH OFFICES OF ADITYA BIRLA SUN LIFE MUTUAL FUND

State	Address
Maharashtra	One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.
	Industry House, 1 <sup>st</sup> Floor, Churchgate Reclamation, Mumbai - 400 020
	1 <sup>st</sup> Floor, Signature Complex, Opposite Golwilkar Metropolis Health Service, Bhandarkar road, Pune – 411 004
Karnataka	# 9/3, Ground Floor, Nitesh Broadway, M.G. Road, Bangalore - 560 001
Delhi	406 - 415, 4 <sup>th</sup> Floor, Narain Manzil, 23, Barpakhamba Road, New Delhi - 110 001.
West Bengal	Ground Floor, Industry House, 10, Camac Street, Kolkata - 700 017
Gujarat	1 <sup>st</sup> Floor, Ratnaraj Spring Complex, Near post office, Opposite HDFC Bank house, Navrangpura, Ahmedabad – 380 009
Telangana	RVR Towers, 6-3-1089/F, Level - 1A, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082
Tamil Nadu	Arcade Centre, No. 110/1, 3 <sup>rd</sup> Floor, Uthamar Gandhi Salai (formerly Nungambakkam High Road), Nungambakkam, Chennai - 600 034.

Pursuant to para 16.6 of SEBI Master Circular on Mutual Funds dated May 19, 2023, Aditya Birla Sun Life Mutual Fund has designated MFCentral - a digital platform for Mutual Fund investors as its Official Point of Acceptance (“DISC” – Designated Investor Service Centre). Any registered user of MFCentral, requiring submission of physical document, as per the requirements of MFCentral, may do so at any of the DISC or collection centres of KFin Technologies Private Limited (“KFintech”) or CAMS. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App in future.

