



BNP PARIBAS
MUTUAL FUND

BNP Paribas Government Securities Fund

(An open ended debt scheme)

Offer of units of ₹ 10 each for cash during the New Fund Offer period and continuous offer for units at NAV based prices

New Fund Offer opens on : **April 18 , 2013**

New Fund Offer closes on : **April 29, 2013**

Scheme re-opens for continuous sale & repurchase : **Within 5 Business Days from the date of allotment**

Name of Mutual Fund
BNP Paribas Mutual Fund

Name of Asset Management Company
BNP Paribas Asset Management India Private Limited

Name of Trustee Company
BNP Paribas Trustee India Private Limited

Addresses of the entities
BNP Paribas House, 1, North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. India

Website of the entity
www.bnpparibasmf.in

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

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document 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 BNP Paribas Mutual Fund, tax and legal issues and general information on www.bnpparibasmf.in.

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 dated April 03, 2013.



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HIGHLIGHTS/SUMMARY OF THE SCHEME

Name of the Scheme	BNP Paribas Government Securities Fund
Type of the Scheme	An open ended debt scheme
Investment objective	The objective of the scheme is to seek to generate income and capital appreciation by investing in a portfolio of government securities of various maturities issued by Central & State Government. However, there can be no assurance that the investment objective of the scheme will be achieved. The scheme does not guarantee/indicate any returns.
Liquidity	<p>Being an open ended scheme, the Mutual Fund shall provide for redemption/repurchase of units of the scheme, not later than 5 business days from the date of allotment on an on-going basis. The units may be purchased / switched in or redeemed / switched out on every business day at NAV based prices, subject to provisions of exit load, if any.</p> <p>The AMC reserves the right to reject further subscription / application for units of the scheme on an on-going basis, depending on the prevailing market conditions and to protect the interest of the investors. Such change will be notified to the investors by display of notice at various investor service centres of AMC and its website. The prevailing SEBI Regulations in the matter shall be complied with from time to time.</p>
Benchmark	I Sec Composite Gilt Index
Transparency / NAV Disclosure	<p>The AMC shall declare the Net Asset Value (NAV) of the scheme on every business day on AMFI's website (www.amfiindia.com) by 9.00 p.m. and also on its website (www.bnpparibasmf.in). The NAV shall be calculated for all business days & released to the Press. In case of any delay, the reasons for such delay would be explained to AMFI and number of such instances would be reported to SEBI on bi-monthly basis. If the NAVs are not available before the commencement of business hours of the following day due to any reason, the Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>The NAV of the scheme shall be published at least in two daily newspapers having circulation all over India. The AMC shall disclose portfolio (along with ISIN) as on the last day of the month for all the schemes on its website on or before the tenth day of the succeeding month. The mutual fund shall publish a complete statement of the scheme portfolio, within one month from the close of each half year (i.e., 31st March & 30th September), by way of an advertisement at least, in one national English daily and one regional newspaper in the language of the region where the Head Office of the Mutual Fund is located. The AMC shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on its website.</p>
Loads	<p>Entry Load : Nil</p> <p>Exit Load : Nil</p> <p>The above load shall also be applicable for switches between the schemes of the Fund and all Systematic Investment Plans, Systematic Transfer Plans, Systematic Withdrawal Plans.</p> <p>The switch of investments from BNP Paribas Government Securities Fund to BNP Paribas Government Securities Fund - Direct Plan shall be subject to applicable exit load if any. Further, no exit load shall be levied in case of switches from Direct plan to other plan. The exit load shall not be charged for inter option switch within the same plan.</p> <p>In accordance with the requirements specified by the SEBI circular no. SEBI/ IMD/ CIR No. 4/168230/09 dated June 30, 2009 no entry load will be charged for purchase/additional purchase/switch-in accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.</p> <p>The exit load charged, if any shall be credited to the scheme.</p>
Transaction charges	Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, the AMC shall deduct transaction charges as per the following details from the subscription amount in case the investor invests through distributor / agent. The amount so deducted shall be paid to the distributor/agent of the investor (in case they have "opted in") and the balance shall be invested. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the distributors shall have an option either to opt in or opt out of levying transaction charge based on type of the product



	<ol style="list-style-type: none"> First time investor in Mutual Fund (across all the Mutual Funds): Transaction charge of ₹ 150/- for subscription of ₹ 10,000 and above shall be deducted. Existing investor in Mutual Funds (across all the Mutual Funds): Transaction charge of ₹ 100/- per subscription of ₹ 10,000 and above shall be deducted. For SIP - The transaction charges in case of investments through SIP shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to ₹ 10,000/- and above. The transaction charges shall be deducted in 3-4 installments. Transaction charges shall not be deducted for: <ol style="list-style-type: none"> purchases /subscriptions for an amount less than ₹ 10,000/- transaction other than purchases/ subscriptions relating to new inflows such as switch purchases/subscriptions made directly with the Fund (i.e. not through any distributor/agent) Transactions through stock exchange mechanism. The statement of account shall reflect the net investment as gross subscription less transaction charge and the number of units allotted against the net investment. As per SEBI circular no. SEBI/ IMD/ CIR No. 4/ 168230/09 dated June 30, 2009, the upfront commission to distributors shall be paid by the investor directly to the distributor by a separate cheque based on the investor's assessment of various factors including service rendered by the distributor.
Special facilities available	<ul style="list-style-type: none"> Systematic Investment Plan (SIP) Systematic Transfer Plan (STP) Systematic Withdrawal Plan (SWP) Transactions through Stock Exchange Platform Online transaction facility
Minimum Application Amount	<p>Lumpsum investment: ₹ 5,000 and in multiples of ₹ 1 thereafter.</p> <p>SIP: ₹ 500 and in multiples of ₹ 1 thereafter.</p> <p>The AMC reserves the right to change the minimum application amount from time to time.</p>
Minimum Additional Application Amount	₹ 1,000 and in multiples of ₹ 1 thereafter.
Plans & Options	<p>The Scheme has two plans viz. BNP Paribas Government Securities Fund and BNP Paribas Government Securities Fund - Direct Plan</p> <p>Each plan has two options:</p> <ol style="list-style-type: none"> Growth option Dividend option <ul style="list-style-type: none"> Monthly dividend option Calendar quarterly dividend option Halfyearly dividend option Annual dividend option <p>All the above dividend option shall have dividend payout and dividend reinvestment facilities. There shall be a single portfolio under the scheme.</p>
Option to hold units in dematerialized (demat) form	<p>Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011; the unit holders of the scheme shall be provided an option to hold units in demat form in addition to physical form. The following shall be applicable:</p> <ol style="list-style-type: none"> The unit holder opting to hold units in demat form must provide their demat account details in the specified section of the application form. Such unit holder should have a beneficiary account with the depository participant (DP) (registered with NSDL / CDSL) and shall be required to indicate in the application form the name of the DP, DP ID Number and the beneficiary account number. The unit holder must mandatorily provide latest client investor master or demat account statement along with the application form. Units held in demat form are transferable (except for Equity Linked Savings Scheme) in accordance with the provisions of SEBI (Depositories and



Participants) Regulations, 1996 as may be amended from time to time. Transfer can be made only in favor of transferees who are capable of holding units and having a valid demat account.

3. In case, the unit holder desires to hold the units in a demat/rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat (electronic) form or vice-versa should be submitted alongwith a demat/remat request form to the DP directly and not to the AMC or the Registrar and Transfer Agent (RTA) of the Fund. The AMC shall then issue units in the desired form within two working days of the receipt of valid documents from the respective DP. The credit of the converted units shall be reflected in the transaction statement provided by the DP to its client. Similarly, request for redemption or any other non – financial request shall be submitted directly to the DP and not to the AMC/ RTA of the Fund.
4. For the units held in demat form investors will receive an account statement from their respective DPs not from AMC / RTA of the Fund.
5. Units will be credited in the demat account only based on fund realization.
6. The facility of availing the units in demat / remat form is available subject to such processes, operating guidelines and terms & conditions as may be prescribed by the DPs and the depositories from time to time.
7. Presently, the option to hold units in demat form shall not be available for systematic transactions like Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP) etc. Similarly, such option shall not be provided to the investors investing in the plans with daily, weekly & fortnightly dividend frequency. Such investors shall be mandatorily allotted units in physical form.
8. Pursuant to SEBI circular no. CIR/IMD/DF/9/2011 dated May 19, 2011 and AMFI communication no. 35P/MEM-COR/35/11-12 dated December 23, 2011 an option to hold units in demat form shall be available for SIP transactions. However, the units will be allotted based on the applicable NAV as per the SID and will be credited to investors demat account on weekly basis upon realization of funds. For e.g. units will be credited to investors demat account every Monday (or immediate next business day in case Monday happens to be a non-business day) for realization status received in last week from Monday to Friday.



I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

1. Investments in mutual fund units involves investment risks such as market risk, credit & default risk, liquidity risk, trading volumes, settlement risk, including the possible loss of principal.
2. As the price/ value/ interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down. The various factors which impact the value of the scheme's investments include, but are not limited 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.
3. Past performance of the Sponsor/ AMC/ Mutual Fund does not guarantee future performance of the scheme.
4. BNP Paribas Government Securities Fund 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.
5. The sponsor / associates are not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of ₹ 1,00,000 (Rupees One lakh only) to the corpus of the Mutual Fund made by it towards setting up the Fund.
6. The present scheme is not a guaranteed or assured return scheme.

Scheme Specific Risk Factors

1. Risks associated with investing in fixed income securities:

- a) **Credit and Counterparty risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security or honor its contractual obligations).

Counterparty risk refers to the counterparty's inability to honor its commitments (payment, delivery, repayment, etc.) and to risk of default. This risk relates to the quality of the counterparty to which the scheme has exposures. Losses can occur in particular for the settlement/delivery of financial instruments or the conclusion of financial derivatives contracts.

The value of a fixed income security and OTC derivatives will fluctuate depending upon the changes in the perceived level of credit and counterparty risk as well as any actual event of default.

If the credit rating of an issue, issuer or counterparty is downgraded this may cause the value of the related debt securities or OTC derivatives in which the scheme has invested to fall.

The severity of the risk varies depending on the quality of the securities and derivatives in the scheme. To the extent that the scheme invests in high-yield bonds, this presents a higher than average risk. There are different types of debentures available in the market. Some of them could be more risky. Lower-quality debt securities and certain types of securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. They are not in the

first rank of debts in case of default. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market or economic developments.

- b) **Liquidity Risk:** The liquidity of the scheme's investment is inherently restricted by trading volumes in the securities in which the Fund invests.

Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.

A lower level of liquidity affecting an individual security or derivative or an entire market at the same time, may have an adverse bearing on the value of the scheme's assets. More importantly, this may affect the Fund's ability to sell particular securities and derivatives quickly enough to minimise impact cost, as and when necessary to meet requirements of liquidity or to sell securities in response to triggers such as a specific economic/corporate event.

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of a few or all of the investments and may affect the liquidity of the investments of the scheme.

The scheme may be unable to implement purchase or sale decisions when the markets turn illiquid, missing some investment opportunities or limiting ability to face redemptions. The lack of liquidity could also lead to the risk that the sale price of a security could be substantially lower than the fair value of the security.

- c) **Market Risk:** All mutual funds and securities investments are subject to market risk and there can be no assurance / guarantee that the scheme's objectives will be achieved. The securities that the scheme invests in would be exposed to price changes on a day-to-day basis. These price changes may occur due to instrument-specific factors as well as general macroeconomic conditions.

Markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The scheme may be subject to price volatility due to factors such as interest sensitivity, market perception, and creditworthiness of issuer and market liquidity.

Different parts of the market can react differently to these developments. The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

- d) **Interest Rate Risk & Re-investment Risk:** The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

The value of debt and fixed income securities held by the scheme generally will vary inversely with the changes in prevailing interest rates. In general, price of debt and fixed income securities go up when interest rates fall, and vice versa.



Securities of any issuer that has higher duration could be more risky in terms of price movements relative to those with lower duration. Thus any impact of interest rate changes would be higher on securities with higher duration irrespective of the status of the issuer of the security.

The investments made by the scheme are subject to reinvestment risk. This risk refers to the interest rate levels at which cash flows received from the securities in the scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

- e) **Concentration Risk:** The scheme may pursue only a limited degree of diversification. It may invest a greater proportion of assets in the securities of very few issuers (within the limits permitted by regulation) or be concentrated on a few market sectors as compared to a diversified scheme. This could have implications on the performance of the scheme. The scheme may be more sensitive to economic, business, political or other changes and this may lead to sizeable fluctuation in the Net Asset Value of the scheme.
- f) **Sovereign risk:** The Central Government of India is the issuer of the local currency debt in India. The Government raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since payment of interest and principal amount has a sovereign status implying least probability of a default, such securities are known as securities with sovereign credit. It also implies that the credit risk on such Government securities is even lower than that on non-government securities with "AAA" rating and hence yields on government securities are even lower than yields on non-government securities with "AAA" rating.

2. Risk associated with derivatives:

The scheme may use various derivative instruments and techniques, permitted within SEBI Regulation from time to time only for portfolio balancing and hedging purpose, which may increase the volatility of scheme's performance. Usage of derivatives will expose the scheme to certain risks inherent to such derivatives.

Derivative products are specialized instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. There is a possibility that a loss may be sustained by the Scheme as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of

derivatives and the inability of derivatives to correlate perfectly with underlying assets, interest rates and indices. Even a small price movement in the underlying instrument could have a large impact on their value. This could increase the volatility of the Scheme's performance.

In case of hedge, it is possible that derivative positions may not be perfectly in line with the underlying assets they are hedging. As a consequence the derivative cannot be expected to perfectly hedge the risk of the underlying assets. This also increases the volatility of the Scheme's performance.

Some of the risks inherent to derivatives investments include:

- (a) **Price Risk:** Despite the risk mitigation provided by various derivative instruments, there remains an inherent price risk which may result in losses exceeding actual underlying.
 - (b) **Default Risk:** This is the risk that losses will be incurred due to default by counter party. This is also known as credit risk or counterparty risk.
 - (c) **Basis Risk:** This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for e.g. mismatch between the maturity date of the futures and the actual selling date of the asset.
 - (d) **Limitations on upside:** Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction.
 - (e) **Liquidity risk:** This risk pertains to how saleable a security is in the market. All securities/instruments irrespective of whether they are equity, bonds or derivatives may be exposed to liquidity risk (when the sellers outnumber buyers) which may impact returns while exiting opportunities.
- ## 3. Other Risks:
- (a) **Risk associated with inflation:** Over time, yields of short-term investments may not keep pace with inflation, leading to a reduction in an investment's purchasing power.
 - (b) **Legal Risk:** The scheme may be affected by the actions of government and regulatory bodies. Legislation could be imposed retrospectively or may be issued in the form of internal regulations which the public may not be aware of. Legislation (including legislation relating to tax) or regulation may be introduced which inhibits the scheme from pursuing their strategies or which renders an existing strategy less profitable than anticipated. Such actions may take any form, for example nationalization of any institution or restrictions on investment strategies in any given market sector or changing requirements and imposed without prior warning by any regulator.
 - (c) **Taxation Risk:** The value of an investment may be affected by the application of tax laws, including withholding tax, or changes in government or economic or monetary policy from time to time. As such, no guarantee can be given that the financial objectives will actually be achieved. The tax information described in this Scheme Information Document (SID) is as available under the prevailing taxation laws. This could be changed at any moment by regulation. Further, 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.



(d) **Valuation Risk:** This risk relates to the fact that markets, in specific situations and due to lack of volumes of transactions, do not enable an accurate assessment of the fair value of invested assets. In such cases, valuation risk represents the possibility that, when a financial instrument matures or is sold in the market, the amount received is less than anticipated, incurring a loss to the portfolio and therefore impacting negatively the NAV of the scheme.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the scheme. However, if such limit is breached during the NFO of the scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the scheme complies with these two conditions. In case the scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the Regulations would become applicable automatically without any reference from SEBI and accordingly the scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the scheme on the applicable Net Asset Value on the 15th day of the notice period. The scheme shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS

1. From time to time, the sponsor, their affiliates, associates, subsidiaries, the Mutual Fund and the AMC may invest directly or indirectly in the Scheme. These entities may acquire a substantial portion of the scheme's units and collectively constitute a major investor in the Scheme.

D. DEFINITIONS:

"AMC" or "Asset Management Company" or "Investment Manager"	BNP Paribas Asset Management India Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Asset Management Company for the Scheme of the Mutual Fund.
"Application Supported by Blocked Amount or ASBA"	ASBA is an application containing an authorization to a Self Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to a NFO. Presently, this facility is available for investors holding demat account.
"ASBA Application Form"	The form used by an applicant to make a NFO application through ASBA process, which will be considered as the application for allotment. The form should be submitted by the SCSB to the RTA / AMC.
"Business Day/Working day"	A day other than: <ul style="list-style-type: none"> • Saturday and Sunday; • A day on which the banks in Mumbai and / or RBI are closed for business / clearing; • A day on which the Stock Exchange, Mumbai and / or the National Stock Exchange of India Limited are closed; • A day on which sale and redemption/ repurchase of units is suspended by the Trustee / AMC; • A book closure period as may be announced by the Trustee / AMC; • A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the Trustee / AMC may specify from time to time.

2. Redemption by the unitholder due to change in the fundamental attributes of the scheme or due to any other reasons or winding-up of the Scheme for reasons mentioned in this Document may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors, officers or their employees shall not be liable for any such tax consequences that may arise.
3. Investment decisions made by the AMC may not always be profitable.
4. Investors should study this SID carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters. Investors are advised to 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 making a decision to invest / redeem units.
5. Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this SID are required to inform themselves about and to observe any such restrictions.
6. No person has been authorised to issue any advertisement or to give any information, either oral or written to make any representations other than that contained in this SID. Any communication in connection with this offering not authorised by the Mutual Fund / Trustee / AMC and any information or representations not contained herein must not be relied upon as having been authorised by the Mutual Fund / Trustee / AMC.
7. As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests or of a restructuring of the Scheme(s). In view of the above, the Trustee has the right, in its sole discretion, to limit Redemptions (including suspending Redemptions) under certain circumstances, as described under the sections titled "Right to Limit / Withhold Redemptions".

	The Trustee / AMC reserve the right to declare any day as a Business Day/ Working Day or otherwise at any or all Investor Service Centres.
Credit Rating Agency	A credit rating agency registered with Securities and Exchange Board of India under SEBI (Credit Rating Agencies) Regulations, 1999 as amended from time to time.
"Custodian"	The Hongkong and Shanghai Banking Corporation Limited (HSBC) Mumbai, registered under the SEBI (Custodian of Securities) Regulations, 1996, currently acting as Custodian to the Scheme or any other custodian approved by the Trustees.
"Date of Application"	The date of receipt of a valid application complete in all respect for subscription of units of this scheme by BNP Paribas Mutual Fund at its various offices/branches/the designated centers of the Registrar or SCSBs.
Government Security	Government Security shall mean a security created and issued by the Government for the purpose of raising a public loan or for any other purpose as may be notified by the Government in the Official Gazette and having one of the forms mentioned in The Government Securities Act, 2006.
Investment Management Agreement or IMA	The agreement dated February 15, 2011 entered into between BNP Paribas Trustee India Private Limited and BNP Paribas Asset Management India Private Limited, as amended from time to time.
Investor Service Centres or ISCs	Designated branches or service centres or representative offices of Registrar and Transfer Agent or its associates or such other centres / offices as may be designated by the Trustee / AMC from time to time.
Money Market Instruments	Money Market Instruments shall include commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.
Mutual Fund or the Fund	BNP Paribas Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882 and registered with SEBI under the SEBI (Mutual Fund) Regulations, 1996 vide Registration No. MF/049/04/01 dated October 20, 2010.
NAV	Net Asset Value per Unit of the scheme, calculated in the manner described in this SID or as may be prescribed by the SEBI Regulations from time to time.
New Fund Offer / NFO	Offer for subscription of units of BNP Paribas Government Securities Fund during the NFO Period as described hereinafter.
New Fund Offer Period	The date / period during which the initial subscription of units of the scheme mentioned below can be made.
RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
Registrar and Transfer Agent	Sundaram BNP Paribas Fund Services Limited, Chennai, registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, currently acting as registrar and transfer agent to the scheme, or any other registrar and transfer agent appointed by the Mutual Fund acting through the AMC from time to time.
Sale/Subscription	Sale of units to the unit holder upon subscription by the investor / applicant under the scheme during the NFO Period.
Scheme	BNP Paribas Government Securities Fund
Scheme Information Document (SID)	This document issued by the Mutual Fund offering the units of the scheme for subscription. SID has to be read in conjunction with SAI.
SEBI	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
SEBI Regulations or Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, read with various amendments, circulars and guidelines issued from time to time.
Self Certified Syndicate Banks or SCSB	The list of banks that have been notified by SEBI to act as a SCSB for the ASBA process as provided on www.sebi.gov.in .
Sponsor or Settlor	BNP Paribas Investment Partners Asia Limited
Trust Deed	The Trust Deed dated February 14, 2011 made by and between BNP Paribas Investment Partners Asia Limited and BNP Paribas Trustee India Private Limited establishing the Mutual Fund, as amended from time to time.
Trustee	BNP Paribas Trustee India Private Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the scheme of the Mutual Fund.
Unit	The interest of the unit holder, which consists of, each Unit representing one undivided share in the net assets of the Scheme.
Unit holder or Investor	A person holding Unit(s) in the Scheme of the Mutual Fund.



Interpretation

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

- All references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- All references to "Euros" refer to the currency of some Member States of the European Union, "Dollars" or "\$" refer to United States, "HKD" refers to Hong Kong Dollars and "Re"/ "₹" refers to Indian Rupee(s). A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- Words and Expressions used and not defined in this SID shall have the same meaning as in the SEBI Regulations.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

The AMC shall confirm that a Due Diligence Certificate duly signed by the Compliance Officer of the AMC has been submitted to SEBI, which reads as follows:

It is confirmed that:

- (i) the draft Scheme Information Document forwarded to SEBI is in accordance with SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) all legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the 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.

Place : Mumbai
Date : January 08, 2013

Signed :sd/-
Name : **Saroj Pandey**
Designation : Compliance Officer

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF SCHEME

An open ended debt scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The objective of the scheme is to seek to generate income and capital appreciation by investing in a portfolio of government securities of various maturities issued by Central & State Government. However, there can be no assurance that the investment objective of the scheme will be achieved. The scheme does not guarantee/indicate any returns.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The asset allocation of the scheme under normal circumstances would be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
Government Securities issued by Central / State government and Treasury Bills,	65	100	Medium to Low
Reverse repos in Government Securities and CBLO. Units of liquid funds and units of schemes predominantly investing in Government Securities	0	35	Low

The cumulative gross exposure through government securities, treasury bills and derivatives will not exceed 100% of the net assets of the scheme.

The investments in units of liquid funds and units of schemes predominantly investing in Government Securities shall not exceed 5% of the net assets of the scheme. The scheme will not invest in securitised debt. Exposure to debt derivative instruments shall not be more than 30% of the net assets and shall be used only for hedging and portfolio balancing. The scheme will not invest in foreign securities including foreign securitised debt. The scheme will not invest in equity, equity related securities and foreign equity securities including ADR/GDR. The scheme will not indulge in short selling and securities lending and borrowing.

It may be noted that AMC has to adhere to the asset allocation pattern indicated in the SID under normal circumstances. The modified duration of the portfolio can go up to 10. Accordingly, such higher portfolio duration can possibly lead to large price movements up or down in debt and money market securities and thereby to possibly large movements in the valuation of portfolios. The risk of loss on account of such dynamic duration management can thus be substantial.

Portfolio rebalancing

The scheme shall rebalance the portfolio in case of any deviation to the investment restrictions. Such rebalancing shall be done within 30 days from the date of occurrence of

deviation. In the event of the scheme not being rebalanced within the aforesaid period, justification for the same shall be placed before Investment Committee of the AMC and reasons for the same shall be recorded in writing. Investment Committee shall then decide on the course of action and may suggest rebalancing of the portfolio. However, at all times the AMC shall endeavour to ensure that the portfolio would adhere to the overall investment objective of the scheme.

Change in investment pattern

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, depending on liquidity considerations or on account of high levels of repurchase or redemptions relative to scheme size, or upon considerations that optimise returns of the scheme through investment opportunities or upon various defensive considerations including market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions may vary substantially depending upon the perception of the AMC the intention being at all times to seek to protect the interests of the unit holders. Such changes in the investment pattern will be for short term and only for defensive considerations. In addition, as part of the investment process, the Investment Committee of the AMC will conduct a periodic review of the asset allocation and may suggest rebalancing of the portfolio.

D. WHERE WILL THE SCHEME INVEST?

The corpus of the scheme will be invested in government securities. Subject to SEBI Regulations and other prevailing laws as applicable, the net assets of the Scheme can be invested in any (but not exclusively) of the following securities:

- (i) Government security (G-Sec) created and issued by the Government for the purpose of raising a public loan or any other purpose as notified by the Government in the Official Gazette or as may be defined under Government Securities Act, 2006 which shall include (but not limited to) debt instruments of the Government of India, State Government, treasury bills, reverse repurchase agreements in government securities and treasury bills etc. as may be permitted by SEBI / RBI from time to time.
- (ii) Debt derivatives instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI.
- (iii) Units of liquid funds and units of schemes predominantly investing in Government Securities.
- (iv) Any other like instruments as may be permitted by RBI & SEBI from time to time.

In terms of SEBI circular having reference no. SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007, pending deployment of funds of the Scheme in securities in terms of the investment objective of the scheme, the Mutual Fund can invest the funds of the scheme in short term deposits of scheduled commercial banks, after complying with the provisions of aforesaid circular.

The securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated and of any maturity. The securities may be acquired through initial public offerings (IPOs), secondary market operations and private placement, rights offers or negotiated deals.

Comparison of existing open ended income / liquid schemes of the Fund

Name of the Scheme	Investment Objective	Differentiation - Investment Pattern	AUM as on March 31, 2013 (₹ in crore)	Number of folios as on March 31, 2013
BNP Paribas Monthly Income Plan	The primary objective of the Scheme is to generate regular returns through investment primarily in Debt and Money Market Instruments. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related securities.	<p>The net assets of the scheme will be invested in debt and money market instruments. The debt portion of the portfolio will be actively managed based on the AMC's view on interest rates. Some portion of the Scheme's assets will be invested in equity and equity related securities to fulfill the secondary objective of the Scheme.</p> <p>The Scheme will invest upto 100% in debt instruments & money market instruments and upto 20% in equity & equity related securities normally.</p>	36.08	778
BNP Paribas Flexi Debt Fund	The primary objective of the Scheme is to generate income through investments in a range of Debt and Money Market Instruments of various maturities with a view to maximize income while maintaining an optimum balance between yield, safety and liquidity.	<p>This Fund invests in an optimum combination of debt instruments having maturities of more than 1 year, money market instruments and debentures with maturity of less than 1 year, thereby ensuring a portfolio containing securities having diverse maturities.</p> <p>The scheme will invest upto 90% in debt instruments with maturity of more than 1 year and upto 100% in money market instruments & debentures with maturity of less than 1 year normally.</p>	453.10	1,956
BNP Paribas Money Plus Fund	The primary objective of the Scheme is to provide income consistent with the prudent risk from a portfolio comprising of floating rate debt instruments, fixed rate debt instruments, money market instruments and derivatives.	<p>This scheme majorly invests in Floating Rate Debt Instruments (including Money Market Instruments, Debt Instruments of residual maturity less than one year and also Fixed Rate Debt Instruments swapped for floating rate returns). The Fund may also invest in Fixed Rate Debt instruments including money market instruments and Floating Rate Debt instruments swapped for fixed rate returns.</p> <p>The scheme will invest 65-100% in Floating Rate Debt Instruments (including Money Market Instruments, Debt Instruments of residual maturity less than one year as also Fixed Rate Debt Instruments swapped for floating rate returns) and 0-35% in Fixed Rate Debt Instruments (including Money Market Instruments & Floating Rate Debt instruments swapped for fixed rate returns)</p>	571.95	1,353

Comparison of existing open ended income / liquid schemes of the Fund (Contd.,)

Name of the Scheme	Investment Objective	Differentiation - Investment Pattern	AUM as on March 31, 2013 (₹ in crore)	Number of folios as on March 31, 2013
BNP Paribas Short Term Income Fund	The primary objective of the Scheme is to provide income consistent with the prudent risk from a portfolio comprising various debt and money market instruments.	The Fund will invest in debt and money market instruments with maturity upto or above 1 year including Floating Rate instruments with interest reset upto or above 1 year. The maturity profile of debt instruments may be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook, stability of rating and the liquidity requirement of the Scheme. The Scheme will invest 50-100% in Debt and Money Market Instruments with maturity upto 1 year including Floating Rate Instruments with interest reset upto 1 year & 0-50% in Debt Instruments with maturity above 1 year including Floating Rate Instruments with interest reset above 1 year.	305.52	540
BNP Paribas Bond Fund	The investment objective of the Scheme is to generate income and capital gains through investments in a portfolio of debt and money market instruments.	The fixed income process aims to deliver superior returns through an active management process comprising of research analysis, portfolio construction and monitoring. The scheme will invest 15-100% in debt instruments & 0-85% in money market instruments.	298.81	1,613
BNP Paribas Overnight Fund	The primary investment objective of the Scheme is to generate regular returns in line with the overnight rates.	This fund is a liquid fund and hence, it invests in debt securities and money market instruments with maturity upto 91 days only.	375.40	294
BNP Paribas Income & Gold Fund	The investment objective of the scheme seeks to generate income from a portfolio constituted of debt and money market securities, along with investments in Gold Exchange Traded Funds (ETFs).	The funds strategy seeks to generate long term capital appreciation by taking advantage of diversification by investing in a mix of fixed income securities including money market instruments and gold ETFs. The scheme will invest 65 to 90% in debt instruments including corporate debt, securitized debt and other debt instruments with maturity/ average maturity / residual maturity/ interest rate reset greater than 365 days and money market instruments & 10 to 35% in Gold ETFs.	91.52	2,219

E. WHAT ARE THE INVESTMENT STRATEGIES?

The scheme will invest in Government Securities issued by Central/ State Government, repos/ reverse repos in Central/ State Government Securities as may be permitted by RBI. The fund management team will take an active view of the interest rate environment by keeping a close watch on various parameters of the Indian economy like, Government's borrowing program, level of liquidity in the banking system, inflation levels and overall macro economic growth of the country. It will take into account

the various variables affecting the interest rate scenario, relative valuation of the securities, quality of instruments, maturity profile of the instruments and liquidity of the securities. As the fund is largely going to invest primarily in government securities and can employ active duration strategy the portfolio turnover can be higher relative to other debt strategies. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt

and money market securities and thereby to possibly large movements in the valuation of Portfolios. The risk of loss on account of such active and dynamic management can thus be substantial. The extent of change in price shall depend on the tenor to maturity, coupon, liquidity, and the extent of fall or rise in interest rates. The AMC will endeavor to meet the investment objective of scheme while maintaining a balance between safety, liquidity and return on investment.

Risk control measures

Since investing requires disciplined risk management, the AMC would endeavour to incorporate adequate safeguards for controlling risks in the portfolio construction process. The Fund Manager will also review all counterparties prior to transacting, using internal guidelines. The fund manager shall follow the asset allocation pattern in SID under normal circumstances and residual cash may be invested in the collateralised borrowing & lending obligations (CBLO) / repo market, which seeks to ensure liquidity in the scheme under normal circumstances. There can however be no guarantee against liquidity issues within the scheme. The Fund Manager will also endeavour to actively manage the scheme duration based on the ensuing market conditions. Based on its interest outlook, the Fund Manager may take tactical and/or strategic interest rate calls to manage the investments of the scheme on a dynamic basis in order to exploit emerging opportunities in the market.

The AMC may also implement certain internal control procedures / risk & exposure limits etc. for controlling risks which may be varied from time to time.

The scheme may utilise derivative instruments for hedging & portfolio balancing purposes. All Interest Rate Swaps will be undertaken with approved counter parties under pre approved International Swaps and Derivatives Association (ISDA) agreements. The scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI/RBI for the purpose of hedging and portfolio rebalancing.

The above risk control measures shall be implemented by the AMC on best effort basis however there can be no guarantee that such measures can completely mitigate the risks involved in scheme.

Portfolio turnover

Portfolio turnover is defined as lesser of purchases and sales as a percentage of the average corpus of the Scheme during a specified period of time. Portfolio turnover would depend upon the market conditions such as volatility of the market and inflows/outflows in the scheme. The Scheme is an open ended Scheme with subscriptions and redemptions expected on a daily basis. Further, the fund will largely invest in government securities and can employ duration strategy hence the portfolio turnover can be higher relative to other debt funds strategies. Further, the predominant investment will be in a single asset class which will necessitate more tactical calls resulting in relatively higher turnover.

Position of debt & money market in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and

corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The G-Sec market is the oldest and the largest component of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Sec market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as money market instruments, PSU / DFI / corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option. The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited

supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

Instruments	Current yield as on March 25, 2013
CBLO	7.70% - 7.60%
Repo	7.75% - 7.85%
3M TBill	8.00% - 8.05%
1 Y T Bill	7.80% - 7.90%
10 Y G Sec	7.90% - 8.00%
3M PSU Bank CD	8.80% - 8.90%
3M NBFC CP	9.25% - 9.50%
1 Y PSU Bank CD	8.75% - 8.80%
1 Y NBFC CP	9.75% - 10.00%
1Y Manufacturing Company CP	9.25% - 9.50
5 Y AAA Institutional Bond	8.90% - 8.95%

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

Strategies involving Derivatives

The scheme intends to use derivatives for the purposes, which may be permitted by the Regulations from time to time. Presently derivatives can be used only for hedging & portfolio balancing. SEBI has vide its Circular SEBI/MFD/CIR No.03/158/03 dated June 10, 2003, specified the guidelines pertaining to trading by Mutual Fund in Exchange Traded Derivatives. Accordingly, the scheme may use derivative instruments viz. Interest Rate Swaps, Forward Rate Agreements, or such other derivative instruments as may be introduced from time to time as permitted under the SEBI Regulations and guidelines.

The following information provides a basic idea as to the nature of the derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith.

Interest Rate Swaps (IRS) and Forward Rate Agreements (FRA)

Why invest in IRS & FRA

Bond markets in India are not very liquid. Investors run the risk of illiquidity in such markets. Investing for short-term periods for liquidity purposes has its own risks. Investors can benefit if the Fund remains in call market for the liquidity and at the same time take advantage of fixed rate by entering into a swap. It adds certainty to the returns without sacrificing liquidity.

IRS

All swaps are financial contracts, which involve exchange (swap) of a set of payments owned by one party for another set of payments owned by another party, usually through an intermediary (market maker). An IRS can be defined as a contract between two parties (counter

parties) to exchange, on particular dates in the future, one series of cash flows, (fixed interest) for another series of cashflows (variable or floating interest) in the same currency and on the same principal for an agreed period of time. The exchange of cashflows need not occur on the same date.

FRA

A FRA is an agreement between two counter parties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. In short, in a FRA, interest rate is fixed now for a future period. The special feature of FRA is that the only payment is the difference between the FRA rate and the reference rate and hence is single settlement contracts. As in the case of IRS, notional amounts are not exchanged. However, there is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party to comply with the terms of the contract. To the extent that settlements of contracts are not guaranteed by an exchange or clearing corporation, hence, there is the risk of counterparty to a deal defaulting in payment.

Illustrations

Basic Structure of a Swap

Assume that the scheme has a ₹ 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the National Stock Exchange of India Limited (NSE) or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This usually is routed through an intermediary who runs a book and matches deals between various counterparties.

The steps will be as follows -

- Assuming the swap is for ₹ 20 crore June 1, 2010 to December 1, 2010. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).
- On June 1, 2010 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA).
- On a daily basis, the benchmark rate fixed by NSE will be tracked by them.
- On December 1, 2010 they will calculate the following -
 - The Scheme is entitled to receive interest on ₹ 20 crore at 12% for 184 days i.e. ₹ 1.21 crore, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
 - The counterparty is entitled to receive daily compounded call rate for 184 days and pay 12% fixed.
 - On December 1, 2010, if the total interest on the daily overnight compounded benchmark rate is higher than ₹ 1.21 crore, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.



- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on ₹ 20 crore, without borrowing for 6 months fixed.

The above example illustrates the benefits and risks of using derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

F. FUNDAMENTAL ATTRIBUTES

Following are the fundamental attributes of the scheme, in terms of Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996:

- (i) Type of a scheme - An open ended debt scheme.
- (ii) Investment Objective
 - Main Objective - As stated in Section II of the SID.
 - Investment Pattern - As stated in Section II of the SID.
- (iii) Terms of Issue
 - Liquidity provisions such as listing, repurchase, redemption as indicated in this SID.
 - Aggregate fees and expenses charged to the scheme as indicated in this SID.
 - The scheme does not guarantee any assured returns.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 the Trustees shall ensure that no change in the fundamental attributes of the Scheme or the trust or fee and expenses payable or any other change which would modify the Scheme and affect the interests of Unit holders is carried out unless:

- A written communication about the proposed change is sent to each unit holder 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 unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

I Sec Composite Gilt Index

ICICI Securities' Sovereign Bond Index (i-BEX) launched in 1994, currently comprises the most liquid fixed coupon Government Securities and is thus representative of the Indian gilts market. The new indices along with a composite index have been chosen by AMFI as benchmark gilt indices for mutual funds. Since the Fund intends to invest across Gilt Securities of various maturities without limiting itself to a particular segment of Yield curve, I Sec Composite Gilt Index (which is an average of Short Term Sovereign Bond Index i.e. Si-BEX, Medium Term Sovereign Bond Index i.e. Mi-BEX and Long-Term Sovereign Bond Index i.e. Li-BEX) is chosen as an ideal benchmark for this Scheme.

The Trustees reserve the right to change the benchmark if due to a change in market conditions, a different index appears to be providing a more appropriate basis for comparison of fund performance or if the indicated benchmark ceases to exist or undergoes a substantial change that renders it an ineffective base for performance comparison and analysis.

H. WHO MANAGES THE SCHEME?

Name, Designation & Age	Age	Educational Qualification	Previous Work Experience	Period
Mr. Puneet Pal, Head – Fixed Income	35 years	MBA (Finance)	BNP Paribas Asset Management India Private Limited	February 16, 2012 onwards
			Sr. Vice President & Fund Manager, UTI Asset Management Co. Ltd.	August 2008 to February 15, 2012
			Fund Manager Tata Asset Management Limited	September 2006 to, July 2008
			Assistant Fund Manager, UTI Asset Management Co. Ltd	December 2003 to August 2006
			Dealer, UTI Asset Management Co. Ltd	July 2001 to November 2003

Mr. Puneet Pal also manages the following schemes of the Fund: 1. BNP Paribas Flexi Debt Fund, 2. BNP Paribas Money Plus Fund, 3. BNP Paribas Bond Fund & 4. All the BNP Paribas Fixed Term Plan/Series.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to the SEBI Regulations, the following investment restrictions are applicable to the scheme:

- 1) AMC shall make investment out of the NFO proceeds only on or after the closure of the NFO period.
- 2) Transfer of investments from one scheme to another scheme in the same Mutual Fund, shall be allowed only if,-
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis.
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- 3) The Mutual Fund will buy and sell securities on the basis of deliveries and shall in all cases of purchase, take delivery of relevant securities and in all cases of sale, deliver the securities.



Provided that a mutual fund may enter into derivatives transactions in a recognised stock exchange, subject to the framework specified by SEBI.

- 4) 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.
- 5) A scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
- 6) In terms of SEBI circular no. SEBI/IMD/CIR No. 1/91171 /07 dated April 16, 2007, pending deployment of funds of the scheme in securities in terms of the investment objective of the scheme, a Mutual Fund may invest the funds of the scheme in short term deposits of scheduled commercial banks, after complying with the provisions of aforesaid circular. The following provisions shall be complied with:
 - a. "Short Term" for parking of funds by Mutual Fund shall be treated as a period not exceeding 91 days.
 - b. Such short term deposits shall be held in the name of the concerned scheme.
 - c. No mutual fund scheme shall park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, 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.
 - d. No mutual fund scheme shall park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - e. Trustees shall ensure that no funds of a scheme may be parked in short term deposit of a bank which has invested in that scheme.
 - f. AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
- 7) A scheme shall not make any investments in:
 - a. any unlisted security of an associate or group company of the sponsor; or
 - b. any security issued by way of private placement by an associate or group company of the sponsor; or
 - c. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
- 8) The scheme shall not make any investment in any fund of funds scheme.
- 9) No loans for any purpose shall be advanced by the scheme.
- 10) The mutual fund having an aggregate of securities, which are worth ₹ 10 crore or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by the Board, settle their transactions entered on or after January 15, 1998 only through dematerialised securities.

- 11) 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 or dividend to the unit holders.

Provided that the mutual fund shall not borrow more than 20% of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.

- 12) Exposure due to hedging positions may not be included in the derivative position limits subject to the following:
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under derivative limits.
 - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
 - e. The scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
 - f. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits stated below the asset allocation pattern.
 - g. The scheme shall comply with the requirements stated in SEBI circular no. Cir/IMD/DF/11/2010 dated August 18, 2010 as amended from time to time.

All investment restrictions shall be applicable at the time of making investment. Apart from the investment restrictions prescribed under the SEBI Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities. The AMC / Trustee may alter the above investment restrictions from time to time to the extent that changes in the SEBI Regulations may allow and as deemed fit in the general interest of the unit holders.

J. HOW HAS THE SCHEME PERFORMED?

This Scheme is a new Scheme and does not have any performance track record.

K. OTHERS

Investment by the AMC in the scheme

The AMC may invest in the scheme in the NFO Period or thereafter at any time during the continuous offer period subject to the SEBI Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time. As per the existing SEBI Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the Scheme.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors</p>	<p>New Fund Offer Opens on : April 18, 2013</p> <p>New Fund Offer Closes on: April 29, 2013</p> <p>The Trustee reserves the right of extension / early closure of the NFO Period of the Scheme, subject to the condition that the subscription list shall not be kept open for more than 15 days.</p>
<p>New Fund Offer Price</p> <p>This is the price per unit that the investors have to pay to invest during the NFO</p>	<p>The NFO Price of units of the scheme will be ₹ 10 per Unit.</p>
<p>Minimum Amount for Application in the NFO</p>	<p>A minimum of ₹ 5,000 per application and in multiples of ₹ 1 thereafter</p>
<p>Minimum Target Amount</p> <p>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if the AMC fails to refund the amount within 5 business days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 business days from the date of closure of subscription period.</p>	<p>The Mutual Fund seeks to raise a minimum subscription amount of ₹ 20 crore during its NFO period of the scheme and would retain any excess subscription collected.</p>
<p>Maximum Amount to be raised (if any)</p> <p>(This is the maximum amount which can be collected during the NFO period, as decided by the AMC)</p>	<p>There is no maximum target for the size of the scheme and therefore, subject to the applications being in accordance with the terms of this offer, full and firm allotment will be made to all the applicants, subject to the collection of the minimum subscription amount.</p>
<p>Options Offered</p>	<p>The scheme offers following plans:</p> <ul style="list-style-type: none"> • BNP Paribas Government Securities Fund • BNP Paribas Government Securities Fund - Direct Plan <p>Each plan has the following two options (including sub options):</p> <ul style="list-style-type: none"> • Growth Option • Dividend Option <ul style="list-style-type: none"> - Monthly Dividend Payout/Reinvest Option - Calendar Quarterly Dividend Payout/Reinvest Option - Half yearly Dividend Payout/Reinvest Option - Annual Dividend Payout/Reinvest Option <p>There shall be a single portfolio under the scheme.</p> <ul style="list-style-type: none"> • Growth Option <p>The scheme will not declare any dividend under this option. The income attributable to units under this option will continue to remain invested in the option and will be reflected in the Net Asset Value of Units under this option.</p> <ul style="list-style-type: none"> • Dividend Option <p>Under dividend option, the dividend, if any, shall be declared by the Trustees from time to time. Dividend option shall have monthly dividend option, calendar quarterly dividend option, Half yearly dividend option & annual dividend option. All the dividend option shall have dividend reinvestment & dividend payout facilities.</p> <p>Under the dividend re-investment facility, the dividend due and payable to the unit holders will be compulsorily and without any further act by the unit holders, reinvested in the Scheme (under the respective dividend option) by crediting units to unit holders account, at a price based on the ex-dividend Net Asset Value per unit. Under the dividend payout facility, dividend shall be paid to the unitholders with regulatory timelines.</p>

The NAV of the unit holders in any of the dividend option will stand reduced by the amount of dividend declared. The NAV of the Growth Option will remain unaffected.

It may be noted that the declaration of dividend will be subject to the availability of distributable surplus as computed in accordance with the SEBI Regulations and discretion of the Trustees/ AMC. The Trustees / AMC reserve the right to declare the dividend in addition to the above stated frequency. In case of such additional dividend declaration, if any, the dividend policy shall be ensured. There is no assurance or guarantee to unit holders as to the rate of dividend distribution nor will that dividend be paid regularly. The AMC may announce a book closure period for the purpose of making the dividend payment. Dividend, if declared, will be paid to the unit holders appearing in the register of unit holder on the Record Date. To the extent the entire net income and realised gains are not distributed, the same will remain invested in the option and will be reflected in the NAV.

Investors subscribing under Direct Plan of a scheme will have to indicate "Direct Plan" in the application form. Investors should also indicate "Direct" in the ARN column of the application form. However, in case Distributor code is mentioned in the application form, but "Direct Plan" is indicated against the scheme name, the Distributor code will not be considered and the application will be processed under Direct Plan. Further, where application is received BNP Paribas Government Securities Fund (not the Direct Plan) without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan. If the Distributor Code is mentioned, but the Plan is not mentioned, the application shall be processed under BNP Paribas Government Securities Fund. Direct Plan shall be the default plan if the investor doesn't indicate any plan and distributor code in the application form or in case of any ambiguity.

In case no option is indicated in the application form, then growth option shall be considered as default option. Further, under dividend option, yearly dividend option shall be considered as default dividend option and reinvestment facility shall be the default facility.

Investors may also opt to simultaneously invest in any / all option(s) of the Scheme subject to minimum subscription requirements under such option(s)/ Scheme.

Dividend Policy

Dividend declaration shall be in line with provisions mentioned in SEBI circular no. IMD/Cir. No. 1/64057/06 dated April 4, 2006 read with further clarifications issued from time to time. There is no assurance or guarantee to unit holders as to the rate of dividend distribution nor will that dividend be paid regularly. The dividends shall be declared subject to the availability of distributable surplus under the option.

Option	Dividend Policy	Record Date
Monthly dividend option	Monthly	Last Friday of each month
Calendar Quarterly Dividend Option	Quarterly	Last Friday day of each quarter (i.e. quarter ending June, September, December and March)
Half Yearly Dividend Option	Half Yearly	Last Friday of half year ended September and March
Annual Dividend Option	Yearly	Last Friday of the year (March)

If the last Friday as stated above is a non business day, then the preceding business day shall be considered as record date for the purpose of dividend declaration. The AMC reserves the right to change the aforesaid record dates from time to time. The AMC's decision with regards to the rate, timing and frequency of dividend distribution shall be final.

Allotment

All applicants including applications received through ASBA on or before the date of closure of the NFO of the scheme will receive full and firm allotment of Units, provided the applications are complete in all respects and are found to be in order, subject to the collection of the minimum subscription amount.

The Trustee / AMC retain the sole and absolute discretion to reject any application. The process of allotment of units will be completed within 5 business days from the date of closure of the NFO Period. For investors holding units under dematerialised mode, the statement of account shall be sent by the Depository Participant in accordance with SEBI (Depositories and Participants) Regulations, 1996.

The AMC shall send confirmation specifying the number of units allotted to the applicant by way of an email and/or SMS's to the applicant's registered email



	<p>address and/or mobile number as soon as possible but not later than five working days from the date of closure of the NFO Period (NFO) and / or from date of receipt of the request from the unit holder.</p> <p>The AMC / Trustee may require or obtain verification of identity or such other details regarding any Subscription or related information from the investor/unit holders as may be required under any law, which may result in delay in dealing with the applications, units, benefits, distribution, etc.</p>
Refund	<p>If application is rejected, full amount will be refunded within 5 business days of closure of NFO. If refunded later than 5 business days, interest @15% p.a. for delay period will be paid and charged to the AMC. The AMC will endeavour to refund the proceeds on the best effort basis either through electronic mode or physical mode. Refund by physical mode may include refund orders that will be marked "A/c payee only" and will be in favour of and be despatched to the sole / first Applicant, by registered post.</p> <p>In accordance with the SEBI Regulations, if the Scheme fails to collect the minimum subscription amount, the Mutual Fund and the AMC shall be liable to refund the money to the applicants under the scheme.</p> <p>In addition to the above, refund of subscription amount to applicants whose applications are invalid for any reason whatsoever, will commence after the allotment process is completed.</p>
Who can invest <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>	<ol style="list-style-type: none">1. Resident adult individuals either singly or jointly (not exceeding three) or on an anyone or survivor basis;2. Minors through parent / legal guardian;3. Karta of Hindu Undivided Family (HUF);4. Partnership Firms;5. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or Bodies of Individuals (whether incorporated or not) and Societies registered under the Societies Registration Act, 1860;6. Banks & Financial Institutions;7. Mutual Funds registered with SEBI;8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds & applicable statutory law;9. Non-resident Indians (NRIs)/Persons of Indian Origin residing abroad (PIO) either on repatriation basis or non-repatriation basis;10. Foreign Institutional investors (FIIs) on repatriation basis;11. Army, Air Force, Navy and other paramilitary units and bodies created by such institutions;12. Scientific and Industrial Research Organisations;13. Multilateral Funding Agencies approved by the Government of India/Reserve Bank of India;14. Schemes of BNP Paribas Mutual Fund subject to the conditions and limits prescribed by the SEBI Regulations;15. Trustee, AMC, Sponsor and their associates may subscribe to Units under this Scheme;16. Such other individuals/institutions/body corporate etc, as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with the SEBI Regulations. <p>The Mutual Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to the SEBI Regulations and other prevailing statutory regulations, if any.</p>

Who cannot invest?

It should be noted that the following persons cannot invest in the Scheme(s):

1. Any person who is a foreign national.
2. Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies, which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs).
3. Non-Resident Indians residing in the United States of America and Canada.
4. NRIs residing in non-compliant countries and territories (NCCTs) as determined by the financial action taskforce (FATF), from time to time.
5. Religious and charitable trusts, wakfs or other public trusts that have not received necessary approvals and a private trust that is not authorized to invest in Mutual Fund schemes under its trust deed. The Mutual Fund will not be responsible for or any adverse consequences as a result of an investment by a public or a private trust if it is ineligible to make such investments.
6. Any other person determined by the AMC or the Trustee as not being eligible to invest in the Scheme.

The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

As units may not be held by any person in breach of the SEBI Regulations, any law or requirements of any governmental, statutory authority including, without limitation, exchange control regulations, the Mutual Fund / Trustee / AMC may mandatorily redeem all the units of any unitholder where the units are held by a unitholders in breach of the same.

The Mutual Fund / Trustee / AMC shall reject the application received from NRIs residing at USA/Canada at the applicable NAV without any load, within 7 working days of identification of their residential status as USA/Canada at the time of investment.

The Mutual Fund / Trustee / AMC may redeem Units of any Unitholder in the event it is found that the Unitholder has submitted information either in the application or otherwise that is false, misleading or incomplete.

Note:

1. RBI has vide Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, granted a general permission to NRIs / Persons of Indian Origin residing abroad (PIOs) and FIIs for purchasing/ redeeming Units of the mutual fund subject to conditions stipulated therein.
2. Investments only through cheque/ demand draft and via acceptable means of electronic fund transfer shall be permitted. Investments through cash are not permitted. Returned cheques are liable not 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 are liable to be debited to the investor.

No request for withdrawal of application made during the NFO Period will be allowed.

Where can you submit the filled up applications

The list of the official points of acceptance of transactions during NFO is given in the inside back cover (page no. 40) of the SID.

The lists of SCSBs are hosted on SEBI's website. In addition to the above, all the applicants can participate in the NFO through the ASBA process. ASBA applicants should note that the ASBA process involves application procedures that are different from the procedure applicable to applicants other than the ASBA applicants. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process.

	<p>Notwithstanding any of the above conditions, any application may be accepted or rejected at the sole and absolute discretion of the Trustee.</p> <p>Collecting Banker</p> <p>Bankers to the NFO: ICICI Bank, HDFC Bank, Royal Bank of Scotland & Standard Chartered Bank.</p>
<p>How to Apply</p>	<p>Please refer to the SAI and Application form for the instructions.</p> <p>ASBA applicants shall submit an Application Form to the SCSB authorizing blocking of funds that are available in the bank account specified in the Application Form only. The acknowledgement for receiving the application by the designated Branches of the SCSBs does not guarantee that the Mutual Fund units shall be allotted either by the SCSB or the Mutual Fund. The application shall be further processed by the Registrar & Transfer Agent appointed by the Mutual Fund and units shall be allotted after deducting the blocked amount, only if the application is complete in all respect to the Mutual Fund / Registrar & Transfer Agent. Presently, ASBA facility is available for investors holding demat account.</p> <p>The ASBA Applicant's shall specify the bank account number in the ASBA Application Form and the SCSB shall block an amount equivalent to the Application Amount in the bank account specified in the ASBA Application Form. The SCSB shall keep the application amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the application amount. In the event of withdrawal or rejection of the Application Form or for unsuccessful form, the Registrar shall give instructions to the SCSB to unblock the application money in the relevant bank account. The SCSB will then unblock the application money within one day of receipt of such instruction. The application amount shall remain blocked in the ASBA account until scrutiny of the documents by the registrar of the Mutual Fund and consequent transfer of the application amount to the account of the Mutual Fund, or until withdrawal / failure of the NFO or until rejection of the ASBA Bid, as the case may be. The SCSB shall submit the ASBA form to the RTA / AMC for records.</p>
<p>Listing</p>	<p>The scheme being an open ended scheme, the units of the scheme will not be listed on any stock exchange.</p>
<p>Special Products/facilities available during the NFO</p>	<p>Switching Options</p> <p>During the NFO Period of the Scheme, unit holders of the Fund have the option to switch-in, all or part of their investment from BNP Paribas Overnight Fund, BNP Paribas Short Term Income Fund, BNP Paribas Money Plus Fund, BNP Paribas Flexi Debt and Fixed Term Funds / Series (on maturity date) during the NFO. The switch-out will be effected at the applicable NAV of the respective (switch-out) Scheme (subject to applicable cut-off time and applicable load), on the day of acceptance of the switching request. The switch-in will be effected at the NFO Price. Switch request will be subject to applicable exit load of the relevant scheme. All switch requests during the NFO Period of the Scheme will have to be submitted at the Official Points of Acceptance of transactions. Switch requests received at any other centres are liable to be rejected.</p> <p>A switch by NRI / FII unit holders will be subject to relevant laws, rules, and regulations at the time of switch.</p> <p>Systematic Investment Plan (SIP)</p> <p>(i) Under SIP the investor can invest for a continuous period of time invest a fixed amount at regular intervals for purchasing additional Units of the Scheme at the Applicable NAV, subject to applicable load.</p> <p>(ii) SIP offers investors the following three facilities:</p> <ul style="list-style-type: none"> Weekly Systematic Investment Facility (WSIF) Monthly # Systematic Investment Facility (MSIF) Quarterly # Systematic Investment Facility (QSIF) # ECS facility available.

Frequency	SIP Date	Minimum * investment required
WSIF	1st, 7th, 15th and 25th of a month	₹ 500/- and in multiples of ₹ 1/- thereafter on a weekly basis by providing in advance a minimum of 10 post-dated cheques, for a block of 10 weeks.
MSIF	1st or 7th or 15th or 25th of a month	₹ 500/- and in multiples of ₹ 1/- thereafter on a monthly basis by providing in advance a minimum of 10 post-dated cheques, for a block of 10 months.
QSIF	1st or 7th or 15th or 25th of the first month of each quarter	₹ 500/- and in multiples of ₹ 1/- thereafter on a quarterly basis by (i.e., January, April, July, October) providing in advance a minimum of 10 post-dated cheques, for a block of 10 quarters.

In case the date falls on a non-business day or falls during a book closure period, the immediate next business day will be considered for the purpose of determining the applicability of NAV subject to the realization of cheques. Units will be allotted on the above applicable dates.

- (iii) The provisions of load as applicable to the normal investments as on the date of enrollment will be applicable to fresh SIP investments.
- (iv) Separate SIP enrolment forms are required to be filled for WSIF, MSIF and QSIF.
- (v) The cheques should be drawn in favour of the Scheme i.e. BNP Paribas Government Securities Fund and crossed "A/c Payee Only" and must be payable at the locations where applications are submitted at the Official Points of Acceptance of transactions. Unit holders must write the SIP Enrolment Form number, if any, on the reverse of the cheques accompanying the SIP Enrolment Forms. Outstation cheques will not be accepted and applications accompanied by such cheques are liable to be rejected. No cash, money orders or postal orders will be accepted.
- (vi) Returned cheque(s) will not be presented again for collection. In case of bouncing of cheque / no credit receipt for SIP for 3 consecutive times, such SIP application shall be rejected.
- (vii) Investors have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Points of Acceptance of transactions. Such notice should be received at least 14 days prior to the due date of the next cheque. On receipt of such request, the SIP facility will be terminated and the remaining unutilized post-dated cheque(s) will be returned to the investor.
- (viii) The enrolment period of SIP will be as per the instruction given by the investor. In case it is instructed to continue SIP "Till instruction to discontinue the SIP is submitted" investors will have to submit SIP cancellation request to discontinue the SIP. In case, of any ambiguity in enrolment period or if the end date of SIP is not mentioned, the default period for SIP will be 5 years.
- (ix) In case investor has not selected any frequency or in case of any ambiguity, monthly frequency shall be considered as default option. Similarly, 7th day shall be considered as default execution date. In case of any ambiguity in the enrolment form, the SIP enrolment request shall be liable to be rejected.
- (x) For minor application, AMC will register standing instructions till the date of the minor attaining majority, though the instructions may be for a period beyond that date. Prior to minor attaining majority, AMC shall send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents to change the status of the account to "major". The account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no fresh transactions shall be permitted till the documents for changing the status are received.
- (xi) The Trustee / AMC reserve the right to change / modify the terms of the SIP from time to time on prospective basis.



Transactions through Stock Exchange Platform

In terms of SEBI Circular SEBI/IMD/CIR No. 11/183204/2009 dated November 13, 2009, units of the scheme can be transacted on Mutual Fund Service System (MFSS) platform of National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Platform for Allotment and Redemption of Mutual Fund units (BSE StAR MF). The following requirements should be noted:

1. The transaction can be executed through all the registered stock brokers of the NSE / BSE who are also registered with AMFI and are empanelled as distributors with AMC. Accordingly, offices of such stock brokers will be considered as 'Official Points of Acceptance' of the Fund.
2. Transaction for this purpose shall mean purchase (including registration of SIP) and redemption. Switching of units will not be permitted through this platform.
3. Time stamping as evidenced by confirmation slip given by NSE will be considered as sufficient compliance required under SEBI Circular SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 on time stamping requirement.
4. The units of the scheme will be available for transaction only in dematerialized mode and the KYC performed by depository participant will be considered as compliance with applicable requirements of SEBI Regulations read with various amendments issued thereafter by SEBI and AMFI from time to time.
5. This facility of transacting in mutual fund scheme through stock exchange infrastructure is available subject to such limits, operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

Online transaction facility

- (i) Investor can avail this facility through Internet Personal Identification Number (I - PIN) or without I-Pin.
- (ii) Transacting online through I- PIN will enable the investors to purchase/subscribe, sell/redeem, switch units and place certain non-financial transactions requests.
- (iii) Transacting online without I - PIN will offer only purchase / subscription facility. Such purchase / subscription facility shall be available only upon validation of certain mandatory fields like folio number, permanent account number etc.
- (iv) The time of receipt of application as evidenced on Registrar's server will be considered as sufficient compliance with time stamping requirement stated under SEBI Circular no. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 read with clarifications notified from time to time.
- (v) The investors should have a valid folio number (KYC validated) and the net banking facility or Visa / Mastercard enabled Debit Card with any of the select banks to avail the Invest Online Facility.

The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.

Not Applicable

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

The Trustee / AMC may, in the general interest of the Unit holders of the Scheme, keeping in view the unforeseen circumstances / unsure conditions, limit the total number of Units which may be Redeemed on any business day to 5% of the total number of Units then in issue under the Scheme (or such higher percentage as the Trustee / AMC may decide in any particular case). In addition, the Trustee / AMC reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of ₹ 2 crore or such other lower / higher amount decided by the Trustee / AMC, on a single business day. Any Units which by virtue of these limitations are not redeemed on a particular business day will be carried forward for redemption to the next business day, in order of receipt. Redemptions so carried forward will be priced on the basis of the redemption price of the business day on which redemption is made. Under such circumstances, to the



extent multiple redemption requests are received at the same time on a single business day, redemption will be made on pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next business day(s).

FREEZING / SEIZURE OF ACCOUNTS

Investors may note that under the following circumstances the Trustee / AMC may at its sole discretion (and without being responsible and/or liable in any manner whatsoever) freeze/seize a unit holder's account (or deal with the same in the manner the Trustee / AMC is directed and/or ordered) under a Scheme:

- Under any requirement of any law or regulations for the time being in force.
- Under the direction and/or order (including interim orders) of any regulatory/statutory authority or any judicial authority or any quasi-judicial authority or such other competent authority having the powers to give direction and/or order.

SUSPENSION OF SALE / REDEMPTION / SWITCHING OPTIONS OF THE UNITS

The sale/ repurchase of units of the Scheme may be suspended temporarily or indefinitely under any of the following circumstances:

- During the period of book closure, if any
- Stock markets stop functioning or trading is restricted
- Periods of extreme volatility in the stock markets, which in the opinion of the Investment Manager is prejudicial to the interest of the unit holders.
- A complete breakdown or dislocation of business in the major financial markets
- Natural calamities
- Declaration of war or occurrence of insurrection, civic commotion or any other serious or sustained financial, political or industrial emergency or disturbance
- SEBI, by orders, so direct

The Trustee / AMC reserves the right in its sole discretion to withdraw the facility of sale and switching option of units into and out of the Scheme, temporarily or indefinitely, if AMC views that changing the size of the corpus may prove detrimental to the existing unit holders of the Scheme. In the above eventualities, the time limits indicated, for processing of requests for subscription and redemption of units will not be applicable.

Suspension or restriction of repurchase/redemption facility under any scheme of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the AMC and the Trustees. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

B. ONGOING OFFER DETAILS

Ongoing Offer Period	With in 5 business days from the date of allotment.														
Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the Mutual Fund) by investors.	At the applicable NAV														
Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the Mutual Fund) by investors.	At the applicable NAV subject to applicable exit load, if any.														
Cut off timing for redemptions/swiches	<p>1. Investment Amount less than ₹ 2 lakh</p> <table border="1"> <thead> <tr> <th>Subscriptions, Redemptions and Swiches</th> <th>Applicable NAV</th> </tr> </thead> <tbody> <tr> <td>Receipt of valid application up to 3 p.m. on a Business Day.</td> <td>The Closing NAV of the day on which the application is received.</td> </tr> <tr> <td>Receipt of valid application after 3 p.m. on a Business Day</td> <td>The Closing NAV of the next Business Day on which the application is received.</td> </tr> </tbody> </table> <p>2. Investment Amount equal to or more than ₹ 2 lakh</p> <table border="1"> <thead> <tr> <th>Subscriptions and Switch-ins*</th> <th>Applicable NAV</th> </tr> </thead> <tbody> <tr> <td>In respect of valid application received up to 3.00 p.m. on a Business Day and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes before cut-off time i.e. available for utilization before the cut-off time.</td> <td>The closing NAV of the day on which the funds are available for utilization.</td> </tr> <tr> <td>In respect of valid application is received after 3.00 p.m. on a Business Day and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes after cut-off time i.e. available for utilization after the cut-off time.</td> <td>The closing NAV of the next Business Day.</td> </tr> <tr> <td>Irrespective of the time of receipt of application, where the funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes before cutoff time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day.</td> <td>Business Day on which the funds are available for utilization.</td> </tr> </tbody> </table> <p>*In case of Switch transactions, funds will be made available for utilization in the switch-in scheme based on redemption payout cycle of the switch-out scheme.</p>	Subscriptions, Redemptions and Swiches	Applicable NAV	Receipt of valid application up to 3 p.m. on a Business Day.	The Closing NAV of the day on which the application is received.	Receipt of valid application after 3 p.m. on a Business Day	The Closing NAV of the next Business Day on which the application is received.	Subscriptions and Switch-ins*	Applicable NAV	In respect of valid application received up to 3.00 p.m. on a Business Day and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes before cut-off time i.e. available for utilization before the cut-off time.	The closing NAV of the day on which the funds are available for utilization.	In respect of valid application is received after 3.00 p.m. on a Business Day and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes after cut-off time i.e. available for utilization after the cut-off time.	The closing NAV of the next Business Day.	Irrespective of the time of receipt of application, where the funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective schemes before cutoff time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day.	Business Day on which the funds are available for utilization.
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Redemptions and Switch-outs	Applicable NAV
Receipt of valid application up to 3 p.m. on a Business Day	The Closing NAV of the day on which the application is received.
Receipt of valid application after 3 p.m. on a Business Day	The Closing NAV of the next Business Day on which the application is received.

Further pursuant to AMFI circular no. 135/BP/35/2012-13 dated February 18, 2013, following provisions shall be applicable for determining NAV applicability, for the transactions received on the same day (as per time stamping rule):

- a) All purchases, additional purchases, excluding switches, systematic transactions and triggered transactions received under all non-liquid schemes of the Fund shall be aggregated and closing NAV of the day on which funds are available for utilization will be applied where the aggregated amount of the investment is ₹ 2 lac and above. In case the funds are received under the Scheme on separate days and are available for utilization on different Business days before the cut off time, then the applicable NAV shall be the Business day on which the cleared funds are available for the respective amount.
- b) The aggregation shall be done on the basis of investor/s PAN. In case of joint holding, transactions with similar holding structures to be aggregated, similar to the principle applied for compilation of Consolidated Account Statement (CAS).
- c) The transactions shall be aggregated at Scheme level irrespective of the plan in which the transaction is received. Such aggregation shall be done irrespective of the number of folios under which the investor has invested or through direct/through distributor route.
- d) The transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. Further, transactions of two minors received through same guardian shall not be aggregated.

Where can the applications for purchase/ redemption/ switches be submitted?

The applications for purchase/ redemption/ switches can be submitted at any of the official points of acceptance of transactions of AMC & SBFS. The list of official points of acceptance of transactions of both AMC & SBFS is provided on the website of the AMC, www.bnpparibasmf.in

Minimum amount for purchase/ redemption/ switches

Purchase	Lumpsum investment: ₹ 5,000 and in multiples of ₹ 1 thereafter. Systematic Investment Plan: ₹ 500 and in multiples of ₹ 1 thereafter.
Additional Purchase	₹ 1,000 and in multiples of ₹ 1 thereafter
Redemption / Switch Out	₹ 1,000 and in multiples of ₹ 1 thereafter or a minimum of 100 units (unless redemption request is for all units)

There is no upper limit on the amount for application. The Trustee / AMC reserves the right to change the minimum amount for application and the additional amount for application from time to time in the Scheme and these could be different under different plan(s) / option(s).

Minimum balance to be maintained and consequences of non maintenance

Not Applicable

Special Products/facilities available
Systematic Investment Plan (SIP)

(i) Under SIP the investor can invest for a continuous period of time invest a fixed amount at regular intervals for purchasing additional units of the Scheme at the applicable NAV, subject to applicable load.

(ii) SIP offers investors the following three facilities:

Weekly Systematic Investment Facility (WSIF):

#Monthly Systematic Investment Facility (MSIF):

#Quarterly Systematic Investment Facility (QSIF):

ECS facility available.

Frequency	SIP Date	Minimum * investment required
WSIF	1st, 7th, 15th and 25th of a month	₹ 500/- and in multiples of ₹ 1/- thereafter on a weekly basis by providing in advance a minimum of 10 post-dated cheques, for a block of 10 weeks.
MSIF	1st or 7th or 15th or 25th of a month	₹ 500/- and in multiples of ₹ 1/- thereafter on a monthly basis by providing in advance a minimum of 10 post-dated cheques, for a block of 10 months.
QSIF	1st or 7th or 15th or 25th of the first month of each quarter	₹ 500/- and in multiples of ₹ 1/- thereafter on a quarterly basis by (i.e., January, April, July, October) providing in advance a minimum of 10 post-dated cheques, for a block of 10 quarters.

In case the date falls on a non-business day or falls during a book closure period, the immediate next business day will be considered for the purpose of determining the applicability of NAV subject to the realization of cheques. Units will be allotted on the above applicable dates.

(iii) The provisions of entry and exit load as applicable to the normal investments as on the date of enrollment will be applicable to fresh SIP investments.

(iv) Separate SIP Enrolment Forms are required to be filled for WSIF, MSIF and QSIF.

(v) The cheques should be drawn in favour of the Scheme i.e. BNP Paribas Government Securities Fund and crossed "A/c Payee Only" and must be payable at the locations where applications are submitted at the Official Points of Acceptance of transactions. Unit holders must write the SIP Enrolment Form number, if any, on the reverse of the cheques accompanying the SIP Enrolment Forms. Outstation cheques will not be accepted and applications accompanied by such cheques are liable to be rejected. No cash, money orders or postal orders will be accepted.

(vi) Returned cheque(s) will not be presented again for collection. In case of bouncing of cheque / no credit receipt for SIP for 3 consecutive times, such SIP application shall be rejected.

(vii) Investors have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Points of Acceptance of transactions. Such notice should be received at least 14 days prior to the due date of the next cheque. On receipt of such request, the SIP facility will be terminated and the remaining unutilized post-dated cheque(s) will be returned to the investor.

(viii) The enrolment period of SIP will be as per the instruction given by the investor. In case it is instructed to continue SIP "Till instruction to discontinue the SIP is submitted". Investors will have to submit SIP cancellation request to discontinue the SIP. In case of any ambiguity in enrolment period or if the end date of SIP is not mentioned, the default period for SIP will be 5 years.

(ix) In case investor has not selected any frequency or in case of any ambiguity, monthly frequency shall be considered as default option. Similarly, 7th day



shall be considered as default execution date. In case of any ambiguity in the enrolment form, the SIP enrolment request shall be liable to be rejected.

- (x) In case of minor application, AMC will register standing instructions till the date of the minor attaining majority, though the instructions may be for a period beyond that date. Prior to minor attaining majority, AMC shall send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents to change the status of the account to "major". The account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no fresh transactions shall be permitted till the documents for changing the status are received.
- (xi) The Trustee / AMC reserve the right to change / modify the terms of the SIP from time to time on prospective basis.

Transactions through Stock Exchange Platform

In terms of SEBI Circular SEBI/IMD/CIR No. 11/183204/2009 dated November 13, 2009, units of the scheme can be transacted on Mutual Fund Service System (MFSS) platform of National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Platform for Allotment and Redemption of Mutual Fund units (BSE StAR MF). The following requirements should be noted:

- (i) The transaction can be executed through all the registered stock brokers of the NSE / BSE who are also registered with AMFI and are empanelled as distributors with AMC. Accordingly, offices of such stock brokers will be considered as 'Official Points of Acceptance' of the Fund.
- (ii) Transaction for this purpose shall mean purchase (including registration of SIP) and redemption. Switching of units will not be permitted through this platform.
- (iii) Time stamping as evidenced by confirmation slip given by NSE will be considered as sufficient compliance required under SEBI Circular SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 on time stamping requirement.
- (iv) The units of the scheme will be available for transaction only in dematerialized mode and the KYC performed by depository participant will be considered as compliance with applicable requirements of SEBI Regulations read with various amendments issued thereafter by SEBI and AMFI from time to time.
- (v) This facility of transacting in mutual fund scheme through stock exchange infrastructure is available subject to such limits, operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

Online transaction facility

- (i) Investor can avail this facility through Internet Personal Identification Number (I - PIN) or without I-Pin.
- (ii) Transacting online through I- PIN will enable the investors to purchase/subscribe, sell/redeem, switch units and place certain non-financial transactions requests.
- (iii) Transacting online without I - PIN will offer only purchase / subscription facility. Such purchase / subscription facility shall be available only upon validation of certain mandatory fields like folio number, permanent account number etc.
- (iv) The time of receipt of application as evidenced on Registrar's server will be considered as sufficient compliance with time stamping requirement stated under SEBI Circular no. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 read with clarifications notified from time to time.
- (v) The investors should have a valid folio number (KYC validated) and the net banking facility or Visa / Mastercard enabled Debit Card with any of the select banks to avail the Invest Online Facility.



Systematic Transfer Plan (STP)

STP is a facility provided to the investors during ongoing period of the scheme wherein investors can opt to transfer a fixed amount or capital appreciation amount at regular intervals from this scheme to all open ended schemes of the Fund which is available for investment at that time.

1. Facilities available:

STP offers unit holders the following two facilities:

- a. **Fixed Systematic Transfer Facility (FSTF)** where investor can issue a standing instruction to transfer sums at Weekly/ Fortnightly/ Monthly/ Quarterly (calendar quarter) intervals to plans / options within select schemes of BNP Paribas Mutual Fund.
- b. **Capital Appreciation Systematic Transfer Facility (CASTF)** where the investor can issue a standing instruction to transfer the entire capital appreciation from Transferor Scheme at Weekly/ Fortnightly/ Monthly/ Quarterly intervals to designated Scheme(s) of the Fund.

Both the facilities will offer transfers at weekly, fortnightly, monthly and quarterly intervals. Unit holder is free to opt for any of the above facilities and also choose the frequency of such transfers.

2. Date of transfer / minimum amount of transfer:

FSTF / CASTF	Date of transfer	Minimum amount of transfer*
Weekly	Transfer on 1st, 7th, 15th and 25th of a month	₹ 1000 and in multiples of ₹ 1 thereafter.
Fortnightly	Transfer on 1st & 15th of a month	₹ 1000 and in multiples of ₹ 1 thereafter.
Monthly	Transfer on 1st or 7th or 15th or 25th of a month	₹ 1000 and in multiples of ₹ 1 thereafter.
Quarterly	Transfer on 1st or 7th or 15th or 25th of the first month of a quarter (i.e. January, April, July, October)	₹ 1000 and in multiples of ₹ 1 thereafter.

*The minimum amount of transfer for BNP Paribas Tax Advantage Plan (ELSS) shall be ₹ 500 & in multiples of ₹ 500 thereafter. BNP Paribas Tax Advantage Plan (ELSS) is an open ended equity linked tax savings scheme with a lock in period of 3 years from the date of allotment of units. STP for an amount / value of units not in multiples of ₹ 500 shall be deemed as a transfer request for an amount which is equal to the nearest lower multiple of ₹ 500 and the balance amount, if any, shall remain invested in the Transferor Scheme.

3. An investor has to maintain minimum balance of ₹ 6,000 in the opted Transferor scheme at the time of enrolment of STP.
4. An investor will have to opt for a minimum of 6 installments under Weekly, Fortnightly, Monthly option and 2 installments for Quarterly STP otherwise the STP enrolment request shall be liable to be rejected.
5. An investor has to clearly specify the name & the option of the Transferor & Transferee scheme in the enrolment form. If the same is not stated or in case of any ambiguity STP enrolment request shall be liable to be rejected. In absence of information, the default option for Transferee scheme shall be growth option.
6. Load structure of the Transferor Scheme & Transferee Schemes as on the date of enrolment of STP shall be applicable.
7. In case the STP execution dates fall on non – business day, the next business day will be considered as date of transfer.
8. An investor has to select any one facility i.e. FSTF or CASTF. In case, investor doesn't select any facility or in case of any ambiguity, the STP enrolment request shall be rejected. However, in case investor has selected any one of the facility but has not selected frequency and / or date or in case of any ambiguity, by default, monthly frequency & 7th day shall be considered as frequency & execution date.
9. In FSTF, in case there is no minimum amount (as specified above) available in the unit holder's account for transfer into Transferee Scheme, the transfer shall not be executed and the request of unit holder will stand withdrawn with immediate effect.



10. In CASTF, if there is no minimum appreciation amount in the transferor scheme for the consecutive three installments, the STP request of the unit holder will stand withdrawn with immediate effect. The capital appreciation, if any, will be calculated from the enrolment date of the CASTF under the folio, till the first transfer date [e.g. if the unit holder has been allotted units on the 23rd of September and the date of enrolment for monthly CASTF is the 1st of November and the unit holder has opted for 15th of every month as the transfer date, capital appreciation, if any, will be calculated from the 1st of November to the 15th of November (first transfer date). Subsequent capital appreciation, if any, will be the capital appreciation between the previous CASTF date (where transfer has been processed) and the next CASTF date].
11. A request for STP will be treated as a request for redemption from the transferor scheme and subscription into the selected transferee scheme(s), at the applicable NAV, subject to load and statutory levy, if any.
12. In case of minor applicant, the guardian can opt for STP only till the date of minor attaining majority. AMC shall suspend the standing instruction of STP enrollment from the date of minor attaining majority by giving adequate prior notice. Further, once the minor attains majority, the guardian will not be able to undertake any financial and non-financial transactions including fresh registration of Systematic Transfer Plan (STP) and the folio shall be frozen for the further operation till the time requisite documents for changing the status from minor to major is submitted to the Fund.
13. STP will be automatically terminated if all units are liquidated or withdrawn from the Transferor Scheme or pledged or upon receipt of intimation of death of unit holder. A request for STP will be treated as a request for redemption from/ subscription into the respective option(s)/ plan(s) of the scheme(s), at the applicable NAV, subject to applicable load. In case the transfer dates fall on a non-business day, the next business day will be considered for this purpose.
14. The provision of 'Minimum redemption amount' specified in the SID of Transferor Scheme and 'Minimum application amount' specified in the SIDs of the Transferee Schemes will not be applicable for STP.
15. STP Enrolment Form complete in all respects must reach at least 14 working days in advance of STP date at any of the Official Points of Transactions.
16. Investors could choose to terminate the STP by giving a written notice at least 7 business days in advance to the Official Points of Transactions.
17. The Trustee / AMC reserve the right to change / modify the terms of the STP or withdraw this facility from time to time.

Systematic Withdrawal Plan (SWP)

1. SWP is a facility wherein the investors can opt to withdraw (i.e. redeem from the Scheme) a fixed or a variable amount from their investment accounts at periodic intervals.
2. SWP offers unit holders the following two facilities:
 - i. **Fixed Systematic Withdrawal Facility (FSWF)** where the investor issues a standing instruction to withdraw sums at Monthly / Quarterly (calendar quarter) intervals.
 - ii. **Capital Appreciation Systematic Withdrawal Facility (CASWF)** where the investor issues a standing instruction to withdraw the entire capital appreciation from the Scheme at Monthly / Quarterly intervals.
3. FSWF / CASWF Monthly Withdrawal on 1st of the month and Quarterly Withdrawal on 1st of the first month of a Quarter (i.e., 1st of January, April, July, October)
4. Withdrawal must be for a minimum amount of ₹1,000/- or in multiples of ₹ 1/- thereafter in Monthly FSWF/ CASWF and ₹ 3,000/- and in multiples of ₹ 1/- thereafter in Quarterly FSWF/ CASWF. An investor will have to opt for a minimum of 6 transactions under Monthly FSWF/ CASWF and 2 transactions under Quarterly FSWF/ CASWF.
5. In FSWF, if the net asset value of the Units outstanding on the withdrawal date is insufficient to process the withdrawal request, then the Mutual



- Fund will redeem all Units outstanding and the SWP request will stand withdrawn for further processing.
6. In CASWF, if there is no minimum appreciation amount on the withdrawal date, then the Mutual Fund shall process the withdrawal request for that date and the SWP request of the unit holder will stand withdrawn for further processing. The capital appreciation, if any, will be calculated from the enrolment date of the CASWF under the folio, till the withdrawal date (i.e. the 1st of a month in the Monthly CASWF and 1st of the first month of Quarter in a quarterly CASWF). Subsequent capital appreciation, if any, will be the capital appreciation between the previous CASWF date and the next CASWF date.
 7. If the withdrawal date under FSWF / CASWF falls on a non-business day the next business day will be considered for this purpose.
 8. A request for SWP will be treated as a request for Redemption from the Scheme, at the applicable NAV, subject to applicable Load, if any.
 9. Unit holders may change the amount of withdrawal, at any time by giving the ISC a written notice at least 7 business days prior to the next withdrawal date. However, the AMC at its sole discretion retains the right to close an account if the outstanding balance, based on the Net Asset Value (NAV), falls below minimum balance.
 10. SWP may terminate on receipt of a notice from the Unit holder. It will terminate automatically if all Units are liquidated or withdrawn from the folio or pledged or upon receipt of notification of death of the first named Unit holder.
 11. The Trustee / AMC reserve the right to change / modify the terms of the SWP or withdraw this facility from time to time.

Account Statement

Pursuant to amendment to Regulation 36 of SEBI Regulations read with SEBI circular no. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, the following shall be applicable with respect to dispatch of account statement:

1. The AMC shall issue a Consolidated Account Statement (CAS) for each calendar month on or before tenth day of succeeding month detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all the schemes of all mutual funds in whose folios transaction has taken place during that month. Accordingly, for all the transactions from the month of October 2011, the CAS shall be issued on or before 10th day succeeding month. CAS is a statement reflecting holdings / transactions across all the mutual funds by the investor.

Provided that the AMC shall issue a CAS every half year (September / March) on or before tenth day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds to all such investors in whose folios no transaction has taken place during that period.

The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the scheme. Alternatively, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

2. AMC shall now cease to send physical account statement to the investors after every financial transaction including systematic transactions. Further, CAS will be sent via email where any of the folios which are consolidated has an email id or to the email id of the first unit holder as per KYC records.
3. Further, the AMC shall send confirmation specifying the number of units allotted to the applicant by way of an email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of closure of the New Fund Offer Period (NFO) and / or from date of receipt of the request from the unit holder.
4. In case of a specific request received from the unit holder, the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

5. In case the folio / account have more than one registered holder, the first named unit holder / guardian (in case of minor) shall receive the CAS.
6. CAS shall not be issued to the investor who has not updated their Permanent Account Number (PAN) in their respective folios. The unit holders are requested to ensure that the PAN details are updated in all their folio(s).
7. For this purpose, common investors across mutual funds shall be identified by their PAN.
8. The statement of holding of the beneficiary account holder for units held in demat shall be sent by the respective DPs periodically.

The word 'transaction' for the issuance of CAS shall include purchase, redemption, switch, dividend payout, dividend reinvestment etc.

An account statement will be sent by ordinary post / courier / email. The account statements shall be non-transferable. The account statement shall not be construed as a proof of title and is only a computer printed statement indicating the details of transactions under the scheme.

The Mutual Fund / Trustee / AMC reserves the right to reverse the transaction of crediting units in the unitholder's account, in the event of non realisation of any cheque or other instrument remitted by the investor.

The unitholders, who hold units in physical form, may request for an account statement at any time during the tenor of the scheme by writing to the AMC / RTA. Unitholders are requested to provide their e-mail ids for receipt of all correspondences including account statements using e-mail as the mode of communication. Unitholders whose e-mail id is available in the database of BNP Paribas Mutual Fund, electronic mail (e-mail) shall be the default mode of communication for those investors. In case, email address is not available, the AMC shall send all the communication in physical copies at the address available in the records of the AMC. In case the unitholder submits a request to receive any communication in physical mode then AMC shall provide the same within five working days from the date of receipt of request. If the Unitholder experiences any difficulty in accessing the electronically delivered account statement, the Unitholder shall promptly advice the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. Failure to advise the Mutual Fund of such difficulty within 24 hours after receiving the e-mail will serve as a confirmation regarding the acceptance by the Unitholder of the account statement.

Dividend	The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.
Redemption	<p>As per the SEBI Regulations, the Mutual Fund shall despatch redemption proceeds within 10 business days of receiving a valid redemption / repurchase request. A penal interest of 15% per annum or such other rate as may be prescribed by SEBI from time to time, will be paid in case the redemption proceeds are not despatched within 10 business days of the date of valid redemption request.</p> <p>In case an investor has purchased units on more than one business day (either during the NFO Period or through subsequent purchases) the units purchased first (i.e. those units which have been held for the longest period of time), will be deemed to have been redeemed first i.e. on a first-in-first-out basis.</p> <p>It may, however, be noted that in the event of death of the unitholder, the nominee / legal heir (as the case may be), subject to production of requisite documentary evidence, will be able to redeem the investment.</p>
Delay in payment of redemption/ repurchase or dividend proceeds	The AMC 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).
Bank Account Details	<p>As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase. If the Unitholder fails to provide the Bank mandate in the purchase application, the request for purchase would be rejected.</p> <p>If a change of bank mandate is submitted along with the redemption request, then only the redemption request will be processed as per specified service standard and last registered bank account information will be used for payments to Unit holders. For the change of bank mandate, investors are requested to submit the specified form separately.</p>
Registration of multiple bank accounts	Individuals and HUF investors can register up to 5 bank accounts and non-individuals can register upto 10 bank accounts by filling up the Multiple Bank Registration Form. AMC / RTA shall adopt the same process of verification for the above registration as is applicable for change of bank mandate.

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>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 AMC will disclose the first NAV of the scheme not later than 5 business days from the date of allotment of the scheme. The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9.00 p.m. and also on their website - www.bnpparibasmf.in. In case of any delay, the reasons for such delay shall be explained to AMFI and number of such instances shall be reported to SEBI on bi-monthly basis. If the NAVs are not available before the commencement of the following day due to any reason, the Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund shall be able to publish the NAVs.</p> <p>The NAV shall be calculated for all business days and shall be published at least in two daily newspapers having circulation all over India.</p>
<p>Half Yearly Disclosures: Portfolio/ Financial Results</p> <p>This is the list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The AMC shall disclose portfolio (along with ISIN) as on the last day of the month for all the schemes on its website on or before the tenth day of the succeeding month. The AMC shall also publish complete statement of scheme portfolio within one month from the close of each half year (that is on 31st March and on 30th September) in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated.</p>
<p>Half Yearly Results</p>	<p>The mutual fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website. The mutual fund and the AMC shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated.</p>
<p>Annual Report</p>	<p>The scheme wise annual report or an abridged summary thereof shall be mailed to all unit holders within four months from the date of closure of the relevant accounts year i.e. 31st March each year.</p> <p>In accordance with SEBI Circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, in order to bring cost effectiveness in printing and dispatching the annual reports or abridged summary thereof, the following shall be applicable:</p> <ol style="list-style-type: none"> 1. In case the unit holder has provided the email address, the AMC shall send the scheme annual reports or abridged summary only via email. 2. In case email address is not available, the AMC shall send the physical copies of these reports at the address available in the records of the AMC. 3. In case of any request from the unit holder for physical copies notwithstanding their registration of email addresses, AMC shall provide the same within five working days from the date of receipt of request. 4. The AMC shall display the link of the scheme annual reports or abridged summary prominently on its website www.bnpparibasmf.in and make the physical copies available to the investors at the registered office at all times.
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI).</p>

Taxation

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

As per Finance Act 2012:

Debt Fund	Resident Investors	Mutual Fund
Tax on Dividend	Nil	Tax on income distribution to: <ul style="list-style-type: none"> • Individual or HUF unitholders - 13.519% of amount distributed • Other Unit Holders - 32.445% of amount distributed
Capital Gains* (where the units are held as investments by the investors): Long term	With Indexation: 20% Without Indexation: 10%	Nil
Short Term	30%**	Nil
Business Income* (where the units are held as stock in trade by the investors)	30%**	Nil

* The above mentioned tax rates should be increased by applicable surcharge of 5% in case of corporate unit holders (being resident), where the total income exceeds ₹ 10,000,000/-. No surcharge is applicable to non-corporate investors. Further, an additional surcharge of 3% by way of education cess shall be charged in all cases on amount of tax inclusive of surcharge, if any.

** progressive tax rates for individuals, HUF and co-operative society.

As per Finance Bill 2013:

Tax on Dividend	Nil	Upto 31 May 2013 14.1625% on income distributed to any individual or a Hindu Undivided family 33.99% on income distributed to any other person From 1 June 2013 Onwards 28.325% on income distributed to any individual or a Hindu Undivided family 33.99% on income distributed to any other person
Capital Gains*: Long term	With Indexation: 20% Without Indexation: 10%	Nil
Short Term	30%	Nil

Income distribution tax is inclusive of the base tax rate, surcharge of 10 per cent (proposed) thereon plus education cess of 3 per cent on tax plus surcharge.

*The above mentioned tax rates should be increased by applicable surcharge of 5% in case of corporate unit holders (being resident), where the total income exceeds ₹10, 000,000 but is less than ₹ 100,000,000 and 10% in if income exceeds ₹ 100,000,000. Surcharge of 10% is applicable to non corporate investors if the total income exceeds ₹ 10,000,000.

Further, an additional surcharge of 3% by way of education cess shall be charged in all cases on amount of tax inclusive of surcharge, if any.

It may be noted that the scheme will be classified as a debt fund and not as a Money Market Fund/ Liquid Fund although it may have exposure to money market instruments and short term debt.

For taxation risk information, please refer to Section I (A) (scheme Specific Risk Factors) (3) (c) on page 7 of the SID. For details on taxation please refer to the clause on taxation in the SAI.



Investor Services

For investor services, please contact the investor relations officer as follows:

Mr. Amit Borkar
BNP Paribas Asset Management India Private Limited
BNP Paribas House, 1 North Avenue,
Maker Maxity, Bandra Kurla Complex,
Bandra East, Mumbai - 400 051.
Phone: 022-33704242 Fax: 022-33704294
E-mail : customer.care@bnpparibasmf.in

D. COMPUTATION OF NAV

The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI 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:

NAV per Unit (₹) =

$$\frac{\text{Market or Fair Value of the Plan's Investments} + \text{Current Assets} - \text{Current Liabilities and Provisions}}{\text{No. of units outstanding under the Scheme}}$$

Separate NAVs will be calculated and announced for each of the options under the Scheme.

The NAVs will be rounded off up to 4 decimal places for the Scheme. However, the units will be allotted up to 3 decimal places at the time of initial allotment.

IV. FEES AND EXPENSES

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

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The NFO Expenses shall be borne by the AMC.

B. ANNUAL SCHEME RECURRING EXPENSES

The AMC has estimated the annual recurring expenses under the Scheme as per the table below:

Particulars	BNP Paribas Government Securities Fund	BNP Paribas Government Securities Fund- Direct Plan
	% of Net Assets	
Investment Management & Advisory Fee	Upto 2.25%	Upto 2.00%
Trustee fee		
Audit fees		
Custodian Fees		
Registrar & Transfer Agent Fees		
Marketing & Selling Expenses including Agents Commission		
Costs related to investor communications		
Costs of fund transfer from location to location		
Cost of providing account statements and dividend redemption cheques and warrants		
Costs of statutory Advertisements		
Cost towards investor education & awareness (at least 2 bps)		
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively.		
Service tax on expenses other than investment and advisory fees		
Service tax on brokerage and transaction cost		
Other Expenses		
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)	Upto 2.25%	Upto 2.00%
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	Upto 0.30%

Further, the BNP Paribas Government Securities Fund - Direct Plan shall have a lower expense ratio excluding distribution expenses, commission etc. since no commission shall be paid from this plan.

The commission/ distribution expenses will not be charged in case of Direct Plan. The total expense ratio of Direct Plan will be lower by at least 11.11% vis-à-vis non - direct plan.

The following expenses shall be additionally charged to the scheme:

- (a) expenses not exceeding 0.30 per cent of daily net assets, if the new inflows from beyond top 15 cities are at least
- 30 per cent of gross new inflows in the scheme, or;
 - 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

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

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

The top 15 cities shall mean top 15 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.

The said additional expenses on account of inflows from beyond top 15 cities so charged shall be clawed back in the respective schemes, in case the said inflow is redeemed within a period of 1 year from the date of investment.

- additional expenses incurred towards different heads mentioned under Regulation 52 (6A) (c), not exceeding 0.20 per cent of daily net assets of the scheme shall be charged.
- The AMC may charge service tax on investment and advisory service fees (AMC Fees) which shall be borne by the Scheme in addition to the total expense ratio;
- Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment shall not exceed 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions.



- (e) Within the total expense limit chargeable to respective Schemes of the Fund, following will be charged to the Schemes:
- i. Service Tax on expenses other than investment and advisory fees, if any, (including on brokerage and transaction costs on execution of trades) shall be borne by the Scheme/s.
 - ii. Investor education and awareness initiative fees of at least 2 basis points on daily net assets of respective Scheme/s,

The expenses include investment management and advisory fee and other allowable expenses shall be subject to the following percentage limit of daily net assets.

- (i) On the first ₹ 100 crore of the daily net assets 2.25%;
- (ii) On the next ₹ 300 crore of the daily net assets 2.00%;
- (iii) On the next ₹ 300 crore of the daily net assets 1.75%;
- (iv) On the balance of the assets 1.50%

Expenses over and above the prescribed ceiling will be borne by the AMC. For the actual current expenses being charged, the investor should refer to the website of the mutual fund. The mutual fund would update the current expense ratios on the website within two working days mentioning the effective date of the change.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per SEBI (Mutual Funds) Regulations, 1996.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. (This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses.) 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.bnpparibasmf.in) or may call your distributor.

Entry Load: Nil

Exit Load: Nil

The above load shall also be applicable for switches between the schemes of the Fund and all Systematic Investment Plans, Systematic Transfer Plans, Systematic Withdrawal Plans.

The switch of investments from BNP Paribas Government Securities Fund to BNP Paribas Government Securities Fund - Direct Plan shall be subject to applicable exit load if any. Further, no exit load shall be levied in case of switches from Direct plan to other plan. The exit load shall not be charged for inter option switch within the same plan.

In accordance with the requirements specified by the SEBI circular no. SEBI/ IMD/ CIR No. 4/ 168230/09 dated June 30, 2009 no entry load will be charged for purchase/additional purchase/ switch-in accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

The exit load charged, if any shall be credited to the scheme.

Subject to the Regulations, the AMC / Trustee reserve the right to modify / alter the load structure on the Units subscribed / redeemed on any business day under each Plan(s) / Option(s) from time to time. Such changes will be applicable for prospective investments. At the time of changing the load structure, the AMC shall take the following steps:

- The addendum detailing the changes shall be attached to SID and Key Information Memorandum. The addendum will be circulated to all the distributors so that the same can be attached to all SIDs and Key Information Memorandum already in stock.
- Arrangements shall be made to display the changes/modifications in the SID in the form of a notice in all the ISCs' and distributors' offices.
- The introduction of the load/ CDSC along with the details shall be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
- A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
- Any other measures which the Mutual Fund may feel necessary.

All loads including Contingent Deferred Sales Charge (CDSC) for the Scheme shall be maintained in a separate account and may be utilized towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.

The investor is requested to check the prevailing load structure of the scheme before investing. For any change in load structure AMC will issue an addendum and display it on the website/investor Service Centres.

D. TRANSACTION CHARGES

Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, the AMC/the Fund shall deduct transaction charges as per the following details from the subscription amount. The amount so deducted shall be paid to the distributor/agent of the investor (in case they have "opted in") and the balance shall be invested. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the distributors shall have an option either to opt in or opt out of levying transaction charge based on type of the product.

1. **First time investor in Mutual Fund (across all the Mutual Funds):** Transaction charge of ₹ 150/- for subscription of ₹ 10,000 and above shall be deducted.
2. **Existing investor in Mutual Funds (across all the Mutual Funds):** Transaction charge of ₹ 100/- per subscription of ₹ 10,000 and above shall be deducted.



3. **For SIP** - The transaction charges in case of investments through SIP shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to ₹ 10,000/- and above. The transaction charges shall be deducted in 3-4 installments.
4. Transaction charges shall not be deducted for:
 - a. purchases /subscriptions for an amount less than ₹ 10,000/-
 - b. transaction other than purchases/ subscriptions relating to new inflows such as Switch/ Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP) etc.
 - c. purchases /subscriptions made directly with the Fund (i.e. not through any distributor/agent).
 - d. Transactions through stock exchange.
5. The statement of account shall reflect the net investment as gross subscription less transaction charge and the number of units allotted against the net investment.
6. As per SEBI circular no. SEBI/ IMD/ CIR No. 4/ 168230/09 dated June 30, 2009, the upfront commission to distributors shall be paid by the investor directly to the distributor by a separate cheque based on the investor's assessment of various factors including service rendered by the distributor.

E. WAIVER OF LOAD FOR DIRECT APPLICATIONS

In accordance with the requirements specified by the SEBI circular no. SEBI / IMD/CIR No. 4 / 168230/ 09 dated June 30, 2009 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund. Hence provision for waiver of load for direct application is not applicable.

V. RIGHTS OF UNITHOLDERS

Please refer to the SAI for details.

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

<i>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.</i>	NIL
<i>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 & 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.</i>	NIL
<i>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.</i>	NIL
<i>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 also be disclosed.</i>	NIL

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.

This Scheme Information Document has been approved by the Trustees on January 5, 2013 and the Trustees have ensured that the BNP Paribas Government Securities Fund approved by them is a new product offered by BNP Paribas Mutual Fund and is not a minor modification of any existing scheme/ fund/ product.



LIST OF COLLECTION CENTRES (DURING NEW FUND OFFER PERIOD)

AMC Investor Service Centres

- Mumbai** : 2nd Floor, French Bank Building, 62, Homji Street, Fort, Mumbai - 400 001.
Bengaluru : Unit No. 205, 2nd Floor, West Wing - Raheja Tower, 26-27, M. G. Road, Bangalore 560 001 - India.
Chennai : Unit No. 202 , 2nd Floor, Prince Towers, Door Nos. 25 & 26, College Road, Nungambakkam, Chennai - 600 006.
Hyderabad : ABK Olbee Plaza, No. 502, 5th Floor, 8-2-618/8 & 9, Road No. 1 & 11, Banjara Hills, Hyderabad - 500 034.
Kolkata : Office No. 304, 3rd Floor, Central Plaza, 2/6 Sarat Bose Road, Kolkata 700 020.
New Delhi : 8th, Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road, New Delhi - 110 001.
Pune : Office No. A-4, Fourth Floor, Deccan Chambers 33/40, Erandwana, Karve Road, Pune - 411 004.
Ahmedabad : 302, 3rd Floor, VIVA complex, Near Parimal Garden, Ellisbridge, Ahmedabad - 380 006.

SCSBs:

Please visit the website www.sebi.gov.in for the list of SCSBs. You may also check with your bank for the ASBA facility.



BNP PARIBAS
MUTUAL FUND

BNP Paribas Asset Management India Private Limited

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