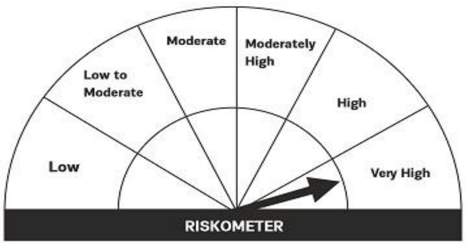
Aditya Birla Sun Life
Mutual Fund

ADITYA BIRLA
CAPITAL
1800-270-7000

Scheme Information Document

Aditya Birla Sun Life Nifty 200 Quality 30 ETF

(An open ended exchange traded fund tracking Nifty 200 Quality 30 TRI)

This Product is suitable for investors who are seeking*:	
• Investors seeking returns that are in line with the performance of Nifty 200 Quality 30 Index, subject to tracking errors • Investments in the stocks belonging to Nifty 200 Quality 30 Index	 Investors understand that their principal will be at Very High risk

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

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

Offer of units of face value ₹1 per unit issued at a premium approximately equal to the difference between the face value and allotment price during the New Fund Offer period and at NAV based prices during continuous offer.

NEW FUND OFFER OPENS ON	**Friday, July 29, 2022**
NEW FUND OFFER CLOSES ON	**Wednesday, August 10, 2022**
SCHEME RE-OPENS ON	**Within 5 business days from date of allotment.** The units of the Scheme are to be listed on the National Stock Exchange of India Limited (NSE) All investors including Market Makers and Large Investors can subscribe (buy) / redeem (sell) units on a continuous basis on the NSE on which the Units are to be listed during the trading hours on all the trading days. In addition, Market Makers can directly subscribe to/redeem units of the Scheme on all Business Days with the Fund in 'Creation Unit Size' at NAV based prices and for large investors, the execution value to be greater than 25 Cr. on an ongoing basis.

NAME OF MUTUAL FUND	**NAME OF THE ASSET MANAGEMENT COMPANY**	**NAME OF THE TRUSTEE COMPANY**
ADITYA BIRLA SUN LIFE MUTUAL FUND One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013 Tel: 43568000 Fax No: 43568110 / 8111 Website www.mutualfund.adityabirlacapital.com	**ADITYA BIRLA SUN LIFE AMC LIMITED** One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013 Tel: 43568000 Fax No: 43568110 / 8111 CIN: L65991MH1994PLC080811	**ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED** One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013 Tel: 43568000 Fax No: 43568110 / 8111 CIN: U74899MH1994PTC166755

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

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 Centers / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Aditya Birla Sun Life Mutual Fund, Tax and Legal issues and general information on www.mutualfund.adityabirlacapital.com

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 July 6, 2022.

The units of Aditya Birla Sun Life Nifty 200 Quality 30 ETF are to be listed on the National Stock Exchange of India Limited (NSE). All investors including Market Makers and Large Investors can subscribe (buy) / redeem (sell) units on a continuous basis on the NSE on which the Units are to be listed during the trading hours on all the trading days. In addition, Market Makers can directly subscribe to / redeem units of the Scheme on all Business Days with the Fund in 'Creation Unit Size' at NAV based prices and for large investors, the execution value to be greater than 25 Cr., on an ongoing basis.

DISCLAIMER CLAUSE OF NSE

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/5371 dated November 11, 2021 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the Stock Exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

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

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HIGHLIGHTS OF THE SCHEME

Name of the Scheme	**Aditya Birla Sun Life Nifty 200 Quality 30 ETF**
Type of Scheme	An open ended exchange traded fund tracking Nifty 200 Quality 30 TRI
Scheme Code	ABSL/O/O/EET/22/02/0111
Investment Objective	The investment objective of the Scheme is to generate returns that are in line with the performance of Nifty 200 Quality 30 Index, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There can be no assurance that the objective of the Scheme will be achieved.
Plans/ Options offered	Not Available. The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.
Liquidity / Listing	The Units of the Scheme are to be listed on National Stock Exchange of India (NSE) and any other recognised stock exchanges as may be decided by AMC from time to time. The Units of the Scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange. The AMC will appoint atleast 2 Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote (buy and sell quotes) in the market. Alternatively, the Market Makers and Large Investors may subscribe to and/or redeem the units of the Scheme with the Mutual Fund on any business day during the ongoing offer period commencing not later than 5 (five) business days from the date of allotment at a price equivalent to applicable NAV and transaction charges, if any. The Market Makers shall transact with AMC only in multiples of creation unit size In case of Large Investors, any order placed for redemption or subscription directly with the AMC shall have execution value greater than INR 25 Cr. The aforesaid threshold shall not be applicable for Market Makers, All investors including Market Maker(s), Large Investors and other investors may sell their units on the stock exchange on which these units will be listed on all the trading days of the stock exchange. Mutual fund will repurchase units from Market Maker(s) and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size for market makers and for large investors, the execution value is greater than Rs. 25 Cr. The redemption consideration shall normally be the basket of securities represented Nifty 200 Quality 30 TRI in the same weightage as in the Index and cash component.
Sale of Units by Mutual Fund	**Ongoing basis:** • The purchase value of units for ongoing purchases directly from the Mutual Fund would be restricted to Market Maker(s) in creation unit size and for Large Investors, the execution value to be greater than Rs. 25 Cr. Market Maker(s) and Large Investors may buy the units on any business day of the scheme directly from the Mutual Fund at applicable NAV, and transaction charges by depositing basket of securities comprising Nifty 200 Quality 30 TRI. • The units will be listed on NSE to provide liquidity through secondary market. All categories of Investors may purchase the units through secondary market on any trading day. • The AMC will appoint at least 2 Market Maker(s) (whose name will be available on the website of the Fund) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market. • The AMC reserves the right to list the units of the scheme on any other recognised stock exchange in future.

Creation Unit Size	Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the "Portfolio Deposit" and a "Cash Component" or cash of equivalent value. The Portfolio Deposit and Cash Component are defined as follows: **Portfolio Deposit:** Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time. **Cash Component:** Cash Component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit. The Portfolio Deposit and Cash Component may change from time to time due to change in NAV and will be announced by the AMC on its website. **The Creation Unit size for the Scheme shall be 81,000 units and in multiples thereof.** For redemption of Units, it is vice versa i.e. fixed number of units of the Scheme and a Cash Component is exchanged for Portfolio Deposit. The Portfolio Deposit and the Cash Component will change from time to time as decided by AMC. The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on website of the Mutual Fund (www.mutualfund.adityabirlacapital.com).
Transaction handling charges	Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Maker or large investor.
Cost of trading on the stock exchange	The investor shall have to bear costs in the form of bid/ask spread and brokerage or such other cost as charged by the broker for transacting in the units of the Scheme through secondary market.
Flexibility	The Mutual Fund will allow investors the flexibility to switch their investments (subject to minimum application amount under the Scheme) from any other scheme(s) / plans managed by Mutual Fund, as per the features of the respective scheme offered by the Mutual Fund to Aditya Birla Sun Life Nifty 200 Quality 30 ETF during the New Fund Offer period (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched).
Minimum Application Amount	**<u>During New Fund Offer Period:</u>** Minimum of Rs. 100/- and in multiples of Re. 1/- thereafter during the New Fund Offer period. **<u>During Ongoing Offer period:</u>** **For Subscription / Redemption of units directly with Mutual Fund:** • Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Maker(s) and Large Investors. • Units of the Scheme may be subscribed to / redeemed only in Creation Unit size & in multiples thereof for market makers and for large investors, the execution value is greater than Rs. 25 Cr. • Market Makers and Large Investors may subscribe to/redeem the units of the Scheme on any business day directly with the Mutual Fund at applicable NAV and transaction charges, if any, by depositing/receiving stocks comprising the benchmark index and/or cash, value of which is equivalent to Creation Unit size for market makers and for large investors, the execution value is greater than Rs. 25 Cr. • The Creation Unit size in case of Aditya Birla Sun Life Nifty 200 Quality 30 ETF shall be 81,000 units and in multiples thereof.

	For Purchase / Sale of units through Stock Exchange: • All categories of Investors may purchase/sell the units of the Scheme through the Stock Exchange on which the units of the Scheme are to be listed on any trading day in round lot of 1 (one) Unit at the prevailing listed price. **No switch-ins/switch-outs shall be allowed under the Scheme on an ongoing basis.**
Transparency / NAV Disclosure	The AMC will calculate and disclose the first NAV of the scheme not later than 5 (five) Business days from the date of allotment. Thereafter, the NAV will be calculated and disclosed for every Business Day. NAV of the scheme will be calculated up to four decimal places. AMC shall update the NAV on AMFI website (www.amfiindia.com) and on the website of the Mutual Fund (www.mutualfund.adityabirlacapital.com) by 11.00 pm on the day of declaration of the NAV. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC. NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and will be updated during the market hours on its website www.mutualfund.adityabirlacapital.com. However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and update the Indicative NAV periodically on its website atleast once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers/Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market. In terms of SEBI regulation, a complete statement of the Scheme portfolio will be sent to all unitholders, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund. The portfolio of the scheme (alongwith ISIN) shall also be disclosed on the website of Mutual Fund (www.mutualfund.adityabirlacapital.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.
Dematerialization	**Units of the Scheme shall be available and compulsorily be issued/ repurchased and traded in dematerialized form.** An Investor intending to invest in the Scheme is required to have a beneficiary account with a Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant held with the DP.
Transfer of Units	Units of the Scheme are transferable in accordance with the provisions of Depositories Act, SEBI (Depositories and Participants) Regulations, 2018

	and other applicable provisions, as may be amended from time to time.
Benchmark Index	Nifty 200 Quality 30 TRI
Load	**The following load structure will be applicable during the NFO period and Ongoing Offer Period:** **Entry Load:** Nil In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. **Exit Load:** Nil The units of the Scheme shall be compulsorily traded in dematerialized form and hence, there shall be no exit load for the units purchased or sold through stock exchanges. However, the investor shall have to bear costs in form of bid/ask spread and brokerage or such other cost as charged by his broker for transacting in units of the schemes through secondary market. However, the Load Structure is subject to change from time to time and shall be implemented prospectively. For further details on Load Structure, please refer Section IV of this Scheme Information Document.
Application Supported by Block Amount (ASBA)	Investors also have an option to subscribe to units of the Scheme during the New Fund Offer period under the **Application Supported by Blocked Amount (ASBA) facility**, which would entail blocking of funds in the investor's bank account, rather than transfer of funds, on the basis of an authorisation given to this effect at the time of submitting the ASBA application form. Investors applying through the ASBA facility should carefully read the applicable provisions before making their application. For further details on ASBA facility, investors are requested to refer to Statement of Additional Information (SAI).
Transaction Charges (For Lumpsum Purchases and SIP Investments routed through distributor / agent)	In accordance with SEBI circular no. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, the AMC shall deduct the Transaction Charges on purchase / subscription of Rs. 10,000 and above received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor/agent (who have opted-in to receive the transaction charges on basis of type of product) as under: **First Time Mutual Fund Investor (across Mutual Funds):** Transaction charge of Rs. 150/- for subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor / agent of the first time investor. The balance of the subscription amount shall be invested and accordingly units allotted. **Investor other than First Time Mutual Fund Investor:** Transaction charge of Rs. 100/- per subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor/ agent of the investor. The balance of the subscription amount shall be invested and accordingly units allotted. **Transaction charges shall not be deducted/applicable for:** o Purchases /subscriptions for an amount less than Rs. 10,000/-; o Transaction other than purchases / subscriptions relating to new inflows such as Switches, STPs, etc.; o Transactions carried out through the Stock Exchange Platforms for Mutual Funds. **No transaction charges will be deducted for any purchase / subscription made directly with the Fund (i.e. not routed through any distributor/ agent).** For further details on transaction charges refer to the section 'Transaction

	Charges'.

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

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

Section I – INTRODUCTION

A. RISK FACTORS

STANDARD RISK FACTORS

- Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Scheme will be achieved.
- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down depending on the various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor / AMC / Mutual Fund does not guarantee future performance of the Scheme and may not necessarily provide a basis of comparison with other investments.
- Aditya Birla Sun Life Nifty 200 Quality 30 ETF is the name of the Scheme and does not, in any manner, indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1,00,000 made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

SCHEME SPECIFIC RISK FACTORS

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

- **Liquidity Risk:** Trading in units of the scheme on the Exchange may be halted because of market conditions or for reasons that in view of the Exchange authorities or SEBI, trading in units of the scheme is not advisable. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to Stock Exchange(s) and SEBI "circuit filter" rules as applicable from time to time. There can be no assurance that the requirements of the exchange/s necessary to maintain the listing of units of the scheme will continue to be met or will remain unchanged.
- **Regulatory Risk:** Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Market Maker/ Large Investor to arbitrage resulting into wider premium/ discount to NAV.
- **Passive Management of Investments:** Scheme shall follow a passive investment strategy and shall provide exposure to constituents of the underlying index with an aim to track its performance and yield. The scheme's performance may be affected by the general price decline in the stock markets relating to the underlying Index. The scheme shall invest in constituents of the underlying index regardless of their investment merit. The scheme does not aim to take any defensive position in case of falling markets nor shall the scheme attempt to make individual stock selection. ETF being a passive management tool does not carry risk of active fund management. An actively managed mutual fund manager, on the other hand, can tailor portfolio holdings which are beyond the mandate of an ETF. ETFs are passively managed and hence the risk associated with the particular ETF corresponds closely to the risk of the underlying asset subclass the scheme is tracking.
- **Active Market:** Although the scheme is proposed to be listed on exchange, there can be no assurance that an active secondary market will be developed or maintained. The AMC and the Trustees will not be liable for delay in trading of Units on Stock Exchange due to the occurrence of any event beyond their control. For an investor in less than creation unit size, exchange quotes may not be always available.
- **Tracking Error:** The Fund Manager may not be able to invest the entire corpus in the same proportion as in the underlying index due to various factors such as fees, expenses of the scheme, corporate action, cash balance, changes in underlying index and regulatory policies which may affect the AMCs/schemes ability to achieve close correlation with the underlying index. Tracking error may be accounted by the various reasons which includes expenses, cash

balance to meet redemptions, time to reallocate the portfolio subsequent to changes in the underlying index etc. ABSLAMC will endeavor to keep the tracking error as low as possible.

“Tracking Error” is defined as the standard deviation of the difference between daily returns of the underlying index and the NAV of the scheme. Tracking Error may arise including but not limited to the following reasons: -

a. Expenditure incurred by the fund.
b. The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses. The fund may not be invested at all times as it may keep a portion of the funds in cash to meet redemptions or for corporate actions.
c. Securities trading may halt temporarily due to circuit filters.
d. Corporate actions such as debenture or warrant conversion, rights, merger, change in constituents, etc.
e. Rounding off quantity of shares in underlying index.
f. Payout of IDCW.
g. Disinvestments to meet redemptions, recurring expenses, payouts of IDCW, etc.
h. Execution of large buy / sell orders
i. Transaction cost (including taxes and insurance premium) and recurring expenses
j. Realisation of Unit holders’ funds

It will be the endeavor of the fund manager to keep the tracking error as low as possible. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Index.

- **Redemption Risk:** Investors may note that even though this is an open ended scheme, the Scheme would repurchase units in creation unit size only. Thus, if the unit holding is less than the creation unit size then it can be sold only through the secondary market on the exchange where the units are to be listed, subject to rules and regulations of the Stock Exchange. The AMC will appoint Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.
- The market price of the ETF unit like any other listed security is largely dependent on two factors viz. the intrinsic value of the unit (or NAV) and demand and supply of the units in the market. Sizeable demand or supply of the units in exchange may lead to market price of the units to quote at premium or discount to NAV. Hence, the units of the scheme may trade above or below the NAV. However, given that the investors can transact with AMC directly beyond the creation unit size of the scheme there should not be a significant variation (large premium or discount) and it may not sustain due to the arbitrage opportunity available.
- The index reflects the prices of securities at a point in time, which is the price at close of business day on National Stock Exchange of India Limited (NSE). The scheme, however, may trade these securities at different points in time during the trading session and therefore the prices at which the scheme trades may not be identical to the closing price of each scrip on that day on the NSE. In addition, the scheme may opt to trade the same securities on different exchanges due to price or liquidity factors, which may also result in traded prices being at variance from NSE closing prices.
- The performance of the index will have a direct bearing on the performance of the scheme. Hence, any composition change made by the index service provider in terms of weightage or stocks selection will have an impact on the scheme.
- The scheme may not be able to acquire or sell the desired number of securities due to conditions prevailing in the securities market, such as, but not restricted to circuit filters in the securities, liquidity and volatility in security prices.
- The units of the Scheme will be compulsorily issued in dematerialised form through depositories. The records of the depository are final with respect to the number of Units available to the credit of Unit holder. Settlement of trades, repurchase of Units by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control. Further, Investors may note that buying and selling units on stock exchange requires the investor to engage the services of a broker and are subject to payment of margins as required by the stock exchange/ broker, payment of brokerage, securities transactions tax and such other costs.

RISK PERTAINING TO NIFTY 200 QUALITY 30 TRI

The NIFTY200 Quality 30 index includes top 30 companies from its parent NIFTY 200 index, selected based on their ‘quality’ scores. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years. The Scheme restricts its investments only in the Securities of the underlying index which represents a particular quantitative factor based strategy and will therefore be subject to the risks associated with such concentration. The Nifty 200 Index, under certain market conditions, could underperform returns from Securities included in a broad market equity index or other asset classes. Due to such criteria and concentration, the Scheme could be exposed to higher levels of volatility and market risk than would generally be the case in a more diverse fund portfolio of equity securities.

Risks associated with investment in Equity and Equity related instruments:

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

Risk Factors associated with investments in Fixed Income Securities:

The Scheme intends to invest not less than 95% of its corpus in the securities representing Nifty 200 Quality 30 TRI. As this Scheme will invest in the in the securities represented by Nifty 200 Quality 30 TRI, the Scheme will have insignificant debt/ market investments. Therefore, the Scheme is not significantly susceptible to risks associated with debt/ money markets.

- **Price-Risk or Interest-Rate Risk:** Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation Yield-to-Maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today's characteristic of the Indian fixed income market.
- **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Pre-payment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such

prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

- Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern e.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively more-risky than bonds, which are AAA rated.
- The above are some of the common risks associated with investments in fixed income and money market securities. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

Risk Factors associated with investments in Derivatives:

As and when any Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that loss may be sustained by the portfolio as a result of the failure of another party (usually referred as the "counter party") 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, rates and indices. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives. Derivative products are leveraged 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.

- Derivative trades involve execution risks, whereby the rates seen on the screen may not be the rate at which ultimate execution takes place.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However, the gains of an options writer are limited to the premiums earned.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- Risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and potential high volatility of the futures markets.
- 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.

Risk Factors associated with Listing of units:

- Listing of units of the scheme on stock exchange does not necessarily guarantee liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained.
- Trading in the units of the Scheme on the Exchange may be halted because of market conditions, including any halt in the operations of Depository Participants or for reasons that in view of the Exchange Authorities or SEBI, trading in the units is suspended and / or restricted. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to stock exchange rules of 'circuit filter'. There can be no assurance that the requirements of Stock Exchange necessary to maintain the listing of units of scheme will continue to be met or will remain unchanged.
- Further, the Scheme being listed on stock exchange, the investors wishing to redeem their units may do so through stock exchange at prevailing listed price on such Stock Exchange.

- The Units of the scheme may trade above or below their face value / NAV. The NAV of the scheme will fluctuate with changes in the market value of schemes holdings. The trading prices of units of the scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand which may even lead the units to quote at significant premium or discount to NAV.
- Regulatory Risk: Any changes in trading regulations by the Stock Exchange or SEBI, inter alia, may also result in wider premium/ discount to the NAV of the Scheme. Although the Units are proposed to be listed on the Stock Exchange, the AMC and the Trustees will not be liable for any loss suffered by investors due to delay in listing of units of the Scheme on the Stock Exchange or due to connectivity problems with the depositories due to the occurrence of any event beyond their control.
- As the units of the Scheme may be held in electronic (Demat) mode through depositories, the records of the depository shall be final with respect to the number of units available to the credit of unitholder, settlement of trades, in lieu of such units held in electronic (demat) form, by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control.

Risk Factors associated with Securities Lending and Borrowing:

Securities Lending is lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lenders of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Scheme may not be able to sell lent out securities, which can lead to temporary illiquidity & loss of opportunity

Risks Factors Associated with Creation of Segregated Portfolio:

Different types of securities in which the scheme would invest carry different levels and types of risk as given in the Scheme Information Document of the scheme. In addition to the same, unitholders are requested to also note the following risks with respect to Segregated Portfolio:

Liquidity Risk: A lower level of liquidity affecting an individual security (ies) or an entire market may have an adverse bearing on the value of the Segregated Scheme's assets. This may more importantly affect the ability to sell particular securities with minimal impact cost as and when necessary to meet requirement 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 of the investments. This may impact the NAV of the segregated portfolio and could result into potential loss to the Unit holders.

Credit risk: The scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively more risky than bonds, which are AAA rated. Investment in unrated securities may be riskier compared to investment in rated instruments due to non-availability of third party assessment on the repayment capability of the issuer. As the securities are unrated, an independent opinion of the rating agency on the repayment capability of the issuer will not be available. The issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down.This may impact the NAV of the segregated portfolio and resultant loss to the Unit holders.

Listing of units: Listing of units of segregated portfolio in recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further, trading price of units on the stock market may be significantly lower than the prevailing NAV.

TRACKING ERROR RISK

While the objective of the Scheme is to closely track the index, the performance may not be commensurate with the performance of the underlying Index on any given day or over any given period. Such variations are commonly referred to as the tracking error.

Tracking errors are inherent in any index fund and such errors may cause the scheme to generate returns which are not in line with the performance of the Nifty 200 Quality 30 TRI or one or more securities covered by / included in the Nifty 200 Quality 30 TRI and may arise from a variety of factors including but not limited to:

- Any delay experienced in the purchase or sale of shares due to illiquidity of the market, settlement and realisation of sale proceeds and / or the registration of any securities transferred and resulting delays in reinvesting them.
- The Nifty 200 Quality 30 TRI reflects the prices of securities at close of business hours. However, the Fund may buy or sell the securities at different points of time during the trading session at the then prevailing prices which may not correspond to the closing prices on the NSE.
- The constituent stocks of the underlying index may be revised periodically by either excluding or including new securities. In such an event, the Fund will endeavour to reallocate its portfolio but the available investment/ disinvestment opportunities may not permit precise mirroring of the underlying index in a short period of time.
- The charging of expenses to the scheme including investment management fees and custodian fees.
- The potential for trades to fail, which may result the Schemes not having acquired shares at a price necessary to track the index.
- The holding of a cash position and accrued income prior to distribution and accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, etc.

AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, such tracking errors are not expected to exceed 2% per annum. However, this may vary due to the reasons mentioned above or any other reasons that may arise and particularly when the markets are very volatile. In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMC, the tracking error may exceed 2% and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

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

Tracking Difference: The tracking difference i.e., the annualized difference of daily returns between the index and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

C. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

As per SEBI Circular SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003, the provisions with respect to minimum number of investors and maximum holding for single investor are not applicable to an exchange traded fund and accordingly, these provisions shall not be applicable to Aditya Birla Sun Life Nifty 200 Quality 30 ETF.

D. SPECIAL CONSIDERATIONS

- Changes in Government Policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each unitholder is advised to consult his / her own professional tax advisor.
- The NAV of the Scheme may be affected by changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures.
- Mutual Funds are vehicles of securities investments that are subject to market and other risks and there can be no guarantee against loss resulting from investing in the Scheme. The various factors that impact the value of the Scheme' investments include, but are not restricted to,

fluctuations in the bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc.

- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in Statement of Additional Information (SAI) / Scheme Information Document.
- Redemptions due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustees, the Mutual Fund, the AMC, their directors or their employees shall not be liable for any tax consequences that may arise.
- Growth, appreciation, bonus, income, etc. if any, referred to in this Document are subject to the tax laws and other fiscal enactments as they exist from time to time.
- Investors should study this Scheme Information Document carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem Units. Investors who intend to invest in the Scheme are required to and deemed to have understood the risk factors associated with the Scheme.
- From time to time, funds managed by the associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme. Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective Units.
- A Unitholder may invest in the schemes and acquire a substantial portion of the scheme units. The repurchase of units by the Unitholder may have an adverse impact on the units of the schemes, because the timing of such repurchase may impact the ability of other Unit holders to repurchase their units.
- The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Riskometer categorizes the scheme of Fund under different levels of risk based on the respective scheme's investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the scheme falling under the same level of risk in the Riskometer may not be similar in nature. Investors are advised before investing to evaluate a scheme not only on the basis of the Product labeling (including the Riskometer) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall also consult their financial advisers, if they are unsure about the suitability of the scheme before investing. Further, pursuant to SEBI circular dated October 05, 2020, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on their website and on AMFI website within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on their website and AMFI website.
- In respect of transaction in Units of the Scheme through Stock Exchange Platform for Mutual Funds, allotment and redemption of Units on any Business Day will depend upon the modalities of processing viz. collection of application form, the order processing / settlement by respective stock exchanges and their respective clearing corporations, on which the Fund has no control. Moreover, transactions conducted through the Stock Exchange Platform shall be governed by the guidelines and directives issued by respective recognised stock exchange(s).
- The AMC and its Registrar reserve the right to disclose/share investors' personal information with the following third parties:
  1. Registrar, Banks and / or authorised external third parties who are involved in transaction processing, dispatches, etc., of investors' investment in the Scheme;
  2. Distributors or Sub-brokers through whom applications of investors are received for the Scheme; or
  3. Any other organisations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.

  Account statements or financial information pertaining to the investor, if it is to be sent over the internet to the Unitholder, distributors or any other entity as indicated above, will be sent only through a secure means and / or through encrypted electronic mail.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund

may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the investor. Further, the Mutual Fund may disclose details of the investor's account and transactions thereunder to any Regulatory/Statutory entities as per the provisions of law.

- Aditya Birla Sun Life Nifty 200 Quality 30 ETF (the Scheme) is not sponsored, endorsed, sold or promoted by NSE Indices Limited ("NSE Indices") NSE Indices does not make any representation or warranty, express or implied, to the owners of the Scheme or any member of the public regarding the advisability of investing in securities generally or in the Scheme particularly or the ability of the Nifty 200 Quality 30 TRI to track general stock market performance in India. The relationship of NSE Indices to the Issuer is only in respect of licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by NSE Indices without regard to the Issuer or the Scheme. NSE Indices does not have any obligation to take the needs of the Issuer or the owners of the Scheme into consideration in determining, composing or calculating the Nifty 200 Quality 30 TRI. NSE Indices is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Scheme to be issued or in the determination or calculation of the equation by which the Scheme is to be converted into cash. NSE Indices has no obligation or liability in connection with the administration, marketing or trading of the Scheme.

  NSE Indices does not guarantee the accuracy and/or the completeness of the Nifty 200 Quality 30 TRI or any data included therein and NSE Indices shall have not have any responsibility or liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product(s), or any other person or entity from the use of the Nifty 200 Quality 30 TRI or any data included therein. NSE Indices makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE Indices expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Scheme, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.
- An investor, by subscribing or purchasing an interest in the Scheme, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.
- Neither this Document nor the Units have been registered in any jurisdiction. The distribution of this Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.
- No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this Document. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.
- **Other Activities of ABSLAMC**
  1. Aditya Birla Sun Life AMC Limited is registered with SEBI vide Registration Certificate no.PM/INP000000597 to act as Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993.
  2. Aditya Birla Sun Life AMC Limited is also appointed as an investment manager to the Venture Capital Fund- Aditya Birla Real Estate Fund (bearing Registration No. IN/VCF/09-10/169 dated February 26, 2010 registered with SEBl under the SEBI (Venture Capital Funds) Regulations, 1996.
  3. SEBI vide its letters dated August 20, 2009 having reference no. IMD/SM/174044/2009 and August 16, 2010 having reference no. IMD/SM/16522/10 granted its no-objection to Aditya Birla Sun Life AMC Limited (ABSLAMC) to set up wholly owned subsidiaries, namely; Aditya Birla Sun Life Asset Management Company Pte Ltd., incorporated in the Republic of Singapore under the Companies Act, Cap. 50 bearing license no CMSI00176-l; Aditya Birla Asset Management Company Ltd., incorporated in Dubai under the Companies Law, DIFC Law no.2 of 2009 bearing registration no. 0993, for undertaking fund management services, investment advisory services, distribution of financial products or any such permissible activity subject to SEBI (Mutual Funds) Regulations, 1996. Further, its subsidiary company, Aditya Birla Sun Life AMC (Mauritius) Limited (erstwhile Birla Sun Life AMC (Mauritius) Limited), is registered with Financial Service Commission and acts as Investment Manager to India Advantage Fund Limited, a Collective Investment Company set-up in Mauritius

having license no. OC96002833 under approval of SEBI vide its letter dated April l8, 1996 having reference no. IIMARP/1108/96.

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

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

E. DEFINITIONS

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

"AMC" or "Asset Management Company or "Investment Manager" or "ABSLAMC"	Aditya Birla Sun Life AMC Limited, incorporated under the provisions of Companies Act, 1956 and approved by the Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Aditya Birla Sun Life Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or switching, based on the time of the Business Day on which the application is accepted.
"Applications Supported by Blocked Amount" or "ASBA"	ASBA is an application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of the Scheme. If an investor is applying through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units.
"Market Maker"	Member of the National Stock Exchange of India Limited or any other recognised stock exchange or any other person who is appointed by the AMC to act as Market Maker to give two way quotes on the stock exchanges and who deal in Creation Unit size for the purpose of purchase and sale of units directly from the AMC.
"Beneficial owner"	As defined in the Depositories Act, 1996 (22 of 1996) means a person whose name is recorded as such with a depository.
"Business Day"	A day other than: – Saturday and Sunday or – A day on which the banks in Mumbai and / RBI are closed for business / clearing or – A day on which the Stock Exchange, Mumbai is closed or – A day, which is a public and /or bank holiday at an Investor Service Centre where the application is received or – A day on which Sale and Repurchase of Units is suspended by the AMC or – A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. The AMC reserves the right to declare any day as a Business Day or

	otherwise at any or all Investor Service Centers.
"Call Money"/ "Money at Call"	Refers to the money lent by Mutual Funds in the Interbank Call Money Market, subject to necessary regulatory approvals.
"Cash Component"	Cash Component represents the difference between the applicable Net Asset Value of a creation unit and the market value of the Portfolio deposit.
"Consolidated Account Statement" or "CAS"	Consolidated Account Statement is a statement containing details relating to all the transactions across all mutual funds viz. purchase, redemption, switch, Payout of IDCW, Reinvestment of ICDW, Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and bonus transactions, etc.
"Creation Date"	The date on which Units of the scheme are created.
"Creation Unit"	Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the "Portfolio Deposit" and a "Cash Component" or cash of equivalent value. The Portfolio Deposit and Cash Component are defined as follows: **Portfolio Deposit:** Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time. **Cash Component:** Cash component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit. The Portfolio Deposit and Cash Component for the Scheme may change from time to time and will be decided and announced by AMC. The creation unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Citibank NA.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996) and in this SID refers to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
"Depository Participants"	Depository Participant (DP) means a person registered as such under sub-section (1A) of section 12 of the SEBI Act, 1992.
"Distributor"	Such persons/firms/ companies/ corporates who fulfill the criteria laid down by SEBI / AMFI from time to time and empanelled by the AMC to distribute / sell /market the schemes of the Fund.
"Exchange"	In the context provided shall mean National Stock Exchange of India Limited (NSE) or such other exchange where units of the Scheme will be listed
"Exchange Traded Fund" or "ETF"	A mutual fund scheme that invests in securities in the same proportion as an index of securities and the units of exchange traded fund are mandatorily listed and traded on exchange platform.
"Exit Load" or "Redemption Load"	Load on Redemption / Repurchase / Switch out Units.
"Equity related instruments"	Equity related instruments include convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and such other instrument as may be specified by the Board from time to time.
"Fixed Income Securities"	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Unincorporated SPVs and any other entities which may be recognized / permitted which yield a fixed or variable rate by way of interest, premium, discount or a combination of any of them.

"Floating Rate Instruments"	Floating rate instruments are debt / money market instruments issued by Central / State Governments, with interest rates that are reset periodically. The periodicity of interest reset could be daily, monthly, annually or any other periodicity that may be mutually agreed between the issuer and the Fund.
"Foreign Portfolio Investor" or "FPI"	Means a person who satisfies the eligibility criteria prescribed under regulation 4 of SEBI (Foreign Portfolio Investors) Regulations, 2014 and has been registered under Chapter II of these regulations, which shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992. Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
"Fund Manager"	Person/s managing the scheme.
"Gilt or Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
Indicative Net Asset Value (iNAV)	The per unit NAV based on the current market value of its portfolio during the trading hours of the ETF
Income Distribution cum capital withdrawal ("IDCW")	When units are sold, and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account (investors capital) and this amount can be distributed to investors under this option.
"Investment Management Agreement"	The agreement dated December 16, 1994 entered into between Aditya Birla Sun Life Trustee Private Limited and Aditya Birla Sun Life AMC Limited, as amended from time to time.
"Investor Service Centres" or "ISCs" or "Official Points of acceptance of transactions"	Designated branches of Aditya Birla Sun Life AMC Limited or such other enters / offices as may be designated by the AMC from time to time. All these locations are official points of acceptance of transactions and cut-off time as mentioned in the Scheme Information Document shall be reckoned at these official points.
"Large Investors"	Large Investor for the purpose of subscription of Unit would mean Investors other than Market Makers who are eligible to invest in the Scheme by depositing Portfolio Deposit and/ or Cash Component for transactions above a specified threshold. Further Large Investor would also mean those Investors who would be Redeeming Units for transactions above a specified threshold.
"Load"	In the case of Repurchase / Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Repurchase / Redemption / Switch out and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit in addition to the Applicable NAV.
"Main Portfolio"	Main Portfolio shall mean the Scheme portfolio excluding the Segregated Portfolio.
"Market Capitalisation"	Market value of the listed company, which is calculated by multiplying its current market price by number of its shares outstanding.
"Money Market Instruments"	Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India/SEBI from time to time subject to regulatory approvals, if any.
"Mutual Fund" or "the Fund"	Aditya Birla Sun Life Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"New Fund Offer	Offer of units of Aditya Birla Sun Life Nifty 200 Quality 30 ETF during

(NFO)"	the New Fund Offer.
"NRI"	A Non-Resident Indian or a person of Indian origin residing outside India.
"Overseas Citizen of India" or "OCI"	A person registered as an overseas citizen of India by the Central Government under section 7A of 'The Citizenship Act, 1955'. The Central Government may register as an OCI a foreign national (except a person who is or had been a citizen of Pakistan or Bangladesh or such other person as may be specified by Central Government by notification in the Official Gazette), who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at any time after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his/her children and grandchildren (including Minor children), provided his/her country of citizenship allows dual citizenship in some form or other under the local laws.
"Person of Indian Origin" or "PIO"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or a person referred to in sub-clause (a) or (b).
"Put Option"	Put option is a financial contract between two parties, the buyer and the seller of the option. The put allows the buyer the right (but not the obligation) to sell a financial instrument (the underlying instrument) to the seller of the option at a certain time for a certain price (the strike price). The seller assumes the corresponding obligations. Note that the seller of the option undertakes to buy the underlying in exchange.
"Portfolio Deposit"	Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
"RBI Regulations"	Rules, regulations, guidelines or circulars as notified by RBI from time to time.
"Recognised Stock Exchange"	Stock exchanges recognized by SEBI.
"Redemption Price"	Redemption Price to an investor of Units under the Scheme computed in the manner indicated elsewhere in this SID.
"Registrar and Transfer Agent"	Computer Age Management Services Limited (CAMS) is currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.
"Repurchase / Redemption"	Repurchase / Redemption of Units of the Scheme as permitted.
"Repo/ Reverse Repo"	Sale/ Purchase of Government Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell at a later date.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the investor / applicant under the Scheme.
"Scheme Information Document" or "SID"	This document issued by Aditya Birla Sun Life Mutual Fund, inviting offer for subscription to the units of the scheme for subscription.
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Segregated Portfolio"	Segregated Portfolio shall mean a portfolio, comprising of debt or money market instrument affected by a credit event that has been segregated in a Mutual Fund Scheme.
"Self-Certified Syndicate Bank" or "SCSB"	Means a banker to an issue registered with the SEBI, which offers the facility of ASBA.
Single Consolidated	Single Consolidated Account Statement sent by Depositories is a

Account Statement "SCAS"	statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of IDCW, reinvestment of IDCW, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributors) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month.
"Statement of Additional Information" or "SAI"	The document issued by Aditya Birla Sun Life Mutual Fund containing details of Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference & is legally a part of the Scheme Information Document.
"The Scheme"	Aditya Birla Sun Life Nifty 200 Quality 30 ETF
"Total Portfolio"	Total Portfolio shall mean the Scheme portfolio including the securities affected by the credit event.
"Tracking Error"	Tracking Error is defined as the annualized standard deviation of the difference in the daily returns of the underlying index and the NAV of the Scheme.
"Tri-party Repo"	Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.
"Trustee"	Aditya Birla Sun Life Trustee Private Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as Trustee to the schemes of Aditya Birla Sun Life Mutual Fund (ABSLMF).
"Trust Deed"	The Trust Deed dated December 16, 1994 (read with all amendments and supplemental trust deeds thereto) made by and between the Sponsor and Aditya Birla Sun Life Trustee Private Limited ("Trustee"), thereby establishing an irrevocable trust, called Aditya Birla Sun Life Mutual Fund as amended from time to time.
"Unit"	The interest of the Unit holder, which consists of, each Unit representing one undivided share in the assets of the Scheme.
"Unit holder"	A person holding Units in the Scheme of the ABSLMF offered under this Scheme Information Document.

Interpretation

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

F. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

The Asset Management Company confirms that a Due Diligence Certificate duly signed by the Compliance Officer of Aditya Birla Sun Life AMC Limited, has been submitted to SEBI on July 6, 2022 which reads as follows:

Due Diligence Certificate

It is confirmed that:

(i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
(ii) All legal requirements connected with the 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.

Sd/-

PLACE: Mumbai
DATE: July 6, 2022

Hemanti Wadhwa
Chief Compliance Officer

Section II – INFORMATION ABOUT THE SCHEME

B. TYPE OF THE SCHEME

Aditya Birla Sun Life Nifty 200 Quality 30 ETF is an open ended exchange traded fund tracking Nifty 200 Quality 30 TRI.

C. INVESTMENT OBJECTIVE

The investment objective of the Scheme is to generate returns that are in line with the performance of Nifty 200 Quality 30 Index, subject to tracking errors.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the objective of the Scheme will be achieved.

D. ASSET ALLOCATION AND INVESTMENT PATTERN

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

Instrument	Allocation (% of total Assets)		Risk Profile
	Minimum	Maximum	
Equity & Equity related instruments constituting Nifty 200 Quality 30 TRI	95	100%	Very High
Cash, Money Market & Debt instruments	0	5%	Low to Medium

Exposure to equity derivatives of the index itself or its constituent stocks may be undertaken when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period (subject to rebalancing within 7 days). The gross position to such derivatives will be restricted to 10% of net assets of the scheme for portfolio rebalancing.

Money Market Instruments include Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India from time to time subject to regulatory approvals, if any.

Investment in Debt instruments (for liquidity purpose) will be of less than 1-year residual maturity.

The Investment Manager would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, such tracking errors are not expected to exceed 2% per annum subject to compliance with SEBI circular ref. no. SEBI/HO/IMD/DOF2/P/CIR/2022/69 dated May 23, 2022. However, this may vary when the markets are very volatile.

In accordance with SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 04, 2021, the cumulative gross exposure through equity, debt and equity derivative positions, other permitted securities/assets andsuch other securities/assets as may be permitted by the Board from time to time subject to regulatory approvals, if any should shall not exceed 100% of the net assets of the scheme.

Exposure limit for Securities Lending and Borrowing:

Subject to SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997, SEBI Circular No MFD/CIR/ 01/ 047/99 dated February 10, 1999, SEBI Circular no. SEBI /IMD / CIR No 14 / 187175/ 2009 dated December 15, 2009, as amended from time to time, the Scheme may engage in Stock Lending subject to the following limits:

(i) Not more than 20% of the net assets of the Scheme can be deployed in Stock Lending; and
(ii) Not more than 5% of the net assets of the Scheme can be deployed in Stock Lending to a single intermediary level.

The Scheme shall not invest in securitised debt, Credit Default Swaps, Repo in Corporate Debt Securities, (Fixed income) derivative instruments, ADR/GDR, foreign securities, debt instruments with special features and Structured Obligations / Credit Enhancements.

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

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

If the investments fall outside the asset allocation range given above, the portfolio of the Scheme will be rebalanced within a period of 7 days. The funds raised under the Scheme shall be invested only in securities as permitted by SEBI (Mutual Funds) Regulations, 1996.

Any transactions undertaken in the scheme portfolio in order to meet the redemption and subscription obligations will be done while ensuring that post such transactions replication of the portfolio with the index is maintained at all points of time.

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

D. INVESTMENT BY SCHEME

Subject to the SEBI (MF) Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:
1. The Scheme will invest in Securities which are constituents of the Nifty 200 Quality 30 TRI
2. Money Market Instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, Tri-party Repo on Government securities or treasury bills and any other like instruments as specified by the Reserve Bank of India / SEBI from time to time.
3. Certificate of Deposits (CDs).
4. Commercial Paper (CPs).
5. Derivative instruments like Stock Options, Index Options and derivative instruments as permitted by SEBI/RBI.

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

The Scheme will track Nifty 200 Quality 30 TRI and is a passively managed scheme. The investment decisions will be determined as per the Nifty 200 Quality 30 TRI. In case of any change in the index due to corporate actions or change in the constituents of Nifty 200 Quality 30 TRI, relevant investment decisions will be determined considering the composition of the Nifty 200 Quality 30 TRI.

E. INVESTMENT STRATEGY

The scheme will be managed passively with investments in stocks in a proportion t to the weightage of these stocks in the Nifty 200 Quality 30 Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the index as well as the incremental collections / redemptions in the scheme. Rebalancing of the scheme shall also be carried out whenever there is a change in the underlying index or any change due to Corporate action with respect to the constituents of the underlying index within 7 calendar days. The Scheme may also invest in cash and debt/ money market instruments, in compliance with Regulations to meet liquidity and expense requirements.

Portfolio Turnover
The Scheme shall be a passively managed, index linked, open ended, exchange traded fund. It is therefore expected that there would be a number of subscriptions and redemptions on a daily basis through Market Makers and Large Investors. Generally, turnover will depend upon the extent of

purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in the Index.

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

Trading in Derivatives
SEBI has permitted Mutual Funds to participate in derivatives trading subject to observance of guidelines issued by it in this behalf. Accordingly, Mutual Funds may use various derivative products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

The Scheme intends to use derivative instruments stock options, stock futures, index options, index futures or other equity derivative instruments as may be introduced from time to time.

The Mutual Fund would comply with the provisions of SEBI Circular no. MFD / CIR No 03 / 158/03 dated June 10, 2003, SEBI Circular Ref. No. DNPD/Cir-29/2005 dated September 14, 2005 and SEBI circular Ref. No. Cir/IMD/DF/11/ 2010 dated August 18, 2010, SEBI Ref. No. SEBI/HO/IMD/DF2/CIR/P/2019/17 dated January 16, 2019, SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 4, 2021 and circular no. SEBI/HO/IMD/IMD-I DOF2/P/CIR/2021/580 dated June 18, 2021 and such other amendments issued by SEBI from time to time while trading in derivatives.

Presently, the position limits for trading in derivatives by Mutual Fund specified by SEBI vide its circular Ref. No. DNPD/Cir-29/2005 dated September 14, 2005, circular Ref. No. DNPD/Cir-30/2006, dated January 20, 2006, SEBI circular Ref no. DNPD/Cir-31/2006 dated September 22, 2006 and circular SEBI/HO/MRD/DP/CIR/P/2016/143 dated December 27, 2016 are as follows:

Position Limits
The position limits for Mutual Funds and its schemes shall be under:

(i) Position limit for Mutual Funds in index options contracts
- (a) The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
- (b) This limit would be applicable on open positions in all options contracts on a particular underlying index.

(ii) Position limit for Mutual Funds in index futures contracts
- (a) The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
- (b) This limit would be applicable on open positions in all futures contracts on a particular underlying index.

(iii) Additional position limit for hedging
- (a) In addition to the position limits at point (i) and (ii) above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:
- (b) Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- (c) Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

(iv) Position limit for Mutual Funds for stock based derivative contracts
- (a) The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).
- (b) The MWPL and client level position limits however would remain the same as prescribed.

(v) Position limit for each scheme of a Mutual Fund

The scheme-wise position limit requirements shall be:

(a) For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
    (i) 1% of the free float market capitalization (in terms of number of shares). Or
    (ii) 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

(b) This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

(c) For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

Exposure to Derivatives

Further, the exposure limits for trading in derivatives by Mutual Fund specified by SEBI vide its circular Ref. No. Cir/IMD/DF/11/2010 dated August 18, 2010 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 04, 2021 and circular no. SEBI/HO/IMD/IMD-I DOF2/P/CIR/2021/580 dated June 18, 2021 is as follows:

1. The cumulative gross exposure through equity, debt and equity derivative positions and such other securities/assets as may be permitted by the Board from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the scheme.
2. Mutual Funds shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the Scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following-
    - Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
    - Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1
    - Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
    - 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.
6. Mutual Funds 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.
7. 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 mentioned in point (1) above.
8. Definition of Exposure in case of derivatives positions.
   Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts.

Example of a derivatives transaction

Derivatives can be traded over the exchange or can be structured between two counter-parties. Those transacted over the exchange are called Exchange Traded derivatives whereas the other category is referred to as OTC (Over The Counter) derivatives. Some of the differences of these two derivative categories are as under:

Some of the differences of these two derivative categories are as under:

Exchange traded derivatives: These are quoted on the exchanges like any other traded asset class. The most common amongst these are the Index Futures, Index Options, Stock Futures and Options on individual equities / securities. The basic form of the futures contract is similar to that of the forward contract, a futures contract obligates its owner to purchase a specified asset at a specified exercise price on the contract maturity date. Futures are cash-settled and are traded only in organised exchanges. Exchange traded derivatives are standardised in terms of amount and delivery date. Standardisation and transparency generally ensures a liquid market together with narrower spreads. On the other hand, for delivery dates far in the future, there may be insufficient liquidity in the futures market whereas an OTC price may be available.

OTC derivatives: OTC derivatives require the two parties engaging in a derivatives transaction to come together through a process of negotiation. It is a derivative that is customised in terms of structure, amount, tenor, underlying assets, collateral etc.

The Scheme may use derivatives instruments such as Stock Index Futures, Options on indices or such other derivative instruments as may be introduced / permitted, from time to time. To illustrate, an example of a Stock Index Future is given below:

Index Futures

Benefits

- Investment in stock index futures can give exposure to the index without directly buying the individual stocks. Appreciation in index stocks can be effectively captured through investment in Stock Index Futures.
- The Fund can sell futures to hedge against market movements effectively without actually selling the stocks it holds.
  The stock index futures are instruments designed to give exposure to the equity market indices. The Stock Exchange, Mumbai and the National Stock Exchange have started trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index and interest rates.

Illustration

Spot Index: 1070
1 month Nifty Future Price on day 1: 1075
Fund buys 100 lots
Each lot has a nominal value equivalent to 200 Units of the underlying index

Situation 1
Let us say that on the date of settlement, the future price = closing spot price = 1085
Profits for the Fund = (1085-1075) x 100 lots x 200 = Rs. 200,000

Situation 2
Let us say that on the date of settlement, the future price = Closing spot price = 1070
Loss for the Fund = (1070-1075) x 100 lots x 200 = (Rs. 100,000)

The net impact for the Fund will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity). Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to the one with equity investments. Additional risks could be on account of illiquidity and hence mispricing of the future at the time of purchase.

Buying Options

Benefits of buying a call option
Buying a call option on a stock or index gives the owner the right, but not the obligation, to buy the underlying stock / index at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

If the Fund buys a 1 month call option on Hindustan Lever at a strike of Rs. 190, the current market price being say Rs. 191. The Fund will have to pay a premium of say Rs. 15 to buy this call. If the stock price goes below Rs. 190 during the tenure of the call, the Fund avoids the loss it would have incurred had it straightaway bought the stock instead of the call option. The Fund gives up the premium of Rs. 15 that has to be paid in order to protect the Fund from this probable downside. If the stock goes above Rs. 190, it can exercise its right and own Hindustan Lever at a cost price of Rs. 190, thereby participating in the upside of the stock.

Benefits of buying a put option

Buying a put option on a stock originally held by the buyer gives him / her the right, but not the obligation, to sell the underlying stock at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

If the Fund owns Hindustan Lever and also buys a three-month put option on Hindustan Lever at a strike of Rs. 190, the current market price being say Rs. 191. The Fund will have to pay a premium of say Rs. 12 to buy this put.

If the stock price goes below Rs. 190 during the tenure of the put, the Fund can still exercise the put and sell the stock at Rs. 190, avoiding therefore any downside on the stock below Rs. 190. The Fund gives up the fixed premium of Rs. 12 that has to be paid in order to protect the Fund from this probable downside. If the stock goes above Rs. 190, say to Rs. 220, it will not exercise its option.

The Fund will participate in the upside of the stock, since it can now sell the stock at the prevailing market price of Rs. 220.

The Scheme intends to participate in derivatives trading within the equity component of their portfolios. Some of the strategies involving derivatives that may be used by the Investment Manager, with an aim to protect capital and enhance returns include:

Strategy Number 1: Using Index Futures to increase percentage investment in equities. This strategy will be used for the purpose of generating returns on idle cash, pending its investment in equities. The Scheme being open ended in nature upon conversion and maybe subject to daily inflows. There may be a time lag between the inflow of funds and their deployment in equities. If so desired, the AMC would be able to take immediate exposure to equities via index futures. The position in index futures may be reversed in a phased manner, as the funds are deployed in the equity markets.

The Scheme has a corpus of Rs. 75 crore and there is an inflow of Rs. 5 crore in a day. The AMC may buy index futures contracts of a value of Rs. 5 crore. Later as the money is deployed in the underlying equities, the value of the index futures contracts can be suitably reduced.

Equity Allocation	Event	Equity Portfolio Gain/(Loss) (Rs. In crore)	Derivative Gain / (Loss) (Rs. In crore)	Total Portfolio Gain / (Loss) (Rs. In crore)
Rs. 50 Crore Equity exposure	10% rise in equity prices	5	Nil	5
Rs. 50 Crore Equity exposure + Rs. 5 Crore long position index futures	10% rise in equity prices	5	0.5	5.5
Rs. 50 Crore Equity exposure	10% fall in equity prices	(5)	Nil	(5)
Rs. 50 Crore Equity exposure + Rs. 5 Crore long position index futures	10% fall in equity prices	(5)	(0.5)	(5.5)

RISKS)

- The strategy of taking a long position in index futures increases the exposure to the market. The long position is positively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not be provide gains perfectly aligned to the movement in the index.
- The long position will have as much loss as a gain in the underlying index e.g. if the index appreciates by 10%, the future value rises by 10%. However, this is true only for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain / loss due to the movement of the underlying index. This is called the basis risk.
- While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

Strategy Number 2: Using Index Futures to decrease percentage investment in equities.
Similarly, in the case of a pending outflow of funds the AMC, in order to reduce exposure in equities may enter into futures contracts to sell the Index at a future date. This position can be unwound over a period in time by simultaneously selling the equity shares from the investment portfolio of the Scheme. Since the price of the futures contracts is expected to be positively correlated with the index, the value of a short position will move in the direction opposite to the movement in the index. The strategy of taking a short position in the index future would reduce the market exposure, in line with the reduced net assets, in case of a significant redemption.

Example:
Assume a scheme has an equity exposure of Rs. 50 crore. If the Fund Manager wishes to reduce the equity exposure to Rs. 40 crore in a short time, he would sell index futures contracts of a value of Rs. 10 crore.

Portfolio	Event	Equity Portfolio Gain / (Loss) (Rs. In Crore)	Derivative Gain / (Loss) (Rs. In Crore)	Total Portfolio Gain / (Loss) (Rs. In Crore)
Rs. 50 Crore Equity exposure	10% fall in equity prices	(5)	Nil	(5)
Rs. 50 Crore Equity exposure + Rs. 10 Crore short position index futures	10% fall in equity prices	(5)	1	(4)
Rs. 50 Crore Equity exposure	10% rise in equity prices	5	Nil	5
Rs. 50 Crore Equity exposure + Rs. 10 Crore short position index futures	10% rise in equity prices	5	(1)	4

RISKS
- The strategy of taking a short position in index futures reduces the market exposure. The short position is negatively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not be a perfect hedge.
- The short position will have as much loss as a gain in the underlying index e.g. if the index appreciates by 10%, the future value falls by 10%. However, this is true only for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain / loss due to the movement of the underlying index. This is called the basis risk.
- While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

Strategy Number 3: Portfolio Protection Using Index Put
The purchase of an index put option gives the scheme the option of selling the index to the writer of the put at a predetermined level of the index, called the strike price. If the index falls below this level, the scheme benefits from the rise in the value of the put option.

Similarly, as a stock hedging strategy, the purchase of a put option on the underlying stock would give the scheme the option to sell the stock to the writer of the option at the predetermined strike price. This would lead to a capping of the loss in value of a stock.

Example:
Let us assume a scheme with a corpus of Rs. 75 crore. Let us also assume an index level of 1000. The scheme is invested 50 crore in equities. The scheme purchases a put option on the index with a strike price of Rs. 950 for an assumed cost of Rs. 50 lakhs.

The following table illustrates the portfolio returns:

% change in Index	Index Value	Equity Portfolio Value Rs. In crore (A)	Option Value Rs. In crore (B)	Cost of the Put Option Rs. In crore (C)	Portfolio Value Rs. in crore (A+B+C)	% Returns from portfolio
10	1100	55.00	0	(0.5)	54.50	9
5	1050	52.50	0	(0.5)	52.00	4
(5)	950	47.50	0	(0.5)	47.00	(6)
(10)	900	45.00	2.5	(0.5)	47.00	(6)
(15)	850	42.50	5	(0.5)	47.00	(6)

A similar put option can be purchased on any individual stock and the downside may be capped.

RISKS
- The table shows that the portfolio value will not fall below Rs. 47 crore, while the scheme benefits from any increase in stock prices. The table assumes perfect correlation between the equity portfolio and the index. However, this may not be the case. Therefore, the minimum portfolio value cannot be assured, but the loss is expected to be lower in a portfolio with a put option on the index, as compared to a normal portfolio.
- The put option would lead to a gain based on the difference between the strike price and the index level at expiration date, if positive. However, in case the option is reversed before the expiration date, the market price received on the sale of the option may be different from the price calculated.
- While options markets can be more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the scheme to purchase or close out a specific options contract.
- In the case of purchase of a stock put, the strategy is a perfect hedge on the expiration date of the put option. On other days, there may be (temporary) imperfect correlation between the share price and the put option, which can potentially take the stock value below the minimum under the hedge.

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

Investments in the Scheme by the AMC, Sponsor or their Associates
Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996 and SEBI circular dated September 02, 2021, AMC shall not be required to invest minimum amount as a percentage of AUM in the Scheme. However, the mandatory contribution already made by the AMCs in compliance with the applicable MF Regulations shall not be withdrawn.

The AMC may invest in the scheme during the continuous offer period subject to the SEBI (MF). As per the existing SEBI (MF) Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the scheme. The Sponsor, Trustee and their associates may invest in the scheme on an ongoing basis subject to SEBI (MF) Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time.
Alternative to launch of NFO, the AMC may contribute the initial fund for unit creation. Subsequently, the AMC can transfer the units of the Scheme to MMs or other investors, subject to compliance with all applicable provisions for launch of the Scheme.

Investment of Subscription Money

The AMC shall commence investment out of the NFO proceeds received in accordance with the investment objectives of the Scheme only on or after the closure of the NFO period. The Mutual Fund/ AMC can however deploy the NFO proceeds in Tri-party Repo on Government securities or treasury bills before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds deployed in Tri-party Repo on Government securities or treasury bills during the NFO period. The appreciation received from investment in Tri-party Repo on Government securities or treasury bills shall be passed on to investors.

Further, in case the minimum subscription amount is not garnered by the scheme during the NFO period, the interest earned upon investment of NFO proceeds in Tri-party Repo on Government securities or treasury bills shall be returned to investors, in proportion of their investments, along-with the refund of the subscription amount.

Borrowing by the Mutual Fund

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

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

<table>
<tr><th>Name of Existing Scheme</th><th>Asset Allocation Pattern</th><th>Primary Investment Pattern</th><th>Differentiation</th><th>AUM in Crs. (as on June 30, 2022)</th><th>No. Of Folios (as on June 30, 2022)</th></tr>
<tr><td>ADITYA BIRLA SUN LIFE NIFTY 50 ETF</td><td>
<table>
<tr><th rowspan="2">Instruments</th><th colspan="2">Indicative Asset Allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Securities comprising of underlying benchmark Index</td><td>95%</td><td>100%</td><td>Medium</td></tr>
<tr><td>Debt & Money market instruments*</td><td>0%</td><td>5%</td><td>Low to Medium</td></tr>
</table>
</td><td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by Nifty 50 TRI, subject to tracking errors.
The Scheme does not guarantee/indicate any returns. There can be no assurance that the scheme objectives will be achieved.</td><td>An open ended scheme replicating NIFTY 50 TR Index</td><td>736.26</td><td>10927</td></tr>
<tr><td>Aditya Birla Sun Life S&P BSE SENSEX ETF</td><td>
<table>
<tr><th>Instrument</th><th>Normal A (% of total Assets)</th><th>Risk Profil</th></tr>
<tr><td>Securities comprising of underlying benchmark Index</td><td>95 to 100%</td><td>Medium to high</td></tr>
<tr><td>Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days)</td><td>0 to 5%</td><td>Low</td></tr>
</table>
</td><td>The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of securities as represented by S&P BSE SENSEX TRI, subject to tracking errors

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td><td>An open ended scheme replicating BSE SENSEX index</td><td>13.96</td><td>2811</td></tr>
</table>

<table>
<tr>
<td>Aditya Birla Sun Life Nifty Next 50 ETF</td>
<td>
<table>
<tr><th>Instrument</th><th>Normal Allocation (% of total Assets)</th><th>Risk Profile</th></tr>
<tr><td>Equities and Equity Linked instruments covered by the underlying Index</td><td>95% to 100%</td><td>Medium to High</td></tr>
<tr><td>Cash/Money Market Instruments* and Units of Liquid Mutual Fund</td><td>0% to 5%</td><td>Low</td></tr>
</table>
</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by Nifty Next 50, subject to tracking errors.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td>
<td>An Open ended Scheme tracking Nifty Next 50 Index</td>
<td>96.48</td>
<td>2600</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Nifty Bank ETF</td>
<td>
<table>
<tr><th>Instrument</th><th>Normal Allocation (% of total Assets)</th><th>Risk Profile</th></tr>
<tr><td>Stocks comprising Nifty Bank Index</td><td>95 to 100%</td><td>Medium to High</td></tr>
<tr><td>Debt/money market instruments*</td><td>0 to 5%</td><td>Low</td></tr>
</table>
</td>
<td>The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty Bank Index. However, the performance of Scheme may differ from that of the underlying index due to tracking error.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td>
<td>An Open ended exchange traded fund tracking Nifty Bank Index</td>
<td>71.17</td>
<td>3482</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Gold ETF</td>
<td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative Asset Allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Physical gold</td><td>95%</td><td>100%</td><td>Medium</td></tr>
<tr><td>Debt & Money market instruments (including Cash and Cash Equivalent)</td><td>0%</td><td>5%</td><td>Low to Medium</td></tr>
</table>
</td>
<td>The investment objective of the Scheme is to generate returns that are in line with the performance of gold, subject to tracking errors.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td>
<td>An open ended scheme tracking physical price of Gold</td>
<td>348.27</td>
<td>10555</td>
</tr>
</table>

<table>
<tr>
<td>Aditya Birla Sun Life Healthcare ETF</td>
<td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative Asset Allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & Equity related instruments constituting Nifty Healthcare TRI</td><td>95%</td><td>100%</td><td>Medium</td></tr>
<tr><td>Cash, Money Market & Debt instruments</td><td>0%</td><td>5%</td><td>Low to Medium</td></tr>
</table>
</td>
<td>The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Healthcare TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td>
<td>Aditya Birla Sun Life Nifty Healthcare ETF is an open ended exchange traded fund tracking Nifty Healthcare TRI</td>
<td>25.16</td>
<td>95979</td>
</tr>
<tr>
<td>Aditya Birla Sun Life IT ETF</td>
<td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative Asset Allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & Equity related instruments constituting Nifty IT TRI</td><td>95%</td><td>100%</td><td>Medium</td></tr>
<tr><td>Cash, Money Market & Debt instruments</td><td>0%</td><td>5%</td><td>Low to Medium</td></tr>
</table>
</td>
<td>The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Information Technology TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved</td>
<td>Aditya Birla Sun Life Nifty IT ETF is an open ended exchange traded fund tracking Nifty IT TRI</td>
<td>18.49</td>
<td>3697</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Silver ETF</td>
<td>
<table>
<tr><th>Instrument</th><th>Normal Allocation (% of total Assets)</th><th>Risk Profile</th></tr>
<tr><td>Silver and Silver related Instruments</td><td>95 to 100%</td><td>Medium</td></tr>
<tr><td>Debt & Money market instruments (including Cash and Cash Equivalent)</td><td>0 to 5%</td><td>Low to medium</td></tr>
</table>
</td>
<td>The investment objective of the scheme is to generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.

The Scheme does not guarantee/indicate any returns. There can be no assurance that the schemes' objectives will be achieved.</td>
<td>An open ended exchange traded fund tracking physical price of Silver.</td>
<td>110.33</td>
<td>7016</td>
</tr>
<tr>
<td colspan="6">*Money Market Instruments include commercial papers, commercial bills, treasury bills, and Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, Triparty repo on Government securities or treasury bills and any other like instruments as specified by the Reserve Bank of India/SEBI from time to time.</td>
</tr>
</table>

F. EXCHANGE TRADED FUND (ETF)

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

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

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

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

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

Benefits of ETFs

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

Risks of ETFs

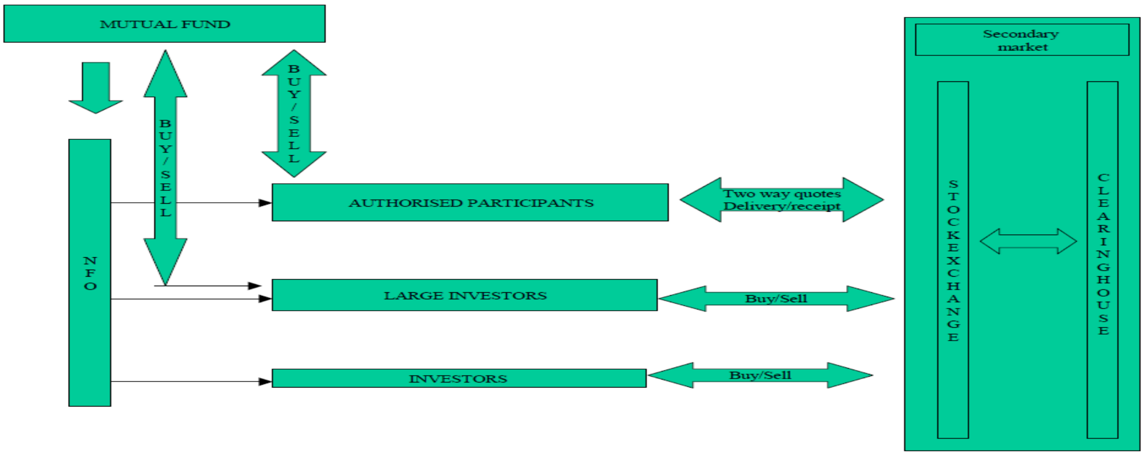
a. <u>Absence of Prior Active Market</u>: Although the units of ETFs are listed on the Stock Exchange for trading, there can be no assurance that an active secondary market will develop or be maintained.

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

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

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

ILLUSTRATION OF WORKING OF ADITYA BIRLA SUN LIFE NIFTY 200 QUALITY 30 ETF



Procedure for creation of units in Creation Unit size:

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

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

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

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

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

Procedure for Redemption in Creation Unit size

- The requisite number of Units of the Scheme equivalent to the Creation Unit has to be transferred to the Fund's Depository Participant account and the Cash Component to be paid to the AMC/Custodian.
- On confirmation of the same by the AMC, the AMC will transfer the Portfolio Deposit to the Investor's Depository Participant account and pay/recover the Cash Component and transaction handling charges, if any.
- The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Market Makers..

- Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor.

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

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

Example for Calculation of the price at which units can be purchased and the units' receivable by the investor:

Security Name	Quantity as on June 21, 2022	Price as on June 21, 2022	Value as on June 21, 2022	Weight (%)
ITC LTD.	278	269.9	75032.2	7.26%
HINDUSTAN UNILEVER LTD.	26	2205	57330	5.54%
NESTLE INDIA LTD.	3	16971.8	50915.4	4.92%
TATA CONSULTANCY SERVICES LTD.	16	3211.95	51391.2	4.97%
COAL INDIA LTD.	278	184.8	51374.4	4.97%
BRITANNIA INDUSTRIES LTD.	14	3429.3	48010.2	4.64%
ASIAN PAINTS LTD.	18	2678.35	48210.3	4.66%
COLGATE PALMOLIVE (INDIA) LTD.	32	1499.75	47992	4.64%
HCL TECHNOLOGIES LTD.	47	986.6	46370.2	4.48%
INFOSYS LTD.	32	1449.9	46396.8	4.49%
BAJAJ AUTO LTD.	12	3645.25	43743	4.23%
DIVI'S LABORATORIES LTD.	10	3599.5	35995	3.48%
MARICO LTD.	80	484.9	38792	3.75%
PAGE INDUSTRIES LTD.	1	39232.4	39232.4	3.79%
HERO MOTOCORP LTD.	14	2499.2	34988.8	3.38%
DABUR INDIA LTD.	67	505.9	33895.3	3.28%
TECH MAHINDRA LTD.	32	1000.1	32003.2	3.09%
PIDILITE INDUSTRIES LTD.	15	2100.6	31509	3.05%
HAVELLS INDIA LTD.	25	1105.95	27648.75	2.67%
CROMPTON GREAVES CONSUMER ELECTRICALS LTD.	83	325.45	27012.35	2.61%
COROMANDEL INTERNATIONAL LTD.	27	926.15	25006.05	2.42%
LARSEN & TOUBRO INFOTECH LTD.	5	4118.45	20592.25	1.99%
MINDTREE LTD.	7	2882.3	20176.1	1.95%
BERGER PAINTS INDIA LTD.	34	585.45	19905.3	1.93%

MUTHOOT FINANCE LTD.	18	1022.5	18405	1.78%
INDRAPRASTHA GAS LTD.	50	355.35	17767.5	1.72%
DR. LAL PATH LABS LTD.	6	2015	12090	1.17%
L&T TECHNOLOGY SERVICES LTD.	4	3160.4	12641.6	1.22%
SUN TV NETWORK LTD.	23	447.6	10294.8	1.00%
MAHANAGAR GAS LTD.	13	716.9	9319.7	0.90%

Amount collected (Rupees)	A	1,00,00,00,000
NAV	B	12.9836
Units allotted say	C = (A/B)	7,70,20,538
Portfolio Value	D	12.7659
Cash Component	E= B - D	0.2176
Actual Investment in stocks	F= C * D	98,32,39,238
Balance cash for expenses say	G= C * E	1,67,60,762

Portfolio Concentration Norms for Exchange Traded Funds (ETFs)
The Scheme will adopt the following portfolio concentration norms to address the risk related to portfolio concentration:

- The index of the Scheme will have a minimum of 10 stocks as its constituents.
- No single stock will have more than 35% weight in the Scheme's index.
- The weightage of the top three constituents of the Scheme's index cumulatively will not be more than 65% of the Index.
- The individual constituent of the index will have a trading frequency greater than or equal to 80% and an average impact cost of 1% or less over previous six months.

Exit opportunity for investors other than Market Makers and Large Investors
Investors can directly approach the AMC for redemption of units of ETFs, for transaction of upto Rs. 25 Cr. without any exit load, in case of the following scenarios

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

In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.

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

G. FUNDAMENTAL ATTRIBUTES

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

- **Type of Scheme:** An open ended exchange traded fund tracking Nifty 200 Quality 30 TRI

- **Investment objective:** The investment objective of the Scheme is to generate returns that are in line with the performance of Nifty 200 Quality 30 Index, subject to tracking errors. The Scheme does not guarantee/indicate any returns. There can be no assurance that the objective of the Scheme will be achieved.
- **Asset Allocation Pattern:**
  Please refer to 'Section II - C. Asset Allocation and Investment Pattern' of this SID for details.
- **Terms of Issue: Listing/Redemption of Units:**
  As mentioned in Section III B of this SID
- **Aggregate Fees and Expenses**
  Please refer to 'Section IV. Fees and Expenses' of this SID.
- **Any Safety Net or Guarantee provided:**
  This Scheme does not provide any guaranteed or assured return to its Investors

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

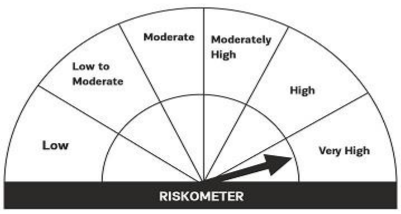
- A written communication about the proposed change is sent to each Unitholders and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

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

H. BENCHMARK

The performance of the scheme will be benchmarked to the performance of **Nifty 200 Quality 30 TRI.**

Benchmark Risk-o-meter as on June 30, 2022:



Investors understand that their principal will be at Very High risk

About The Index:
The NIFTY200 Quality 30 index includes top 30 companies from its parent NIFTY 200 index, selected based on their 'quality' scores. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.
Nifty 200 Quality 30 TRI is public index. The index is reviewed periodically by NSE Indices Ltd. and any changes to the constituents are announced in advance. The index values are calculated by NSE Indices Ltd. on daily basis and put on the web site of the National Stock Exchange of India Limited (www.nseindia.com).

Methodology:
Eligibility Criteria:
To form part of NIFTY200 Quality 30 Index, stocks should qualify the following eligibility criteria(s):

Universe:

- Stocks should form part of NIFTY 200 index at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. NIFTY200 Quality 30 index would be considered as a child index as constituents of this index selected from a list of NIFTY 200 index.
- Constituents should have a minimum listing history of 1 year
- Stock should be available for trading in derivative segment (F&O)

Stock selection criteria:

Stock’s shortlisted based on above mentioned criteria are further analysed as:

- For each eligible stock, Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to equity ratio is not considered for companies belonging to financial services sector
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula: $(x – \mu)/ \sigma$
- Where; x is parameter value of the stock μ is mean value of the parameter in the eligible universe σ is std. deviation of parameter in the eligible universe
- EPS growth variability is not calculated for stocks with negative EPS in any of the previous 6 fiscal years. Such stocks are not considered for selection
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z score is calculated for all securities as per the following formula

For Non-Financial Service sector company:
Weighted Z score= 0.33 * Z score of ROE + 0.33 * - (Z score of D/E) + 0.33* - (Z score of EPS growth variability)

For financial services sector:
Weighted Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Z score as
  Quality Score = (1+ Average Z score) if Avg. Z score >0
  (1-Average Z score)^-1 if Avg. Z score < 0
- Top 30 stocks are selected based on quality-score

Weights and Capping

- Weight of the stock in the index is derived by multiplying the free float market cap with the Normalised Momentum Score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index rebalancing will be done on a semi-annual basis in June and December.
- Stocks that moved out of the NIFTY 200 at the time of review shall also move out of the index
- Top 10 ranked stocks on the basis of quality score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 50 are compulsorily excluded from the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms.

Index Service Provider
NSE Indices Limited. (Formerly known as India Index Services & Products Limited (IISL), a subsidiary of NSE, provides a variety of indices and index related services and products for the Indian capital markets.

Rationale for adoption of benchmark:
The scheme intends to track Nifty 200 Quality 30 TRI. Hence, it is considered to be an appropriate benchmark.

The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

CONSTITUENTS OF THE NIFTY 200 QUALITY 30 ETF (UNDERLYING INDEX FOR ADITYA BIRLA SUN LIFE NIFTY 200 QUALITY 30 ETF) (AS ON June 21, 2022)

SECURITY_NAME	WEIGHTAGE
ITC LTD.	7.08
HINDUSTAN UNILEVER LTD.	5.51
NESTLE INDIA LTD.	5.06
TATA CONSULTANCY SERVICES LTD.	5.00
COAL INDIA LTD.	4.85
BRITANNIA INDUSTRIES LTD.	4.60
ASIAN PAINTS LTD.	4.59
COLGATE PALMOLIVE (INDIA) LTD.	4.58
HCL TECHNOLOGIES LTD.	4.43
INFOSYS LTD.	4.43
BAJAJ AUTO LTD.	4.31
DIVI'S LABORATORIES LTD.	3.68
MARICO LTD.	3.66
PAGE INDUSTRIES LTD.	3.62
HERO MOTOCORP LTD.	3.41
DABUR INDIA LTD.	3.21
TECH MAHINDRA LTD.	3.10
PIDILITE INDUSTRIES LTD.	3.07
HAVELLS INDIA LTD.	2.67
CROMPTON GREAVES CONSUMER ELECTRICALS LTD.	2.56
COROMANDEL INTERNATIONAL LTD.	2.40
LARSEN & TOUBRO INFOTECH LTD.	2.23
MINDTREE LTD.	2.09
BERGER PAINTS INDIA LTD.	1.92
MUTHOOT FINANCE LTD.	1.77
INDRAPRASTHA GAS LTD.	1.68
DR. LAL PATH LABS LTD.	1.22
L&T TECHNOLOGY SERVICES LTD.	1.20
SUN TV NETWORK LTD.	1.01
MAHANAGAR GAS LTD.	0.94

Change in constituents of the index, if any, shall be disclosed on the website of the AMC (www.mutualfund.adityabirlacapital.com) on the day of change.

I. FUND MANAGER

Mr. Lovelish Solanki and Mr. Pranav Gupta would be the designated Fund Managers of the Scheme.

Name	Age	Educational Qualifications	Experience
Mr. Lovelish Solanki	36 yrs	MMS (Finance), BMS (Finance)	He has an overall experience of over 12 years in Trading and Dealing. Prior to joining Aditya Birla Sun Life AMC Limited, he was Equity /Equity Derivatives - Trader at Union KBC Asset Management Co Limited since February 2011. Before that he worked at Edelweiss Asset Management Co. Ltd since January 2008.

<u>Names of other schemes under the management of Mr. Lovelish Solanki:</u>

Name of the Scheme	Fund management responsibilities jointly with
Aditya Birla Sun Life Nifty 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Arbitrage Fund	-
Aditya Birla Sun Life Nifty 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Gold Fund	-
Aditya Birla Sun Life Balanced Advantage Fund	Mr. Mohit Sharma and Mr. Vishal Gajwani
Aditya Birla Sun Life Equity Savings Fund	Mr. Dhaval Shah, and Mr. Harshil Suvarnkar
Aditya Birla Sun Life S&P BSE Sensex ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Bank ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Healthcare ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty IT ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Silver ETF Fund of Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 Index Fund	Mr. Pranav Gupta

Name	Age	Educational Qualifications	Experience
Mr. Pranav Gupta	31 years	Master in Management Studies– Finance from N.L Dalmia Institute of Management Studies and Research.	He has over 4 years of experience in capital market across segments such as derivative sales trading and Alternative Research. Prior to joining Aditya Birla Sun Life AMC Limited, he was part of the Alternate Research and Strategy department at Centrum Broking Limited and has also worked with OHM Stock Broker Pvt. Ltd .

<u>Names of other schemes under the management of Mr. Pranav Gupta:</u>

Aditya Birla Sun Life Nifty 50 Index Fund
Aditya Birla Sun Life Nifty 50 ETF
Aditya Birla Sun Life S&P BSE Sensex ETF
Aditya Birla Sun Life Nifty Next 50 ETF
Aditya Birla Sun Life Nifty Bank ETF
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund
Aditya Birla Sun Life Nifty Midcap 150 Index Fund
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund
Aditya Birla Sun Life Nifty Healthcare ETF

Aditya Birla Sun Life Nifty IT ETF
Aditya Birla Sun Life Silver ETF Fund of Fund
Aditya Birla Sun Life Nifty Next 50 Index Fund

All the above mentioned Schemes are jointly managed with Mr. Lovelish Solanki.

J. INVESTMENT RESTRICTIONS FOR THE SCHEME

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

- All investments by the Scheme shall be made only in listed or to be listed equity shares and equity related instruments.
- The Scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging. However, mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
  Provided further that, the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by the Board.
  Considering the nature of the Scheme, investments in such instruments will be permitted upto 5% of its NAV.
- The scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and Board of Directors of the asset management company:
  Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and Triparty repo on Government securities or treasury bills:
  Considering the nature of the Scheme, investments in such instruments will be permitted upto 5% of its NAV.
- Investment in unrated debt and money market instruments (other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc.) by the Scheme shall not exceed 5% of the net assets of the Scheme. However, all such investments shall be made with the prior approval of the Board of AMC and Trustees.
- The Scheme shall not own more than 10% of any company's paid up capital carrying voting rights.
  Provided, for investments in asset management company or trustee company of other mutual fund, collective investment of sponsor of a mutual fund, its associate and/or its group company, and its AMC through Schemes should be considered for calculating 10% voting rights..
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:
  - such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
  - the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided the same are line with SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2020/202 dated October 8, 2020.
- The Scheme may invest in other schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the Schemes under the same management or in schemes under management of any other Asset Management Company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other schemes of the fund or in the schemes of any other Mutual Fund.

- The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.
  Provided that a mutual fund may engage securities lending and borrowing specified by the Board
  Provided that, the Mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
  Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- The 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 be of a long-term nature.
- Pending deployment of the funds of the Scheme in securities in terms of investment objective, the Scheme may invest its funds in short term deposits of scheduled commercial banks subject to the following guidelines for parking of funds in short term deposits of scheduled commercial banks laid down by SEBI vide its Circulars; SEBI/IMD/CIR No. 1/91171/ 07 dated April 16, 2007 and SEBI/IMD/CIR No.7/129592/08 dated June 23, 2008, August 16, 2019 and such other guidelines as may be specified by SEBI from time to time will be adhered to.
  i. “Short Term” for parking of funds shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
  ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with the approval of the Trustee.
  iii. 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.
  iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
  v. The Scheme shall not park funds in short-term deposit of a bank which has invested in the Scheme. The bank in which a scheme has short-term deposit shall not invest in the scheme until the scheme has short-term deposit with such bank.
  vi. The AMC will not charge any investment management and advisory fees for funds under the Scheme parked in short term deposits of scheduled commercial banks.

  The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market. However, all term deposits placed as margins shall be disclosed in the half yearly portfolio statements under a separate heading. Details such as name of bank, amount of term deposits, duration of term deposits, percentage of NAV should be disclosed.
- The Scheme shall not make any investment in:
  - Any unlisted security of an associate or group company of the Sponsor; or
  - Any security issued by way of private placement by an associate or group company of the Sponsor; or
  - The listed securities of group companies of the Sponsor, which is in excess of 25% of the net assets.

  Considering the nature of the Scheme, the limit is upto 5% of the net asset of the scheme.
- 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 to the Unitholders in accordance with the provisions of SEBI Regulations as applicable from time to time.
- The entire Scheme's investments will be in transferable securities (whether in capital markets or money markets) or in privately placed debenture or securitised debt, or bank deposits (pending deployment in securities in line with the investment objectives of the scheme) or in money at call.
- Debentures, irrespective of any residual maturity period (above or below 1 year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1A of the Seventh Schedule to the SEBI (MF) Regulations or as may be specified by SEBI from time to time.
- Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose.
- The Scheme shall not invest in a fund of funds scheme.
- The scheme shall not invest in Credit Default Swaps.
- The Scheme shall not invest in foreign securities.
- The Scheme shall not invest in Securitised Debt.
- The Scheme shall not engage in short selling.

- The Scheme shall not engage in Repo Transactions in Corporate Debt Securities
- The Scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.

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

These investment restrictions shall in the ordinary course apply as at the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciations or depreciations in value, or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any Scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, AMC shall as soon as possible take appropriate corrective action, taking into account the interests of the Unitholders.

In addition, certain investment parameters (like limits on exposure to Sectors, Industries, Companies, etc.) may be adopted internally by AMC, and amended from time to time, to ensure appropriate diversification / security for the Fund. The Trustee Company / AMC may alter these above stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for Mutual Funds to achieve its investment objective.

As such investments by the Scheme will be made in accordance with SEBI (MF) Regulations, including Schedule VII thereof.

K. SCHEME PERFORMANCE

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

Section III - UNITS AND OFFER

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

A. NEW FUND OFFER

New Fund Offer Period This is the period during which a new scheme sells its units to the investors.	**NFO opens on:** Friday, July 29, 2022 **NFO closes on:** Wednesday, August 10, 2022 The AMC reserves the right to modify the New Fund Offer Period, subject to the condition that the subscription list of the New Fund Offer Period shall not be kept open for more than 15 days. Any such modification in the New Fund Offer period shall be announced by way of a notice in one English daily newspaper having nationwide circulation and in one newspaper published in the language of the region where the head office of the Mutual Fund is situated.
New Fund Offer Price This is the price per unit that the investors have to pay to invest during the NFO.	The units being offered will have a face value of Re. 1/- each and will be issued at a premium, if any, approximately equal to the difference between face value and allotment price. The Allotment price for the NFO shall be approximately equal to 1/1000 of the value of Nifty 200 Quality 30 Index on the date of allotment.
Minimum Amount for Application during the NFO	Minimum of Rs. 100/- and in multiples of Re. 1/- thereafter during the NFO period.
Minimum Target amount 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	The minimum subscription (target) amount under the Scheme shall be Rs. 5,00,00,000/- (Rupees Five Crore) during the New Fund Offer Period. Therefore, subject to the applications being in accordance with the terms of this offer, full and firm allotment will be made to the Unit holders.

return. However, if 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 the NFO period.	
Maximum amount to be raised (if any)	N.A.
Plans / Options offered	Not Available. The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.
IDCW Policy	There is no IDCW Policy as the Scheme currently does not offer any IDCW Option.
Allotment	All Applicants whose payment towards purchase of Units have been realised will receive a full and firm allotment of Units, provided that the applications are complete in all respects and are found to be in order. Allotment to NRIs/FPIs will be subject to RBI approval, if required. All allotments will be provisional, subject to realisation of payment instrument and subject to the AMC having been reasonably satisfied about receipt of clear funds. The process of allotment of Units will be completed within 5 (five) business days from the date of closure of the New Fund Offer Period. Subject to the SEBI (MF) Regulations, the AMC / Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in their sole discretion. **Units in fractions** The Units will be computed and accounted for up to whole numbers (complete integers) only and no fractional units will be allotted. If any fractional units are calculated as a result of the application money/switch units received during the NFO from the investors not in multiple of Rs. 100/-, the Units would be allotted to the extent of whole numbers (complete integers) only and the excess of application money/units corresponding to the fractional Units shall be refunded to the investor. **Allotment Confirmation / Consolidated Account Statement (CAS) Single Consolidated Account Statement (SCAS):** AMC shall send allotment confirmation specifying the number of units allotted to the investor by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of closure of the New Fund Offer Period. Thereafter, Single Consolidated Account Statement (SCAS), based on PAN of the holders, shall be sent by Depositories, for each calendar month within 15th day of the succeeding month to the unitholders in whose folio(s)/demat account(s) transactions have taken place during that month. **No Account Statements will be issued to investors opted to hold units in electronic (demat) mode, since the statement of account furnished by depository participant periodically will contain the details of transactions.**
Refund	If application is rejected, full amount will be refunded within 5 Business days of closure of NFO by way of RTGS, NEFT, IMPS, direct credit, etc. or any other mode allowed by Reserve Bank of India from time to time by speed post, courier etc. If refunded later than 5 Business days, interest @15% p.a. for delay period will be paid and charged to the AMC.
Who can invest	The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of

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.	units of mutual funds being permitted under relevant statutory regulations and their respective constitutions): 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Karta of Hindu Undivided Family (HUF) 3. Minors through parent / legal guardian; 4. Partnership Firms & Limited Liability Partnerships (LLPs); 5. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860; 6. Banks & Financial Institutions; 7. Mutual Funds / Alternative Investment Funds registered with SEBI; 8. Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 9. Non-Resident Indians / Persons of Indian origin residing abroad (NRIs) on repatriation basis or on non-repatriation basis / Persons of Indian Origin residing abroad (PIOs)/ Overseas Citizen of India (OCI) on repatriation basis or on non-repatriation basis subject to prevailing laws. 10. Foreign Portfolio Investors (FPIs) registered with SEBI 11. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 12. Scientific and Industrial Research Organisations; 13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India; 14. Other schemes of Mutual Funds subject to the conditions and limits prescribed by SEBI (MF) Regulations; 15. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme; 16. Such other individuals / institutions / body corporate etc., as may be decided by the Mutual Fund from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations. **Notes**: • Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) have been granted a general permission by Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. • Subject to provisions of SEBI (MF) Regulations, FEMA and other applicable regulations read with guidelines and notifications issued from time to time by SEBI and RBI, investments in the Scheme can be made by various categories of persons as listed above including NRIs etc. FATCA is a United States (US) Federal Law, aimed at prevention of tax evasion by US Citizens and Residents (US Persons) through use of offshore accounts. FATCA provisions were included in the Hiring Incentives to Restore Employment (HIRE) Act, enacted by US Legislature. SEBI vide its circular no. CIR/MIRSD/2/2014 dated June 30, 2014, has advised that Government of India and US Government have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA and India is now treated as having an IGA in effect from April 11, 2014. Aditya Birla Sun AMC Limited (the AMC)/the Fund is classified as a Foreign Financial Institution (FFI) under the FATCA provisions and in

	accordance therewith, the AMC/the Fund would be required, from time to time: i. To undertake necessary due diligence process by collecting information/ documentary evidence about US/Non US status of the investors/unit holders and identify US reportable accounts; ii. To the extent legally permitted, disclose/report information (through itself or its service provider) about the holdings, investments returns pertaining to US reportable accounts to the specified US agencies and/or such Indian authorities as may be specified under FATCA guidelines or under any other guidelines issued by Indian Authorities such as SEBI, Income Tax, etc. (collectively referred to as 'the Guidelines'); and iii. Carry out any other related activities, as may be mandated under the Guidelines, as amended from time to time. FATCA due diligence will be applicable at each investor/unit holder (including joint holders) level and on being identified as reportable person/specified US person, all folios/accounts will be reported including their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Further, in case of folio(s)/account(s) with joint holder(s), the entire account value of the investment portfolio will be attributable under each such reportable person. Investor(s)/Unit Holder(s) will therefore be required to comply with the request of the AMC/the Fund to furnish such information, in a timely manner as may be required by the AMC/the Fund to comply with the due diligence/reporting requirements stated under IGA and/or the Guidelines issued from time to time. FATCA provisions are relevant not only at on-boarding stage of investor(s)/unit holder(s) but also throughout the life cycle of investment with the Fund/the AMC. In view of this, Investors should immediately intimate to the Fund/the AMC, in case of any change in their status with respect to FATCA related declaration provided by them previously. The Fund/AMC reserves the right to reject any application or redeem the units held directly or beneficially in case the applicant/investor(s) fails to furnish the relevant information and/or documentation in accordance with the FATCA provisions, notified. The AMC reserves the right to change/modify the provisions mentioned above in response to any new regulatory development which may require to do so at a later date. **Unitholders should consult their own tax advisors regarding the FATCA requirements with respect to their own situation and investment in the schemes of Aditya Birla Sun Life Mutual Fund to ensure that they do not suffer U.S. withholding tax on their investment returns.** • In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official

	designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions. • Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor. • In case of application in the name of minor, the minor has to be the first and the sole holder. No joint holder will be allowed with the Minor as the first or sole holder. The Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. A copy of birth certificate, passport copy, etc. evidencing date of birth of the minor and relationship of the guardian with the minor, should be mandatorily attached with the application. • The minor unitholder, on attaining majority, shall inform the same to AMC / Mutual Fund / Registrar and submit following documents to change the status of the account (folio) from 'minor' to 'major' to allow him to operate the account in his own right viz., (a) Duly filled request form for changing the status of the account (folio) from 'minor' to 'major'. (b) New Bank details where account changed from 'minor' to 'major'. (c) Signature attestation of the major by a bank manager of Scheduled bank / Bank certificate or Bank letter. (d) KYC acknowledgement letter of major. The guardian cannot undertake any financial and non-financial transactions after the date of the minor attaining majority in an account (folio) where the units are held on behalf of the minor, and further, no financial and non-financial transactions can be undertaken till the time the change in the status from 'minor' to 'major' is registered in the account (folio) by the AMC / Mutual Fund. • The list given above is indicative and the applicable law, if any, shall supersede the list. • The Trustee, reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of this Scheme • Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme(s) and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions. **No request for withdrawal of application made during the New Fund Offer Period will be entertained.**
Application Supported by Block Amount (ASBA)	Investors also have an option to subscribe to units of the scheme during the New Fund Offer period under the **Applications Supported by Blocked Amount (ASBA) facility**, which would entail blocking of funds in the investor's Bank account, rather than transfer of funds, on the basis of an authorisation given to this effect at the time of submitting the ASBA application form. Investors applying through the ASBA facility should carefully read the applicable provisions before making their application. For further details on ASBA facility, investors are requested to refer to Statement of Additional Information (SAI).
Where can you submit the filled up applications	**Registrar & Transfer Agents** **Computer Age Management Services Limited (CAMS)** Rayala Towers, 158, Anna Salai, Chennai - 600002. Contact Details: 1800-425-2267 E-mail: adityabirlacapital.mf@camsonline.com; Website Address: www.camsonline.com

	The application forms can also be submitted at the designated offices / ISCs of Aditya Birla Sun Life Mutual Fund as mentioned in this SID. ASBA applications can be submitted only at Self Certified Syndicate Bank (SCSB) at their designated branches. List of SCSBs and their designated branches shall be displayed on the SEBI's website (http://www.sebi.gov.in/pmd/scsb.pdf).
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Units of the Scheme are to be listed on National Stock Exchange of India Limited (NSE) and any other recognised stock exchanges as may be decided by AMC from time to time. The Units of the Scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange(s). The AMC will appoint atleast 2 Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote (buy and sell quotes) in the market. Alternatively, the Market Makers and Large Investors may subscribe to and/or redeem the units of the Scheme with the Mutual Fund on any business day during the ongoing offer period commencing not later than 5(five) business days from the date of allotment at a price equivalent to applicable NAV and transaction charges, if any, provided the units offered for subscription and/or redemption are not less than Creation Unit size & in multiples thereof for market makers and for large investors, the execution value is greater than Rs. 25 Cr. All investors including Market Maker(s), Large Investors and other investors may sell their units in the stock exchange(s) on which these units will be listed on all the trading days of the stock exchange. Mutual fund will repurchase units from Market Maker(s) and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size for market makers and for large investors, the execution value is greater than Rs. 25 Cr. The redemption consideration shall normally be the basket of securities represented Nifty 200 Quality 30 TRI in the same weightage as in the Index and cash component.
Special Products / facilities available during the NFO	**I. INTER-SCHEME SWITCHING OPTION** The Mutual Fund provides the investors the flexibility to switch their investments (subject to provisions as regards minimum application amount referred above) from any other scheme(s)/plans managed by Mutual Fund, as per the features of the respective scheme to this scheme during the New Fund Offer period. This Option will be useful to Unit holders who wish to alter the allocation of their investment among scheme(s) / plan(s) of the Mutual Fund (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched) in order to meet their changed investment needs. The Switch will be effected by way of a Redemption of Units from the Scheme / Plan and investment of the proceeds in the Scheme and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the Scheme (for e.g. as to the minimum number of Units that may be redeemed or issued, Exit Load, etc.). The price at which the Units will be Switched out of the respective Plans will be based on the Redemption Price, and the proceeds will be invested in the Scheme / plan at the Offer price for units in the scheme. **II. SUBSCRIPTION THROUGH STOCK EXCHANGE PLATFORM FOR MUTUAL FUNDS:**

	Units of the scheme shall be available for subscription / purchase through stock exchange platform(s) made available by NSE during NFO i.e. Mutual Fund Service System (MFSS) of NSE and/or BSE Platform for Allotment and Redemption of Mutual Fund units (BSE StAR MF) of BSE. Under this facility, trading member can facilitate eligible investors (i.e. Resident Individuals, HUF, resident minors represented by guardian and Body corporate or such other class of eligible investors as may be qualified as per the guidelines issued by relevant stock exchange) to purchase / subscribe to units of the scheme using their existing network and order collection mechanism as provided by respective stock exchange. Further, Investors can directly access infrastructure of the recognised stock exchanges to purchase and redeem mutual fund units directly from Mutual Fund/ Asset Management Companies. Investors availing of this facility shall be allotted units in accordance with the SEBI guidelines issued from time to time and the records of the Depository Participant shall be considered as final for such unitholders. The transactions carried out on the above platform shall be subject to such guidelines as may be issued by the respective stock exchanges and also SEBI (Mutual Funds) Regulations, 1996 and circulars / guidelines issued thereunder from time to time. **III.TRANSACTION THROUGH MF UTILITY** MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Aditya Birla Sun Life AMC Limited, has entered into arrangement with MF Utilities India Private Limited (MFUI), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to facilitate financial transactions viz. purchase / subscription and redemption / repurchase of units of the scheme and non-financial transactions. Accordingly, all financial and non-financial transactions for the Scheme can be done through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through the authorized Points of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the POS locations. Investors can refer the list of POS of MFUI available on the website of MFUI at www.mfuindia.com as may be updated from time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance ("OPA") of the ABSLAMC. The uniform cut-off time as mentioned in the Scheme Information Document/Key Information Memorandum of the Scheme shall be applicable for applications received on the portal of MFUI i.e. www.mfuonline.com. However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, terms & conditions as stipulated by MFUI/Mutual Fund/the AMC from time to time and any law for the time being in force. MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments across all the Mutual Funds, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and/or its Registrar and Transfer Agent (RTA) i.e. Computer Age Management Services Pvt. Ltd (CAMS) shall provide necessary details to MFUI as may be

	needed for providing the required services to investors/ distributors through MFU. Investors are requested to visit the websites of MFUI at www.mfuindia.com or the AMC at www.mutualfund.adityabirlacapital.com to download the relevant forms. For facilitating transactions through MFU, Aditya Birla Sun Life Mutual Fund (Fund)/AMC may require to submit and disclose information/details about the investor(s) with MFUI and/or its authorised service providers. Investors transacting through MFU shall be deemed and consented and authorised the Fund/AMC to furnish and disclose all such information to MFUI and/its authorised service providers as may be required by MFUI from time to time. For any queries or clarifications related to MFU, investors are requested to contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfuindia.com.
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.	The Scheme shall be listed and hence this clause is not applicable.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	The Units of the Scheme held in electronic (demat) mode) are transferable**.** The Mutual Fund at its sole discretion reserves the right to suspend sale and switching of Units in the Scheme temporarily or indefinitely when any of the following conditions exist. However, the suspension of sale of Units either temporarily or indefinitely will be with the approval of the Trustee. 1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays. 2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme are not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unit holders. 3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated. 4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme. 5. In case of natural calamities, strikes, riots and bandhs. 6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the ISC. 7. If so directed by SEBI. The AMC reserves the right in its sole discretion to withdraw the facility of Sale option of Units into the Scheme, temporarily or indefinitely, if AMC views that changing the size of the corpus further may prove detrimental to the existing Unit holders of the Scheme.
Right to Limit Redemptions	a. **Liquidity issues -** When markets at large becomes illiquid affecting almost all securities rather than any issuer specific security. b. **Market failures, exchange closures -** When markets are

	affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. c. **Operational issues** - When exceptional circumstances are caused by *force majeure*, unpredictable operational problems and technical failures (e.g. a black out). Under the aforesaid circumstances, ABSLAMC / Trustee may restrict redemption for a specified period of time not exceeding 10 working days in any 90 days period. For redemption requests placed during the restriction period the following provisions will be applicable: i. For redemption requests upto Rs. 2 lakh the above-mentioned restriction will not be applicable and ii. Where redemption requests are above Rs. 2 lakh, AMCs shall redeem the first Rs. 2 lakh without such restriction and remaining part over and above Rs. 2 lakh shall be subject to such restriction. ABSLAMC / Trustee reserves the right to change / modify the provisions of right to limit Redemption / switch-out of units of the Scheme(s) pursuant to direction/ approval of SEBI.

B. ONGOING OFFER DETAILS

Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions / redemptions after the closure of the NFO period	The Scheme will be available for ongoing Sale and Repurchase within 5 (five) business days from the date of allotment.
Ongoing Price for subscription (purchase) / switch-in (from other schemes / plans of the Mutual Fund) by investors This is the price you need to pay for purchase/switch-in.	**For Purchase of units through Stock Exchange** All categories of Investors may purchase the units of the Scheme through Stock Exchange on which the units of the Scheme are to be listed on any trading day in round lot of 1(one) Unit at the prevailing listed price. **For Subscription of units directly with Mutual Fund:** (a) Ongoing purchases directly from the Mutual Fund would be restricted to Market Makers provided that the value of units to be purchased is in creation unit size. Market Makers may buy the units on any business day of the scheme directly from the Mutual Fund by paying applicable transaction handling charges and cash component in cash and by depositing basket of securities comprising Nifty 200 Quality 30 TRI. Units may be allotted only after realization of cheque where the full consideration for creation unit is paid by cheque and at the value at which the underlying stocks for the creation unit is purchased against that purchase request. Large investors may place any order for redemption or subscription directly with the AMC having execution value greater than Rs. 25 Cr. **NAV for continuous offer**

a	Value of portfolio deposit (basket of securities) in creation unit size	10,34,040.80
b	Price of 1 unit portfolio creation	12.7659
c	Cash Component	17,626.75

	<table><tr><td>d</td><td>Net Assets (d = a+ c)</td><td>10,51,668</td></tr><tr><td>e</td><td>No. of units in creation unit</td><td>81000</td></tr><tr><td>f</td><td>NAV per Unit (d/e)</td><td>12.9836</td></tr></table> **Note:** a) In addition to the NAV, any person transacting with the fund will have to reimburse transaction charges - brokerage, STT, Depository charges, etc. b) Transaction charges payable by the market maker/large investor are as per creation request and will be as determined by the AMC at the time of transaction. c) The above creation unit is for 81,000 units of Aditya Birla Sun Life Nifty 200 Quality 30 ETF which is minimum lots size for creation. (b) The units will be listed on NSE to provide liquidity through secondary market. All categories of Investors may purchase the units through secondary market on any trading day. (c) The AMC will appoint atleast 2 Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.
Transaction costs	Transaction costs include brokerage, depository participant charges, uploading charges and such other charges that the AMC/Mutual Fund may have to incur in the course of accepting/providing the portfolio deposit as consideration for a subscription/redemption request. Such transaction handling costs shall be recoverable from the transacting Market Maker/Large Investor.
Ongoing Price for redemption (sale) / switch outs (to other schemes / plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs. .	At Applicable NAV, subject to prevailing exit load, if any. **Note:** The transaction handling charges which include brokerage, Securities Transaction Tax, regulatory charges, if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/ redemption or accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request, shall be recoverable from the transacting Market Maker or Large Investor.
Cut off timing for subscriptions/ redemptions/ switches. (This is the time before which your application (complete in all respects) should reach the official points of acceptance).	In accordance with provisions of SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2020/175 dated September 17, 2020, SEBI circular CIR/IMD/DF/21/2012 dated September 13, 2012, SEBI circular dated No. Cir/ IMD/ DF/ 19/ 2010 dated November 26, 2010, SEBI Circular No. IMD/ CIR No. 11 / 142521 / 08 dated October 24, 2008, SEBI Circular SEBI/ IMD/ CIR No.11/ 78450/ 06 dated October 11, 2006 and SEBI/HO/IMD/DOF2/P/CIR/2022/69 dated May 23, 2022 and further amendments if any, thereto, the following cut-off timings shall be observed by Mutual Fund in respect of purchase/ redemption of units of the scheme, and the following NAVs shall be applied in each case: **For Subscriptions/Purchases/Redemptions/Sales of units directly with Mutual Fund** On an ongoing basis, the Scheme would be open for subscriptions/redemptions only for Market Makers and Large Investors in 'Creation Unit Size' and for large investors having execution value greater than Rs. 25 Cr. The creation/redemption of units would be based on Portfolio deposit and the applicable cash component for the respective business day on which such creation/ redemption of units are made and the deposit and cash are credited to the Scheme's account. The Fund may also allow Cash (through RTGS / Transfer / Cheque) subscription /redemption in creation unit size by Market Makers and for large investors having execution value greater than Rs. 25 Cr. The NAV shall be declared in accordance with the provisions as mentioned in this

	SID. For all direct transactions in units of ETFs by MMs or other eligible investors (only for large investors meeting threshold of Rs. 25 Cr.) with AMCs shall be at intra-day NAV based on the actual execution price of the underlying portfolio. **For transactions done on the stock exchange** An investor can buy/sell Units on a continuous basis on the NSE on which the Units are to be listed during the trading hours on all trading days. Therefore, the provisions of Cut-off timing for subscriptions/redemptions will not be applicable.
Where can the applications for purchase / redemption /switches be submitted *(For Subscription / Redemption of units in Creation Unit size directly with Mutual Fund)*	The application forms can be submitted at the designated offices / ISCs of Aditya Birla Sun Life Mutual Fund as mentioned in this SID.
Minimum amount for purchase /redemption / switch	**For Subscription / Redemption of units directly with Mutual Fund:** - Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Makers and Large Investors. - Units of the Scheme may be subscribed to / redeemed by the Market Maker only in Creation Unit size & in multiples thereof. - Large investors shall place any order for redemption or subscription having execution value greater than Rs. 25 Cr. Market Makers and Large Investors may subscribe to/redeem the units of the Scheme on any business day directly with the Mutual Fund **at applicable iNAV and transaction costs,** if any, by depositing / receiving stocks comprising the benchmark index and/or cash, value of which is equivalent to Creation Unit size for market marker and for large investors, the execution value is greater than Rs. 25 Cr. - The Creation Unit size shall be 81,000 units and in multiples thereof. **For Purchase / Sale of units through Stock Exchange** All categories of Investors may purchase/sell the units of the scheme through Stock exchange on which the units of the scheme will be listed on any trading day in round lot of 1(one) Unit at the prevailing listed price.
Minimum balance to be maintained and consequences of non-maintenance	Not Applicable.
Facility Available The following facility is currently available to unitholders of Aditya Birla Sun Life Mutual Fund Schemes. The AMC reserves the right to modify/amend any of the terms and conditions of this facility on a prospective basis.	**TRANSACTION THROUGH MF UTILITY** MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Aditya Birla Sun Life AMC Limited, has entered into arrangement with MF Utilities India Private Limited (MFUI), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to facilitate non-financial transactions. Accordingly, all non-financial transactions for the Schemes can be done through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through the authorized Points of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the POS locations. Investors can refer the list of POS of MFUI available on the website of MFUI at www.mfuindia.com as may be updated from

	time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance ("OPA") of the ABSLAMC. MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments across all the Mutual Funds, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and/or its Registrar and Transfer Agent (RTA) i.e. Computer Age Management Services Limited (CAMS) shall provide necessary details to MFUI as may be needed for providing the required services to investors/ distributors through MFU. Investors are requested to visit the websites of MFUI at www.mfuindia.com or the AMC at www.mutualfund.adityabirlacapital.com to download the relevant forms. For facilitating transactions through MFU, Aditya Birla Sun Life Mutual Fund (Fund) / AMC may require to submit and disclose information/details about the investor(s) with MFUI and/or its authorised service providers. Investors transacting through MFU shall be deemed and consented and authorised the Fund/AMC to furnish and disclose all such information to MFUI and/its authorised service providers as may be required by MFUI from time to time. For any queries or clarifications related to MFU, investors are requested to contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfuindia.com. **No switch-ins/switch-outs of units shall be allowed under the Scheme on an ongoing basis.**
Accounts Statements	The depository participant with whom the unitholder has a depository account will send a statement of transactions in accordance with the byelaws of the depository which will contain the details of transaction of units. Allotment of units and dispatch of Allotment Advice to FPIs will be subject to RBI approval, if required. Units allotted under this scheme are transferable subject to the provisions of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time.and other applicable provisions. The asset management company shall issue units in dematerialized form to a unit holder in a scheme within 2 (two) working days of the receipt of request from the unit holder. **Note:** The fund house may not furnish separate accounts statement to the unitholders since the statement of accounts furnished by depository participant will contain the details of transactions in these units **Single Consolidated Account Statement (SCAS)** • On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted to the investor shall be send by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) days from date of closure of the New Fund Offer Period or from the date of receipt of the application. • Thereafter, Single Consolidated Account Statement (SCAS), based on PAN of the holders, shall be sent by Depositories, for each calendar month on or before the 15th day of the succeeding month to the unitholders in whose folio(s)/demat account(s) transactions have taken place during that month. • SCAS shall be sent by Depositories every half yearly (September/ March), on or before 21st day of succeeding month, detailing holding at the end of the sixth month, to all such unitholders in whose folios and demat accounts there have been no transactions during that period. • In case of demat accounts with nil balance and no transactions in securities

	and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories. • Consolidation shall be done on the basis of Permanent Account Number (PAN). In the event the folio / demat account has more than one registered holder, the first named Unit holder / Account holder shall receive the SCAS. For the purpose of SCAS, common investors across mutual funds / depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence / order of investors in various folios /demat accounts across mutual funds / demat accounts across depository participants. • In case of multiple accounts across two depositories, the depository with whom the demat account has been opened earlier will be the default depository which will consolidate the details across depositories and Mutual Fund investments and dispatch the SCAS to the unitholders. • Unitholders whose folio(s)/demat account(s) are not updated with PAN shall not receive SCAS. Unitholders are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN. • For Unitholders who have provided an e-mail address in KYC records, the SCAS will be sent by e-mail. • The Unitholders may request for account statement for mutual fund units held in physical mode. In case of a specific request received from the Unitholders, account statement shall be provided to the unitholders within 5 business days from the receipt of such request. • No account statements will be issued to unitholders opted to hold units in demat mode, since the statement of account furnished by depository participant periodically will contain the details of transactions. • SCAS sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form. **Half Yearly Consolidated Account Statement:** 1. A CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before twenty first day of the succeeding month, to all such Unitholders in whose folios no transaction has taken place during that period. Such Consolidated Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the consolidated account statement. 2. The half yearly consolidated account statement will be sent by e-mail to the Unitholders whose e-mail address is available, unless a specific request is made to receive in physical. **COMMUNICATION BY EMAIL** For those unitholders who have provided an e-mail address, the AMC will send the communication by email. Unitholders who receive e-mail statements may download the documents after receiving e-mail from the Mutual Fund. Should the Unitholder experience any difficulty in accessing the electronically delivered documents, the Unitholder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unitholder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. For ease of communication, first applicant's own email ID and mobile number should be provided.
Creation of Segregated Portfolio	Segregated portfolio will be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under: • Downgrade of a debt or money market instrument to 'below investment grade, or • Subsequent downgrades of the said instruments from 'below investment grade, or • Similar such downgrades of a loan rating.

	In case of difference in rating by multiple CRAs, the most conservative rating will be considered. Creation of segregated portfolio will be based on issuer level credit events and as mentioned above implemented at the ISIN level. Further, segregated portfolio may also be created in case of unrated debt or money market instruments of an issuer that does not have any outstanding rated debt or money market instruments. However, such segregation may be done only in case of actual default of either the interest or principal amount by the issuer of such instruments. The Fund shall inform AMFI immediately about the actual default by the issuer. AMFI will disseminate the information about the actual default by the issuer to all AMCs post which the Fund may segregate the portfolio of debt or money market instruments of the said issuer. **<u>Process of creation of segregated portfolio:</u>** ABSLAMC will decide on creation of segregated portfolio on the day of credit event and will seek approval of ABSLTPL. Post that ABSLAMC will immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. ABSLAMC will also disclose in the press release that the segregation shall be subject to trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC. ABSLAMC will ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions. The segregated portfolio shall be effective from the day of credit event, post approval of Trustee. ABSLAMC will issue a press release immediately post approval of ABSLTPL with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI. An e-mail or SMS will be sent to all unit holders of the concerned Scheme. The NAV of both segregated and main portfolio will be disclosed from the day of the credit event. All existing unit holders in the Scheme as on the day of the credit event shall be allotted equal number of units in the segregated portfolio as held in the main portfolio. No redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, ABSLAMC will enable listing of units of segregated portfolio on recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer request. If the trustees do not approve the proposal to segregate portfolio, AMC shall issue a press release immediately informing investors of the same. **<u>Valuation and processing of subscriptions and redemptions</u>** The valuation will take into account the credit event and the portfolio will be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder. All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as per the existing circular on applicability of NAV. However, in case of segregated portfolio, applicability of NAV will be as under: 1. Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated

	portfolio. 2. Investors subscribing to the Scheme will be allotted units only in the main portfolio based on its NAV. In case ABSLTPL does not approve the above valuation process, all subscription and redemption applications will be processed based on the NAV of total portfolio. **Disclosure requirements** A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event will be communicated to the investors within 5 working days of creation of the segregated portfolio. Further, adequate disclosure of the segregated portfolio will also appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the Scheme. Further, the NAV of the segregated portfolio will be declared on daily basis. The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc. The scheme performance required to be disclosed at various places will include the impact of creation of segregated portfolio. The scheme performance will clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery (ies), if any, will be disclosed as a footnote to the scheme performance. These disclosures regarding the segregated portfolio will be carried out for a period of atleast 3 years after the investments in segregated portfolio are fully recovered/ written-off. The investors of the segregated portfolio will be duly informed of the recovery proceedings of the investments of the segregated portfolio and status update will be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities. **Total Expense Ratio ("TER") for the Segregated Portfolio** ABSLAMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio. The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence. The legal charges related to recovery of the investments of the segregated portfolio will be charged to the segregated portfolio in proportion to the amount of recovery. However, the same will be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, will be borne by ABSLAMC. The costs related to segregated portfolio will in no case be charged to the main portfolio. **Monitoring by Trustees** In order to ensure timely recovery of investments of the segregated portfolio, Trustees will ensure that, the ABSLAMC puts in sincere efforts to recover the investments of the segregated portfolio. Upon recovery of money, whether partial or full, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio. Further, an Action Taken Report (ATR) on the efforts made by the ABSLAMC to recover the investments of the segregated portfolio will be placed in every Trustee meeting till the investments are fully recovered/

written-off.

The Trustees will monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

In order to avoid mis-use of segregated portfolio, trustees will ensure that there is a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

Creation of segregated portfolio will be optional and at the discretion of ABSLAMC.

Illustration of portfolio segregation

The below illustration explains the impact of portfolio segregation on account of the credit event on the Scheme and its investors.

Total Portfolio	Direct Plan
Net Assets (A)	110.00
Units (B)	10.000
NAV per unit (A)/(B)	11.0000

Assuming, the above portfolio has a security with market value of Rs. 20 which has got impacted by a credit event. Based on Trustees approval for segregation of portfolio, total portfolio would be split into main portfolio and segregated portfolio as given below:

Main Portfolio	Direct Plan
Net Assets before Segregation(A)	110.00
Value of impacted security (B)	7.10
Net Assets after segregation (C) = (A) – (B)	102.90
Units (D)	10.000
NAV per unit (C)/(D)	10.2903

Segregated Portfolio	Direct Plan
Value of impacted security segregated from Total portfolio	7.10
Haircut @ 25%	1.77
Net Assets after Haircut (A)	5.32
Units (B)	10.000
NAV per unit (A)/(B)	0.5323

Investor Holding	Direct Plan
Net Assets in Total Portfolio	110.00
Net Assets in Main Portfolio	102.90
Net Assets in Segregated Portfolio after Haircut*	5.32

*Market value of investor holding will come down to the extent of haircut on the impacted security.

	Impact on investors: **Existing Investors:** All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio. **New Investors:** Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV. **Exiting Investors:** Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
IDCW	Not Applicable. The Scheme currently does not offer any IDCW Option.
Redemption	All investors including Market Makers, Large Investors and other investors can sell their units in the stock exchange(s) on which units of the Schemes are to be listed on all the trading days of the stock exchange. Mutual Fund will repurchase units from Market Makers and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size. Mutual Fund will repurchase units from Large Investors on any business day provided the execution value is greater than Rs. 25 Cr.

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

Redemption proceeds in the form of basket of securities included in the Nifty 200 Quality 30 TRI in the same proportion will be credited to the designated DP account of the Market Maker /Large Investor. Any fractions in the number of securities transferable to Market Maker/Large Investor will be rounded off to the lower integer and the value of the fractions will be added to the cash component payable. The cash component of the proceeds at the applicable NAV will be paid by way of cheque or direct credit.

Payment of proceeds in cash: The Fund at its discretion may accept the request of Market Maker/Large Investor for payment of redemption proceeds in cash. Such investors shall make redemption request to the Fund whereupon the Fund will arrange to sell underlying portfolio securities on behalf of the investor. Accordingly, the sale proceeds of portfolio securities, after adjusting necessary charges/costs, will be remitted to the investor. The number of Units so redeemed will be subtracted from the unitholder's account balance (DP) and a statement to this effect will be issued to the unitholder by depository.

Redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.

AMC will endeavor to credit the redemptions payouts directly to the designated Bank A/c of the unitholder through any of the available electronic mode (i.e. RTGS / NEFT / Direct Credit). AMC reserves the right to use any of the above mode of payment as deemed appropriate for all folios where the required information is available. AMC/Mutual Fund, however, reserves the right to issue a cheque / demand draft inspite of an investor opting for Electronic Payout.

	Bank Details: In order to protect the interest of investors from fraudulent encashment of cheques, the current SEBI (MF) Regulations have made it mandatory for investors to mention in their application / Redemption request, the bank name and account number. Applications without these details are liable to be rejected.
Delay in payment of redemption / repurchase proceeds and despatch of IDCW	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
Transfer of Units	Units of the scheme shall be available and compulsorily be issued/repurchased and traded in dematerialized form. On listing, the Units of the Scheme held in dematerialised form would be transferable. Transfers should be only in favour of transferees who are eligible for holding Units under the Scheme. The AMC shall not be bound to recognise any other transfer. For effecting the transfer of Units held in electronic form, the Unitholders would be required to lodge delivery instructions for transfer of Units with the DP in the requisite form as may be required from time to time and the transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialised mode. If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence. No request for rematerialization of units of the scheme shall be accepted by Mutual Fund/AMC.

C. PERIODIC DISCLOSURES

Net Asset Value This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.	The AMC will calculate and disclose the first NAV(s) of the scheme not later than 5 (five) Business days from the date of allotment. Thereafter, the NAV will be calculated and disclosed for every Business Day. NAV of the Scheme will be calculated up to four decimal places. AMC shall update the NAV on the AMFI website (www.amfiindia.com) and on the website of the Mutual Fund (www.mutualfund.adityabirlacapital.com) by 11.00 pm on the day of declaration of the NAV. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs. NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. NAV shall also be communicated to stock exchanges where the units of the scheme will be listed. The information on NAV of the Scheme may be obtained by the unit holders, on any day by calling the office of the AMC or any of the ISCs at various locations. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and will be updated during the market hours on its website www.mutualfund.adityabirlacapital.com.

	However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and update the Indicative NAV periodically on its website atleast once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market. Further the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC. In terms of SEBI regulation, a complete statement of the Scheme portfolio will be sent to all unitholders, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund. The portfolio of the scheme (alongwith ISIN) shall also be disclosed on the website of Mutual Fund (www.mutualfund.adityabirlacapital.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.
Portfolio Disclosures	In terms of SEBI Regulation, Mutual Funds/ AMCs will disclose portfolio (along with ISIN) as on the last day of the month / half-year for all Schemes on its website www.mutualfund.adityabirlacapital.com and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format. The Mutual Fund/AMCs will send to Unitholders a complete statement of the scheme portfolio, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund. Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such half yearly scheme portfolio on its website www.mutualfund.adityabirlacapital.com and on the website of AMFI (www.amfiindia.com). Mutual Funds/ AMCs will also provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.
Monthly Disclosures	The Scheme shall disclose the following on monthly basis: a) Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme. b) Name and exposure to top 7 groups as a percentage of NAV of the scheme. c) Name and exposure to top 4 sectors as a percentage of NAV of the scheme. Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of change.
Half Yearly Results	Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website (www.mutualfund.adityabirlacapital.com). Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website.
Annual Report	The scheme wise annual report or an abridged summary thereof shall

<table>
<tr><td></td><td>be provided to all Unitholders not later than four months from the date of closure of the relevant accounting year whose email addresses are registered with the Mutual Fund. The physical copies of Scheme-wise Annual report will also be made available to the unitholders, at the registered offices at all times.

The scheme-wise annual report will also be hosted on the website on its website (www.mutualfund.adityabirlacapital.com) and on the website of AMFI (www.amfiindia.com).

The physical copy of the abridged summary shall be provided to the investors without charging any cost, if a specific request through any mode is received from the unitholder.

Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of scheme wise annual report on its website www.mutualfund.adityabirlacapital.com and on the website of AMFI (www.amfiindia.com).</td></tr>
<tr><td>Associate Transactions</td><td>Please refer to Statement of Additional Information (SAI).</td></tr>
<tr><td>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 schemes.</td><td>
<table>
<tr><td>Tax</td><td></td><td>Mutual Fund being investor in other fund</td></tr>
<tr><td>Capital Gains:
Long Term</td><td>10% without indexation + applicable Surcharge^ + 4% Cess</td><td>Nil</td></tr>
<tr><td>Short Term</td><td>15% + applicable Surcharge+ 4%Cess</td><td>Nil</td></tr>
<tr><td colspan="3">*plus applicable surcharge^ and education cess</td></tr>
</table>

As per section 196 of the income tax act, 1961, no deduction of tax shall be made by any person from any sums payable to a mutual fund specified under section 10(23D).

1. Equity Oriented Funds will also attract Securities Transaction Tax (STT) at applicable rates.

^Surcharge rates are as under

In case of Corporate Assesses:
i. Where the taxable income exceeds Rs. 1 crore but less than Rs. 10 Crores- At the rate of 7% (Marginal Relief in Surcharge, if applicable)
ii. Where the taxable income exceeds Rs. 10 crore - At the rate of 12% (Marginal Relief in Surcharge, if applicable)
iii. For Corporates opting for lower tax rates of 22%/15%, applicable surcharge will be 10%

In case of Non- Corporate Assesses:
i. for individuals, HUF, association of persons, body of individuals and artificial juridical person, surcharge at 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and surcharge at 15% where total income exceeds Rs. 1 crore but does not exceed Rs. 2 crores, 25% if specified income (i.e. total income excluding equity capital gains) and 37% if specified income (as mentioned in the rate above) exceeds Rs. 5 crores is applicable.
ii. for firm, co-operative society and local authority, surcharge at 12% is applicable where income exceeds Rs. 1 crore.</td></tr>
</table>

	For details on taxation please refer to the clause on Taxation in the SAI.
Investor services	Investors may contact the ISCs or the office of the AMC for any queries /clarifications. The Head Office of the AMC will follow up with the respective ISC to ensure timely redressal and prompt investor services. Ms. Keerti Gupta can be contacted at the office of the AMC at One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013. Contact No.: 1800-270-7000 (Toll free) Email: care.mutualfunds@adityabirlacapital.com For any grievances with respect to transactions through Stock Exchange Platform for Mutual Funds, the investors should approach either the stock broker or the investor grievance cell of the respective stock exchange.
Disclosure related to Risk-o-meter	The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Riskometer categorizes the scheme of Fund under different levels of risk based on the respective scheme's investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the scheme falling under the same level of risk in the Riskometer may not be similar in nature. Investors are advised before investing to evaluate a scheme not only on the basis of the Product labeling (including the Riskometer) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall also consult their financial advisers, if they are unsure about the suitability of the scheme before investing. Further, pursuant to SEBI circular dated October 05, 2020, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website.
Tracking Error and Tracking Difference	**Tracking Error:** The Scheme will disclose the tracking error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI. In case the Scheme has been in existence for a period of less than one year, the annualized standard deviation shall be calculated based on available data. **Tracking Difference** The tracking difference i.e. the annualized difference of daily returns between the index and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

D. COMPUTATION OF NET ASSET VALUE

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

$$\text{NAV (Rs.) per Unit} = \frac{\begin{array}{c}\text{Market or Fair Value of the scheme's Investments} \\ \text{+ Current Assets (including accrued income)} \\ \text{- Current Liabilities and Provisions (including accrued expenses)}\end{array}}{\text{No. of Units outstanding under the scheme}}$$

The AMC will calculate and disclose the NAV of the scheme on every business day. The NAVs of the Scheme will be calculated upto 4 decimals.

Section IV – FEES AND EXPENSES

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

A. NEW FUND OFFER EXPENSES

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

The entire amount subscribed by the investor subject to deduction of transaction charges, if any, in the scheme during the New Fund Offer will be available to the scheme for investments.

B. ANNUAL SCHEME RECURRING EXPENSES

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

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

As per Regulation 52(6)(b) of SEBI (MF) Regulations, the total expenses of an exchange traded fund including the investment and advisory fees shall not exceed 1.00% of the daily net assets of the Scheme.

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

(a) Additional expenses not exceeding of 0.30% of daily net assets may be charged to the Scheme, if the new inflows from retail investors^ from beyond top 30 cities* are at least (i) 30% of gross new inflows in the scheme or (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher.
^As per SEBI circular dated March 25, 2019, inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".
**Beyond Top 30 (B30) cities shall mean beyond top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.*

In case inflows from beyond such cities is less than the higher of (i) or (ii) mentioned above, such additional expense on daily net assets of the scheme shall be charged on proportionate basis in accordance with SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012.
Inflows from corporates and institutions from B-30 cities will not be considered for computing the inflows from B-30 cities for the purpose of additional TER of 30 basis points.

The expense so charged shall be utilised for distribution expenses incurred for bringing inflows from such cities. However, the amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

(b) Brokerage and transaction costs incurred for the execution of trades and included in the cost of investment, not exceeding 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Thus, in terms of SEBI circular CIR/IMD/DF/24/2012 dated November 19, 2012, it is hereby clarified that the brokerage and transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Any payment towards brokerage and transaction costs (including GST, if any) incurred for the execution of trades, over and above the said 0.12 per cent and 0.05 per cent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (MF) Regulations.

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

<table>
<tr><th colspan="2">Maximum estimated permissible expense as a % per annum of daily net assets</th></tr>
<tr><th>A. Expense Head / Nature of expense</th><th>% of daily net assets</th></tr>
<tr><td>Investment Management and Advisory Fees (AMC fees)</td><td rowspan="15">Upto 1.00%</td></tr>
<tr><td>Trustee fee</td></tr>
<tr><td>Audit fees</td></tr>
<tr><td>Custodian fees</td></tr>
<tr><td>Registrar & Transfer Agent (RTA) Fees</td></tr>
<tr><td>Marketing & Selling expense including agent commission</td></tr>
<tr><td>Cost related to investor communications</td></tr>
<tr><td>Cost of fund transfer from location to location</td></tr>
<tr><td>Cost of providing account statements/allotment advice and redemption cheques and warrants</td></tr>
<tr><td>Costs of Statutory advertisements</td></tr>
<tr><td>Cost towards investor education & awareness (at least 1 bps)^</td></tr>
<tr><td>Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively.</td></tr>
<tr><td>Goods & Service Tax (GST) on expenses other than investment management and advisory fees</td></tr>
<tr><td>GST on brokerage and transaction cost</td></tr>
<tr><td>Other expenses$</td></tr>
<tr><td>Maximum total expense ratio (TER) permissible under Regulation 52(6)(b)</td><td>Upto 1.00%</td></tr>
<tr><td>B. Additional expense for gross new inflows from specified cities under Regulation 52 (6A) (b) to improve geographical reach of scheme</td><td>Upto 0.30%</td></tr>
</table>

$ Listing expenses are part of other expenses.

Note:

(a) ^In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, read with SEBI circular no. SEBI/HO/IMD/DOF2/P/CIR/2022/69 dated May 23, 2022, the AMC / Mutual Fund shall annually set apart at least 1 basis point (i.e. 0.01%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (MF) Regulations for investor education and awareness initiatives.

(b) In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, AMC may charge the following:

a. **Investment Management and Advisory Fees:** AMC may charge GST on investment management and advisory fees to the scheme in addition to the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.
b. **Other than Investment Management and Advisory Fees:** AMC may charge GST on expenses other than investment management and advisory fees to the scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations. Further, GST on Brokerage and transaction cost incurred for execution of trades, will be within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations

(c) **Maximum Permissible expense:** The maximum total expense ratio (TER) that can be charged to the scheme will be subject to such limits as prescribed under the SEBI (MF) Regulations. The said maximum TER shall either be apportioned under various expense heads as enumerated above, without any sub limit or allocated to any of the said expense head(s) at the discretion of AMC. Also, the types of expenses charged shall be as per the SEBI (MF) Regulations

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

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

C. TRANSACTION CHARGES

SEBI has, with the intent to enable investment by people with small saving potential and to increase reach of Mutual Fund products in urban areas and in smaller towns, wherein the role of the distributor is considered vital, allowed AMCs vide its circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 to deduct transaction charges for subscription of Rs. 10,000/- and above.

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

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

Investor Type	Transaction charges^
First Time Mutual Fund Investor (across Mutual Funds)	**Rs. 150** for subscription application of Rs. 10,000 and above.
Investor other than First Time Mutual Fund Investor	**Rs. 100** for subscription application of Rs. 10,000 and above.

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

3. **Transaction charges shall not be deducted/applicable for:**
   (a) purchases / subscriptions for an amount less than Rs. 10,000/-;
   (b) Transaction other than purchases / subscriptions relating to new inflows such as Switches, STPs, etc.
   (c) Purchases / subscriptions made directly with the Mutual Fund (i.e. not routed through any distributor / agent).
   (d) Transactions carried out through the Stock Exchange Platforms for Mutual Funds.

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

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

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

Particulars	**Amount (Rs.)**	**Units**	**NAV (Rs.)**
Invested on March 31, 2020 (A)	10,000.00	1,000	10.00
Value of above investment as on March 31, 2021 (post all applicable expenses) (B)	11,500	1,000	11.50
Expenses charged during the year @ 1% (assumed) (C)	100		0.10
Value of above investment as on March 31, 2021 (net of all expenses) (D) [D= B-C]	11,400	1,000	11.40
Returns (%) (post all applicable expenses) (E) [E= (B/A)-1]	15.0%		
Returns (%) (net of all applicable expenses) (F) [F= (D/A)-1]	14.0%		

Note(s):

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

D. LOAD STRUCTURE

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

Type of Load	**Load Chargeable (as %age of NAV) during NFO Period and Ongoing Offer Period**
Entry Load*	Nil
Exit Load	Nil The units of the scheme shall be compulsorily traded in dematerialized form, and hence, there shall be no exit load for the units purchased or sold through stock exchanges. However, the investor shall have to bear costs in form of bid/ask spread and brokerage or such other cost as charged by the broker for transacting in units of the Scheme through secondary market.

*In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 01, 2009.

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

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

Any imposition or enhancement of Load in future as may be permitted under SEBI (MF) Regulations shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units for existing as well as prospective investors. At the time of changing the Load

Structure following measures would be undertaken to avoid complaints from investors about investment in the schemes without knowing the loads:

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

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

E. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not Applicable

Section V - RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

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

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

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

3. **Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.**
   SEBI had issued a show cause notice in the matter of Mannapuram Finance Ltd (hereinafter referred to as "Company"), wherein it has been alleged that ING Asset Management (India) Pvt. Ltd., the investment manager of ING Mutual Fund (post-acquisition of schemes of ING Mutual Fund in October 2014, now known as, Aditya Birla Sun Life AMC Limited (AMC) and Aditya Birla Sun Life Mutual Fund (MF), respectively) traded in the scrip of Mannapuram Finance Ltd. when in possession of Unpublished Price Sensitive Information (hereinafter referred to as "UPSI"). It

was alleged in the notice that there was a violation of Section 12A(d) and 12A(e) of SEBI Act, 1992 read with Regulation 3(i), 3A and 4 of SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as "PIT Regulations"). In response to the Show Cause Notice, the AMC has filed a preliminary reply denying the aforesaid allegations on the grounds that, AMC was not in possession of UPSI at the time of sale of shares and that the said shares were sold post publication of Price Sensitive Information made available by the Company on BSE website and thus the AMC/MF had not violated the alleged provisions of SEBI Act and PIT regulations.

Show Cause Notice dated May 29, 2019 issued against ABSLAMC and others for trades done by Schemes of ING Mutual Fund in the scrip of Mannapuram Finance Limited, has been disposed off by SEBI on April 13, 2020 without any penalty.

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

   There are cases pending before the Consumer Redressal Commissions, Civil Courts and High Courts. The contingent liability aggregates to Rs. 86 lakhs approximately.

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

   NIL

   Asides the above, there is no other disclosure.

Note:

(a) Further, any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Document.

(b) The Scheme under this Scheme Information Document was approved by the Trustees on October 28, 2021. Further, Trustees have obtained in-principle approval from NSE vide letter NSE/LIST/5371 dated November 11, 2021.

(c) The Trustees have ensured that Aditya Birla Sun Life Nifty 200 Quality 30 ETF approved by them is a new product offered by Aditya Birla Sun Life Mutual Fund and is not a minor modification of any existing scheme/fund/product.

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

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

Sd/-

PLACE: MUMBAI
DATE: July 6, 2022

Hemanti Wadhwa
Chief Compliance Officer

THE REGISTRAR

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

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

BRANCH OFFICES OF ADITYA BIRLA SUN LIFE MUTUAL FUND

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

Pursuant to SEBI circular no SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/604 dated July 26, 2021, Aditya Birla Sun Life Mutual Fund has designated MFCentral - a digital platform for Mutual Fund investors as its Official Point of Acceptance ("DISC" – Designated Investor Service Centre). Any registered user of MFCentral, requiring submission of physical document, as per the requirements of MFCentral, may do so at any of the DISC or collection centres of KFin Technologies Private Limited ("KFintech") or CAMS. MFCentral may be accessed using https://mfcentral.com/ and a Mobile App in future.