



**SCHEME INFORMATION DOCUMENT**

**SECTION I**

**Do's 2**

**Bajaj Finserv Nifty 1D Rate Liquid ETF - Growth (Consolidated Std. Obs. 1)**

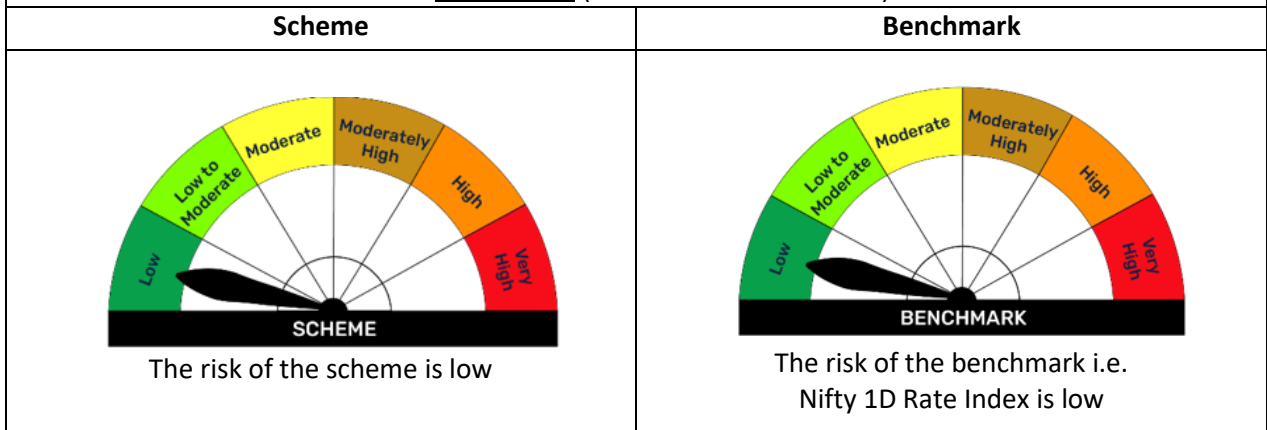
An open ended Exchange Traded Fund tracking Nifty 1D Rate Index with Relatively Low Interest Rate Risk and Relatively Low Credit Risk (Consolidated Std. Obs. 2)

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

- Short term savings solution.
- An open ended Exchange Traded Fund liquid scheme, that aims to provide returns by investing in securities covered by Nifty 1D Rate Index with low risk and a high level of liquidity, subject to tracking error.

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

**Riskometer (Consolidated Std. Obs. 3)**



**Do's 10**

**Potential Risk Class (PRC) (Consolidated Std. Obs. 4)**  
(Maximum risk the scheme can take)

<b>Credit Risk</b>	→	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
<b>Interest Rate Risk</b>	↓			
Relatively Low (Class I)		<b>A-I</b>		
Moderate (Class II)				
Relatively High (Class III)				
A-I – A Scheme with Relatively Low Interest Rate Risk and Relatively Low Credit Risk.				

The units of the Scheme National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE).

SCRIP CODES	
BSE:	NSE:
544182	LIQUIDBETF

Continuous offer of units at NAV based prices

Name of Mutual Fund	Name of Asset Management Company	Name of Trustee Company
Bajaj Finserv Mutual Fund	Bajaj Finserv Asset Management Limited	Bajaj Finserv Mutual Fund Trustee Limited
Address: 8 <sup>th</sup> floor, E-core, Solitaire Business Park, Viman Nagar, Pune – 411014	Address: S. No. 208/1B, Lohagaon, Viman Nagar, Pune – 411014 (registered office) 8 <sup>th</sup> floor, E-core, Solitaire Business Park, Viman Nagar, Pune – 411014 (corporate office)	Address: S. No. 208/1B, Lohagaon, Viman Nagar, Pune – 411014 (registered office) 8 <sup>th</sup> floor, E-core, Solitaire Business Park, Viman Nagar, Pune – 411014 (corporate office)
<a href="http://www.bajajamc.com">www.bajajamc.com</a>	<a href="http://www.bajajamc.com">www.bajajamc.com</a>	<a href="http://www.bajajamc.com">www.bajajamc.com</a>

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Bajaj Finserv Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on [www.bajajamc.com](http://www.bajajamc.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 (Section I and II) should be read in conjunction with the SAI and not in isolation.**

This Scheme Information Document is dated March 25, 2025.

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

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref No.: NSE/LIST/5660 dated February 23, 2024 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.

**Disclaimer of BSE Limited:**

“BSE Ltd. (“the Exchange”) has given vide its letter no. LO/IPO/AH/MF/IP/100/2023-24 dated February 28, 2024 permission to use the Exchange’s name in this SID as one of the Stock Exchanges on which this Mutual Fund’s Units are proposed to be listed. The Exchange has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to. The Exchange does not in any manner:-

- warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or
- warrant that this scheme’s units will be listed or will continue to be listed on the Exchange; or
- take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund;

and it should not for any reason be deemed or construed that this SID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of this 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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NSE INDICES LIMITED do not guarantee the accuracy and/or the completeness of the Nifty 1D Rate Index or any data included therein and NSE INDICES LIMITED shall have not have any responsibility or liability for any errors, omissions, or interruptions therein. NSE INDICES LIMITED 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 1D Rate Index or any data included therein. NSE INDICES LIMITED 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 LIMITED expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, 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 Product(s), will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

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## Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	<b>Name of the scheme</b>	Bajaj Finserv Nifty 1D Rate Liquid ETF – Growth (Erstwhile Bajaj Finserv Nifty 1D Rate Liquid ETF)
II.	<b>Category of the Scheme</b>	Exchange Traded Fund
III.	<b>Scheme type</b>	An open ended Exchange Traded Fund tracking Nifty 1D Rate Index with Relatively Low Interest Rate Risk and Relatively Low Credit Risk
IV.	<b>Scheme code</b>	BFAM/O/O /DET/24/03/0011 (Consolidated Std. Obs. 7)
V.	<b>Investment objective</b>	<p>The investment objective of Scheme is to seek to provide current income, commensurate with low risk while providing a high level of liquidity through a portfolio of Tri-Party Repo on Government Securities or T-bills / Repo &amp; Reverse Repo. The Scheme will provide returns that before expenses, closely correspond to the returns of Nifty 1D Rate index, subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved (Consolidated Std. Obs. 5)</p>
VI.	<b>Liquidity/listing details</b>	<p><b>Through Stock Exchanges:</b></p> <p>The Scheme is listed on BSE Limited and National Stock Exchange of India Limited (NSE). Buying or selling of units of the Scheme by investors can be done on all the Trading Days of the stock exchanges. The minimum number of units that can be bought or sold is 1 (one) unit.</p> <p><b>Directly with the Fund:</b></p> <p>All direct transactions in units of the Scheme by Authorised Participants / Market Makers/ large Investors or other eligible investors with the AMC/the Fund shall be at intraday NAV based on the actual execution price of the underlying portfolio.</p> <p>Investors can place order for subscription / redemption directly with AMC, provided the transaction amount is greater than Rs. 25 Cr. However, this limit is not applicable to Market Makers.</p> <p>Investors can also directly approach AMC for redemption of units for transaction of upto Rs. 25 Crore under the following criteria:</p> <ul style="list-style-type: none"> <li>i. Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or</li> <li>ii. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or</li> <li>iii. Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.</li> </ul> <p>Investors will not be charged any exit load in above scenarios.</p>

		<p>In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day</p> <p>The subscription &amp; redemption of units would be based on the portfolio deposit &amp; cash component as defined by the Fund for that respective business day. The Fund may allow cash purchases/cash redemption of the units of the Scheme or by depositing basket of securities comprising the underlying index in Creation Unit Size by Market Maker/Authorised Participant/Investors.</p> <p>Purchase/redemption request shall be made by such investors to the Fund whereupon the Fund shall arrange to buy/sell the underlying portfolio of securities on behalf of the investor. In case of shares bought and sold by the AMC on behalf of the investor, entire proceeds of portfolio deposit and other cost and charges related to the purchase and sale of basket of underlying securities for servicing the subscription or redemption transaction would be borne by the investor.</p> <p>Investors, other than Authorised Participants/Market Makers, can sell units in less than Creation Unit Size of the Scheme directly to the Mutual Fund without any exit load in the certain cases. Kindly refer to the section “Loads” for more details.</p> <p>a. The threshold of Rs. 25 crore for direct transaction in the units of the Scheme with the AMC. Investors can therefore transact in the units of the Scheme directly with the AMC in the respective creation unit size as applicable in the SID. The Fund may allow purchases of units of the Scheme in ‘Creation Unit’ size or multiples thereof in exchange of the Portfolio Deposit/equivalent amount of Cash and Cash Component by Investors/Authorised Participants.</p> <p><b>b. Redemption (Sale)/Switch-out</b> The Fund will redeem units only if the redemption amount is greater than Rs. 25 Cr. In other circumstances, investors can redeem directly with stock exchanges.</p> <p>Purchase/redemption request shall be made by such investors to the Fund whereupon the Fund shall arrange to buy/sell the underlying portfolio of securities on behalf of the investor. In case of shares bought and sold by the AMC on behalf of the investor, entire proceeds of portfolio deposit and other cost and charges related to the purchase and sale of basket of underlying securities for servicing the subscription or redemption transaction would be borne by the investor.</p> <p>For more details on Loads, please refer section on ‘Loads’.</p>
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VII.	<b>Benchmark Return Index</b> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Std. obs. 9</div>	<b>(Total</b> Nifty 1D Rate Index  The performance of the scheme will be benchmarked to the performance of the Nifty 1D Rate Index.
VIII.	<b>NAV disclosure</b>  <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Std. obs. 17 (a)</div>	<div style="text-align: right;">(Consolidated Std. Obs. 40)</div> NAV shall be calculated for every calendar day, except under special circumstances. NAV shall be disclosed on AMC website (www.bajajamc.com) and on AMFI website (www.amfiindia.com). NAV shall be available on all centers for acceptance of transactions. NAV shall also be made available at all Investor services centers and the Toll free number of the AMC i.e. 18003093900.  <div style="text-align: right;">(Consolidated Std. Obs. 41)</div> NAV will be calculated upto four decimal places and shall be disclosed before 11.00 p.m. on every calendar days. If case NAV is not uploaded within the stipulated timing of 11.00 p.m. on any business day, explanation shall be provided to AMFI for non adherence of time limit. In the NAV is not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons for the delay and explaining when the Mutual Fund would be able to publish the NAV.
IX.	<b>Applicable timelines</b>	<ul style="list-style-type: none"> <li>• Redemption proceeds shall be dispatched within three working days from the date of redemption request. In case of delay beyond three working days, the AMC is liable to pay interest to the investors at the rate of 15% per annum.</li> <li>• IDCW payments shall be dispatched/transferred to the investors within seven working days from the IDCW record date. In case the AMC fails to make IDCW payment within seven working days, the AMC shall be liable to pay interest to investors at 15% per annum. The interest on delayed payment would be computed from the record date for IDCW.</li> <li>• Physical dispatch of redemption/IDCW proceeds shall be carried out only in exceptional circumstances and the AMC shall be required to maintain records along with reasons for all such physical dispatches.</li> </ul>
X.	<b>Plans and Options</b> Plans/Options and sub options under the Scheme	Currently, there are no plans under the Scheme.  The Scheme will offer only Growth option. There will be no IDCW option under the Scheme.  However, the Trustees reserve the right to introduce/ alter/ extinguish any of the plans/ options under the Scheme at a later date. For any change in plans/ options offered under the Scheme, the AMC shall publish a notice-cum-addendum for the information of the investors.

<b>XI.</b>	<b>Load Structure</b>  (Consolidated Std. Obs. 47)  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Std. obs. 16</div>	<b>Entry Load: Nil</b> Exit load – Nil
<b>XII.</b>	<b>Minimum Application Amount/switch in</b>	<p><b>On an On-going Basis:</b>  On Exchange: Investors can buy/sell units of the Scheme in round lot of 1 unit and in multiples thereof.</p> <p><b>Directly with the Mutual Fund:</b> Any order placed for redemption or subscription directly with the AMC must be of greater than Rs. 25 Cr. However, the aforementioned threshold of INR 25 crore shall not apply to investors falling under the following categories (until such time as may be specified by SEBI/AMFI):</p> <ol style="list-style-type: none"> <li>a. Schemes managed by Employee Provident Fund Organisation, India;</li> <li>b. Recognised Provident Funds, approved Gratuity funds and approved superannuation funds under Income Tax Act, 1961.</li> </ol> <p>All direct transactions in units of the Scheme by Market Maker / Authorised Participant or large investors with the AMC/the Fund shall be at intraday NAV based on the actual execution price of the underlying portfolio.</p> <p>The aforesaid threshold shall not be applicable for Market Maker / Authorised Participant and shall be periodically reviewed.</p> <p>An investor can buy / sell units on a continuous basis in the normal market segment of National Stock Exchange of India Limited (NSE)/ BSE Limited during the trading hours like any other publicly traded stock at prices which are quoted on NSE/BSE. These prices may be close to the actual NAV of the Scheme. There is no minimum investment, although units are to be purchased in lot of 1 unit.</p> <p>The threshold of Rs. 25 crore for direct transaction in the units of the Scheme with the AMC. Investors can therefore transact in the units of the Scheme directly with the AMC in the respective creation unit size as applicable in the SID.</p>
<b>XIII.</b>	<b>Minimum Additional Purchase Amount</b>	1 unit and in multiples thereof.
<b>XIV.</b>	<b>Minimum Redemption/switch out amount</b>	1 unit and in multiples thereof. <b>Minimum amount for switch-out – Not applicable</b>
<b>XV.</b>	<b>Segregated portfolio/side pocketing disclosure</b>	The AMC may create a segregated portfolio of debt and money market instruments in a mutual fund scheme in case of a credit event and to deal with liquidity risk.

		<p style="text-align: right;">(Consolidated Std. Obs. 53)</p> <p>In this regard, the term ‘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 and the term ‘main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio. The term ‘total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event.</p> <p>A segregated portfolio may be created in a mutual fund scheme 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:</p> <ol style="list-style-type: none"> <li>a) Downgrade of a debt or money market instrument to ‘below investment grade’, or</li> <li>b) Subsequent downgrades of the said instruments from ‘below investment grade’, or</li> <li>c) Similar such downgrades of a loan rating.</li> </ol> <p>In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as detailed above and implemented at the ISIN level.</p> <p>The AMC may also create a segregated portfolio of unrated debt and money market instruments of an issuer that does not have any outstanding rated debt or money market instruments in case of ‘actual default’ of either the interest or principal amount.’</p> <p>For Details, kindly refer SAI</p>
<b>XVI.</b>	<b>Swing pricing disclosure</b>	Not applicable
<b>XVII.</b>	<b>Stock lending/short selling</b>	The Scheme will not engage in Short Selling and securities lending.
<b>XVIII.</b>	<b>How to Apply and other details</b>  (Consolidated Std. Obs. 35)	<p>Investors can obtain application form / Key Information Memorandum (KIM) from Bajaj Finserv AMC branch offices, Investor services centers and RTA’s (Kfin) branch office.</p> <p>Investors can also download application form / Key Information Memorandum (KIM) from our website (<a href="http://www.bajajamc.com">www.bajajamc.com</a>)</p> <p>Please refer to the SAI and Application form for the instructions.</p>
<b>XIX.</b>	<b>Investor services</b>	<ul style="list-style-type: none"> <li>• Contact details for general service requests: You may call on Toll Free: 1800-309-3900 (Monday to Friday 9:00 am to 6:00 pm) or write us on email id: <a href="mailto:service@bajajamc.com">service@bajajamc.com</a> or raise a service ticket on our website at link: <a href="https://bajajfinservasset.my.site.com/Web2Case/s/">https://bajajfinservasset.my.site.com/Web2Case/s/</a></li> <li>• Contact details for complaint resolution: <b>Ms. Priya Singh</b> <b>Investor Relations Officer</b> Tel No: 020 67672500 Fax No: 020 67672550 Email: <a href="mailto:service@bajajamc.com">service@bajajamc.com</a></li> </ul>

<b>XX.</b>	<b>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)</b>	Not Applicable
<b>XXI.</b>	<b>Special product/facility available during the ongoing basis</b>	Not applicable
<b>XXII.</b>	<b>Weblink</b>	<p>The Total Expense Ratio shall be made available to the investors on the website of the AMC at link:  <a href="https://www.bajajamc.com/downloads?ter=">https://www.bajajamc.com/downloads?ter=.</a></p> <p>The scheme factsheet shall be made available to the investors on the website of the AMC at link:  <a href="https://www.bajajamc.com/downloads?factsheet">https://www.bajajamc.com/downloads?factsheet.</a></p>
<b>XXIII.</b>	<b>Requirement of minimum investors in the scheme</b>	As the Scheme is an exchange traded fund, the provisions of minimum number of Investors and maximum holding of the Investors are not applicable as per SEBI guidelines.
<b>XXIV.</b>	<b>Authorised Participant / Market Maker</b>	<p>‘Authorised Participant’ means the Member of National Stock Exchange/ BSE Limited or any other recognized stock exchange and their nominated entities/ person or any other person(s) who is/ would be appointed by the AMC/Fund to act as Authorised Participant.</p> <p>Market Maker (MM) are members of the Stock Exchanges who work towards providing continuous liquidity on the stock exchange platform for units of ETFs. MM shall transact with AMC only in multiples of creation unit size.</p> <p>Authorised participants are referred to as Market Maker in this SID.</p> <p>East India Securities Limited and IIFL Securities Limited are Authorized Participants engaged by the AMC.</p>

## DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

(Consolidated Std. Obs. 55)

It is confirmed that:

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct
- (vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations
- (vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- (viii) The Trustees have ensured that the Bajaj Finserv Nifty 1D Rate Liquid ETF - Growth approved by them is a new product offered by Bajaj Finserv Mutual Fund and is not a minor modification of any existing scheme/fund/product

**For Bajaj Finserv Asset Management Limited  
(Investment Manager to Bajaj Finserv Mutual Fund)**

**Date:** March 25, 2025

**Place:** Pune

**Sd/-  
Harish Iyer  
Compliance Officer**

## Part II. INFORMATION ABOUT THE SCHEME

Std. obs. 14

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

Instruments	Indicative allocations	
	Minimum	Maximum
Tri-Party Repos in Government Securities or Treasury Bills (TREPS)	95%	100%
Units of Overnight/ Liquid schemes#, Money Market Instruments (with maturity not exceeding 91 days)*, cash & cash equivalents. (Consolidated std. obs. 21)	0%	5%

\*Money market instruments will include Government securities, Treasury Bills, Cash Management Bills, CBLO, Repo, Reverse Repo, TREPS, Certificate of Deposits (CDs), Commercial Paper (CPs) and any other securities / instruments as may be permitted by SEBI and RBI from time to time. The Scheme shall make investments in / purchase money market securities with maturity of up to 91 days only.

Investment in repo in corporate debt securities upto 5% of the net asset with maturity of upto 91 days.

Do's 19 #The Scheme may invest upto 5% of the net asset in Liquid & Overnight Fund of Bajaj Finserv Mutual Fund and other Mutual Fund without charging any fees, in accordance with the applicable extant SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

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

Sl. no	Type of Instrument	Percentage of exposure	Circular references
1.	Securities Lending	0%	Clause 12.11 of SEBI Master Circular for Mutual Funds dated June 27, 2024
2.	Equity Derivatives for non-hedging purposes	0%	Clause 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024
3.	Fixed Income Derivatives for non-hedging purposes	0%	
4.	Securitized Debt	0%	Clause 12.15 of SEBI Master Circular for Mutual Funds dated June 27, 2024
5.	Overseas Securities	0%	Clause 12.19 of SEBI Master Circular for Mutual Funds dated June 27, 2024
6.	ReITs and InvITs	0%	Clause 12.21 of SEBI Master Circular for Mutual Funds dated June 27, 2024
7.	AT1 and AT2 Bonds (Instruments with special features)	0%	Clause 12.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024
8.	Liquid & Overnight Fund of Bajaj Finserv Mutual Fund and other Mutual Fund	5%	Clause 4 of Seventh Schedule of SEBI Mutual Fund Regulations

Sl. no	Type of Instrument	Percentage of exposure	Circular references
9.	Any other instrument <ul style="list-style-type: none"> <li>repo transactions in corporate debt securities</li> </ul>	Upto 5% of net assets of the scheme	Clause 12.18 of SEBI Master Circular for Mutual Funds dated June 27, 2024

(Consolidated Std. Obs. 18)

The scheme will not invest in following securities:

Sr. No.	Securities
1.	Non-convertible preference shares.
2.	REITs and InvITs
3.	Credit enhancements and structured obligation instruments.
4.	Equity and Equity related instruments;
5.	Equity and Debt Derivatives;
6.	ADR / GDR / Foreign Securities;
7.	Securitized Debt / Foreign Securitized debt;
8.	Short selling of securities;
9.	Borrowing;
10.	Credit Default Swaps;
11.	Structured obligations;
12.	Commodity Derivatives;
13.	Unrated debt instruments;
14.	Fund of Fund Schemes;
15.	Instruments having Special Features
16.	Corporate debt securities;

(Consolidated std. obs. 18)

The cumulative gross exposure through TREPS, debt & Money Market instruments, Liquid & Overnight Fund 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. (Consolidated std. obs. 17)

Do's

The Margin may be placed in the form of such securities / instruments / deposits as may be permitted/eligible to be placed as margin from the assets of the Scheme. The securities / instruments / deposits so placed as margin shall be classified under the applicable category of assets for the purposes of asset allocation.

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

The Scheme would adhere with the requirements stipulated in SEBI Master Circular for Mutual Funds dated June 27, 2024, and other SEBI Guidelines/Circulars issued from time to time. (Consolidated Std. Obs. 40)

#### Portfolio Replications

Do's 4

The Scheme shall replicate the underlying debt index subject to the requirements as specified under clause 3.5.2.6 of SEBI Master Circular for Mutual Funds dated June 27, 2024, and other SEBI Guidelines/Circulars issued from time to time.

Do's

Post any transactions undertaken in the scheme portfolio, in order to meet the redemption and subscription obligations, it shall be ensured that replication of the portfolio with the index is maintained at all points of time, subject to permissible deviations.

### **Change in Investment Pattern**

(Consolidated std. obs. 22, 23 & 24)

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and defensive considerations.

Provided that any change in the Underlying Index shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the Regulations, as detailed later in this document.

### **Portfolio Rebalancing**

Do's 12

In case of change in constituents of the index due to periodic review, the portfolio of the Scheme shall be rebalanced within 7 calendar days or such timeline as may be prescribed by SEBI from time to time.

Subject to the Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, applicable regulations and political and economic factors or for short durations, part of the corpus may be pending for deployment in equities considering the market conditions, special events, corporate events (like declaration of dividend), etc.

In the event that the asset allocation of the Scheme should deviate from the ranges as noted in the asset allocation table, then the portfolio of the Scheme will be rebalanced by the Fund Manager to the position indicated in the asset allocation table above. Such changes in the asset allocation will be for short term and defensive considerations. In case of deviation, if any, from the asset allocation pattern, the AMC shall rebalance the portfolio within a period of 7 calendar days.

### **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:**

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

The annualized difference of daily returns between the index and the NAV of the Fund shall be disclosed on the website of the AMC and AMFI, on a monthly basis.



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

Std. obs. 15

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

1. Debt securities and money market instruments including G-Sec/T-Bills/Cash Management Bills and CBLO/Repo/Reverse Repo.
2. Tri-Party repo on Government Securities.
3. Money Market Instruments including commercial papers, commercial bills.
4. Repo in corporate debt securities.
5. Certificate of Deposits (CDs).
6. Units of Overnight/ Liquid schemes.
7. Any other securities / instruments as may be permitted by SEBI from time to time, subject to regulatory approvals if any.

Pending deployment of funds of the scheme in securities in terms of the investment objective of the scheme, the AMC may park the funds of the scheme in short term deposits of scheduled commercial banks, subject to the guidelines mentioned in SEBI Master Circular for Mutual Funds dated June 27, 2024, as amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short term deposits of scheduled commercial banks for the scheme.

Do's

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

Std. obs. 7

(Consolidated Std. Obs. 27)

The scheme will invest predominantly in Tri-Party Repos on Government Securities or Treasury Bills (TREPS). The Scheme may also invest in Liquid Scheme(s) & other money market instruments, in compliance with regulations to meet liquidity and expense requirements. The Scheme shall endeavour to replicate the index. In case the Scheme is not able to replicate the index the Fund Manager will invest subject to provisions laid down under SEBI Master Circular for Mutual Funds dated June 27, 2024,, as amended from time to time.

The performance of the Scheme 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. The scheme intends to maintain a low tracking error by closely aligning the portfolio in line with the index.

Though endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/ Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.

### **Investment Process**

The Scheme will track the Underlying Index and is a passively managed scheme. The investment Decisions will be determined as per the Underlying Index. In case of any change in the index due to corporate actions or change in the constituents of the Underlying Index (as communicated by the Index Service Provider), relevant investment decisions will be determined considering the composition of the Underlying Index. The Investment decision of the Fund will be carried out by the designated Fund Manager.

## Portfolio Turnover

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. The scheme being a passively managed open-ended exchange traded fund, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Hence, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. 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 specific target relating to portfolio turnover. The effect of higher portfolio turnover could be higher brokerage and transaction costs.

Portfolio Turnover Ratio: Not Applicable

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

Std. obs. 9

The Scheme benchmark would be Nifty 1D Rate Index.

Do's 1

Std. obs.

- The Nifty 1D Rate Index has been developed to measure the returns generated by market participants lending in the overnight market.
- The index uses "Collateralized Borrowing and Lending Obligation (CBLO)" overnight rate for computation of index values.
- The overnight market in India is one of the most active components of the money market. The objective of Nifty 1D Rate index is to measure the returns generated by market participants lending in the overnight market. The index uses the overnight rate provided through "Triparty Repo Dealing System (TREPS)" for computation of index values.

Source: [www.niftyindices.com](http://www.niftyindices.com)

### Creation / Redemption of Units:

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

The eligible investors can directly buy/sell with the Fund in Creation Unit Size in accordance with "Minimum application amount":

The Fund creates/ redeems units of the Scheme in large blocks known as "Creation Unit". The value of the "Creation Unit" is the basket of the Underlying Index securities called as the "Portfolio Deposit" and a "Cash Component" which will be exchanged for a fixed number of units of the Scheme. The Portfolio Deposit and the Cash Component, which defines the Creation Unit are defined separately. The Portfolio Deposit and Cash Component may change from time to time and will be announced by AMC/Fund through its website and other data providers.

Note: Units of the Scheme if less than Creation Unit cannot be purchased/ redeemed directly with the Fund except for certain circumstances as listed in this document. In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds. All direct transactions in units of the Scheme by MMs or other eligible investors with the AMC/the Fund shall be at intra-day NAV based on the actual execution price of the underlying portfolio and shall be facilitated for investors only for transactions above INR 25 Cr. In this regard, any order placed for redemption or subscription directly with the AMC must be of greater than INR 25 Cr. The aforesaid threshold shall not be applicable for eligible investors, subject to exceptions as mentioned in minimum application amount.

## **Procedure for Purchasing in Creation Unit Size**

### **Creation of Units**

The requisite securities constituting the Portfolio Deposit have to be transferred to the DP account of the respective Scheme on the day of receipt of the application, while the Cash Component, as applicable on that business day; has to be paid to the Fund. On confirmation of the receipt of Portfolio Deposit/ equivalent amount of cash by the Fund AMC, the AMC will credit the equivalent number of units of the Scheme into the investor's DP account.

In case of cash subscription of units of the Schemes in 'Creation Unit' Size, the purchase request for creation of units shall be made by such investor to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio of securities on behalf of the investor. In case of shares bought by the AMC on behalf of the investor, entire proceeds of portfolio deposit and other cost and charges related to the purchase of basket of underlying securities for servicing the subscription transaction would be borne by the investor.

The Portfolio Deposit and Cash Component for units of the Scheme may change from time to time due to changes in the Underlying Index on account of corporate actions and changes to the index constituents.

The creation request can be made to the AMC/ Fund in a duly filled application form. Application Forms for Creation of units can be obtained from any of the Official Points of Acceptance as notified by the AMC.

The AMC will not extend credit facility to the Authorized Participants/market makers/ investors. Authorized participants or investors will get the NAV as and when they bring the Portfolio Deposit/ equivalent amount of cash and Cash Component as mentioned in the Regulation.

## **Procedure for Redeeming in Creation Unit Size**

### **Redemption of Units:**

The requisite number of units of the Scheme equivalent to the Creation Unit lot size has to be transferred to the DP account of the respective Scheme, while the Cash Component, as applicable on that business day to be paid to the Scheme. On confirmation of the receipt of unit of the Schemes by the Custodian/ AMC, the AMC shall extinguish the units and credit the Portfolio Deposit to the investor's DP account and pay the Cash Component, as applicable.

The Fund may allow cash redemption of the units of the Scheme in Creation Unit Size. Redemption request shall be made by such investor to the Fund before the stipulated cut-off time whereupon the Fund shall arrange to sell the underlying portfolio of securities on behalf of the investor. In case of shares sold by the AMC on behalf of the investor, entire proceeds of portfolio deposit and other cost and charges related to the sale of basket of underlying securities for servicing the redemption transaction would be borne by the investor. Payment will then be made to the Investor net of all the above mentioned charges.

The Portfolio Deposit and Cash Component for the units of the Scheme may change from time to time due to changes in the Underlying Index on account of corporate actions and changes to the index constituents. The Portfolio Deposit may vary on account of market movements and other related factors.

Any order placed for redemption or subscription directly with the AMC must be of greater than INR 25 Cr. The aforesaid threshold shall not be applicable for eligible investors, subject to exceptions as mentioned in "minimum application amount", shall be periodically reviewed.

Investors can directly approach the AMC for redemption of units of the Scheme, for transaction upto INR 25 Cr. without any exit load, in case of the following scenarios:

- i. Traded price (closing price) of the Scheme units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or
- ii. No quotes for the Scheme are available on stock exchange(s) for 3 consecutive trading days, or
- iii. Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days. In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.

### **Note on Exchange Traded Fund (ETF)**

ETFs are innovative products that provide exposure to its underlying asset. ETFs generally track an index, a basket of securities, commodities or debt securities. As name suggest ETFs are traded on the exchange like a single stock.

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 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.

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

### **Features of ETFs**

- ETFs can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
- ETFs can be bought/ sold anytime during market hours at prices that are expected to be close to actual NAV of the schemes. Thus, investor invests at real-time prices as opposed to end of day prices.
- No separate form filling for buying / selling of units is required. It is just a phone call to investors' broker or a click on the net.
- ETFs have ability to put limit orders.
- Minimum investment for an ETF is one unit.
- ETFs facilitate protection to long-term investors from the inflows and outflows of short-term investors.
- 7. ETFs are flexible as it can be used as a tool for gaining instant exposure to the underlying index. ETFs are effective tool for equitising cash.
- ETFs help in increasing liquidity of underlying cash market.
- An investor can get a consolidated view of his investments without adding too many different account statements as the Units issued would be in demat form.

**E. WHO MANAGES THE SCHEME?**

Std. obs. 10

(Consolidated Std. Obs. 33)

Name of Fund Manager, Age and Educational qualifications	Work experience	Other schemes managed
<p>Mr. Siddharth Chaudhary</p> <p>42 years</p> <p>B. Com, PGPSM from UTI Institute of Capital Markets</p> <p>(Managing the scheme since inception.)</p>	<p>Mr. Chaudhary joined the Company in July 2022 as Senior Fund Manager – Fixed Income. Prior to this he was associated with Sundaram Asset Management Co. Ltd from April 2019 - July 2022 as Head Fixed Income – Institutional Business, from April 2017 – March 2019 as Senior Fund Manager – Fixed Income, from August 2010 – March 2017 as Fund Manager – Fixed Income. During June 2006 – September 2010 he was working as Senior Manager, Treasury Dept in Indian Bank.</p>	<ul style="list-style-type: none"> <li>• Bajaj Finserv Overnight Fund*</li> <li>• Bajaj Finserv Liquid Fund*</li> <li>• Bajaj Finserv Money Market Fund*</li> <li>• Bajaj Finserv Banking and PSU Fund*</li> <li>• Bajaj Finserv Flexi Cap Fund (Debt portion)</li> <li>• Bajaj Finserv Arbitrage Fund (Debt portion)</li> <li>• Bajaj Finserv Balanced Advantage Fund (Debt portion)</li> <li>• Bajaj Finserv Large and Mid Cap Fund (Debt portion)</li> <li>• Bajaj Finserv Multi Asset Allocation Fund (Debt portion)*</li> <li>• Bajaj Finserv Large Cap Fund (Debt portion)</li> <li>• Bajaj Finserv Consumption Fund (Debt portion)</li> <li>• Bajaj Finserv Healthcare Fund (Debt portion)</li> <li>• Bajaj Finserv Gilt Fund*</li> <li>• Bajaj Finserv ELSS Tax Saver Fund (Debt portion)</li> <li>• Bajaj Finserv Multi Cap Fund (Debt portion)</li> </ul>

\*Jointly with Mr. Nimesh Chandan

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

Name of the Scheme	Category of Scheme
Bajaj Finserv Liquid Fund	Liquid Fund
Bajaj Finserv Overnight Fund	Overnight Fund
Bajaj Finserv Money Market Fund	Money Market Fund
Bajaj Finserv Banking and PSU Fund	Banking and PSU Fund
Bajaj Finserv Flexi Cap Fund	Flexi Cap Fund
Bajaj Finserv Balanced Advantage Fund	Balanced Advantage Fund
Bajaj Finserv Arbitrage Fund	Arbitrage Fund
Bajaj Finserv Nifty 50 ETF	Exchange Traded Fund
Bajaj Finserv Nifty Bank ETF	Exchange Traded Fund

Name of the Scheme	Category of Scheme
Bajaj Finserv Large and Mid Cap Fund	Large and Mid Cap Fund
Bajaj Finserv Multi Asset Allocation Fund	Multi Asset Allocation Fund
Bajaj Finserv Large Cap Fund	Large Cap Fund
Bajaj Finserv Consumption Fund	Thematic Fund
Bajaj Finserv Healthcare Fund	Thematic Fund
Bajaj Finserv Gilt Fund	Gilt Fund
Bajaj Finserv ELSS Tax Saver Fund	ELSS Fund
Bajaj Finserv Multi Cap Fund	Multi Cap Fund

The investors can refer to the detailed comparative table of the existing schemes on the website of the Company at link: <https://www.bajajamc.com/sid-disclosure>.

#### G. HOW HAS THE SCHEME PERFORMED (if applicable)

The performance of the scheme as on February 28, 2025, is as follows:

Absolute Returns	Scheme Returns %		Benchmark Returns %	
	Direct Plan	Regular Plan	Direct Plan	Regular Plan
Returns for the last 1 year				
Returns for the last 3 year				
Returns for the last 5 year				
Returns since inception	-	4.73%	-	4.99%

#### Notes:

- Past performance may or may not be sustained in future.
- Benchmark: Nifty 1D Rate Index
- Inception Date: May 28, 2024
- Returns less than 1 year period are absolute
- The scheme has undergone change in its fundamental attributes wherein the option available under the scheme was changed from Income Distribution cum Capital Withdrawal (IDCW) to Growth and the name of the scheme was changed from Bajaj Finserv Nifty 1D Rate Liquid ETF to Bajaj Finserv Nifty 1D Rate Liquid ETF – Growth w.e.f. November 13, 2024.

#### H. ADDITIONAL SCHEME RELATED DISCLOSURES

- Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors to be provided through a functional website link that contains detailed description.):** Investors can refer to this data on AMC website at link: <https://www.bajajamc.com/sid-disclosure>
- Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description:** Investors can refer to this data on AMC website at link: <https://www.bajajamc.com/mutual-funds/etf/bajaj-finserv-nifty-1d-rate-liquid-etf>
- Functional website link for Portfolio Disclosure:** Portfolio shall be disclosed within 10 days from the end of the month. Portfolio shall be disclosed on AMC website <https://www.bajajamc.com/downloads?portfolio> and on AMFI website [www.amfiindia.com](http://www.amfiindia.com). Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format.

iv. **Portfolio Turnover Rate particularly for equity oriented schemes shall also be disclosed:** Not Applicable

v. **Aggregate investment in the Scheme by** (as on February 28, 2025):

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.)
		Units	NAV per unit	
1.	Scheme Fund Manager	0	0.00	0

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

vi. **Investments of AMC in the Scheme:**

Std. obs. 1

Subject to the SEBI MF Regulations, the sponsors & Investment Companies managed by them, their associate companies, subsidiaries of the sponsors, the funds managed by associates and/or the AMC may acquire a substantial portion of the scheme. Accordingly, redemption of units held by such funds, associates and sponsors may have an adverse impact on the units of the scheme because the timing of such redemption may impact the ability of other unit holders to redeem their units.

The AMC may invest in the Scheme subject to the SEBI (MF) Regulations. Under the Regulations, the AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

(Consolidated Std. Obs. 58)

The investors can refer to the investments made by the AMC in the scheme on the website of the Company at link: <https://www.bajajamc.com/downloads?statutory-disclosures=>.

### Part III - OTHER DETAILS

#### A. COMPUTATION OF NAV

The NAV of the units of the scheme would be computed by dividing the net assets of the scheme by the number of outstanding units on the valuation date. The AMC shall value the investments according to the valuation norms, as specified in the SEBI MF Regulations. All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. The NAV of the Scheme would be calculated upto four decimal places and would be declared on every calendar day.

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

**NAV (Rs.) =**

Market or Fair Value of Scheme's investments + Current Assets - Current Liabilities and Provision

\_\_\_\_\_  
No. of units outstanding under the scheme

Illustration on Computation of NAV: If the net assets of the Scheme are Rs. 10,55,55,000.00 and units outstanding are 1,00,00,000 then the NAV per unit will be computed as follows: 10,55,55,000.00 / 1,00,00,000 = Rs. 10.5555 per unit (upto four decimal). (Consolidated Std. Obs. 42)



## **INAV:**

iNAV is the per unit NAV based on the current market value of its portfolio during the trading hours of the Scheme, will be disclosed on a continuous basis on the Stock Exchange(s), where the units of the Scheme are listed and traded and will be updated at least four times a day i.e. opening and closing iNAV and at least two times during the intervening period with minimum time lag of 90 minutes between the two disclosures or any such other time as may have prescribed by SEBI from time to time.

- **Methodology of calculating the sale price**

The price or NAV a unitholder is charged while investing in an open-ended scheme is called sale / subscription price. Pursuant to clause 10.4.1.a of the SEBI Master circular, no entry load will be charged by the Scheme to the unitholders.

Therefore, Sale / Subscription price = Applicable NAV

- **Methodology of calculating the repurchase price**

Repurchase or redemption price is the price or NAV at which an open-ended scheme purchases or redeems its units from the Unitholders. It may include exit load, if applicable. The exit load, if any, shall be charged as a percentage of Net Assets Value (NAV) i.e. applicable load as a percentage of NAV will be deducted from the “Applicable NAV” to calculate the repurchase price.

Therefore, Repurchase / Redemption Price = Applicable NAV \*(1 – Exit Load, if any)

For example, If the Applicable NAV of the Scheme is Rs. 10 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the Unitholder redeems units before completion of 1 year, then the repurchase/redemption price will be:

$$= \text{Rs. } 10 * (1 - 0.01)$$

$$= \text{Rs. } 9.90$$

The Redemption /Repurchase Price will not be lower than 95% of the NAV. (Consolidated Std. Obs. 47)

Std. obs. 17(b)

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

## **B. NEW FUND OFFER (NFO) EXPENSES**

These are the expenses incurred for the purpose of new fund offer of the scheme including marketing, advertising, communication, registrar expenses, statutory expenses, printing expenses, stationery expenses, bank charges, exchange related charges, service provider related charges etc. As required in SEBI Regulations, all NFO expenses will be borne only by the AMC and not by the scheme. Accordingly, the NFO expenses would be incurred from AMC books and not from scheme books.



### C. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated that upto 1.00% of the daily net assets of the Scheme will be charged to the scheme as expenses. As per the Regulations, the maximum recurring expenses including investment management and advisory fee that can be charged to the Scheme shall be subject to a percentage limit of daily net assets as in the table below:

The recurring expenses of operating the Scheme on an annual basis, which shall be charged to the Scheme, are estimated to be as follows (each as a percentage per annum of the daily net assets)

Expense Head	% p.a. of daily Net Assets* (Estimated p.a.)
Investment Management & Advisory Fee	Up to 1.00
Audit fees/fees and expenses of trustees	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing & Selling Expenses including Agents Commission and statutory advertisement	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education & awareness <sup>&amp;</sup>	
Brokerage & transaction cost pertaining to distribution of units <sup>%</sup>	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost	
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations) <sup>#</sup>	
<b>Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) (c)</b>	
Additional expenses under Regulations 52(6A)(c)	Upto 0.00
Additional expenses for gross new inflows from specified cities (Consolidated Std. Obs. 46)	Up to 0.30*

\*SEBI vide letter no. SEBI/HO/IMD/IMD-SEC3/P/OW/2023/5823/1 dated February 24, 2023 and AMFI vide letter no. 35P/MEM-COR/85/2022-23 dated March 02, 2023 has advised AMCs to keep B-30 incentive in abeyance till AMCs put in place effective controls. Accordingly, applicability of this expense ratio will be subject to any further communication issued by SEBI / AMFI in this regard.

<sup>#</sup>As permitted under the Regulation 52 of SEBI (MF) Regulations, 1996 and pursuant to SEBI Master Circular for Mutual Funds dated June 27, 2024.

<sup>&</sup>In terms of SEBI Circular dated December 31, 2024, the AMC / Mutual Fund shall set apart 5% of total TER charged to direct plans, subject to maximum of 0.5 bps of AUM of the scheme for investor education and awareness initiatives.

<sup>%</sup>Brokerage and transaction costs incurred for the execution of trades and included in the cost of investment, not exceeding 0.12% of the value of trades of cash market transactions and 0.05% of the value of trades of derivative market transactions. 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% of the value of trades of cash market transactions and 0.05% of the value of trades of derivative market transactions. Any payment towards brokerage and transaction costs (including Goods & Services Tax, if any) incurred for the execution of trades, over and above the said 0.12% for cash market transactions and 0.05% of the value of trades of derivative market transactions 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.

### **Illustration in returns between Regular and Direct Plan**

(Consolidated Std. Obs. 44)

<b>Particulars</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Amount invested at the beginning of the year (Rs.)	10,000	10,000
Returns before Expenses (Rs.)	1,500	1,500
Expenses other than Distribution Expenses (Rs.)	150	150
Distribution Expenses (Rs.)	50	-
<b>Returns after Expenses at the end of the year (Rs.)</b>	<b>1,300</b>	<b>1,350</b>
<b>Returns (%)</b>	<b>13.00%</b>	<b>13.50%</b>

The expense of 30 bps shall be charged if the new inflows from retail investors from B30 cities as specified from time to time are at least -

(i) 30% of gross new inflows from retail investors in the scheme, or; (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from retail investors from B30 cities is less than the higher of subclause (i) or subclause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from retail investors from B30 cities.

Provided further that amount incurred as expense on account of inflows from retail investors from B30 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.

In case inflows from retail investors from beyond top 30 cities is less than the higher of (i) or (ii) above, additional TER on daily net assets of the scheme shall be charged as follows:

Daily net assets X 30 basis points X new inflows from individuals beyond top 30 cities

365\* X Higher of (i) or (ii) above

\* 366, wherever applicable.

For the above purposes, 'B30 cities' shall be beyond Top 30 cities as at the end of previous financial year as communicated by AMFI. Retail investors would mean individual investors from whom inflows into the scheme would amount upto Rs. 2,00,000/- per transaction.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of units will be paid / charged under Direct Plan. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in other than Direct Plan.

The AMC shall adhere provisions of SEBI Master Circular for Mutual Funds dated June 27, 2024, and various guidelines specified by SEBI as amended from time to time, with reference to charging of fees and expenses. Accordingly:

- a. All scheme related expenses including commission paid to distributors, shall be paid from the scheme only within the regulatory limits and not from the books of the AMC, its associates, sponsor, trustee or any other entity through any route. Provided that, such expenses that are not specifically covered in terms of Regulation 52 (4) can be paid out of AMC books at actual or not exceeding 2 bps of the Scheme AUM, whichever is lower.
- b. The Mutual Fund shall adopt full trail model of commission in the scheme, without payment of any upfront commission or upfronting of any trail commission, directly or indirectly, in cash or kind, through sponsorships, or any other route.
- c. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in Regular Plan.
- d. No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the investors.

**Disclosure on Goods & Services Tax:**

Goods & Services Tax on investment management and advisory fees shall be in addition to the above expense.

Further, with respect to Goods & Services Tax on other than management and advisory fees:

- Goods & Services Tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per regulation 52 of the Regulations.
- Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of Goods & Services Tax, if any, shall be credited to the scheme.
- Goods & Services Tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 52 of the Regulations.

For the actual current expenses being charged to the scheme, investors should refer to the website of the mutual fund at link: <https://www.bajajamc.com/downloads?ter=>. Any change proposed to the current expense ratio will be updated on the website at least three working days prior to the change.

As per the Regulations, the total recurring expenses that can be charged to the scheme shall be subject to the applicable guidelines. The total recurring expenses of the scheme, will however be limited to the ceilings as prescribed under Regulation 52(6) of the Regulations.

**D. LOAD STRUCTURE**

Std. obs. 16
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(Consolidated Std. Obs. 47)

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website at link: <https://www.bajajamc.com/sid-disclosure> or may call at toll free no. 18003093900 or your distributor.

Type of Load	Load chargeable (as %age of NAV)
Entry*	Nil
Exit	Nil

\*In accordance with the requirements specified by the SEBI Master Circular for Mutual Funds dated June 27, 2024, no entry load will be charged for subscription /additional subscription /switches accepted by the Mutual Fund. Similarly, no entry load will be charged with respect to applications for registrations under

the SIP/STP accepted by the Mutual Fund. For the purpose of charging of exit load, units would be considered on First in First out (FIFO) basis. Any imposition or enhancement of exit load shall be applicable only on prospective investments.

In case of redemption/switch undertaken in excess of 25% holding of an investor on account of compliance with the requirements of SEBI Master Circular for Mutual Funds dated June 27, 2024, shall not be subject to exit load imposed in the scheme.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

Exit load (if any) charged to the unitholders by the Mutual Fund on redemption (including switch-out) of units shall be credited to the respective scheme net of Goods & Services Tax.

Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds.

Exit Load for switches within the Scheme:-

- a) Where the investments were routed through a distributor (i.e. made with distributor code), any Switch of Units from the Regular Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any. However, any subsequent switch – out or redemption of such investments from the Direct Plan will not be subject to any exit load;
- b) Where investments were made directly i.e. without any distributor code, exit load will not be levied on switch of Units from Regular Plan to Direct Plan of that Scheme. However, any subsequent switch-out or redemption will be subject to exit load applicable from the original date of investment;
- c) No exit load shall be levied in case of switch of Units from Direct Plan to Regular Plan of a Scheme. However, any subsequent switch-out or redemption of such investment from the Regular Plan shall be subject to exit load based on the original date of investment in the Direct Plan.

The AMC/Trustee reserves the right to change / modify the Load structure of the Scheme, subject to maximum limits as prescribed under the Regulations. However, the Redemption /Repurchase Price will not be lower than 95% of the NAV. (Consolidated Std. Obs. 47)

Std. obs. 17(b)

Load on bonus/ re-investment of Income Distribution cum capital withdrawal units: In terms SEBI Master Circular for Mutual Funds dated June 27, 2024, no entry and exit load shall be charged on bonus units or units allotted on reinvestment of Income Distribution cum capital withdrawal.

The Trustee / AMC reserves the right to change the load structure any time in future if they so deem fit on a prospective basis. The investor is requested to check the prevailing load structure of the scheme before investing.

In case of changes to load structure, the AMC would endeavor to do the following:

1. An addendum would be attached to the SID and Key Information Memorandum (KIM). The same may be circulated to brokers/distributors so that the same can be attached to all SID and abridged SID in stock. Further the addendum would be sent along with a newsletter to unitholders immediately after the changes.
2. Arrangement would be made to display the changes in the SID in the form of a notice in all the official point of acceptance of transactions and distributor's/broker's office.
3. The introduction of the exit load along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.
4. A public notice shall be provided on the website in case of changes undertaken to the exit load.

## Section II

### I. Introduction

#### A. Definitions/interpretation:

The investors may refer to the website of the Company at link: <https://www.bajajamc.com/sid-disclosure> for definition of terms used in this Scheme Information Document.

#### B. Risk factors:

Std. obs. 2
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(Consolidated Std. Obs. 8)

#### Scheme specific risk factors:

The Scheme is subject to the specific risks that may adversely affect the Scheme's NAV, return and / or ability to meet its investment objective. The specific risk factors related to the Scheme include, but are not limited to the following:

#### 1. Risks associated with Exchange Traded Schemes:

##### a) Passive Investments:

- As the Scheme proposes to invest not less than 95% of the net assets in the securities of the Underlying Index in the same proportion, the Scheme will not be actively managed. The Scheme may be affected by a general decline in the Indian markets relating to its Underlying Index. Performance of the Underlying Index will have a direct bearing on the performance of the Scheme. The Scheme invests in the securities included in its Underlying Index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets.
- The objective of NIFTY 1D Rate index is to measure the returns generated by market participants lending in the overnight market. The index uses "Tri-Party Repo on Government Securities or T-bills" overnight rate for computation of index values. NIFTY 1D Rate Index has been developed to measure the returns generated by market participants lending in the overnight market. The index uses "Triparty Repo Dealing System (TREPS)" overnight rate for computation of index values.
- Further, it is pertinent to note that there is no element of research recommendations involved before the execution of trades in the Scheme. The decision of the Fund Manager to execute trades including rebalancing required will be purely driven by the inflows and outflows in the Scheme and composition of the Underlying Index.

##### b) Tracking Error Risk/Tracking Difference Risk:

(Consolidated std. obs. 10)

Tracking error is the standard deviation of the difference in daily returns between the Scheme and the underlying index annualized over 1 year period.

Tracking Difference is the annualized difference of daily returns between the index and the NAV of the Scheme.

The performance of the Scheme 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 may result from a variety of factors including but not limited to:

- Any delay experienced in the purchase or sale of securities due to illiquidity of the market, settlement and realization of sale proceeds and the registration of any securities transferred.
- The underlying index reflects the prices of securities at close of business hours. However, the Fund may buy or sell the securities at different points of time during the trading session at the then prevailing prices which may not correspond to the closing prices on the exchange.
- The potential for trades to fail which may result in the Scheme not having acquired securities at a price necessary to track the index.
- Disinvestments to meet redemptions, recurring expenses, IDCW payouts etc.
- Due to timing of transactions either on NDS OM platforms or in open market
- Expenditure incurred by the Fund.

The 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.

The AMC would monitor the tracking difference of the Scheme on an ongoing basis and would seek to minimize tracking difference to the maximum extent possible. The annualized tracking difference averaged over one year period shall not exceed 1.25%.

### **c) Market Trading Risks:**

#### **i. Absence of Prior Active Market:**

Although the Scheme will be listed on NSE and/ or BSE, there can be no assurance that an active secondary market will develop or be maintained. Hence there could be a time when trading in the Units of the Scheme would be infrequent.

#### **ii. Trading in Units may be halted:**

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

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

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

#### **iii. Units of the Scheme may trade at prices other than NAV:**

The units of the Scheme may trade above or below their NAV. The NAV of the Scheme will fluctuate with changes in the market value of the Scheme's holdings. The trading prices of the units of the Scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand for the units of the Scheme. However, given that units of the Scheme can be created and redeemed in creation units directly with the Fund, it is expected that large discounts or premiums to the NAV of units of the Scheme will not sustain due to arbitrage opportunity available.

#### **iv. Regulatory Risk:**

Any changes in trading regulations by the Stock Exchange(s)/SEBI may affect the ability of market maker to arbitrage resulting into wider premium/ discount to NAV.

**d) Redemption Risk:**

Investors should note that even though the Scheme is an open ended Scheme, subscription/redemptions directly with the Fund would be limited to such investors who have the ability to subscribe/redeem the units of the Scheme in Creation Unit size (except in certain exception circumstances mentioned in this SID). Generally, these lot sizes are larger as compared to normal funds. Thus, even though this Scheme is open ended, due to large lot size, very few investors can directly subscribe and redeem the units of the Scheme. However, investors wishing to subscribe/redeem units in other than Creation Unit size can do so by buying/selling the same on NSE/BSE.

- e) The units will be issued only in demat 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 depends up on the confirmations to be received from depository (ies) on which the Mutual Fund has no control.

**2. Risks associated with investing in fixed income:**

- **Interest Rate risk:** This risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. The values of investments will appreciate/depreciate if the interest rates fall/rise.
- **Credit risk:** This risk arises due to any uncertainty in counterparty's ability or willingness to meet its contractual obligations. This risk pertains to the risk of default of payment of principal and interest
- **Liquidity risk:** The liquidity of a security may change depending on market conditions leading to changes in the liquidity premium linked to the price of the security. At the time of selling the security, the security can become illiquid leading to loss in the value of the portfolio

**3. Risks associated with investing in foreign securities:** Std.obs. 3 (Consolidated Std. Obs. 11)

The Scheme will not invest in ADR/GDR/Foreign securities.

**4. Risks associated with investing in derivatives:** Do's Std. obs. 5 (Consolidated Std. Obs. 28)

The scheme will not invest in derivatives instruments.

**5. Risks associated with investing in securitised debt:**

The Scheme will not invest in Securitized Debt.

**6. Risks associated with Short Selling and Securities Lending:**

The Scheme will not engage in short selling or securities lending activity.

**7. Risks associated with segregated portfolio**

- **Liquidity risk** – A segregated portfolio is created when a credit event / default occurs at an issuer level in the scheme. This may reduce the liquidity of the security issued by the said issuer, as demand for this security may reduce. This is also further accentuated by the lack of secondary market liquidity for corporate papers in India. As per SEBI norms, the scheme is to be closed for redemption and subscriptions until the segregated portfolio is created, running the risk of investors being unable to



redeem their investments. However, it may be noted that, the proposed segregated portfolio is required to be formed within one day from the occurrence of the credit event.

Investors may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, AMC shall list the units of the segregated portfolio on a recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests. For the units listed on the exchange, it is possible that the market price at which the units are traded may be at a discount to the NAV of such Units. There is no assurance that an active secondary market will develop for units of segregated portfolio listed on the stock exchange. This could limit the ability of the investors to resell them. There may be possibility that the security comprising the segregated portfolio may not realize any value.

- **Valuation risk** – The valuation of the securities in the segregated portfolio is required to be carried out in line with the applicable SEBI guidelines. However, it may be difficult to ascertain the fair value of the securities due to absence of an active secondary market and difficulty to price in qualitative factors.

## **8. Risks associated with investing in Tri-party Repo (TREPS) through CCIL**

The Mutual Fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India Limited (CCIL). All transactions of the Mutual Fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The Mutual Fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time i.e. in the event that the default waterfall is triggered and the contribution of the Mutual Fund is called upon to absorb settlement/default losses of another member by CCIL, the Scheme may lose an amount equivalent to its contribution to the default fund. Further, it may be noted that CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.

### **C. Risk mitigation strategies:**

(Consolidated Std. Obs. 9)

The Fund, by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in debt markets. The risk control process involves identifying & measuring the risk through various risk measurement tools.

The Fund has identified the following risks of investing in debt and designed risk management strategies, which are embedded in the investment process to manage such risks.



## Risk associated with Debt Investment

Risk Description	Risk Mitigants/management strategy
<p><b>Market Risk</b> As with all debt securities, changes in interest rates may affect the scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.</p>	<p>The Scheme may invest primarily in money market instruments having a residual maturity upto 91 days thereby mitigating the price volatility due to interest rate changes generally associated with long-term securities</p>
<p><b>Liquidity or Marketability Risk</b> This refers to the ease with which a security can be sold at or near to its valuation Yield-To- Maturity (YTM).</p>	<p>The Scheme may invest in money market instruments having relatively shorter maturity. While the liquidity risk for short maturity securities may be low, it may be high in case of medium to long maturity securities.</p>
<p><b>Credit Risk</b> Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security).</p>	<p>Management analysis will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken.</p>
<p><b>Tracking Error</b></p>	<p>Over a short period, the Scheme may carry the risk of variance between portfolio composition and Benchmark. The objective of the Scheme is to track the performance of the Underlying Index over the same period, subject to tracking error. The Scheme would endeavour to maintain a low tracking error by actively aligning the portfolio in line with the Index.</p>

## II. Information about the scheme:

### A. Where will the scheme invest –

Std. obs. 15

(Consolidated Std. Obs. 29)

The corpus of the Scheme shall be invested in accordance with the investment objective in any (but not exclusively) of the following securities:

- Debt securities and money market instruments including G-Sec/T-Bills/Cash Management Bills and CBLO/Repo/Reverse Repo.

#### Treasury Bills (T-Bills):

T-Bill are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 91 days, 182 days and 364 days. T-bills are issued at a discount to their face value and redeemed at par.

## 2. Tri-Party repo on Government Securities.

### 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.

## 3. Money Market Instruments including commercial papers, commercial bills.

### Commercial Paper (CPs).

Commercial Paper is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

## 4. Repo in corporate debt securities.

## 5. Certificate of Deposits (CDs).

Certificate of Deposit is a negotiable money market instrument issued by scheduled commercial banks and select all-India Financial Institutions that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the Banks is between 7 days to one year, whereas, in case of FIs, maturity is one year to 3 years from the date of issue.

## 6. Units of Overnight/ Liquid schemes.

## 7. Any other securities / instruments as may be permitted by SEBI from time to time, subject to regulatory approvals if any.

## Debt Markets in India:

Std. obs. 9

### What is a Debt Instrument?

A Debt Instrument is a borrowing obligation which the borrower has to service for mutually agreed period and rate of Interest.

There are a huge variety of Debt or Fixed income instruments, as they are usually called. The sheer variety in these instruments mean that they can be classified on the basis of any of these features.

### List of Features (list is indicative)

- Face Value: Stated value of the paper /Principal Amount
- Coupon: Zero, fixed or floating
- Frequency: Semi-annual; annual, sometimes quarterly or Monthly
- Maturity: Bullet, staggered
- Redemption: Face Value; premium or discount
- Options: Call/Put Issue Price: Par (Face Value) or premium or discount.

**List of Debt Market Instruments:** The Indian Debt market comprises of the Money Market and Debt Market. Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, Reverse Repo and TREPS etc. Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year. Debt market in India comprises mainly of two segments viz., the Government securities market and the corporate securities market.

Government securities include central, state and quasi govt issues. The main instruments in this market are dated securities (Fixed or Floating) and Treasury bills (Discounted Papers). These securities are generally issued through auctions on the basis of ‘uniform price’ method or ‘Multiple price’ method.

Corporate Debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs), public financial institutions (PFIs) and development financial institutions (DFIs). These instruments carry a variety of ratings based on the credit profile evaluated by rating agency and are priced accordingly. These bonds too can be Fixed or Floating.

Debt derivatives market comprises mainly of Forward Rate Agreements, Interest rate Futures, Interest rate Swap. Banks and corporates are major players here and of late Mutual Funds have also started hedging their exposures through these products.

The following table gives approximate yields prevailing during the month of March 17, 2025 on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy Issuer.

Instrument	Yield level (% per annum)
G-Sec 5 year	6.60%
G-Sec 10 year	6.69%
CP’s 3 months	7.65%
CD’s 3 months	7.56%
CP’s 1 year	7.65%
CD’s 1 year	7.57%
PSU	
Corporate Debentures AAA 3 year	7.54%
Corporate Debentures AAA 5 year	7.48%
NBFC	
Corporate Debentures AAA 3 year	7.82%
Corporate Debentures AAA 5 year	7.75%

**B. What are the investment restrictions?**

Std. obs. 11

Pursuant to the Regulations and amendments thereto and subject to the investment pattern of the scheme, following investment restrictions are applicable:

1. The Scheme shall not invest more than 10% of debt portfolio 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 debt portfolio of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company.

Further, the scheme shall not invest more than:

- a. 10% of the debt portfolio in debt and money market securities rated AAA; or
- b. 8% of the debt portfolio in debt and money market securities rated AA; or
- c. 6% of the debt portfolio in debt and money market securities rated A and below

issued by a single issuer.

The above investment limits may be extended by up to 2% of the debt portfolio of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit.

Provided that such limit shall not be applicable for investments in Government Securities, Treasury Bills and Tri-party Repos on Government securities or treasury bills TREPS.

Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board.

2. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:

- Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
- The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

The AMC shall comply with the guidelines mentioned in SEBI Master Circular for Mutual Funds dated June 27, 2024 and such other guidelines as may be notified from time to time. (Consolidated Std. Obs. 30)

3. 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 further 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 RBI in this regard.

4. The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.

5. No mutual fund Scheme shall make any investments in:

- a. any unlisted security of an associate or group company of the Sponsor; or
- b. any security issued by way of private placement by an associate or group company of the Sponsor; or
- c. the listed securities of group companies of the Sponsor which is in excess of 25% of its net assets.

6. The scheme shall not invest in Fund of Funds scheme.

7. No loans for any purpose can be advanced by the scheme.

8. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/ redemption of units or payment of interest or IDCW to the unit holders. Such borrowings shall not exceed more than 20% of the net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.

9. Pending deployment of funds of the scheme in terms of the Investment Objective, the Mutual Fund may invest them in Short Term Deposits of Scheduled Commercial Banks in accordance with SEBI

Master Circular for Mutual Funds dated June 27, 2024. Following guidelines shall be followed for parking of funds in Short Term Deposits of Scheduled Commercial Banks pending deployment:

- a. "Short Term" for such parking of funds by mutual funds shall be treated as a period not exceeding 91 days.
- b. Such short term deposits shall be held in the name of the concerned scheme.
- c. No mutual fund scheme shall park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
- d. No mutual fund scheme shall park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- e. Trustees/Asset Management Companies (AMCs) shall ensure that no funds of a scheme are parked in short term deposit (STD) of a bank which has invested in that scheme. Trustees/AMCs shall also ensure that the bank in which a scheme has STD does not invest in the said scheme until the scheme has STD with such bank.  
The above conditions are not applicable to term deposits placed as margins for trading in cash and derivative market.
- f. Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

10. The Scheme may invest in other scheme(s) under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all Schemes under the same AMC or in Schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund.

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

There are no internal norms vis-à-vis limiting exposure to a particular scrip or sector, etc. apart from the aforementioned investment restrictions.

### C. Fundamental Attributes

Std. obs. 8

(Consolidated Std. Obs. 59)

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

- (i) Type of a scheme: Please refer to point no. III of 'Part I. Highlights/Summary of the Scheme'.
- (ii) Investment Objective: Please refer to point no. V of 'Part I. Highlights/Summary of the Scheme' and point no. A of 'Part II. Information about the Scheme'.
- (iii) Terms of Issue
  - **Liquidity provisions such as listing, repurchase, redemption** – The scheme is listed on NSE and BSE.
  - **Aggregate fees and expenses charged to the scheme** – The provisions in respect of fees and expenses are as indicated in this SID. Please refer to section "Part III - Other Details".
  - **Any safety net or guarantee provided** – This scheme is not a guaranteed or an assured return scheme.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024 the Trustees shall ensure that no change in

the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal;
- A written communication about the proposed change is sent to each Unitholder 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 at least 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

**D. Index methodology (for index funds, ETFs and FOFs having one underlying domestic ETF):**

- The Nifty 1D Rate Index has been developed to measure the returns generated by market participants lending in the overnight market.
- The index uses "Collateralized Borrowing and Lending Obligation (CBLO)" overnight rate for computation of index values.
- The overnight market in India is one of the most active components of the money market. The objective of Nifty 1D Rate index is to measure the returns generated by market participants lending in the overnight market. The index uses the overnight rate provided through "Triparty Repo Dealing System (TREPS)" for computation of index values.

**E. Principles of incentive structure for market makers (for ETFs):**

The broad principles on which the AMC would determine the compensation would include the trading volume, generating liquidity in the market, bid-ask spread in units of ETFs, expense ratio of the ETFs and such other information as may be required to formalize performance based incentive structure.

**F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 13.6.2 of SEBI master circular for mutual funds dated June 27, 2024 (only for close ended debt schemes):**

Not Applicable

**G. Other Scheme Specific Disclosures:**

Listing and transfer of units	<p>The Scheme is listed on NSE and BSE Ltd. Units of the Scheme may also be listed on such other stock exchange(s) as may be decided from time to time. The trading will be as per the normal settlement cycle</p> <p>The Units allotted will be credited to the Demat account of the unitholder as per the details provided in the application form. Units held in demat form are freely transferable</p>
Dematerialization of units (Consolidated Std. Obs. 57(b))	<ol style="list-style-type: none"> <li>1. Units of the Scheme will be available only in the Dematerialized form.</li> <li>2. The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application</li> </ol>

	<p>the DP's name, DP ID Number and its beneficiary account number with DP.</p> <p>3. The units of the Scheme are to be issued/ repurchased and traded compulsorily in dematerialized form, no request for rematerialisation of units of the Scheme will be accepted.</p> <p>4. Applications without relevant details of their depository account are liable to be rejected.</p>
Dividend Policy (IDCW)	The scheme will not declare IDCW.
<p>Allotment (Detailed procedure)</p> <p style="text-align: center; border: 1px solid black; padding: 5px;">Std. obs. 18</p> <p>(Consolidated Std. Obs. 60)</p>	<ul style="list-style-type: none"> <li>○ In case an investor has multiple accounts across two depositories, the depository with whom the account has been opened earlier will be the default depository for the purpose of sending CAS to such investor.</li> <li>● The dispatch of CAS by the depositories would constitute compliance with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations.</li> </ul> <p>The asset management company shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder.</p> <p><b>Dematerialization</b> (Consolidated Std. Obs. 57(b))</p> <ol style="list-style-type: none"> <li>1. Units of the Scheme will be available only in the Dematerialized form.</li> <li>2. The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the DP's name, DP ID Number and its beneficiary account number with DP.</li> <li>3. The units of the Scheme are to be issued/ repurchased and traded compulsorily in dematerialized form, no request for rematerialisation of units of the Scheme will be accepted.</li> <li>4. Applications without relevant details of their depository account are liable to be rejected.</li> </ol>
<p>Who can invest</p> <p>This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.</p>	<p>The following persons are eligible and may apply for subscription to the units of the scheme (subject, wherever relevant, to subscription of units of Mutual Fund being permitted under relevant statutory regulations):</p> <ul style="list-style-type: none"> <li>● Resident adult individual either singly or jointly (not exceeding three)</li> <li>● Minor through parent/lawful guardian</li> <li>● Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860 (so long as the subscription of units is permitted under their respective constitutions)</li> </ul>



	<ul style="list-style-type: none"> <li>• Religious and Charitable Trusts under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961 read with Rule 17C of Income-tax Rules, 1962</li> <li>• Partnership Firms</li> <li>• Karta of Hindu Undivided Family (HUF)</li> <li>• Banks and Financial Institutions</li> <li>• Non-resident Indians (NRI)/Persons of Indian Origin (PIO) residing abroad on full repatriation basis or on non repatriation basis</li> <li>• Army, Air Force, Navy and other para-military funds</li> <li>• Scientific and Industrial Research Organizations</li> <li>• Mutual fund Schemes, as per applicable regulations</li> <li>• Foreign Portfolio Investor subject to the applicable regulations</li> <li>• Any other category of investor who may be notified by Trustees from time to time by display on the website of the AMC.</li> </ul> <p>Every investor, depending on any of the above category under which he/she/ it/they fall are required to provide relevant documents alongwith the application form as may be prescribed by AMC.</p>
Who cannot invest	<p>The following persons are not eligible to invest in the scheme and apply for subscription to the units of the scheme:</p> <ul style="list-style-type: none"> <li>• A person who falls within the definition of the term “U.S. Person” under ‘Regulation S’ promulgated under the Securities Act of 1933 of the United States, as amended, and corporations or other entities organised under the laws of the U.S. are not eligible to invest in the schemes and apply for subscription to the units of the schemes, except for lump sum subscription, systematic transactions and switch transactions requests received from NRI/PIO who at the time of such investment, are present in India and submit a physical transaction request along with such documents as may be prescribed by the AMC. The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC. The investor shall be responsible for complying with all the applicable laws for such investments.</li> <li>• A person who is resident of Canada</li> <li>• Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time.</li> </ul> <p>The AMC reserves the right to put the transaction requests on hold/reject the transaction request/reverse allotted units, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this</p>





case of shares bought and sold by the AMC on behalf of the investor, entire proceeds of portfolio deposit and other cost and charges related to the purchase and sale of basket of underlying securities for servicing the subscription or redemption transaction would be borne by the investor.

The units would be listed on the BSE & NSE to provide liquidity through secondary market. It may also list on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any trading day. The AMC will appoint market makers/Authorized Participant(s) to provide liquidity in secondary market on an ongoing basis. The Authorized Participant(s)/Market Makers envisage to offer daily two-way quote on exchange.

The AMC will not extend credit facility to the Authorized Participants. Authorized participants or Market Makers will get the NAV as and when they bring the Portfolio Deposit/ equivalent amount of cash and Cash Component. There is no exit load currently. However, transaction charges payable to Custodian/ Depository Participants, and other incidental charges relating to conversion of units into basket of securities may be deducted from redemption proceeds. The charges will be notified on [www.bajajamc.com](http://www.bajajamc.com) from time to time. Investors other than Market Maker may redeem units at the market price plus transaction handling charges on stock exchange.

For more details on Loads refer section on 'Loads'.

Example: An investor invests Rs 20,000/- and the current NAV is Rs. 20/- then the purchase price will be Rs. 20/- and the investor receives  $20000/20 = 1000$  units.

**Directly with the Fund:**

**a. Subscription (Purchase)**

The Fund may allow purchases of units of the Scheme in 'Creation Unit' size or multiples thereof in exchange of the Portfolio Deposit/equivalent amount of cash and Cash Component by Market Maker.

**b. Redemption (Sale)/Switch-out**

The Fund will redeem units only in Creation Unit size or in multiples thereof, in exchange of the Portfolio Deposit/equivalent amount of Cash and Cash Component.

Note: For the aforesaid purpose, the terms 'Cash' means RTGS, NEFT or transfer Cheque. The subscription & redemption of units would be based on the portfolio deposit & cash component as defined by the fund for the respective business day.

	<p>Investors can sell units in less than Creation Unit Size of the Scheme directly to the Mutual Fund in the following cases:</p> <ul style="list-style-type: none"> <li>• if the traded price of the ETF units is at a discount of more than 3% to the NAV for continuous 30 days;</li> <li>• if discount of bid price to applicable NAV is more than 3% over a period of 7 consecutive trading days;</li> <li>• if no quotes are available on exchange for 3 consecutive trading days;</li> <li>• when the total bid size on the exchange(s) is less than half creation unit size daily, averaged over a period of 7 consecutive trading days.</li> </ul> <p>Under these circumstances, investors, as specified above, can redeem units of the Scheme directly with the fund house without any payment of exit load. In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds.</p> <p>The aforesaid criteria for the direct redemption with the fund house are also available at the website of the AMC at <a href="http://www.bajajamc.com">www.bajajamc.com</a>. The mutual fund will track aforesaid liquidity criteria and display it on its website viz., <a href="http://www.bajajamc.com">www.bajajamc.com</a> if the same is triggered, no exit load would be applicable in such cases.</p> <p><b>On Stock Exchange:</b></p> <p>The units of the Scheme will be listed on NSE/BSE to provide liquidity through secondary market. The Scheme may also be listed on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any Trading Day at the prevailing price (plus transaction handling charges) on the stock exchanges.</p>
<p><b>Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by investors.</b></p> <p><b>This is the price you will receive for redemptions/switch outs.</b></p>	<p>The Redemption Price of the Units will be based on the Applicable NAV subject to the prevalent exit load provisions. The Redemption Price of the Units will be computed as follows:</p> <p>Redemption Price = Applicable NAV * (1 – Exit Load, if any).</p> <p>Applicable exit load shall be subject to the tenure of investment of the investor in the scheme vis-à-vis the exit load structure applicable when investor had invested in the scheme.</p> <p>Example: An investor invests on April 1, 2021 when the applicable exit load for the scheme was 2% if redeemed within 1 year, else nil.</p> <p>Scenario 1) In case investor redeems before April 1, 2022, then applicable exit load would be 2%. Now suppose the same</p>

investor decides to redeem his 1000 units. The prevailing NAV is Rs 25/-. Hence, the sale or redemption price per unit becomes Rs. 24.50/- i.e.  $25 \times (1-2\%)$ . The investor therefore gets  $1000 \times 24.50 = \text{Rs. } 24,500/-$ . Scenario

2) In case investor redeems on or after April 1, 2022, then applicable exit load would be nil. Now suppose the same investor decides to redeem his 1000 units. The prevailing NAV is Rs 30/-. Hence, the sale or redemption price per unit will be Rs. 30/- i.e.  $30 \times (1-0)$ . The investor therefore gets  $1000 \times 30 = \text{Rs. } 30,000/-$ .

**Directly with the Fund:**

**a. Subscription (Purchase)** - The Fund may allow purchases of units of the Scheme in 'Creation Unit' size or multiples thereof in exchange of the Portfolio Deposit/equivalent amount of cash and Cash Component by Market Maker

**b. Redemption (Sale)/Switch-out** - The Fund will redeem units only in Creation Unit size or in multiples thereof, in exchange of the Portfolio Deposit/equivalent amount of Cash and Cash Component.

Note: For the aforesaid purpose, the terms 'Cash' means RTGS, NEFT or transfer Cheque.

The subscription & redemption of units would be based on the portfolio deposit & cash component as defined by the fund for the respective business day.

Market Maker can sell units in less than Creation Unit Size of the Scheme directly to the Mutual Fund without any exit load in certain cases. Kindly refer to section on "Loads" for more details.

**On Stock Exchange:**

The units of the Scheme will be listed on NSE/BSE to provide liquidity through secondary market. The Scheme may also be listed on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any Trading Day at the prevailing price (plus transaction handling charges) on the stock exchanges.

As required under the Regulations, the Fund will ensure that the Redemption Price is not lower than 95% of the NAV provided that the difference between the Redemption Price and Purchase Price of the Units shall not exceed the permissible limit of 5% of the Purchase Price.

**(Consolidated Std. obs. 47)**

Std. obs. 17(b)

<p>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.</p>	<p>This is not applicable for the scheme.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>The units of the scheme can be transferred in demat form or in such form as may be permitted under SEBI Regulations, as amended from time to time.</p> <p>Additions/ deletion of names will not be allowed under any folio of the scheme. This however will not apply in case of death of unitholder (in respect of joint holdings) as this would be treated as transmission of units and not transfer.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p><b>1. Cut off timing for Subscriptions:</b></p> <ol style="list-style-type: none"> <li>i. For valid applications received upto 1.30 p.m. on a day and funds for the entire subscription/purchase/Switch-in as per the application are credited to the bank account of the scheme and are available for utilization before the cut-off time, the closing NAV of the day immediately preceding the day of receipt of application;</li> <li>ii. In respect of valid applications received after 1.30 p.m. on a day and funds for the entire subscription/purchase/Switch-in as per the application are credited to the bank account of the scheme and are available for utilization on the same day, the closing NAV of the day immediately preceding the next business day; and</li> <li>iii. Irrespective of the time of receipt of application, where the funds for the entire subscription/purchase/Switch-in as per the application are not credited to the bank account of the scheme and are not available for utilization before the c-off time, the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</li> </ol> <p><b>2. Cut off timing for Redemptions/Switch-out:</b></p> <ol style="list-style-type: none"> <li>a. In respect of valid applications received up to 3.00 pm by the Fund, the closing NAV of the day immediately preceding the next Working Day.</li> <li>b. In respect of valid applications received after 3.00 pm by the Fund, closing NAV of the next Working Day shall be applicable.</li> </ol> <p>The above provisions of Cut-off timings for Subscriptions are applicable for Purchase/redemption of Units directly with the Fund. However, Bajaj Finserv Nifty 1D Rate Liquid ETF - Growth,</p>

	<p>being an Exchange Traded Fund (ETF), the above provisions will not be applicable for Purchase of Units on the stock exchanges in which case the timings of the stock exchanges will be applicable.</p>
<p>Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable, for direct subscription/redemption with AMC.)</p>	<p>On Stock Exchange(s): Investor can buy / sell units of the Scheme in round lot of 1 unit and in multiples thereof.</p> <p>Directly with the Mutual Fund: Market Maker can buy/sell units of the Scheme in Creation Unit Size viz. 100 units and in multiples thereof.</p> <p>An investor can buy / sell units on a continuous basis in the normal market segment of National Stock Exchange of India Limited (NSE)/ BSE Limited during the trading hours like any other publicly traded stock at prices which are quoted on NSE/BSE. These prices may be close to the actual NAV of the Scheme. There is no minimum investment, although units are to be purchased in lots of 1 unit.</p> <p>All direct transactions in units of the Scheme by MMs or other eligible investors with the AMC/the Fund shall be at intra-day NAV based on the actual execution price of the underlying portfolio.</p> <p>Any order placed for redemption or subscription directly with the AMC must be of greater than INR 25 Cr. The aforesaid threshold shall not be applicable for MMs and shall be periodically reviewed.</p> <p>An investor can buy/ sell units on a continuous basis in the normal market segment of National Stock Exchange of India Limited (NSE)/ BSE Limited or any other stock exchange where the Scheme will be listed, during the trading hours like any other publicly traded stock at prices which are quoted on the stock exchanges. These prices may be close to the actual NAV of the Scheme. There is no minimum investment, although units are to be purchased in lots of 1 (one) unit.</p> <p>The threshold of Rs. 25 crore for direct transaction in the units of the Scheme with the AMC. Investors can therefore transact in the units of the Scheme directly with the AMC in the respective creation unit size as applicable in the SID.</p> <p>Minimum Redemption: 1 unit and in multiples thereof. Large Investors can redeem units directly with the fund at Applicable NAV based prices if the redemption amount is greater than Rs. 25 cr.</p> <p>During ongoing offer switch into the scheme is not applicable.</p>

	Two-Factor Authentication will be applicable for subscription as well as redemption transactions in the units of Mutual Fund.
Accounts Statements (Consolidated Std. Obs. 60) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Std. obs. 18</div>	<ul style="list-style-type: none"> <li>• The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS to the applicant's registered email address and/or mobile number within five business days from the date of closure of the NFO.</li> <li>• The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within five business days of closure of NFO/transaction.</li> <li>• For allotment undertaken in demat form, the account statement shall be sent by the depository / depository participant and not by the AMC. For NFO allotment in demat form, the AMC shall issue units in dematerialized form to a unit holder within two working days of the receipt of request from the investor.</li> <li>• For those investors who have provided an e-mail address, the AMC would send the account statement by e-mail instead of physical statement. The investor may request for an account statement by contacting us at any of the service centers and the AMC shall provide the account statement to the investor within five business days from the receipt of such request.</li> </ul>
Dividend/ IDCW	The scheme will not declare IDCW.
Redemption	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase.</p> <p>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024.</p>
Bank Mandate (Consolidated Std. Obs. 61) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Std. obs. 19</div>	<p><b><u>Bank Mandate Requirement</u></b></p> <p>For all fresh subscription transactions made by means of a cheque, if cheque provided alongwith fresh subscription/new folio creation does not belong to the bank mandate opted in the application form, any one of the following documents needs to be submitted.</p> <ol style="list-style-type: none"> <li>1) Original cancelled cheque having the First Holder Name printed on the cheque.</li> <li>2) Original bank statement reflecting the First Holder Name, bank account number and bank name as specified in the application.</li> <li>3) Photocopy of the bank statement duly attested by the bank manager with designation, employee number and bank seal.</li> </ol>

	<p>4) Photocopy of the bank passbook duly attested by the bank manager with designation, employee number and bank seal.</p> <p>5) Photocopy of the bank statement/passbook/cheque duly attested by the AMC officials after verification of original bank statement/passbook shown by the investor or their representative.</p> <p>6) Confirmation by the bank manager with seal, designation and employee number on the bank's letter head confirming the name of investor, account type, bank branch, MICR and IFSC code of the bank branch. The letter should not be older than 3 months.</p> <p>This condition is also applicable to all subscription transactions made by means of a Demand Draft. In case the application is not accompanied by the aforesaid documents, the AMC reserves the right to reject the application, also the AMC will not be liable in case the redemption/IDCW proceeds are credited to wrong account in absence of above documents.</p> <p>In case the bank account details are not mentioned or found to be incomplete or invalid in a subscription application, then the AMC may consider the account details as appearing in the investment amount cheque and the same shall be updated under the folio as the payout bank account for the payment of redemption/IDCW amount etc. The aforementioned updation of bank account shall however be subject to compliance with the third party investment guidelines issued by Association of Mutual Funds in India (AMFI) from time to time.</p> <p>The AMC reserves the right to call for any additional documents as may be required, for processing of such transactions with missing/incomplete/invalid bank account details. The AMC also reserves the right to reject such applications.</p>
<p>Delay in payment of redemption / repurchase proceeds/dividend</p>	<p>Redemption shall be processed by the AMC within three working days of the receipt of redemption request. In case of delay beyond three working days, the AMC is liable to pay interest to the investors at 15% per annum.</p> <p>IDCW payments shall be dispatched/transferred to the investors within seven working days from the IDCW record date. In case the AMC fails to make IDCW payment within seven working days, the AMC shall be liable to pay interest to investors at 15% per annum. The interest on delayed payment would be computed from the record date for IDCW.</p> <p>Physical dispatch of IDCW/ redemption payments shall be carried out only in exceptional circumstances and the AMC shall be required to maintain records along with reasons for all such physical dispatches.</p>



<p>Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount</p> <p>(Consolidated Std. Obs. 52)</p>	<p>In accordance with No SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed Redemption amount and Income Distribution cum capital withdrawal amount may be deployed by the Mutual Fund in call money market or money market Instruments as well as in a separate plan or liquid scheme/overnight scheme / money market mutual fund scheme floated by mutual funds. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular. Further, AMC shall not charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps.</p>
<p>Disclosure w.r.t investment by minors</p> <p>(Consolidated Std. Obs. 37)</p>	<p>Payment for investment by means of Cheque, Demand Draft or any other mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian only, else the transaction is liable to get rejected. However, irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities.</p> <p>For systematic transactions in a minor's folio, AMC would register standing instructions till the date of the minor attaining majority, though the instructions may be for a period beyond that date. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major.</p>
<p>Risk-o-meter</p> <p>(Consolidated Std. Obs. 38)</p>	<p>AMC shall disclose risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark and shall send the details of the scheme portfolio while communicating the monthly statement of scheme portfolio by email. Any change in risk-o-meter shall be communicated by way of addendum and by way of an e-mail or SMS to unitholders of the scheme. Risk-o-meter shall be evaluated on a monthly basis and AMC shall disclose the Risk-o-meter along with portfolio disclosure for the scheme on the AMC website at link: <a href="https://www.bajajamc.com/downloads?portfolio">https://www.bajajamc.com/downloads?portfolio</a> and that of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month.</p>

<p><b>Potential Risk Class (PRC) Matrix</b></p>	<p>Pursuant to the provisions of SEBI Master Circular for Mutual Funds dated June 27, 2024, all debt schemes are required to be classified in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). Mutual Funds are required to disclose the PRC matrix (i.e. maximum risk that a fund manager can take in a Scheme) along with the mark for the cell in which the Scheme resides on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements in the manner as prescribed in the said circular. The scheme would have the flexibility to take interest rate risk and credit risk below the maximum risk as stated in the PRC matrix. Subsequently, once a PRC cell selection is done by the Scheme, any change in the positioning of the Scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, shall be considered as a fundamental attribute change of the Scheme in terms of Regulation 18(15A) of SEBI (Mutual Fund) Regulations, 1996.</p>
<p>Scheme Summary Document (Consolidated Std. Obs. 38)</p>	<p>The AMC will provide on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. Scheme summary document will be uploaded on the websites of AMC, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format).</p>
<p>Minimum balance to be maintained and consequences of non maintenance (Consolidated Std. Obs. 36)</p>	<p>There is no minimum balance to be maintained in the scheme and accordingly there are no consequences on the investors for failure to maintain minimum balance in the scheme.</p>
<p>Option to hold units in Demat form (Consolidated Std. Obs. 57(a))</p>	<p>Investor has an option to subscribe units of the scheme in demat form in accordance with the provisions of the Scheme Information Document and in terms of the guidelines as laid by the Depositories (NSDL/CDSL) from time to time.</p> <p>In case, the investor desires to hold units in a Demat/Remat form at a later date, the request for conversion of units held in non-demat form into Demat form or vice-versa should be submitted along with a Demat/Remat Request Form to the Depository Participants.</p> <p>Units held in demat form would be transferable subject to the provisions of the Scheme Information Document and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as may be amended from time to time.</p>

<p>Nomination Facility</p>	<ul style="list-style-type: none"> <li>• As per SEBI Master Circular for Mutual Funds dated June 27, 2024, Investors subscribing to mutual fund units shall have choice of providing nomination as per the prescribed format or opting out of nomination through a signed declaration. The folios of all existing individual unitholders holding units solely or joint mode that have not complied with the above requirement were supposed to be frozen for debits with effect from June 30, 2024.</li> <li>• However, pursuant to SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, non-submission of 'choice of nomination' shall not result in freezing of mutual fund folios.</li> <li>• All new investors/unitholders shall continue to be required to mandatorily provide the 'Choice of Nomination' for Mutual Fund Folios in case of single holding.</li> </ul> <p>The requirement of nomination shall be optional for jointly held accounts / folios.</p> <ul style="list-style-type: none"> <li>• All existing investors/ unitholders are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market.</li> </ul> <p>For more information, please refer SAI.</p>
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**Know Your Customer (KYC) norms:**  
(Applicable with effect from April 01, 2024)

As per the SEBI Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023, as amended from time to time, as a part of risk management framework, the KYC Registration Agencies (KRAs) shall verify the following attributes of records of all clients within 2 days of receipt of KYC records:

- PAN
- Name
- Address
- Mobile number
- Email id

If KRA is unable to verify the above attributes, such investors shall not be allowed to transact further until the attributes are verified. Investors should ensure that they provide their valid contact details [Email id / Mobile Number] to KRAs.

KYC STATUS	Investments in Existing Mutual Fund	Investments in New Mutual Fund	Remediation
KYC VALIDATED - Existing records prior to April 01, 2024	No Impact	No Impact	Not Required
KYC Registered	No Impact	Allowed, Fresh set of KYC documents to be submitted every time, investing in a new Mutual Fund	Investor can do a re-kyc using Aadhaar as OVD (Officially Valid Document) to remediate the status to KYC VALIDATED for seamless transactions in securities market.
KYC On-Hold / KYC Rejected	Transactions will not be allowed	Transactions will not be allowed	Investor should ensure to do the following to change the status to Registered: <ol style="list-style-type: none"> <li>1. to complete PAN Aadhaar Seeding;</li> <li>2. update email id / mobile and validate;</li> <li>3. re-submit the pending documents to KRA.</li> </ol> <p>Investors are suggested to do a re-kyc using Aadhaar as OVD (Officially Valid Document) to remediate the status to KYC VALIDATED for seamless transactions in securities market.</p>

SEBI vide its email dated May 14, 2024, has reviewed the status of validation of KYC records by KRAs and decided the following:

1. NRI's provisions with respect to portability of KYC Records have been relaxed for one year i.e. till April 30, 2025.
2. Transaction Validation by either one of the attributes namely Mobile or Email is considered valid for transaction of all investors (including NRIs).
3. The existing clients, as on March 31, 2024, in whose respect KYC attributes cannot be verified by the KRAs shall be allowed to exit (sale / redemption, etc.) from existing investment in securities market subject to adequate due diligence by intermediaries.

As per SEBI Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2024/41 dated May 14, 2024, records of Investors whose attributes are verified by KRAs with official database and PAN-AADHAAR linkages are verified shall be considered as Validated Records.

### III. Other Details

#### A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund should be provided:

Not Applicable

#### B. Periodic Disclosures such as Half yearly disclosures, half yearly results, annual report

##### Portfolio Disclosure:

Portfolio shall be disclosed within 10 days from the end of the month. Portfolio shall be disclosed on AMC website at link: <https://www.bajajamc.com/downloads?portfolio> and on AMFI website [www.amfiindia.com](http://www.amfiindia.com). Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format. Portfolio shall also be sent by e-mail to all unitholders by the AMC/Mutual Fund. Physical copy of the scheme portfolio shall be provided to unitholders on receipt of specific request from the unitholder, without charging any cost.

##### Annual Report:

Scheme wise Annual Report or an abridged summary thereof shall be mailed to all unitholders within four months from the date of closure of the relevant financial year i.e. 31st March each year as under:

- by email to the unitholders whose email address is available with the Mutual Fund.
- in physical form to the unitholders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same.

An advertisement shall also be published in all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC [www.bajajamc.com](http://www.bajajamc.com) and AMFI website [www.amfiindia.com](http://www.amfiindia.com). The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC.

The AMC shall also provide a physical copy of abridged summary of the annual report without charging any cost, on specific request received from the unitholder. A copy of scheme wise annual report shall also be made available to unitholders on payment of nominal fees.

Std. obs. 17 (a)

#### C. Transparency/NAV Disclosure (Details with reference to information given in Section I):

(Consolidated Std. Obs. 40)

The NAV will be calculated on and disclosed on every calendar days except in special circumstances. NAV shall be calculated for upto four decimal places. NAV of the scheme shall be:

(Consolidated Std. Obs. 41)

- Prominently disclosed by the AMC under a separate head on the AMC's website ([www.bajajamc.com](http://www.bajajamc.com)) by 11.00 p.m. on every calendar day.
- On the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) by 11.00 p.m. on every business day, and
- Shall be made available at all Investor Service Centres of the AMC.

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

In case NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, requirement for NAV declaration timing on the website of the AMC and AMFI for the Scheme holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day.

**D. Transaction charges and stamp duty:**

- **Transaction Charges:** Not Applicable
- **Stamp Duty:**

Applicability of Stamp Duty on Mutual Fund Transactions Unitholders are requested to note that, pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @0.005% of the transaction value would be levied on applicable mutual fund transactions, with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase/switch in transactions (including IDCW reinvestment) to the unitholders would be reduced to that extent.

For more details, please refer to SAI.

**E. Associate Transactions:**

Please refer to Statement of Additional Information (SAI)

**F. Taxation:**

Bajaj Finserv Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961 ('the Act').

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 with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme. The information given herein is the snapshot of the tax implications in the hands of the unitholders. For further details on taxation, please refer to the Section on Taxation on investing in Mutual Funds in Statement of Additional Information ('SAI').

The applicability of tax laws, if any, on Bajaj Finserv Mutual Fund/ Scheme(s)/ investments made by the Scheme(s) /investors/ income attributable to or distributions or other payments made to Unit holders are based on the understanding of the current tax legislations [as amended by the Finance Act No. 2 of 2024].

**Debt Oriented Funds**

Tax implications on distributed income (hereinafter referred to as either 'Income from units of Mutual Funds' or 'capital gains') by Mutual Funds:

Particulars	Resident Investors	Non-resident investors	Registered Mutual Fund
<b>Income from unit of Mutual funds</b>			
TDS*	10% (if income from units of Mutual fund exceeds INR 5,000 in a financial year)	20% <sup>2</sup> + applicable surcharge + 4% Cess <sup>3</sup>	Nil
Tax rates	<p><b>Individual/ HUF</b> Income tax rate applicable to the Unit holders as per their income slabs + applicable Surcharge + 4% Cess<sup>3</sup></p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>3</sup> 25%<sup>4</sup> + Surcharge as applicable + 4% Cess<sup>3</sup> 22%<sup>5</sup> + 10% Surcharge<sup>5</sup> + 4% Cess<sup>3</sup></p>	20%	Nil
<b>Capital Gains<sup>1 2 6:</sup></b>			
<b>Long Term<sup>7</sup></b>			
Capital gains arising before 23 July 2024	20% with indexation + applicable Surcharge + 4% Cess <sup>3</sup>	20% <sup>8</sup> with indexation + applicable Surcharge + 4% Cess <sup>3</sup>	Nil
Capital gains arising on or after 23 July 2024	12.5% without indexation + applicable Surcharge + 4% Cess <sup>3</sup>	12.5% without indexation + applicable Surcharge + 4% Cess <sup>3</sup>	Nil
<b>Short Term</b>	<p><b>Individual/HUF:</b> Income tax rate applicable to the Unit holders as per their income slabs + applicable Surcharge + 4% Cess<sup>3</sup></p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>3</sup> 25%<sup>4</sup> + Surcharge as applicable + 4% Cess<sup>3</sup> 22%<sup>5</sup> + 10% Surcharge<sup>5</sup> + 4% Cess<sup>3</sup></p>	<p><b>Non resident (other than Foreign Company):</b> Income tax rate applicable to the Unit holders as per their income slabs + applicable Surcharge + 4% Cess<sup>3</sup></p> <p><b>Foreign Company:</b> 35% + Surcharge as applicable + 4% Cess<sup>3</sup></p>	Nil

<sup>1</sup>As per section 2(29AA) read with section 2(42A) of the Act, units of a Mutual Fund (other than an equity-oriented fund) shall be considered as a **long-term capital asset** where the same are held for a period of **more than**

- 36 months (for units sold before 23 July 2024)
- 12 months (for units sold on or after 23 July 2024)

immediately preceding their date of transfer.



Under section 2(42A) of the Act, units of mutual fund (other than an equity-oriented fund) held as capital assets for a period of

- 36 months or less (for units sold before 23 July 2024)
- 12 months or less (for units sold on or after 23 July 2024)

preceding the date of their transfer are regarded as **short-term capital assets**.

The Finance Act 2023 has introduced section 50AA, providing for computation of capital gains in relation to unit of a Specified Mutual Fund<sup>9</sup> acquired on or after the 1 April 2023. The gain so computed shall be deemed to be capital gains arising from transfer of a short-term capital asset.

<sup>2</sup>Section 196A of the Act (read with amendment under Finance Act 2023) provides that a person responsible for paying to a non-resident (other than FPI) any income in respect of units of mutual fund shall withhold taxes at the rate of 20% (plus applicable surcharge and cess) or rate provided in the relevant DTAA whichever is lower, provided the payee furnishes a tax residency certificate and such other information and documents as may be prescribed to claim treaty benefit.

As per the provisions of section 196D of the Act which is specifically applicable in case of FPI/FII, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of securities referred to in section 115AD(1)(a) credited/paid to FII shall apply. The proviso to section 196D(1) of the Act grants relevant tax treaty benefits at the time of withholding tax on income with respect to securities of FPIs, subject to furnishing of tax residency certificate and such other documents as may be required. As per section 196D(2) of the Act, no TDS shall be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.

<sup>3</sup>Health and education Cess shall be applicable at 4% on aggregate of base tax and surcharge.

<sup>4</sup>In case of domestic company, the rate of income-tax shall be 25% for financial year 2024-25 if its total turnover or gross receipts in the financial year 2022-23 does not exceed Rs. 400 crores.

<sup>5</sup>In case of domestic company whose income is chargeable to tax under section 115BAB or section 115BAA of the Income-Tax Act, 1961, tax rate @ 22% shall be applicable, subject to conditions mentioned therein. The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.

<sup>6</sup>Short term/ long term capital gain tax will be deducted at the time of redemption of units in case of non-resident investors only (other than FPI). However, as per section 196A of the Act the withholding tax of 20% (plus applicable surcharge and cess) is applicable on any income in respect of units of mutual fund in case of non-residents.

<sup>7</sup>Further, surcharge is levied maximum up to 15% on all other long-term capital gains (including debt-oriented funds) earned by the individual assessee.

<sup>8</sup>In case of Non-Resident, on unlisted schemes, long term capital gain will be taxed at 10% without indexation and foreign currency fluctuation benefits (plus applicable surcharge and cess).

<sup>9</sup>“Specified Mutual Fund” means a Mutual Fund by whatever name called, where not more than 35% of its total proceeds is invested in the equity shares of domestic companies. The % of equity shareholding held in respect of the Specified Mutual Fund shall be computed with reference to the annual average of the daily closing figures.



With effect from 1 April 2025 the definition of “Specified Mutual Fund” has been amended to mean

(a) a Mutual Fund by whatever name called, which invests more than 65% of its total proceeds in debt and money market instruments; or

(b) a fund which invests 65% or more of its total proceeds in units of a fund referred to in sub-clause (a):

The percentage of investment in debt and money market instruments or in units of a fund, as the case may be, in respect of the Specified Mutual Fund, shall be computed with reference to the annual average of the daily closing figures

For the purposes of this clause, “debt and money market instruments” shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.

\*Section 206AB would apply on any sum or income or amount paid, or payable or credited, by a person to a specified person, as defined. The TDS rate in this section is higher of the followings rates:

- twice the rate specified in the relevant provision of the Act; or
- twice the rate or rates in force; or
- the rate of five per cent.

‘Specified person’ means a person (excluding non-residents who do not have a permanent establishment in India) who has not filed income-tax return under section 139(1) for the preceding year and aggregate of TDS and TCS in his case is INR 50,000 or more in the said year.

As per provisions of section 206AA of the Act, the payer would be obliged to withhold tax at penal rates of TDS in case of payments to investors who have not furnished their PAN to the payer. The penal rate of TDS higher of 20% or rate specified under the relevant provisions of the Act or rate in force (including surcharge and health and education cess), as may be applicable. The provisions of this section shall not apply to a non-resident subject to furnishing of necessary documents as may be prescribed. In case, both provisions i.e section 206AB and 206AA triggers, TDS shall be deducted at higher of the rates under such provisions.

**Note:** Taxability in the hands of non-residents shall be subject to Double Taxation Avoidance Agreement (DTAA) benefits which can be claimed in the return of income to be filed by such investors. The investors should obtain specific advice from their tax advisors regarding the availability of the tax treaty benefits

#### **G. Rights of Unitholders:**

Please refer to SAI for details.

#### **H. List of official points of acceptance:**

The details pertaining to official points of acceptance of AMC and RTA are available on the website of the Company at link: <https://www.bajajamc.com/sid-disclosure>.

#### **I. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations For Which Action May Have Been Taken Or Is In The Process Of Being Taken By Any Regulatory Authority**

There have been no penalties or pending litigation on the AMC in the last financial year since incorporation. The investors may refer to the details on the website of the Company at link: <https://www.bajajamc.com/sid-disclosure>.

Std. obs. 20

(Consolidated Std. Obs. 48)

Notwithstanding anything contained in the Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable. (Consolidated Std. Obs. 63)

Std. obs. 22

**For Bajaj Finserv Asset Management Limited**

Sd/-  
**Ganesh Mohan**  
**Chief Executive Officer**

Place: Pune  
Date: March 25, 2025