



SBI MUTUAL FUND
A partner for life.

DRAFT SCHEME INFORMATION DOCUMENT

S B I G E T S
(SBI GOLD EXCHANGE TRADED SCHEME)
(Open ended Gold Exchange Traded Scheme)
(PLAN A and PLAN B)

Offer of Units of Rs. 10/- each for cash (subject to applicable load) during the New Fund Offer and Continuous Offer for Units at NAV based prices

New Fund Offer Opens on:

New Fund Offer Closes on:

Scheme Re-Opens on:

| Mutual Fund | Trustee Company | Asset Management Company |
|--|--|--|
| SBI Mutual Fund ('SBIMF') | SBI Mutual Fund Trustee Company Private Limited ('Trustee Company') | SBI Funds Management Private Limited ('AMC') <i>(A joint venture between SBI and Société Générale Asset Management)</i> |
| Corporate Office | Registered Office: | Registered Office: |
| 191, Maker Towers 'E', 19 th Floor, Cuffe Parade Mumbai - 400 005 | 191, Maker Towers 'E', 19 th Floor, Cuffe Parade Mumbai - 400 005 | 191, Maker Towers 'E', 19 th Floor, Cuffe Parade, Mumbai - 400 005 |

Website: www.sbimf.com

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of SBI Mutual Fund, Tax and Legal issues and general information on www.sbimf.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website. The Scheme Information Document should be read in conjunction with the SAI and not in isolation. This Scheme Information Document is dated July 17, 2008.

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HIGHLIGHTS OF THE SCHEME

| | |
|---------------------|---|
| Type of Plan | Plan A is for Retail Investor Plan B is for Institutional Investor |
|---------------------|---|

DETAILS APPLICABLE TO PLAN A AND PLAN B ARE AS FOLLOWS

| Investment Objective of the SBI GETS | The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold (and Gold related securities as permitted by Regulators from time to time). However the performance of the scheme may differ from that of the underlying asset due to tracking error. | | | | | | | | | | | | | | | | | | | | | |
|---|--|------------------|------------|-----------|------------|-------|-----|---------------|-------|-----|-----------------|-------|-----|-----------------|-------|-----|------------------|------------|-----------|---------------|-----|-----|
| Liquidity | The units of SBI GETS can be traded on a stock exchange and therefore it provides the ability to buy and sell them quickly at the ruling market price to ensure higher liquidity. | | | | | | | | | | | | | | | | | | | | | |
| Benchmark | SBI GETS The price of the Gold is the Benchmark. The price here refers to, the morning fixing of Gold by London Bullion Market association (LBMA). | | | | | | | | | | | | | | | | | | | | | |
| Transparency / NAV Disclosure | The AMC will calculate and disclose the first NAV not later than 30 days from the closure of New Fund Offer Period. NAV of SBIMF GETS units would be declared on a daily basis and would be a function of the closing value of the underlying Gold Price, taking into account recurring expenses, etc. | | | | | | | | | | | | | | | | | | | | | |
| Load Structure | <p>During New Fund Offer</p> <p>Plan A</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Application Size</th> <th>Entry Load</th> <th>Exit Load</th> </tr> </thead> <tbody> <tr> <td>Upto 1 Lac</td> <td>1.50%</td> <td>Nil</td> </tr> <tr> <td>1 Lac- 5 Lacs</td> <td>1.00%</td> <td>Nil</td> </tr> <tr> <td>5 Lacs- 50 Lacs</td> <td>0.75%</td> <td>Nil</td> </tr> <tr> <td>50 Lacs- 1Crore</td> <td>0.50%</td> <td>Nil</td> </tr> </tbody> </table> <p>Plan B</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Application Size</th> <th>Entry Load</th> <th>Exit Load</th> </tr> </thead> <tbody> <tr> <td>Above 1 Crore</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <p>During Continuous Offer - No Entry and Exit Load is applicable to Plan A and Plan B</p> | Application Size | Entry Load | Exit Load | Upto 1 Lac | 1.50% | Nil | 1 Lac- 5 Lacs | 1.00% | Nil | 5 Lacs- 50 Lacs | 0.75% | Nil | 50 Lacs- 1Crore | 0.50% | Nil | Application Size | Entry Load | Exit Load | Above 1 Crore | Nil | Nil |
| Application Size | Entry Load | Exit Load | | | | | | | | | | | | | | | | | | | | |
| Upto 1 Lac | 1.50% | Nil | | | | | | | | | | | | | | | | | | | | |
| 1 Lac- 5 Lacs | 1.00% | Nil | | | | | | | | | | | | | | | | | | | | |
| 5 Lacs- 50 Lacs | 0.75% | Nil | | | | | | | | | | | | | | | | | | | | |
| 50 Lacs- 1Crore | 0.50% | Nil | | | | | | | | | | | | | | | | | | | | |
| Application Size | Entry Load | Exit Load | | | | | | | | | | | | | | | | | | | | |
| Above 1 Crore | Nil | Nil | | | | | | | | | | | | | | | | | | | | |

| | | | | |
|--|--|---------|-----------------|----------------|
| Asset Allocation | Indicative allocations (% of total assets) | | Risk Profile | |
| | Instruments | Maximum | Minimum | |
| | | | High/Medium/Low | |
| | Gold and gold related securities | 100% | 90% | Medium to High |
| | Debt & Money Market Instruments | 10% | 0% | Low |
| Plans/Options offered | Dividend and Growth both Options are offered under the Plans/Scheme. Dividend Option is offered with Reinvestment and Payout facility. | | | |
| Dividend Policy | Subject to SEBI Regulations from time to time regarding payment and distribution of dividend, the scheme shall endeavour to declare dividend on periodic basis. | | | |
| Minimum Application Amount in (Rs.) | During New Fund Offer - Rs.5000/- During Continuous Offer - Minimum trading lot for SBI GETS units in the market will be 1 unit on the stock exchange where the units are listed. | | | |

I. INTRODUCTION (Applicable for both Plan A and Plan B)

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- The NAV of the SBI GETS units may be affected by change in the general market conditions, factors and forces affecting capital markets in particular, level of interest rates, various market related factors and trading volumes.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- The name of the scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs. 5 Lakhs made by it towards setting up the Fund.
- SBI GETS scheme is not a guaranteed or assured return scheme

Scheme Specific Risk Factors

Scheme investing in Gold

- The NAV of the units is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of units under the scheme. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the Global market, Indian and Foreign exchange rates, Interest rates, Inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of golden jewellery in and out of India, etc.
- Counter party Risk: There is no Exchange for physical gold in India. The Mutual Fund may have to buy or sell gold from the open market, which may lead to counter party risks for the Mutual Fund for trading and settlement.
- Liquidity Risk: The Mutual Fund has to sell gold only to bullion bankers/traders who are authorized to buy gold. Though, there are adequate numbers of players (commercial or bullion bankers) to whom the Fund can sell gold. Fund may have to resort to distress sale of gold if there is no or low demand for gold to meet its cash needs of redemption or expenses.
- Currency Risk: The formula for determining NAV of the units is based on the imported (landed) value of gold. The landed value of gold is computed by multiplying international market price by US dollar value. The value of gold or NAV, therefore will depend upon the conversion value of US dollar into Indian rupee and attracts all the risks attached to such conversion.
- Regulatory Risk: Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Authorized Participant to arbitrage resulting into wider premium/discount to NAV. Any changes in the regulations relating to import and export of gold or gold jewellery (including customs duty, sales tax and any such other statutory levies) may

affect the ability of the scheme to buy/sell gold against the purchase and redemption requests received.

- Asset Class Risk: The returns from physical Gold in which the Scheme invests may under perform returns from the securities or other asset classes.
- Physical gold: There is a risk that part or all of the Scheme's gold could be lost, damaged or stolen. Access to the Scheme's gold could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the scheme and consequently on investment in units.
- As the scheme proposes to invest not less than 90% of the net assets in Gold, the Scheme is a passively managed scheme and provides exposure to Gold and Gold related instruments and tracking its performance and yield as closely as possible. The Schemes' performance may be affected by a general price decline in the Gold prices. The Scheme invests in the physical Gold regardless of their investment merit. The Mutual Fund does not attempt to take defensive positions in declining markets.
- Tracking error may have an impact on the performance of the scheme. However the AMC will endeavour to keep the tracking error as low as possible.
- Investors may note that even though this is an open-ended scheme, they will have to buy or sell units of the scheme on the stock exchanges where these units are listed for liquidity at the market price, subject to the rules and regulations of the exchange.
- The market price of SBI GETS units, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the unit (or NAV), and (2) demand and supply of units in the market.
- Sizeable demand or supply of the units on exchange may lead to market price of the units to quote at premium or discount to NAV. Hence the price of SBI GETS is less likely to hold significant variance (large premium or discount) from the latest declared NAV all the time.
- The Fund may have to sell gold to meet recurring expenses. In such an event, irrespective of whether the price of gold goes up or not, the NAV of the Fund will go down due to such expenses.
- The NAV of the units is determined based on the formula for valuation of gold prescribed by SEBI whereas the actual price of gold in the market may be different from the value of gold arrived at based on the prescribed formula. This may lead to extreme conditions like NAV being far too different from the domestic market price of gold. In such extreme conditions, the Trustee reserves the right to delay or suspend the redemption of units.
- The units of SBI GETS 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 on which the mutual fund has no control.

Scheme investing in Debt and Money Market Instruments

- SBI GETS will be investing in debt instruments, and money market instruments. Trading volumes and settlement periods inherently restrict the liquidity of the scheme's investments.
- Different types of securities in which the scheme would invest carry different levels of risk. Accordingly the scheme's risk may increase or decrease depending upon the investment pattern. For e.g. corporate debt carry a higher amount of risk than money market instruments. Further even among corporate debts, instruments, which are AAA rated, are comparatively less risk than instruments, which are AA rated.
- Credit risk: Credit risk is risk resulting from 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. Government Securities have zero credit risk while other debt instruments are rated according to the issuers' ability to meet the obligations.

- Liquidity risk: Liquidity Risk pertains to how saleable a security is in the market. If a particular security does not have a market at the time of sale, then the scheme may have to bear an impact depending on its exposure to that particular security.
- Interest Rate risk: Interest Rate risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. However if the investments are held on till maturity of the investments, the value of the investments will not be subjected to this risk
- Reinvestment risk: This risk arises from uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.

B. DEFINITIONS

DETAILS APPLICABLE TO PLAN A AND PLAN B

Authorized Participants : The Member of the National Stock Exchange or any other recognized stock exchange or any other person who is appointed by the AMC to act as Authorized Participants on entering into a participant agreement with the AMC.

Business Day : A day other than

(i) Saturday or Sunday; (ii) a day on which both the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited are closed (iii) a day on which the Purchase/Redemption/Switching of Units is suspended (iv) a day on which banks in Mumbai and / RBI are closed for business/clearing (v) a day which is a public and /or bank holiday at Investor Services Centre / Investor Service Desk where the application is received (vi) a day on which normal business cannot be transacted due to storms, floods, natural calamities, bandhs, strikes or such other events as the AMC may specify from time to time.

The AMC reserves the right to declare any day as a Business day or otherwise at any of the Investor Service Centre / Investor Service Desks.

CDSL : Central Depository Services (India) Ltd.

Creation unit : Fixed number of “SBIMF GETS” unit which is exchanged for a portfolio deposit consisting of physical gold kept in the custody and cash component in lieu of which SBIMF GETS are units are allotted to the authorized participants.

Cut-off time : 3.00 p.m.

Date of Application : The date of receipt of a valid application complete in all respect for sale or repurchase of units of this scheme by the AMC at its various offices/branches or the designated centers of the Registrar.

Depository : Depository means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL).

| | |
|--|--|
| Entry Load | : A charge that the investor pays at the time of entry into the scheme. |
| ETF | : Exchange Traded Fund. |
| Exit Load | : A charge paid by the investor at the time of exit from the scheme. |
| Gold Related Instruments | : Instrument having gold as underlying security, as may be specified by SEBI Regulations from time to time. |
| Investment Management Agreement (IMA) | : The restated and amended IMA dated December 29, 2004 entered into between Trustee Company and the AMC i.e. SBI Funds Management Private Limited as amended from time to time. |
| ISCs/ISDs | : Investor Service Centers/Investor Service Desks of AMC/SBI Mutual Fund at various locations and opened from time to time. |
| LBMA | : London Bullion Market Association |
| Unit Holder | : Any eligible applicant who has been allotted and holds a valid unit in his/her/its name. |
| Money Market Instruments | : Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Repos, Collateralised Borrowing & Lending Obligation (CBLO), Government securities having an unexpired maturity of less than 1 year, Call or notice money, Usance Bills and any other such short-term instruments as may be allowed under the SEBI Regulations prevailing from time to time. |
| NAV related price | : The sale price and the repurchase price is calculated on the basis of NAV and are known as NAV related prices. The the sale price is calculated by adding the entry load (if any) to the NAV and the repurchase price is calculated by deducting the exit load (if any) from the NAV. |
| NFO / New Fund Offer | : Means New Fund Offer when the units are issued at face value of Rs. 10 /- (subject to applicable load) |
| Net Asset Value / NAV | : Net Asset Value of the Units of the Scheme calculated in the manner provided in this Offer Document or as may be prescribed by the SEBI (Mutual Funds) Regulations, 1996 from time to time. |
| Non Resident Indian or NRI | : A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term |

under Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000 as amended from time to time.

Plan A : An Offer for retail investor

Plan B : An Offer for institutional investor

Scheme Information Document or SID

: This document issued by SBI Funds Management (P) Ltd. / SBI Mutual Fund, containing the terms of offering Units of the SBI GETS ('the scheme') of SBI Mutual Fund as per the terms contained herein. Modifications to the SID, if any, shall be made by way of an addendum which will be attached to the SID. On issuance and attachment of addendum, the SID will be deemed to be an updated document.

Official Points Of Acceptance

: means AMC Corporate Office/ Investor Service Centers / Investor Service Desks, website of the Mutual Fund i.e. www.sbimf.com, AMC overseas point of acceptance or the designated centers of the Registrars.

RBI : Reserve Bank of India, established under Reserve Bank of India Act, 1934.

Repurchase Price : The price at which the units are repurchased at NAV related price subject to applicable exit load.

Registrars : The registrars and transfer agents to the scheme.

Sale Price : The price at which units are sold at the NAV related price subject to applicable entry load.

Trustee : SBI Mutual Fund Trustee Company Private Limited, a wholly owned subsidiary of SBI, incorporated under the provisions of the Companies Act, 1956. The registered office of SBIMFTCPL is situated at 191, Maker Tower 'E', Cuffe Parade, Mumbai 400 005.

SEBI : Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992.

SEBI Regulations : Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 for the time being in force and as amended from time to time, [including by way of circulars or notifications issued by SEBI, the Government of India].

SGAM : Société Générale Asset Management S.A., an Asset Management Company incorporated in France and having its registered office at Immeuble SGAM, 170 Place Henri Regnault - La Defense 6,

92043 Paris - La Defense Cedex – France, is a joint venture partner with SBI in the AMC.

- Sponsor / Settlor** : State Bank of India, having its Corporate Office at State Bank Bhavan, Madame Cama Road, Mumbai - 400 021, which has made an initial contribution of Rs. 5 Lakhs towards the Trust Fund and has appointed the Trustee to supervise the activities of the Fund.
- Asset Management Company or AMC** : SBI Funds Management Private Limited, the Asset Management Company, incorporated under the Companies Act, 1956 and authorized by SEBI to act as Investment Manager to the Schemes of SBI Mutual Fund.
- Auditors** : The statutory auditors to the scheme whose appointment is approved by the Trustees of SBI Mutual Fund.
- Custodian** : The custodian to the scheme whose appointment is approved by the Trustee of SBI Mutual Fund.
- Mutual Fund** : means SBI Mutual Fund (SBIMF); constituted as a Trust with SBI Mutual Fund Trustee Company Private Limited as the Trustee under the provisions of Indian Trusts Act, 1882, and registered with SEBI.
- The Offer** : The issue of Units of the Scheme as per the terms contained in this SID.
- Trust Deed** : The restated and amended Trust Deed dated December 29, 2004 entered into between State Bank of India and Board of Trustees of SBIMF and SBI Mutual Fund Trustee Company Pvt. Ltd.
- Unit** : One undivided unit issued under the scheme by SBI Mutual Fund.
- Unit Capital** : The aggregate face value of the Units issued and outstanding under the scheme.
- NSDL** : National Securities Depository Ltd
- NSE** : National Stock Exchange Limited

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- 1) The draft Scheme Information Document of SBI GETS forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- 2) All legal requirements connected with the launch 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.
- 3) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- 4) 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.

For SBI Funds Management Private Limited

Date: July 16, 2008
Place: Mumbai

Sd/-
Achal Kumar Gupta
Managing Director

II. INFORMATION ABOUT THE SCHEME

DETAILS APPLICABLE TO PLAN A AND PLAN B

A. TYPE OF THE SCHEME - SBI GETS is an open ended Gold Exchange Traded Scheme with Plan A and Plan B.

B. INVESTMENT OBJECTIVE OF THE SCHEME

The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold (and Gold related securities as permitted by Regulators from time to time). However the performance of the scheme may differ from that of the underlying asset due to tracking error

C. SCHEME ASSET ALLOCATION

| Instruments | Indicative allocations (% of total assets) | | Risk Profile |
|----------------------------------|---|---------|-----------------|
| | Maximum | Minimum | High/Medium/Low |
| Gold and gold related securities | 100% | 90% | Medium to High |
| Debt & Money Market Instruments | 10% | 0% | Low |

Performance of the scheme will depend on the ability to assess accurately and react to changing market conditions. The above investment pattern is indicative and may be changed by the Fund Manager for a short term period on defensive considerations, keeping in view market conditions, market opportunities, applicable SEBI (MF) Regulations 1996, legislative amendments and other political and economic factors, the intention being at all times to endeavour protection of unitholders' interests. If the investments fall outside the asset allocation range given above, the portfolio of the scheme will be reviewed and rebalanced within a period of one month. The funds raised under the scheme shall be invested only in securities as permitted by SEBI (Mutual Funds) Regulations, 1996.

D. INVESTMENT STRATEGY OF THE SCHEME

The scheme would invest in gold and gold related instruments and endeavor to track the spot price of gold. The scheme invests in gold and gold rated instruments with Gold as underlying asset regardless of investment merit. In accordance with the regulations, the scheme may engage in gold lending, and/or deposit gold with banks in return for fees. SBI GETS will be a passively managed fund tracking a benchmark index and reflects the performance of that index. The scheme may buy or sell gold at different points of time during the trading session at the then prevailing prices which may not correspond to its closing price, disinvestments to meet redemptions, transactions cost and recurring expenses, execution of large buy/sell orders etc. This may cause some distortion, but the scheme will try to minimize the tracking error.

E. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme - An open ended gold exchange traded scheme with Plan A and Plan B.

(ii) Investment Objective -: The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold (and Gold related securities as permitted by Regulators from time to time). However the performance of the scheme may differ from that of the underlying asset due to tracking error

- Main Objective - Growth
- Investment pattern - The indicative portfolio break-up with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations is as follows:

| Instruments | Indicative allocations (% of total assets) | | Risk Profile |
|----------------------------------|---|---------|-----------------|
| | Maximum | Minimum | High/Medium/Low |
| Gold and gold related securities | 100% | 90% | Medium to High |
| Debt & Money Market Instruments | 10% | 0% | Low |

(iii) Terms of Issue

a. Liquidity provisions such as listing, sale, repurchase:

Listing of units of SBI GETS: After the allotment of units, the units of the Scheme will be listed, within the time limit prescribed under the Regulations, on the National Stock Exchange. The AMC would make an application to the National stock exchange to list the units on the Exchange immediately after the allotment is completed.

b. Aggregate fees and expenses charged to the scheme:

Plan A

| Recurring Expenses: | |
|---|------------|
| Items % of average daily net assets (estimated) | |
| Investment Management and Advisory Fees | 0.5 |
| Cost relating to Investors communication | 0.25 |
| Custodial Fees | 0.5 |
| Registrars Fees & Processing Charges including stamp duty, if any | 0.1 |
| Listing Fees | 0.01 |
| Marketing & Sales Promotion | 1.1 |
| Miscellaneous and other charges | 0.04 |
| Total | 2.5 |

Plan B

| Recurring Expenses: | |
|---|------|
| Items % of average daily net assets (estimated) | |
| Investment Management and Advisory Fees | 0.5 |
| Cost relating to Investors communication | 0.05 |
| Custodial Fees | 0.5 |
| Registrars Fees & Processing Charges including stamp duty, if any | 0.1 |
| Listing Fees | 0.01 |
| Marketing & Sales Promotion | 0.3 |
| Miscellaneous and other charges | 0.04 |
| Total | 1.50 |

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

- i. 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
- ii. The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

In accordance with regulation 52 (2) of SEBI Regulations, the Asset Management Company may charge the mutual fund with investment and advisory fees subject to the following namely:

- (i) One and a quarter of one per cent of the weekly average net assets outstanding in each accounting year for the scheme concerned, as long as the net assets do not exceed Rs. 100 Crore, and
- (ii) One per cent of the excess amount over Rs. 100 crores, where net assets so calculated exceed Rs. 100 Crore.

F. CREATION & REDEMPTION OF UNITS

The AMC will create and redeem units on a continuous basis, but only in one or more baskets (a basket equals 1000 units). The creation and redemption of baskets will only be made in exchange for the delivery to or by the scheme of the amount of gold and cash if any represented by the baskets being created or redeemed. The total amount of gold and cash if any required for such a delivery will be based on the prorata amount of the NAV of the scheme represented by the baskets being created or redeemed determined on the day the order to create or redeem is placed. Authorized participants / Investors can invest in the New Fund Offer. Authorized participants may act for their own accounts or as agents for broker-dealers, custodians and other

securities market participants that wish to create or redeem baskets. An order of one or more baskets may be placed by an authorized participants on behalf of multiple clients. **Unitholders who are not authorized participants will only be able to redeem their units through an authorized participant.** The custodian will allocate specific bars of gold representing the amount of gold (to the extent such amount is representable by whole gold bars) to the scheme's allocated account. **All gold bullion held in the scheme's allocated account with the custodian must be of fineness (or purity) of 995 parts per 1000 (99.5%)**

Creation Procedures

On any business day, an Authorized Participant may submit an application with the AMC. Applications must be placed by 3:00 p.m. or the close of regular trading on the NSE, whichever is earlier. By submitting the application for purchase of units, an Authorized Participant agrees to deposit gold and the cash component in the scheme's account. The Authorized participant has the option to deposit at least 1 kilogram of physical gold & in multiples of 1 kilogram thereof in order to create units of the scheme. The gold bars deposited should bear the certificate issued by a refiner or manufacturer accredited by London Bullion Market Association. The AMC may at its own discretion, allow cash purchases by accepting cash from the Authorized participants/others. Units will be allotted on the date of realisation. Purchase request for creation units shall be made by such investor to the AMC whereupon the AMC will arrange to buy gold. The AMC has the right to collect any cost incurred by the AMC in terms of the transaction charges, other incidental charges, the difference between the acquisition cost and closing prices of gold at the end of each business day. Such costs may be adjusted by allotting proportionately lesser number of units to the investor.

Determination of required deposits

The total deposit required to create each basket will be an amount of gold or/and cash that is in the same proportion to the total assets of the scheme (net of accrued but unpaid fees, expenses and other liabilities) on the date the order to purchase is properly received as the number of units to be created in respect of the deposit bears to the total number of units outstanding on the date the order is received.

Delivery of required deposits

An authorized participant submits an application for the process of creation of units. By submitting the application the Authorized participant agrees to deposit physical gold to the custodian by T+2 date. On having credited the scheme's allocated account with the gold deposits in physical form, the custodian intimates the registrar the total number of units to be created. The creation of units will be at the NAV of the fund on T day. The registrar will then allocate the units in the proportion of the amount received from the authorized participant and will credit the units to the Demat account of the respective authorized participants.

G. BENCHMARK OF THE SCHEME

As per SEBI circular April 21, 2006, since there are no indices catering to the gold sector or securities linked to gold, SBI GETS shall be benchmarked against the price of Gold.

H. FUND MANAGER OF THE SCHEME

Mr. Sudanshu Asthana, M.A. (Economics) aged 33 years, has a total work experience of 9 years. He has worked with various organizations as an equity analyst. His last Assignment was as Joint Fund Manager, Quantum Mutual Fund. At SBIMF he is presently managing Magnum Multicap

I. INVESTMENT RESTRICTIONS

In terms of SEBI (Mutual Funds) Regulations, a gold exchange traded fund scheme shall be subject to the following investment restrictions:

- (a) The initial issue expenses in respect of SBI GETS shall not exceed six percent of the funds raised under the scheme;
- (b) The funds of SBI GETS shall be invested only in gold or gold related instruments in accordance with its investment objective, except to the extent necessary to meet the liquidity requirements for meeting repurchases or redemptions; and
- (c) Pending deployment of funds in accordance with clause (b), the mutual fund may invest such funds in short term deposits of scheduled commercial banks.
- (d) No term loans will be advanced by this scheme for any purpose as per SEBI regulation 44(3) of SEBI (Mutual Funds) Regulations 1996.
- (e) The Scheme shall not make any investment in any fund of fund scheme.
- (f) The scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 20% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of Asset Management Company. Such limit shall not be applicable for investments in government securities and money market instruments. Also investment within such limit can be made in mortgaged-backed securitized debt, which is rated not below investment grade by a credit rating agency registered with the Board.
- (g) The Scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Board of Trustees and the board of Asset Management Company. Further, the aforesaid investment limits are applicable to all debt securities which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc guaranteed by either state or central government. Government securities issued by central/state government or on its behalf by the RBI are exempt from the above referred investment limits
- (h) Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments.
- (i) Transfer of investments from one scheme to another scheme, including this scheme, under the Mutual Fund shall be allowed only if:
 - i) Such transfers are done at the prevailing market price for quoted securities on spot basis; explanation - "spot basis" shall have the same meaning as specified by the stock exchange for spot transactions, and

- ii) The securities so transferred shall be in conformity with the investment objective of the relevant scheme to which such transfer has been made.
- (j) The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction or engage in badla finance.
- (k) The scheme shall provide that the securities be purchased or transferred in the name of the Mutual Fund for the relevant scheme, wherever the investments are intended to be of a long-term nature.
- (l) The assets of the scheme shall not in any manner be used in short selling or carry forward transactions.
- (m) The investment limitations in each fund shall be subject to SEBI Guidelines/Circulars as amended from time to time.
- (n) The scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate interscheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
- (o) The securities shall be purchased or transferred in the name of the Mutual Fund for the scheme, wherever the investments are intended to be of a long-term nature.
- (p) The scheme shall not make any investment in;
 - a) Any unlisted security of an associate or group company of the sponsor; or
 - b) Any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) The listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
- (r) The scheme shall not make any investment in any Fund of Funds scheme.

Apart from the investment restrictions prescribed under SEBI (MF) Regulations, the mutual fund has no separate internal norms vis-à-vis limiting exposure in case of SBI GETS.

J. PAST PERFORMANCE OF THE SCHEME

SBI GETS is the first exchange traded scheme of SBI MF and hence does not have any performance track record.

K. The scheme will not offer any special product facility like Systematic Investment Plan, Systematic Withdrawal Plan, and Systematic Transfer Plan.

L. INVESTMENTS OF AMC IN THE SCHEME

The AMC may invest in the scheme, either in the New Fund Offer or during Continuous Offer, such amount, as they deem appropriate. But the AMC shall not be entitled to charge any management fees on this investment in the scheme. Investments by the AMC will be in accordance with Regulation 24(3) of the SEBI (MF) Regulations, 1996 which states that:

"The asset management company shall not invest in any of its schemes unless full disclosure of its intention to invest has been made in the offer document, provided that the asset management company shall not be entitled to charge any fees on its investment in the scheme."

III. UNITS AND OFFER

DETAILS APPLICABLE TO PLAN A AND PLAN B ARE AS FOLLOWS:

A. NEW FUND OFFER (NFO)

| <p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors.</p> | <p>NFO opens on:_____</p> <p>NFO closes on:_____</p> <p><i>(mention provision, if any, for extension and/or early closure)</i></p> | | | | | | | | | | |
|---|---|-----------|--|--------------------|-------|---------------------------|------|-------------------------------------|------|--------------------------|----------|
| <p>New Fund Offer Price:</p> <p>This is the price per unit that the investors have to pay to invest during the NFO.</p> | <p>Rs. 10/- per unit, subject to the applicable load.</p> | | | | | | | | | | |
| <p>Minimum Amount for Application in the NFO</p> | <p>Rs. 5000/- per application</p> | | | | | | | | | | |
| <p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.</p> | <p>Rs. One Crore (for Plan and Plan B) of the scheme.</p> | | | | | | | | | | |
| <p>Plans / Options offered</p> | <p>Dividend and Growth. Dividend Option is offered with Reinvestment and Payout facility.</p> | | | | | | | | | | |
| <p>Dividend Policy</p> | <p>Subject to SEBI Regulations from time to time regarding payment and distribution of dividend, the scheme shall endeavour to declare dividend on periodic basis.</p> | | | | | | | | | | |
| <p>Allotment</p> | <p>Allotment price will be on the basis of the closing value of the gold prices on the allotment date. Each unit of SBI GETS will be approximately equal to 1 gram of gold.</p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th colspan="2" style="text-align: center;">Allotment</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Minimum Investment</td> <td style="text-align: center;">10000</td> </tr> <tr> <td style="text-align: center;">Price of one gram of Gold</td> <td style="text-align: center;">1300</td> </tr> <tr> <td style="text-align: center;">Issue Price of One unit of SBI GETS</td> <td style="text-align: center;">1300</td> </tr> <tr> <td style="text-align: center;">No. of SBI GETS allotted</td> <td style="text-align: center;">7.692308</td> </tr> </tbody> </table> <p style="margin-top: 10px;">Above table is just for illustration</p> | Allotment | | Minimum Investment | 10000 | Price of one gram of Gold | 1300 | Issue Price of One unit of SBI GETS | 1300 | No. of SBI GETS allotted | 7.692308 |
| Allotment | | | | | | | | | | | |
| Minimum Investment | 10000 | | | | | | | | | | |
| Price of one gram of Gold | 1300 | | | | | | | | | | |
| Issue Price of One unit of SBI GETS | 1300 | | | | | | | | | | |
| No. of SBI GETS allotted | 7.692308 | | | | | | | | | | |

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| Refund | If application is rejected, full amount will be refunded within 6 weeks of closure of NFO. If refunded later than 6 weeks, interest @ 15% p.a. for delay period will be paid and charged to the AMC. |
| <p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p> | <p>Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions. The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> a. Indian resident adult individuals, either singly or jointly (not exceeding three); b. Minor through parent / lawful guardian; (please see the note below) c. Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860; d. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds; e. Partnership Firms constituted under the Partnership Act, 1932; f. A Hindu Undivided Family (HUF) through its Karta; g. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; h. Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) on full repatriation basis or on non-repatriation basis; i. Foreign Institutional Investors (FIIs) registered with SEBI on full repatriation basis; j. Army, Air Force, Navy and other para-military funds and eligible institutions; k. Scientific and Industrial Research Organisations; l. Provident / Pension / Gratuity and such other Funds as and when permitted to |

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| | <p>invest;</p> <ul style="list-style-type: none"> m. International Multilateral Agencies approved by the Government of India / RBI; and n. The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws). o. A Mutual Fund through its schemes, including Fund of Funds schemes. <p>Note: Minor Unit Holder on becoming Major may inform the Registrar about attaining Majority Age and provide his specimen signature duly authenticated by his banker as well as his details of bank account and PAN (if required) to enable the Registrar to update their records and allow him to operate the Account in his own right.</p> <p>Notes :</p> <ol style="list-style-type: none"> 1. Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. 2. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarized or the relevant resolution or authority to make the application as the case may be, or duly notarized copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the |
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| | <p>Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorizing such purchases and redemptions.</p> <p>Applications not complying with the above or incomplete in nature are liable to be rejected.</p> <p>3. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.</p> <p>4. Any request for withdrawal of application made during the New Fund Offer Period will be treated as Redemption request and shall be processed at the Redemption Price based on the first NAV declared by the Scheme after the close of New Fund Offer.</p> |
| How to Apply | <p>Please refer to the SAI and Application form for the instructions. However, investors are advised to fill up the details of their bank account numbers on the application form in the space provided. In order to protect the interest of the Unit holders from fraudulent encashment of cheques, SEBI has made it mandatory for investors in mutual funds to state their bank account numbers in their applications. SEBI has also made it mandatory for investors to mention their Permanent Account Number (PAN) transacting in the units of SBI Mutual Fund, irrespective of the amount of transaction.</p> |
| Listing | <p>The Fund would endeavor to get the units of the Scheme listed on the National Stock Exchange and/or any other stock exchange(s) as may be decided by the AMC within 30 days from the closure of the New Fund Offer period, subsequent buying or selling by investors can be made from the secondary market on the NSE.</p> |

B. ONGOING OFFER DETAILS

DETAILS APPLICABLE TO PLAN A AND PLAN B ARE AS FOLLOWS:

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| <p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p> | <p>W.e.f ____ (date) or within 30 days of the date of Closure of the NFO.</p> |
| <p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p> <p><i>Example: If the applicable NAV is Rs. 10, entry load is 2% then sales price will be:</i> $Rs. 10 * (1 + 0.02) = Rs. 10.20$</p> | <p>At the applicable NAV subject to the prevailing entry load</p> |
| <p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:</i> $Rs. 10 * (1 - 0.02) = Rs. 9.80$</p> | <p>At the applicable NAV subject to the prevailing exit load.</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>The Fund creates / redeems SBI GETS units in large blocks known as “Creation Unit”. The value of the “Creation Unit” is the basket of Underlying Gold called as the “Portfolio Deposit” and a “Cash Component” which will be exchanged for a fixed number of SBI GETS units. The Portfolio Deposit and the Cash Component, which defines the Creation unit are explained separately below. 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.</p> <p>a) <u>Creation:</u></p> <p>i) In respect of valid applications received upto 3 p.m. by the</p> |

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| | <p>Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable.</p> <p>ii) In respect of valid applications received after 3 p.m. by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable.</p> <p>b) <u>Redemptions:</u></p> <p>i) In respect of valid applications received upto 3 p.m. by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable.</p> <p>ii) In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.</p> <p>Applications for redemption of SBI GETS units have to be submitted in the prescribed format duly completed and signed alongwith the delivery order duly received by the DP stating the number of units transferred to the scheme's DP account. Application for redemption by non-individuals should be accompanied by certified copy of the board/governing body resolution clearly authorizing the official concerned to redeem units and to receive/ collect gold/cash after complying with operational procedure and formalities. The application for redemption in the prescribed form will have to be submitted at the designated ISC of the fund before the cut off time. The expenses associated with taking physical delivery of gold will</p> |
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| | have to be borne by the authorized participant / investor. | |
| Minimum amount for purchase/redemption | | |
| Type of Investor and Transaction Detail | Sale of unit by Mutual Fund | Redemption of unit by Mutual Fund |
| During NFO | | |
| Authorized Participants | Investment above Rs. 5000 | Not Applicable |
| Retail Investor | Investment above Rs. 5000 | Not Applicable |
| Institution | Investment above Rs. 1 Crore | Not Applicable |
| During Continuous Offer | | |
| Authorized Participants | In creation unit size | In creation unit size |
| Retail Investor | Only through stock exchange | Only through stock exchange |
| Institution | In creation unit size | In creation unit size |
| Minimum balance to be maintained and consequences of non maintenance. | SBIMF reserves the right to close an investor's account if the value of the unit balance in the account falls below the minimum subscription amount under the scheme. In such an event, SBIMF reserves the right to compulsorily redeem the balance units in the account completely at the applicable redemption price. | |
| Accounts Statements | <ul style="list-style-type: none"> Investors will be issued a Unit Statement of Account in lieu of Unit Certificate. Dispatch of Unit statement of account will be made as soon as possible but before the scheme re-opens for continuous offer in case of NFO investments The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within 10 working days from the date of investment during continuous offer. For those unitholders who have provided an e-mail address, the | |

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| | <p>AMC will send the account statement by e-mail.</p> <ul style="list-style-type: none"> The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. If an investor specifically makes a request in writing for issue of a Unit Certificate, the Unit Certificate shall be sent to the investor within 6 weeks of receipt of request as stipulated under SEBI Regulation 36. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated. |
| Dividend | The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend. |
| Redemption | The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase. |
| Delay in payment of redemption / repurchase proceeds | The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). |

C. PERIODIC DISCLOSURES

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| <p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p> | <p>The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9.00 pm and also on www.sbimf.com</p> <p>In case of SBI GETS, the NAV shall be calculated for all business days and released to the Press.</p> | | |
| <p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p> | <p>SBI mutual fund shall publish a complete statement of the scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located. The mutual fund may opt to send the portfolio to all unit holders in lieu of the advertisement (if applicable).</p> | | |
| <p>Half Yearly Results</p> | <p>SBI Mutual Fund and Asset Management Company shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.</p> | | |
| <p>Annual Report</p> | <p>Scheme wise Annual Report or an abridged summary thereof shall be mailed to all unitholders within six months from the date of closure of the relevant accounts year i.e. 31st March each year.</p> | | |
| <p>Associate Transactions</p> | <p>Please refer to Statement of Additional Information (SAI).</p> | | |
| <p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature of the implications, each investor</p> | | | |
| | | <p>Resident Investors</p> | <p>Mutual Fund</p> |

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| <p>is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.</p> <p><i>(mention the tax rates as per the applicable tax laws)</i></p> | Tax on Dividend | Nil, in the hands of investors | In Plan A - 14.1625 % In Plan B - 22.66% |
| | Capital Gains: Long Term Short Term | Nil 15% (including surcharge and education cess) | Nil 15% (including surcharge and education cess) |
| | For further details on taxation please refer to the clause on Taxation in the SAI | | |
| Investor services | <p>Details of Investor Relations Officer of the AMC: Name: C.A. Santosh Address: SBI Funds Management Pvt. Ltd., Maker Tower “E”, 4th floor, Cuffe Parade, Mumbai - 400 005 Telephone number: 022 - 2218 0221 e-mail: customercare@sbimf.com</p> | | |

D. COMPUTATION OF NAV

The Net Asset Value (NAV) of the Units of SBI GETS will be determined and published on all business days or as may be prescribed by the SEBI Regulations. The NAV under SBI GETS shall be calculated up to 4 decimals as follows or such other formula as may be prescribed by SEBI from time to time:

$$\text{NAV} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Current Liabilities and Provision}}{\text{No of Units outstanding under Scheme on the Valuation Date}}$$

NAV Information: The NAV of the Scheme will be calculated and declared by the Fund on every Working Day by 9.00 p.m. The information on NAV including sale or purchase price of the units of SBI GETS may be obtained by the unitholders, on any business day from the office of the AMC / the office of the Registrar or any of the Investor Service Centres. The NAV shall be published in atleast two daily newspapers on a daily basis as per the SEBI Regulations. Further, as per SEBI Regulations, the repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV and the difference between the repurchase price and sale price shall not exceed 7% on the sale price. In the case of close-ended scheme the repurchase price shall not be lower than 95% of the NAV.

IV. FEES AND EXPENSES

DETAILS APPLICABLE TO PLAN A AND PLAN B ARE AS FOLLOWS:

A. NEW FUND OFFER (NFO) EXPENSES

SBI GETS being an open ended scheme, the expenses to be incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. will be met out from the Entry Load in accordance with SEBI circular dated January 31, 2008.

B. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated that upto 2.5% of the weekly average net assets of Plan A and upto 1.5% of the weekly average net assets of Plan B will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Plan A

| Recurring Expenses: | |
|---|------------|
| Items % of average daily net assets (estimated) | |
| Investment Management and Advisory Fees | 0.5 |
| Cost relating to Investors communication | 0.25 |
| Custodial Fees | 0.5 |
| Registrars Fees & Processing Charges including stamp duty, if any | 0.1 |
| Listing Fees | 0.01 |
| Marketing & Sales Promotion | 1.1 |
| Miscellaneous and other charges | 0.04 |
| Total | 2.5 |

Plan B

| Recurring Expenses: | |
|---|------|
| Items % of average daily net assets (estimated) | |
| Investment Management and Advisory Fees | 0.5 |
| Cost relating to Investors communication | 0.05 |
| Custodial Fees | 0.5 |
| Registrars Fees & Processing Charges including stamp duty, if any | 0.1 |

| | |
|---------------------------------|------------|
| Listing Fees | 0.01 |
| Marketing & Sales Promotion | 0.3 |
| Miscellaneous and other charges | 0.04 |
| Total | 1.5 |

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations. However, as per regulation 52 of SEBI (MF) Regulations, following maximum limits are applicable to the scheme:

- i) 2.50% on the first Rs.100 Crore of average weekly net assets.
- ii) 2.25% on the next Rs.300 Crore of average weekly net assets.
- iii) 2.00% on the next Rs.300 Crore of average weekly net assets.
- iv) 1.75% on the balance of the average weekly net assets.

The mutual fund would update the current expense ratios on the website within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.sbimf.com) or may call at (toll free no.) or your distributor.

During New Fund Offer

Plan A

| Application Size | Entry Load | Exit Load |
|------------------|------------|-----------|
| Upto 1 Lac | 1.50% | Nil |
| 1 Lac- 5 Lacs | 1.00% | Nil |
| 5 Lacs- 50 Lacs | 0.75% | Nil |
| 50 Lacs- 1Crore | 0.50% | Nil |

Plan B

| Application Size | Entry Load | Exit Load |
|------------------|------------|-----------|
| Above 1 Crore | Nil | Nil |

During Continuous Offer

| Type of Plan | Entry Load | Exit Load |
|---------------|------------|-----------|
| Plan A | Nil | Nil |
| Plan B | Nil | Nil |

Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

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

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

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

Note:– The Mutual Fund may charge the load within the stipulated limit of 7% and without any discrimination to any specific group of unit holders. However, any change at a later stage shall not affect the existing unit holders adversely.

Any imposition or enhancement in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. At the time of changing the load structure, the mutual fund may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

- 1) The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.
- 2) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
- 3) The introduction of the exit load/ CDSC alongwith 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/CDSC.
- 4) A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
- 5) Any other measures which the mutual funds may feel necessary.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI circular SEBI/IMD/CIR No. 10/ 112153 /07 dated December 31, 2007, no entry load shall be charged for direct applications received by the Asset Management Company (AMC) i.e. applications received through internet, submitted to AMC or Official Points of acceptance / Investor Service Centre that are not routed through any distributor/agent/broker. This provision shall also be applicable to additional purchases done directly by the investor under the same folio and switch-in to a scheme from other schemes if such a transaction is done directly by the investor.

In this regard, investors are required to take note of the following:

- 1) If the Application Form contains Broker Code and the Investor desires to make direct investment, the Broker Code must be struck off by the investor with due signature or authentication so as to indicate direct investment.
- 2) If the Application Form does not contain Broker Code and the Investor desires to make direct investment, the Investor must mention "Direct" in the space provided for Broker Code so as to indicate Direct Investment. The column should not, in any case, be left blank by the investor. i.e. it is either struck off or indicated as Direct Investment or Not Applicable. In absence of clear instructions from the investor, the default option in the scheme/plan would be treated as - "Direct".
- 3) Investors must note that for the purpose of Direct Investment, list of Investor Service Centers (ISC)/Investors Service Desks (ISD) has been provided in the Offer Document and Key Information Memorandum and is also available on the website of SBIMF i.e. www.sbimf.com.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

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

1. Pending Legal Proceedings

Apart from the ordinary routine litigation incidental to the business of the Fund, there is no petition / summary suit against the Fund pending in the Court.

Our Sponsor, the State Bank of India is India's largest bank with branches in India and offices in countries worldwide. In addition to this, SBI also has 7 associates and 1 banking subsidiary in addition to other non-banking subsidiaries in India. To the best of our knowledge there are no criminal cases against the Sponsor, its Directors or Key Personnel, which will have any impact on the operations of SBI Mutual Fund.

2. Penalties Awarded by SEBI or any other Regulatory Body

The details of all cases of penalties awarded by SEBI under the SEBI Act or any of its regulations against the Sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the Asset Management Company, Trustee Company/ Board of Trustees, or any of the directors or key personnel (specifically the fund managers) of the Asset Management Company and Trustee Company and the penalties awarded by any financial regulatory body, including stock exchanges, for defaults in respect of shareholders, debenture holders and depositors and penalties awarded for any economic offence and violation of any securities laws, are as under:

A. The details of sponsors and associates are given below:

State Bank of Indore

Reserve Bank of India has imposed penalty of Rs. 5.00 lacs for non adherence of certain KYC norms relating to maintenance of account opening forms and monitoring operations in one of the Deposits Accounts, opened on 27/3/2000.

SBI Capital Markets Ltd.

- i. National Stock Exchange has levied a penalty of Rs. 5000/- in respect of WDM segment and Rs. 40,500/- in respect of capital market segment.
- ii. SEBI has issued show cause notice on 13/04/2006 in the matter of Public Issue of Syndicate Bank. The matter is pending.
- iii. SEBI has issued order on 12/01/20056 for investigation and examination of systematic fault in the matter of Public Issue of IDFC. The matter is pending.

CSDL / NSDL

SEBI has issued interim order No. UTIM/A/60/ISD/04106 on 27/04/2006 in the matter of investigation into Initial Public Offerings. The said order is stayed by Securities Appellate - Tribunal on appeal.

UTI Asset Management Co. Pvt. Ltd.

- a. A special leave petition filed by Income Tax Department before Hon'ble Supreme Court against the judgments and orders of Hon'ble High Court of Bombay in the matter of applicability of Interest Tax is pending.
- b. There are 23 criminal cases pending against the UTI MF or Key personnel relating to normal operations of UTI MF such as non transfer of units, non receipt of Unit certificates, non receipt of redemption proceeds etc. In most of the cases stay has been obtained from the High Courts.
- c. There are 36 cases pending in different courts related to suits/petitions filed by (i) contract workman (ii) Employees Association / Ex-employees etc. These cases are pending at different levels for adjudication.
- d. There are 736 CDRF cases pending in respect of the schemes of UTI Mutual Fund filed by various customers with Consumer Disputes Redressal Forum.
- e. There are two writ petitions pending before the Hon'ble Bombay High Court against the SEBI, UTI MF, UTI Trustee Company Pvt. Ltd. and UTI Asset Management Co. Pvt. Ltd. arising out of the winding up of UTI Growth & Value Fund - Bonus Plan with effect from 01/02/2005 in pursuance to circular dated 12/12/2003 of SEBI seeking payers inter alia, to declare the circular 12/12/2003 illegal, unenforceable in law, to issue directions to set aside the decisions to wind up the UTI Growth & Value Fund - Bonus Plan. The matters are pending for arguments and final hearing before the Hon'ble Court.

B. The details of SBIFMPL are given below:

There are some ordinary routine litigations incidental to the business of the Fund amounting to Rs.23.93 lakh, and the following petition / summary suit against the Fund is pending in the court. Summary suit no: 3799 of 1996, filed by M/s Morarka Finance Limited is pending in the High Court of Jurisdiction at Bombay. The Plaintiff has filed the suit for recovery of Rs. 8.44 lacs together with interest being excess price paid by them in the equity buyback transaction relating to the shares of M/s Pumpasar Distilleries Limited.

Apart from this, following are the details of Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority Against the AMC - SBI Funds Management private limited (SBIFMPL) in a capacity of Investment Manager to the SBI Mutual Funds:

- a. The case was filed at the High Court of Judicature at Bombay by M/s Morarka Finance Limited for recovery of Rs 8.44 lakhs together with interest being the excess price paid by them in equity buyback transaction relating to the shares of M/s Pampasar Distilleries

Limited. M/s A.R. Bhole and Company. Advocates are defending the case on our behalf. The filling of our written statement was delayed. The last hearing in the matter took place on 28th March 2003 and we are allowed to file our written statement. The next hearing in the matter is awaited.

- b. The Income tax authorities have raised demands against the Company -SBIFMPL amounting to Rs 30,65,44,130 as on 31st March 2006. SBI Funds Management Private Limited have preferred appeal against these demands which are pending before the Appellate authorities.
- c. SEBI have initiated an enquiry into the transactions in the shares of M/S Padmini Technologies Limited, during the period 2000-2001, which also covers an inquiry for the transaction made by SBI Mutual Fund in the shares of the Company.

All information in the Scheme Information Document and KIM shall be updated, considering the above observations, 30 days before the launch of the scheme.

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.