

# STATEMENT OF ADDITIONAL INFORMATION (SAI)

This Statement of Additional Information (SAI) contains details of Edelweiss Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the scheme information document)

**This SAI is dated June 22, 2018.**

#### **MUTUAL FUND:**

##### **Edelweiss Mutual Fund**

Edelweiss House,  
Off. C.S.T Road, Kalina,  
Mumbai 400 098  
[www.edelweissmf.com](http://www.edelweissmf.com)

#### **TRUSTEE:**

##### **Edelweiss Trusteeship Company Limited**

(CIN: U67100MH2007PLC173779)

**Corporate Office :** 801, 802 & 803, 8th  
Floor, Windsor, Off C.S.T. Road, Kalina,  
Santacruz (E), Mumbai 400 098

**Registered Office:** Edelweiss House,  
Off. C.S.T Road, Kalina, Mumbai 400 098

#### **SPONSOR:**

##### **Edelweiss Financial Services Limited**

Edelweiss House, Off.C.S.T Road,  
Kalina, Mumbai - 400 098  
[www.edelweissfin.com](http://www.edelweissfin.com)

#### **INVESTMENT MANAGER:**

##### **Edelweiss Asset Management Limited**

(CIN: U65991MH2007PLC173409)

**Corporate Office :** 801, 802 & 803, 8th  
Floor, Windsor, Off C.S.T. Road, Kalina,  
Santacruz (E), Mumbai 400 098

**Registered Office:** Edelweiss House,  
Off. C.S.T Road, Kalina, Mumbai - 400 098  
[www.edelweissmf.com](http://www.edelweissmf.com)

#### **REGISTRAR:**

##### **Karvy Computershare Private Limited**

Unit - Edelweiss Mutual Fund  
Karvy Selenium Tower B, Plot No 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda,  
Serilingampally, Hyderabad – 500 008,  
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## GENERAL DEFINITIONS

### **A. The following definitions/terms apply throughout this Statement unless the context requires otherwise:**

“Asset Management Company” or “AMC” or “Investment Manager”	Edelweiss Asset Management Limited, a company incorporated under the provisions of Companies Act, 1956 and approved by SEBI to act as the Asset Management Company for the scheme(s) of Edelweiss Mutual Fund.
“Applications Supported by Blocked Amount” or “ASBA”	An application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of a scheme. Hence, if an investor is applying through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units under the schemes of the Fund.
“Associate”	As defined in SEBI (Mutual Fund) Regulations, 1996, “associate” includes a person,— (i) who directly or indirectly, by himself, or in combination with relatives, exercises control over the asset management company or the trustee, as the case may be, or (ii) in respect of whom the asset management company or the trustee, directly or indirectly, by itself, or in combination with other persons exercises a control, or (iii) Whose director, officer or employee is a director, officer or employee of the asset management company.
“Calendar Year “	A Calendar Year shall be full English Calendar Year viz. 12 months commencing from 1st January and ending on 31st December.
“Channel Distributor”	Channel Distributors are those distributors who execute their clients’ investments/other transactions electronically with the AMC.
“Credit Risk”	Risk of default in payment of principal or interest or both.
“Credit Rating Agency”	A body corporate which is engaged in, or proposes to be engaged in, the business of rating of securities offered by way of public or rights issue under the SEBI (Credit Rating Agencies) Regulations, 1999.
“Custodian”	Standard Chartered Bank, Mumbai registered under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, acting as Custodian for the Scheme, and includes such Custodian(s) as may be appointed from time to time.
“Cut off Time/ Business Hours”	In respect of subscriptions and redemptions received by the Scheme, it means the outer limit of timings within a particular day/ Business day which are relevant for determination of the NAV/ related prices that is to be applied for a transaction.
“Debt Instruments”	Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass-through obligations, asset backed securities/securitised debt and other possible similar securities.
“Depository”	Depository as defined in the Depositories Act, 1996 (22 of 1996), as amended from time to time.
“Derivative/ Derivatives”	A financial instrument, traded on or off an exchange, the price of which is directly dependent upon (i.e., “derived from”) the value of one or more underlying securities, equity indices, debt instruments, commodities, other derivative instruments, or any agreed upon pricing index or arrangement (e.g., the movement over time of the Consumer Price Index or freight rates) etc. is known as a



	derivative. Derivatives involve the trading of rights or obligations based on the underlying product, but do not directly transfer property.
“Direct Application”	Direct Application means application for purchase of Units received from investors / Unit holders, which is lodged directly at the ISCs / Designated Collection Centre’s or made through the AMC Website, and which does not bear stamp or code of any distributor, sub-distributor, agent or broker or which is not routed through any such intermediary & /or an application which is marked as direct.
“Dividend”	Income distributed by the Mutual Fund on the units.
“Electronic Fund Transfer/ EFT”	Electronic Fund Transfer includes all the means of electronic transfers like Direct Credit / Debit, Electronic Clearing System (ECS), RTGS, NEFT, Wire Transfer or such like modes which may be introduced by relevant authorities from time to time.
“Entry Load” or “Sales Load”	Load on purchase / Switch in of Units based on the amount of investment (if applicable) &/or a plan or option.
“Equity related instruments”	Equity related instruments would include convertible bonds, convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other similar instrument.
“Exit Load” or “Repurchase Load” or “Redemption Load”	Load on Repurchase / Redemption / Switch out of Units based on the amount of investment (if applicable) and/or period of holding of units.
“FII”	Foreign Institutional Investor (FII), registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
“Financial Year”	A Financial Year shall be a full year viz. 12 months commencing from 1st April and ending on 31st March.
“Floating Rate Instruments”	Floating rate instruments are debt / money market instruments that have a variable coupon, equal to a reference rate e.g. MIBOR (Mumbai Interbank Offered Rate) or any other rate, plus a spread. The spread is a rate that remains constant. The frequency of coupon payments as well as reset may differ among such various instruments. At the beginning of each coupon period, the coupon is calculated by taking the fixing of the reference rate for that day and adding the spread.
“Fixed Income Securities”	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, SPVs(incorporated or otherwise) and any other entities, which yield at fixed rate by way of interest, premium, discount or a combination of any of them.
“Foreign Securities”	ADRs /GDRs /Equity /Debt of overseas companies/ ETF units listed on recognized stock exchanges overseas and or such other securities as are permitted by SEBI and as may be specified from time to time by SEBI and/or RBI.
“Gilt or Government Securities”	Under the Government Securities Act, 2006, “Government security” means a security created and issued by the Government for the purpose of raising a public loan or for any other purpose as may be notified by the Government in the Official Gazette and having one of the forms mentioned in section 3 of the said Act, as amended or re-enacted from time to time.
“Group”	As defined in Clause (ef) of Section 2 of MRTP Act, 1969.
“Investment Management Agreement”	The Agreement dated January 30, 2008 entered into between Edelweiss Trusteeship Company Limited and Edelweiss Asset Management Limited, as amended from time to time.
“Investor”	Any resident (person resident in India under the Foreign Exchange Management Act) or non-resident person (a person who is not a resident of India) whether an individual or not (legal entity), who is eligible to subscribe for Units under the laws of his/her/its/their state/country of incorporation, establishment, citizenship,



	residence or domicile and who has made an application for subscribing for Units under the scheme. Under normal circumstances, a Unit holder shall be deemed to be the investor.
“Investor Service Centres (ISC)/ Official Points of Acceptance(OPA)”	Investor Service Centres, as designated from time to time by the AMC, whether of the Registrar or AMC’s own branches, being official points of acceptance, authorized to receive Application Forms Purchase/ Redemption /Switch and other service requests/queries from investors/Unit Holders. For details please refer to the application form and/or website of the Mutual Fund at <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> .
“Load”	A charge that may be levied as a fixed amount &/or as a percentage of NAV or in any other manner at the time of entry into the Scheme/Plans or at the time of exiting from the Scheme/Plans.
“Money Market Instruments”	Money Market Instruments as defined in Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Generally, Money market instruments include commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, CBLO, certificates of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.
“Mutual Fund” or “The Fund”	Edelweiss Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882 and registered as a Mutual Fund with SEBI bearing SEBI Registration No. MF/057/08/02 dated April 30, 2008.
“NAV”	Net Asset Value of the Units of the Scheme calculated in the manner provided in the respective Scheme Information Document and in conformity with the SEBI Regulations as prescribed from time to time.
“New Fund Offer”/ “NFO”	The offer for Purchase of Units at the inception of the Scheme, available to the investors during the NFO Period.
“New Fund Offer Period”	The dates on or the period during which the initial subscription to Units of the scheme can be made as decided by Trustee, subject to the earlier closure or extension, if any.
“Non-Resident Indian”	Non-Resident Indian means a person resident outside India who is a citizen of India or is a person of Indian origin.
“Ongoing Offer”	Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer Period.
“Ongoing Offer Period”	The period during which the Ongoing Offer for subscription to the Units of the Scheme is made.
“Permissible Investments or Investments”	Collective or group investments made on account of the Unit holders in accordance with the SEBI Regulations.
“Portfolio”	The portfolio of the Scheme(s) of Edelweiss Mutual Fund would include all Permissible Investments and cash.
“Quant/Quantitative Analysis/ Quant Model”	Quant is an investment strategy, a business or financial analysis technique that seeks to understand behavior by selecting securities that are researched and back tested to meet investor’s objectives with higher transparency determined by rules-based quantitative analysis. In such techniques there is a computer-based model to determine whether an investment is attractive or not. The final decision to buy or sell is made by the model. However, there is a middle ground where the fund manager will use human judgment in addition to a quantitative model.
“RBI”	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
“Registrar and Transfer Agent” (RTA)	Registrar and Transfer Agent (RTA) means a person who has been granted a certificate of registration under the Securities and Exchange Board of India



	(Registrars to an Issue & Share Transfer Agents) Regulations, 1993. Karvy Computershare Pvt. Ltd. is currently acting as Registrar and Transfer Agent to the Scheme. AMC reserves the right to appoint any other entity as RTA from time to time.
“Repo/Reverse Repo”	Sale/Purchase of Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell them at a later date.
“Repurchase / Redemption”	Repurchase / Redemption of Units of the Scheme as permitted in accordance with the provisions of this SAI & SID.
“Sale / Subscription”	Sale or allotment of Units to the Unit holder upon subscription by the investor / applicant under the Scheme.
“Scheme”/“Schemes”	Any scheme (s) offered by Edelweiss Mutual Fund, details of which are mentioned in the respective SID.
“SEBI Regulations” or “Regulations”	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, including its Circulars, Notification & Guidelines.
“Securities”	As defined in Securities Contract (Regulation) Act, 1956 & includes notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund units, Money Market Instruments like Call Deposit, Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities.
“Self Certified Syndicate Bank” or “SCSB”	Self Certified Syndicate Bank/ SCSB is a bank registered under SEBI (Bankers to an issue) Regulations, 1994, which offers the facility of ASBA and is recognized as such by SEBI. SCSB are official collection centers for ASBA applications during NFOs. ASBAs can be accepted only by such SCSBs, whose names appear in the list of SCSBs as displayed by SEBI on its website at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> .
"Service provider"	"Service provider" means an entity offering or providing service of any description which is made available to the AMC on account of the Mutual Fund and includes the provision of facilities in connection with banking, finance, Custody, Fund Accountant, R&T, Mail / Courier, Electronic Transmission, Records, Storage/ Retrievals, Insurance, Communication, Processing, etc., individually &/or in any combination thereof or such other services as are required for the smooth functioning of the Mutual Fund.
“SID/Scheme Information Document”	SID shall mean the document issued by Edelweiss Mutual Fund offering Units of the schemes of the Mutual Fund for Subscription.
“Special Situations”	Special situations are out of the ordinary situations that companies find themselves in, from time to time. Such situations present an investment opportunity to the Fund Manager who can judge the implications of that opportunity that can unlock value for investors.
“Sponsor/ Settlor”	Edelweiss Financial Services Ltd. a company incorporated and registered under the Companies Act, 1956 including its successors and assigns.
“Statement of Additional Information/SAI/ Document”	This document issued by Edelweiss Mutual Fund containing details of Edelweiss Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the SID.
“Stock Lending”	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio as may be



	permitted by SEBI from time to time.
“Switch or Lateral Shift”	Redemption of a unit in any scheme of the Mutual Fund against purchase of a unit in another scheme (including the plans therein) of the Mutual Fund, subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched.
“Systematic Investment Plan / SIP”	A facility enabling Investor to invest fixed amount at regular interval. Investor can take advantage of the benefits of Rupee Cost Averaging, at the same time investing a fixed amount at regular interval.
“Systematic Transfer Plan/STP”	A facility enabling Unit Holders to transfer fixed amount at regular intervals from existing holding scheme/plan/option to any other scheme/plan/option of the Fund.
“Systematic Withdrawal Plan / SWP”	A facility enabling Unit Holders to withdraw fixed amount at regular intervals from existing Scheme / Plan / Option.
“Transaction Slip”	A form prescribed by the Fund for use by Unit Holders to request additional Purchase or Redemption of Units in the Scheme, switch of Units, change in bank account details and / or to for any other service / facilities offered by the AMC and mentioned in Transaction Slip.
“Trustee or Trustee Company or ETCL”	Edelweiss Trusteeship Company Ltd., a company incorporated under the provisions of the Companies Act, 1956, and appointed as the Trustee to Edelweiss Mutual Fund.
“Trust Deed”	The Trust Deed dated January 30, 2008 (read with all amendments and supplemental trust deeds thereto) made by and between the Edelweiss Financial Services Limited and Edelweiss Trusteeship Company Limited (“Trustee”), thereby establishing a trust, called Edelweiss Mutual Fund as amended from time to time.
“Unit”	The interest of the unit holders in a scheme, which consists of each unit representing one undivided share in the assets of a scheme.
“Unit holder”	Unit holder means a person holding unit in a scheme of a Mutual Fund.

Words or expressions not defined herein shall have the same meaning as assigned to them under the SID.

**Some of the common terms used in Derivatives are discussed as under:**

Put	An option contract giving the owner the right, but not the obligation, to sell a specified amount of an underlying asset at a set price within a specified time. The buyer of a put option estimates that the underlying asset will drop below the exercise price before the expiration date.
Call	An option contract that gives an investor the right (but not the obligation) to buy a specified amount of an underlying asset at a set price within a specified time. The buyer of a call option estimates that the underlying asset will increase above the exercise price before the expiration date.
Long	To buy
Short	To sell
In the money	An option with intrinsic value and one which would therefore be profitable for the holder to exercise, meaning a call option whose strike price is below the current price of the underlying instrument in the cash market, or a put whose strike price is above the underlying market.
At the money	An option with a strike price equal to the current market price of the underlying cash or futures contract.
Out of money	An option with no intrinsic value and one which would not be profitable for the



	holder to exercise, meaning a call option whose strike price is above the current price of the underlying instrument in the cash market, or a put whose strike price is below the underlying market.								
Option	A financial derivative that represents a contract sold by one party (option writer) to another party (option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (Exercise date).								
Future	A contractual agreement to buy or sell a particular financial instrument at a pre-determined price in the future. Futures contracts detail the quality and quantity of the underlying asset; they are standardized to facilitate trading on an exchange.								
Arbitrage	Attempting to profit by exploiting price differences of identical or similar financial instruments, on different markets or in different forms.								
Exposure/Gross exposure in case of derivative positions	<p>Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1" data-bbox="459 808 1358 958"> <thead> <tr> <th>Position</th> <th>Exposure</th> </tr> </thead> <tbody> <tr> <td>Long Future</td> <td>Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td>Short Future</td> <td>Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td>Option bought</td> <td>Option Premium Paid * Lot Size * Number of Contracts.</td> </tr> </tbody> </table> <p>In determining the exposure/ position in derivatives as a percentage to net assets, hedging positions shall not be considered.</p> <p>Gross exposure means sum of all long and short positions in derivatives excluding reversal of positions.</p> <p>For further details, please refer section on '<u>Investments Limitations and Restrictions in Derivatives</u>'.</p>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								

#### Abbreviations:

AMFI	Association of Mutual Funds in India	PAN	Permanent Account Number
EMF	Edelweiss Mutual Fund	RTGS	Real Time Gross Settlement
SPVs	Special Purpose Vehicles approved by the appropriate authority.	SEBI or Board	Securities and Exchange Board of India established under the SEBI Act, 1992
IMA	Investment Management Agreement	SEBI Act	Securities and Exchange Board of India Act, 1992
GOI	Government of India	SIP	Systematic Investment Plan
NACH	National Automated Clearing House	STP	Systematic Transfer Plan
NRI	Non Resident Indian	SWP	Systematic Withdrawal Plan
NEFT	National Electronic Fund Transfer	I.T. Act	The Income Tax Act, 1961 as amended from time to time.
KYC	Know Your Customer	PEKRN	PAN Exempt KYC Reference Number



**Interpretation:**

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

- (a) Words denoting any gender shall include all genders.
- (b) Words used in singular would include plural form and vice-versa.
- (c) A reference to a thing includes a part of that thing.
- (d) Any reference to any statute or statutory provision shall be construed as including a reference to any statutory modifications or re-enactment from time to time.
- (e) Clause headings are for ease of reference only and shall not affect the construction or interpretation of this Document.
- (f) All references to "US\$" refer to United States Dollars and "Rs." refer to Indian Rupees. A "Crore" means "ten million" and a "Lakh" means a "hundred thousand".
- (g) Words and expressions used herein but not defined shall have the meaning specified in the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, SEBI Act, 1992, SEBI (Mutual Funds) Regulations, 1996, Depositories Act, 1996, Reserve Bank of India Act, 1934, Public Debts Act, 1944, Information Security Act, 2000 and the Rules, Income Tax Act 1961, Contract Act 1872, Prevention of Money Laundering Act, 2002, Foreign Exchange Management Act & Regulations and the Rules, Regulations and Guidelines issued thereunder from time to time.



## **SECTION I - INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANIES**

### **A. CONSTITUTION OF EDELWEISS MUTUAL FUND:**

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Edelweiss Mutual Fund (the “Mutual Fund”) has been constituted as a trust vide Trust Deed dated January 30, 2008 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882), executed between Edelweiss Financial Services Limited (EFSL), as the Sponsor and Edelweiss Trusteeship Company Limited (ETCL) as the Trustee. The Trust Deed has been registered under the Indian Registration Act 1908. The Mutual Fund was registered with SEBI bearing registration no. MF/057/08/02 dated April 30, 2008.

At Edelweiss Mutual Fund, our objective is to provide high quality Investment Management services to a wide spectrum of investors. We wish to assess investors’ acceptable risk parameters and endeavour to achieve their financial goals. We believe that adhering to a disciplined investment process will steadily grow our investor’s assets. Our vision as a Mutual Fund is to be innovative and universally renowned asset manager providing excellent investment solutions, exemplary services and setting the highest ethical standards. We firmly believe that by placing the best interests of our customer first, we will also serve the best interests of our employees, stakeholders and our community.

### **B. SPONSOR**

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Edelweiss Mutual Fund is sponsored by Edelweiss Financial Services Limited (EFSL) (formerly Edelweiss Capital Limited). The Sponsor is the Settler of the Mutual Fund Trust. The Sponsor (EFSL) has entrusted a sum of Rs.1,00,000 to the Trustee as the initial contribution towards the corpus of the Edelweiss Mutual Fund.

#### ***A. Background & Activity:***

Edelweiss Financial Services Limited (EFSL) is one of India's leading diversified financial services Groups. It is a public Limited Company, incorporated under the Companies Act, 1956 and offers a full range of services and transactions expertise, including Portfolio Management Services, Merchant Banking, Insurance, Investment Advisory Services, Underwriting of Issues etc. It is listed on the BSE and NSE since December 2007.

EFSL commenced its business in 1996 & since then the group has grown from a boutique investment bank into a diversified Indian financial services conglomerates providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss's products and services span multiple asset classes and consumer segments across domestic and global geographies.

Its businesses are broadly divided into Credit Business (Mortgages including Housing Finance, Structured Collateralised Credit, Distressed Assets Credit, SME and Agri Finance, Rural Finance and other loans), Franchise & Advisory Businesses (Wealth Management, Asset Management and Capital Markets) and Insurance including life and general insurance. Edelweiss has an asset base of Rs.55,000 crore with revenue of Rs.8,623 crore and net profit of Rs.890crore for FY18 on a consolidated basis. Its consistent performance is evidenced by a PAT CAGR of 38% over the last 28 quarters and 65% over the last 15 years till FY18.

The group’s research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. The group has sizeable presence in large retail segment through its businesses such as Life Insurance, Housing Finance, Mutual Fund and Retail



Financial Markets. It serves its ~12,00,000 strong client base through 10,052 employees based out of 448 offices (including eight international offices) in around 200 cities. Together with a strong network of Sub-Brokers and Authorized Persons, Edelweiss group has presence across all major cities in India.

**B. Financial Performance of the Sponsor (past three years) :**

(Amount Rs. in millions)

Particulars	F.Y 2017-18	F.Y 2016-17	F.Y 2015-16
Total Income	4,398.30	4,504.65	3,383.41
Profit after tax	1,426.60	1,290.06	1,555.94
Net Worth*	33,597.10	17,195.14	16,039.25

\*Including Share Application

**C. THE TRUSTEE**

**a. Trustee Company:**

Edelweiss Trusteeship Company Limited (the "Trustee Company"), through its Board of Directors, discharges its obligations as trustee of the Edelweiss Mutual Fund. The Trustee ensures that the transactions entered into by Edelweiss Asset Management Limited are in accordance with the SEBI Regulations and also reviews the activities carried on by the AMC.

**b. Details of Trustee Directors:**

Name	Age/Qualification	Brief Experience
<b>Mr. Himanshu Kaji*</b>	Age: 52 yrs  Qualification: B. Com., F.C.A., PGD (Securities Law), Government Law College	Mr. Kaji is an Executive Director on the Board of Edelweiss Financial Services Limited and the Chief Operating Officer (COO) for Edelweiss Group since September 2009. He has over 28 years of work experience in the financial services industry, mostly in the capital market segment. Prior to joining Edelweiss, he was a Consultant/Corporate Advisor to a number of esteemed organizations. He was also an Honorary Treasurer & Official Spokesman and one of the youngest Directors to be elected on the Governing Board of BSE Limited, Mumbai.
<b>Mr. Kundapur Vasudev Hegde</b>	Age: 72 yrs  Qualification: M.Com, Fellow of Indian Institute of Bankers, Associate of Institute of Bankers(London)	Mr. Kundapur Vasudev Hegde is vastly experienced in the field of investment banking and financial advisory. His career in Canara Bank has spanned over a period of 4 decades, encompassing commercial & investment banking in all functional areas from branch and circle office to the head office. Of this, for over 6 years he was in Canara Bank's Asset Management Company as Executive Director/CEO, Managing Director and Nominee Director. For about 2 years, he was the first Managing Director of the bank's primary dealer company (Gilt Securities Trading Corp. Ltd.), culminating with the post of General Manager - Treasury & International



		Operations for 5 years. During this period, he was primarily responsible for raising debt and equity capital for the bank, which included the bank's maiden public issue. He has also acted as an interface to the institutional investor community, including analysts and Fund Managers, both foreign and domestic. Mr. Hegde had also taken up a full time assignment as Advisor (International Banking) for one year with IDBI Bank Ltd. between October 2005 and September 2006.
<b>Mr. M. Naganathan</b>	Age: 78 yrs  Qualification: B. Com., FCA	Mr. M. Naganathan is a fellow member of the Institute of Chartered Accountants of India with over 4 decades of experience in the field of Audit and Tax. He is associated with M/s. Price Patt & Co., Chartered Accountants, Chennai, since 1965 and is currently it's Senior Partner. Besides formerly being a Director on other companies and a visiting faculty for graduate and post graduate courses and with training colleges of Reserve Bank of India and other nationalized banks, he has also authored five books on accounting and related topics.
<b>Mr. Sunil N Phatarphekar</b>	Age: 54 yrs  Qualification: B. Com, LL.B	Mr. Sunil N Phatarphekar is the sole proprietor of SNP Legal (Advocates) and has over 25 years of experience as a practicing advocate. Prior to that he was a partner in Shah Desai Doijode & Phatarphekar, Advocates and Mahimtura & Co. Advocates. He started his career with Crawford Bayley & Company, Advocates and Solicitors. He is also a director on the Board of various companies.

\* The Director is associated with sponsor of Edelweiss Mutual Fund.

### 3. *Trustee Meetings*

Edelweiss Trusteeship Company Ltd. was incorporated on 3rd September, 2007 as Private Limited Company and was converted into Public Limited Company on 18th January, 2008. During each of the financial years 2015-16, 2016-17 and 2017-18 six or more meetings of the Board of Directors of the Trustee have been held.

### 4. *Supervisory Role of Trustee*

The supervisory role of the Trustee is discharged by the Board of Directors of the Trustee by internal and external reporting system:

**Internal Reporting:** The Compliance Officer of the AMC reports on a regular basis to the Trustee on the compliance of mandatory regulatory requirements. These reports are designed to assist the Board of Directors of the Trustee in ensuring that the AMC and the Mutual Fund are complying with the SEBI Regulations.

#### **External Reporting:**

(a) In terms of Regulation 18 of the SEBI Regulations, the Trustee ensures that before the launch of any scheme, the AMC has prepared a compliance manual and designed internal control mechanism including internal audit systems.



(b) In compliance of the SEBI Regulations, the Trustee has constituted an Audit Committee which is chaired by an Independent Trustee and appointed an independent Internal Auditors for conducting internal audit of the books and records of the Fund. The internal auditors submit their reports directly to the Trustee under the external reporting system.

(c) The Trustee discharges its supervisory role by having a number of checks and balances besides having continuous feedback from the AMC on important matters and a review of the Mutual Fund's operations at the periodical meetings of the Board of Directors of the Trustee Company, which are required to be held at least once in two calendar months as per the Regulations. The performance reports of all the Schemes are being placed before the Board of the Trustee Company at each meeting. The reports on statutory compliance and investor servicing are also regularly placed at such meetings by the AMC. Any exception to the bi-monthly compliance test report in respect of the Fund, which is required to be filed with SEBI by the AMC, is also placed before the Board of the Trustee Company.

### **5. *Rights and obligations of the Trustee***

In accordance with SEBI (Mutual Funds) Regulations, 1996 and the Trust Deed constituting the Mutual Fund, the Trustee is required to fulfill several duties and obligations, including the following:

(1) The Trustee and AMC shall, with the prior approval of the Board, enter into an Investment Management Agreement.

(2) The Investment Management Agreement shall contain such clauses as are mentioned in the Fourth Schedule and such other clauses as are necessary for the purpose of making investments.

(3) The Trustee shall have a right to obtain from the AMC such information as is considered necessary by the Trustee.

(4) The Trustee shall ensure before the launch of any scheme that the AMC, has,—

- (a) Systems in place for its back office, dealing room and accounting;
- (b) appointed all key personnel including fund manager(s) for the scheme(s) and submitted their bio-data which shall contain the educational qualifications, past experience in the securities market with the Trustee, within 15 days of their appointment;
- (c) appointed auditors to audit its accounts;
- (d) appointed a compliance officer who shall be responsible for monitoring the compliance of the Act, rules and regulations, notifications, guidelines, instructions, etc., issued by the Board or the Central Government and for redressal of investors grievances;
- (e) appointed registrars and laid down parameters for their supervision;
- (f) Prepared a compliance manual and designed internal control mechanisms including internal audit systems;
- (g) specified norms for empanelment of brokers and marketing agents.
- (h) obtained, wherever required under SEBI regulations, prior in principle approval from the recognized stock exchange(s) where units are proposed to be listed.

(4A) The compliance officer appointed under clause (d) of sub-regulation (4) shall immediately and independently report to the Board any non-compliance observed by him.

(5) The Trustee shall ensure that the AMC has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.

(6) The Trustee shall ensure that the AMC has not given any undue or unfair advantage to any associates or dealt with any of the associates of the AMC in any manner detrimental to the interest of the unit holders.

(7) The Trustee shall ensure that the transactions entered into by the AMC are in accordance with SEBI Regulations and the scheme(s).

(8) The Trustee shall ensure that AMC has been managing the Mutual Fund Scheme(s) independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of AMC.

(9) The Trustee shall ensure that all the activities of the AMC are in accordance with the provisions of SEBI Regulations.

(10) Where the Trustee has reason to believe that the conduct of business of the Mutual Fund is not in accordance with SEBI Regulations and the scheme, they shall forthwith take such remedial steps as they deem necessary and shall immediately inform SEBI of the violation and the action taken by them.

(11) Each Trustee shall file the details of his transactions in securities with the Mutual Fund on a quarterly basis.

(12) The Trustee shall be accountable for, and shall be the custodian of the funds and the property of the respective scheme(s) and shall hold the same in trust for the benefit of the unit holders in accordance with the SEBI Regulations and the provisions of trust deed.

(13) The Trustee shall take steps to ensure that the transactions of the Mutual Fund are in accordance with the provisions of the trust deed.

(14) The Trustee shall be responsible for the calculation of any income due to be paid to the Mutual Fund and also of any income received in the Mutual Fund for the holders of the units of any scheme in accordance with the SEBI Regulations and the trust deed.

(15) The Trustee shall obtain the consent of the unit holders of the Scheme:

- (a) Whenever required to do so by the SEBI in the interest of the unit holders; or
- (b) Whenever required to do so on the requisition made by three-fourths of the unit holders of any scheme; or
- (c) When the majority of the Trustee decide to wind up or prematurely redeem the units.

(15A) The Trustee shall ensure that no change in the fundamental attributes of any scheme or the trust or fees and expenses payable or any other change, which would modify the scheme and affects the interest of unit holders shall be carried out unless:

- (i) a written communication about the proposed change is sent to each unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as



in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated; and

- (ii) The unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.

(16) The Trustee shall call for the details of transactions in securities by the key personnel of the AMC in his own name or on behalf of AMC and shall report to SEBI, as and when required.

(17) The Trustee shall quarterly review all transactions carried out between the Mutual Fund, the AMC and its associates.

(18) The Trustee shall quarterly review the net worth of the AMC and in case of any shortfall, ensure that AMC makes up for the shortfall as per clause (f) of sub-regulation (1) of SEBI regulation 21.

(19) The Trustee shall periodically review all service contracts such as custody arrangements, transfer agency of the securities and satisfy itself that such contracts are executed in the interest of the unit holders.

(20) The Trustee shall ensure that there is no conflict of interest between the manner of deployment of its net worth by the AMC and the interest of the unitholders.

(21) The Trustee shall periodically review the investor complaints received and the redressal of the same by the AMC.

(22) The Trustee shall abide by the Code of Conduct as specified in the Fifth Schedule.

(23) The Trustee shall furnish to SEBI on a half-yearly basis,—

- (a) A report on the activities of the Mutual Fund;
- (b) A Certificate stating that the Trustees have satisfied themselves that there have been no instances of self-dealing or front running by any of the Trustees, directors and key personnel of the AMC;
- (c) A Certificate to the effect that the AMC has been managing the Scheme(s) independently of any other activities and in case any activities of the nature referred to in sub-regulation (2) of regulation 24 have been undertaken by the AMC and has taken adequate steps to ensure that the interests of the unit holders are protected.

(24) The independent Trustees referred to in sub-regulation (5) of regulation 16 shall give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of group companies of the sponsor.

(25) Trustee shall exercise due diligence as under:

**A. General Due Diligence:**

- (i) The Trustee shall be discerning in the appointment of the directors on the Board of the AMC.
- (ii) Trustee shall review the desirability or continuance of the AMC if substantial irregularities are observed in any of the Scheme(s) and shall not allow the AMC to float new Scheme(s).
- (iii) The Trustee shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
- (iv) The Trustee shall ensure that all service providers are holding appropriate registrations from SEBI or concerned regulatory authorities.
- (v) The Trustee shall arrange for test checks of service contracts.



(vi) The Trustee shall immediately report to SEBI of any special developments in the Mutual Fund.

**B. Specific due diligence:**

The Trustee shall:

- (i) Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee,
- (ii) Obtain compliance certificates at regular intervals from the AMC,
- (iii) Hold meeting of Board of Directors of Trustee Company more frequently.
- (iv) Consider the reports of the independent auditor and the compliance reports of the AMC at the meetings of the Trustees for appropriate action,
- (v) Maintain records of the decisions of the Trustee at their meetings and of the minutes of the meetings,
- (vi) Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel,
- (vii) Communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.

(26) Notwithstanding anything contained in sub-regulations (1) to (25), the Trustee shall not be held liable for acts done in good faith, if they have exercised adequate due diligence honestly.

(27) The independent directors of the Trustee or the AMC shall pay specific attention to the following, as may be applicable, namely:—

- (i) The Investment Management Agreement and the compensation paid under the agreement,
- (ii) Service contracts with affiliates—whether the AMC has charged higher fees than outside contractors for the same services,
- (iii) Selections of the AMC's independent directors,
- (iv) Securities transactions involving affiliates to the extent such transactions are permitted,
- (v) Selecting and nominating individuals to fill independent directors' vacancies,
- (vi) Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions,
- (vii) The reasonableness of fees paid to sponsors, AMC and any others for services provided,
- (viii) Principal underwriting contracts and their renewals,
- (ix) Any service contract with the associates of the AMC.

**6. Substantive provisions of the Trust Deed, which may be of material interest to the Unit holders:**

The Trust Deed dated January 30, 2008, contains, among others, the following clauses that may be of material interest to the unit holders:

**\* Trustee Meetings**

The Board of Directors constituting not less than 4 directors (or as such other minimum number of directors prescribed by SEBI under the SEBI Regulations) shall administer this body corporate. At least two-thirds of such directors (or as such other number prescribed by SEBI under the SEBI Regulations) shall be independent persons and shall not be associated with the Sponsor in any manner.

Subject to the provisions of SEBI Regulations, the Trustee Company shall ensure that:



- \* The Board of Directors of the Trustee Company shall meet as often as it may decide and in any event not less than six times in a year and not less than once in two calendar months or such other periodical meetings as may be prescribed by SEBI.
- \* The quorum for a meeting of the Board of Directors and the Committee of Directors shall be one-third (or such other number as may be prescribed by SEBI) of the total number of members (any fraction contained in that one third being rounded off as one), or two members, whichever is higher. However, each meeting shall have at least one independent director (or such other number as may be prescribed by SEBI).
- \* The Board of Directors may constitute committee/committees from among its members and may delegate to the said committee such powers and functions as it may deem fit. Any such committee/s shall in exercise of any powers so delegated conform to any regulations that may be imposed on it by the Board of Directors of the Trustee Company &/or SEBI.
- \* **Under the Trust Deed, duties and obligations also include the following:**
  - a. To market Units under any Scheme by disclosing to the public, the investment objective, method and periodicity of valuation of investments and any other details required by SEBI under SEBI Regulations.
  - b. To enter into agreements and contract with companies, firms and persons, containing such terms as may be deemed fit by the Trustee.
  - c. To procure and cause the companies, firms and persons with whom the Scheme is investing to execute, sign and deliver such deeds, declarations, undertakings, guarantees, indemnities and such other assurances as may be necessary in connection with the investment of the Mutual Fund, including the right to accept deposit of title deeds for creation of charge / mortgage whenever necessary and also to investigate the title to the properties offered as security.
  - d. To vary, alter or modify the terms and conditions, subject to which investments have been made from out of the Scheme.
  - e. To issue notices on conversion of one form of Securities into another form of Securities in the companies and / or firms with whom the Scheme has invested as per the terms and conditions of any agreement executed by such companies and / or firms with the Mutual Fund.
  - f. To accept pre-payment of Securities on such terms and conditions as the Trustee may deem fit and shall also give effective discharge of the monies so received.
  - g. To exercise all the powers, rights and privileges under the agreements / contracts entered into between the companies/firms with whom the Fund has invested and the Trustee and to carry out the duties and responsibilities cast upon under the agreements / contracts entered into by the Trustees.
  - h. To exercise all the rights, powers and privileges of holders of Securities whether such Securities have been obtained in the name of the Trustee Company/ or one or more Trustee, Custodians, or the Scheme(s).
  - i. To commence and prosecute any action or other proceedings in any court of law or through arbitration or in any other manner for recovery of Securities or sums of money, right, title or interest, property, claim, matter or thing whatsoever, now or hereafter to become due or payable or in anywise belonging to the Trust by any means or on any account whatsoever in respect of and pertaining to the Securities obtained by the investment of the Funds.
  - j. To appear in and defend or compromise any action or other proceedings now or hereafter to be instituted, commenced or prosecuted against the Trustee on behalf of the Trust in any court of law and / or through arbitration and to refuse and resist payment of any sum or sums of money or compliance with or fulfillment of any claim or demand or otherwise as the Trustee shall think fit.
  - k. To pay or satisfy or to compromise or compound upon such terms which the Trustee may deem expedient any debts, or damages owing to or claimed by or from or for which the



Trustee may be or may be alleged to be liable in respect of the transactions done with the Mutual Fund.

- l. To take proceedings in bankruptcy and winding up of firm / companies in which the Mutual Fund has invested and other processes against the estates of such firm / companies and or the promoters of firm / companies for any monies due in respect of Securities issued by such firms / companies and to take all steps and do all things requisite for recovery or making good any such amounts due in respect of the Securities.
- m. The Board of Directors shall furnish to the Trustee Company particulars of the interest which he may have in any other company, or institution or financial intermediary or any corporate by virtue of his position as director, partner or with which he may be associated in any other capacity.
- n. The Trustee may in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by responsible officer or officers for the time being of the Trustee and the Trustee may also whenever they think it expedient delegate by power of attorney or otherwise to any such officer all or any of the trusts, powers, authorities and discretions vested in them and any such delegation may be made upon such terms and conditions and remuneration and subject to such regulations (including power to sub delegate). Notwithstanding such delegation, the Trustee shall at all times be responsible for the acts and omissions of the delegates / appointees as if such acts or omissions are its own.
- o. To register or file or cause to be registered or filed in any Office of the Registrar / Sub-Registrar of Assurances or any court or with or by any body, corporation, company or person all deeds, notices, memorials, contracts, instruments or documents which it may be necessary or expedient to register or file.
- p. In order to carry out any one or more of above functions, the Trustee may execute one or more general or specific powers of Attorney in favour of its Director(s), consultants, lawyers or such other persons in such form and containing such stipulations as may be deemed fit by the Trustee.
  - To obtain the Securities in the name of the Trust and/or one or more Trustee, Custodians or Scheme(s).
  - To appoint such number of officers or other employees as the Trustee may consider necessary or desirable for the purpose of the Trust on such terms and conditions as the Trustee may deem fit and to terminate any such appointment.
  - Trustee shall as regards all trust, powers, authorities and discretions hereby vested in them have absolute and uncontrolled discretion as to the exercise thereof and in the absence of fraud shall be in no way responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or discretion of the Unit holders under any provisions of these presents unless so expressly required to act under SEBI Regulations.

#### **7. Amendments to the Trust Deed**

Settlor, with the consent of the Trustee may alter / amend / modify / substitute / add to or delete all or any of the clauses of this Trust Deed but without affecting the objects of the Trust. The consent of the Trustee aforesaid shall require a resolution passed at a meeting of the Board of Directors passed with not less than two third of the members of the Board of Directors present and voting in favour of such amendment. Such amendment as aforesaid shall be carried out by execution of a Supplementary Deed of Trust by Settlor and the then Trustee/s. No amendment to the Trust Deed other than that statutorily required under the SEBI Regulations shall be carried out without the prior approval of SEBI and the Unitholders, if necessary as per the SEBI Regulations. Provided however that in case the Trustee Company converts into a Board of Trustee, prior approval of the Unitholders shall not be required, though prior permission of SEBI would be required.

#### **8. Trusteeship Fees:**



- (i) In consideration of the services to be rendered by the Trustee, subject to SEBI Regulations and the Articles, the Trust shall pay to the Trustee a Trusteeship fee as may be agreed between the parties from time to time in accordance with the provisions of the SEBI Regulations.
- (ii) Subject to the Regulation and the Articles, the Trustee will be reimbursed out of pocket expenses such as traveling, boarding and lodging, stationery, etc. incurred for the meetings of its Board of Directors / its Committees in addition to the sitting fees and commission.
- (iii) The Trustee Fee shall be paid for by / distributed equitably or otherwise across all the Scheme(s) of Edelweiss Mutual Fund as may be decided by either the Trustee or otherwise. It can be different for each Scheme.

**9. Auditor of the Trusteeship Company:**

S. R. Batliboi & Co. LLP  
 Chartered Accountants  
 14<sup>th</sup> Floor, The Ruby,  
 29 Senapati Bapat Marg,  
 Dadar (West),  
 Mumbai - 400 028

**D. THE ASSET MANAGEMENT COMPANY**

**1. Identification of the Asset Management Company for the Mutual Fund:**

Edelweiss Asset Management Limited was incorporated as a Private Limited Company under the Companies Act, 1956 on August 23, 2007 and was converted into Public Limited Company on January 18, 2008. The company is having its Registered Office at Edelweiss House, Off. C.S.T Road, Kalina, Mumbai – 400098 and Corporate Office at 801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098. Edelweiss Asset Management Limited has been appointed as the Asset Management Company of Edelweiss Mutual Fund by the Trustee Company vide Investment Management Agreement (IMA) dated January 30, 2008, and executed between Edelweiss Trusteeship Company Limited and Edelweiss Asset Management Limited.

Edelweiss Mutual Fund (“Edelweiss MF”) has acquired the Schemes of JPMorgan Mutual Fund (“JPM Schemes”) and accordingly JPM Schemes stand transferred to and form part of Edelweiss MF on and from the close of business hours on November 25, 2016. Pursuant to the same:

- i. Edelweiss Trusteeship Company Limited has taken over the trusteeship of the JPM Schemes from JPMorgan Mutual Fund India Private Limited;
- ii. Edelweiss Asset Management Limited (‘AMC’) has taken over the rights to manage the JPM Schemes from JPMorgan Asset Management India Private Limited and become the investment manager of the JPM Schemes; and
- iii. JPMorgan Asset Management (Asia) Inc. has ceased to be the sponsor and Edelweiss Financial Services Limited shall assume the sponsorship of the acquired JPM Schemes.

The following schemes were launched by JPMorgan Mutual Fund and have been transferred to and form part of EMF on and from the close of business hours on November 25, 2016.

<b>Schemes acquired from JPMorgan Mutual Fund</b>	<b>Type of change</b>	<b>New scheme name/ Surviving Scheme Name post merger of Schemes</b>
JPMorgan India Liquid Fund	Merger	Edelweiss Liquid Fund  (Edelweiss Liquid Fund was merged in to JPMorgan India Liquid Fund)



JPMorgan India Active Bond Fund	Merger	Edelweiss Bond Fund (Edelweiss Bond Fund was merged in to JPMorgan India Active Bond Fund)
JPMorgan India Equity Income Fund	Merger	Edelweiss Equity Savings Advantage Fund (Edelweiss Equity Savings Advantage Fund was merged in to JPMorgan India Equity Income Fund)
JPMorgan India Mid and Small Cap Fund	Merger	Edelweiss Mid and Small Cap Fund (Edelweiss Emerging Leaders Fund was merged in to JPMorgan India Mid and Small Cap Fund)
JPMorgan India Top 100 Fund	Merger	Edelweiss Large Cap Advantage Fund ( JPMorgan India Top 100 Fund was merged into Edelweiss Diversified Growth Equity (E.D.G.E.) Top 100 Fund)
JPMorgan India Economic Resurgence Fund	Transfer	Edelweiss Economic Resurgence Fund
JPMorgan India Equity Fund	Transfer	Edelweiss Equity Opportunities Fund
JPMorgan India Tax Advantage Fund	Transfer	Edelweiss Tax Advantage Fund  (#In order to comply with the requirement of ELSS 2005 guidelines, further subscription / switch-in into Edelweiss Tax Advantage Fund is restricted with effect from October 17, 2016.)
JPMorgan India Balanced Advantage Fund	Transfer	Edelweiss Balanced Advantage Fund
JPMorgan India Treasury Fund	Transfer	Edelweiss Treasury Fund
JPMorgan India Short Term Income Fund	Transfer	Edelweiss Short Term Income Fund
JPMorgan India Banking and PSU Debt Fund	Transfer	Edelweiss Banking and PSU Debt Fund
JPMorgan India Corporate Debt Opportunities Fund	Transfer	Edelweiss Corporate Debt Opportunities Fund
JPMorgan India Government Securities Fund	Transfer	Edelweiss Government Securities Fund
JPMorgan Greater China Equity Off-shore Fund	Transfer	Edelweiss Greater China Equity Off-shore Fund
JPMorgan Emerging Markets Opportunities Equity Off-shore Fund	Transfer	Edelweiss Emerging Markets Opportunities Equity Off-shore Fund
JPMorgan ASEAN Equity Off shore Fund	Transfer	Edelweiss ASEAN Equity Off shore Fund
JPMorgan Europe Dynamic Equity Off-shore Fund	Transfer	Edelweiss Europe Dynamic Equity Off-shore Fund
JPMorgan US Value Equity	Transfer	Edelweiss US Value Equity Offshore Fund



Offshore Fund		
JPMorgan India Fixed Maturity Plan – Series 14	Transfer	Edelweiss Fixed Maturity Plan – Series 14
JPMorgan India Fixed Maturity Plan – Series 20	Transfer	Edelweiss Fixed Maturity Plan – Series 20
JPMorgan India Fixed Maturity Plan – Series 35	Transfer	Edelweiss Fixed Maturity Plan – Series 35
JPMorgan India Fixed Maturity Plan – Series 37	Transfer	Edelweiss Fixed Maturity Plan – Series 37 (Matured on May 08, 2017)
JPMorgan India Fixed Maturity Plan – Series 38	Transfer	Edelweiss Fixed Maturity Plan – Series 38
JPMorgan India Fixed Maturity Plan – Series 40	Transfer	Edelweiss Fixed Maturity Plan – Series 40
JPMorgan India Income Fund – Series 501	Transfer	Edelweiss Income Fund – Series 501
JPMorgan India Fixed Maturity Plan – Series 502	Transfer	Edelweiss Fixed Maturity Plan – Series 502

Further, the AMC also acts as the investment manager for: 1) Edelweiss Multi Strategy Investment Trust, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/12-13/0004; 2) Edelweiss Alpha Fund, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/13-14/0047; and 3) Edelweiss Alternative Investment Opportunities Trust, a Category II Alternative Investment Fund having SEBI Registration No. IN/AIF2/17-18/0502 (collectively known as the “AIFs”) and other AIFs set up from time to time. While, undertaking the said Business Activity, the AMC shall ensure that (i) there is no conflict of interest with the activities of the Mutual Fund; (ii) there exists a system to prohibit access to insider information as envisaged under SEBI (Mutual Funds) Regulations, 1996; and (iii) Interest of the Unit holder(s) of the Scheme(s) of the Mutual Fund are protected at all times.

### **Shareholders of the AMC:**

Edelweiss Asset Management Limited is a wholly owned subsidiary of Edelweiss Financial Services Limited, the Sponsor. The substantial part of the paid-up capital of Edelweiss Asset Management Limited is held by Edelweiss Financial Services Limited, through its subsidiary companies and nominees.

### **2. Details of the AMC Directors:**

<b>Name</b>	<b>Age/Qualification</b>	<b>Brief Experience</b>
<b>Mr. Anurag Madan *</b>	Age: 69 yrs  Qualification: B.A., CAIIB, CFP	Mr. Anurag Madan holds a Bachelor's degree in Economics from University of Delhi. He has also completed the CAIIB (Certified Associates of Indian Institute of Bankers) and is a CFP (Certified Financial Planner). Mr. Madan has more than 41 years of experience in financial services industries including banking and asset management out of which 23 years were with State Bank of India, India's largest commercial bank, in various assignments in India and abroad, ranging from International Finance to Merchant Banking to Commercial Banking and SBI Mutual Fund. He also served as COO of Sun F&C Asset Management Company Limited for 5 years and prior



		to that as Director (Marketing & Operations) for 4 years. Mr. Madan was the Whole Time Director of the AMC for around 5 years, prior to which he was the Group Chief Operating Officer at Edelweiss Financial Services Limited for around 4 1/2 years.
<b>Mr. Hemant Daga*</b>	Age: 36 yrs Qualification: PGDM from IIM – Bangalore & Company Secretary	Mr. Hemant Daga has more than 14 years of extensive experience in the financial services sector particularly in the areas of multi asset class investment across Indian and Global markets. In his past assignments, he was the Chief Executive Officer of the Global Markets business of Edelweiss Financial Services Limited from October 2005 – July 2017. Prior to that he was also associated with ICICI Bank in the Global Markets Division from May 2003 – September 2005.
<b>Mr. U. R. Bhat</b>	Age: 66 yrs  Qualification: M.Sc.(IIT, Kanpur), Fellow, Chartered Institute of Bankers',(London)	Mr. U.R. Bhat is one of India's well known investment advisors having managed institutional money for more than a decade. At present, Mr. Bhat is a Director of Dalton Capital Advisors (India) Pvt. Ltd., an investment advisory company of the Dalton Group, London, a global money management house. Prior to this, he was Chief Investment Officer of Jardine Fleming in India - that subsequently became a part of JP Morgan - advising the India dedicated funds of the Flemings Group, which had in excess of US\$ 1 billion invested in India. In the early nineties, he established a successful asset management business for Indian Bank, a leading public sector Bank in India.  He is a respected commentator in the electronic and print media and has been writing a well- regarded monthly editorial column for the last several years in the Economic Times, one of the world's largest financial dailies. He has been closely involved in formulating policies for benchmark indices for the Bombay Stock Exchange, Mumbai as a member of its Index Committee. He has also attended the advanced courses on Finance at the Harvard Business School and the Indian Institute of Management, Ahmadabad (IIM-A).
<b>Mr. Kanu Doshi</b>	Age: 81 yrs  Qualification: B.Com., B.A., FCA (Chartered Accountant)	Mr. Kanu Doshi is a Chartered Accountant with long professional career as a Tax consultant to leading Corporates & Mutual Funds.  Presently, he is the Dean (Finance) at the Welingkar Institute of Management Development & Research where he teaches MBA students on Tax Planning, Financial Management and allied subjects. He has co-authored the books on Taxation and Accounting.  He is also an also an Independent Director on companies like Reliance Capital Asset Management Ltd., Motilal Oswal Asset Management Ltd and Gartner India Pvt. Ltd.

\* The Director is associated with sponsor of Edelweiss Mutual Fund.

### 3. Duties & Obligations of the AMC

In accordance with SEBI (Mutual Funds) Regulations, 1996 the Investment Manager has several duties & obligations as mentioned below:



- (1) The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of SEBI Regulations and the trust deed.
- (2) The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
- (2A) The AMC shall obtain, wherever required under SEBI regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
- (3) The AMC shall be responsible for the acts of commission or omission by its employees or the persons whose services have been procured by the AMC.
- (4) The AMC shall submit to the Trustee quarterly reports of each year on its activities and the compliance with the SEBI Regulations.
- (5) The Trustee, at the request of the AMC may terminate the assignment of the AMC at any time, provided that such termination shall become effective only after the Trustee has accepted the termination of assignment and communicated their decision in writing to the AMC.
- (6) Notwithstanding anything contained in any contract or agreement or termination, the AMC or its directors or other officers shall not be absolved of liability to the Mutual Fund for their acts of commission or omission, while holding such position or office.
- (6A) The Chief Executive Officer (whatever his designation may be) of the AMC shall ensure that the Mutual Fund complies with all the provisions of SEBI Regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the Mutual Fund.
- (6B) The Fund Managers (whatever the designation may be) shall ensure that the funds of the Scheme(s) are invested to achieve the objectives of the scheme and in the interest of the unit holders.
- (7)(a) An AMC shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5 per cent or more of the aggregate purchases and sale of securities made by the Mutual Fund in all its Scheme(s).  

Provided that for the purpose of this sub-regulation, the aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the Mutual Fund.

Provided further that the aforesaid limit of 5 per cent shall apply for a block of any three months.
- (b) An AMC shall not purchase or sell securities through any broker (other than a broker referred to in clause (a) of sub-regulation (7)) which is average of 5 per cent or more of the aggregate purchases and sale of securities made by the Mutual Fund in all its Scheme(s), unless the AMC has recorded in writing the justification for exceeding the limit of 5 per cent and reports of all such investments are sent to the Trustee on a quarterly basis.  

Provided that the aforesaid limit shall apply for a block of three months.
- (8) The AMC shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities.  

Provided that the AMC may utilise such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half-yearly annual accounts of the Mutual Fund.

Provided further that the Mutual Fund shall disclose at the time of declaring half-yearly and yearly results:

  - (i) Any underwriting obligations undertaken by the Scheme(s) of the Mutual Funds with respect to issue of securities associate companies,
  - (ii) Devolvement, if any,



- (iii) Subscription by the Scheme(s) in the issues lead managed by associate companies,
  - (iv) Subscription to any issue of equity or debt on private placement basis where the sponsor or its associate companies have acted as arranger or manager.
- (9) The AMC shall file with the Trustee the details of transactions in securities by the key personnel of the AMC in their own name or on behalf of the AMC and shall also report to SEBI, as and when required by SEBI.
  - (10) In case the AMC enters into any securities transactions with any of its associates, a report to that effect shall be sent to the Trustee (at its next meeting).
  - (11) In case any company has invested more than 5 per cent of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same Mutual Fund in that company or its subsidiaries shall be brought to the notice of the Trustee by the AMC and be disclosed in the half-yearly and annual accounts of the respective scheme with justification for such investment, provided the latter investment has been made within one year of the date of the former investment calculated on either side.
  - (12) The AMC shall file with the Trustee and SEBI—
    - (a) Detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment;
    - (b) Any change in the interests of directors every six months; and
    - (c) A quarterly report to the Trustee giving details and adequate justification about the purchase and sale of the securities of the group companies of the Sponsor or the AMC, as the case may be, by the Mutual Fund during the said quarter.
  - (13) Each director of the AMC shall file the details of his transactions of dealing in securities with the Trustee on a quarterly basis in accordance with guidelines issued by SEBI.
  - (14) The AMC shall not appoint any person as key personnel who has been found guilty of any economic offence or involved in violation of securities laws.
  - (15) The AMC shall appoint Registrars and Share Transfer Agents who are registered with the SEBI. Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the scheme and for rates higher than the competitive market rates, prior approval of the Trustee shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
  - (16) The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule of the SEBI Regulations.
  - (17) The AMC shall -
    - not act as a Trustee of any mutual fund;
    - not undertake any other business activities except activities as specified under Regulation 24 of SEBI Regulations on commercial basis, if any of such activities are not in conflict with the activities of the Mutual Fund, without the prior approval of the Trustee and SEBI. Provided that the AMC may itself or through its subsidiaries undertake such activities if it satisfies SEBI that the key personnel of the AMC, the systems, back office, bank and securities accounts are segregated activity wise and there exist systems to prohibit access to inside information of various activities. Provided further that AMC shall meet capital adequacy requirements, if any, separately for each such activity and obtain separate approval, if necessary under the relevant regulations;
    - not invest in any of its Scheme unless full disclosure of its intention to invest has been made in the Scheme Information Document (SID);

Provided that the AMC shall not be entitled to charge any fees on its investment in that Scheme;



- not acquire any assets out of the Trust Fund which involves the assumption of any liability which is unlimited or which may result in encumbrance of the Scheme property in any way.
- (18) The AMC shall not carry out its operations including trading desk, unit holder servicing and investment operations outside the territory of India
- (19) (i) The AMC for each scheme shall keep and maintain proper books of account, records and documents, for each scheme so as to explain its transactions and to disclose at any point of time the financial position of each scheme and in particular give a true and fair view of the state of affairs of the Fund and intimate to SEBI the place where such books of account, records and documents are maintained.
- (ii) The AMC shall maintain and preserve for a period of eight years its books of account, records and documents.
- (iii) The AMC shall follow the accounting policies and standards as specified in Ninth Schedule of the Regulations so as to provide appropriate details of the schemewise disposition of the assets of the fund at the relevant accounting date and the performance during that period together with information regarding distribution or accumulation of income accruing to the unitholder in a fair and true manner.
- (20) The AMC shall compute and carry out valuation of investments made by its scheme(s) in accordance with the investment valuation norms specified in Eighth Schedule, and shall publish the same.
- (21) The AMC and the Sponsor shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate valuation
- (22) The AMC shall report and disclose all the transactions in debt and money market securities, including inter scheme transfers, as may be specified by the Board

**4. *Substantive provisions of the Investment Management Agreement which may be of material interest to the Unit holders:***

**\* Powers of the Investment Manager:** Unless otherwise specified, the Trustee Company hereby grants to the AMC, without limitation, all powers and privileges given to the Trustee Company under the Deed of Trust. However, the AMC shall exercise these powers subject to the superintendence, control and the direction of the Trustee Company to the extent required by the Regulations. The Trust hereby authorizes AMC to do all such acts or things on behalf of the Trust as may be incidental or consequential to the discharge of its responsibilities under this Agreement.

**\* Under the IMA, the duties & obligation of the AMC also include the following:**

1. Hold all assets of the Mutual Fund and the Scheme(s) of the Mutual Fund separate from its own assets, free and clear of all liens, claims and encumbrances of any party except as provided in this Agreement & the Trust Deed & SEBI Regulations and shall also segregate the assets under its management Scheme-wise in the books of accounts.
2. Shall appoint bankers for all Scheme(s).
3. Invest in or disinvest Securities of each Scheme in the best interest of the Unit holders and endeavour to maximise return for the Unit holders of the Scheme.



4. Shall make all reasonable endeavours to maximize income, depending on the nature of the Scheme and subject at all times to limitations, as prescribed in the Agreement.
5. Have the accounts of each Scheme audited in terms of the Scheme and SEBI Regulations.
6. Shall publish by public advertisement in newspapers and if so thought fit, in any other manner, the un-audited half-yearly accounts and audited annual accounts or such other periodical accounts as may be prescribed under the SEBI Regulations, of the various Scheme(s) as required under the Regulations.
7. Shall acquire, create and update databases on companies, financial instruments, markets, economic indices and other subjects to the satisfaction of the Trust in order to take investment, deployment and disinvestment decisions in a scientific manner and make them available without any charges to the Trust and make these available, with or without charge, wholly or partly to other entities.
8. No custodian in which the sponsor or its associates hold 50% or more of the voting rights of the share capital of the custodian or where 50% or more of the directors of the custodian represent the interest of the sponsor or its associates shall act as a custodian for the Mutual Fund constituted by the same sponsor or any of its associate or subsidiary company.
9. Make proper financial arrangement to meet Mutual Fund's obligations of payment for the Units repurchased by the Mutual Fund.
10. Shall be responsible for the acts and commissions or omissions by its employees or the persons whose services have been procured by the AMC.

In addition to the above, the AMC agrees and undertakes to perform all obligations laid down under the SEBI Regulations on an asset manager of a Mutual Fund.

#### **5. The AMC's Compensation**

In terms of the Investment Management Agreement and SEBI Regulations, the AMC is entitled to a Management and Advisory Fee. The total expense ratio of the Schemes (including investment management and Advisory Fees) shall not exceed the limit as stated in Regulation 52(6) and (6A) of SEBI (MF) Regulations.

The Investment Management Fee, if any shall be payable to the AMC from each Scheme and will be according to the SEBI Regulations. The Management Fee may be increased as may be mutually agreed between the Trustee and the AMC within the overall limits defined under SEBI Regulations. However, any decrease in management fee may be decided by the AMC at its own discretion.

The AMC shall bear the salaries of its director, officers and employees, the rent and utilities for its facilities, and other advisory and operating expenses and taxes thereon and any other expenses to be borne by the AMC.

#### **6. Key Personnel of the AMC:**

<b>Name</b>	<b>Designation</b>	<b>Age</b>	<b>Qualification</b>	<b>Total No. of years of Experience</b>	<b>Brief Experience</b>
<b>Ms. Radhika Gupta</b>	Chief Executive Officer	34	<ul style="list-style-type: none"> <li>• Graduate from The Jerome Fisher Program in Management and</li> </ul>	13 years	Radhika started her career at McKinsey & Company, New Jersey, U.S.A. as a Business Analyst, from 2005 to 2006. Post this, Radhika was a part of the Global Asset Allocation



			<p>Technology (5 year Joint Degree Program), University of Pennsylvania , Philadelphia</p> <ul style="list-style-type: none"> <li>• B.S. in Economics (Finance and Management) – The Wharton School</li> <li>• B.S. in Engineering (Computer Science Engineering) – The Moore School</li> <li>• Minor in Mathematics from the College of Arts and Sciences</li> </ul>		<p>team at AQR Capital, Greenwich, U.S.A., as Portfolio Manager, where she garnered her investment experience spanning over developed &amp; emerging equities and fixed income securities, from 2006 to 2009. Radhika was one of the founding members of Forefront Capital Management Pvt. Ltd., a public market alternative asset management firm from 2009 to 2014, prior to its acquisition by Edelweiss in 2014. From 2014 Radhika has been successfully heading Edelweiss Multi Strategy Funds Management Pvt. Ltd. a leading alternative asset manager, and a part of Edelweiss's Global Asset Management business.</p>
<b>Ms. Vijayalaxmi Khatri</b>	Head-Compliance and Risk	41	B.Com, CS	19 years	<p>Ms. Khatri has around 19 years of work experience in the Mutual Fund Industry in the areas of Compliance, Secretarial, Legal and Risk Management functions. Prior to joining Edelweiss Asset Management Ltd., she was associated with Daiwa Asset Management (India) Private Limited (formerly Shinsei Asset Management (India) Private Limited) in the Compliance and Corporate Secretarial Function. She was also associated with ICICI Prudential Asset Management Company Limited for around 7 years and FIL Fund Management Private Limited for little over one year.</p>



<b>Mr. George Jose</b>	Head-Operatios	39	B.Com	17 years	<p>Mr. Jose has over 17 years of work experience in the Financial Services sector. He was associated with Edelweiss Asset Management Limited (“EAML”) for a brief period in 2008-2009 for distributor related activities, post which he has been with EAML since April 2010 in the Investor Services function. Subsequently, he was appointed as the Head of Operations in February 2015.</p> <p>Prior to joining EAML, he has also been associated with ING Investment Management India Pvt. Ltd., Principal PNB Asset Management Co. Pvt. Ltd., ICICI Bank Ltd., Tech Process Solutions Ltd. and UTI Technology Services Ltd. in various capacities.</p>
<b>Mr. Niranjan Avasthi</b>	Head – Product & Marketing	32	CMA, M.Com and PGDMM	11 years	<p>Mr. Niranjan Avasthi is a Cost &amp; Management Accountant, Master of Commerce and Post Graduate Diploma in Marketing Management from Pune. He has an overall experience of 11 years in Products / Marketing and Sales. Prior to joining the AMC, he was associated with ICICI Prudential Asset Management Company Limited, Reliance Asset Management Limited and ICICI Securities Limited, wherein he covered product development and sales.</p>
<b>Mr. Neeraj Mittal</b>	Head - Institutional Sales	49	MBA	22 years	<p>Mr. Neeraj Mittal has an overall experience of 22 years. Prior to joining</p>



					Edelweiss Asset Management Limited, he was associated with DSP BlackRock Investment Managers Pvt. Ltd. wherein he was Head of Institutional Sales and ING Investment Management wherein he was part of Institutional Sales.
<b>Mr. Deepak Jain</b>	Head - Retail Sales	39	FCA, B.Com (Hons)	14 years	Mr. Deepak Jain has an overall experience of 14 years. Prior to joining Edelweiss Asset Management Limited, he was associated with DSP BlackRock Investment Managers Pvt. Ltd. as Head Sales - South & East, wherein he was responsible for Sales & Online distribution.
<b>Mr. Abdulla Chaudhari</b>	Head - Investor Services and R&T Operations	35	MBA (Operations Management)	11 years	Mr. Abdulla Chaudhari has an overall experience of 11 years. Prior to joining Edelweiss Asset Management Limited, he was associated with ITI Asset Management Limited as Head Investor Services, Reliance Asset Management Limited as part of Branch Operations team and BOI-AXA Investment Managers wherein he was part of Investor Services Team.

All the above mentioned Key Personnel are based in the Corporate Office.

**7. Fund Managers & Dealers being Key Personnel:**

<b>Name/ Qualification</b>	<b>Designation</b>	<b>Age</b>	<b>Total No. of yrs of Experience</b>	<b>Brief Experience</b>
<b>Mr. Harshad Patwardhan</b> Qualification: B.Tech. (IIT), MBA (IIM) and CFA	CIO – Equity	47	24 Years	Mr. Patwardhan has an overall work experience of over 24 years in the investment management function and has joined Edelweiss AMC as Chief Investment Officer - Equity and a key personnel. Prior to joining Edelweiss AMC, he was associated with JPMorgan Asset Management India Private Limited since June 2006 as CIO-Equities. Prior to that Mr. Patwardhan worked for two years with Deutsche Equities India Private Limited as a senior



				research analyst and has had extensive experience with several foreign brokerage houses covering a variety of sectors.
<b>Mr. Dhawal Dalal</b> Qualification: B.E. (Ahmedabad, Gujarat University, ) and MBA (University of Dallas, Irving )	CIO – Fixed Income	45	18 Years	Mr. Dhawal has joined Edelweiss AMC as Chief Investment Officer – Fixed Income in October 2016 and a key personnel. Prior to joining Edelweiss AMC, he was associated with DSP BlackRock Investment Managers Pvt. Ltd as Executive Vice President and Head of Fixed Income from January 2012 to July 2016, as Sr. Vice President and Head of Fixed Income schemes from January 2006 to December 2011 and as Asst. Vice President for fixed income products from May 1998 to December 2005. Prior to that he was associated with Merrill Lynch Investment Managers as Assistant Portfolio Manager, from August 1996 to April 1998.
<b>Mr. Gautam Kaul</b> Qualification: MBA (Pune University)	Fund Manager	39	16 Years	Mr. Kaul has joined Edelweiss AMC as Fund Manager – Fixed Income and is a key personnel. Prior to joining Edelweiss AMC, Mr. Kaul was associated as Fund Manager with IDBI Asset Management Limited from March 2010 to December 2016 and with Invesco Asset Management (India) Pvt. Ltd from November 2006 to February 2010.
<b>Mr. Rahul Dedhia</b> Qualification: B.E (Electronics) from Mumbai University and MBA (Finance) from MET College Mumbai	Fund Manager	32	8 Years	Mr. Rahul Dedhia, has over 8 years of experience in fixed income market including 6 years in the mutual fund industry. Prior to joining Edelweiss AMC, Mr. Dedhia was associated as Assistant Fund Manager with DHFL Pramerica Mutual Fund from March 2016 to October 2017 and with Deutsche Asset Management (India) Pvt. Ltd from July 2014 to March 2016.
<b>Mr. Bhavesh D Jain</b> Qualification: Master in Management Studies (MMS)	Fund Manager	32	10 years	Mr. Bhavesh Jain is a MMS and has more than 9 years of work experience. Prior to joining Edelweiss Asset Management Ltd., he was associated with Edelweiss Securities Limited as SGX Nifty Arbitrage trader.
<b>Mr. Bharat Lahoti</b> Qualification: BE (Electronics & Telecommunication) from Mumbai University and MMS (Finance) from N L Dalmia Institute of Management Studies	Fund Manager	37	11 years	Mr. Bharat Lahoti, is a BE (Electronics & Telecommunication) from Mumbai University and MMS (Finance) from N L Dalmia Institute of Management Studies and has an overall work experience of 10 years in the research function of financial services sector. Before joining Edelweiss Asset Management Limited as a Fund Manager – Equity and a Key Person, he was associated with D.E. Shaw India Software Pvt. Ltd. as a Senior Manager – Fundamental Research.



<b>Mr. Hiten P Shah</b> Qualification: Master in Management Studies (MMS)	Co-Fund Manager and Chief Dealer- Equities	33	10 years	Mr. Hiten Shah is a MMS in Finance and has over 9 years of work experience. Prior to joining Edelweiss Asset Management Ltd., he was associated with Edelweiss Securities Limited as Low Risk Arbitrage Trader.
<b>Ms. Visha Shah</b> Qualification : B.Tech (Information Technology), M.B.A. (Technology)	Dealer-Equity	28	6 years	Ms. Visha Shah has completed B. Tech (Information Technology), M.B.A. (Technology) from Narsee Monjee Institute of Management Studies, Mumbai. She has been associated with Edelweiss Asset Management Limited (“the AMC”), since May 21, 2012 as dealer under Portfolio Management Services of the AMC. Since July 22, 2014 she has been formally inducted as Equity Dealer to the equity dealing function of the Mutual Fund Division of the AMC.
<b>Mr. Mayur Dharmshi</b> Qualification: Bachelor in Commerce	Dealer-Equity	45	23 Years	Mr. Mayur Dharmshi, aged 44 years, has done his Bachelor in Commerce from Mumbai University. He has more than 22 years of work experience. Previously, he was associated with JPMorgan Asset Management India Private Limited since July 1, 1996 as a Equity Trader.
<b>Mr. Chirag Ganatra</b>	Dealer – Equity	32	11 years	Mr. Chirag Ganatra is a BMS Graduate. He has an overall experience of 11 years. Prior to joining the AMC, he was associated with Aster commodities DMCC wherein he covered ADR Trading and Edelweiss Securities Ltd, wherein he was responsible for capturing Cash-future Arbitrage Opportunity and managing market making of ETFs.

## 8. Research :

The Research function is part of the Investment Advisory Group of the AMC. The research process can be classified into two major verticals – Equity and Debt. On the equities side, the focus is on quantitative research, while on the Fixed Income side, it is on credit rating of instruments.

Quantitative research is based on factor/style investing. Broadly, the research would focus on developing systematic, replicable investment processes and risk management practices. The research process comprises of the following:

- Factor analysis: Identify factors that drive stock performance
- Strategy development: Develop investment strategies that use the identified factors for stock selection
- Allocation: Develop an allocation plan to match portfolios with product objectives
- Risk Management practices: Design risk management processes to ensure that portfolio performance is in line with the stated objectives and tolerance levels

Debt Research comprises of the following:



- Macro economic Analysis with focus on interest rate and liquidity estimation
- Microanalysis of issuer/instruments on the basis financial and non financial parameters  
 Issuer/issue rating by rating agencies.

<b>Name / Qualification</b>	<b>Designation</b>	<b>Age</b>	<b>Total No. of yrs of Experience</b>	<b>Brief Experience</b>
<b>Mr. Hardik Verma</b> Qualification: MBA (NMIMS, Mumbai) and CFA Level 3	Research Analyst - Equity	28	5 years	Mr. Hardik Verma, is an MBA from NMIMS, Mumbai and a CFA Level 3. He has an overall experience of 4 years as a Research Analyst and has been associated with the AMC since December 2016 as an Equity Research Analyst. Prior to joining the AMC, he was associated with ICICI Securities wherein he covered the Indian IT services sector based on their fundamentals and valuation.
<b>Mr. Harsh Kothari</b> Qualification: MBA-Finance (MET College, Mumbai) and Bachelor of Management Studies - Finance (Podar College, Mumbai)	Research Analyst - Equity	30	6 years	Mr. Harsh Kothari, is an MBA-Finance from MET College, Mumbai and Bachelor of Management Studies - Finance from Podar College, Mumbai. He has an overall experience of 5 years as a Research Analyst and has been associated with the AMC since April 2017 as an Equity Research Analyst. Prior to joining the AMC, he was associated with JPMorgan Asset Management as Research Analyst, conducting research on companies and tracking company earnings. Prior to that he was with Morgan Stanley Fund Services as Senior Analyst handling portfolio analysis, authoring fund commentaries and working on investment thesis.
<b>Ms. Pranavi</b>	Credit Analyst	32	7 years	Ms. Pranavi Kulkarni, is an



<b>Kulkarni</b>				Master of Business Administration and Bachelor of Engineering from Mumbai. She has an overall experience of 7 years as a Credit Analyst. Prior to joining the AMC, she was associated with CRISIL Limited and Yes Bank wherein she covered large corporates.	
<b>Ms. Beejal Shah</b>	Research Analyst Equity	–	26	3 Years	Ms. Beejal Shah has completed her Masters in Financial Engineering from the University of California, Los Angeles (UCLA) and B.S. Computer Science from Arizona State University. She has an overall experience of 3 years. Prior to joining the AMC, she was associated with Edelweiss Multi Strategy Funds Management Private Limited wherein she covered portfolio management and American Express where she was responsible for software development.

**9. Auditor for the AMC:**

Price Waterhouse Chartered Accountants, LLP  
 252 Veer Savarkar Marg,  
 Next to Mayor's Bungalow,  
 Shivaji Park, Dadar (West),  
 Mumbai - 400 028

**E. SERVICE PROVIDERS:**

**1. CUSTODIAN:**

Standard Chartered Bank, located at Crescenzo, 3rd floor, C-38/39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, is the custodian of the securities that are bought and sold under the Scheme(s) of Edelweiss Mutual Fund. The custodian is registered with SEBI under registration number IN/CUS/006.

**2. REGISTRAR & TRANSFER AGENT:**

Karvy Computershare Private Limited (KCPL) located at Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008 is the Registrar



and Transfer Agent for the Scheme(s) of Edelweiss Mutual Fund. The Registrar is registered with SEBI vide registration No. INR000000221.

The Board of the Trustees and the AMC have ensured that the Registrar and Transfer Agent has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching unit certificates to unitholders within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints.

KCPL accepts and processes investor’s applications and advice the AMC on the details relating to subscription, handle communications with investors, resolve investor grievances, perform data-entry services and despatch Unit Certificates and/or Accounts Statements and such other functions as agreed, on an ongoing basis. The AMC and the Trustee, after taking appropriate due diligence measures, are satisfied that the Registrar can provide the services required and have the adequate facilities to do so. The Registrar is responsible for carrying out diligently the functions of a Registrar and Transfer Agent and will be paid fees as set out in the agreement entered into with it and as per any modification made thereof, from time to time. The Trustee & the AMC reserves the right to change the Registrar at their discretion.

**3. STATUTORY AUDITORS FOR THE SCHEME(S) OF EDELWEISS MUTUAL FUND:**

S. R. Batliboi & Co. LLP, Chartered Accountants,  
 14<sup>th</sup> Floor, The Ruby,  
 29 Senapati Bapat Marg,  
 Dadar (West),  
 Mumbai - 400 028

**4. LEGAL COUNSEL:**

Nishith Desai Associates 93 B, Mittal Court, Nariman Point, Mumbai - 400 021, India	Khaitan & Co. Advocates, Solicitors, Notaries, Patent & Trademark Attorneys, One Indiabulls Centre, Tower 1, 13 <sup>th</sup> Floor, 841 Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013, India
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**5. COLLECTING BANKERS:**

The collecting bankers for the Scheme(s) shall be mentioned in the Key Information Memorandum (KIM). Currently, details of the collecting bankers are as provided below:

S.No.	Bank	SEBI Registration Number	Address
1.	HDFC Bank	INBI00000063	HDFC Bank Manekji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai 400 001
2.	ICICI Bank Ltd	INBI00000004	Capital Markets Division, 1st Floor 122, Mistry Bhavan, Dinshaw Vachha Road, Back Bay Reclamation, Churchgate, Mumbai 400 020
3.	Standard Chartered Bank	INBI00000885	CRESCENZO, Bandra Kurla Complex Bandra (East),



			Mumbai 400 051
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The above list of Collecting Bankers is indicative and not exhaustive. The AMC reserves the right to change/modify the list of collecting bankers and appoint other banks as collecting bankers from time to time subject to such banks being registered with SEBI as Collecting Bankers.

Applications for NFO of a Scheme will be accepted at the Investor Service Centers of the AMC or such collection bankers as will be specified in the SID of such Scheme.

## 6. FUND ACCOUNTANT

Standard Chartered Bank, located at Ground Floor, Standard Chartered Bank, 90 MG Road, Fort, Mumbai 400 001, India, has been appointed as the Fund Accountants for the Scheme(s) of the Fund. The Fund Accountants provide fund accounting, NAV calculation, expense administration and other related services in accordance with the Fund Administration Agreement between the AMC and the Fund Accountants. The Fund Accountant is entitled to remuneration for its services in accordance with the terms of the Fund Administration Agreement and such remuneration will be borne by the AMC and not by the Unit Holders unless permitted by the Regulations. The AMC reserves the right to change the Fund Accountant at its discretion.

## 7. PROFESSIONAL CLEARING MEMBER (PCM)

Edelweiss Custodial Services Ltd. (“ECSL”) has been appointed as the clearing member for the F&O Segment of the Schemes of Edelweiss Mutual Fund. ESL undertakes the clearing and settlement of trades done by Edelweiss Mutual Fund through a trading member or trading members subject to the provisions contained in the Rules, Bye Laws and regulations of Futures and Options Segment of National Securities Clearing Corporation Ltd (NSCCL) and the terms and conditions contained in the agreement between Edelweiss Mutual Fund & the PCM. The AMC reserves the right to change the PCM at its discretion.



**SECTION II CONDENSED FINANCIAL INFORMATION**

For all the schemes launched by Edelweiss Mutual Fund during the last three fiscal years (excluding redeemed schemes)

Historical per Unit Statistics	Edelweiss Emerging Market Opportunities Equity Off-shore Fund \$			Edelweiss Equity Savings Advantage Fund @		
	July 7, 2014			October 13, 2014		
Date of Allotment	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017
<b>NAV at the beginning of the year (Rs.)</b>						
Regular Growth	NA	9.8297	8.6344	NA	10.6418	10.8477
Regular Dividend	NA	NA	NA	NA	10.4917	10.3922
Regular Bonus	NA	NA	NA	NA	10.6425	10.8486
Direct Growth	NA	9.8774	8.7133	NA	10.6745	10.9196
Direct Dividend	NA	NA	NA	NA	10.5207	10.5587
Direct Bonus	NA	NA	NA	NA	10.6724	10.9166
<b>Dividend per unit:*</b>						
<b>Regular Plan</b>						
Corporate	NA	NA	NA	0.1500	0.1500	1.4800
Non-Corporate	NA	NA	NA	0.1500	0.1500	1.4800
<b>Direct Plan</b>						
Corporate	NA	NA	NA	0.1500	0.1500	0.7200
Non- Corporate	NA	NA	NA	0.1500	0.1500	0.7200
<b>NAV at the end of the year ** (Rs.)</b>						
Regular Growth	9.8297	8.6344	9.8682	10.6418	10.8477	11.8930
Regular Dividend	NA	NA	NA	10.4917	10.3922	10.5273
Regular Bonus	NA	NA	NA	10.6425	10.8486	11.8934
Direct Growth	9.8774	8.7133	9.9925	10.6745	10.9196	12.0009
Direct Dividend	NA	NA	NA	10.5207	10.5587	11.1299
Direct Bonus	NA	NA	NA	10.6724	10.9166	11.9991



<b>Absolute Returns **</b>						
Absolute Scheme Returns - Regular Growth	NA	-8.12%	14.29%	NA	5.71%	9.64%
Absolute Scheme Returns - Direct Growth	NA	-7.63%	14.68%	NA	6.19%	9.90%
Absolute Benchmark Returns	NA	-10.92%	9.78%	NA	2.59%	8.30%
Absolute Additional Benchmark Returns	NA	NA		NA	-2.71%	18.55%
<b>Net Assets end of period (Rs.in Crores)</b>	10.98	6.32	4.59	389.45	471.68	130.47
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	1.50%^	1.57%	1.63%	1.80%^	1.57%	1.45%
<b>Benchmark Index</b>	MSCI Emerging Markets Index			70% of CRISIL Liquid Fund Index and 30% in Nifty 50		
<b>Additional Benchmark Index</b>	NA			NIFTY 50 Index		

Historical per Unit Statistics	Edelweiss Economic Resurgence Fund \$			Edelweiss Balanced Advantage Fund \$	
	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017
<b>Date of Allotment</b>	February 3, 2015			April 9, 2015	
<b>NAV at the beginning of the year (Rs.)</b>					
Regular Growth	NA	10.034	9.375	NA	NA
Regular Dividend	NA	10.034	9.375	NA	NA



Regular Bonus	NA	NA	NA	NA	NA
Direct Growth	NA	10.061	9.492	NA	NA
Direct Dividend	NA	10.057	9.440	NA	NA
Direct Bonus	NA	NA	NA	NA	NA
<b>Dividend per unit: *</b>					
<b>Regular Plan</b>					
Corporate	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA
<b>Direct Plan</b>					
Corporate	NA	NA	NA	NA	NA
Non- Corporate	NA	NA	NA	NA	NA
<b>NAV at the end of the year ** (Rs.)</b>					
Regular Growth	10.0340	9.375	11.576	9.495	10.911
Regular Dividend	10.0340	9.375	11.577	9.495	10.909
Regular Bonus	NA	NA	NA	9.495	10.910
Direct Growth	10.0610	9.492	11.797	9.653	11.223
Direct Dividend	10.0570	9.440	11.680	9.533	10.998
Direct Bonus	NA	NA	NA	NA	NA
<b>Absolute Returns **</b>					
Absolute Scheme Returns - Regular Growth	NA	-5.43%	23.48%	NA	14.91%
Absolute Scheme Returns - Direct Growth	NA	-4.41%	24.28%	NA	16.27%
Absolute Benchmark Returns	NA	-8.71%	22.47%	NA	16.10%
Absolute Additional Benchmark Returns	NA	-11.01%	18.55%	NA	18.55%
<b>Net Assets end of period (Rs.in Crores)</b>	96.28	79.30	27.55	286.20	68.19
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	2.71%^	2.95%	2.999%	2.84%	2.87%



<b>Benchmark Index</b>	S&P BSE 200 Index	Crisil Balanced Fund Index
<b>Additional Benchmark Index</b>	NIFTY 50 Index	NIFTY 50 Index

<b>Historical per Unit Statistics</b>	<b>Edelweiss Arbitrage Fund</b>			<b>Edelweiss ETF - NIFTY 50</b>		
<b>Date of Allotment</b>	June 27, 2014			May 8, 2015		
	<b>April 01, 2014 to March 31, 2015</b>	<b>April 01, 2015 to March 31, 2016</b>	<b>April 01, 2016 to March 31, 2017</b>	<b>April 01, 2014 to March 31, 2015</b>	<b>April 01, 2015 to March 31, 2016</b>	<b>April 01, 2016 to March 31, 2017</b>
<b>NAV at the beginning of the year (Rs.)</b>						
Regular Growth	NA	10.7064	11.4593	NA	NA	7,844.997
Regular Dividend	NA	10.3673	10.3297	NA	NA	NA
Regular Bonus	NA	10.7064	11.4593	NA	NA	NA
Direct Growth	NA	10.7376	11.5364	NA	NA	NA
Direct Dividend	NA	10.3562	10.3603	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	NA	NA
<b>Dividend per unit: *</b>						
<b>Regular Plan</b>						
Corporate	0.33	0.7400	0.4750	NA	NA	NA
Non-Corporate	0.33	0.7400	0.4750	NA	NA	NA
<b>Direct Plan</b>						
Corporate	0.37	0.7400	0.4800	NA	NA	NA
Non-Corporate	0.37	0.7400	0.4800	NA	NA	NA
<b>NAV at the end of the year ** (Rs.)</b>						
Regular Growth	10.7064	11.4593	12.204	NA	7,844.99	9525.04
Regular Dividend	10.3673	10.3297	10.511	NA	NA	NA
Regular Bonus	10.7064	11.4593	12.204	NA	NA	NA
Direct Growth	10.7376	11.5364	12.367	NA	NA	NA
Direct Dividend	10.3562	10.3603	10.609	NA	NA	NA



Direct Bonus	NA	NA	NA	NA	NA	NA
<b>Absolute Returns **</b>						
Absolute Scheme Returns - Regular Growth	NA	8.03%	6.50%	NA	NA	21.42%
Absolute Scheme Returns - Direct Growth	NA	<b>8.44%</b>	7.20%	NA	NA	NA
Absolute Benchmark Returns	NA	8.39%	7.11%	NA	NA	18.55%
Absolute Additional Benchmark Returns	NA	1.72%	18.55%	NA	NA	NA
<b>Net Assets end of period (Rs.in Crores)</b>	417.74	872.15	1860.41	NA	10.32	2.62
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	1.05%	1.14%	1.11%	NA	0.15%	0.070%
<b>Benchmark Index</b>	CRISIL Liquid Fund Index			NIFTY 50 Index		
<b>Additional Benchmark Index</b>	NIFTY 50 Index			NA		

Historical per Unit Statistics	Edelweiss ETF - Nifty Bank			Edelweiss ETF - Nifty Quality 30		
	December 15, 2015			May 25, 2016		
Date of Allotment	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017
<b>NAV at the beginning of the year (Rs.)</b>						
Regular Growth	NA	NA	1,610.83	NA	NA	NA
Regular Dividend	NA	NA	NA	NA	NA	NA
Regular Bonus	NA	NA	NA	NA	NA	NA
Direct Growth	NA	NA	NA	NA	NA	NA
Direct Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	NA	NA



<b>Dividend per unit: *</b>						
<b>Regular Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
<b>Direct Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
<b>NAV at the end of the year ** (Rs.)</b>						
Regular Growth	NA	1,610.8284	2155.775	NA	NA	228.165
Regular Dividend	NA	NA	NA	NA	NA	NA
Regular Bonus	NA	NA	NA	NA	NA	NA
Direct Growth	NA	NA	NA	NA	NA	NA
Direct Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	NA	NA
<b>Absolute Returns **</b>						
Absolute Scheme Returns - Regular Growth	NA	NA	33.83%	NA	NA	NA
Absolute Scheme Returns - Direct Growth	NA	NA	NA	NA	NA	NA
Absolute Benchmark Returns	NA	NA	32.85%	NA	NA	NA
Absolute Additional Benchmark Returns	NA	NA	18.55%	NA	NA	NA
<b>Net Assets end of period (Rs.in Crores)</b>	NA	0.92	1.23	NA	NA	4.07
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	NA	0.20%	0.154%	NA	NA	0.504%
<b>Benchmark Index</b>	Nifty Bank Index			Nifty Quality 30 Index		
<b>Additional Benchmark</b>	NIFTY 50 Index			NIFTY 50 Index		



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Historical per Unit Statistics	Edelweiss Fixed Maturity Plan Series 37 \$			Edelweiss Fixed Maturity Plan Series 38 \$		
	April 30, 2014			April 30, 2014		
Date of Allotment	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017
<b>NAV at the beginning of the year (Rs.)</b>						
Growth	NA	NA	NA	NA	NA	NA
Dividend	NA	NA	NA	NA	NA	NA
Regular Growth	NA	10.9864	11.8359	NA	11.1038	11.9990
Regular Dividend	NA	10.9865	11.8359	NA	11.1029	11.9975
Regular Bonus	NA	NA	NA	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA	NA	NA	NA
Regular Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Regular Monthly Dividend	NA	NA	NA	NA	NA	NA
Regular Annual Dividend	NA	NA	NA	NA	NA	NA
Retail Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Growth	NA	11.0464	11.9721	NA	11.1846	12.1835
Direct Dividend	NA	NA	NA	NA	NA	NA
Direct Weekly Dividend	NA	NA	NA	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Direct Monthly Dividend	NA	NA	NA	NA	NA	NA
Direct Plan Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	NA	NA
<b>Dividend per unit: *</b>						
<b>Existing/Regular Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA	NA	NA	NA



Weekly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
Fortnightly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Fortnightly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
<b>Direct Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
<b>NAV at the end of the year ** (Rs.)</b>						
Growth	NA	NA	NA	NA	NA	NA
Dividend	NA	NA	NA	NA	NA	NA
Regular Growth	10.9864	11.8359	12.6871	11.1038	11.9990	13.0636
Regular Dividend	10.9865	11.8359	12.6871	11.1029	11.9975	13.0622
Regular Bonus	NA	NA	NA	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA	NA	NA	NA
Regular Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Regular Monthly Dividend	NA	NA	NA	NA	NA	NA
Regular Annual Dividend	NA	NA	NA	NA	NA	NA
Retail Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Growth	11.0464	11.9721	12.8523	11.1846	12.1835	13.2910
Direct Dividend	NA	NA	NA	NA	NA	NA
Direct Weekly Dividend	NA	NA	NA	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Direct Monthly Dividend	NA	NA	NA	NA	NA	NA



Direct Plan Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	NA	NA
<b>Absolute Returns **</b>						
Absolute Scheme Returns - Regular Growth	NA	7.73%	7.19%	NA	8.06%	8.87%
Absolute Scheme Returns - Direct Growth	NA	8.38%	7.35%	NA	8.93%	9.09%
Absolute Benchmark Returns	NA	9.40%	9.10%	NA	11.37%	<b>11.09%</b>
Absolute Additional Benchmark Returns	NA	11.39%	11.87%	NA	11.47%	11.87%
<b>Net Assets end of period (Rs.in Crores)</b>	23.53	25.38	26.70	32.86	35.46	38.20
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	0.92%^	0.91%	0.32%	1.00%^	1.01%	0.32%
<b>Benchmark Index</b>	CRISIL Short Term Bond Fund Index			CRISIL Composite Bond Fund Index		
<b>Additional Benchmark Index</b>	CRISIL 10 year Gilt Index			CRISIL 10 year Gilt Index		

Historical per Unit Statistics	Edelweiss Fixed Maturity Plan Series 40 \$			Edelweiss Corporate Debt Opportunities Fund \$		
Date of Allotment	August 27, 2014			September 28, 2014		
	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017	April 01, 2014 to March 31, 2015	April 01, 2015 to March 31, 2016	April 01, 2016 to March 31, 2017
<b>NAV at the beginning of the year (Rs.)</b>						
Growth	NA	NA	NA	NA	NA	NA
Dividend	NA	NA	NA	NA	NA	NA
Regular Growth	NA	10.6685	11.4951	NA	10.7479	11.5206
Regular Dividend	NA	10.6681	11.4958	NA	10.7479	11.5206
Regular Bonus	NA	NA	NA	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA	NA	10.7474	10.5880



Regular Fortnightly Dividend	NA	NA	NA	NA	10.7479	10.5740
Regular Monthly Dividend	NA	NA	NA	NA	10.7479	10.5164
Regular Annual Dividend	NA	NA	NA	NA	10.7479	11.5205
Retail Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Growth	NA	10.7065	11.6054	NA	10.7683	11.5974
Direct Dividend	NA	NA	NA	NA	10.7687	11.5981
Direct Weekly Dividend	NA	NA	NA	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Direct Monthly Dividend	NA	NA	NA	NA	NA	NA
Direct Plan Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	NA	10.7716	11.6001
<b>Dividend per unit: *</b>						
<b>Existing/Regular Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA	NA	0.5983996 300	0.6100724 200
Weekly Dividend - Non-Corporate	NA	NA	NA	NA	0.6458843 400	0.6584835 300
Fortnightly Dividend - Corporate	NA	NA	NA	NA	0.6082928 600	0.6062982 900
Fortnightly Dividend - Non-Corporate	NA	NA	NA	NA	0.6565626 100	0.6544098 500
Monthly Dividend - Corporate	NA	NA	NA	NA	0.6448730 000	0.9849549 800
Monthly Dividend - Non-Corporate	NA	NA	NA	NA	0.6960455 100	1.0631140 000
<b>Direct Plan</b>						
Corporate	NA	NA	NA	NA	NA	NA
Non-Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Weekly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Corporate	NA	NA	NA	NA	NA	NA
Monthly Dividend - Non-Corporate	NA	NA	NA	NA	NA	NA



<b>NAV at the end of the year ** (Rs.)</b>						
Growth	NA	NA	NA	NA	NA	NA
Dividend	NA	NA	NA	NA	NA	NA
Regular Growth	10.6685	11.4951	12.4747	10.7479	11.5206	12.5281
Regular Dividend	10.6681	11.4958	12.4770	10.7479	11.5206	12.5281
Regular Bonus	NA	NA	NA	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA	10.7474	10.5880	10.5636
Regular Fortnightly Dividend	NA	NA	NA	10.7479	10.5740	10.5552
Regular Monthly Dividend	NA	NA	NA	10.7479	10.5164	10.5044
Regular Annual Dividend	NA	NA	NA	10.7479	11.5205	12.5281
Retail Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Growth	10.7065	11.6054	12.6133	10.7683	11.5974	12.6761
Direct Dividend	NA	NA	NA	10.7687	11.5981	12.6780
Direct Weekly Dividend	NA	NA	NA	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Direct Monthly Dividend	NA	NA	NA	NA	NA	NA
Direct Plan Annual Dividend	NA	NA	NA	NA	NA	NA
Direct Bonus	NA	NA	NA	10.7716	11.6001	NA
<b>Absolute Returns **</b>						
Absolute Scheme Returns - Regular Growth	NA	7.75%	8.52%	NA	7.19%	8.75%
Absolute Scheme Returns - Direct Growth	NA	8.40%	8.68%	NA	7.70%	9.30%
Absolute Benchmark Returns	NA	11.00%	11.09%	NA	9.24%	9.10%
Absolute Additional Benchmark Returns	NA	11.66%	11.87%	NA	11.23%	11.87%
<b>Net Assets end of period (Rs.in Crores)</b>	58.22463953	62.75	68.04	151.7462106	166.07	173.94
<b>Ratio of Recurring</b>	0.89%^	0.89%	0.28%	0.73%^	0.92%	1.00%



<b>Expenses to Average Daily Net Assets</b>					
<b>Benchmark Index</b>	CRISIL Composite Bond Fund Index		CRISIL Short Term Bond Fund Index		
<b>Additional Benchmark Index</b>	CRISIL 10 year Gilt Index		CRISIL 10 year Gilt Index		

<b>Historical per Unit Statistics</b>	<b>Edelweiss Fixed Maturity Plan Series 41</b>		
<b>Date of Allotment</b>	March 29, 2017		
	<b>April 01, 2014 to March 31, 2015</b>	<b>April 01, 2015 to March 31, 2016</b>	<b>April 01, 2016 to March 31, 2017</b>
<b>NAV at the beginning of the year (Rs.)</b>			
Growth	NA	NA	NA
Dividend	NA	NA	NA
Regular Growth	NA	NA	NA
Regular Dividend	NA	NA	NA
Regular Bonus	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA
Regular Fortnightly Dividend	NA	NA	NA
Regular Monthly Dividend	NA	NA	NA
Regular Annual Dividend	NA	NA	NA
Retail Annual Dividend	NA	NA	NA
Direct Growth	NA	NA	NA
Direct Dividend	NA	NA	NA
Direct Weekly Dividend	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA
Direct Monthly Dividend	NA	NA	NA
Direct Plan Annual Dividend	NA	NA	NA
Direct Bonus	NA	NA	NA
<b>Dividend per unit: *</b>			
<b>Existing/Regular Plan</b>			
Corporate	NA	NA	NA



Non-Corporate	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA
Weekly Dividend - Non-Corporate	NA	NA	NA
Fortnightly Dividend - Corporate	NA	NA	NA
Fortnightly Dividend - Non-Corporate	NA	NA	NA
Monthly Dividend - Corporate	NA	NA	NA
Monthly Dividend - Non-Corporate	NA	NA	NA
<b>Direct Plan</b>			
Corporate	NA	NA	NA
Non-Corporate	NA	NA	NA
Weekly Dividend - Corporate	NA	NA	NA
Weekly Dividend - Non-Corporate	NA	NA	NA
Monthly Dividend - Corporate	NA	NA	NA
Monthly Dividend - Non-Corporate	NA	NA	NA
<b>NAV at the end of the year ** (Rs.)</b>			
Growth	NA	NA	NA
Dividend	NA	NA	NA
Regular Growth	NA	NA	12.4747
Regular Dividend	NA	NA	12.4770
Regular Bonus	NA	NA	NA
Regular Weekly Dividend	NA	NA	NA
Regular Fortnightly Dividend	NA	NA	NA
Regular Monthly Dividend	NA	NA	NA
Regular Annual Dividend	NA	NA	NA
Retail Annual Dividend	NA	NA	NA
Direct Growth	NA	NA	12.6133
Direct Dividend	NA	NA	NA
Direct Weekly Dividend	NA	NA	NA
Direct Fortnightly Dividend	NA	NA	NA



Direct Monthly Dividend	NA	NA	NA
Direct Plan Annual Dividend	NA	NA	NA
Direct Bonus	NA	NA	NA
<b>Absolute Returns **</b>			
Absolute Scheme Returns - Regular Growth	NA	NA	NA
Absolute Scheme Returns - Direct Growth	NA	NA	NA
Absolute Benchmark Returns	NA	NA	NA
Absolute Additional Benchmark Returns	NA	NA	NA
<b>Net Assets end of period (Rs.in Crores)</b>	NA	NA	22.66
<b>Ratio of Recurring Expenses to Average Daily Net Assets</b>	NA	NA	0.47%
<b>Benchmark Index</b>	CRISIL Composite Bond Fund Index		
<b>Additional Benchmark Index</b>	NA		

\* Excluding dividend details of Liquid Scheme. Performance of the Dividend Option for the investor would be net of the dividend distribution tax, as applicable.

\*\* NAVs & Returns are as on March 31, 2016 & March 31, 2017. Returns are computed based on the NAV of Growth Option. For the schemes that have not completed one year at the end of the respective year, returns for such periods are given as absolute returns and are not annualized. Absolute returns have been provided for schemes in existence for less than one year. **Past performance may or may not be sustained in the future.**

^ Annualised Returns have not been provided for schemes/plans in existence for less than 1 year

@ The schemes of JPMorgan Mutual Fund have been transferred to and form part of Edelweiss Mutual Fund on and from the close of business hours on November 25, 2016. Further, Edelweiss Equity Savings Advantage Fund was merged with JPMorgan India Equity Income Fund on and from close of business hours on November 25, 2016 with the surviving scheme's name as Edelweiss Equity Savings Advantage Fund.



§ The following schemes of JPMorgan Mutual Fund have been transferred to and form part of Edelweiss Mutual Fund on and from the close of business hours on November 25, 2016:

<b>Name prior to Acquisition</b>	<b>Name post to Acquisition</b>
JPMorgan India Fixed Maturity Plan - Series 37	Edelweiss Fixed Maturity Plan - Series 37
JPMorgan India Fixed Maturity Plan - Series 38	Edelweiss Fixed Maturity Plan - Series 38
JPMorgan India Fixed Maturity Plan - Series 40	Edelweiss Fixed Maturity Plan - Series 40
JPMorgan India Corporate Debt Opportunities Fund	Edelweiss Corporate Debt Opportunities Fund
JPMorgan Emerging Market Opportunities Equity Off-shore Fund	Edelweiss Emerging Market Opportunities Equity Off-shore Fund
JPMorgan India Economic Resurgence Fund	Edelweiss Economic Resurgence Fund
JPMorgan India Balanced Advantage Fund	Edelweiss Balanced Advantage Fund



### **SECTION III - INVESTORS SECTION**

This section must be read in conjunction with Section III of the SID of the relevant Scheme of the Mutual Fund.

#### **A. HOW TO APPLY?**

Application forms and transaction slips for fresh/ additional purchase/sale of Units of the Scheme will be available/accepted Investor Service Centers during the NFO Period and during business hours on all Business Days on an ongoing basis (both direct application and application routed through broker) and at the Investor Service Centres (ISCs) during business hours on all Business Days on an ongoing basis (both direct application and application routed through broker). The application forms can also be obtained from the distributors of the AMC. All cheques and bank drafts must be drawn in favor of "Name of the Scheme " and crossed "Account Payee Only". A separate cheque or bank draft must accompany each application under each Scheme. In case of multiple applications by a single investor under all open ended Schemes (except Edelweiss Liquid Fund) all transactions as per conditions mentioned below shall be aggregated and closing NAV of the day (or immediately following Business Day if that day is not a Business Day) on which funds for respective transaction are available for utilization will be applied where the aggregated amount of investment is for Rs. 2 lacs and above:

1. All transactions received on same Business Day (as per cut-off timing and time stamping rule).
2. Aggregation of transactions shall be applicable to all open-ended schemes (except Edelweiss Liquid Fund) of the Fund.
3. Transactions shall include purchases, additional purchases, and exclude Switches, Systematic Investment Plans (SIP) /Systematic Transfer Plans (STP) and trigger transactions.
4. Aggregation of transactions shall be done on the basis of investor's/unit holder's Permanent Account Number (PAN/PEKRN). In case of joint holding in folios, transactions with similar holding pattern will be aggregated. The principle followed for such aggregation will be similar as applied for compilation of Consolidated Account Statement (CAS).
5. All transactions will be aggregated where investor holding pattern is same as stated in point no.4 above, irrespective of whether the amount of the individual transaction is above or below Rs. 2 lacs.
6. Only transactions in the same scheme of the Fund shall be clubbed. It will include transactions at Plans/Options level (i.e. Existing Plan, Direct Plan, Dividend Option, Growth Option, etc).
7. Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. However, two or more transactions in the same folio of a minor will be considered for aggregation.
8. Pursuant to Association of Mutual Funds in India (AMFI) Best Practices Guidelines Circular No. 48/2014-15 dated June 24, 2014 in case of fresh/additional purchases, if the name of a particular Scheme on the application form/transaction slip differs from the name of the scheme on the Payment instrument, the application will be processed & units allotted at applicable NAV of the scheme mentioned in the application form / transaction slip duly signed by investor(s).

In order to protect investors from frauds, it is advised to mention PAN No. (on the face of the Cheque) & the Application Form number / folio number and name of the first investor should be written overleaf the cheque / draft, before they are handed over to any courier / messenger / distributor / ISC. In addition, all applicants for purchase of Units must provide complete bank details viz bank name, bank account number, branch address, and account type in the Application Form.

The addresses of the ISC of the AMC/ Registrar can be obtained from the AMC website i.e. [www.edelweissmf.com](http://www.edelweissmf.com) and also from the Key Information Memorandum (KIM). Investors in cities



other than where the ISCs are located may send their application forms to any of the nearest ISC, accompanied by Demand Drafts payable locally at such locations.

Kindly retain the acknowledgement slip initialed/stamped by the collecting agency i.e. Collection Bankers, ISC, etc. The AMC / Trustee retain the sole and absolute discretion to reject any application.

If an investor wishes to invest directly, i.e. without involving the services of any agent or broker, "DIRECT" should be mentioned in the space provided for "ARN Number" in the Application Form/Transaction Slip.

#### Employee Unique Identification Number (EUIN):

In accordance with the SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012 and AMFI Circular No. 135/BP/33/2012-13 dated December 31, 2012, all the Asset Management Companies / Mutual Funds are directed to capture the Employee Unique Identification Number (EUIN) i.e. unique identity number of the employee/relationship manager/sales person of the distributors interacting with the investors for the sale of Mutual Fund products, in addition to the AMFI Registration Number (ARN) of the distributor.

This has been recommended by SEBI in order to avoid any instance of mis-selling, particularly in advisory based transactions. This would further help tackle the problem of mis-selling even if the employee/relationship manager/sales person leaves the employment of the distributor.

Accordingly, all employees/relationship manager/sales person of distributors who are involved in sale of Mutual Fund products are required to be obtained an Employee Unique Identification Number (EUIN). Applications received without a valid EUIN and/or valid sub-broker code (should be a valid ARN and not an internal code) are subject to rejection by the Fund. Further, such transactions, if accepted by the Fund shall not be eligible for receipt of commission by the distributor, as applicable.

Also, in order to ensure compliance with the above, in case transactions are routed through the distributor, investors are requested to mention the valid ARN code, Sub – Broker code and the EUIN on the transaction slip(s)/application form(s). The AMC has made the necessary provisions in the Application Form(s) i.e. separate spaces for Sub – Broker ARN Code and EUIN, in addition to the Distributor ARN code, have been provided.

Investors are requested to note that EUIN is applicable for transactions such as Purchases, Switches, Registrations of SIP / STP / Trigger STP / Dividend Transfer Plan and EUIN is not applicable for transactions such as Installments under SIP/ STP / SWP / STP Triggers, Dividend Reinvestments, Bonus Units, Redemption, SWP Registration, Zero Balance Folio creation and installments under Dividend Transfer Plans.

In case the EUIN space is left blank, investors are requested to confirm that it is an "execution – only" transaction.

All the investors are requested to use the updated transaction slip(s)/Applications Forms(s).

#### Beneficial Ownership Details:

Under the Prevention of Money Laundering Act, 2005 ("PMLA"), all intermediaries including Mutual Funds are required to obtain sufficient information from their clients in order to identify and verify the persons who beneficially own or control the account.

Pursuant to SEBI Master Circular No. CIR/ISD/AML/3/2010 dated December 31, 2010 on anti money laundering standards and Guidelines on identification of Beneficial Ownership issued by SEBI vide its Circular No. CIR/MIRSD/2/2013 dated January 24, 2013 has prescribed a uniform approach to be followed for determination of beneficial owners. A 'Beneficial owner' is defined as a natural person/s who ultimately own, control or influence a client and/or persons on whose behalf a transaction is



being conducted, which includes persons who exercise ultimate effective control over a legal person or arrangement.

All categories of investors (except individuals, company listed on a stock exchange or majority owned subsidiary of such a company), are requested to provide details about beneficial ownership in the Application Forms for all their investments. The Fund reserves the right to reject applications/restrict further investments or seek additional information from investors who have not provided the requisite information on beneficial ownership. In the event of change in beneficial ownership, investors are requested to immediately update the details with the Fund/Registrar.

In accordance with SEBI Circular no. CIR/MIRSD/2/2013 dated January 24, 2013 and AMFI Best practices guidelines circular no. 62/2015-16 dated September 18, 2015, Investors may note the following:

- With effect from November 1, 2015, it is mandatory for new investors to provide beneficial ownership details as part of account opening documentation failing which the AMC shall reject the application.
- With effect from January 1, 2016 it is mandatory for existing investors/unit holders to provide beneficial ownership details, failing which the AMC may reject the transaction for additional subscription (including switches).

Foreign Account Tax Compliance Act (“FATCA”) details:

The Foreign Account Tax Compliance Act is a United States (US) federal law, aimed at prevention of tax evasion by US Citizens and Residents (“US Persons”) through use of offshore accounts. The FATCA provisions were included in the HIRE Act enacted by the US legislature. FATCA is designed to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments.

As per SEBI circular no. CIR/MIRSD/2/2014 dated June 30, 2014, the Government of India and the US have reached an agreement in substance on the terms of an Inter-Governmental Agreement (“IGA”) to implement the FATCA provisions, which have become globally applicable from July 1, 2014.

FATCA requires enhancement of due diligence processes by the Foreign Financial Institutions (“FFI”) so as to enable identification of US reportable accounts. The Fund/ Edelweiss Asset Management Limited (“the AMC”) are likely to be classified as a FFI under the FATCA provisions, in which case the Fund /the AMC would be required, from time to time, to:

- (i) undertake necessary due diligence process by collecting information/documentary evidence of the US/non US status of the investors;
- (ii) disclose/report information as far as may be legally permitted about the holdings/investment returns pertaining to reportable accounts to the US Internal Revenue Service and/or such Indian authorities as may be specified under FATCA or other applicable laws and
- (iii) carry out such other activities as prescribed under the FATCA provisions, as amended from time to time.

FATCA due diligence will have to be directed at each investor/unit holder (including joint investors) and on being identified as a reportable person/specified US person, all the folios will be reported. Further, in case of folio with joint investors, the entire account value of investment portfolio will be attributable under each such reportable person. Investors/Unit holders would therefore be required to furnish such information to the Fund/AMC, from time to time, in order to comply with the reporting requirements stated in the IGA and or circulars/guidelines issued by SEBI/AMFI in this regard.

The impact of FATCA is relevant not only at the point of on-boarding of the investors but also throughout the life cycle of the investor account / folio with the Fund. Hence investor(s) should



immediately intimate the Fund/AMC, in case of any change in the FATCA related information provided by them at the time of initial subscription.

The Fund/AMC reserves the right to reject any application or compulsorily redeem the units held directly or beneficially in case the applicant/investor fails to furnish the relevant information and/or documentation or is found to be holding units in contravention of the FATCA provisions.

Further, in accordance with the regulatory requirements relating to FATCA/CRS read along with SEBI Circular no. CIR/MIRSD/2/2015 dated August 26, 2015 and AMFI Best practices guidelines circular no. 63/2015-16 dated September 18, 2015 regarding uniform implementation of FATCA/CRS requirements, investors are requested to ensure the following:

- With effect from November 1, 2015 all investors will have to mandatorily provide the details and declaration pertaining to FATCA/CRS for all new accounts opened, failing which the application shall be liable to be rejected.
- For accounts opened between July 1, 2014 and October 31, 2015 and certain pre - existing accounts opened till June 30, 2014, the AMC shall reach out to the investors to seek the requisite information/declaration which has to be submitted by the investors before December 31, 2015. In case the information/declaration is not received from the investor on or before December 31, 2015, the account shall be treated as reportable account.

Investors are advised to consult their tax advisors to understand the FATCA requirements and its implications in relation to their investment.

#### **Aadhaar Number:**

Investors are requested to note that the Ministry of Finance (Department of Revenue) in consultation with the Reserve Bank of India has made certain amendments to the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, namely, the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017. These Rules have come into force with effect from June 1, 2017. These Rules, inter alia, make it mandatory for investors to submit Aadhaar number issued by the Unique Identification Authority of India (UIDAI) in respect of their investments.

Accordingly, investors are requested to note the following requirements in relation to submission of Aadhaar number and other prescribed details to Edelweiss Mutual Fund/its Registrar and Transfer Agent/ Asset Management Company ("the AMC"):

- i. Where the investor is an individual, who is eligible to be enrolled for Aadhaar number, the investor is required to submit the Aadhaar number issued by UIDAI. Where the Aadhaar number has not been assigned to an investor, the investor is required to submit proof of application of enrolment for Aadhaar. If such an individual investor is not eligible to be enrolled for Aadhaar number, and in case the Permanent Account Number (PAN) is not submitted, the investor shall submit one certified copy of an officially valid document containing details of his identity and address and one recent photograph along with such other details as may be required by the Mutual Fund. The investor is required to submit PAN as defined in the Income Tax Rules, 1962.
- ii. Where the investor is a non-individual, apart from the constitution documents, Aadhaar numbers and PANs as defined in Income-tax Rules, 1962 of managers, officers or employees or persons holding an attorney to transact on the investor's behalf is required to be submitted. Where an Aadhaar number has not been assigned, proof of application towards enrolment for Aadhaar is required to be submitted and in case PAN is not submitted an officially valid document is required to



be submitted. If a person holding an authority to transact on behalf of such an entity is not eligible to be enrolled for Aadhaar and does not submit the PAN, certified copy of an officially valid document containing details of identity, address, photograph and such other documents as prescribed is required to be submitted.

The timelines for submission of the Aadhaar has been deferred till further notice. Investors are however encouraged to link their Aadhaar to their mutual fund folios/accounts

Where the investors who are individuals or in the case of investors who are non-individuals, managers, officers or employees or persons holding an attorney to transact on the investor's behalf, as the case may be, do not have an Aadhaar number, the proof of enrolment for Aadhaar can be submitted. However, in such cases, the Aadhaar number shall be required to be provided for eventual authentication within the prescribed timeframe of 6 months as aforesaid, failing which the account / folio shall cease to be operational.

- **Facilitating Transactions through the Stock Exchange Infrastructure:**

Units of all the open-ended schemes of the Fund are being offered for transacting (subscription / redemption) through the infrastructure provided by the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") viz. the Bombay Stock Exchange Platform for Allotment and Redemption of Mutual Fund Units ("BSE StAR MF") and Mutual Fund Service System ("MFSS"), respectively (except investments made in Direct Plan of the Schemes of the Fund).

The Fund / AMC may from time to time withdraw or include any Scheme/Plan/Option/Facility (existing or future) or vary the terms of the Facility in accordance with the applicable guidelines and regulations.

**Following are the salient features of the Facility introduced for the benefit of investors:**

1. This Facility will be available to both existing and new investors.
2. Such investors will be eligible to only purchase/redeem units of the schemes. Switching is currently not permitted.
3. The units of the schemes are not listed on BSE & NSE and the same cannot be traded on the stock exchanges.
4. The window for purchase/redemption of units on BSE StAR MF and MFSS ("Stock Exchange System") will be available on all Business Days between 9.00 a.m. and 3.00 p.m. (2.00 p.m. for purchases under liquid funds) only or such other timings as may be decided from time to time.
5. All trading members of BSE & NSE who are registered with the Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and who are empanelled with the AMC and also registered with BSE & NSE as Participants ("Brokers") will be eligible to offer this Facility to investors.
6. The eligible Brokers will be considered as 'Official Points of Acceptance' of the Fund as per SEBI circular no. SEBI/IMD/CIR/ No.11/78450/06 dated October 11, 2006. Such Brokers would issue a time stamped confirmation slip for the transaction entered into the Stock Exchange System, which shall be considered for determining Applicable NAV and cut-off timing for the transactions.

7. Units of schemes are also permitted to be transacted through clearing members of the registered Stock Exchanges and Depository Participants of registered Depositories (only redemption request of units held in demat form).
8. Units can be held by investors in physical (i.e. through Statement of Account) or dematerialized (demat) mode, as opted by them. Separate folios will be allotted for Units held in physical and demat mode.
9. With respect to investors having demat account and purchasing/redeeming mutual fund units through Stock Exchange Brokers and Clearing Members, the following provisions shall be applicable:
  - (i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/clearing member's pool account. Edelweiss Mutual Fund (the "Mutual Fund")/ Edelweiss Asset Management Limited (the "AMC") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly, units shall be credited by the Mutual Fund/AMC into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.
  - (ii) Payment of redemption proceeds to the broker/clearing members by Mutual Fund/AMC shall discharge Mutual Fund/AMC of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge Mutual Fund/AMC of its obligation to allot units to individual investor.
10. Investors will be able to purchase/redeem units in the schemes in the following manner:
  - i. Purchase of Units:**
    - a. Physical Form**
      - The subscription amount per transaction should be less than Rs. 1 Crore.
      - The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the Brokers.
      - The Broker shall verify the application for mandatory details and KYC compliance.
      - After completion of the verification, the purchase order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.
      - The investor will transfer the funds to the Brokers.
      - Allotment details will be provided by the Brokers to the investor.
    - b. Dematerialized Form**
      - The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL.
      - The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the Brokers.
      - The investor should provide their depository account details to the Brokers.
      - The purchase order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.
      - The investor will transfer the funds to the Brokers.
      - Allotment details will be provided by the Brokers to the investor.



## ii. Redemption of Units:

### a. Physical Form

- The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the Brokers.
- The redemption order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.
- The Investor will receive redemption proceeds by way of a Cheque/RTGS /NEFT/direct credit, as per the bank account details recorded with the Fund and as per the timelines prescribed by SEBI.

### b. Dematerialized Form

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL and units converted from physical mode to demat mode prior to placing of redemption order.
- The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the Brokers.
- The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.

11. Applications for purchase/redemption of units, which are incomplete /invalid, are liable to be rejected.
  12. Existing unit holders desiring to convert their existing physical units into demat form must submit a demat request, along with the supporting documents, with the Depository Participant.
  13. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach ISCs of the Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode.
  14. An account statement will be issued by the Fund to investors who purchase/ redeem their units under this Facility in physical mode only. In case of investors who intend to deal in units in demat mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account.
  15. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s). Currently, the cut-off time is 3.00 p.m. (2.00 p.m. for liquid funds).
  16. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/NSDL and the Fund to participate in this Facility.
  17. Investors should get in touch with ISCs of the Fund for further details.
- **Investments made on behalf of minors, change in status of minor to major and change in guardian:**



Pursuant to the recommendations made by National Institute of Securities Market (NISM) on select mutual fund service processes, AMFI vide its Best Practice Guidelines Circular no.135/BP/ 20/10-11 dated February 9, 2011, has issued following guidelines:

**(I) Accounts opened “On Behalf of Minor”:** Where an account/folio is opened on behalf of a minor, following guidelines will be applicable, which are in line with the guidelines applicable to dematerialized accounts:

- 1 The minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder.
- 2 The guardian in the folio should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian.
  - i) It is mandatory to provide information on the relationship/status of the guardian as father, mother or legal guardian in the application form.
  - ii) In case of natural guardian, a document evidencing the relationship should be provided if the same is not available as part of the documents submitted as stated below.
  - iii) In case of court appointed legal guardian, relevant supporting documentary evidence shall be provided.
- 3 Photocopy of any of the following documents reflecting the date of birth of the minor shall be mandatory while opening the account on behalf of minor:
  - i) Birth certificate of the minor, or
  - ii) School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
  - iii) Passport of the minor, or
  - iv) Any other suitable proof evidencing the date of birth of the minor as deemed appropriate by Edelweiss Asset Management Limited.

**(II) Change of status from Minor to Majority:** When the units are held on behalf of the minor, the ownership of the units will rest with the minor and the guardian will only operate the account until the minor attains the age of majority.

When a minor turns major, following guidelines shall be applicable:

- 1 Prior to minor attaining majority, mutual fund shall send an advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents (as per clause 5) to change the status of the account to “major”.
- 2 The guardian cannot undertake any financial and non-financial transactions including fresh registration of Systematic Transfer Plan (STP), Systematic Investment Plan (SIP) and Systematic Withdrawal Plan (SWP) after the date of the minor attaining majority till the time the above application form along with the prescribed documents are received by the Mutual Fund. However, the existing standing instructions like SIP, STP, SWP registered prior to the minor attaining majority shall continue to be processed by the Mutual Fund.
- 3 The account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no transactions shall be permitted, except for the existing SIP/STP/SWP transaction, till the documents for changing the status as stated in clause 5 below are satisfactorily received.



- 4 New standing instructions like SIP, SWP, STP in a minor's folio shall only be registered till the date on which the minor attains majority, even though the instructions may be for a period beyond that date.
- 5 List of standard documents required to change account status from minor to major:
  - i) Signature attestation of the minor attaining majority by the Manager of the bank where he/she is holding an account;
  - ii) PAN/PEKRN and KYC Acknowledgement Letter of the minor attaining majority; and
  - iii) A request letter for changing the status of the account from 'Minor' to 'Major'
- 6 In case of existing standing instructions including STP, SIP and SWP registered prior to the minor attaining majority, mutual funds shall send an advance notice to the registered correspondence address advising the guardian and the minor that the existing standing instructions will continue to be processed beyond the date of the minor attaining majority till the time a instruction from the major (minor who attains majority) to terminate the standing instruction is received by the Mutual Fund.

**(III) Change in Guardian:** When there is a change in guardian either due to mutual consent or demise of existing guardian, following documents will be mandatorily required prior to registering the new guardian:

1. Request letter from the new guardian.
2. No Objection Letter (NoC) or Consent Letter from existing guardian or Court Order for new guardian, in case the existing guardian is alive.
3. Notarized copy or attested copy of the Death Certificate of the deceased guardian, where applicable. The attestation may also be done by a special executive magistrate, AMC authorised official or manager of a scheduled bank.
4. The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian.
  - i) It is mandatory to provide information on the relationship/status of the guardian as father, mother or legal guardian in the application form.
  - ii) In case of natural guardian, a document evidencing the relationship should be provided if the same is not available as part of the documents submitted as stated below.
  - iii) In case of court appointed legal guardian, relevant supporting documentary evidence shall be provided.
5. Bank attestation of the signature of the new guardian in a bank account of the minor where the new guardian is registered as the guardian.
6. KYC of the new guardian.

## **B. WHO CAN INVEST?**

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The following persons are eligible and may apply for subscription to the Units of any of the Scheme(s) of Edelweiss Mutual Fund (subject, wherever relevant, to purchase of units of Mutual Funds being permitted and duly authorised under their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions etc):

1. Resident adult Indian individuals either singly or jointly; (not exceeding three) or on an Anyone or Survivor basis;
2. Karta of Hindu Undivided Family (HUF in the name of Karta);
3. Partnership Firms in the name of any one of the partner(constituted under the Indian partnership law) & Limited Liability Partnerships (LLP),



4. Minors (Resident or NRI) through parent / legal guardian;
5. Schemes of Mutual Funds registered with SEBI, including schemes of Edelweiss Mutual Fund, subject to the conditions and limits prescribed by SEBI Regulations;
6. Companies, Bodies Corporate, Public Sector Undertakings (PSU), Association of Persons (AOP) or bodies of individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions);
7. Banks, including Scheduled Bank, Regional Rural Bank, Co-Operative Bank etc. & Financial Institutions;
8. Special Purpose Vehicles (SPV) approved by appropriate authority;
9. Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts (subject to receipt of necessary approvals as required & who are authorised to invest in Mutual Fund schemes under their trust deeds);
10. Non-Resident Indians (NRIs) / Persons of Indian origin residing abroad (POI) on repatriation or non repatriation basis;
11. Foreign Institutional Investors (FIIs) registered with SEBI on fully repatriation basis;
12. Foreign Portfolio Investors (FPIs) subject to the applicable Regulations
13. Provident / Pension / Gratuity / superannuation and such other funds to the extent they are permitted to invest;
14. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
15. Scientific and Industrial Research Organisations;
16. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;
17. Trustee, the AMC, their Shareholders or Sponsor, their associates, affiliates, group companies may subscribe to Units under the Scheme;
18. Overseas financial organizations which have entered into an arrangement for investment in India, inter-alia with a mutual fund registered with SEBI and which arrangement is approved by Government of India.
19. Insurers, insurance companies / corporations registered with the Insurance Regulatory Development Authority (subject to IRDA Circular (Ref IRDA/F&I/INV/CIR/074/03/2014) dated March 3, 2014
20. Any other category of individuals / institutions / body corporate etc., so long as wherever applicable they are in conformity with SEBI Regulations/other applicable Regulations/the constituent documents of the applicants.

**Notes:**

1. Returned cheques are not liable to be presented again for collection and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor.
2. Any request for withdrawal of application made during the NFO Period will be treated as redemption request and shall be processed at the redemption price on the first day after the scheme opens for sale and redemption on an ongoing basis.
3. It is expressly understood that at the time of investment, the investor/unit holder has the express authority to invest in units of the Scheme and the AMC / Trustee / Mutual Fund will not be responsible if such investment ultra vires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.
4. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad/ Overseas Citizens of India (OCI) / Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India under 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. If a person who is a resident Indian at the time of subscription becomes a resident outside India subsequently, he/she



shall have the option to either be paid repurchase value of Units, or continue into the Scheme if he/she so desires and is otherwise eligible.

However, the AMC shall not be liable to pay interest or any compensation, arising on account of taxation law or otherwise, on redemption, dividend or otherwise, to such a person during the period it takes for the Fund to record change in residential status, bank mandates, and change in address due to change in tax status on account of change in residential status.

Notwithstanding the aforesaid, the Trustee reserves the right to close the Unit holder's account and to pay the repurchase value of Units, subsequent to his becoming a person resident outside India, should the reasons of cost, interest of other Unit holders and any other circumstances make it necessary for the Fund to do so.

5. Investors desiring to invest / transact in the Scheme are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Passport / PAN Card / Memorandum and Articles of Association / bye-laws / Trust Deed / Partnership Deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.

6. Any scheme(s) of Edelweiss Mutual Fund or of any other Mutual Fund managed by any other AMC, including a Fund of Fund (subject to the conditions and limits prescribed in Regulations and/or by the Trustee, the AMC or Sponsor including concession or waiver of load) may subscribe to the units under the Scheme. The AMC / Trustee / Fund / Sponsor / Co-sponsor may subject to the limits prescribed by SEBI subscribe to units of this Scheme. The AMC will not be entitled to charge any fees on investments made by the AMC.

(i) The Trustee may accept an application from an unincorporated body of persons/trusts. If a person who is a resident Indian at the time of subscription becomes a resident outside India subsequently, he/she shall have the option to either be paid repurchase value of Units, or continue into the Scheme if he/she so desires and is otherwise eligible. However, the AMC shall not be liable to pay interest or any compensation, arising on account of taxation law or otherwise, on redemption, dividend or otherwise, to such a person during the period it takes for the Fund to record change in residential status, bank mandates, and change in address due to change in tax status on account of change in residential status. Notwithstanding the aforesaid, the Trustee reserve the right to close the unit holder account and to pay the repurchase value of Units, subsequent to his becoming a person resident outside India, should the reasons of cost, interest of other unit holders and any other circumstances make it necessary for the Fund to do so. Unit holders in whose case there has been a change of status from Resident to Non Resident will not have a right to claim growth in capital and/or income distribution, if such payment / distribution is ultra vires the relevant Rules & Regulations.

7. The Trustee may also periodically add and review the persons eligible for making application for purchase of Units under the Scheme.

8. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/ Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.

### **Who cannot invest?**



1. Overseas Corporate Bodies pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003
2. Non-Resident Indians residing in the Financial Action Task Force (FATF) declared Non Compliant Countries or Territories (NCCTs)
3. United States Person (US Person) as defined under the extant laws of the United States of America, except where such US Person is an NRI / PIO, he/she shall be permitted to make an investment in the Scheme, when present in India, as lump-sum subscription and/or switch transaction (other than systematic transactions) only through physical form and upon submission of such additional documents/undertakings, as may be stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme.
4. Persons residing in Canada.
5. The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time. In case the application is found invalid / incomplete or for any other reason Trustee feels that the application is incomplete, the Trustee at its sole discretion may reject the application, subject to SEBI Regulations and other prevailing statutory regulations, if any.

The Fund reserves the right to include / exclude new / existing categories of investors to invest in the scheme from time to time. In case the application is found invalid / incomplete or for any other reason Trustee feels that the application is incomplete, the Trustee at its sole discretion may reject the application, subject to SEBI Regulations and other than prevailing statutory regulations, if any.

The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay in processing the application.

Subject to the Regulations and other applicable laws, the AMC / Trustee may reject any application received in case the application is found invalid / incomplete or for any other reason in the Trustee's sole discretion.

### **C. *MODE OF PAYMENT***

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#### **1. In case of Resident Investors:**

Payment can be made by any of the following modes:

1. Electronic Funds Transfer (EFT) over the internet or by way of direct credit / RTGS / NEFT to designated Scheme collection account.
2. The payment can also be made through MICR cheques or Demand Drafts /Banker's cheque/pay order. The payment instrument should be payable at a bank's branch, which is situated at and is a member of the Banker's Clearing House / Zone in the city where the application is submitted to a Designated Collection Centre.
3. An investor may invest through a distributor with whom the AMC has made an arrangement. The payment can be made through NEFT / RTGS or in any manner acceptable to the AMC, and is evidenced by receipt of credit in the bank account of the Fund.

In case of an applicant, who is resident of a city, whose banking clearing circle is different from that of any ISC or Designated Collection Centre of the AMC, the AMC shall bear the bank charges, incurred by the investor in obtaining the demand draft; except for Liquid schemes (as per demand draft charges prescribed by State Bank of India). In that case, the investor can obtain a draft for investment amount net of draft charges. The AMC shall not refund any demand draft charges in cash.



### **Mode of Payment for SIP:**

In addition to existing facility available for payments through Electronic Clearing Service (ECS)/Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH facility can also be used to make payment of SIP installments.

NACH is an electronic payment facility launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.

Investors can avail NACH facility by duly filling up and submitting the SIP Enrolment cum NACH/Auto Debit Mandate Form. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

### **2. In case of NRI & FII's:**

With respect to FEMA Notification, the RBI has granted general permission to NRIs and FIIs to purchase, on a repatriation basis, units of domestic mutual funds subject to conditions mentioned therein. Further, the general permission has also been granted to NRIs and FIIs to sell the Units to the mutual funds for repurchase or for the payment of maturity proceeds provided that the Units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this Para, the term "mutual funds" has same meaning as in Clause (23 D) of Section 10 of the Income-Tax Act 1961.

#### **(a) Repatriable basis:**

In the case of NRIs/PIOs investing on repatriable basis, payment may be made either by inward remittance through normal banking channels or out of funds held in a Non - Resident (External) Rupee Account (NRE) / Foreign Currency (Non-Resident) Account (FCNR).

In case Indian Rupee drafts are purchased abroad or from FCNR/ NRE accounts, an account debit certificate from the bank issuing the draft confirming the debit shall also be enclosed. NRIs shall also be required to furnish such other documents as may be necessary and as desired by the Fund in connection with the investment in the Scheme. AMC may at its discretion accept subscription accompanied with foreign currency instrument, NAV applicable in such case would be of the date when the funds get credited into the AMC's account.

FIIs may pay their subscriptions either by inward remittance through normal banking channels or out of funds held in a Non-Resident Rupee Account maintained with the designated branch of an authorised dealer. In case Indian rupee drafts are purchased by the FII from abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts, an account debit certificate from the bank issuing the draft confirming the debit shall also be enclosed. Payments shall be made by cheques/demand drafts crossed "Account Payee Only".

#### **(b) Non-repatriable basis**

In the case of NRIs investing on non-repatriable basis, payment may be made either by inward remittance through normal banking channels or out of funds held in an NRE / FCNR / Non-Resident Ordinary Rupee Account (NRO). FII's are not allowed to make payment on Non-repatriable basis.

#### **Note:**

1. The AMC will prefer to receive payment through Auto Debit or Electronic Fund Transfer route.



2. Applications accompanied with cash, money orders, outstation cheques / outstation drafts, post dated cheques and postal orders are liable to be rejected. However, if the AMC accepts valid applications with outstation cheques/ demand drafts not payable at par at a place where the application is received, closing NAV of the day on which outstation cheques / demand drafts is credited to the Fund shall be applicable.
3. DD charges shall not be reimbursed for investments made from locations where the AMC has got ISC's.
4. The applications accompanied vide the following modes will be considered as invalid and such payments are liable to be rejected:  
 Outstation cheques, Cash, money orders or postal orders, Post dated cheques, Multiple Cheques with a single application and payments received from any person other than the applicant investor (except in exceptional cases detailed under point 4 below, where Third Party Payments will be accepted subject to submission of requisite documentation / declarations).

Applications accompanied by cheques / drafts not fulfilling the above criteria are liable to be rejected. Also returned cheques will not be re-presented for collection and the accompanying application will be rejected.

### **3. Applications Supported by Blocked Amount (ASBA) in Mutual Funds for investing in New Fund Offer (NFO):**

ASBA facility will be provided to the investors during the NFOs. ASBA facility allows investors to subscribe to NFO issues by authorizing their SCSB Bank to block the application money in their bank account.

Hence, all NFOs launched by Edelweiss Mutual Fund shall provide ASBA facility, which will co-exist with the current process, wherein cheques/ demand drafts are used as a mode of payment.

ASBA is an application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of the Scheme of Edelweiss Mutual Fund.

Thus, for an investor who applies through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units.

#### **Benefits of Applying through ASBA facility**

- (i) Writing cheques and demand drafts is not required, as investor needs to submit ASBA application Form accompanying an authorization to block the account to the extent of application money towards subscription of Units. The balance money, if any, in the account can be used for other purposes by the investors.
- (ii) Release/Unblocking of blocked funds after allotment is done instantaneously.
- (iii) Unlike other modes of payment, ASBA facility prevents the loss of interest income on the application money towards subscription of Units as it remains in the bank account of the investor till the allotment is made.
- (iv) Refunds of money to the investors do not arise as the application money towards subscription of Units gets blocked only on the allotment of Units.
- (v) The investor deals with the known intermediary i.e. his/her own bank.
- (vi) The application form is simpler as the application form for ASBA will be different from the NFO application form.



**Procedure to be followed for ASBA facility is described below:**

- i. An Investor intending to subscribe to the Units of the NFO through ASBA shall submit a duly completed ASBA Application Form to a Self Certified Syndicate Bank (SCSB), with whom his/her bank account is maintained.
- ii. The ASBA Application Form towards the subscription of Units can be submitted through one of the following Modes
  - a. Submit the form physically with the Designated Branches (DBs) of the SCSB (“Physical ASBA”); or
  - b. Submit the form electronically through the internet banking facility offered by the SCSB (“Electronic ASBA”).
- iii. An acknowledgement will be given by the SCSB in the form of the counter foil or specifying the application number for reference. Such acknowledgement does not guarantee, in any manner that the investors will be allotted the Units applied for.

**Note: if the bank account specified in the ASBA Application Form does not have sufficient credit balance to meet the application money towards the subscription of Units, the Bank shall reject the ASBA Application form.**

- i) On acceptance of Physical or Electronic ASBA, the SCSB shall block funds available in the bank account specified to the extent of the application money specified in the ASBA Application Form.
- ii) The application money towards the Subscription of Units shall be blocked in the account until (i) Allotment of Units is made or (ii) Rejection of the application or (iii) Winding up of the Scheme, as the case may be.
- iii) SCSBs shall unblock the application money for (i) Transfer of requisite money to the Mutual Fund / Scheme bank account against each valid application on allotment or (ii) in case the application is rejected.

The list of SCSBs and their DBs where ASBA application form can be submitted is available on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)), NSE ([www.nseindia.com](http://www.nseindia.com)) and SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) shall also be given in the ASBA application form.

**Note: No request for withdrawal of ASBA application form made during the NFO Period will be allowed.**

**Grounds for Technical Rejections of ASBA application forms**

ASBA Application Forms can be rejected, at the discretion of Registrar and Transfer Agent of Edelweiss Mutual Fund or SCSBs including but not limited on the following grounds:-

1. Applications by persons not competent to contract under the Indian Contract Act, 1872, including but not limited to minors, insane persons etc.
2. Mode of ASBA i.e. either Physical ASBA or Electronic ASBA, not selected or ticked.
3. ASBA Application Form without the stamp of the SCSB.
4. Application by any person outside India if not in compliance with applicable foreign and Indian laws
5. Bank account details not given/incorrect details given.



6. Duly certified Power of Attorney, if applicable, not submitted along with the ASBA application form.
7. No corresponding records available with the Depositories matching the parameters namely (a) Names of the ASBA applicants (including the order of names of joint holders) (b) DP ID (c) Beneficiary account number or any other relevant details pertaining to the Depository Account.

#### 4. Restriction on Acceptance of Third Party Payments for Subscription of Units:

AMFI best practice guidelines on 'risk mitigation process against third party instruments and other payment modes for mutual fund subscriptions' states as follows:

1. The AMC / Mutual Fund shall not accept applications for subscriptions of units accompanied with Third Party Payments except in cases as enumerated in Para 2A below. "Third Party Payment" means payment made through an instrument issued from a bank account other than that of the first named applicant / investor mentioned in the application form. In case of payment instruments issued from a joint bank account, the first named applicant / investor must be one of the joint holders of the bank account from which the payment instrument is issued.
- 2A Following are the exceptional cases where Third Party Payments will be accepted subject to submission of requisite documentation / declarations:
  - i. Payment by Parents/Grand-Parents/Related Persons\* on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs. 50,000 for (each regular purchase or per SIP installment). However this restriction will not be applicable for payment made by a guardian whose name is registered in the records of Mutual Fund in that folio;
  - ii. Payment by employer on behalf of employee under Systematic Investment Plan (SIP) or lump sum/one-time subscription through payroll deductions or deductions out of expense and reimbursements;
  - iii. A Custodian on behalf of an FII or a Client;
  - iv. Payment by Asset Management Company (AMC) to a Distributor empanelled with it on account of commission/incentive etc. in the form of the Mutual Fund Units of the Funds managed by the AMC through Systematic Investment Plans or Lumpsum/one-time subscription, subject to compliance with SEBI Regulations and Guidelines issued by AMFI, from time to time. The AMC shall exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and ensure compliance with provisions of Prevention of Money laundering Act, 2002 regarding prevention of money laundering; and
  - v. Payment by a Corporate to its Agent/Distributor/Dealer (similar arrangement with Principal-agent relationship), on account of commission/incentive payable for sale of its goods/services, in the form of Mutual Fund units through Systematic Investment Plans or lumpsum/ one-time subscription, subject to compliance with SEBI Regulations and Guidelines issued by AMFI, from time to time.

\* **'Related Person'** means any person investing on behalf of a minor in consideration of natural love and affection or as a gift.



2B Investors submitting their applications through the above mentioned 'exceptional cases' are required to comply with the following, without which applications for subscriptions for units will be rejected / not processed / refunded:

- (i) Mandatory KYC for all investors (guardian in case of minor) **and** the person making the payment i.e. third party. In order for an application to be considered as valid, investors and the person making the payment should attach their valid KYC Acknowledgement Letter to the application form.
- (ii) Submission of a separate, complete and valid '**Third Party Payment Declaration Form**' from the investors (guardian in case of minor) and the person making the payment i.e. third party. The said Declaration Form shall, inter-alia, contain the details of the bank account from which the payment is made and the relationship with the investor(s). Please contact the nearest Investor Service Centre (ISC) of Edelweiss Mutual Fund or visit our website <http://www.edelweissmf.com> for the said Declaration Form.
- (iii) In case the cheque issued by the third party is non personalized, copy of the bank statement/ passbook attested by bank should be provided along with the declaration for verifying the account details provided in the declaration by the person making the payment

3. The Mutual Fund shall adopt the following procedures to ascertain whether payments are Third Party Payments and investors are therefore required to comply with the requirements specified herein below:

**(i) Source of funds - if paid by Cheque:**

An investor at the time of his / her purchase of units must provide in the application form the details of his pay-in bank account (i.e. account from which a subscription payment is made) and his pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid). Identification of third party cheques by the AMC / Mutual Fund / Registrar will be on the basis of either matching of pay-in bank account details with pay-out bank account details or by matching the bank account number / name / signature of the first named applicant / investor with the name / account number / signature available on the cheque. If the name is not pre-printed on the cheque or signature on the cheque does not match, then the first named applicant / investor should submit any one of the following documents:

- (a) a copy<sup>#</sup> of the bank passbook or a statement of bank account having the name and address of the account holder and account number;
- (b) a letter\* (in original) from the bank on its letterhead certifying that the investor maintains an account with the bank, along with information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available).

# Investors should also bring the original documents along with the documents mentioned in (a) above to the ISCs / Official Points of Acceptance of the Mutual Fund. The copy of such documents will be verified with the original documents to the satisfaction of the AMC/ Mutual Fund / Registrar. The original documents will be returned across the counter to the investor after due verification.

\* In respect of (b) above, it should be certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number.



Investors should note that where the bank account numbers have changed on account of the implementation of core banking system at their banks, any related communication from the bank towards a change in bank account number should accompany the application form for subscription of units.

The Mutual Fund has also provided a facility to the investors to register multiple bank accounts. By registering multiple bank accounts, the investors can use any of the registered bank accounts to receive redemption / dividend proceeds. These account details will be used by the AMC / Mutual Fund / Registrar for verification of instrument used for subscription to ensure that Third Party Payments are not used for mutual fund subscription, except where permitted in (2A) above. Investors are requested to avail the facility of registering multiple bank accounts by filling in the Application Form for Registration of Multiple Bank Accounts available at our Investor Service Centres (ISCs) or on our website <http://www.edelweissmf.com>. In this regard, please note that a cooling-off period of 10 calendar days is required for registering the bank account and no redemption payouts will be made into such bank accounts during the cooling-off period.

***Change in Bank Mandate:***

Pursuant to AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process changes will be carried out in relation to change in bank mandate:

1. Updation of Bank Account details in Unit holder's folio shall be either through "Multiple Bank Account Registration Form" or a standalone separate "Change of Bank Mandate Form";
2. In case of standalone change of bank details, documents as enlisted below should be submitted as a proof of new bank account details:

**Details of documents to be submitted by the investor are as follows:**

**a. Documents to be submitted for New Bank Mandate:**

Original of any one of the following documents or originals should be produced for verification or copy should be attested by the Bank-

- Cancelled original cheque of new bank mandate with first unitholder's name and bank account number printed on the face of the cheque; OR
- Self - attested copy of bank statement; OR
- Bank Passbook with current entries not older than 3 months; OR
- Letter from the bank on its letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager/authorised personnel.

**b. Documents to be submitted for existing bank mandate currently registered in the folio/account:**

Original of any one of the following documents or copy should be attested by the Bank or originals should be produced for verification -

- Cancelled original cheque with first unitholder's name and bank account number printed on the face of the cheque; OR
- Original bank account statement or pass book; OR
- Original letter issued by the Bank on the letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager; OR
- In case such Bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.



3. Investors/Unit holders are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;

4. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;

5. Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request or received along with the redemption request, Edelweiss Asset Management Ltd will continue to follow cooling period of 10 calendar days for validation and registration of new bank account and dispatch/credit of redemption proceeds shall be completed in 10 working days from the date of redemption.

**(ii) Source of funds - if funded by pre-funded instruments such as Pay Order, Demand Draft, Banker's cheque etc.**

Investors should attach a Certificate (in original) from the issuing banker with the purchase application, stating the Account holder's name and the Account Number which has been debited for issue of the instrument. The said Certificate should be duly certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number. The account number mentioned in the Certificate should be a registered bank account or the first named applicant / investor should be one of the account holders to the bank account debited for issue of such instruments.

**(iii) Source of funds - if paid by RTGS, Bank Account-to-Account Transfer, NEFT, ECS, etc.:**

Investors should attach to the purchase application form, an acknowledged copy of the instruction to the bank also stating the account number debited. The account number mentioned on the transfer instruction copy should be a registered bank account or the first named applicant / investor should be one of the account holders to the bank account debited for such electronic transfer of funds.

**(iv) Source of funds - if paid by a pre-funded instrument issued by the Bank against Cash:**

The AMC / Mutual Fund / Registrar will not accept any purchase applications from investors if accompanied by a pre-funded instrument issued by a bank against cash for investments of Rs. 50,000 or more. The investor should submit a Certificate (in original) obtained from the bank giving name, address and PAN (if available) of the person who has requested for the payment instrument. The said Certificate should be duly certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number. The AMC / Mutual Fund /Registrar will check that the name mentioned in the Certificate matches with the first named investor.

**5. For transactions through the website of the AMC/Mutual Fund:**

In case of all fresh/additional purchases routed through the website of the AMC/Mutual Fund viz. [www.edelweissmf.com](http://www.edelweissmf.com), the payment has to be necessarily made from the Bank Account that is mentioned in the application form/under the registered folio (Registered Bank Account).

The AMC shall, as a due diligence measure, verify the source of funds for all new and additional purchases and if it is determined that the funds have not been routed through the Registered Bank Account, the application is liable to be rejected.

The above broadly covers the various modes of payment for mutual fund subscriptions. The above list is not a complete list and is only indicative in nature and not exhaustive. Any other



method of payment, as introduced by the Mutual Fund, will also be covered under these provisions.

In case the application for subscription does not comply with the above provisions, the AMC /Trustee retains the sole and absolute discretion to reject / not process such application and refund the subscription money at prevailing NAV and the AMC shall not be liable for any such rejection.

**D. LIST OF DOCUMENTS REQUIRED TO BE SUBMITTED ALONG WITH THE APPLICATION FORMS:-**

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**\* Companies / Body Corporate/Banks/Financial Institutions:**

1. Certified copy of the Board Resolution authorising investments/ disinvestments in Mutual Funds Schemes, certified by the Company Secretary/authorised signatory.
2. List containing names and signatures of the signatories, authorised as per the above Board Resolution, duly attested by the Notary/Company Secretary on the Company's letterhead.
3. Copy of the Memorandum and Articles of Association of the Company, duly attested by the Company Secretary or any other authorised signatory
4. Other relevant documents governing the statute (in case of Body Corporate not covered under the Companies Act, 1956)
5. Documents required to be submitted under normal circumstances like PAN/PEKRN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested)
6. Ultimate Beneficial Ownership Declaration Form duly signed by the authorized signatories PAN or any other valid ID proof for those where PAN is not applicable.

**\* Partnership Firms:**

1. Copy of the Partnership Deed, duly attested by any of the partners. Signature of the partners attested by Notary.
2. Partnership deed signed by the partners should authorise such investments/disinvestments in the Mutual Fund scheme and corresponding operational procedures.
3. Documents required to be submitted under normal circumstances like PAN/PEKRN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).
4. Ultimate Beneficial Ownership Declaration Form duly signed by the authorized signatories PAN or any other valid ID proof for those where PAN is not applicable.

**\* Individual Investors:**

Documents required to be submitted under normal circumstances like PAN/PEKRN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).

**\* HUF/AOP/BOI/PIO/SPV:**

1. Documents required to be submitted under normal circumstances like PAN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).
2. Copy of the Constituent Documents or formation Documents (Legal Entity Documents) duly attested by the Authorised Signatories.
3. Ultimate Beneficial Ownership Declaration Form duly signed by the authorized signatories PAN or any other valid ID proof for those where PAN is not applicable.

**\* Trusts/Funds:**



1. Copy of the Trust Deed attested by the Trustee/ Secretary.
2. Copy of the Resolution passed by the Trustee authorising investments/disinvestments in Mutual Fund Schemes, duly certified by the Trustee/ Secretary or by the office bearer of the society.
3. List of the Trustee and signatures, authorised as per the above resolution, duly attested by the notary / Secretary of the Trust on the Trust's letterhead.
4. Documents required to be submitted under normal circumstances like PAN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).
5. Ultimate Beneficial Ownership Declaration Form duly signed by the authorized signatories PAN or any other valid ID proof for those where PAN is not applicable.

**\* Co-operative Societies:**

1. Copy of the Registration Certificate attested by the Secretary/ office bearer of the society.
2. Copy of the Resolution authorising investments/ disinvestments in the Mutual Fund Schemes, duly attested by the Secretary/ office bearer of the society.
3. List of authorised signatories with designation & their specimen signatures, attested by the Notary.
4. Documents required to be submitted under normal circumstances like PAN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).
5. Ultimate Beneficial Ownership Declaration Form duly signed by the authorized signatories PAN or any other valid ID proof for those where PAN is not applicable.

**\* Applications made under Power of Attorney:**

1. An applicant applying through power of attorney holder must lodge a copy of the Power of attorney (POA) duly attested by a notary public or copy of the POA alongwith Original POA (which will be returned after verification) at any of the ISC's.
2. The Power of Attorney Document must contain the signatures of both the applicant and the constituted Attorney.
3. Documents required to be submitted under normal circumstances like PAN along with KYC application or KYC Acknowledgment of both the Investor & the POA holder.

**\* Non Resident Investors:**

1. In case Indian rupee drafts are purchased abroad or from FCNR / NRE A/c., an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed along with the Application Form.
2. For subscriptions amounts remitted out of debit to the FCNR / NRE A/c., the Application form must be accompanied with an Account Debit Certificate confirming the account type and account number, issued by the Investor's banker(s).
3. Documents required to be submitted under normal circumstances like PAN along with KYC application or KYC Acknowledgment (compulsory irrespective of the amount invested).

**Note:**

1. All copies of documents should be self-attested by the respective authorized signatories specified therein or the same should be attested by Notary Public under official seal and stamp.
2. PAN Card copy along with KYC application (in case of investor is non KYC compliance) is mandatory for all the above investors. The Pan Card copy should be self-attested by the unit holder or copy of Pan Card to be submitted along with original PAN card (which will be returned after verification) at any of the ISC's.
3. AMC reserves the right to call for such other informations/documents that it deems fit to fulfill its KYC /other obligations.



4. If any of the above documents are in a Regional/Foreign Language, then the same have to be translated into English for submission as required by the AMC.

**E. OTHER MANDATORY DISCLOSURES:**

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Apart from the above mentioned documents, investors investing in the schemes of the Mutual Fund are required to comply with the below mentioned mandatory disclosures:

- i. **Bank Account Details:** In order to protect the interest of investors from fraudulent encashment of cheques, the current SEBI Regulations have made it mandatory for investors to mention in their application for purchase of Units, the bank name and account number where the payments are to be credited. Hence, all applications for Purchase of Units must provide the investor's a bank name, bank account number, branch address, and account type in the Application Form. Applications without these details will be treated as incomplete and rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and / or any delay. The investor is required to provide "cancelled" original cheque or self certified copy of blank cheque or self certified bank statement or first page of the bank pass book (bearing account number and the first unit holder name on the face of the cheque / bank pass book / bank statement) at the time of registration of the investor's bank mandate and subsequent change in the investor's bank mandate.
- ii. **Permanent Account Number (PAN):** It is compulsory for all investors (including NRIs & Guardian in case of minor) to quote their Permanent Account Number (PAN) and submit certified copy of the PAN card issued by the Income Tax Department, irrespective of the amount of investment along with the KYC application or KYC Acknowledgement, while making an application for Purchase of Units. In case of joint applicants, certified copy of PAN card of all holders should be submitted. Power of Attorney holder is also required to provide the PAN proof alongwith PAN copy where investment is on behalf of Power of Attorney holder.

**In case of investments from Investors residing in Sikkim:**

Following additional documents will be required in case an application is received from Sikkim, as Sikkim is exempt from the mandatory requirement of PAN for their investments in mutual fund. The AMC will accept the application verifying the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence:

- i. Proof of address of Sikkim state and the application form should mention the same address.
- ii. Address proof shall be self attested by the investor / attested by the ARN holder mentioning the ARN number or attested by any competent authority.

Applications without the aforesaid details are liable to be rejected without any reference to the investors.

**Micro Financial Products exempt from PAN Requirement:**

Investments in Mutual Fund schemes {including investments through Systematic Investment Plan (SIP)} of less than Rs. 50,000/- (Rupees Fifty Thousand) per year per investor shall be exempted from requirement of PAN.

Accordingly, investors are requested to note that the PAN requirement shall be exempted if the aggregate of the lump sum investment (fresh purchase & additional purchase) and SIP installments by an investor in rolling 12 months period or financial year i.e. April to March does not exceed Rs. 50,000/- (Rupees Fifty Thousand) (hereafter referred to as "Micro Investments"). However, it is clarified that the requirements of Know Your Customer (KYC) shall be mandatory for all investments, irrespective of the amount of investment. For the purpose of identifying



Micro Investments, the value of investments at the investor level (first holder) will be aggregated and such aggregation shall be done irrespective of the number of folios / accounts under which the investor has invested. The aforesaid exemption for PAN will be applicable only to Micro Investments made by the individuals being Indian citizens [including Non Resident Indians (NRIs), Joint holders, minors acting through guardian and sole proprietary firms]. Person of Indian Origin (PIO), Hindu Undivided Family (HUF), Qualified Foreign Investor (QFI) and other categories of investors will not be eligible for this exemption.

Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN..

Supporting documents copy has to be self attested by the investor / attested by the ARN holder mentioning the ARN number or attested by any competent authority.

### iii. Know Your Customer Requirements:

The need to "Know Your Customer" is vital for the prevention of money laundering. In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identity and address(es) of investors. The KYC Application Form provides for details of documents required to be submitted to support Identity and Address of the investor.

With effect from January 1, 2011 it is mandatory for all applicants to be KYC compliant, irrespective of the amount of investment, and provide the KYC application/ acknowledgement letter at the time of subscription under the schemes of the Fund. All Individual and all non-individual investors such as Companies, Body Corporates, Association of Persons, Banks, Financial Institutions, Funds, Trusts, Societies, Hindu Undivided Family (HUF), Partnership Firms, Foreign Institutional Investors, Limited Liability Partnerships etc., NRIs, PIOs, and investors (Individual and Non-individual) investing through Channel Distributor, has to mandatorily quote the compliance status of each applicant (guardian in case of minor) in the application for subscription and attach proof of KYC Compliance viz. KYC acknowledgement letter. Applicants intending to apply for units through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC compliance status and attach proof of KYC Compliance at the time of investment irrespective of the amount of investment. Applications without a valid KYC Acknowledgement in eligible cases can be rejected. In the event of non compliance of KYC requirements rejecting the KYC Compliance application of the investors, the Trustee / the AMC reserves the right to freeze the folio of the investor(s) and if necessary and deemed fit affect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any/reject subsequent investments for such investors.

Pursuant to SEBI Circular No. MIRSD/Cir- 26 /2011 dated December 23, 2011, SEBI KYC Registration Agency (KRA) Regulations, 2011 and SEBI Circular No. MIRSD/SE/Cir-21/2011 dated October 5, 2011, investors are requested to take note of the following changes that have been carried out in the KYC process with effect from January 1, 2012:

1. A common KYC Application Form has been introduced for all the SEBI registered intermediaries viz. Mutual Funds, Portfolio Managers, Depository Participants, Stock Brokers, Venture Capital Funds, Collective Investment Schemes, etc. New Investors are therefore requested to use the common KYC Application Form and carry out the KYC process



including In-Person Verification (IPV) with any SEBI registered intermediaries including mutual funds. The KYC Application Forms are also available on our website [www.edelweissmf.com](http://www.edelweissmf.com).

2. The Fund shall perform the initial KYC of its new investors and may undertake enhanced KYC measures commensurate with the risk profile of its investors in line with the aforementioned circulars/circulars issued by SEBI in this regard from time to time. The Fund shall upload the details of the investors on the system of the KYC Registration Agency ("KRA"). The Registrar & Transfer Agent of the Fund viz. Karvy Computershare Private Limited ("Karvy") may also undertake the KYC of the investors on behalf of the Fund. Mutual Fund / Intermediaries carrying out the KYC process shall send documents to KRAs within 10 working days from the date of execution of the documents by the investor. On receipt of the KYC documents, the KRA shall send a letter to the investor within SEBI stipulated timelines, confirming the details thereof.
3. Once the investor has done KYC with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary but can submit the letter/acknowledgment issued by the KRA.
4. It is mandatory for intermediaries including mutual funds to carry out IPV of its new investors. The IPV carried out by any SEBI registered intermediary can be relied upon by the Fund. Edelweiss Asset Management Limited and NISM/AMFI certified distributors/sub-distributors who are Know Your Distributor (KYD) compliant are authorized to undertake the IPV for mutual fund investors. Further, in case of any applications received directly (i.e. without being routed through the distributors) from the investors, the Fund may rely upon the IPV (on the KYC Application Form) performed by the scheduled commercial banks.
5. Existing KYC compliant investors of the Fund, who have completed the KYC process prior to January 01, 2012 can continue to invest as per the current practice. However, existing investors are also urged to comply with the new KYC requirements including IPV as mandated by SEBI.
6. Application Form not accompanied by KYC Application Form or letter/acknowledgment issued by KRA may be rejected by the Fund. The KYC compliance status will be validated with the records of the KRA.

The above change shall be applicable in respect of all investment applications (including Micro SIP) by new investors made on or after January 01, 2012.

#### **Central KYC (CKYC) Norms**

The Government of India has authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI, an independent body), to perform the function of Central KYC Records including receiving, storing, safeguarding and retrieving KYC records in digital form.

Accordingly, in line with SEBI circular nos. CIR/MIRSD/66/2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016 on Operationalisation of Central KYC (CKYC), read with AMFI Best Practice Guidelines circular no. 68/2016-17 dated December 22, 2016, new individual investors investing into the Fund are requested to note the following changes with effect from February 1, 2017:



1. New individual investors who have never done KYC under KRA (KYC Registration Agency) regime and whose KYC is not registered or verified in the KRA system, will be required fill the new CKYC form while investing with the Fund
2. If any new individual investor uses the old KRA KYC form which does not have all the information needed for registration with CKYC, such investor will be required to either fill the new CKYC form or provide the missing/additional information using the Supplementary CKYC form
3. Investors who have already completed CKYC and have a KYC Identification Number (KIN) issued by the CKYC Registry can invest by quoting their 14 digit KIN in the application form
4. In case investor's PAN is not updated in CKYC system, a self-certified copy of PAN Card will need to be provided

The CKYC form and Supplementary CKYC form are available on our website <http://www.edelweissmf.com>

Investors/Unit holders are requested to contact any of the Investor Service Centres (ISCs) of the Fund for further details.

With a view to ensure compliance with Regulations, the AMC has the right to scrutinize/verify the application/applicant and the source of the applicant's funds and also reserves the right to redeem at the Applicable NAV subject to applicable load, if any/freeze the allotment/reject subsequent transactions/ reverse / cancel transactions, in its sole discretion, the investment or redeem the investment proceeds in favor of the source account from which the monies had been invested, reporting the transaction / account to anti-money laundering authorities and/or taking such other action, that may be necessary under AML Regulations.

The Fund, Trustee, the AMC or Registrar shall not be liable for any failure to perform its obligations or for any delay taken to complete verification of KYC compliance status of any investor.

The above provisions relating to prevention of money laundering and 'Know Your Client' may change from time to time as required by Regulations. Please visit the AMC Website and/ or [www.amfiindia.com](http://www.amfiindia.com) for any other related information.

- **Change of any particulars mentioned in KYC Form:** Investors are requested to note that for any change in future in any particulars furnished in KYC Form, Investors should notify such changes in writing to the Registrar/the AMC in the prescribed form for change in KYC details.

***Procedure for change in address:***

Pursuant to AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process changes will be carried out in relation to change in address:

**1. KYC non-compliant folios:**

- Proof of new Address; and
- Proof of Identity - in case of PAN updated folios, only PAN card copy shall be accepted, and in other cases PAN/other valid proof of identity shall be accepted.

**2. KYC compliant folios:**

- Proof of new Address; and



- Any other document/form that the KYC Registration Agency (KRA) may specify from time to time.

List of admissible documents for Proof of new Address and Proof of Identity above should be in conformity with SEBI circular no.MIRSD/SE/Cir-21/2011 dated October 5, 2011. Edelweiss Asset Management Ltd. reserves the right to collect proof of old address on a case to case basis while effecting the change of address.

Copies of all documents submitted by the Investors should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested/ verified by entities authorised for attesting / verification of the documents as per KYC guidelines.

- **NOTE:**
  - a. In case of joint-applicants, KYC should be completed by all joint applicants.
  - b. In case of applications under Power of attorney, KYC has to be completed by both the issuer and the holder of the power of attorney.
  - c. In case of NRIs / PIOs, they are required to complete KYC.
  - d. In case of minor, the KYC should be completed by the Parent / Guardian signing on behalf of the Minor. However, in the event of such minor person becoming major, the KYC has to be completed on becoming major.
  - e. In case of transmission, KYC has to be completed by the person claiming under such transmission.
  - f. In case of nomination, KYC has to be completed by the Nominee before invoking the nomination.
  - g. In case of lien / pledge etc, KYC has to be completed by the lien / pledge-holder.

Further to our addendum dated January 2, 2012 and pursuant to SEBI Circular No. MIRSD/SE/Cir-21/2011 dated October 5, 2011 and SEBI Circular No. MIRSD/ Cir-5 /2012 dated April 13, 2012, Mutual Fund investors who have completed their 'Know Your Customer' (KYC) requirement for Mutual Funds through CDSL Ventures Ltd. (CVL) upto December 31, 2011 are requested to take note that their existing KYC details have been uploaded by CVL in their 'KYC Registration Agency' system (CVL-KRA) with the status as "MF-VERIFIED BY CVLMF".

With effect from December 1, 2012 ('effective date'), such investors with the aforementioned KYC status who intend to invest in the Scheme(s) of Edelweiss Mutual Fund for the first time (i.e. investors not holding folios with Edelweiss Mutual Fund), will be required to submit 'missing/not available' KYC information as detailed below and complete the 'In Person Verification' (IPV) requirements.

a) In case of Individual investors, following details need to be submitted:

1. Father's / Spouse's Name
2. Marital Status
3. Nationality
4. Gross Annual Income or Net worth as on recent date

Individual investors are requested to fill in the 'KYC Details Change Form' issued by CVL-KRA available on their website [www.cvlkra.com](http://www.cvlkra.com). This duly filled form along with the IPV can be submitted to any of the investor service centre of Mutual Funds where the investor holds a folio.

b) In case of Non Individual investors, who intend to invest for the first time (i.e. investors not holding folios with Edelweiss Mutual Fund) in the Scheme(s) of Edelweiss Mutual Fund from the effective date, KYC needs to be done afresh due to significant changes in KYC requirements.



## **F. ADDITIONAL FACILITIES:**

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### **1. Option to hold units in Dematerialised Form\*:**

Unit holders have an Option to hold the units by way of an Account Statement or in Dematerialized ('Demat') form. Unit holders opting to hold the units in Demat form must provide their Demat Account details in the specified section of the application form. The Applicants intending to hold the units in Demat form are required to have a beneficiary account with a Depository Participant (DP) registered with NSDL / CDSL and will be required to indicate in the application the DP's name, DP ID Number and the Beneficiary Account Number of the applicant held with the DP at the time of purchasing Units.

In case Unit holders do not provide their demat account details or the demat details provided in the application form are incomplete / incorrect or do not match with the details with the Depository records, the Units will be allotted in account statement mode provided the application is otherwise complete in all respect and accordingly an account statement shall be sent to them.

In case of Investors investing through SIP facility and opting to hold the Units in Demat form, the units will be allotted based on the Applicable Net Asset Value (NAV) and the same will be credited to investor's Demat Account on weekly basis on realization of funds.

*\*The option to hold Units in demat (electronic) mode is currently available for all the Schemes of the Fund except for subscriptions made under the Plans/Options of the Schemes where the dividend distribution frequency is either daily or fortnightly.*

### **2. Inter Scheme Switching:**

Unit holders under certain Scheme(s) are given the option to switch part or all of their Unit holdings in the respective Plans to other Scheme(s) established by the Mutual Fund with or without paying an exit load. The Mutual Fund also, provides the investors the flexibility to switch their investments from any other scheme(s) offered by the Mutual Fund to a new scheme during the New Fund Offer period or on an ongoing basis. For details on Scheme(s) which offer such facility, please refer to the respective SID.

This Option will be useful to Unit holders who wish to alter the allocation of their investment (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched) in order to meet their changed investment needs. Accordingly, to be effective, the Switch must comply with the redemption rules of the Scheme and the issue rules of the other scheme (such as the minimum number of Units that may be redeemed or issued, Exit / Entry Load, if any, etc). The price at which the Units will be switched out of the respective Scheme will be based on the Redemption Price, and the proceeds will be invested in the other scheme at the prevailing sale price for units in that scheme.

#### **Intra – Scheme Switching option: (Between different Plans/Options/Facilities under the Schemes)**

Investors can switch between different Plans/Options/Facilities under the Schemes (For details please refer SID). Switches will take place at the applicable NAV based prices and the difference between the NAVs of the two plans will be reflected in the number of units allotted.

### **3. Consolidation of Folio & Master Folio Facility:**

As an investor friendly measure, unless otherwise requested by the Unit holder, one Folio Number will be assigned for one unit holder having holdings in different Scheme(s) of the Mutual Fund. In such a case, one consolidated Account Statement will be provided. The number of Units allotted/redeemed will be reflected in his or her account and a statement to this effect will be issued



to the Unit holder. The AMC reserves the right to assign the existing Folio Number against multiple applications and / or subsequent purchases under a new application form by an existing holder, with identical mode of holding and address.

Under Master Folio Facility, the Investor can request for a combined Account Statement of all the Folios, which are specified by him i.e. of all the folio's belonging to different personnel or entities combined with the individual folios as the case may be provided the AMC receives a written confirmation from all the folio holders allowing the AMC to send the Account Details at the Master Folio.

#### **4. Joint Holders:**

In case a folio has more than one registered holder (joint holdings), only the first-named Unit holder shall receive the account statements/consolidated account statement, all notices and correspondence with respect to the account, as well as the proceeds of any Redemption requests or dividends or other distributions. In addition, such holder shall have the voting rights, as permitted, associated with such Units as per the applicable guidelines.

The Unit holder must specify the 'mode of holding' in the application form as 'Jointly' or 'Anyone or Survivor'. In the case of holding specified as 'Jointly', redemption requests would have to be signed by all joint holders in sequence of their holdings. However, in cases of holding specified as 'Anyone or Survivor', any one of the Unit holders will have the power / authority to make Redemption requests, without it being necessary for all the Unit holders to sign. However, in all cases, the proceeds of the Redemption will be paid to the first named Unit holder. Further, if the investor/unit holder fails to mention the "mode of holding" the default option will be "Anyone or Survivor".

In the case of death/ insolvency of any joint holder named in the Register of Unit holders, the survivor(s) shall be the only person(s) recognised by the Mutual Fund as having any title to or interest in the Units. In all such cases, the proceeds of the Redemption will be paid to the first-named of such remaining Unit holders.

#### **5. Unit Certificate:**

Normally no Unit certificates will be issued. However, if the applicant so desires, the AMC shall issue a non-transferable Unit certificate to the applicant within 30 days of the receipt of request for the certificate at its discretion. Unit certificate if issued must be duly discharged by the Unit holder(s) and surrendered along with the request for Redemption/ Switch or any other transaction of Units covered therein. The incidental cost of stamp duty paid for issuing the unit certificate may be recovered from the Unit holder or may be charged to the scheme as per annual recurring expenses.

Further, Account Statement issued in lieu of the Unit Certificate shall be non-transferable. The Trustee may issue a Unit Certificate in lieu of the Account Statement in respect of the units held, to such unit holders who request for the same, after receipt of a specific request from the unit holder, at the cost and expense of the unit holder or otherwise, as may be decided from time to time.

#### **For Exchange Traded Funds and units held in demat form:**

Units allotted under the above category, are transferable subject to the provisions of the Depositories Act, SEBI (Depository and Depository Participant) Regulations, 1996 and other applicable provisions. All Units rank pari passu amongst Units within the Scheme/Option as to assets and earnings.

Units of all schemes of Edelweiss Mutual Fund which are held in demat form shall be freely transferable under the depository system. However, restrictions on transfer of units of Edelweiss



ELSS Fund during the lock-in period shall continue to be applicable as per the ELSS Guidelines. Further, the investors under Edelweiss ELSS Fund may specifically note that the units held under the scheme can only be transferred after a period of 3 years from the date of allotment of Units.

## **6. Units with Depository:**

Units of the Scheme may also be held with a Depository. Under such circumstances, Units will be held in accordance with the provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

### **(a) Dematerialisation of existing physical units:**

Necessary request for dematerialization (demat) of units can be submitted by the existing Unit holders to their respective Depository Participant along with the account statement issued by the Fund. The same number of Units held in the physical mode shall be converted into demat mode. Requests for demat shall be processed within thirty days or such other days as may be stipulated under SEBI Regulations from the date of receipt of such a request, provided it is complete and valid in all respects. Issuance of units in demat mode may attract stamp duty, cost of which may be recovered from Unit holders or may be charged to the scheme as per annual recurring expenses.

### **(b) Rematerialisation of demat units:**

Unit holders have the option to rematerialise their existing demat Units by giving rematerialisation request to the respective Depository Participant (DP). On receiving the confirmation of demat Units balance, an account statement for the physical Units shall be issued where the same number of Units held in the demat mode shall be continued in the physical mode. The rematerialisation of demat Units shall be processed within thirty days or such other days as may be stipulated under SEBI Regulations from the date of receipt of such a request, provided it is complete and valid in all respects.

## **7. First In First Out (FIFO) Basis:**

Should a Unit holder, who holds Units allotted during the New Fund Offer or on an ongoing basis, opts for partial redemption of his unit holdings, the units shall be redeemed on a first in-first out basis, i.e. the Units allotted first shall be redeemed first.

## **8. Applications via Electronic/Telecommunication Mode:**

Subject to the investor fulfilling all terms and conditions stipulated by EAML/Trustee Company / EMF / and its authorized Service Provider, the AMC may accept transactions through any electronic mode. Electronic/Alternate mode includes web transaction, , M-commerce, kiosk & such other modes as prescribed and made available by EAML/Trustee Company/EMF and its service provider from time to time and as are permitted by SEBI or other regulatory authorities but exclude fax and e-mail transactions.

This facility is offered to all unit holders/investors for availing all financial & non financial services, who have registered themselves for the facility as provided by EAML/Trustee Company /Mutual Fund and its Service Providers from time to time in the Application Form. EAML/Trustee Company/EMF may enter into such arrangements/agreements as it may deem fit, to give effect to the above.

The Fund may introduce a facility for distributors to transact on the web on behalf of their clients, provided the client has authorised the distributors to do so by executing a Power of Attorney in favour of the distributor for this purpose and subject to valid service level agreements entered into by the distributor with the AMC. It shall be the responsibility of the distributor, to ensure that the



Power of Attorney is valid and subsisting, to carry out the transaction. Further, the Investor/unitholder agrees with the following:

- i. The investor/ unitholder acknowledges that transactions through electronic/ telecommunication mode is not a secure means of giving instructions/transaction requests and that the investor/ unit holder is aware of the risks involved including those arising out of such instructions/transactions.
- ii. The Mutual Fund/Trustee Company/ AMC at its sole discretion at any time, and from time to time, without liability accept or refuse instructions by any 'electronic mode' transaction for any or all instructions/transactions.
- iii. The investor/ unit holder's request to the AMC/Trustee Company/Mutual Fund and its service providers to act on any transactions through 'electronic/telecommunication mode' is for the investor/ unit holder's convenience and the AMC/ Trustee Company, Mutual Fund and its service providers are not obliged or bound to act on the same.
- iv. The AMC/Trustee Company/ Mutual Fund and its Service Providers will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the AMC/Trustee Company Mutual Fund and its Service Providers.
- v. The investor/ unitholder authorizes the AMC/Trustee Company/Mutual Fund and its Service Providers to accept and act on any transactions through 'electronic/telecommunication mode' which the AMC/Mutual Fund/Trustee Company and its service providers believes in good faith to be given by the investor/ unit holder and shall treat any such transaction as if the same was given to the AMC/Trustee Company/Mutual Fund and its Service Providers under the investor/ unit holder's original signature.
- vi. The investor/ unitholder agrees that security procedures adopted by the AMC/Trustee Company/Mutual Fund and its Service Providers may include signature verification, telephone call backs which may be recorded by tape recording device and the investor/ unit holder consents to such recording and agrees to co-operate with the AMC/Trustee Company/Mutual Fund and its Service Providers to enable confirmation of such transactions through 'electronic/telecommunication mode' based on transaction requests.
- vii. The investor/unitholder agrees that the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers shall not be liable or responsible for having initiated transactions on the basis of instructions received through 'electronic/telecommunication mode' prior to receipt of notice from the investor/unitholder to not act upon instructions received by electronic/telecommunication mode. In the event of any discrepancy between the records of the Investor/unitholder and the records of the AMC/Trustee Company/Mutual Fund and its Service Providers in relation to instructions/transactions, the records maintained by the AMC/Trustee Company/Mutual Fund and its Service Providers shall be presumed to be true and correct.
- viii. The investor/ unit holder accepts that the transactions through 'electronic/telecommunication mode' shall not be considered as a valid transaction request in the Scheme in line with SEBI regulations until the same is duly time stamped as per SEBI regulations.
- ix. The AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers shall not be



responsible for any failure on the part of the unit holder to utilize the facility due to the unit holder not being within the geographical range within which the facility is offered.

- x. The investor/unitholder is aware of all security risks, for any and all transactions through “electronic/telecommunication mode”, including the risks of possible interception and transmission by third parties and/or alteration and/or unauthorised use or misuse thereof, for whatever purposes.
- xi. The investor/unitholder agrees that the AMC/Trustee Company/Mutual Fund and its Service Providers are not required at all to seek to ascertain the validity, genuineness or otherwise of the instruction received by ‘electronic/telecommunication mode’, subject the same is in accordance with the terms and conditions as specified by the AMC/Trustee Company/Mutual Fund and its Service Providers and investor/unitholder agrees to be bound by the Instructions received by the AMC/Trustee Company/Mutual Fund and its Service Providers through ‘electronic/telecommunication mode’.
- xii. The investors/unitholders shall not hold the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers responsible or liable for any loss on any grounds whatsoever incurred by the investor/unitholders pursuant to the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers not being able to act on the basis of an instructions transmitted by the ‘Electronic/telecommunication mode’ for any reasons whatsoever, including in the event that the information transmitted through electronic mode or any part thereof, is not legible, is garbled, erroneous, self-contradictory, incomplete or unclear or that an Instruction by an ‘electronic/telecommunication mode’ is received at or beyond the close of uniform cut-off timing on any business day, as prescribed by the AMC/Trustee Company/Mutual Fund and its Service Providers.
- xiii. The investors/unitholders shall not hold the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers responsible or liable for any loss on any grounds whatsoever incurred by the investor/unitholders pursuant to any unauthorized use of Username, PIN and Password facility of the unitholder/investor.
- xiv. The Investor/unitholder should note that the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers shall not be responsible for any consequence arising from causes beyond the control of the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers.

#### **Accepting transactions through Electronic platform of Karvy Computershare Private Limited**

**NOTICE** is hereby given to all the investors / unit holders that, in terms of the enabling provisions of Statement of Additional Information ('SAI') of Edelweiss Mutual Fund ('the Fund'), investors / unit holders will be allowed to transact in schemes of the Fund through [www.karymfs.com](http://www.karymfs.com), an electronic platform provided by Karvy Computershare Pvt. Ltd., Registrar & Transfer Agent of the Fund ('Karvy'). The facility to transact in schemes of the Fund will also be available through mobile application of Karvy i.e. 'KTRACK' (collectively called, 'Karvy's electronic platforms').

The above facility will be available for all schemes of the Fund except Exchange Traded Funds with effect from September 21, 2017. The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents ('SIDs') / Key Information Memorandums ('KIMs') of the respective schemes of the Fund will be applicable for transactions received through Karvy's electronic



platforms and the time of receipt of transaction recorded on the server of Karvy will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s) wherever applicable.

The facility to transact in eligible schemes of Edelweiss Mutual Fund through Karvy's electronic platforms is available subject to such operating guidelines, terms and conditions as may be prescribed from time to time by Karvy, Edelweiss Asset Management Limited / Edelweiss Trusteeship Company Limited and applicable laws for the time being in force.

For operating guidelines, terms and conditions, registration form and further details, investors / unit holders are requested to visit [www.karymfs.com](http://www.karymfs.com).

**Fax Submission:**

In order to facilitate quick processing of transactions and / or instructions of investors the AMC / Trustee / Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an investor / unit holder by facsimile ("Fax Submission") and the Investor/ unit holder voluntarily and with full knowledge takes and assumes any and all risks associated therewith. The AMC / Trustee / Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submissions purporting to have been sent by the Investor and may act thereon as if same had been duly given by Investor. In all cases the investors will have to immediately submit the original documents / instructions to the AMC / Mutual Fund.

**Indemnity for Transactions via Electronic/Telecommunication Mode and Fax Submissions:**

The investor/unit holder shall indemnify and save harmless against any and all claims, losses, demands, actions, suit proceedings, damages, costs, liabilities and expense (including without limitation, interest and legal fees) actually incurred, suffered or paid by the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers at all times and keep the AMC / Trustee / Mutual Fund and the Directors, employees, officers, successors, agents, representatives of AMC / Trustee / Mutual Fund and its service providers, in connection with or arising out of or relating to the AMC / Trustee / Mutual Fund accepting and acting or not accepting and not acting for any reason whatsoever pursuant to, in accordance with or relying upon, data received, through electronic/telecommunication mode from the investor/unitholder or authorised representative of the Investor/unitholder or any unauthorized use of Username, PIN and Password facility of the unitholder/investor. The AMC reserves the right to discontinue any facility at any point of time.

**9. Split or Consolidation in the Face Value of Units**

The units under the scheme are presently being issued at the face value of Rs.10/Rs.1,000. Subject to SEBI Regulations in this regard; the AMC may split the face value of the units to below Rs. 10/Rs.1,000 in multiple of an appropriate integer, the intent being to protect the interest of the unit holders. The units after split in the face value would be issued to all Unit holders whose names appear in the register of members as on the record date fixed for the purpose. Account/transaction statements will be sent to all unit holders after the split procedure is completed. The NAV of the Scheme will be adjusted to the extent of the split in the face value of units after the record date fixed for the purpose. The same procedure will be followed in case of Consolidation of units.

**10. Lien**



In case existing and new investors redeem units soon after making purchases, the redemption request will not be processed until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for units purchased have been cleared. In case the cheque / draft is dishonored by the bank, the transaction shall be reversed and the units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be despatched to the Unit holder. In such case, a lien will be created on units allotted on the day of transaction and such units shall not be available for redemption until the payment proceeds are realised by the Fund.

For non-individuals and NRIs, the Fund may mark a lien on units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request.

However, the AMC reserves the right to change operational guidelines for lien on units from time to time.

### **11. Pledge**

The Units under any of the Scheme(s) of Edelweiss Mutual Fund may be offered by the unit holder as security by way of a pledge in favour of scheduled banks, financial institutions or any other body, (including ECL Finance Ltd., Edelweiss Group Company), specifically approved by the Mutual Fund. Presently, the AMC accepts Pledge in favor of financial intermediaries which are regulated by any Regulatory Authority in India. Upon a specific authorisation request made by a Unit holder and upon completing necessary formalities by the unit holder, the Fund will instruct the Registrar to mark a lien on the Units standing to the credit of the unit holder in consideration of the Unit holder availing of any special service offered by such bank / financial Institution etc.

However, the disbursement of such loans will be at the entire discretion of the concerned bank/financial institution/ any other body and the Mutual Fund assumes no responsibility thereof. If by enforcing the pledge /charge /Invoking the Lien, the scheduled bank/financial institution any other approved body seeks to transfer the units and have them registered in its name or claim redemption proceeds thereof, then AMC shall comply with the request, if a written request is received from the pledgee along with the necessary documentary evidence as may be required by the AMC. No Pledge or charge shall be recognised by the AMC, unless it is registered with the Registrar and the acknowledgement has been received. However, the AMC reserves the right to change operational guidelines for pledge on units, from time to time. Further, AMC may block the units or the corporate benefits provided by the Mutual Fund on account of order received from Revenue or Regulatory Authorities directing the Pledging of units. Unit holders may note that any kind of pledge may attract stamp duty.

### **12. Dividend Sweep Facility:**

Under this facility, the unit holders may invest their dividend in any other open ended Scheme of the Fund at the applicable NAV based prices, irrespective of the minimum application amount and eligibility requirements of the Scheme in which the dividend is being invested. Such facility will be available only to unit holders who have opted for Monthly, Quarterly, Half Yearly and annual Dividend options i.e. such facility will not be available for Daily, Weekly, Fortnightly options. Variations, if any, will be specified in SID.

## ***G. SPECIAL FACILITIES***

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The Fund reserves the right to amend or terminate or introduce special facilities in any of the Scheme(s) of Edelweiss Mutual Fund. Such facilities for the time being include Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan, Trigger Facility, Switch



Facility and any such facility/plan that may be introduced in the future. Applicants are requested to indicate the plan/option/sub option i.e. Dividend or Growth, Payout or Reinvestment etc. clearly in the Application Form.

### **1. Systematic Investment Plan (SIP):**

Investors are given an additional facility of Systematic Investment Plan (SIP) in the Scheme(s) of Edelweiss Mutual Fund. Thus, by investing a fixed amount at regular interval, Unit holders can take advantage of the benefits of Rupee Cost Averaging; such facility will be treated as Subscription along with the applicable NAV/load, if any. Investor can enroll themselves for SIP by submitting the enrolment form alongwith the relevant documents like debit instructions, the first cheque to start SIP and a cancelled cheque or a copy of cheque in case of Electronic Clearing System (ECS) as the case may be, at any of our ISCs. Investors should note that AMC may take initial transaction processing time upto 30 days. Investor will have the right to discontinue the SIP at any time, if they so desire.

Facility of National Automated Clearing House (NACH) Platform in Systematic Investment Plan (SIP):

In addition to existing facility available for payments through Electronic Clearing Service (ECS)/Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH facility can also be used to make payment of SIP installments.

NACH is an electronic payment facility launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.

Investors can avail NACH facility by duly filling up and submitting the SIP Enrolment cum NACH/Auto Debit Mandate Form. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

### **Goal Progression SIP (GPrS) Facility:**

Under the existing provisions of the Trigger Facility offered under the SID of various Schemes of Edelweiss Mutual Fund ("the Fund"), investors/unit holders are being offered an additional Facility viz. Goal Progression SIP, an Event-based Trigger Facility ("GPrS Facility"), under the specified Eligible Schemes of the Fund with effect from July 4, 2016.

GPrS Facility will enable the investor/unit holder to specify a goal along with the target amount which the investor wish to achieve by investing through Systematic Investment Plan ("SIP") under the Eligible Schemes of the Fund. This Facility will 'Alert' the investor (by way of Email/SMS) once the target amount as specified by the investor is achieved.

Terms and Conditions for GPrS Facility are as follows:

1. Eligible Schemes: Edelweiss Equity Savings Advantage Fund, Edelweiss Diversified Growth Equity Top 100 (E.D.G.E. Top 100) Fund, Edelweiss Emerging Leaders Fund, Edelweiss Prudent Advantage Fund, Edelweiss Absolute Return Fund, Edelweiss Arbitrage Fund and Edelweiss ELSS Fund.
2. Investors / unit holders have the option to choose only one goal along with a single target amount for each Eligible Scheme under a particular folio. No additional purchase/switch-in/ Systematic Investment Plan/Systematic Transfer Plan shall be permitted in the folio considered under this Facility.
3. This Facility cannot be opted under the existing investments. Investors who wish to avail this Facility will have to start fresh SIP(s) under a new folio number.
4. Investors/unit holders have to submit a duly completed 'Special Investment Mandate Form' along with 'SIP Registration Form' for availing this Facility.



5. Registration under the Facility will be completed within 30 days from the date of submission of the relevant Forms.
6. Investors/unit holders are requested to note that changing the specified goal and / or the target amount will not be permitted under the GPrS Facility.
7. Any request for discontinuing the GPrS Facility should be submitted 10 working days prior to the next SIP installment date.
8. This Facility will not be available to investors/unit holders who opt to hold the units in demat mode.
9. Investors are requested to note that, the goal and the target amount specified under the GPrS Facility has to be determined by the investors themselves and that there is no assurance that goal/target amount will be realised through SIP investment in the Eligible Schemes of the Fund. Neither Sponsor/ AMC/ Trustee Company and/or its associates nor Edelweiss Mutual Fund or any person connected with it accepts any liability arising from the selection of goal/target amount.
10. Investors / unit holders are requested to note that other features of SIP investment such as minimum investment amount, frequency, number of installments, investment dates etc., as mentioned in the Scheme Information Document of the respective Schemes shall be applicable.

**Corporate SIP Facility:**

1. Corporate SIP facility enables participation by the Employee of a Corporate to subscribe to the Units of the Scheme. All the provisions of SIP as stated above will apply to Corporate SIP facility as well.
2. However, if the Corporate provides direct credit for the cumulative SIP installment amount of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off.
3. Further, the frequency of such SIPs may be customised by the AMC at its discretion. In case of receipt of transfer of funds by way of direct credit instructions / any other electronic mode of transfer of funds for such SIPs, the date of allotting units under the Corporate SIP facility would be the date of receipt of a valid direct credit / transfer of funds instruction by the AMC.

**Micro SIP facility:**

1. Micro SIPs are investments through Systematic Investment Plans (SIPs) upto Rs. 50,000/- per year per investor. Requirement of PAN shall be exempt if the aggregate of the lump-sum investment (fresh purchase & additional purchase) and SIP installments by an investor in rolling 12 months period or financial year i.e. April to March does not exceed Rs. 50,000/- (Rupees Fifty Thousand) (hereafter referred to as "Micro Investments"). However, it is clarified that the requirements of Know Your Customer (KYC) shall be mandatory for all investments, irrespective of the amount of investment.
2. The aforesaid exemption for PAN requirement will be applicable only to Micro Investments made by individuals (including NRIs, but not POIs), minors acting through guardian and Sole Proprietary Firms. PIOs, HUFs and other categories of investors will not be eligible for this exemption.
3. Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN.
4. For the purpose of identifying Micro Investments, the value of investments at the investor level (first holder) will be aggregated and such aggregation shall be done irrespective of the number of folios / accounts under which the investor has invested.



5. Eligible Investors who wish to enroll for Micro SIP are required to submit a duly filled in SIP Enrolment Form along with relevant documents at any of the ISCs/Official Point of Acceptance of the AMC. Investors are advised to read the terms and conditions as stated in the SIP Enrolment Form before enrolment.

**Facility of National Automated Clearing House (NACH) Platform in Systematic Investment Plan (SIP):**

1. In addition to existing facility available for payments through Electronic Clearing Service (ECS)/Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH facility can also be used to make payment of SIP installments.
2. NACH is an electronic payment facility launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.
3. Investors can avail NACH facility by duly filling up and submitting the SIP Enrolment cum NACH/Auto Debit Mandate Form. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

**2. Systematic Withdrawal Plan (SWP):**

This facility enables the Unit holders to withdraw fix sum from their unit accounts at periodic intervals through a one-time request. The amount withdrawn under SWP will be considered as redemption with applicable NAV/Load, if any. To qualify for SWP, the units should not be marked under Lien or units should not be locked in nor pledged. SWP will be terminated automatically in case of a Zero balance in the respective Scheme-Folio on the run-date or expiry of the enrolment period whichever is earlier.

**3. Systematic Transfer Plan (STP):**

This facility enable the unit holder to transfer fixed sum periodically from the source scheme to the target scheme by redeeming Units of Source scheme at Applicable NAV, subject to exit load, if any; and reinvesting the same amount in target Scheme at applicable NAV, subject to entry load if any (The minimum amount criteria in the target scheme should however be fulfilled unless specified otherwise). Further, investors should note that:

STP/SWP will be automatically terminated if all Units are liquidated or withdrawn from the Source scheme or pledged or upon receipt of intimation of death of the Unit holder. Further, STP/SWP would not be applicable in case of insufficient balance under the Source Scheme.

Units marked under lien or pledged in the "Source Scheme" shall not be eligible for STP/SWP.

A Unit holder who has opted for STP/SWP under a specific scheme can also switch his units to any other eligible scheme provided, he has sufficient balance in his account on the date of such a request.

The Unit holder can make additional subscriptions in accordance to the terms and conditions of the Scheme Information Document. Such additional subscription will not alter the functioning of the STP/SWP request submitted by the unit holder.

STP/SWP will be terminated automatically in case of a Zero balance in the respective Scheme-Folio on the run-date or expiry of the enrolment period whichever is earlier.

Investors who avail of STP/SWP facility can at any time opt out of the same or can purchase, redeem or switch units.



#### 4. Regular Payout Facility (RP Facility):

Edelweiss Asset Management Limited ('the AMC') has decided to introduce an additional facility under the 'Special Products' offered under various Schemes of the Fund viz. 'Regular Payout Facility' ('the RP Facility'). The RP Facility will enable investors to withdraw/redeem a fixed percentage of the specified amount from their investments in the Eligible Schemes at a predefined frequency as specified at the time of registering for the RP Facility. Investor/unit holders are requested to take note of the terms and conditions of the RP Facility as stated below which shall be effective from September 29, 2017.

Terms and Conditions of Regular Payout Facility:

- i. The RP Facility will be available to all new as well as existing investors of the Eligible Schemes, however, an investor has to have a minimum investment amount of Rs. 100,000 under the specified Plan/Option of the Eligible Scheme on the date of registration for this Facility.
- ii. Eligible Scheme(s): All open ended schemes of Edelweiss Mutual Fund, except the Exchange Traded Funds, Edelweiss ELSS Fund and Edelweiss Tax Advantage Fund.
- iii. Frequency: Investors have the option to choose from the following frequencies – Monthly / Quarterly / Yearly. Monthly, being the default frequency.
- iv. Payout: Investors will have an option to select the payout as a percentage of the investment amount as specified by them at the time of registering for this Facility. Investors have the option to choose from the following annual percentage values i.e. 6%, 6.5%, 7%, 7.5%, 8%, 8.5%, 9%, 9.5%, 10%. The default range being 6%. For example, if an investor opts for 6% p.a. as payout on his investment amount of Rs. 1,00,000/- at monthly frequency under Scheme A, then Rs. 500 (0.50% of Rs.1,00,000) would be processed at pre-defined date on monthly basis.
- v. In case of partial redemptions, the payouts under this Facility will still be processed on the amount as specified at the time of registering for this Facility and not on the balance investment amount, subject to availability of balance in the folio.
- vi. In case the balance amount under the folio is less than the amount due to be paid out under the RP Facility, the payout will be processed for the balance amount in the folio and the Facility will be closed.
- vii. Existing investors have to submit a duly completed 'Regular Payout Facility Form' for availing this Facility. First time/new investors have to submit duly completed Common Application Form along with Regular Payout Facility Form.
- viii. For existing / new investors, the RP Facility would get activated after 10 Business Days from the date of receipt of valid Form. Investors have to specify the start date and end date for this Facility, however, the minimum installment for the RP Facility would be as follows:

Frequency	Monthly	Quarterly	Annual
Minimum installments	12	4	3

Investors can select any date between the 1<sup>st</sup> to 25<sup>th</sup> of the month to start / end the RP Facility. The default date being 25<sup>th</sup>. If the specified date is a non-Business Day then the next Business Day will be considered as the start/end date for the Facility. In case the investor does not mention the end date, it will be deemed that the RP Facility is perpetual or until a circumstance as mentioned in point 6, 9 or 11 arises.

- ix. The Facility will be automatically terminated if all units under the Eligible Schemes are liquidated or withdrawn or pledged by the unit holder.
- x. This Facility will not be available to investors/unit holders who opt to hold the units in demat mode. Further, the Units should not be marked under Lien nor pledged.
- xi. Any request for changing the options under the Facility would amount to cancellation of the Facility and a fresh registration would be required with the desired options.
- xii. Any request for discontinuing the Facility shall be processed within 10 working days from the date of submission of such request. In the interim, if the criteria specified for this Facility is satisfied, the Fund reserves the right to process the payout.
- xiii. Payout shall be treated as application for Redemption and accordingly, the provisions of the Applicable NAV and cut-off time as specified in the Scheme Information Document (SID) of the respective Eligible Scheme shall be applicable for such transaction.

#### **Cut-Off Period for STP & SWP:**

For enrollment into STP/SWP, the request should be received at any official point of acceptance at least 7 business days prior to the commencement of the first STP/SWP execution date. Similarly for



discontinuing the SWP/STP, the written request should be submitted at any official point of acceptance at least 7 business days prior to the next STP/SWP execution date. Further, any change in the amount /frequency or period of STP/SWP should be communicated in writing to the Registrar's Office at least 7 business days prior to the next STP/SWP execution date.

#### ***H. TRIGGER FACILITY SUCH AS 'PREPAID SIP', 'PREPAID STP', GAIN SWITCHING MECHANISM, SWITCH ON ARBITRAGE***

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Trigger acts as a financial planning tool for information & initiating action. The unit holder can specify a specific event/action, which may be related to time or value or a specific event/action in advance and when this event/action takes place the trigger will get activated. This helps the unit holders to minimize the loss and/or timely booking of profits. Triggers can broadly be classified as:

- a) **Time-based triggers** - Time-based triggers are actioned on the day and/or date opted by the investor. For example, if Investor opted for particular day or date trigger & if he wishes to gift some units to his mother on her birthday, a trigger could be set based on the date as requested by the Unit holder. Switch On Arbitrage is a time based trigger facility.
- b) **Event-based triggers** – Investor can also set triggers based on the occurrence of a particular external event that affects the value of investment. For example,
- \* Investment value - Change in the value of investment held by unit holder by certain percentage/ value (rise/fall) then trigger can be activated. Percentage change in value of units will be calculated on the amount invested by the unit holders.
  - \* Capital Appreciation/Depreciation - If investment value appreciates/depreciates by certain percentage /value (rise/fall) trigger will be activated.
  - \* Change in NAV - Change in the NAV by certain percentage (rise/falls) on Invested NAV then trigger will be activated.
  - \* BSE Sensex/ NSE Nifty - If BSE Sensex/NSE Nifty changes by certain percentage/points (rise/falls) trigger will be activated. Only end of day closing points of BSE/NSE will be considered for activating the trigger. Percentage rise/falls will be calculated by taking the base index as on the investment date.
  - \* Gain Switching Mechanism facility is an Event-based Trigger Facility.

#### **Trigger Facilities:**

- \* **Alert based Trigger** – This facility will “ALERT” (Mail/SMS) the investor after meeting the specifications provided by him/her.
- \* **Action based Trigger** - In this facility, system will process the transaction (redemption/switch etc.) if the trigger hits the specifications/types provided by the investor and the Statement of Account /dividend warrant will be dispatched to investors after processing.

#### **Unit holder can opt for one of the following:**

- Full Redemption or
- Partial redemption of Units/Amount or
- Redemption of original Investment or
- Redemption of gains (to the extent of capital appreciation ) only or
- Full amount switch to other schemes of the Fund or
- Partial amount / Units switch to other schemes of the Fund or
- Original Investment switch to other schemes of the Fund or
- Gain switch to other schemes of the Fund or
- Gain redeemed and original investment switched to other schemes of the Fund or



- Original investment redeemed and gain switched to other schemes of the Fund.

To illustrate, if an investor has invested a lump sum amount in any equity scheme of the Fund and has opted for partial switch of a predetermined amount into other scheme of the Fund in case the Nifty 50 ('Nifty') falls by 2% from its previous close, the trigger will get activated on the Business Day when the Nifty falls by 2% or more and the predetermined amount will be switched into the designated scheme as defined by the investor. Trigger(s) linked to Nifty will always compare the value of Nifty on close of the Business Day. 'Prepaid SIP' is an Action based Trigger Facility.

In case BSE or NSE is open on a non-business day, its value will not be considered even if it reaches or crosses a trigger value and on any subsequent Business Day if the value of BSE or NSE is reached, the same would be considered for trigger purposes.

#### **Activation of Trigger:**

Unit holders shall note that NAV of a scheme is determined on close of the Business Day taking into consideration closing prices of the securities on the primary stock exchange. Intra-day prices are not considered for valuing the scheme's portfolio. Value of the unit holder's unit balance at the end of a relevant Business Day based on that day's NAV (& not at related prices, along with the applicable load if any) and closing value of a relevant index of a stock exchange would be used as a base for activating the triggers. However all redemptions/switches/ reinvestments etc. linked to triggers will always be at the Applicable NAV based prices of the day on which the event occurs.

Please also note that the trigger is an additional facility provided to the unit holders to save time on completing the redemption/switch formalities on happening of a particular predetermined event. Trigger is not an assurance on part of the AMC/Fund to the investor that the investor will receive a particular amount of money/appreciation and/or percentage on redemption or will get a particular amount of capital appreciation or will minimize the loss to investor to a particular amount or percentage. Trigger is an event, on happening of which the Fund will automatically redeem and/or switch the units on behalf of the investors/will alert the investor as the case may be, on the date of happening of the event. In actual parlance a trigger will activate a transaction/alert when the event selected for has reached a value greater or less than the specified particular value (trigger point). On a particular Business Day, on the happening of the event/ trigger, the transaction would be deemed to be time stamped (as per the Regulation) as at the end of that applicable Business Day.

Trigger facility will be activated at transaction level only and once the unit holder's requirement is fulfilled the trigger will be de-activated. Also trigger will be de-activated on receipt of redemption / fulfillment /cancellation request from the unit holder. The Unit holder can, however, request for an automatic reinstatement of the trigger post each transaction by giving suitable instructions to the AMC at the time of submitting the Trigger Facility Form.

## SECTION IV - UNIT HOLDERS RIGHTS & INFORMATION

### **A RIGHTS OF UNIT HOLDERS OF THE SCHEME(S):**

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1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets and in the dividend declared, if any, by the Fund under the Plan in which they have invested.
2. When the Mutual Fund declares a dividend under the Scheme, the dividend warrants shall be dispatched within 30 days of the declaration of the dividend. In event of failure of dispatch of dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @15% per annum to unitholders. Account Statement reflecting the new or additional subscription as well as Redemption / Switch of Units shall be dispatched to the Unit holder within 10 business days of the Specified Redemption Date. Provided if a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non-transferable) within 30 days of the receipt of request for the certificate. In case of subscription during NFO Period, Account Statements [Allotment Advice in respect of units held in demat (electronic) mode] shall be dispatched within five business days from the closure of the NFO Period.
3. As per SEBI Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business days of receiving the Redemption request. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time will be paid in case the Redemption proceeds are not made within 10 Business Days of the date of Redemption request.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the Mutual Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
6. 75% of the Unit holders of a Scheme can pass a resolution to wind-up a Scheme.
7. The Trustee shall obtain the consent of the Unit holders:
  - \* Whenever required to do so by SEBI, in the interest of the Unit holders.
  - \* Whenever required to do so if a requisition made by three-fourths of the Unit holders of the Scheme.
  - \* When the Trustee decides to wind up the Scheme or prematurely redeem the Units.
  - \* The Trustee shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme and affects the interest of Unit holders, shall be carried out unless :
    - (i) A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
    - (ii) The Unit holders are given an option to exit at the prevailing Net Asset Value without any Exit Load.
8. In specific circumstances where the approval of unit holders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.
9. The process of allotment of units and mailing of account statement will be completed within 5 Business Days (except in case of ELSS Schemes) from the date of closure of the NFO Period or within SEBI prescribed limits.
10. The Trustee is obliged to convene a meeting on a requisition of 75% of the Unit holders of a Scheme.



## **B. PERIODIC DISCLOSURE:**

### **\* Annual Report:**

Pursuant to SEBI Circular No. Cir/IMD/DF/16/2011 and SEBI/HO/IMD/DF2/CIR/P/2018/92 dated September 8, 2011 and June 5, 2018 respectively, Scheme wise annual report or an abridged summary thereof in the format prescribed by SEBI will be hosted on AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The Annual Report or Abridged Summary thereof will also be sent by way of e-mail to the Unit holder's registered e-mail address. Unit holders, who have not registered their email id, will have an option of receiving a physical copy of the Annual Report or Abridged summary thereof. The Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a Unit holder. Physical copies of the report will also be available to the Unit holders at the registered office at all times. The Fund will publish an advertisement every year, in the 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 AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the of the scheme wise annual report or abridged summary thereof.

### **\* Portfolio Disclosure:**

The AMC will disclose portfolios (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI [www.amfiindia.com](http://www.amfiindia.com) within 10 days from the close of each month/half year.

In case of unitholders whose email addresses are registered, the AMC will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year respectively.

The AMC will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. The AMC will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

### **\* Half-Yearly Financial Results**

As per SEBI Circular, Edelweiss Mutual Fund & the AMC will 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 Edelweiss Mutual Fund is situated and EMF will also display it on its website.

### **\* Annual Report**

The Annual report or Abridged summary thereof in the format prescribed by SEBI will be hosted on AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The Annual Report or Abridged Summary thereof will also be sent by way of e-mail to the Unit holder's registered e-mail address. Unit holders, who have not registered their email id, will have an option of receiving a physical copy of the Annual Report or Abridged summary thereof. The Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a Unit holder. Physical copies of the report will also be available to the Unit holders at the registered office at all times. The Fund will publish an advertisement every year, in the 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 AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the of the scheme wise annual report or abridged summary thereof.

**\* Communication:**

Normally, the Account Statement, Annual Reports or other information etc. will be sent to unit holders by e-mail to the investors registered email id. Investors can choose to receive physical communication from us in lieu of email, by way of a specific request for a physical copy. The AMC / Mutual Fund / RTAs are not responsible for the email not reaching the investor and for all consequences thereof. The investor shall from time to time intimate the Fund / its transfer agents about any changes in the email address. However, the unit holder always has the right to request a physical copy of any shareholder communication and the AMC will arrange for the same to be sent to the unit holder.

**\* Information Dissemination:**

The Mutual Fund shall declare the NAVs of the scheme on every Business Day and prominently disclose the NAVs under a separate head on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the AMFI website ([www.amfiindia.com](http://www.amfiindia.com)) by 9.00 p.m. on every Business Day. In case of Fund of Fund Scheme(s) the NAVs will be calculated on every Business Day and disclosed on the next Business Day by 10.00 a.m. NAV shall also be communicated to Stock Exchanges where the units of the scheme are listed.

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

The information on NAV of the scheme may be obtained by the unit holders, on any day by calling the office of the AMC or any of the ISCs at various locations. Investors may also write to the AMC for availing facility of receiving the latest NAVs through SMS.

**\* Register of Unit holders:**

Register of Unit holders shall be maintained at the office of the AMC and / or at the office of the Registrars and at such other places as the Trustee may decide and the register shall contain particulars as follows:

- a) The names and addresses of Unit holders
- b) The number of units held by each such holder
- c) Any other details as the AMC deems necessary.

**\* Voting Rights**

Subject to the provisions of the SEBI Regulations, as amended from time to time, the consent of the Unit holders shall be obtained, entirely at the option of the Trustee either at a meeting of the Unit holders or through postal ballot. Only one Unit holder in respect of each folio or account representing a holding shall vote and he shall have one vote in respect of each resolution to be passed.

**\* Term(s) Binding on Unit holders**

In accordance with and subject to the Regulations, the Mutual Fund / Trustee may from time to time add to or otherwise vary or amend or alter all or any of the features, terms and conditions of the Fund, and if necessary, after obtaining the prior approval from SEBI and the unit holders. All such



variations or amendments or alterations shall be binding on Unit holders and persons claiming through or under them.

**\* Amount set-off**

The AMC reserves the right to debit / set-off dividend amounts, redemption amounts or any other amounts payable under and in accordance with the Scheme(s) against redemption proceeds which have been paid by the Fund/AMC in lieu of units created without realization of the subscription amounts and/or against any excess payments made to such investor pursuant to the Scheme or under any other scheme of the Fund managed by the AMC in the same folio or any other folio in the Fund. In case of redemption amounts/ excess payments made by cheques and/or by way of direct credit or by any payment instrument/ mechanism, set-off, as aforesaid, by the AMC/Fund, would be effected whether or not the cheques have been encashed or whether or not the direct credit has been made in the investors account or whether or not the payment instrument/mechanism has been encashed/debited by the Unit holder / Investor.

Further to the provisions of Section 138 of the Negotiable Instruments Act, 1881, where a cheque/payment instrument drawn and given to the Fund by a Unit holder/Investor towards subscription amounts under this Scheme or under any other scheme(s) of the Fund is returned by the bank unpaid, for any reason, and Units are created in good faith, on the bona fide assumption that the cheques/payment instrument will be fully honored on presentation, without the realization of the subscription amounts, the AMC/Fund reserves the right to debit/set-off dividend amounts, redemption amounts or any other amounts payable to the Unit holder/Investor under and in accordance with the Scheme or under any other scheme of the Fund managed by the AMC in the same folio or any other folio in the Fund, to make good the loss suffered by the AMC/ the Fund due to interest paid on borrowed funds/excess withdrawal of the amount and the resultant difference, if any, in NAV arising out of reversion of units so created due to non-realization of the subscription cheque/payment instrument.

In addition to the above and further to the provisions of Section 138 of the Negotiable Instruments Act, 1881, where a cheque/ payment instrument drawn and given to the Fund by a Unit holder/Investor towards subscription amounts under this Scheme or under any other scheme of the Fund is returned by the bank unpaid, for any reason, and Units are created without the realization of the subscription amounts, the AMC/Fund reserves the right to debit/set-off brokerage amounts, incentive amounts or any other amounts payable under and in accordance with the Scheme or under any other Scheme of the Fund managed by the AMC in the same folio or any other folio in the Fund to the broker/distributor who has mobilized the subscription of such defaulting Unit holder/Investor, to make good the loss suffered by it due to interest paid on borrowed funds/excess withdrawal of the amount and the resultant difference, if any, in NAV arising out of reversion of units so created, due to non-realization of the subscription cheque/payment instrument.

**THE FOREGOING WILL BE WITHOUT PREJUDICE TO ALL RIGHTS AND REMEDIES AVAILABLE TO THE AMC/FUND UNDER THE NEGOTIABLE INSTRUMENTS ACT, 1881 OR OTHERWISE AT LAW.**

**\* Closure of unit holder's account**

The AMC, at its sole discretion, may close a unit holder's account after giving notice of 45 days, if at the time of any part repurchase and/or Systematic Withdrawal/Switch Plan, the value of units (represented by the units in the unit holder's account if such repurchase were to take place, valued at the applicable NAV related price), falls below the minimum investment/balance required for each scheme (or such other amount as the AMC may decide from time to time) or where the units are held by a Unit holder in breach of any Regulation. The AMC also has the right to, at its sole discretion, to redeem appropriate number of units so as to recover the differential/ additional entry load or refuse to credit appropriate number of units to the account of the unit holder for the differential/additional entry load, in the event of entry load being waived and/or the investor falls



under the category where the entry load is to be waived or otherwise and the investor then does not invest the requisite amount or the investor does not submit the requisite proof.

**\* POLICY ON UNCLAIMED REDEMPTION & DIVIDEND AMOUNTS**

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Pursuant to SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and dividend amounts, that are currently allowed to be deployed only in call money market or money market instruments, shall also be allowed to be invested in a separate plan of Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts.

Investors who claim the unclaimed 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

The list of name(s) and addresses of investors of the Fund in whose folios there are unclaimed redemption/dividend amounts is made available on our website ([www.edelweissmf.com](http://www.edelweissmf.com)). An investor can obtain details after providing his proper credentials (like PAN, date of birth, etc.) along with other security controls put in place by the AMC.

Further, the process for claiming unclaimed redemption and dividend amounts and necessary forms/documents required for the same is also made available on our website ([www.edelweissmf.com](http://www.edelweissmf.com)).

Further, the information on unclaimed amount along-with its prevailing value (based on income earned on deployment of such unclaimed amount), shall be separately disclosed to investors through the periodic statement of accounts / Consolidated Account Statement sent to the investors.

**C. PURCHASE PRICE**

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The Purchase Price will be sent to press for publication in the newspaper on a periodic basis. The Purchase Price per Unit will be calculated using the following formula:  
 Purchase Price = Applicable NAV\* (1 + Entry Load, if any)

**\* ALLOTMENT & REFUND:**

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All Applicants whose cheques towards purchase of Units have been realised will receive a full and firm allotment of Units, provided that the applications are complete in all respects and are found to be in order. The Trustee retains the sole and absolute discretion to reject any application. The process of allotment of Units and mailing of account statements reflecting the allotments will be completed within 5 Business Days from the date of closure of the New Fund Offer Period.

- Allotment Confirmation/Account Statement (for non-demat account holders):  
 On acceptance of application for subscription, an Allotment Confirmation/Account statement specifying the number of units allotted will be sent by way of SMS and/or email, to investors who have not opted to hold units in demat (electronic) mode within 5 Business Days from the date of receipt of transaction request from the Unit holder. For folios included in Consolidated Account Statements (CAS), CAS for each calendar month is to be issued on or before tenth day of the succeeding month to the unit holders. For folios not included in CAS, EAML shall issue Account Statement to the unit holders on a monthly basis, pursuant to any financial transaction in such folios.
- Despatch of Account Statements to NRIs/FIIs will be subject to RBI approval, if required.



- Allotment Advice/Holding Statement (demat account holders):

For investors who have opted to hold units in demat (electronic) mode, Units issued by the AMC shall be credited by the Registrar to the investor's beneficiary account with the DP as per information provided in the Application Form.

In order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, SEBI vide its circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 had advised to generate and dispatch a single Consolidated Account Statement for investors having Mutual Fund investments and holding demat accounts. Accordingly,

- Investors shall receive a single CAS from the Depository.
- Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
- 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.
- The CAS shall be generated on a monthly basis.
- If there is any transaction in any of the Demat accounts of the investor or in any of his Mutual Fund folios, Depositories shall send the CAS within ten days from the month end. In case there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.
- In case of demat accounts with nil balance and no transactions in securities and in Mutual Fund folios, the Depository shall send holding statement in terms of regulations applicable to the Depositories.
- For Unit holders who have provided an e-mail address to the Fund or have updated the same in KYC records, CAS will be sent to such Unit holders by e-mail. However, where an investor does not wish to receive CAS through e-mail, option shall be given to such investor to receive the CAS in physical form at the address registered with the Depository.
- Investors who do not wish to receive CAS sent by Depositories have an option to indicate their negative consent. Such investors may contact the Depositories to opt out.

The dispatch of CAS by the Depositories would constitute compliance by the AMC/the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.

<sup>^</sup>CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan etc. (including transaction charges paid to the distributor) and transactions in dematerialised securities across demat accounts of the investor.

- Normally no Unit certificates will be issued. However, if the applicant so desires, the AMC shall issue a non-transferable Unit certificate to the applicant within 30 days of the receipt of request for the certificate.

- Consolidated Account Statement (for non-demat account holders):

CAS<sup>^</sup> shall also be sent by the AMC/RTA to the Unit holder in whose folio transactions have taken place during that month, on or before 10<sup>th</sup> of the succeeding month. In the event the account has more than one registered Unit holder, the first named Unit holder shall receive the CAS. In case of specific request received from investors, Mutual Fund will provide an account statement to the investors within 5 Business Days from the receipt of such request.

<sup>^</sup>Consolidated Account Statement/CAS sent by the AMC/RTA is a statement containing details relating to all the transactions across all Mutual Funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, etc.



Refund of subscription money to applicants in the case of minimum subscription amount not being raised or applications rejected for any other reason whatsoever, will be made within 5 Business Days from the date of closure of the New Fund Offer Period and all refund orders will be sent by registered post or in such other manner as permitted under Regulations. Investors should note that no interest will be payable on any subscription money so refunded within 5 Business Days from the date of closure of the New Fund Offer Period. If the Mutual Fund refunds the amount after 5 Business Days from the date of closure of NFO period, interest at the rate of 15% p.a. will be paid to the applicant and borne by AMC for the period from the day following the date of expiry of 5 Business Days until the actual date of the refund. Refund orders will be marked "A/c. Payee only" and drawn in the name of the applicant in the case of a sole applicant and in the name of the first applicant in all other cases. In both cases, the bank name and bank account number, as specified in the application, will be mentioned in the refund order. The bank and/or collection charges, if any, will be borne by the applicant.

#### **D. ACCOUNT STATEMENT / DESPATCH OF CERTIFICATE:**

On acceptance of application for subscription, an Allotment Confirmation/Account Statement specifying the number of units allotted will be sent by way of SMS and/or email, to investors who have not opted to hold units in demat (electronic) mode within 5 Business Days from the date of receipt of transaction request from the Unit holder. For folios included in Consolidated Account Statements (CAS), CAS for each calendar month is to be issued on or before tenth day of the succeeding month to the unit holders. For folios not included in CAS, EAML shall issue Account Statement to the unit holders on a monthly basis, pursuant to any financial transaction in such folios.

#### **For transactions during ongoing sales and repurchase:**

- \* A Consolidated Account Statement (CAS) for each calendar month to the Unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month on or before 10th of the succeeding month shall be sent by mail/email.
- \* The Unit holder may request for a physical Account Statement by writing/calling the AMC/ISC/R&T. The Mutual Fund/ AMC shall despatch an Account Statement within 5 Business Days from the date of the receipt of request from the Unit holder.
- \* In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ Account Statement.
- \* The transactions viz. purchase, redemption, switch, dividend payout, etc., carried out by the Unit holders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).
- \* The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.
- \* Unit holders who receive Account Statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.
- \* Where the units are held in demat (electronic) mode:
  - Investors shall receive a single CAS from the Depository.
  - Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
  - 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.
  - The CAS shall be generated on a monthly basis.



- If there is any transaction in any of the Demat accounts of the investor or in any of his Mutual Fund folios, Depositories shall send the CAS within ten days from the month end. In case there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.
- In case of demat accounts with nil balance and no transactions in securities and in Mutual Fund folios, the Depository shall send holding statement in terms of regulations applicable to the Depositories.
- For Unit holders who have provided an e-mail address to the Fund or have updated the same in KYC records, CAS will be sent to such Unit holders by e-mail. However, where an investor does not wish to receive CAS through e-mail, option shall be given to such investor to receive the CAS in physical form at the address registered with the Depository.
- Investors who do not wish to receive CAS sent by Depositories have an option to indicate their negative consent. Such investors may contact the Depositories to opt out.

The dispatch of CAS by the Depositories would constitute compliance by the AMC/the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996..

#### **Half Yearly Consolidated Account Statement:**

- \* A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/March), on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/email.
- \* The half yearly CAS will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive in physical.
- \* Unit holders who receive account statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.

#### **\* ADDITIONAL INFORMATION**

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##### **\* Dormant Account:**

The AMC may in the interest of unit holders freeze an account as Dormant Account. Dormant Account means an account / Folio not transacted or activated for a limited period of time as may be determined by the AMC or as specified in the respective SID. If no transaction takes place for the said period then the Account will be frozen either temporarily or permanently by the AMC & further transaction will take place only after additional safeguards & checks that may be stipulated from time to time have been taken by the AMC.

##### **\* Signature Verification/Indemnity**

Certain transactions may require that the unit holder's signature be verified by a bank manager, or a notary public or a magistrate or an affidavit accompanied with identity proof or any other documents acceptable to the Fund for the following:

- Redemption of a particular amount as may be specified by the AMC from time to time by an individual/joint holder account.
- To change ownership of a folio/account in case of transmission.
- To add telephone transaction services or other privileges that would be added from time to time.
- To change bank account information designated under an existing plan
- To have redemption cheque mailed to an address other than the addresses on the folio/account or to the address on the folio/account if it has been changed within the preceding month
- To issue duplicate unit certificate.



- To change or introduce nomination/appointment of beneficiary and/or percentage allocation of investment, if the ownership of the folio/account has been changed within the preceding month.

The above is an indication of transactions that may require signature verification that the AMC may insist upon. AMC, may at its discretion, require signature verification for transactions other than the above specified transactions.

**\* Book-closure period:**

Book closure refers to the closing of register of the names of unit holders in the records of the Fund. The AMC reserves a right to declare book-closure period of five days or for any other period, for unit holders under Dividend Option, prior to the record date. The declaration of the book-closure period is to facilitate the AMC in expeditious processing and dispatch of dividend warrants. Such Book-closure period declared by the AMC will be a non-business day but during the book-closure period investors may make purchases into the Scheme. The purchase price for subscription of Units will be calculated at the Applicable NAV as at the close of the first Business Day following the book-closure period. The book closure period applies to new investors in the Scheme as well as to Unit holders making additional purchases of Units into an existing folio. The AMC reserves the right to change the duration of the book-closure period and prescribe new book-closure period from time to time.

**\* Dividend Committee**

ETCL has constituted the Dividend Committee of the members of Board of Directors of the Trustee Company. The purpose of the Dividend Committee is to discharge the Board's responsibilities relating to declaration of Dividend of the Scheme(s) of Edelweiss Mutual Fund in accordance with SEBI Regulations.

**E. SPECIAL CONSIDERATIONS**

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Investors should note that there are a few risks which are common across all the Scheme(s). Such risk factors are mentioned in details as under:

**a) Standard Risk Factors:**

- \* Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objectives of the Scheme of the Mutual Fund will be achieved.
- \* As with any investment in securities, the NAV of the Units issued under the Scheme may go up or down depending on the various factors and forces affecting Capital markets and Money Markets.
- \* Past performance of the Sponsor / Investment Manager / Mutual Fund does not indicate the future performance of the Scheme and may not necessarily provide a basis of comparison with other investments.
- \* The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme(s) beyond the initial contribution of Rs.1,00,000 towards setting up Edelweiss Mutual Fund.
- \* In the event of receipt of a very large number of redemption requests or very large value redemption requests or of a restructuring of the Scheme portfolio, there may be delays in the redemption of Units. Please refer to the paragraph, 'Right to limit redemption'.

**b) Risk Associated with Fixed Income and Money Market Instruments:**

The performance of the Scheme may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems. If the Scheme is investing in debt and money market instruments it may have the following risk:



- \* **Trading volume risk:** When a security is purchased for trading purpose there is a risk associated with it, while selling the instrument. It may sometimes be possible that the daily trading volumes of the security comes down, making it difficult to liquidate positions.
- \* **Price / Interest Rate Risk:** Price of a fixed income security and interest rates are inversely related i.e., the price of a fixed income instrument falls when interest rates move up and vice-versa. The effect is more prominent when the duration of the instrument is higher. Hence, the NAV movement of the Scheme consisting of predominantly fixed income securities is likely to have inverse correlation with the movement in interest rates. In case of a floating rate instrument, this risk is lower as a result of periodic reset of the coupon.
- \* **Spread risk:** Though the sovereign yield curve might remain constant, investments in corporate bonds are exposed to the risk of spread widening between corporate bonds and gilts. Typically, if this spread widens, the prices of the corporate bonds tend to fall and so would the NAV of the Scheme. Similar risk prevails for the investments in the floating rate bonds, where the benchmark might remain unchanged, but the spread over the benchmark might vary. In such an event, if the spread widens, the price and the NAV could fall.
- \* **Credit risk or Default risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent. It is reflected in the credit rating of the issuer. Hence, if the credit rating of the issuer is downgraded, the price of the security will suffer a loss and the NAV will fall. Credit risk factors pertaining to lower rated securities also apply to lower rated zero coupons and deferred interest bonds. Lower rated zero coupons and deferred interest bonds carry an additional risk in that, unlike bonds that pay interest through the period of maturity, the Scheme by investing in these bonds will realize no cash till the cash payment date and if the issuer defaults, the Scheme may obtain no return on its investment.
- \* **Liquidity & Settlement Risk:** Investors may note that AMC/Fund Manager's investment decisions may not always be profitable. The Scheme will invest in debt securities and money market instruments. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of the financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market would, at times, result in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme's portfolio. Further as all secondary corporate debt deals i.e. Debentures / Bonds / CP's / CD's / PTC's etc, are settled on delivery versus payment basis since there is no Clearing House, there is a counter party settlement risk associated with it.
- \* **Reinvestment risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.  
 Different types of securities in which the Scheme would invest as given in Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme's risk may increase or decrease depending upon its investment pattern e.g. a corporate bond carries a higher amount of risk than Government securities. Further, even among corporate bonds, bonds which are AA rated are comparatively more risky than bonds which are AAA rated.
- \* **Performance Risk:** Scheme's performance can decrease or increase, depending on a variety of factors, which may affect the values and income generated by a Scheme's portfolio of securities. The returns of a Scheme's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in government and Reserve Bank of India policy, taxation, political, economic or other developments and closure



of the stock exchanges. Investors should understand that the investment pattern indicated for the Scheme, inline with prevailing market conditions, is only a hypothetical example as all investments involve risk and there can be no assurance that the Scheme's investment objective will be attained nor will the Scheme be in a position to maintain the model percentage of investment pattern/composition particularly under exceptional circumstances so that the interest of the unit holders are protected.

\* **Risk Associated with Securitized Debt:** The schemes of the Fund may invest in domestic securitized debt such as asset backed securities (ABS) or mortgage backed securities (MBS) in accordance with the Scheme Information Document of the respective schemes. ABS means securitized debts wherein the underlying assets are receivables arising from personal loans, automobile loans, etc. MBS means securitized debts wherein the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature. ABS / MBS instruments reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided. ABS / MBS holders will suffer credit losses in the event of the delinquencies and credit losses in the underlying pool may exceed the credit enhancement provided. As compared to the normal corporate or sovereign debt, ABS / MBS are normally exposed to a higher level of reinvestment risk.

At present in Indian market, following types of loans are securitised:

- Auto Loans (cars / commercial vehicles /two wheelers)
- Residential Mortgages or Housing Loans
- Consumer Durable Loans
- Personal Loans
- Corporate Loans

If a court/regulatory authority concludes that the sales from the originator to the securitisation trust was not a "true sale", the Scheme may, in the event, that it has invested in instruments issued by such trust, experience losses or delays in the payments due and the NAV of the Units may be affected thereby. Care is generally taken while structuring the transactions, so as to minimise the risk of the sale to the trust not being construed as a "true sale".

- \* **Prepayment Risk:** Bonds can be issued with a put option, call option or both put & call option. For example a bond with a three years having a put/call option at the end of 1<sup>st</sup> and 2<sup>nd</sup> year. If the issuer pays back at the end of 2<sup>nd</sup> year, i.e. exercises the call option, the reinvestment for the third year has to be made at the prevailing interest rates for one year. Thus, there can be a loss of in case the reinvestment rate is less than the original investment rate. Prepayment risk in case of securitized debt is mentioned separately.
  - \* **Market risk:** Lower rated or unrated securities are more likely to react to developments affecting the market and the credit risk than the higher rated securities which react primarily to movements in the general level of interest rates. Lower rated or unrated securities also tend to be more sensitive to economic conditions than higher rated securities.
  - \* **'When, as and if issued' "Security"** In the event of cancellation of the auction for whatever reason, all 'WI' trades will be deemed null and void ab initio on grounds of force majeure. Further, if cash or cash equivalents are not held to satisfy delivery of securities purchased on a when-issued basis, the investment portfolio may become unsuitably leveraged. However, it would be for a very short time span and the scheme would be in a position to maintain cash/cash equivalents at all times to the extent of the net WI long positions.
  - \* Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are rated AAA are comparatively less risky than bonds which are AA rated.
- Investments in the Scheme made in foreign currency by a Unit Holder are subject to the risk of fluctuation in the value of Indian Rupee.



### c) Risk associated with Equity & Equity related securities

Listed below are the common risks which an investor will have to face irrespective of the Scheme in which he invests.

#### \* **Liquidity Risk**

Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Within the Regulatory limits, the AMC may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio.

The liquidity and valuation of the Scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges.

The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests.

#### \* **Risks related to Capital Markets**

Investors may note that the AMC/Fund Manger's investment decisions may not be always profitable. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme's portfolio.

#### \* **Macro Factors Risk**

The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.

#### \* **Price Risk**

The scheme is also vulnerable to movements in the prices of securities invested by the scheme which again could have a material bearing on the overall returns from the scheme. These stocks, at times, may be relatively less liquid as compared to growth stocks.

#### \* **Execution Risk**

The prices which are seen on the screen need not be the same at which execution will take place. Also in case the fund is not able to have a net market-neutral position due to any operational reason such as short delivery in the cash market etc., the fund will endeavour to rebalance the portfolio to a net market-neutral position at the earliest.

#### \* **Redemption Risk**



As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or a restructuring of the Scheme.

**\* Substantial Holding Risk**

The scheme is exposed to substantial holding risk wherein few investors may hold substantial position in the scheme. The scheme shall endeavour to meet with both the conditions of minimum number of investor and holding as a percentage of the corpus.

**\* NAV below par**

The Scheme will endeavor to preserve capital at all times. But under certain circumstances like fees and expenses being charged to the Scheme, mark to market losses on the positions held, etc. might result in the NAV dipping below its face value.

***d) Risk Associated with Derivatives***

There are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself.

Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio. Risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Derivatives can be highly leveraged instruments. Even a small price movement in the Derivative can have a large change in the value of the investment. Derivatives can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies. The risk associated with the use of derivatives is different from the risks associated with investing directly in securities and other traditional investments.

Trading in derivatives has the following risks:

- a. An exposure to derivatives in excess of the hedging requirements can lead to losses.
- b. An exposure to derivatives when used for hedging purposes, can also limit the profits from a genuine investment transaction.
- c. Efficiency of a derivative market depends on the development of a liquid and efficient market for the underlying securities.
- d. Derivatives carry the risk of adverse changes in the market price.
- e. Illiquidity Risk i.e. risk that a derivative trade cannot be executed or reversed quickly enough at a fair price, due to lack of liquidity in the market.

**Risk associated with equity derivative:**

The Fund may use derivatives instruments like Equity Futures & options, or other derivative instruments as permitted under the Regulations and guidelines. Usage of derivatives will expose the Scheme to risks inherent to such derivatives.



Such risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

In case of the derivative strategies, it may not be possible to square off the cash position against the corresponding derivative position at the exact closing price available in the Value Weighted Average Period.

**\* Liquidity Risk**

In case of Arbitrage trades, under abnormal circumstances it will be difficult to complete the square off transaction due to liquidity being poor in stock futures/spot market. However fund will aim at taking exposure only into liquid stocks where there will be minimal risk to square off the transaction. The fund will ensure this by analyzing historical data of volume and open interest.

**\* Open Position Risk**

In cash future arbitrage if the fund is not able to have a net market-neutral position due to any operational reasons, the scheme at times is exposed to movement in the prices of the underlying. The Scheme will endeavour to cover or square off the positions as soon as possible.

**\* Opportunities Risk**

For the Cash Future Arbitrage Strategy, where the cost of carry reduces drastically (in a depressed market conditions), there will be less opportunity for fund manager to generate returns that can exceed money market returns. In absence of profitable arbitrage opportunities available in the market, the scheme may predominantly invest in cash (equity), short term debt and money market securities

**Risks attached with the use of debt derivatives:**

Debt derivatives instruments include interest rate swaps, forward rate agreements or other derivative instruments, as permitted under the Regulations and guidelines. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that loss may be sustained by the portfolio as a result of the failure of another party (usually referred as the "counter party") to comply with the terms of the derivatives contract. Other risk in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Derivatives like interest rate swaps require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that the derivative adds to the portfolio and the ability to forecast failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives, the credit risk where the danger is that of a counter party failing to honour its commitment, liquidity risk where the danger is that the derivative trade cannot be executed or an existing derivative position may not be reversed, and price risk where the market prices may move in an adverse fashion.

Further, it may be mentioned here that the guidelines issued by Reserve Bank of India from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to.

**Note:**

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.



The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

***e) Risk Factors Associated with Overseas Investment***

Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances. It is the AMC's belief that investment in foreign securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by AMC provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme may invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Scheme may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated under the Regulations or by SEBI/RBI from time to time.

Similar to domestic debt securities, investment in overseas debt instruments is subject to Market Risk, Credit Risk, Interest Rate risk and liquidity risk. Overseas investments will be made subject to any/all approvals and within the specified SEBI/RBI Limits and/or conditions thereof as may be stipulated under the Regulations or by SEBI/RBI and provided such investments do not result in expenses to the Scheme in excess of the ceiling on expenses prescribed by and consistent with costs and expenses attendant to international investing. The Scheme may, where necessary, appoint other specialized agencies and service providers associated with such investments such as advisors, custodian/sub-custodians, brokers, etc., of adequate expertise, in order to enable the AMC to manage and administer such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs and overseas regulatory costs.

To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment. To manage risks associated with foreign currency and interest rate exposure the Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by the Regulations/RBI. Depending on the fund manager's view and the investment strategy undertaken, the scheme may decide to cover the currency risk fully or partly or may even let it remain uncovered.

Currency Risk is a form of risk that arises from the change in price of one currency against another. The exchange risk associated with a foreign denominated instrument is a key element in foreign investment. This risk flows from differential monetary policy and growth in real productivity, which results in differential inflation rates. The risk arises because currencies may move in relation to each other.

***f) Risks associated with Stock Lending & Short Selling***

**Risks associated with stock lending:** The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of



rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

**Risks associated with short selling:** Scheme may enter into short selling transactions, subject to SEBI and RBI regulations in the matter. This will be done if the fund management team is of the view that there exists an opportunity to make trading gains. Calls for short selling will be taken after considering the liquidity and volatility of the security as well as the interest rate view of the fund management team. There can be a loss in such a transaction if the price of the security goes up instead of falling down.

**g) Risks related to Investment in Securities using Quantitative Analysis/ Quant Model**

Some of the Risk attached with Quantitative Analysis are:

1. **Market Risk:** Like any equity fund investments are subject to market risk.
2. **Modeling Error:** Quant models are subject to price and volume inputs. It is possible that some of these inputs are entered incorrectly. The quant model selected by a fund manager may not perform as tested; such a scenario is entirely possible and would result in a loss.
3. **Deviation from theoretical model:** A Quant model is theoretical in nature, however at times the market may act unexpectedly resulting in a loss, the quant model cannot account for any such market behavior. The quant model may initiate a sell signal; however the stock may not have adequate liquidity at that moment forcing the fund manager to further drive down the stock price.

**h) Risks related to Special situations:**

Special situation trades are subject to all risks any equity; however in certain cases the risks can be specific as some are mentioned below

- The promoter may choose not to accept the discovered prices
- Regulatory hurdles may delay any specific corporate action

**i) Risk Factors associated with Exchange traded schemes:**

**a. Passive Investments:** As the schemes will predominantly invest in net assets in the securities of the respective benchmark Index, the schemes will not be actively managed. The schemes may be affected by a general decline in the Indian markets relating to its Underlying Index. The schemes 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.

**b. Tracking Error Risk:** The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the Index due to certain factors such as the fees and expenses of the Scheme, Corporate Actions, Cash balance, changes to the Underlying Index and regulatory policies which may affect AMC's ability to achieve close correlation with the Underlying Index of the Scheme. The Scheme's returns may therefore deviate from those of its Underlying Index. "Tracking Error" is defined as the standard deviation of the difference between daily returns of the Index and the NAV of the Scheme. Tracking Error may arise due to the following reasons:

- a. Expenditure incurred by the Scheme and the Management Fee charged to the Scheme.



- b. The Funds may not be invested at all times as a portion of the funds may be kept in cash to meet redemptions or for corporate actions of securities in the Index.
- c. Securities trading may halt temporarily due to circuit filters.
- d. Corporate actions such as debenture or warrant conversion, rights, merger, change in constituents etc.
- e. Rounding off of quantity of shares underlying the Index.
- f. Income received by way of dividend.
- g. NSE undertakes a periodical review of the scrips that comprise the underlying Index and may either exclude or include new scrips. In such an event, the Scheme will try to reallocate its portfolio but the available investment/reinvestment opportunity may not permit absolute mirroring immediately.

The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible. There can be no assurance or guarantee that the Scheme will achieve any particular level of Tracking Error relative to performance of the underlying Index.

## ii) Risk associated with Close Ended Scheme

In a close ended scheme, redemption / repurchase shall not be allowed prior to maturity of the Scheme. Redemption will be allowed only on maturity of the scheme. The Scheme will mature at the end of the tenure of the Scheme. For liquidity purpose units of the Scheme are to be listed on Stock Exchange. Investors who wish to trade on the exchange and Investors wishing to exit / redeem before the scheduled maturity may do so through stock exchange mode where the Scheme will be listed. 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 and investor may not get the desired return. Also there may not be sufficient liquidity on the stock exchange for the investors to exit from the stock exchange mode.

### j) Additional risk factors:

The success of the cash futures arbitrage strategy under a scheme will depend on the ability of the fund manager to identify opportunities due to various price differentials in the cash and derivative market. No assurance can be given that Fund Manager will be able to locate investment opportunities or to correctly exploit price discrepancies in the capital markets. The frequency of trades may result into high portfolio turnover and consequently will lead to high transaction cost.

As the AMC will utilize the service of various Service Providers in India & Abroad, there are a few risks that the Investors need to be aware of before investing. Such risk includes the business getting impacted on account of closure or unforeseen disaster of the service provider business or misuse of information/database available with the service provider affecting the performance of the Scheme(s) or any kind of deficiency from their end leading to financial/regulatory impact on the AMC deliverables on account of systems, processes followed, manpower quality, non adherence of the service levels deliverables agreed between the AMC and the service provider etc.

The performance of a scheme will be affected in case of unforeseen circumstances like political crisis, natural calamities, and changes in currency exchange rates or interest rates. Fund manager tries to generate returns based on certain past statistical trend. The performance of the scheme may get affected if there is a change in the said trend. There can be no assurance that such historical trends will continue.

The Sponsors, entities managed or sponsored by the affiliates or associates of the Sponsors, Funds managed/ advised by the Sponsors/and their associated entities, the Asset Management Company,



the Custodian, the Registrar, any Associate, any Distributor, Dealer, any Company, Corporate Bodies, Trusts, any Service Provider, investor (resident or non resident), any scheme / mutual fund managed by the Asset Management Company or by any other Asset Management Company may invest in this Scheme, subject to the limits specified by SEBI. While at all times the Trustee Company and the Asset Management Company will endeavour that excessive holding of Units in the Scheme among a few Unitholders is avoided, however, the funds invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unitholder in the Scheme. Redemption of Units held by such persons may have an adverse impact on the value of the Units of the Scheme because of the timing of any such redemption. It may also have impact on the liquidity of the Scheme which may lead to an adverse impact on the NAV of the Scheme.

**Note:**

Investors are requested to Read the Risk factors disclosed in the Scheme Information Document of the Scheme they intend to invest, in addition to the risk factors stated above.



## **SECTION V - REDEMPTION OF UNITS**

### **A. HOW TO REDEEM / REPURCHASE?**

The Units can be redeemed (sold back to the Fund) at the Redemption Price on any Business day. The Redemption / Switch-out request can be made by way of a written request on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at / may be sent by mail to any of the ISCs. Blank Transaction slips can be obtained from any of the ISC.

In case the Units are held in the names of more than one Unit holder, where mode of holding is specified as "Joint", Redemption requests will have to be signed by all the joint holders. However, in cases of holding specified as 'Anyone or Survivor', any of the Unit holders will have the power to make Redemption request, without it being necessary for all the Unit holders to sign. However, in all cases, the Redemption proceeds will be paid only to the first named holder.

Request for Inter Scheme/ Plan Switch can also be made in the same way. The AMC reserves the right to provide the facility of redeeming units of the Scheme through an alternative mechanism including but not limited to on - line transactions on the Internet, provided the investors opt for the same in writing.

### **B. REDEMPTION/ REPURCHASE PRICE**

The Redemption Price will be calculated in the following way:

$$\text{Redemption Price} = \text{Applicable NAV} \times (1 - \text{Exit Load})$$

As per the Regulations, the repurchase price of units of an open ended scheme is not lower than 93 per cent of the Net Asset Value and the sale price is not higher than 107 per cent of the Net Asset Value. It should be noted that, for a closed ended scheme, the repurchase price shall not fall lower than 95 per cent of the Net Asset Value. Provided that the difference between the repurchase price and the sale price of the unit shall not exceed 7 per cent calculated on the sale price. Further, as per the SEBI Circular, no entry load shall be charged by any close-ended scheme.

#### **Where to submit the Redemption request?**

The unit holder should submit the transaction slip for a redemption / switch or request for closure of his / her account at any of the ISCs.

### **C. PAYMENT OF REDEMPTION PROCEEDS**

#### **Resident Investors:**

The Fund proposes to pay redemption proceeds in the following manner:

(a) Preferred mode of Payment:

The RBI offers the facility of EFT for facilitating better customer service by direct credit of repurchase amount to a unit holder's bank account through electronic credit which avoids loss of repurchase warrant in transit or fraudulent encashment. AMC will prefer to make payment through RTGS or NEFT /ECS or through any other route as specified by the Asset Management Company from time to time.

(b) For Investors having a bank account with a bank with whom the AMC would have an arrangement from time to time:

The Mutual Fund, on a best effort basis, and after scrutinising the names of the banks where unit holders have their accounts, will allow direct credit of redemption amount to the unit holders' bank accounts with which the Mutual Fund would have an arrangement from time to time for



Direct Credit facility. It is clarified that in the event of any non-credit by the bank and/or wrongful credit due to incorrect bank account details provided by the unit holder, the AMC / Registrar will not be liable. In the interest of the investors, it is advised that due care should be taken while providing the bank details to the Fund. The Direct Credit facility is available for specific banks with whom the AMC has a tie up from time to time. Investors need to check with the AMC for an updated list of the Direct Credit Banks. Investors having bank mandates where the AMC has a Direct Credit facility will receive redemption/dividend proceeds by way of Direct Credit only. In such cases the Mutual Fund will under normal circumstances endeavour to credit the first/sole Unit holders account with the Redemption proceeds within three Business Days of the acceptance of Redemption request but not beyond 10 working days as prescribed under SEBI regulations.

(c) For other Investors not covered by (a) & (b) above:

Redemption proceeds will be paid by cheques, marked "A/c Payee only" and drawn in the name of the sole holder / first named holder (as determined by the records of the Registrar). The bank name and bank account number, as given by the unit holder, will be mentioned on the cheque. The cheque will be payable at par at all the cities having ISCs. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence. The Fund will endeavour to despatch the Redemption proceeds within 3 Business Days from the acceptance of the Redemption request, but not beyond 10 working days from the date of Redemption.

**Non Resident Investors & FIIs:**

\* For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:

(a) Where the investment was on Repatriation Basis:

When Units have been purchased through remittance in foreign exchange from abroad or from proceeds of the Unit Holder's FCNR deposit or from Non Resident (External) account maintained in India, the proceeds can be remitted to the Unit Holder in foreign currency (any exchange rate fluctuation will be borne by the Unit Holder). The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / Non-Resident (Ordinary) Account, if desired by the Unit Holder.

(b) Where the investment was on Non-Repatriation Basis:

\* When Units have been purchased from funds held in the Unit Holder's Non-Resident (Ordinary) Account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's Non-Resident (Ordinary) account.

\* For FIIs, the designated branch of the authorised dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI.

\* The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations while converting the Rupee amount in foreign exchange in the case of transactions with NRIs / FIIs.

\* Investors having bank mandates where the AMC has a Direct Credit facility will receive redemption/dividend proceeds by way of Direct Credit or through EFT route or through cheques or through such other modes as may be specified by the AMC from time to time, in the best interest of unit holders. The Fund may make other arrangements for effecting payment of Redemption proceeds in future.

**Note:**

a. Please note that it is mandatory for the investors to provide their complete Bank Account details.



- b. Redemption cheques will be sent to the Unit holder's address (or, if there is more than one holder on record, the address of the first-named holder). All Redemption payments will be made in favour of the registered holder of the Units or, if there is more than one registered holder, to the first registered holder.
- c. In order to protect investors from fraudulent encashment of cheques, the Regulations require that cheques for Redemption of Units specify the name of the Unit Holder and the bank name and account number where payments are to be credited.

#### ***D. DESPATCH OF REDEMPTION PROCEEDS***

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As per SEBI Regulations, the Mutual Fund shall despatch the redemption proceeds within the maximum period allowed, which is currently 10 Business days from the date of receipt of the redemption request at the ISC. If the despatch of redemption proceeds is not made within 10 Business days, the Unit holders shall be paid interest @15% p.a. for the delayed period and the interest shall be borne by the AMC.

A Transaction Confirmation Slip / Fresh Account Statement will also be sent to the Unit holders reflecting the new unit balance in his Account. For payments made other than through direct transfers, the redemption proceeds can be dispatched through ordinary post or Registered Post or by Courier, unless otherwise required under the Regulations, at the risk of the Unit holder.

#### ***E. EFFECT OF REDEMPTIONS***

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(i) On the Fund:

The Unit capital and Reserves of the Scheme will stand reduced by an amount equivalent to the product of the number of Units redeemed and the Applicable NAV as on the date of redemption.

(ii) On the unit holder's account:

The balances in the unit holder's account will stand reduced by the number of Units redeemed.

#### ***F. RIGHT TO LIMIT REDEMPTION***

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SEBI Circular no. SEBI / HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the following conditions, in case the AMC wish to impose restrictions on redemption:

- a. Restrictions may be imposed when there are circumstances leading to a systematic crisis or event that severely constricts market liquidity or the efficient functioning of market such as:
  - i. Liquidity issues: When market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
  - ii. Market failures, exchange closure: When markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
  - iii. Operational issues: When exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.
- b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
- c. Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.
- d. When restriction on redemption is imposed, the following procedure shall be applied:



- No redemption request upto INR 2 lakh shall be subject to such restriction.
- When redemption request are above INR 2 lakhs, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

### ***G. SUSPENSION OF PURCHASE OF UNITS***

The purchase of Units may be suspended, temporarily or indefinitely, by the AMC, in consultation with the Board of Trustees, when any of the following conditions exist at one/more ISC:

- The stock market stops functioning or trading is restricted
- Periods of extreme volatility in the stock market, fixed income or money market, which, in the opinion of the Investment Manager, are prejudicial or detrimental to the interest of the investors
- Natural calamity
- For any bulk processing like dividend, mergers, etc.
- If banks do not carry-out any of the normal banking activities at one or more ISC.
- if the Trustees may deem fit in order to protect the interest of the existing unitholders.
- SEBI, by order, so directs.

The normal time taken to process purchase requests, as mentioned earlier, may not be applicable during such extraordinary circumstances. The AMC, in consultation with the Trustee, also reserves the right to withdraw sale of Units in the Scheme temporarily or indefinitely, if the AMC views that increasing the Scheme's size further may prove detrimental to the existing unit holders of the Scheme. An order / request to purchase Units is not binding on and may be rejected by the Trustee, the AMC or their respective agents, unless it has been confirmed in writing by the AMC or its agents and / or payment has been received.

### ***H. POSSIBLE DEFERRAL OF REDEMPTION / REPURCHASE REQUESTS***

Whilst every effort will be made to ensure that all the Scheme(s) of Edelweiss Mutual Fund will have sufficient liquidity to enable the repurchase cheques to be collected/despached within the deadline stated in the foregoing clause, unit holders should note that where the Scheme is obliged to arrange for the disposal of the underlying securities/ borrow, in order to satisfy redemption/repurchase requests. Unit holders may experience some delays in receiving repurchase cheques, reflecting the time involved in settling the underlying sales of securities/borrowing. However in any case, the Fund will endeavor to ensure that the collection/despach of repurchase cheques is not delayed beyond ten business days when Principal is open for business) from the date of receipt of the repurchase request in accordance with the SEBI Regulations.

## **SECTION VI - INVESTMENT DETAILS & VALUATION NORMS**

### **A. INTRODUCTION:**

The Securities and Exchange Board of India (“SEBI”) has vide its circular No. Cir/IMD/DF/6/2012 dated February 28, 2012 issued a Gazette Notification No. LAD-NRO/GN/2011-12/38/4290 dated February 21, 2012 amending Regulation 47 as well as the Eighth Schedule of SEBI (Mutual Funds) Regulations, 1996 (“SEBI Regulations”) relating to Investment Valuation Norms and has also introduced overarching principles in the form of ‘Principles of Fair Valuation’. These guiding principles emphasize fair treatment to all investors i.e. existing investors as well as investors seeking to purchase or redeem units of mutual funds in all schemes at all points of time. It further prescribes that valuation of investments shall be reflective of the realizable value of the securities and shall be done in good faith and in true and fair manner.

The guiding principles have also directed the Board of the Asset Management Companies to approve and adopt policies and procedures providing methodologies that will be used for valuing each type of securities/assets held by the mutual fund schemes. The principles further clarify that in case of any conflict between the Principles of Fair Valuation and the Valuation Guidelines as per Eighth Schedule of SEBI Regulations and circulars issued by SEBI, the ‘Principles of Fair Valuation’ shall prevail.

Further, the AMFI Committee on Valuation has vide an AMFI Best Practice Guidelines Circular No.29/2012-13 dated May 15, 2012 suggested to the AMCs guidelines on valuation methodology for valuing Debt and Money Market Instruments to facilitate smooth implementation of the aforesaid SEBI circular.

The following are covered within the scope of this policy:

- a) Defining valuation procedures / methodologies for various types of securities;
- b) Valuation of securities / assets in the event of an inter scheme transfer;
- c) Review of valuation policies and procedures and reporting to the various stakeholders;
- d) Recording of deviations from established policies and procedures and rationale for same;
- e) Dealing with Conflict of Interests (including potential conflict of interest) which has / may have a bearing on valuation of securities;
- f) Valuation of securities / assets during exceptional events.

This Policy is updated as on January 18, 2018



## **B. VALUATION COMMITTEE:**

In accordance with the requirement of SEBI Circular MFD/CIR No.010/024/2000 dated January 17, 2000, Edelweiss Asset Management Limited (“the AMC”) has constituted a Valuation Committee comprising of senior officials of the AMC to review investment valuation norms and methodologies in order to determine the fair value of securities. The constitution and operation of the Committee shall be as per the Charter of the Committee as approved by the Board of the AMC and Edelweiss Trusteeship Company Limited (“Trustee Company”). Following shall be the scope of Valuation Committee:

- To ensure adherence to the Principle of Fair Valuation as well as the Valuation Guidelines as laid down under SEBI Regulations and circulars issued from time to time.
- Review and ensure that the valuation of securities is based on the principles of fair valuation i.e. valuation is reflective of the realizable value of the securities/assets and that the valuation is being done in good faith and in true and fair manner and seeks to address conflicts of interest.
- Periodically review the Policy in terms of its appropriateness and accuracy in determining fair value of security and update the Boards of the AMC and the Trustee Company annually, on the effectiveness of the methodologies and deviations or incorrect valuations, if any.
- Ensure that the policies and procedures are regularly reviewed (at least once in a Financial Year) by an independent auditor to seek to ensure its continued appropriateness
- Define and recommend valuation methodology for new type of instruments or instruments newly introduced in the market or not covered under the existing Policy
- Lay down / recommend procedures to prevent incorrect valuations.
- Recommend valuation methods during exceptional events. Review and monitor all investments made by the Fund on a regular basis to ensure that valuations of such investments reflect realizable value.
- Ensure that the valuation methods are objective, fair, transparent, simple and employ publicly available information.
- Regularly report deviations/incorrect valuations to the Board of the AMC and the Trustee Company.



### **C. CONFLICT OF INTEREST:**

The Valuation Committee shall be responsible for ongoing review of areas of conflict (including potential areas, if any) and should recommend to the Boards of AMC and Trustee Company the procedures to mitigate it.

### **D. ABNORMAL SITUATIONS & MARKET DISRUPTIONS**

Following types of events could be classified as Exceptional events where current market information may not be available / sufficient for valuation of securities. Given the exceptional nature of the following events and the lack of clarity on how it would impact the markets, it is not possible to define a standard methodology to be adopted for fair valuation of securities for such events.

- a. Major policy announcements by the Central Bank, the Government or the Regulator;
- b. Natural disasters or public disturbances that force the markets to close unexpectedly or functions abnormally;
- c. Absence of trading in a specific security or similar securities;
- d. Significant volatility in the capital markets;
- e. Events which lead to lack of availability of accurate or sufficient information to value the securities.
- f. Significant illiquidity in fixed income markets.
- g. Events like Sovereign bankruptcy, corporate bankruptcy, disruptive political scenario that may impact the markets.
- h. Any other events where realizable value may be substantially different from benchmark based prices obtained, the realizable value will prevail

**The above list is illustrative and not exhaustive.**

### **E. ESCALATION PROCESS:**

- Valuation Committee shall be responsible for monitoring Exceptional Events and recommending appropriate valuation methods. Necessary guidance may be sought from the Boards of AMC.
- Any deviation from the disclosed valuation policy, principles and procedures in order to value the security at fair value; will be appropriately reported to the Boards of the asset management company, the Boards of Trustees and appropriate disclosures to investors .



#### **F. RECORD KEEPING:**

All the documents which form the basis of valuation (including pricing of inter-scheme transfers) shall be preserved in accordance with the norms prescribed by the SEBI regulations and guidelines.

#### **G. DISCLOSURE OF THE POLICY**

The Valuation Policy approved by the AMC Board shall be disclosed in Statement of Additional Information (SAI), website of the AMC and other documents as prescribed by the Regulations and guidelines.

#### **H. VALUATION METHODOLOGIES**

- The valuation of investment shall be based on the guiding principles of fair valuation.
- The methodologies for valuing different type of securities are mentioned in Annexure I
- Where it is observed that Valuation methodology mentioned in Annexure I, does not lead to fair valuation of securities, Valuation Committee may on a prospective basis deviate from the defined methodology and adopt such alternate procedures / methods in conformance with the guiding principles of fair valuation in good faith to arrive at the true and fair estimation of the realizable value of the security. The rationale for any such deviations would be recorded in writing and placed before the Board of Directors of the AMC and the Trustee.
- Investment in any new type of security shall be made only after establishment of the valuation methodology for such security with the approval of the Board of Directors of Edelweiss Asset Management Limited.
- Valuation price of the Security; arrived as per the policy; shall be applied consistently across the portfolios. In other words; any particular security shall be valued at same price across all the portfolios and it cannot have different prices for valuation on a particular day.
- In case there are multiple / dual credit ratings for the same company, the lowest among the same shall be considered for valuation purpose; provided the structures of the instruments under consideration are similar.



## ANNEXURE -1 VALUATION METHODOLOGIES

### A. EQUITY AND EQUITY RELATED SECURITIES:

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Equity, Preference shares and Cumulative Convertible Preference Share	Traded	<p>When the securities are traded on more than one recognised stock exchange, the securities shall be valued at the last quoted price on the stock exchange where the security is principally traded. The AMC will select the appropriate stock exchange, but the reasons for the selection would be recorded in writing. All scrips may be valued at the price quoted on the stock exchange where a majority in value of the investments is principally traded.</p> <p>Once a stock exchange has been selected for valuation of a particular security, reasons for change of the exchange shall be recorded in writing by the Valuation Committee of the AMC.</p> <p>Traded Securities are to be valued at the last quoted closing price on the Primary Stock Exchange. The AMC has selected National Stock Exchange (NSE) as the Principal Stock Exchange and the Bombay Stock Exchange (BSE) as the Secondary Stock Exchange</p> <p>When on a particular valuation day, a security has not been traded on the selected stock exchange; the value at which it is traded on another stock exchange shall be used.</p>
	Not Traded / Thinly Traded	<p>The earliest previous day's close price on the selected stock exchange shall be used, provided such day is not more than thirty days prior to the valuation date.</p> <p><b><u>Valuation of Non –Traded / Thinly Traded :</u></b></p> <p><b>Thinly Traded:</b> When trading in an equity/equity related security (such as convertible debentures, equity warrants, etc.) in a month is both less than Rs. 5,00,000 and the total volume is less than 50,000 shares, it shall be considered as a thinly traded security and valued accordingly.</p> <p>Where a stock exchange identifies the “thinly traded” securities by applying the above parameters for the preceding calendar month and publishes/provides the required information along with the daily quotations, the same will be used by the AMC.</p> <p>If the share is not listed on the stock exchanges which provide such information, then it will be obligatory on the part of the Fund to make its own analysis in line with the above criteria to check whether such securities are thinly traded which would then be valued accordingly.</p> <p>To determine whether a security is thinly traded or not, the</p>



	<p>volumes traded in on NSE and BSE only will be taken into account.</p> <p>In case trading in an equity security is suspended for trading on the stock exchange up to 30 days, then the last traded price would be considered for valuation of that security. If an equity security is suspended for trading for more than 30 days, then it would be considered as Non-Traded and valued accordingly.</p> <p><b>Non Traded:</b> If the equity securities are not traded on NSE and BSE for a period of thirty days prior to the valuation date, the scrip must be treated as 'non-traded' scrip.</p> <p>Based on the latest available audited Balance Sheet, net worth shall be calculated as follows:</p> <p>a) Net Worth per share = [Share Capital + Reserves (excluding Revaluation Reserves) – Misc. expenditure and Debit Balance in P&amp;L A/c] / No. of Paid up Shares.</p> <p>b) Average capitalization rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalization rate (P/E ratio). Earnings per share (EPS) of the latest audited annual accounts will be considered for this purpose.</p> <p>c) The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 15% for ill-liquidity so as to arrive at the fair value per share.</p> <p>d) In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalized earning.</p> <p>e) In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero.</p> <p>f) In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security. To determine if a security accounts for more than 5% of the total assets of the scheme, it should be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs would be compared on the date of valuation.</p> <ul style="list-style-type: none"> <li>➤ <u>Preference share:</u> For non-traded redeemable preference shares: valuation shall be discounted value of future cash flow based on bond yield of that issuer.</li> <li>➤ <u>Convertible preference shares:</u> shall be valued based on</li> </ul>
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		the underlying equity. This value will be further discounted for illiquidity of 15% p.a.
Equity	Unlisted	<p>Unlisted equity shares of a company shall be valued "in good faith" on the basis of the valuation principles laid down below:</p> <p><b>Based on the latest available audited balance sheet, Net Worth shall be calculated as the lower of the following:</b></p> <p>(i) Net worth per share = [Share capital + Free Reserves (excluding Revaluation reserves) - Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares</p> <p>ii) After taking into account the outstanding warrants and options, Net Worth per share shall again be calculated and shall be = [Share Capital plus consideration on exercise of Option and/or Warrants received/receivable by the Company plus Free Reserves (excluding Revaluation Reserves) minus Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.</p> <p><b>The lower of (1) and (2) above shall be used for calculation of Net Worth per share and for further calculation to be arrive at the fair value per share as stated in (b) below:</b></p> <p>a) Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which shall be followed consistently and changes, if any, noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.</p> <p>b) The value as per the Net Worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 15 per cent for illiquidity so as to arrive at the fair value per share</p> <p><u>The above valuation methodology shall be subject to the following conditions:</u></p> <p>a. All calculations shall be based on audited accounts.</p> <p>b. If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero.</p> <p>c. If the Net Worth of the company is negative, the share would be marked down to zero.</p> <p>d. In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.</p> <p>e. In case an individual security accounts for more than 5 per</p>



		cent of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it shall be valued in accordance with the procedure as mentioned above on the date of valuation.
Initial Public Offering (IPO) / Qualified Institutional Placement (QIP) / Follow on Public Offer	-	<p><b>IPO:</b> To be valued at cost until allotment/ listing or 30 days whichever is earlier.</p> <p><b>QIP/FPO:</b> To be valued at the bid price or the market price, whichever is lower.</p>
Rights" entitlement /partly paid up rights shares	Traded	If the rights are traded, then the traded price will be considered for valuation.
	Non Traded/Unlisted / Thinly Traded	<p>a) Until they are traded, the value of the "rights" entitlement would be calculated as:</p> $V_r = n/m * (P_{ex} - P_{of})$ <p>Where  <math>V_r</math> = Value of Rights  <math>n</math> = Number of rights offered  <math>m</math> = Number of original shares held  <math>P_{ex}</math> = Ex-right price  <math>P_{of}</math> = Rights Offer Price</p> <p><i>Ratio of Rights i.e. (n/m where n = No. of Rights offered and m = No. of original shares held) will be adjusted in the quantity directly while booking the Rights and hence not considered again for valuation.</i></p> <p>b) Where the rights are not treated pari-passu with the existing shares, suitable adjustments would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.</p> <p>c) In case original shares on which the right entitlement accrues are not traded on the Stock Exchange on an ex-right basis, right entitlement should not be recognised as investments.</p> <p>d) Where right entitlements are not traded and it was decided not to subscribe the rights, the right entitlements have to be valued at zero.</p>
Partly Paid-up Equity Shares:	Traded	If the partly paid-up equity shares are traded in market separately then the same shall be valued at traded price (like any other equity instrument).
	Non - traded	<p>Uncalled liability per share shall be reduced from the value of fully paid share, if traded, to derive price of non traded partly paid shares.</p> <p>15% illiquidity discounts shall be considered. Price of underlying fully paid up shares after deducting unpaid liability shall be</p>



		considered as the valuation price for partly paid up shares.
Reduction in Face Value and Refund of Money	-	If a company reduces its face value and refunds the corresponding proceeds, the same shall be booked as revenue.
Shares tendered for Buyback		If a company offers to buy back hundred percent of the shares tendered, then shares will be valued at the price of buy back, if the shares are already tendered ignoring the market price. Else, market price of the security will be considered for valuation till the date of receipt of formal confirmation of acceptance of shares tendered under the buyback scheme.
Suspended Security	-	In case trading in an equity security is suspended up to thirty days, then the last traded price shall be considered for valuation of that security. If an equity security is suspended for more than thirty days, then the securities should be treated as unlisted and valued accordingly.
Cash / Acquirer Offer	-	If an Acquirer of an Investee Company offers to buy 100% of the shares tendered, then the shares will be valued at the offer price, if the shares are already tendered ignoring the market price. Else, market price of the security will be considered for valuation till the date of receipt of formal confirmation of acceptance of shares tendered under the offer.
Valuation of Shares on Merger, De-merger and Other Corporate Action Events:	-	<p><b><u>Merger:</u></b></p> <p>Valuation of merged entity would be arrived at by summation of previous day's market capitalisation of the respective companies prior to merger divided by the entitled quantity of the merged entity in cases where identity of the entities getting merged is lost until the new entity is listed. E.g. If Company A and Company B merge to form a new Company C, then new company C would be valued at the previous day's market capitalisation of A and B with appropriate inter-se weights as indicated in the scheme of merger.</p> <p>In case of a merger where the identity of one entity continues, valuation of merged entity would be at the closing price of the surviving entity.</p> <p>E.g. If Company A merges into Company B then merged entity would be valued at the price of Company B being the surviving Company.</p> <p><b><u>De-merger:</u></b></p> <p><b>On de-merger following possibilities arise which influence valuation:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Both the shares are traded immediately on de-merger:</b> In this case, shares of both the Companies are valued at respective traded prices.</li> <li>➤ <b>Shares of only one company continued to be traded on de-merger:</b> In case one entity is demerged into two or more</li> </ul>



		<p>entities and one of those entities continues to be listed, the value of unlisted entity(ies) will be difference between the closing price of the security on the ex-date (after demerger) and closing price of the security on previous trading day (before demerger) that continues to be listed. The difference in price of two dates will be the valuation price of the unlisted entity(ies) proportionately, till they are listed and traded on a stock exchange. The cost price of new entity/entities would be derived proportionately from the cost price of parent entity.</p> <p>In case the price of the traded security of de-merged entity is equal to or in excess of the price of that entity before de-merger, then the security of the non-traded entity will be valued at zero.</p> <p>In case an unlisted security is not listed within a period of 30 days from the ex date, the valuation price derived for the demerged security will be reviewed on expiry of 30 days.</p> <p>➤ <b>Both the shares are not traded on de-merger:</b>        The price of the shares of the Company one day prior to ex-date of de-merger will be bifurcated over the de-merged shares in the ratio of cost of shares of each demerged entity or on the basis of net assets transferred if the same is available from the Company.</p> <p>In case shares of both the companies are not traded for more than 30 days, these are to be treated as unlisted security and valued accordingly.</p> <p>On merger/demerger, in case the company specifies any regulations/ method for cost bifurcation or valuation the same will be adopted. In case the above methodology does not derive the fair valuation of de-merged entities; the same may be determined by the Valuation Committee on case to case basis.</p> <p><b><u>Other corporate action event:</u></b>        In case of any other type of capital corporate action event, the same shall be valued at fair price on case to case basis as may be determined by the Valuation Committee.</p>
Stock and Index Derivatives	-	<p><b><u>Equity / Index Options Derivatives</u></b>        Equity &amp; index options would be valued at NSE settlement price irrespective of the exchange on which the trades have been effected. In case the settlement price is not available on NSE, then settlement price of available on the BSE will be considered.</p> <p><b><u>Equity / Index Futures Derivatives</u></b> Equity &amp; index futures would be valued at NSE settlement price irrespective of the exchange on which the trades have been effected. In case the settlement price is not available on NSE, then settlement price</p>



		available on the BSE will be considered.
Valuation of Warrants	Traded	If the warrants are traded, the traded price will be considered for valuation.
	Non Traded	<p>Warrants can be valued at the value of the share which would be obtained on exercise of the Warrant after applying appropriate discount of 15% per annum prorated on a monthly basis after reducing the exercise price / issuance price from the closing price of the underlying cash equity security.</p> <p>If the amount payable on exercise of the warrants is higher than the value of the share, the value of the warrants should be taken as zero.</p>

## B. FIXED INCOME AND RELATED SECURITIES

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Debt & Money Market instruments (including Bills Rediscounting Deposit Scheme) other than Treasury Bills, Cash Management Bills, Government Securities, CBLO, Reverse Repo, Fixed Deposits, State Development Loan	For Securities with residual maturity <= 60 Days:	<p>Assets will be valued on straight line amortization basis to maturity from cost or last traded price, whichever is the most recent trade, as long as their valuation remains within <math>\pm 0.10\%</math> band of the price derived from the reference rate for each bucket (reference rate for every 15 day bucket will be as provided by CRISIL or other designated agencies).</p> <p>In case the amortized value falls outside the above band, the value of the asset will be adjusted in order to bring the price within the <math>\pm 0.10\%</math> band with suitable justification.</p> <p><b>Determination of Spread:</b></p> <p>At the time of purchase, the spread between the purchased YTM and the benchmark YTM of the instrument will be fixed by the Fund Manager. This spread can be changed, with justification by the Fund Manager. For example, market trades / AMC's trades at a different spreads, could be reflected through a change in the spread. Irrespective of amortization, a change in the Credit Rating or credit profile of the issuer may require a re-evaluation of the appropriateness of the spread.</p> <p>Further, in case of subsequent trades by the Fund in the same security, the valuation would be reflective of the most recent trade (where the trade is of a market lot). The security valued would be amortized to maturity with amortized prices in line with <math>\pm 0.10\%</math> of the reference price.</p>
	For Securities with residual maturity > 60 Days :	<p>Shall be valued at prices provided by AMFI approved agencies, (currently CRISIL and ICRA) on each Valuation Day.</p> <p>New securities (of residual maturity of greater than 60 days) purchased for which valuation price is not provided by both the external agencies on the date of purchase, the same shall be valued based on the Weighted average Yield of own trades.</p>
	Primary Market Deals	To be valued at cost until allotment.



	Forward Value Transactions of Discounted Instruments	In case of all transactions where the settlement date is greater than one calendar day, these traded discounted instruments will be valued at the price corresponding to the YTM on the Trade Date.
Treasury Bills, Cash Management Bills, Government Securities, State Development Loans, - Special SDL	For Securities with residual maturity <= 60 Days:	Straight Line price Amortization from their last valuation or cost, whichever is the most recent.
	For Securities with residual maturity > 60 Days :	Valued on the basis of the average of security level prices received from CRISIL and ICRA.
	Forward Value Transactions of Discounted Instruments	In case of all transactions where the settlement date is greater than one calendar day, these traded discounted instruments will be valued at the price corresponding to the YTM on the Trade Date.
Bank Fixed Deposits, CBLO/ Reverse Repo, Repo, Corporate Bond Repo, CROMS	-	Valued at cost.
Interest Rate Swap (IRS)	-	Interest Rate Swaps (including OIS) with residual maturity of greater than 60 days shall be valued at net present value (NPV) of future cash flows discounted at an appropriate discount rate.  For IRS with residual maturity of upto 60 days, the unrealised gain / loss accounted till the 61 <sup>st</sup> day will be amortised till maturity.
Interest Rate Futures	-	The exchange traded Interest Rate Futures would be valued based on the Daily settlement Price or any other derived price provided by the exchange.
Convertible Debentures / Bond	-	Non-convertible and convertible components are valued separately.  A. The non-convertible component shall be valued on the same basis as would be applicable to a non-convertible debt instrument.  B. The convertible component to be valued as follows:  i) Ascertain <ul style="list-style-type: none"> <li>➤ The number of shares to be received after conversion.</li> <li>➤ Whether the shares would be pari passu for dividend on conversion.</li> <li>➤ The rate of last declared dividend.</li> <li>➤ Whether the shares are presently traded or non traded/thinly traded.</li> <li>➤ Market rate of shares on the date of valuation</li> </ul>



		<p>ii) In case the shares to be received are, on the date of valuation, are thinly traded / non-traded, these shares to be received on conversion are to be valued as thinly traded / non-traded equity shares.</p> <p>iii) In case the shares to be received on conversion are not non-traded or thinly traded on the date of valuation and would be traded pari passu for dividend on conversion:</p> <p>a) Number of shares to be received on conversion, per convertible debenture, multiplied by the present market rate</p> <p>b) Determine the discount for non-tradability of the shares on the date of valuation.          (This discount should be determined in advance and to be used uniformly for all the convertible securities. Rate of discount should be documented and approved by the Board of AMC)          Value = (a)* [1-(b)]</p> <p>iv) In case the shares to be received on conversion are not non-traded or thinly traded on the date of valuation but would not be traded pari passu for dividend on conversion:</p> <p>a) Number of shares to be received on conversion, per convertible debenture, multiplied by the present market rate          b) Arrive at the market value of the shares on the date of valuation by reducing the amount of last paid dividend.          c) Determine the discount for non-tradability of the shares on the date of valuation.          (This discount should be determined in advance and to be used uniformly for all the convertible securities. Rate of discount should be documented and approved by the Board of AMC)          Value = (a) * ( b ) * (1-c)</p> <p>v) In case of optionally convertible debentures, two values must be determined assuming both, exercising the option and not exercising the option.</p> <ul style="list-style-type: none"> <li>➤ If the option rests with the issuer, the lower of the two values shall be taken as the valuation of the optionally convertible portion, and;</li> <li>➤ If the option rests with the investor, the higher of the two values shall be taken.</li> </ul>
Self Trade	-	A self traded security (including interscheme) having a single trade with face value of at least Rs. 5 crore will be recognised at weighted average YTM for valuation across all schemes for securities with residual maturity <=60 days regardless of any trade on Public Platform.
Securities with Put/Call Options	-	<p><b><u>Securities where PUT option or CALL option is exercised with a residual maturity of 60 days or less:</u></b></p> <p>Straight Line price Amortization from the notice of the exercise</p>



		<p>of the put or call option till the date of exercise .</p> <p><b><u>Securities where PUT option or CALL option is exercised with a residual maturity of more than 60 days:</u></b></p> <p>Shall be valued at prices provided by AMFI approved agencies, (currently CRISIL and ICRA) on each Valuation Day.</p> <p>In case if PUT option or CALL option is not exercised, valuation of such securities shall be done in line with Debt and Money Market Instrument as stated above in the policy based on their residual maturity.</p>
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### C. MUTUAL FUND UNITS, ETFs AND GOLD

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Mutual Fund Unit and ETFs	Listed & Traded	Units would be valued at closing traded price on the exchange as on valuation date. However, in case the Traded Price differs from the declared Applicable NAV by more than +/-1%, then the units would be valued at the declared Applicable NAV as on the valuation date.
	Unlisted / Listed but not Traded	Units would be valued at the declared Applicable NAV as on valuation date.
GOLD	-	<p>Gold acquired by a scheme is in the form of standard bars and its value as on a particular day is determined as under:</p> <p>(1) AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995.0 parts per thousand, subject to the following:</p> <ul style="list-style-type: none"> <li>a) adjustment for conversion to metric measure as per standard conversion rates;</li> <li>b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI).</li> <li>c) Addition of-               <ul style="list-style-type: none"> <li>(i) transportation and other charges that may be normally incurred in bringing such gold from London to the place where it is actually stored on behalf of the mutual fund ;and</li> <li>(ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold from London to the place where it is actually stored on behalf of the mutual fund;</li> </ul> </li> </ul> <p>Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the mutual fund;</p> <p>Provided further that where the gold held by a scheme has a greater fineness, the relevant LBMA prices of AM fixing shall</p>



		<p>be taken as the reference price under this sub-paragraph.</p> <p>(2) If the gold acquired by the Scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued like standard bars. If on any day the LBMA AM fixing or RBI reference rate is not available due to holiday, then the immediately previous day's prices are applied for the purpose of calculating the value of gold.</p>
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#### D. UNITS OF InvITs and ReITs

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Units of InvITs / ReITs	Traded	Valuation of units of InvITs and ReITs will be based on the last quoted closing price on the principal stock exchange where such security is listed. The AMC has selected National Stock Exchange (NSE) as principal stock exchange. If no trade is reported on the principal stock exchange on a particular valuation date, units of InvITs and ReITs shall be valued at the last quoted closing price on other recognised stock exchange.
	Non Traded	<ul style="list-style-type: none"> <li>➤ When units of InvITs and ReITs are not traded on any stock exchange on a particular valuation day, the value at which these were traded on the selected stock exchange or any other stock exchange, as the case may be, on any day immediately prior to valuation day, shall be considered for valuation provided that such date is not more than thirty days prior to the valuation date.</li> <li>➤ Where units of InvITs and ReITs are not traded on any stock exchange for a continuous period of 30 days then the valuation for such units of InvITs and ReITs will be determined by the Valuation Committee in consultation with the Internal Auditors or independent valuation agencies as deemed appropriate by the Valuation Committee from time to time.</li> <li>➤ In addition to the above, if the valuation of units of InvITs and REITs is provided by the independent agency as approved by AMFI, AMC may get into an arrangement with such agency to provide security level price for Valuation.</li> </ul>



**E. INTER SCHEME TRANSFER**

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Inter Scheme Transfer	-	<p><b><u>Equity and related securities :</u></b></p> <p>In respect of inter scheme transfer of equity securities, the spot/current market price available from Bloomberg terminal at the time into entering into the deal is considered. The screenshot of the Bloomberg screen be obtained to confirm the price.</p>
	-	<p><b><u>Debt and related Securities:</u></b></p> <p>➤ <b><u>For Fixed Income Securities (excluding Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, etc)</u></b></p> <ul style="list-style-type: none"> <li>• A self-trade of same security (as identified by ISIN No.) with face value of at least Rs. 5 crore will be used for the purpose of valuation of inter-scheme transfer.</li> <li>• If there are no self-trades, it will be done based on price derived from the weighted-average YTM of all eligible trades of same security (as identified by ISIN No.) on all *public platform for lot size of at least Rs. 25 crore face value.</li> <li>• If there are no eligible trades in the same security, eligible trades in similar securities based on sector, Long Term credit rating and maturity profile (<math>\pm 7</math>days from the maturity date of the same security) for a lot size of at least Rs. 25 crore face value will be observed on all public platforms for any meaningful deviation (<math>\pm 0.1\%</math>) in their price levels from previous valuation.</li> <li>• If the deviation in the prices of similar securities based on weighted-average YTM is within <math>\pm 0.1\%</math> of their previously valued price, it will be ignored.</li> <li>• If the deviation in the price of similar securities is more than <math>\pm 0.1\%</math>, then the inter-scheme transfer will be done at the price derived from the weighted average YTM of similar securities.</li> <li>• If there are no eligible trades in similar securities, then inter-scheme transfer will be done at the price derived from the previously valued YTM.</li> </ul> <p><b><u>Note:</u></b></p> <ol style="list-style-type: none"> <li>1. Eligible Trade: At least one trade with face value of Rs.5 crore and more .</li> <li>2. Outlier trades, if any, should be ignored after suitable</li> </ol>



		<p>justification by the Investment team.</p> <ul style="list-style-type: none"> <li>➤ <b><u>For Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, etc</u></b></li> <li>• Inter-scheme would have to be done at the last traded YTM on NDS-OM if the cumulative trading volume is at least Rs.50 crore face value (excluding odd lots) at the time of inter- scheme.</li> <li>• In case of no trades on NDS-OM for cumulative trading volume of at least Rs.50 crore face value (excluding odd lots) at the time of inter-scheme, previous day's YTM will be considered for inter-scheme transfer.</li> </ul>
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\*Public Platform refers as follows:

Instruments	Public Platform
Commercial Papers and Certificate of Deposits.	F-Trac Platform
Corporate bonds, Non Convertible Debenture, Debentures and Securitized Debts.	CBRIS (NSCCL)/ BSE WDM (ICCL)
Government Securities, SDL, Special SDL, Treasury Bills, Cash Management Bills etc.	NDS-OM and NSE WDM

#### F. FOREIGN SECURITIES INCLUDING UNITS OF OVERSEAS MUTUAL FUND

Asset Class	Traded / Not Traded / Thinly Traded/ Listed / Unlisted	Valuation Methodology
Foreign Securities (Other than Overseas Mutual Fund)	-	<ul style="list-style-type: none"> <li>➤ Foreign Securities shall be valued based on the last quoted closing price at Overseas Stock Exchange on which respective securities are listed. However, the AMC shall select the appropriate stock exchange at the time of launch of a scheme in case a security is listed on more than one stock exchange and the reason for the selection will be recorded in writing. Any subsequent change in the reference stock exchange used for valuation will be necessarily backed by reason for such change being recorded in writing by the AMC. However, in case of extreme volatility in other markets post the closure of the relevant markets, the AMC shall value the security at suitable fair value.</li> <li>➤ When on a particular Valuation day, a security has not been traded on the selected stock exchange; the value at which it is traded on another stock exchange or last quoted closing price on selected stock exchange shall be used provided such date is not more than thirty days prior to the valuation date.</li> <li>➤ Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAV for a Valuation Day, the AMC may use the previous day price or the last available traded price as</li> </ul>



		<p>may be warranted / for the purpose of valuation.</p> <ul style="list-style-type: none"> <li>➤ Non -traded ADR /GDRs shall be valued after considering prices/ issue terms of underlying security. Valuation Committee shall decide the appropriate discount for illiquidity. Non- traded foreign security shall be valued by AMC at fair value after considering relevant factors on case to case basis.</li> <li>➤ Corporate Action (Foreign Security): In case of any corporate action event, the same shall be valued at fair price on case to case basis as may be determined by the Valuation Committee in consultation with Independent advisors (if required).</li> <li>➤ On valuation date, all assets and liabilities in foreign currency shall be valued in Indian Rupees at the RBI reference rate as at the close of banking hours on the relevant business day in India. For Currencies where RBI reference rate is not available, Bloomberg / Reuters shall be used. If required the AMC may change the source of determining the exchange rate.</li> </ul>
Overseas Mutual Fund		Will be valued at the last available Net Asset Value of the underlying fund. On the valuation day, for conversion of foreign exchange currency into INR, RBI reference rate as at the close of banking hours on that day in India.

#### **G. NON PERFORMING ASSETS & ILLIQUID SECURITIES**

<b>Asset Class</b>	<b>Traded / Not Traded / Thinly Traded/ Listed / Unlisted</b>	<b>Valuation Methodology</b>
<b>Treatment of Non-Performing Assets</b>	-	An "asset" shall be classified as non-performing, if the interest and/or principal amount have not been received or remained outstanding for one quarter from the day such income / installment has fallen due. The provisions to be made for a Non- Performing Assets (NPA) would be in accordance with SEBI Circular No. MFD/CIR/8/92/2000 dated September 18, 2000, SEBI Circular No. MFD/CIR/8(a)/104/2000 dated October 03, 2000 and SEBI Circular no. MFD / CIR /14 / 088 / 2001 dated March 28, 2001 as amended from time to time.
<b>Illiquid Securities</b>	-	<p>(a) Aggregate value of "illiquid securities" of scheme, which are defined as non-traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned zero value.</p> <p>(b) The fund shall disclose as on March 31 and September 30 the scheme-wise total illiquid securities in value and percentage of the net assets while making disclosures of half yearly portfolios to the unitholders. In the list of investments, an asterisk mark shall also be given against all such investments which are recognised as illiquid securities.</p> <p>(c) Illiquid securities shall not be transferred among their schemes.</p>



**CRISIL/ICRA Disclaimer:** By using the valuation contained in this document, the user acknowledges and accepts that the valuations are provided severally (and not jointly) by the service providers and are subject to the following disclaimers and exclusion of liability which operate severally to the benefit of the relevant service provider and AMFI. The valuation uses the methodology discussed by the service providers with the Association of Mutual Funds of India (AMFI) and reflects the service providers' assessment as to the value of the relevant securities as at the date of the valuation. This is an indicative value of the relevant securities on the valuation date and can be different from the actual realizable value of the securities. The valuation is based on the information provided or arranged by or on behalf of the asset management company concerned (AMC) or obtained by the service providers from sources they consider reliable. Neither AMFI nor the service providers guarantee the completeness or accuracy of the information on which the valuation is based. The user of the valuations takes the full responsibility for any decisions made on the basis of the valuations. Neither AMFI nor the service providers accept any liability (and each of them expressly excludes all liability) for any such decision or use.



## **B. ACCOUNTING POLICIES AND STANDARDS**

In accordance with Regulation 50 read with the Ninth Schedule to the SEBI Regulations, the Fund shall follow the accounting policies and standards stated below:

- a. For the purposes of the financial statements, Mutual Funds shall mark all investments to market and carry investments in the balance sheet at market value. However, since the unrealised gain arising out of appreciation on investments cannot be distributed, provision has to be made for exclusion of this item as well when arriving at distributable income.
- b. Dividend income earned by a scheme should be recognised, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis. For investments which are not quoted on the stock exchange, dividend income must be recognised on the date of declaration.
- c. In respect of all interest-bearing investments, income must be accrued on a day to day basis as it is earned. Therefore, when such investments are purchased, interest paid for the period from the last interest due date upto the date of purchase must not be treated as a cost of purchase but must be debited to Interest Recoverable Account. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale must not be treated as an addition to sale value but must be credited to Interest Recoverable Account.
- d. In determining the holding cost of investments and the gains or loss on sale of investments, the “average cost” method must be followed.
- e. Transactions for purchase or sale of investments should be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
- f. Rights entitlements should be recognised only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.
- g. Where income receivable on investments has accrued but has not been received for the period specified in the guidelines issued by the Board, provision shall be made by debiting to the revenue account the income so accrued in the manner specified by guidelines issued by the Board.
- h. When in the case of an open-ended scheme units are sold, the difference between the sale price and the face value of the unit, if positive, should be credited to reserves and if negative be debited to reserves, the face value being credited to Capital Account. Similarly, when in respect of such a scheme, units are repurchased the difference between the purchase price and face value of the unit, if positive should be debited to reserves and, if negative, should be credited to reserves, the face value being debited to the capital account.
- i. In the case of an open-ended scheme, when units are sold and appropriate part of the sale proceeds should be credited to an Equalisation Account and when units are repurchased an appropriate amount should be debited to Equalisation Account. The net balance on this



account should be credited or debited to the Revenue Account. The balance on the Equalisation Account debited or credited to the Revenue Account should not decrease or increase the net income of the fund but is only an adjustment to the distributable surplus. It should, therefore, be reflected in the Revenue Account only after the net income of the fund is determined.

- j. In a close-ended scheme which provide to the unit holders the option for an early redemption or repurchase their own units, the par value of the unit has to be 2[debited] to Capital Account and the difference between the purchase price and the par value, if positive, should be 3[credited] to reserves and, if negative, should be [debited] to reserves. A proportionate part of the unamortized initial issue expenses should also be transferred to the reserves so that the balance carried forward on that account is proportional to the number of units remaining outstanding.
- k. The cost of investments acquired or purchased should include brokerage, stamp charges and any charge customarily included in the broker's brought note. In respect of privately placed debt instruments any front-end discount offered should be reduced from the cost of the investment.
- l. Underwriting commission should be recognised as revenue only when there is no devolvement on the scheme. Where there is devolvement on the scheme, the full underwriting commission received and not merely the portion applicable to the devolvement should be reduced from the cost of the investment.

The accounting policies and standards as mentioned above are in accordance with the Ninth Schedule of the SEBI Regulations and are subject to change as per any changes in the SEBI Regulations. All other policies and standards as specified therein, as well as any additions/modifications thereto as may be specified by SEBI from time to time shall be adhered to while preparing the books of accounts and financial statements of the Fund. To provide appropriate details of the Scheme wise deployment of the assets of the Fund, the AMC may adopt certain accounting policies and standards in accordance with the appropriate guidance notes issued by the Institute of Chartered Accountants of India as amended from time to time. The Trustee/AMC may alter these above stated accounting policies and standards from time to time, and also to the extent the guidance notes issued by the Institute of Chartered Accountants of India, and the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Scheme to give a true and fair view of its state of affairs

**C. PROCEDURE FOR INVESTMENT DECISIONS:**

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All investment decisions, relating to the Scheme, will be undertaken by the Fund Manager in accordance with the Regulations and the investment objectives specified in the respective SID. Fund Manager will be primarily responsible for investment decisions within the framework prescribed by the Investment Committees and the Board of Directors. No investment can be undertaken by the Fund Managers from outside the universe of recommended investments by the Investment Committee and in accordance with the laid down Investment Policies / Guidelines.

The AMC has two Committees for enabling investment decisions viz. Apex Level Investment Committee (ALIC) and the Investment Committee (IC). ALIC comprises of the Independent Director as the Chairman and two other directors of the AMC. ALIC is a sub committee of the Board of Directors whereas IC comprises of the executives of the AMC. ALIC is responsible for recommending to the Board of Directors uniform investment policies and procedures which, while striving to maximize portfolio performance, will keep the management of the portfolio within the bounds of good industry practice and satisfy the liquidity, risk management and legal requirements of the AMC.



While the Board of Directors of the AMC has the ultimate responsibility of supervising the investment activities, it has delegated its powers with respect to approval/review of investment activities to the ALIC and IC will function under the directives and delegation given by the ALIC from time to time.

The role of Chief Executive Officer of the AMC in the investment management process revolves around ensuring that the laid down policies and procedures /guidelines are diligently followed, and review is undertaken vis-à-vis norms, policies, regulations etc. laid down by the IC, ALIC and the Board of the AMC/Trustee.

Performance of the Scheme will periodically be tabled before the Boards of the AMC and the Trustee. Further, the Boards of the Trustee and the AMC will also review the performance of the Schemes in the light of performance of the mutual fund industry as published from time to time by independent research agencies and financial newspapers and journals.

All investment decisions taken by the AMC in relation to the corpus of the Schemes shall be recorded in the manner prescribed under the SEBI Regulations.

## SECTION VII - TAX BENEFIT

Investors may note that the information given herein is for general information purposes only, as per the Tax laws currently in force in India. As is the case with any interpretation of any law, there can be no guarantee or any assurances that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will be accepted by the tax authorities or will continue to be accepted by them indefinitely. Further statements with regard to tax benefits mentioned herein below are mere expressions of opinion and are not representations of the Mutual Fund to induce any investor to acquire units, whether directly from the Mutual Fund or indirectly from any other persons by the secondary market operations. In view of the individual nature of tax benefits, each investor / unit holder is advised to consult with his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the scheme. As in the case with any investment, there can be no guarantee that the tax position prevailing at the time of investment in the Scheme(s) will endure indefinitely. Based on the law in force and after considering the amendments made in the Income Tax Act, 1961 (“the Act”) by the Finance Bill 2018 the applicable tax provisions, benefits/implications that may accrue to a Fund and to different categories of unit holders in respect of their investments in a Fund are outlined briefly hereunder.

Based on the view of a Chartered Accountant, following are certain relevant extracts of the Income Tax Act, 1961 along with the interpretation and corresponding tax incidence:

### **A. To the Mutual Fund:**

#### **i) Income of Mutual Fund:**

Income of the Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or regulations made there under will be exempt from income tax in accordance with the provisions of section 10(23D) of the Income tax Act “the Act”. The Mutual Fund will receive all income without deduction of any tax at source under the provision of Section 196(iv) of the Act.

#### **ii) Tax on Income distributed to Unit Holders:**

Under the provision of section 115R of the Act, additional income tax is payable at different rates on income distributed to different class of unit holders.

<b>Type of fund</b>	<b>Dividend Distribution Tax</b>
Equity oriented Fund	10% (Plus Surcharge @ 12% and Health & Education Cess @ 4% after grossing up the final amount of tax works out to 12.9422%
Money Market Mutual fund or liquid fund	25% (plus surcharge @ 12%, Health & Education Cess @ 4%) for income distributed to an individual or a Hindu Undivided Family(HUF) after grossing up the final amount of tax works out to 38.826% .
	30% (plus surcharge @ 12%, Health & Education Cess @ 4%) on income distributed to any person other than an individual or a Hindu Undivided Family after grossing up the final amount of tax works out to 49.92%
Funds other than a money market mutual fund, liquid fund, equity oriented fund	25% (plus surcharge @ 12%, Health & Education Cess @ 4%) for income distributed to an individual or a Hindu Undivided Family(HUF) after grossing up the final amount of tax works out to 38.826% .
	30% (plus surcharge @ 12%, Health & Education Cess @ 4%) on income distributed to any person other than an individual or a Hindu Undivided Family after grossing up the final amount of tax



	works out to 49.92%
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### iii) Securities Transaction Tax (STT):

As per Chapter VII of Finance (No. 2) Act, 2004 relating to Securities Transaction Tax is not applicable in case of non Equity Oriented Mutual Fund Scheme(s). As per section 10(38) of the Act, Equity Oriented Fund means a fund where the investible funds are invested by way of equity share in domestic companies to the extent of more than sixty five percent of the total proceeds of such fund and which has been set up under a scheme of a mutual fund specified under section 10(23D) of the Income Tax Act, 1961.

In case of Units of Equity oriented funds, the mutual fund is liable to recover / pay a Securities Transaction Tax. Same is applicable as under:

Taxable Securities Transaction Tax	Rates	Payable by
Purchase of an equity share in a company where the transaction for purchase is entered on a recognized stock exchange and the contract is settled by actual delivery / transfer of such unit.	0.1%	Purchaser
Purchase of units of an equity oriented fund where the transaction for purchase is entered on a recognized stock exchange and the contract is settled by actual delivery / transfer of such unit <sup>@</sup>	Nil	Purchaser
Sale of an equity share in a company where the transaction for sale is entered on a recognized stock exchange and the contract is settled by actual delivery / transfer of such unit.	0.1%	Seller
Sale of units of an equity oriented fund where the transaction for sale is entered on a recognized stock exchange and the contract is settled by actual delivery / transfer of such unit <sup>@</sup>	0.001%	Seller
Sale of an equity share in a company or a unit of an equity oriented fund where the transaction for sale is entered on a recognized stock exchange and the contract is settled otherwise than by actual delivery / transfer of such unit.	0.025%	Seller
Sale of a unit of an equity oriented fund to the Mutual Fund <sup>@</sup>	0.001%	Seller
Sale of derivative being a future where the transaction for such sale is entered into a recognized stock exchange <sup>@</sup>	0.01%	Seller
Sale of derivative being an option where the transaction for such sale is entered into a recognized stock exchange	0.017% of the option premium till May 31, 2016  0.05% of the option premium from June 1, 2016	Seller
Sale of derivative being an option where option is exercised and where the transaction for such sale is entered into a recognized stock exchange	0.125% of the settlement price	Purchaser

The value of a taxable securities transaction will be as follows:



- In the case of a taxable securities transaction relating to “option in securities”, the aggregate of the strike price and the option premium of such “option in securities”;
- In the case of taxable securities transaction relating to “futures”, the price at which such “futures” are traded; and
- In the case of any other taxable securities transaction, the price at which such securities are purchased or sold.

Deduction on account of STT Securities transaction tax paid is allowable in the computation of business income. This is subject to the condition that such income from taxable securities transaction is included in computing such business income.

Securities transaction tax is not leviable in respect of taxable securities transactions entered into by any person for, or on behalf of, the New Pension System Trust.

**\* To Unit Holders:**

**i) Income Received from Mutual Fund:**

According to section 10(35) of the Act, any income received in respect of units of Mutual Fund specified under section 10(23D) is exempt from income tax in the hands of the unit holders. It has, however, been clarified that income arising from transfer / redemption of units of Mutual Fund shall not be exempt.

Also, no deduction in respect of any expenditure or allowance or set off loss shall be allowed in computation of income by way of dividends.

The characterization of gains / losses arising from transfer / redemption of units as capital gains or business income would depend on the classification of the said units by the unit holder. It would depend on whether the unit holder has classified such units as capital assets or as stock in trade (in case of FIs, transfer of units would be characterized under the head ‘Capital Gains’ only).

**ii) Capital gains tax:**

Unit holders / Investors are required to pay tax if they make capital gains from transfer / redemption of the units. Transfer is as defined under Section 2(47) of the Act.

Capital gains are liable to tax based on:

1. The duration for which the Units of the Fund were held prior to redemption/switch/sale; and
2. The manner in which the redemption/switch/sale is effected.

Capital Gains arising on transfer / redemption of units that are held for a period of more than twelve months are classified as long-term capital gains; in any other case, the gains are classified as short-term capital gains. Units of Mutual Fund other than the equity oriented Schemes shall be a short term capital asset if the period of holding is less than 36 months.

**LONG TERM CAPITAL GAINS:**

**In case of Equity Oriented Funds:**

From AY 2019-20 (FY 2018-19) Any Long Term Capital Gains arising on transfer of unit of an equity oriented mutual fund will be taxable at 10% without indexation benefit of such capital gains exceeding Rs.1,00,000/-. No Chapter VI-A or rebate will be allowed from this capital gains, provided such transaction are entered into a recognized stock exchange or such units are sold to the Mutual Fund and are chargeable to Securities Transaction Tax (STT) at applicable rates.

In case of a company, the long term gains shall be taken into account for computation of book profits under section 115 JB of the Act.



However for the following entities Long Term Gain for sale of Equity Oriented Mutual Fund will be taxable:

**Foreign Institutional Investors (FII's):**

Under Section 115AD Long term capital gains arising on transfer / redemption of Units are taxable at the rate of 10% if capital gains exceeding Rs. 1,00,000/- (plus applicable surcharge and Health & Education Cess )

**Overseas Financial Organizations:**

In case of FIIs, transfer of units would be characterized under the head 'Capital Gains' only.

Under Section 115AB Long term capital gains arising on transfer / redemption of units purchased in foreign currency are taxable at the rate of 10% if capital gains exceeding Rs. 1,00,000/- (plus applicable surcharge and Health & Education Cess )

**In case of Funds other than Equity Oriented Funds:**

**\* Resident Individuals , Hindu Undivided Family (HUF) :**

Any long term capital gain arising on transfer / redemption of units is subject to treatment indicated under Section 48 and Section 112 of the Act. Long term capital gains in respect of units held for more than 12 months is chargeable to tax @ 20% (plus applicable surcharge and Health & Education Cess ) after factoring the benefit of cost inflation index.

In case of an individual or a HUF, being a resident, where the total income as reduced by such long term capital gains is below the maximum amount, which is not chargeable to income tax, then, such long term capital gain shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income tax and the tax on the balance of such long term capital gains shall be computed at the rate of 20% (plus applicable surcharge and Health & Education Cess) after claiming indexation benefit.

**\* Partnership Firms, Indian Companies / Foreign companies/Other Resident Person:**

According to Section 112 of the Act, Long Term Capital gains arising on transfer / redemption of units of funds other than equity-oriented funds are taxable at the rate of 20% (plus applicable surcharge and Health & Education Cess ) after claiming indexation benefit.

**\* Non Resident Indians(NRI's):**

Under section 115E of the Income Tax Act, 1961, income of non resident Indians by way of long term capital gains, in respect of units is chargeable at the rate of 10% (plus applicable surcharge and Health & Education Cess ). Alternatively Non-resident Indians may use the option for tax calculation of Long Term Capital Gain as per section 112 of the Act, if applicable without claiming the benefit of indexation.

**\* Foreign Institutional Investors (FII's):**

Under Section 115AD Long term capital gains arising on transfer / redemption of Units are taxable at the rate of 10% (plus applicable surcharge and Health & Education Cess), and the FIIs / sub-accounts will not be permitted to claim indexation benefit.

**\* Overseas Financial Organizations:**

In case of FIIs, transfer of units would be characterized under the head 'Capital Gains' only. Under Section 115AB Long term capital gains arising on transfer / redemption of units purchased in foreign currency are taxable at the rate of 10% (plus applicable surcharge and Health & Education Cess ). Such gains would be calculated without indexation benefit.

**Exemption from Long term Gains:**



**ii) Section 54F of the Act:** Gains arising from the transfer of a long term capital asset, being a mutual fund unit (other than long term gains on transfer of a unit of an equity oriented Scheme(s) on which exemption under Section 10(38) is available) by an Individual or a HUF, shall be exempt if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then proportionate exemption is available. Exemption u/s 54F in respect of residential property purchased or constructed is restricted to one property only, i.e., exemption can be claimed only if the assessee does not have more than 1 residential house. Further the property must be purchased either 1 year backward or 2 years forward and in case of construction it must be 3 years forward.

### **SHORT TERM CAPITAL GAINS:**

**In case of Equity Oriented Funds:** Section 111A provides that short term capital gains arising on transfer of units of 'equity oriented funds' on which STT has been paid are taxable at the rate of 15% (plus applicable surcharge and Health & Education Cess). In case of an individual or a HUF, being a resident, where the total income as reduced by such short term capital gains is below the maximum amount, which is not chargeable to income tax, then, such short term capital gain shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such short-term capital gains shall be computed at the rate of 15% plus applicable surcharge and Health & Education Cess

If STT is not paid, then the concessional rate of 15% would not be available and tax would be at applicable normal rates based on the category of taxpayer.

**In case of Funds other than Equity Oriented Funds:** The Short term capital gains arising on transfer / redemption of Units are taxable at the normal rates applicable to the Unit Holders. Surcharge and Health & Education Cess would apply separately as applicable. Details are as under:

#### **Applicable Income Tax Rates:**

<b>Assessee</b>	<b>Applicable rate of Tax</b>
Resident Individual and HUFs	Slab rates
Cooperative Societies	Slab rates
Partnership Firms	30%
Indian Companies	Applicable Rates
Non resident Indians	30%
Foreign Companies	40%
Overseas Financial Organisation	40% (Corporates)/ 30% (Non Corporates)
FII's	30%

### **C. Surcharge:**

**The above Rate of tax would be increased by applicable Surcharge as under:**

-In case of individuals, HUF or association of Persons (AOP) and Body of Individuals (BOI) and Artificial Juridicial Person surcharge at the rate of 15% shall be levied where income exceeds Rs. 1 crore.

In case of individuals, HUF or association of Persons (AOP) and Body of Individuals (BOI) and Artificial Juridicial Person surcharge at the rate of 10% shall be levied where income exceeds Rs. 50 Lakhs but does not exceed Rs. 1 Crore

-In case of domestic companies, where the income exceeds Rs. 1 crore but is less than 10 crores surcharge of 7% shall be levied and at the rate of 12% where it exceeds Rs. 10 crores;

-In case of foreign companies, where the income exceeds Rs. 1 crore but is less than 10 crores surcharge of 2% shall be levied and at the rate of 5% where it exceeds Rs. 10 crores;



-Rate of 12% in case of Partnership Firm, Local Authority, and Co – operative Societies where exceeds Rs. 1 crore; and

In addition thereto, a Health & Education cess @ 4% on total income tax (including surcharge) is also payable by all categories of taxpayers.

**\* Capital Losses:**

- \* Losses under the head “Capital Gains” cannot be set off against income under any other head. Further within the head “Capital Gains”, losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long-term or a short-term capital asset.
- \* Unabsorbed long-term capital loss can be carried forward and set off against the long-term capital gains only arising in any of the subsequent eight assessment years.
- \* Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains (long term or short term) in any of the subsequent eight assessment years.
- \* **Special Provision - Dividend:** According to section 94(7) of the Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then losses arising from such sale to the extent of dividend or any income received or receivable on such units, which are exempt under the Act, will be ignored for the purpose of computing his income chargeable to tax.

**E) Deduction for securities transaction tax paid for Equity Oriented Fund**

The securities transaction tax paid on units of Equity Oriented funds would be available for deduction as business expenditure to tax payers whose income from redemption of units in an equity oriented mutual fund is charged to tax as their business income. The earlier provision of providing tax rebate u/s 88E is omitted.

**F) Business Income:**

Where the units are regarded as Business asset, then any gain or loss arising out of transfer / redemption would be taxed under the head “Profits and Gains of Business or Profession” under section 28 of the Act. The gain / loss is computed after allowing normal business expenses incurred on transfer.

**G) Tax Deduction at Source (TDS):**

No tax shall be deducted at source in respect of any income credited or paid in respect of units of the Fund specified under clause (23D) of Sec 10 as per the provision of section 10(35), section 194K (omitted in Finance Bill 2016) and section 196A. Further under Section 195 of Income Tax Act, 1961, tax shall be deducted at source in respect of capital gains as under:

a)	In case of non-resident other than a company :-	
	Long term capital gains on units of funds other than equity oriented funds	10% (plus applicable surcharge and Health & Education Cess under section 115E)
	Short term capital gains on units of funds other than equity oriented funds	30% (plus applicable surcharge and Health & Education Cess)
	Short term capital gains on units of funds of equity oriented funds	15% (plus applicable surcharge and Health & Education Cess)
b)	In case of a foreign company :-	
	Long term capital gains on units of funds other than equity oriented funds	10% (plus applicable surcharge and Health & Education Cess)



		under section 115E
	Short term capital gains on units of funds other than equity oriented funds	40% (plus applicable surcharge and Health & Education Cess education cess)
	Short term capital gains on units of funds of equity oriented funds	15% (plus applicable surcharge and Health & Education Cess education cess)

Under section 196B of the Act tax at 10% (plus applicable surcharge and Health & Education Cess ) shall be deducted at source from Long term capital gain on units other than the units of equity oriented mutual funds earned by overseas Financial Organisation

Under section 196D of the Act, no deduction shall be made from any income by way of capital gain, in respect of transfer of securities by FII's as referred to in section 115AD of the Act. In case income falls under the head other than above, TDS would be deducted at applicable rates.

-In case of individuals, HUF or association of Persons (AOP) and Body of Individuals (BOI) and Artificial Juridical Person surcharge at the rate of 15% shall be levied where income exceeds Rs. 1 crore.

In case of individuals, HUF or association of Persons (AOP) and Body of Individuals (BOI) and Artificial Juridical Person surcharge at the rate of 10% shall be levied where income exceeds Rs. 50 Lakhs

-In case of domestic companies, where the income exceeds Rs. 1 crore but is less than 10 crores surcharge of 7% shall be levied and at the rate of 12% where it exceeds Rs. 10, crores;

-In case of foreign companies, where the income exceeds Rs 1, crore but is less than 10, crores surcharge of 2% shall be levied and at the rate of 5% where it exceeds Rs. 10, crores;

-Rate of 12% in case of Partnership Firm, Local Authority, and Co – operative Societies where exceeds Rs. 1 crore; and

Health & Education Cess @ 4% is applicable to all assesees irrespective of income.

#### **H. Switching from one scheme to another**

Switching from one scheme /option to another scheme/option will be effected by way of redemption of units of the relevant scheme/option and reinvestment of the redemption proceeds in the other scheme /option selected by unit holder. Hence switching will attract the same implications on transfer of such units.

#### **I. Tax Treaty Benefits**

Section 90 of the Act provides that taxation of non-resident investors would be governed by the provisions of the Act, or those of a Double Taxation Avoidance Agreement ('DTAA') that the Government of India has entered into with the Government of any other country of which the non-resident investors are tax resident. The provisions of the DTAA prevail over those of the Act if they are more beneficial to the taxpayer In order for the unit holder to obtain the benefit of a lower rate available under a DTAA, the unit holder will be required to provide the Mutual Fund with a certificate obtained from his/her/its Assessing Officer as per section 195(3) of the Act stating the eligibility for the lower rate.

For non-residents claiming such tax treaty benefits, the Finance Act 2012 mandates the obtaining, from the home country tax authority, of a tax residency certificate ('TRC') in a format to be prescribed. Such TRC would be regarded as a necessary but may not be a sufficient evidence for claiming tax treaty benefits.

#### **J. Other Benefits:**

##### **Investments by Charitable and Religious Trusts:**



Investment in units of the Mutual Fund will rank as eligible form of investment under section 11 (5) of the Act read with Rule 17C (i) of the Income Tax Rules, 1962 for Public Religious & Charitable Trust.

**Wealth tax:**

wealth tax is abolished from AY 2016-17 onwards.

**Gift Tax:**

The Gift Tax Act, 1958 has abolished the levy of Gift Tax in respect of gifts made on or after 1st October 1998. Thus, gifts of units on or after 1st October, 1998 are exempt from Gift Tax. However subject to certain exceptions, Gifts received in excess of Rs 50,000 /- by an Individual or HUF, shall be taxed as income in hands of the recipient.

The Scheme may be impacted by the rates of taxation on capital gains, interest and other corporate actions on investments, in different countries, in line with the prevailing tax laws in those countries of investment, as also in line with the respective tax treaties in existence with India.

## SECTION VIII - LEGAL INFORMATION

### • ***Nomination Facility***

In accordance with SEBI Regulations, the nomination can be made only by individuals applying for / holding units on their own behalf singly or jointly. Following persons are eligible for nomination:

1. Resident Indian individual.
2. Non-Resident Indians (NRI) can be nominated subject to the guidelines issued by the RBI from time to time.
3. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office.
4. The Nominee shall not be a trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder.
5. Non-individuals including society, trust, body corporate, partnership firm, Karta of an HUF, power of attorney holder cannot nominate.  
Pursuant to the recommendations made by National Institute of Securities Market (NISM) on select mutual fund service processes, AMFI vide its Best Practice Guidelines Circular no.135/BP/20/10-11 dated February 9, 2011, has issued following guidelines for registration of nominee.
6. Nomination shall be maintained at the folio/account level and shall be applicable for investments in all schemes in the folio/account.
7. Where a folio has joint holders, all joint holders should sign the request for nomination/cancellation of nomination, even if the mode of holding is not "joint". Nomination form cannot be signed by Power of attorney (PoA) holders.
8. Every new nomination for a folio/account will overwrite the existing nomination.
9. Nomination is mandatory for new folios/accounts opened by individuals especially with sole holding and no new folios/accounts for individuals in single holding will be opened without nomination. Investors who do not wish to nominate must confirm their non-intention to nominate.
10. Nomination will not be allowed in a folio held on behalf of a minor.
11. A Nominee cannot be a resident of USA/Canada

Further, there can be a maximum of three nominees under a folio. Also the investor/s should clearly indicate the percentage of allocation/share in favour of each of the nominees against their name and such allocation/share should be in whole numbers without any decimals, making a total of 100 percent. If the percentage is not allocated in the manner as specified herein, the AMC can by way of default option settle the claim equally amongst all the nominees.

Applicants can change the nomination at any time during the periodicity of their holding in the Scheme. Those who wish to do so can duly complete the relevant section in the Application form. If the applicant desires to nominate at a later date or change the nomination, he can request for a nomination form at any of the Investor Service Centres. Payment to the nominee of the sums payable against redemption / dividends shall fully discharge the Fund of all liabilities towards the estate of the unit holder and their successors and legal heirs.

The nominee shall receive the Units only as an agent and trustee for the legal heirs or legatees as the case may be. It is hereby clarified that the nominees under the nomination facility provided herein shall not necessarily acquire any title or beneficial interest in the property by virtue of this nomination and the transmission of units would normally be governed as per succession certificate /probate of the will. By provision of this facility, the AMC is not in any way attempting to grant any rights other than those granted by law to the nominee. A nomination in respect of the Units does



not create an interest in the property after the death of the Unit holder. It should be noted that transfer of units by the AMC in favour of a Nominee shall be valid discharge by the Asset Management Company against the legal heir & beneficiary of the unit holder & the AMC will hold no responsibility thereafter.

Units which are pledged and offered as security in favour of any entity/body for any purpose can also have the nomination facility after obtaining “approval”/ “no objection” clearance from such entity/body. Notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of such pledge units of the scheme, where a nomination made in the prescribed manner purports to confer on any person(s) the right to vest the pledged units of the scheme, on the death of the unit holders (single holder or all the joint holder(s)), the nominee(s) shall become entitled to all the rights in the pledged units of the scheme to the exclusion of all other persons except the entity/body in whose favour the units are pledged by way of lien, unless the nomination is cancelled or varied.

Nomination in respect of the Units stands rescinded upon the Redemption/Repurchase or Transfer of Units by the original unit holder in full. Cancellation of nomination can be made only by those individuals who hold Units on their own behalf singly or jointly and who made the original nomination. On cancellation of the nomination the nomination shall stand rescinded and the Mutual Fund / the AMC shall not be under any obligation to transfer the Units in favour of the nominee. The nomination facility extended under the Scheme is subject to existing laws. The AMC shall, subject to production of such evidence which in their opinion is sufficient, proceed to effect the payment to the Nominee. Transfer of Units / payment to the nominee of the sums shall discharge the Mutual Fund / the AMC of all liability towards the estate of the deceased Unit holder and his/her/their successors/legal heirs. Further, if the Unit holder fails to specify a nominee then in such case Personal Laws will prevail.

To enable the AMC to transfer the unit holdings in the name of the Nominee upon death of a Unit holder, the AMC shall call for following documents from the Nominee:

- a. Death Certificate
- b. Identity document proving identity of the nominee/signature verification
- c. Indemnity
- d. Proof of guardianship, in case the nominee is a minor and or an unsound person.

The Nominee/(s) will also be required to complete ‘Know Your Customer’ requirements as required under PMLA regulations.

- ***Prevention of Money Laundering and Know Your Customer (KYC):***

In accordance with requirements under the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines and circulars on anti-Money Laundering, issued by SEBI, (collectively “AML Regulations”), mutual funds are required to formulate and implement Client Identification Programme to verify and maintain the record of identity and address(es) of investors. This is commonly referred to as ‘Know Your Client’ guidelines (KYC).

As required under the Prevention of Money Laundering Act and the rules issued there under the circulars and guidelines on Anti-Money Laundering, issued by SEBI (collectively known as AML regulations), all intermediaries including Mutual Funds should formulate and implement a proper policy framework as per the guidelines on anti money laundering measures. The intermediaries may, according to their requirements specify additional disclosures to be made by clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions undertaken by clients. Further, SEBI vide its circular has also advised all intermediaries to take necessary steps to ensure compliance with the requirement of section 12 of the Act inter-alia



maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND), New Delhi.

The investor(s) should ensure that the amount invested in the scheme is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act, Prevention of Corruption Act and / or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued thereunder. To ensure appropriate identification of the investor(s) under its KYC policy and with a view to monitor transactions for the prevention of money laundering, Edelweiss Asset Management Limited ("EAML") reserves the right to seek information, record investor's telephonic calls and / or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose.

The detailed procedure and requirements for Know Your Customer (KYC) is covered in the section "Other Mandatory Disclosures" in this Document.

The investor(s) and their attorney, if any, shall produce reliable, independent source documents such as photographs, certified copies of ration card/ passport/ driving license/PAN card, etc. and/or such documents or produce such information as may be required from time to time for verification of the identity, residential address and financial information of the investor(s) by EAML. If the investor(s) or the person making payment on behalf of the investor(s), refuses / fails to provide the required documents/ information within the period specified in the communication(s) sent by EAML to the investor(s), and after applying appropriate due diligence measures, EAML believes that the transaction is suspicious in nature within the purview of the Act and SEBI circulars issued from time to time and/or on account of deficiencies in the documentation, EAML shall have absolute discretion to report suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV subject to payment of exit load, if any, in terms of the said communication sent by the EAML to the investor(s) in this regard.

**Suspicious Transaction Reports:** If after reasonable due diligence, the AMC believes that a transaction is suspicious in nature as regards money laundering, the AMC would be expected to report such suspicious transactions to competent authorities under the PMLA and rules / guidelines issued thereunder by SEBI and RBI. The AMC shall furnish such information in the prescribed format (Suspicious Transaction Reporting) in connection with the suspicious transactions to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under the Prevention of Money Laundering Act (PMLA) without obtaining the prior approval of the investor / Unit Holder / a person making the payment on behalf of the investor.

**Suspicious transaction means a transaction, including an attempted** transaction whether or not made in cash which, to a person acting in good faith gives rise to a reasonable ground of suspicion that it may involve the proceeds of crime; or appears to be made in circumstances of unusual or unjustified complexity; or appears to have no economic rationale or bonafide purpose; or gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism etc.

The basic parameters for identifying transactions as suspicious inter alia includes Investors with multiple accounts, Individual investing via more than five bank accounts, corporate investing in non-liquid funds via more than ten bank accounts, investors who have changed their address more than 3 times within a period of one year etc. Other examples of Suspicious Transactions can be false identification of documents or Identification documents which could not be verified within reasonable time or doubt over the real beneficiary of the account or if the AMC feels that there is a suspicious background or links with known criminals or authorized signatory with no rationale or if



there is unusual or sudden activity in terms of numbers and value of transactions. Investors Accounts or the nature of transaction is such that it gives rise to Suspicion or if the Value of Transaction is such that it creates doubts in the mind of the AMC.

The parameters/examples of suspicious transactions stated aforesaid are indicative and not exhaustive and in this regards EMF/the AMC will follow instructions from competent authorities under the PMLA/ Independent body like AMFI, SEBI, and RBI etc.

The EMF, the AMC, ETCL and their Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of freezing the folios / rejection of any application / allotment of units or mandatory redemption of units due to non-compliance with the provisions of the PMLA, SEBI circular(s) and KYC policy and / or where the AMC believes that transaction is suspicious in nature within the purview of the Act and SEBI circular(s) and reporting the same to FIU-IND.

- **Transfer & Transmission:**

As the Fund will be issuing and redeeming the Units on an ongoing basis, no transfer facility is being offered.

However, as per SEBI Circular No. Cir/ IMD/ DF/ 10/ 2010 dated August 18, 2010 units of all the schemes of the Fund which are held in demat form shall be freely transferable under the depository system. Restrictions on transfer of units of Edelweiss ELSS Fund during the lock-in period shall continue to be applicable as per the ELSS guidelines. Accordingly, units held under Edelweiss ELSS Fund can only be transferred after a period of 3 years from the date of allotment of units, whether the same is in physical or demat form.

Further, if units are gifted or in case of change of joint holding or if a transferee becomes a holder of the Units by operation of law, or upon enforcement of a pledge, then EAML shall, subject to production of such evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the Units, within 30 days from the date of receipt of all relevant documents, as specified under SEBI regulation. A person becoming entitled to hold the Units in consequence of the death, insolvency, or winding up of a sole holder or the last survivor of the joint holders, upon producing evidence to the satisfaction of the Fund, shall be registered as the holder. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer. Appropriate documentation for this process may be obtained from the AMC ISC's.

In case of death of a unit holder, Units shall be transmitted in favour of the second-named/surviving joint holder or nominee, as the case may be, on production of a certified copy of the death certificate or such other document /s to the satisfaction of the Fund. The Nominee may opt to hold units in the scheme in place of the deceased unit holder instead of redeeming the units, provided that the nominee is otherwise eligible to hold the Units under the scheme by applying to the AMC along with all relevant documents.

It is expressly understood that the investor/unit holder is aware of the relevant statutes, tax related provisions etc. pertaining to transfer and he undertakes to abide by the same and shall pay all relevant applicable duties, tax, cess etc.

Pursuant to the recommendations made by National Institute of Securities Market (NISM) on select mutual fund service processes, AMFI vide its Best Practice Guidelines Circular no.135/BP/20/10-11 dated February 9, 2011 read with its Best Practice Guidelines Circular no. 53A/2014-15 dated February 11, 2015, has issued following guidelines for transmission of units:



The list the documents required for transmission under various situations are as stated under:

- 1. Transmission to surviving unit holders in case of death of one or more unit holders:**
  - i) Letter from surviving unit holders to the Fund / AMC / RTA requesting for transmission of units.
  - ii) Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager.
  - iii) Bank Account Details of the new first unit holder along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name (refer 'Forms' section on the website of the AMC - Annexure I).
  - iv) KYC of the surviving unit holders, if not provided earlier.
  
- 2. Transmission to registered nominee(s) in case of death of Sole or All unit holders:**
  - i) Letter from claimant nominee(s) to the Fund / AMC / RTA requesting for transmission of units.
  - ii) Death Certificate(s) in original or photocopy duly notarized or attested by gazette officer or a bank manager.
  - iii) Bank Account Details of the new first unit holder along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name (refer 'Forms' section on the website of the AMC - Annexure I).
  - iv) KYC of the claimant/s.
  
- 3. Transmission to claimant/s, where nominee is not registered, in case of death of Sole or All unit holders:**
  - i) Letter from claimant(s) to the Fund/AMC/RTA requesting for transmission of units.
  - ii) Death Certificate(s) in original or photocopy duly notarized or attested by gazette officer or a bank manager.
  - iii) Bank Account Details of the new first unit holder as along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name (format available on AMC's website- Annexure I).
  - iv) KYC of the claimant/s.
  - v) Indemnity Bond from legal heir(s) (refer 'Forms' section - on the website of the AMC Annexure III).
  - vi) Individual affidavits from legal heir(s) (refer 'Forms' section on the website of the AMC - Annexure IV).
  - vii) If the transmission amount is below Rs.2,00,000/-, any appropriate document evidencing relationship of the claimant(s) with the deceased unit holder(s).
  - viii) If the transmission amount is Rs. 2,00,000/-, or more, any one of the documents mentioned below:
    - a) Notarised copy of Probated Will, or
    - b) Legal Heir Certificate or Succession Certificate or Claimant's Certificate issued by a competent court, or
    - c) Letter of Administration, in case of Intestate Succession.

In case the claimant submits any of the documents mentioned under (a) to (c) of clause 3(viii) above, then Indemnity Bond as mentioned in clause 3(v) above would not be required.
  
- 4. Transmission in case of HUF, due to death of Karta:** In case of death of Karta, the new Karta appointed by the members of the HUF will require to submit following documents for transmission:



- i) Letter Requesting for change of Karta.
- ii) Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager.
- iii) Duly certified Bank certificate stating that the signature and details of new Karta have been appended in the bank account of the HUF (refer 'Forms' section on the website of the AMC - Annexure I).
- iv) KYC of the new Karta and KYC of HUF, if not already available.
- v) Indemnity bond signed by all the surviving coparceners and new Karta (refer 'Forms' section on the website of the AMC - Annexure V).
- vi) In case of no surviving coparceners AND the transmission amount is Rs.2,00,000/- or more OR where there is an objection from any surviving members of the HUF, transmission will be effected only on the basis of any of the following mandatory documents:
  - a) Notarized copy of Settlement Deed, or
  - b) Notarized copy of Deed of Partition, or
  - c) Notarized copy of Decree of the relevant competent Court

#### 5. Clarifications:

- iv) PAN card copy or another proof of identity of claimant(s) is not required separately, if KYC acknowledgement issued by CVL is made available.
- v) Where the units are to be transmitted to a claimant who is a minor, various documents like KYC, PAN, Bank details, indemnity etc. should be of the guardian of the nominee.
- vi) A ready reckoner matrix of various documents required under different situations is also available on the AMC's website (refer 'Forms' section - Annexure VI).
- vii) While the list of documents mentioned in clauses 1 to 4 above shall be taken in all cases, the AMC/Registrar may seek additional documents if the amount involved in transmission exceeds Rs.1,00,000/- on a case to case basis. The AMC/Registrar may seek additional documents based on the merit of each case.

The AMC shall first accept and process the request for transmission of units with proper documentation and thereafter accept and process the redemption request. It shall not accept any "Transmission-cum-Redemption" request.

- **Winding Up/ Duration of the Scheme:**

In terms of the SEBI Regulations, a scheme may be wound up after repaying the amount due to the Unit holders:

- (a) On the happening of any event which, in the opinion of the Trustee, requires the scheme to be wound up;
- (b) If Seventy five percent of the Unit holders of the scheme pass a resolution that the scheme be wound up; or
- (c) SEBI directs the scheme to be wound up in the interest of the Unit holders.
- (d) In case of non-fulfillment of condition prescribed in terms of minimum number of investors vide SEBI circular.

In case of non fulfillment of the above condition, the provisions of Regulation 39(2) (c) of SEBI (Mutual Funds) Regulations, 1996 would become applicable automatically without any reference from SEBI.

Accordingly, the scheme(s) shall be wound up by following the guidelines laid down by SEBI. Where a Scheme is to be wound up pursuant to the above SEBI Regulations, the Trustee shall give notice of the circumstances leading to the winding up of the Scheme:



1. To SEBI; and
2. In two daily newspapers having circulation all over India and also in a vernacular newspaper circulating at the place where the head office of the Mutual Fund is situated.

The Mutual Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

### **Effect of Winding Up**

On and from the date of the publication of the notice as stated above, the Trustee or the AMC as the case maybe, shall

- (a) Cease to carry on any business activities in respect of the scheme so wound up;
- (b) Cease to create or cancel Units in the scheme;
- (c) Cease to issue or redeem Units in the scheme.

### **Procedure & Manner of Winding Up**

In the event of the Scheme being wound up, the AMC shall proceed as follows:

1. The Trustee shall call a meeting of the Unit holders of the scheme to consider and pass necessary resolutions by simple majority of Unit holders present and voting at the meeting for authorising the AMC or any other person / agency to take the steps for winding up of the scheme.
  - (a) The Trustee or the person authorised as above, shall dispose the assets of the scheme concerned in the best interests of the Unit holders of the scheme.
  - (b) The proceeds of the sale made in pursuance of the above, shall in the first instance be utilised towards discharge of such liabilities as are properly due under the scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the Unit holders in proportion to their respective interests in the assets of the scheme as on the date when the decision for the winding up was taken.
2. On the completion of the winding up, the Trustee shall forward to SEBI and the Unit holders, a report on the winding up containing particulars such as circumstances leading to the winding up, the steps taken for disposal of assets of the scheme before winding up, expenses of the scheme for winding up, net assets available for distribution to the Unit holders and a certificate from the Auditors of the Mutual Fund.
3. Notwithstanding anything contained herein, the application of the provisions of SEBI Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until the winding up is completed or the scheme ceases to exist.
4. After the receipt of report referred to the above under "Procedure and Manner of Winding up" if SEBI is satisfied that all measures for winding up of the scheme have been complied with, the scheme shall cease to exist.



## **SECTION IX - GENERAL INFORMATION**

### **A. POWERS TO MAKE RULES**

Subject to the prior approval of SEBI / other applicable regulatory authorities, wherever necessary, the AMC may from time to time prescribe such forms and make such rules for the purpose of giving effect to the provisions of the Scheme, and add to, alter or amend all or any of the forms and rules that may be framed from time to time.

### **B. POWERS TO REMOVE DIFFICULTIES**

If any difficulty arises in giving effect to the provisions of a scheme, the Trustee may take such steps that are not inconsistent with these provisions, which appear to them to be necessary and expedient, for the purpose of removing difficulties.

### **C UNDERWRITING BY THE MUTUAL FUND**

Subject to SEBI Regulations, a scheme may enter into underwriting agreements after the Mutual Fund obtains a certificate of registration in terms of the Securities and Exchange Board of India (Underwriters) Rules and Securities and Exchange Board of India (Underwriters) Regulations, 1993 authorising it to carry on activities as underwriters. The capital adequacy norms for the purpose of underwriting shall be the net assets of the respective Plans and the underwriting obligation of the respective Plans shall not at any time exceed the total net asset value of the respective Plans.

### **D STOCK LENDING BY THE MUTUAL FUND**

Subject to the SEBI Regulations as applicable from time to time, the Fund may, engage in Stock Lending. Stock Lending means the lending of securities to another person or entity for a fixed period of time at a negotiated compensation in order to enhance returns of the portfolio. The securities lent will be returned by the borrower on the expiry of the stipulated period. The AMC will adhere to strict limits should it engage in Stock Lending. Collateral would always be obtained by the approved intermediary from such borrower. Collateral value would always be more than the value of the security lent. Collateral can be in form of cash, bank guarantee, and government securities, as may be agreed upon with the approved intermediary.

Example:

A fund has AAA debenture or bond which it would wish to hold for a long period of time as a core holding in the portfolio or even till maturity. In that case, the investors would be benefited only to the extent of the coupon rate which it would earn. If the fund is enabled to lend the said security to a borrower who would be wanting to take advantage of the market fluctuations in its price and return the security to the lender at a stipulated time or on demand for a negotiated compensation, the fund unit holders can enhance their returns to the extent of the compensation it will earn for lending the same. But an adequate security or collateral will have to be maintained by the intermediary, which should always be higher than the cost of the security. Thus it is in the interest of the investors that returns can be enhanced by way of stock lending. Thus, to summarize, stock lending would be done by the scheme only in the following circumstances:

- a) If permitted by Trustee and the extent SEBI regulations in that regard, from time to time.
- b) If such activity generates additional returns for the scheme and helps to enhance the scheme returns.

If considering the above and other factors all considered in totality, such activity is in the interest of unit holders in the scheme.

The percentage of exposure the Scheme(s) of Edelweiss Mutual Fund intend to take in Stock Lending, defers from Scheme to Scheme. Investors are requested to refer & read the SID carefully.



## ***E BORROWING OF THE MUTUAL FUND***

To meet the temporary liquidity needs of the Scheme for the purpose of repurchase, redemption, or payment of income / dividend to the unit holders, any Scheme under the Edelweiss Mutual Fund may borrow upto 20% of its net assets for a period of upto six months or as may be permitted by the pertinent rules and regulations. Loans may be obtained from any entity / organisation like Banks, Group Companies, Sponsors, Corporates, Trustee Company; Asset Management Company (by way of Inter Corporate Debt) which is not specifically debarred to give loans to Mutual Funds and also loan is available from such entity / organisation at competitive terms. However, if any loan is obtained from any associate, such loan will be obtained only at extremely competitive terms at equal to or lower than market rates. Borrowing by the Mutual Fund on account of the Scheme may tend to increase the impact of investment gains and losses on the NAV of the Scheme.

## ***F INVESTMENT BY THE AMC, SPONSOR OR THEIR AFFILIATES IN THE SCHEME***

The AMC, Sponsor, Trustee and their associates or affiliates or Funds managed by/advised by Sponsors and/or their affiliates may invest in any of the scheme(s) of Edelweiss Mutual Fund during the New Fund Offer Period and on ongoing basis subject to the SEBI Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time. As per the existing SEBI Regulations, the AMC will not charge investment management and advisory fee on the investment made by the AMC in the scheme.

## ***G DEPOSITORY***

If the Securities are held in dematerialised form, the rules of the Securities and Exchange Board of India (Depositories Participants) Regulations, 1996 will apply.

## ***H INTER-SCHEME TRANSFERS***

Transfer of investments from one Scheme to another Scheme in the same Mutual Fund shall be allowed only if such transfers are done in conformity with Regulations. In case of securities which are not traded on the Principal Stock Exchange / any other exchange, the inter-Scheme transfers will be affected based on fair valuation to be arrived at by AMC with the approval of the Trustee. As per SEBI Regulation specifically the Seventh Schedule, such transfers will be allowed only if:

- 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.

## ***I TRANSACTIONS WITH ASSOCIATE COMPANIES***

The Sponsor, its Subsidiary, any associates of the Sponsor, or any other companies within the Edelweiss group may from time to time act (individually and / or jointly) as manager, registrar, administrator, investment advisor, underwriter, distributor or dealer or agent or Broker or marketing associate, respectively in relation to, or be otherwise involved in, other Scheme(s) / Funds / Activities (in the same or different capacity) (to the extent permitted under various relevant Regulations) for the purpose of normal conducting of the business of the Mutual Fund. Edelweiss Mutual Fund may share the research reports prepared by the Group Companies on Commercial or non commercial basis or may utilize the depository Services or the Scheme(s) may Subscribe in the Issues Lead managed by the Associate or Group Companies or may enter into Deals arranged by NBFC or it may utilize the facility of Direct Market Access for investing in securities, or utilise the premises of Group companies to act as a Collecting Centers, and Investor Service Centers etc. Further, the AMC may also utilize support services such as Human Resource & Administration Services, AMC Accounts & Finance Services etc., from the Group Companies. The Fund may also share Infrastructure like office space, communication network; hardware including Servers, PCs etc. Such sharing will be subject to having segregated areas following the principles of Chinese walls



between the activities of the Sponsors and that of the Associate Companies. The Asset Management Company, may, make investments for other permitted business activities or on its own behalf without making the same available to the Scheme / Fund.

The AMC will conduct its business with the Sponsor, Subsidiary, any associates of the Sponsor, or any other companies within the Edelweiss group on commercial terms and on an arms length basis, checking the quality of services rendered and at the then prevailing market prices to the extent permitted under the applicable laws including the Regulations, after an evaluation of the competitiveness of the pricing offered by the associate companies and services to be provided by them. These fees shall be debited to the Scheme(s), subject to SEBI Regulations. Should the Fund enter into any transaction with / through the above mentioned companies, it shall do so as may be permitted by the Regulations and will disclose details of such investments or transactions in the manner required by the Regulations.

The AMC may, utilise the services of its Sponsors, Subsidiary, Associates or other Companies within the Edelweiss group, Employees or their relatives, etc. for the purpose of any securities transactions and distribution and sale of Units / securities, provided that any deal in securities through any broker associated with the Sponsors should not be beyond 5% of the quarterly aggregate purchase and sale of securities by EMF, as per SEBI Regulations and the brokerage or commission paid as per prevailing market practice and/or approved rates is disclosed in the half yearly annual accounts of the Fund.

Further, while dealing with the Sponsor, its Subsidiary, Associate or any other Companies within the Group, the Scheme will adhere to SEBI Regulation (Schedule Seven) under which, no Scheme(s) of Edelweiss Mutual Fund shall make investments in:

- \* any unlisted security of an associate or group company of the Sponsors; or
- \* any security issued by way of private placement by an associate or group company of the Sponsors; or
- \* The listed securities of group companies of the Sponsors which is in excess of 25% of the net assets.

Besides, a scheme may invest in Pass Through Certificates with underlying exposure to Sponsors/ Associate Companies of Sponsors/AMC. The underlying exposure may be in terms of a borrower or originator within the permissible limits prescribed in the respective SIDs of the Scheme.

#### **Dealing with Associate Companies:**

Names of associate of the Asset Management Company (subject to change from time to time) with which the Mutual Fund proposes to have dealings, transactions and those whose services may be used for marketing, distributing, broking, PCM services etc. of the schemes or for any other permitted purpose are as under:

<b>Sr. No.</b>	<b>NAME OF AMC SPONSORS AND ITS GROUP COMPANIES along with its associates</b>
1.	Alternative Investment Market Advisors Private Limited
2.	Aster Commodities DMCC, Dubai
3.	EAAA LLC, Mauritius.
4.	EC Commodity Limited
5.	EC Global Limited, Mauritius
6.	EC International Limited, Mauritius



7.	ECap Equities Limited
8.	ECL Finance Limited
9.	Edel Finance Company Limited
10.	Edel Investments Limited
11.	Edel Land Limited
12.	Edelcap Securities Limited
13.	EdelGive Foundation
14.	Edelweiss Agri Value Chain Limited
15.	Edelweiss Alternative Asset Advisors Limited.
16.	Edelweiss Alternative Asset Advisors Pte. Limited, Singapore
17.	Edelweiss Asset Management Limited
18.	Edelweiss Asset Reconstruction Company Limited
19.	Edelweiss Broking Limited
20.	Edelweiss Business Services Limited (formerly Edelweiss Web Services Limited)
21.	Edelweiss Capital (Singapore) Pte. Limited
22.	Edelweiss Capital Markets Limited
23.	Edelweiss Commodities Services Limited
24.	Edelweiss Comtrade Limited
25.	Edelweiss Custodial Services Limited
26.	Edelweiss Finance & Investments Limited
27.	Edelweiss Financial Services (UK) Limited, UK
28.	Edelweiss Financial Services Inc., USA
29.	Edelweiss Finvest Private Limited (formerly Arum Investments Private Limited)
30.	Edelweiss General Insurance Company Limited
31.	Edelweiss Global Wealth Management Limited
32.	Edelweiss Holdings Limited
33.	Edelweiss Housing Finance Limited
34.	Edelweiss India Capital Management, Mauritius
35.	Edelweiss Insurance Brokers Limited
36.	Edelweiss International (Singapore) Pte. Limited, Singapore
37.	Edelweiss Investment Adviser Limited
38.	Edelweiss Investment Advisors Private Limited, Singapore
39.	Edelweiss Multi Strategy Funds Management Private Limited (formerly Forefront Capital Management Private Limited)
40.	Edelweiss Retail Finance Limited
41.	Edelweiss Securities (Hong Kong) Private Limited, Hong Kong



42.	Edelweiss Securities Limited
43.	Edelweiss Securities (IFSC) Limited
44.	Edelweiss Tokio Life Insurance Company Limited
45.	Edelweiss Trustee Services Limited
46.	Edelweiss Trusteeship Company Limited
47.	EFSL Comtrade Limited
48.	EFSL International Limited, Mauritius
49.	EW India Special Assets Advisors LLC, Mauritius.
50.	EW Special Opportunities Advisors LLC, Mauritius.
51.	Allium Finance Private Limited
52.	Edelweiss Fund Advisors Private Limited
53.	Dahlia Commodities Services Private Limited
54.	Magnolia Commodities Services Private Limited

Any payment made on account of any services availed from associate companies would be on an arms length basis.

**Underwriting obligations with respect to issues of Associate Companies:**

Edelweiss Mutual Fund, has till date not entered into any underwriting contracts in respect of any public issue made by any of the group/associate companies of the Sponsor, under any of its Scheme(s).

**Subscription in issues lead managed by the Sponsor or any of its associates during the past three financial years including current year:**

Securities transaction in the form of investments/disinvestments in various Public issues / Private placements where the associate was the sole or one of the several lead managers –

**2017-18:**

Scheme Name	Lead Manager	Amount (Rs. in crores)
Edelweiss Arbitrage Fund	Edelweiss Financial Services Limited	74.11
Edelweiss Balanced Advantage Fund		17.58
Edelweiss Multi-Cap Fund		0.13
Edelweiss Long Term Equity Fund (Tax Savings)		0.11
Edelweiss Large & Mid Cap Fund		3.33
Edelweiss Equity Savings Fund		4.91
Edelweiss Large Cap Fund		1.64
Edelweiss Mid Cap Fund		2.68
Edelweiss Multi-Asset Allocation Fund		0.07
"Edelweiss Balanced Advantage Fund (Formerly Edelweiss Dynamic Equity Advantage Fund)"		5.67

**2016-17:**



Scheme Name	Lead Manager	Amount (Rs. in crores)
Edelweiss Dynamic Equity Advantage Fund	Edelweiss Financial Services Limited	13.44
Edelweiss Arbitrage Fund		4.99
Edelweiss Balanced Advantage Fund		10.16
Edelweiss Banking and PSU Debt Fund		9.98
Edelweiss Bond Fund		14.90
Edelweiss Corporate Debt Opportunities Fund		24.90
Edelweiss Equity Savings Advantage Fund		4.97
Edelweiss Large Cap Advantage Fund		1.00
Edelweiss Mid and Small Cap Fund		0.06
Edelweiss Prudent Advantage Fund		0.05

**2015-16:**

Scheme Name	Lead Manager	Amount (Rs. in crores)
Edelweiss Emerging Leaders Fund	Edelweiss Financial Services Limited	0.01
Edelweiss Absolute Return Fund		0.55
Edelweiss Prudent Advantage Fund		0.00

\* Amount less than Rs. 50,000

**Brokerage and Commission paid to Associates during the past three financial years including current year**

- Brokerage paid to associates/related parties/group companies of Sponsor/AMC for Secondary Market Transactions

**2017-18:**

Name of associates/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation	Period Covered	Value of Transaction (Rs. in crores)	% of Total Value of Transaction of the Fund	Brokerage (Rs. in crores)	% of total Brokerage paid by the Fund
Edelweiss Securities Limited	Associate Broker	April 1, 2017 to March 31, 2018	4,094.60	4.01%	0.74	8.06%
Edelweiss Broking Ltd.	Associate Broker	April 1, 2017 to March 31, 2018	165.33	0.23%	0.06	0.68%

**2016-17:**

Name of associates/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation	Period Covered	Value of Transaction	% of Total Value of	Brokerage (Rs. in	% of total Brokerage
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d parties/group companies of Sponsor/AMC	Nature of relation		(Rs. in crores)	Transaction of the Fund	(crores)	paid by the Fund
Edelweiss Securities Limited	Associate Broker	April 1, 2016 to March 31, 2017	1,404.75	5.47%	0.25	5.96%

**2015-16:**

Name of associates/related parties/group companies of Sponsor/AMC	Nature of Association/ Nature of relation	Period Covered	Value of Transaction (Rs. in crores)	% of Total Value of Transaction of the Fund	Brokerage (Rs. in crores)	% of total Brokerage paid by the Fund
Edelweiss Securities Limited	Associate Broker	April 1, 2015 to March 31, 2016	729.09	2.98%	0.14	2.53%

- Commission paid to associates/related parties/group companies of Sponsor/AMC for Distribution and Sale of Units:

**2017-18:**

Name of associate /related parties/ group companies of Sponsor/ AMC	Nature of Association/ Nature of relation	Period covered	Business given (Rs. in crores)	Business given ( in % of total business received by the Fund)	Commission paid (Rs. in crores)	% of total Commission paid by the Fund
Edelweiss Financial Services Limited	Sponsor	April 1, 2017 to May 31, 2018	59.01	0.13%	0.55	2.72%
Edelweiss Financial Advisors Limited	Associates		0.01	0.00%	0.00	0.00%
Edelweiss Securities Ltd.			2.09	0.01%	0.03	0.12%
Edelweiss Broking Limited			642.16	1.82%	1.89	9.27%
Edelweiss Multi Strategy Funds Management Private Limited			73.43	0.33%	0.28	1.37%



**2016-17:**

Name of associate /related parties/ group companies of Sponsor/ AMC	Nature of Association/ Nature of relation	Period covered	Business given (Rs. in crores)	Business given ( in % of total business received by the Fund)	Commission paid (Rs. in crores)	% of total Commission paid by the Fund
Edelweiss Financial Services Limited	Sponsor	April 1, 2016 to May 31, 2017	5.59	0.12%	0.08	0.85%
Edelweiss Financial Advisors Limited	Associates		0.03	0.00%	-	0.00%
Edelweiss Securities Ltd.			0.29	0.01%	-	0.04%
Edelweiss Broking Limited			145.17	4.01%	0.45	5.02%
Edelweiss Multi Strategy Funds Management Private Limited			13.87	0.45%	0.05	0.53%

**2015-16:**

Name of associate /related parties/ group companies of Sponsor/ AMC	Nature of Association/ Nature of relation	Period covered	Business given (Rs. in crores)	Business given ( in % of total business received by the Fund)	Commission paid (Rs. in crores)	% of total Commission paid by the Fund
Edelweiss Financial Services Limited	Sponsor	April 1, 2015 to May 31, 2016	0.29	0.04	0.01	0.56
Edelweiss Financial Advisors Limited	Associates		0.003	0.0005	-	-
Edelweiss Securities Ltd.			0.07	0.10	0.001	0.08
Edelweiss Broking Limited			10.53	1.59	0.08	3.19
Forefront Capital Management Pvt Ltd			1.27	0.19	0.01	0.28

\* Amount less than Rs. 50000/-



Note: Commission on distribution and sale of units paid / payable represents the amount paid / payable for the year / period and does not necessarily reflect the amount charged to the scheme's revenue account.

## **J INVESTMENTS IN GROUP / ASSOCIATE COMPANIES**

Investments in securities of group companies, if any, will be made purely on commercial considerations for the benefit of the Fund. No investment will be made in any unlisted security of an associate or Group Company of the Sponsor and in any security issued by way of private placement by an associate or group company of the Sponsor. Further, investments in listed securities of the group company of the Sponsor will not exceed 25% of the net assets of each scheme of the Fund.

Investment in group companies will be done only in the interest of the Fund and as per the SEBI Regulations. Before making an investment, the AMC will evaluate the same on merits and on arm's length basis and in accordance with the objective of the scheme.

As on date there have been no investments in the Group Companies. The detail of investment in Associate company during 2017-18 are as follows –

<b>Scheme</b>	<b>Issuer</b>	<b>Investment (Rs. in crores)</b>
Edelweiss Arbitrage Fund	ECL Finance Ltd.	232.20
Edelweiss Arbitrage Fund	Edelweiss Commodities Services Ltd.	423.46
Edelweiss Arbitrage Fund	Edelweiss Finance and Investments Ltd.	16.73
Edelweiss Arbitrage Fund	Edelweiss Financial Services Ltd.	0.39
Edelweiss Arbitrage Fund	Edelweiss Finvest Pvt. Ltd.	9.06
Edelweiss Arbitrage Fund	Edelweiss Retail Finance Ltd.	177.97
Edelweiss Arbitrage Fund	The Karnataka Bank Ltd.	37.25
Edelweiss Balanced Advantage Fund	ECL Finance Ltd.	19.90
Edelweiss Balanced Advantage Fund	Edelweiss Commodities Services Ltd.	25.00
Edelweiss Balanced Advantage Fund	Edelweiss Finance and Investments Ltd.	2.08
Edelweiss Balanced Advantage Fund	Edelweiss Finvest Pvt. Ltd.	8.63
Edelweiss Balanced Advantage Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.46
Edelweiss Corporate Bond Fund	ECL Finance Ltd.	37.98
Edelweiss Corporate Bond Fund	Edelweiss Commodities Services Ltd.	15.68



Edelweiss Dynamic bond fund	ECL Finance Ltd.	20.21
Edelweiss Dynamic bond fund	Edelweiss Commodities Services Ltd.	16.19
Edelweiss Equity Savings Fund	ECL Finance Ltd.	10.30
Edelweiss Equity Savings Fund	Edelweiss Commodities Services Ltd.	15.32
Edelweiss Equity Savings Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.15
Edelweiss Fixed Maturity Plan - Series 41	ECL Finance Ltd.	2.20
Edelweiss Large & Mid Cap Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.31
Edelweiss Large Cap Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.19
Edelweiss Liquid Fund	ECL Finance Ltd.	360.45
Edelweiss Liquid Fund	Edelweiss Finance and Investments Ltd.	119.76
Edelweiss Liquid Fund	Edelweiss Finvest Pvt. Ltd.	133.90
Edelweiss Long Term Equity Fund (Tax Savings)	Reliance Nippon Life Asset Mgmt Ltd.	0.01
Edelweiss Low Duration Fund	ECL Finance Ltd.	11.48
Edelweiss Low Duration Fund	Edelweiss Commodities Services Ltd.	45.83
Edelweiss Low Duration Fund	Edelweiss Finance and Investments Ltd.	10.94
Edelweiss Low Duration Fund	Edelweiss Finvest Pvt. Ltd.	1.43
Edelweiss Low Duration Fund	Edelweiss Retail Finance Ltd.	5.20
Edelweiss Maiden Opportunities Fund - Series 1	Reliance Nippon Life Asset Mgmt Ltd.	6.33
Edelweiss Mid Cap Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.58
Edelweiss Multi-Asset Allocation Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.01
Edelweiss Multi-cap Fund	Reliance Nippon Life Asset Mgmt Ltd.	0.02



**K EXPENSES OF THE SCHEMES**

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Each Scheme will have expenses as specified in SID & such expenses (including commission to distributors/introducers on application, direct or otherwise) will be within the overall limits prescribed by SEBI or such other Regulations from time to time. The AMC may incur expenses on behalf of the Mutual Fund which can be reimbursed on actual basis to the AMC to the extent such expenses are permissible & are within the SEBI limits.

## **SECTION X - SERVICES TO INVESTOR**

### **A. UNIT HOLDERS GRIEVANCES REDRESSAL MECHANISM**

Investors can enquire about NAVs, Unit Holdings, Valuation, Dividends, etc or lodge any service request including change in the name, address, designated bank account number and bank branch, loss of Account Statement / Unit Certificates, etc. to M/s. Karvy Computershare Private Limited - UNIT Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial, District, Nanakramguda, Serilingampally, Hyderabad – 500 008 or can also call us at our toll free number 1800 425 0090 (MTNL/BSNL) and non toll free number +91 40 23001181 for others and investors outside India. It should be noted that the KYC confirmation (application/acknowledgement) issued by the KRA has to be mandatorily provided for all purchase transactions, irrespective of the amount of transaction. All details of the investor in the Edelweiss Mutual Fund records will be replaced by the details given by the investor to the KRA in the KYC Application Form. Any change in details like change of Name / Address / Status /Signature, etc. should be given by such Investor, who has provided KYC Confirmation, directly to the KRA in the prescribed manner.

Alternatively, the Unit holder can call at the EAML branch office for any services / information. Some service requests can be processed only upon receipt of a written request with required supporting documents. In order to protect confidentiality of information, the service representatives at our branches/ ISC's may require personal information of the investor for verification of his / her identity.

Unit holder's grievances should be addressed to Investor Services Centres (ISC's) at the EAML branch offices, or Karvy Computershare Pvt. Ltd (KCPL) Investor Service Centres. All grievances will then be forwarded to the Registrar, if required, for necessary action. The complaints will be closely monitored /followed up with the Registrar to ensure timely redressal.

EAML will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly. A comprehensive complaint management system is in place for managing complaints with features for tracking each complaint through its lifecycle from recording and initiation to investigation, reporting, and closure - following the appropriate process to ensure that nothing slips through the cracks enabling EAML to conduct root cause analysis and trigger corrective and preventive action. There is a built in customised workflow process as well as assignment and escalation process to EAML officials.

Investors can also address their queries/grievances to Mr. Mayur Jadhav, Senior Manager - Investor & Distributor Services at Edelweiss Mutual Fund, Edelweiss Mutual Fund, 801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098

Contact Details:

Tel. No. (022) 4093 3400 / 40979821 / 40979949

Fax no. (022) 4093 3401 / 4093 3402

E-mail id: [EMFhelp@edelweissfin.com](mailto:EMFhelp@edelweissfin.com)

#### **Use of Intermediaries:**

The investor is aware that the Fund and/or the AMC need to use intermediaries such as post office, local and International couriers, banks and other intermediaries for correspondence with the investor and for making payments to the investor by cheques, drafts, warrants, through Electronic Clearing Services (ECS) etc. The investor expressly agrees and authorises the Fund and the AMC (including their agents) to correspond with the investor or make payments through intermediaries including but not limited to post office, local and international couriers and banks. The investor



clearly understands that the Fund and the AMC use such intermediaries for convenience of the investor and such intermediaries are agents of the investor and not the Fund or the AMC. The Fund and/or the AMC or their agents are not responsible in any manner whatsoever for delayed receipt or non-receipt of any correspondence or payment through such intermediaries.

## **B. ADDITIONAL INFORMATION**

### **1. Investor Services**

It is the endeavour of the Fund to provide consistently high quality service to its investors. This would encompass all interactions by the unit holder / Investor with the Fund. The Fund will strive to upgrade the quality of services through implementation of technology, through ensuring quality consciousness amongst its service personnel and agencies associated with it. The Fund will endeavour to provide a high degree of convenience for the investors' dealings with itself. The Fund will strive to constantly increase this level of convenience.

### **2. Enquiries and Official Points of Acceptance of Transactions:**

Unit holders' enquiries and transactions will be entertained at the offices of the AMC / the office of the Registrar in Hyderabad or any of the other Investor Service Centres, for details refer our website ([www.edelweissmf.com](http://www.edelweissmf.com)). Unit holders can visit these centres for enquiries and transactions during business hours.

### **3. Books and Records**

The books and records of the Mutual Fund will be maintained at the office of the Mutual Fund. The fiscal year of the Mutual Fund ends on 31<sup>st</sup> March in each year.

### **4. Timeline for Service:**

The AMC will ensure that it completes all the tasks listed below within the specified timeline framed by Regulations wherever required:

<b>Particulars</b>	<b>Time Taken*</b>
Allotment of Units after the closure of NFO Period	Within 5 Business Days from the closure of NFO Period
Refund of subscription amount	Within 5 Business Days from the closure of NFO Period
Despatch of Account Statements/Allotment Advice/Communication through SMS/E-Mail and/or ordinary Post	Within 5 Business Days from the closure of NFO Period or in case of ongoing sales/repurchase from the date of receipt of transaction request from the unit holder, as the case may be.
Consolidated Account Statement detailing transactions taken place during the month	10th of the succeeding month (in case of investors who opt to hold Units in non demat form) Monthly basis in case of investors holding demat accounts
Scheme opens for ongoing repurchase/sale/trading	Within 5 Business Days from the date of allotment.
Dispatch of Redemption proceeds	Within 10 business Days from the date of receipt of redemption request
Transfer Proceeds	Within 30 days from the date of receipt request/complete documents
Issue of Unit certificate	within 30 days of the receipt of request
Requests for dematerialisation	within 30 days of the receipt of request



Dispatch of Dividend Warrants	Within 30 days of the declaration of the dividend
Change of Address/ Bank Details	Within 10 Business Days of the receipt of request
Other Services	Within 10 Business Days of the receipt of request

\*These response times will be effective from the date of receipt of documents, complete in all respects as specified in Regulation, from time to time, at the office of the Registrar and Transfer Agents.

However, the AMC will ensure that it will complete the above mentioned activities before the timelines mentioned above.

The Fund will strive to provide high quality services to its investors by;

1. Extensively using technological tools in rendering unit holder service i.e. The Fund will endeavour to send the Account Statements (on account of financial and/or non-financial transactions) e.g., allotment of units in lieu of distribution of periodic dividend, besides periodic information etc by way of SMS or e-mail, which is speedier. Other financial transactions (subscription of units) may also be conveyed to the unit holders by way of e-mail, wherever requested, subject to such safeguards the Fund may deem necessary.
2. Making available an Investor Relation personnel of the AMC on any business day between normal official hours of the AMC for personal meeting with any unit holder, to attend to any query related to investment needs of a unit holder, resolve any unit holder service related queries through the Registrar and to provide such other services that the unit holder desires.
3. The AMC provides SMS alert facility to its investors providing financial and non-financial information about their transactions eg. Sale, purchase, dividend declarations, changes in facilities, etc. This facility is currently offered free of cost to all investors whose mobile numbers are registered with the Fund / who register themselves for the facility by writing to the Registrar and Transfer Agent, mentioning their folio numbers and mobile numbers.

### **C. INVESTORS' COMPLAINTS HISTORY**

Given below is the status of Investor Complaints since April 1, 2015 till May 31, 2018:

Period	1/04/2015 to 31/03/2016		
	Complaints Received	Complaints Redressed	Complaints Pending
Edelweiss Equity Opportunities Fund	11	11	0
Edelweiss Mid And Small Cap Fund	6	6	0
Edelweiss Greater China Equity Off-Shore Fund	1	1	0
Edelweiss Europe Dynamic Equity Off-Shore Fund	1	1	0
Edelweiss Government Securities Fund	1	1	0
Edelweiss Liquid Fund	1	1	0
Edelweiss Equity Savings Advantage Fund	4	4	0
Edelweiss US VALUE EQUITY OFF-SHORE FUND	1	1	0
Edelweiss ECONOMIC RESURGENCE FUND	1	1	0
Edelweiss BALANCED ADVANTAGE FUND	3	3	0
Edelweiss CORPORATE DEBT OPPORTUNITIES FUND	1	1	0
Edelweiss Asean Equity Off-Shore Fund	1	1	0
Edelweiss Short Term Income Fund	6	6	0
Edelweiss Treasury Fund	9	9	0
Edelweiss Large Cap Advantage Fund	2	2	0



<b>Total</b>	<b>49</b>	<b>49</b>	<b>0</b>
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Period	1/04/2016 to 31/03/2017		
Scheme Name	Complaints Received	Complaints Redressed	Complaints Pending
Edelweiss Large Cap Advantage Fund	2	2	0
Edelweiss ELSS Fund	1	1	0
Edelweiss Absolute Return Fund	1	1	0
Edelweiss Arbitrage Fund	6	6	0
Edelweiss Mid and Small Cap Fund	1	0	1
<b>Total</b>	<b>11</b>	<b>10</b>	<b>1</b>

Period	1/04/2017 to 31/03/2018		
Scheme Name	Complaints Received	Complaints Redressed	Complaints Pending
Edelweiss Long term Equity Savings Fund(Tax Savings)	5	5	0
Edelweiss Large and Mid Cap Fund	2	2	0
Edelweiss Greater China Equity Offshore Fund	2	2	0
Edelweiss Arbitrage Fund	2	2	0
Edelweiss Mid Cap Fund	4	4	0
Edelweiss Large Cap Fund	1	1	0
Edelweiss Low Duration Fund	2	2	0
Edelweiss Balanced Advantage Fund	1	1	0
Edelweiss Fixed Maturity Plan Series – 42	1	1	0
<b>Total</b>	<b>20</b>	<b>20</b>	<b>0</b>

Period	1/04/2018 to 31/05/2018		
Scheme Name	Complaints Received	Complaints Redressed	Complaints Pending
Edelweiss Mid Cap Fund	2	2	0
Edelweiss Balanced Advantage Fund	1	1	0
Edelweiss Liquid Fund	1	1	0
Edelweiss Large and Mid Cap Fund	3	3	0
<b>Total</b>	<b>7</b>	<b>7</b>	<b>0</b>

Period	Complaints Received	Complaints Redressed	Complaints Pending
April 1, 2015 – March 31, 2016	49	49	0
April 1, 2016 – March 31, 2017	11	10	1*
April 1, 2017 – March 31, 2018	20	20	0
April 1, 2018 – May 31, 2018	7	7	0

\* Complaint was closed in the financial year 2017-18.

*Please note that this is the consolidated number of complaints, pursuant to the transfer of the Schemes of JPMorgan Mutual Fund to form part of Edelweiss Mutual Fund.*



**D. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection by the unit holders between 11.00 a.m. and 1.00 p.m. on any Business day at the office of the Mutual Fund: -

- a. Memorandum and Articles of Association of the AMC and ETCL.
- b. Investment Management Agreement
- c. Trust Deed and subsequent amendments thereto, if any
- d. Mutual Fund Registration Certificate
- e. Agreement between the Mutual Fund and the Custodian (EMF and Standard Chartered Bank)
- f. Agreement with Registrar and Share Transfer Agents (Karvy Computershare Private Limited)
- g. Consent of Auditors to act in the said capacity
- h. Consent of Legal Advisors to act in the said capacity
- i. Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- j. Indian Trusts Act, 1882.

**NOTE:**

1. Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable.
2. Further, any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of this Statement shall prevail over those specified in this Statement.
3. Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India.

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## INVESTOR SERVICE CENTERS (ISC) / OFFICIAL POINT OF ACCEPTANCE (OPA)

### EDELWEISS ASSET MANAGEMENT LIMITED - ISC / OPA

<b>Ahmedabad</b>	: Ground Floor, Madhusudan House, Opp. Shail Building, Near Girish Cold Drink Cross Road, Off CG Road, Navrangpura, Ahmedabad - 380 009. Tel No. : 079 26461040/ 26461070
<b>Bengaluru</b>	: Unit No. 912, 9th floor, Prestige Meridian-1, No.20 , M.G Road, Bengaluru -560001 Karnataka. Tel No. : 080-69001508
<b>Chandigarh</b>	: Cabin No. 19, 2nd Floor of Meeting point, SCO 487-488, Sector 35-C, Chandigarh - 160035. Tel No. : 0172-5086890 / 2603771
<b>Chennai</b>	: DBS Business Centre, DBS House, Room No. 220, 31A Cathedral Garden Road, Near Palmgrove Hotel, Nungambakkam, Chennai-600034 Tel No.: 044 40509200 Extn: 220 Fax No.: 044 40509300
<b>Hyderabad</b>	: Room No.403, 4th Floor, Shree Prashant Sai Towers, Teetos Business Centre, Plot no. 68, Nagarjuna Hills, Road no:1, Banjarahills, Near Punjagutta, Hyderabad, Telangana-500082.
<b>Indore</b>	: 312-313, D.M. Tower, Third Floor, Race Course Road, Indore, Madhya Pradesh - 452001. Tel No. : 0731 6701522
<b>Kolkata</b>	: Savitri Tower, 2nd Floor, 3A Upper Wood Street, Kolkata - 700017. Tel No. : 033 - 4421 8800
<b>Lucknow</b>	: Cabin No. 102, A Small Store Trade Point, Ground Floor, Saran Chamber-1, 5-Park Road, Hazratganj, Lucknow - 226001. Tel No. : 0522-4070679
<b>Mumbai</b>	: 801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400098, Maharashtra. Tel No. : 022 4097 9900
<b>New Delhi</b>	: 104, 5th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110 001. Tel No. : 011-43571105
<b>Pune</b>	: 402, Sunit Capital, 4th Floor, B-50, Vetalbaba Chowk, Above Mahalaxmi Maruti Showroom, Senapati Bapat Road, Shivajinagar, Pune - 411016

### KARVY COMPUTERSHARE PRIVATE LIMITED - ISC / OPA

UNIT : Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial, District, Nanakramguda, Serilingampally , Hyderabad - 500 008 Tel: 040-67161500

**Agra** : 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Sanjay Place, Agra - 282002. Tel.: 8899928346 • **Ahmedabad** : 201/202 Shail Complex, Opp. Madhusudan House, B/H Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad - 380006. Tel.: 079-65445550, 079-26402967 • **Ajmer** : 302, 3rd Floor, Ajmer Auto Building, Opposite City Power House, Jaipur Road, Ajmer - 305001. Tel.: 0145-5120725 • **Aligarh** : 1st Floor, Kumar Plaza, Ramghat Road, Aligarh - 202001. Tel.: 8899928347 • **Allahabad** : Rsa Towers, 2nd Floor, Above Sony Tv Showroom, 57, S P Marg, Civil Lines, Allahabad - 211001. Tel.: 8081127728 • **Ambala** : 6349, Nicholson Road, Adjacent Kos Hospitalambala Cant, Ambala - 133001. Tel.: 9541721382 • **Amritsar** : 72-A, Taylor'S Road, Opp Aga Heritage Club, Amritsar - 143001. Tel.: 0183-5053802 • **Anand** : B-42 Vaibhav Commercial Center, Nr Tvs Down Town Show Room, Grid Char Rasta, Anand - 380001. Tel.: 9662020623 • **Ankleshwar** : L/2 Keval Shopping Center, Old National Highway, Ankleshwar, Ankleshwar - 393002. Tel.: 02646 645326 • **Aurangabad** : 114/71 G T Road, Near Sony Centre, Bhanga Pachil, Asansol - 713303. Tel.: 9332095447 • **Aurangabad** : Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad - 431005. Tel.: 0240-2343414 • **Balalore** : M.S Das Street, Gopalgaon, Balasore, Orissa, Balasore - 756001. Tel.: 06782-260503 • **Bangalore** : 59, Skanda puttanna Road, Basavanagudi, Bangalore - 560004. Tel.: 080-26602852 • **Bareilly** : 1st Floor, 165, Civil Lines, opp. Hotel Bareilly Palace, Near Railway Station, Bareilly - 243001. Tel.: 8899928348 • **Baroda** : 203, Corner point, Jetalpur Road, Gujarat, Baroda - 390007. Tel.: 0265-2353506 • **Begusarai** : Near Hotel Diamond Surbhi Complex, O.C Township Gate, Kapasiya Chowk, Begusarai - 851117. Tel.: 7857015101 • **Belgaum** : Cts No. 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum - 590001. Tel.: 0831 2402544 • **Berhampur (Or)** : Divya Nandan Kalyan Mandap, 3rd Lane Dharam Nagar, Near Lohiya Motor, Berhampur (Or) - 760001. Tel.: 0680-2228106 • **Bhagalpur** : 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur - 812001. Tel.: 7857015102 • **Bharuch** : Shop No 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392001. Tel.: 02642-229022 • **Bhavnagar** : Krushna Darshan Complex, Parimal Chowk, Office No. 306-307, 3rd Floor, Above Jed Blue Show Room, Bhavnagar - 364002. Tel.: 278-3003149 • **Bhilai** : Shop No -1, First Floor Plot No -1, Commercial Complex, Nehru Nagar - East, Bhilai - 490020. Tel.: 0788-2295999 / 2295332 • **Bhopal** : Kay Kay Business Centre, 133, Zone I, Mp Nagar, Above City Bank, Bhopal - 462011. Tel.: 0755-4092712, 0755-4092715 • **Bhubaneswar** : A/181 , Back Side of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar - 751007. Tel.: 0674-6534585 • **Bokaro** : B-1, 1st Floor, City Centre, Sector- 4, Near Sona Chandi Jewellers, Bokaro - 827004. Tel.: 9204061959 • **Borivali** : Gomati Smuti, Ground Floor, Jambli Gully, Near Railway Station, Borivali, Mumbai - 400 092. Tel - 022- 28916319 • **Burdwan** : 63 GT Road, Halder Complex 1st Floor, Burdwan - 713101. Tel.: 0342-2665140 • **Calicut** : 2nd Floor Soubhagya Shopping Complex, Arayidathpalam, Mavoor Road, Calicut - 673004. Tel.: 0495-4022480 • **Chandigarh** : Sco-2423-2424, Above Mirchi Restaurant, New Aroma Hotel, First Floor, Sector 22-C, Chandigarh - 160022. Tel.: 0172-5101342 • **Chennai** : F-11, Akshaya Plaza, 1st Floor, 108, Adhithanar Salai, Egmore, Opp to Chief Metropolitan Court, Chennai - 600002. Tel.: 044-42028512 • **Cochin** : Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakulam - 682036. Tel.: 0484 3000231 / 32 • **Coimbatore** : 3rd Floor, Jaya Enclave, 1057 Avinashi Road, Coimbatore - 641018. Tel.: 0422 - 4388011 • **Cuttack** : Opp Dargha Bazar Police station, Dargha Bazar, Po - Buxi Bazar, Cuttack - 753001. Tel.: 0-9238102118 (Tata Basephone) • **Dehradun** : Kaulagarh Road, Near Sirmaur Margabove, Reliance Webworld, Dehradun - 248001. Tel.: 8899928349 / 8899928350 • **Dhanbad** : 208 New Market, 2nd Floor, Bank More, Dhanbad - 826001. Tel.: 0326-6452027 • **Dharwad** : 307/9-A 1st Floor, Nagarkar Colony, Elite Business Center, Nagarkar Colony, P B Road, Dharwad - 580001. Tel.: 0836- 2744207 • **Durgapur** : MWAV-16 Bengal Ambuja, 2nd Floor City Centre, Distt. Burdwan, Durgapur - 713216. Tel.: 0343-6512111 • **Erode** : No: 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode - 638003. Tel.: 0424-4021212 • **Faridabad** : A-2B, 3rd Floor, Neelam Bata Road, Peer ki Mazar, Nehru Groundnit, Faridabad - 121001. Tel.: 8287922816 • **Gandhidham** : Shop # 12, Shree Ambica Arcade, Plot # 300, Ward 12, Opp. CG High School, Near HDFC Bank, Gandhidham - 370201. Tel.: 02836 651296 • **Gaya** : 54 Lal Kothi Compound, Shree Krishna Road, 2nd Floor, North Side, Near Royal Surya Hotel, Gaya - 823001. Tel - 0631-2220065 • **Ghaziabad** : 1st Floor C-7, Lohia Nagar, Ghaziabad - 201001. Tel.: 8287059970 • **Gorakhpur** : Above V.I.P. House Ajdacent, A.D. Girls College, Bank Road, Gorakhpur - 273001. Tel.: 8081127735 • **Guntur** : D No 6-10-27, Srinilayam, Arundelpet, 10/1, Guntur - 522002. Tel.: 0863-2339094 • **Gurgaon** : Shop No. 18, Ground Floor, Sector - 14, Opp. Akd Tower, Near Huda Office, Gurgaon - 122001. Tel.: 8287956344 • **Guwahati** : 1st Floor, Bajrangbali Building, Near Bora Service Station, GS Road, Guwahati - 781007. Tel.: 8811036746 • **Gwalior** : 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior - 474009. Tel.: 9907342201 • **Haldwani** : Above Kapilaz, Sweet House, Opp LIC Building, Pilikothi, Kaladhungi Road, Haldwani - 263139. Tel.: 8899928351 • **Hissar** : SCO 71, 1st Floor, Red Square Market, Hissar - 125001. Tel.: 9541721383 • **Hubli** : CTC No.483/A1/A2, Ground Floor, Shri Ram Palza, Behind Kotak Mahindra Bank, Club Road, Hubli - 580029. Tel.: 0836-2252444 • **Hyderabad** : Karvy House, No:46, 8-2-609/K, Avenue 4, Street No. 1, Banjarahills, Hyderabad - 500034. Tel.: 040-44857874 / 75/ 76 • **Hyderabad (Gachibowli)** : Karvy Selenium, Plot No: 31 & 32, Tower B, Survey No. 115/22, 115/24, 115/25, Financial District, Gachibowli, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032. Tel.: 040-33215122 • **Indore** : 2nd floor, 203-205 Balaji Corporate House, Above ICICI bank, 19/1 New Palasia, Near Curewell Hospital, Janjeerwala Square Indore, Indore - 452001. Tel.: 0731-4266828/4218902 • **Jabalpur** : Karvy Computershare Private Limited 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur-482001.Tel - 0761-3204376 • **Jaipur** : S16/A IIIrd Floor, Land Mark Building, Opp. Jai Club, Mahaver Marg, C Scheme, Jaipur - 302001. Tel.: 01414167715/17 • **Jalandhar** : 1st Floor, Shanti Towers, SCO No. 37, PUDA Complex, , Opposite Tehsil Complex, Jalandhar - 144001. Tel.: 0181-5094410 • **Jalgaon** : 269, Jaee Vishwa, 1st Floor, Baliram Peth, Above United Bank of India, Near Kishor Agencies, Jalgaon - 425001. Tel.: 9421521406 • **Jalpaiguri** : D B C Road, Opp Nirala Hotel, Opp. Nirala Hotel, Opp. Nirala Hotel, Jalpaiguri - 735101. Tel.: 03561-222136 • **Jammu** : Gupta's Tower, 2nd Floor, CB-12, Rail Head Complex, Jammu - 180012. Tel.: 0191-2470860 / 2458818 • **Jamnagar** : 136-137-138 Madhav Palaza, Opp SBI Bank, Nr. Lal Bunglow, Jamnagar - 361001. Tel.: 0288 3065810 • **Jamshedpur** : 2nd Floor, R. R. Square, SB Shop Area, Near Reliance Foot Print & Hotel- BS Park Plaza, Main Road, Bistupur, Jamshedpur - 831001. Tel.: 0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007 • **Jhansi** : 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi - 284001. Tel.: 7851827396 • **Jodhpur** : 203, Modi Arcade, Chopasni Road, Jodhpur - 342001. Tel.: 0291-6454590 • **Kanpur** : 15/46, B, Ground Floor, Opp. Muir Mills, Civil Lines, Kanpur - 208001. Tel.: 8081127738 / 8081127740 • **Karaijadi** : No. 2, Gopi Arcade, 100 Feet Road, Karaijadi - 630001. Tel.: 04565-237192 • **Karur** : No.6, old No.1304, Thiru-vi-ka Road, Near G.R.Kalyan Maha, Karur - 639001. Tel.: 04324-241755 • **Kharagpur** : 180 Malancha Road, Beside Axis Bank Ltd, Kharagpur - 721304. Tel.: 03222-253380 • **Kolhapur** : 605/1/4 E Ward, Shahupuri, 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur - 416001. Tel.: 0231 2653656 • **Kolkata** : Apeejay House (Beside Park Hotel), C Block, 3rd Floor, 15 Park Street, Kolkata - 700016. Tel.: 033 66285900 • **Kota** : 29, 1st Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota - 324007. Tel.: 0744-5100964 • **Kottayam** : 1st Floor Siascension Square, Railway Station Road, Collectorate P O, Kottayam - 686002. Tel.: 0481-2300868/2302420 • **Lucknow** : 1st Floor, A. A. Complex, 5 Park Road, Hazratganj, Thaper House, Lucknow - 226001. Tel.: 8081127722 • **Ludhiana** : Sco - 136 , 1st Floor, Above Airtel Showroom, Feroze Gandhi Market, Ludhiana - 141001. Tel.: 0161-4648747 • **Madurai** : Rakesh towers, 30-C, Ist floor, Bye pass Road, Opp. Nagappa motors, Madurai - 625010. Tel.: 0452-2605856 • **Malda** : Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda - 732101. Tel.: 03512-223763 • **Mangalore** : Mahendra Arcade, Opp. Court Road, Karangal Padi, Mangalore - 575003. Tel.: 0824-2496289 • **Margao** : 2nd Floor, Dalal Commercial Complex, Pajifond, Margao - 403601. Tel.: 0832-2731823 • **Mathura** : Ambey Crown, 2nd Floor, In Front Of Bsa College, Gaushala Road,

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Mathura - 281001. Tel.: 8899928354 • **Meerut** : 1st Floor, Medi Centre, Opp Icici Bank, Hapur Road, Near Bachha Park, Meerut - 250002. Tel.: 8899928339 • **Mehsana** : Ul/47 Apollo Enclave, Opp Simandhar Temple, Modhera Cross Road, Mehsana - 384002. Tel.: 02762-242950 • **Moradabad** : Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad - 244001. Tel.: 8899328356 • **Mumbai** : 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bse Bldg, Fort - 400001. Tel.: 022-66235353 • **Muzaffarpur** : First Floor, Shukla Complex, Near ICICI Bank, Civil Court Branch, Company Bagh, Muzaffarpur - 842001. Tel.: 7857015105 • **Mysore** : L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore - 570001. Tel.: 0821-2438006 • **Nadiad** : 104/105, Near Paras Cinema, City Point Nadiad, Nadiad - 387001. Tel.: 0268-2563245 • **Nagercoil** : 45, East Car Street, 1st Floor, Nagercoil - 629001. • **Nagpur** : Plot No 2/1 House No 102/1, Mata Mandir Road, Mangaldeep Appartment Opp Khandelwal Jewelers, Dharampeth, Nagpur - 440010. Tel.: 0712-2533040 • **Nasik** : F-1, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik - 422002. Tel.: 0253-6611395 • **Navsari** : 1/1 Chinmay Arcade, Opp Sattapir Rd, Tower Rd, Navsari - 396445. Tel.: 02637-280367 • **New Delhi** : 305 New Delhi House, 27 Barakhamba Road, New Delhi - 110001. Tel.: 011-43681700 • **Noida** : 405,4th Floor,Vishal Chamber, Plot No.1,Sector-18, Noida - 201301. Mob - 8287831058. • **Panipat** : JAVA Complex, 1st Floor, Above Vijaya Bank, G T Road, Panipat - 132103. Tel.: 9541721384 • **Panjim** : Flat No.1-A, H. No. 13/70, Timotio Bldg, Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area), Panjim - 403001. Tel.: 0832-2426873 • **Patiala** : Sco 27 D, Chotti Baradari, Near Car Bazaar, Patiala - 147001. Tel.: 0175-5004349 • **Patna** : 3A, 3rd Floor Anand Tower, Exhibition Road, Opp Icici Bank, Patna - 800001. Tel.: 0612-4323066 • **Pondicherry** : Building No:7, 1st Floor, Thiayagaraja Street, Pondicherry - 605001. Tel.: 0413 2220640 • **Pune** : Mozaic Bldg, CTS No.1216/1, Final, Plot No.576/1 TP, Scheme No.1, F C Road, Bhamburda, Shivaji Nagar, Pune - 411004. Tel.: 020-66496700 / 66496701 • **Raipur** : Shop No-TF-31, 3rd Floor, Millenium Plaza, Near Old Indian Coffee House, G E Road, Raipur - 492001. Tel.: 0771-4052620 • **Rajahmundry** : D.No.6-1-4, Rangachary Street, T.Nagar, Near Axis Bank Street, Rajahmundry - 533101. Tel.: 0883-2434469 • **Rajkot** : 302, Metro Plaza, Near Moti Tanki Chowky, Rajkot, Gujarat - 360001. Tel : 0281-6545888 • **Ranchi** : Room No 307 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi - 834001. Tel.: 0651-2331320 • **Rohtak** : 1st Floor, Ashoka Plaza, Delhi Road, Rohtak - 124001. Tel.: 9541721385 • **Rourkela** : 1st Floor, Sandhu Complex, Kachery Road, Uditnagar, Rourekla - 769012. Tel.: 0661-2500005 • **Saharanpur** : 18 Mission Market, Court Road, Saharanpur - 247001. Tel.: 8899928353 • **Salem** : NO 3/250, Brindavan Road, 6th Cross, Perumal kovil back side, Fairland's, Salem - 636016. Tel.: 0427-4020300 • **Sambalpur** : Koshal Builder Complex, Near Goal Bazaar Petrol pump, Sambalpur - 768001. Tel - 0663-2533437 • **Secunderabad** : Crystal Plaza, 2nd Floor, Manday Lane, Near Sunshine Hospital, P G Road, Secunderabad - 500003, Tel.: 8985469607 • **Shillong** : Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong - 793001. Tel.: 0364 - 2506106 • **Shimla** : Triveni Building, By Pas Chowkhhallini, Shimla - 171002. Tel.: 8263860395 • **Shimoga** : Sri Matra Naika Complex, 1st Floor, Above Shimoga Diagnostic Centre, Llr Road, Durgigudi, Shimoga - 577201. Tel.: 08182-228799 • **Silchar** : N.N. Dutta Road, Chowchakra Complex, Premtala, Silchar - 788001. Tel.: 3842261714 • **Siliguri** : Nanak Complex, Sevoke Road, Siliguri - 734001. Tel.: 0353-2522579 • **Surat** : G-5 Empire State Buliding, Nr Udhna Darwaja, Ring Road, Surat - 395002. Tel.: 0261-2311100 / 2339100 • **T Nagar** : G1, Ground Floor, No 22, Vijayaraghava Road, Swathi Court, T Nagar, Chennai - 600 017. Tel.: 044 - 28151034 • **Thane** : 101, Yaswant Tower, 1st Floor, Opposite Puja Hotel, Ram Maruti Road, Naupada Thane (West), Mumbai - 400 602. Tel.: 022 25428475 • **Tirunelveli** : 55/18, Jeney Building, S N Road, Near Aravind Eye Hospital, Tirunelveli - 627001. Tel.: 0462 2335137 • **Tirupur** : First floor, 244 A, Above Selvakumar Dept stores, Palladam Road, Opp to Cotton market complex, Tirupur - 641604. Tel.: 0421-2214221 • **Trichur** : 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road, Near Dhanalakshmi Bank H O, Thrissur - 680001. Tel.: 0487- 6999987 • **Trichy** : 60, Sri Krishna Arcade, Thennur High Road, Trichy - 620017. Tel.: 0431-4020227 • **Trivandrum** : 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum - 695010. Tel.: 0471 - 2725728 • **Udaipur** : 201-202, Madhav Chambers, Opp G P O , Chetak Circle , Udaipur - 313001. Tel.: 0294 2429370 • **Valsad** : Shop No 2 , Phiroza Corner, Opp Next Show Room, Tithal Road, Valsad - 396001. Tel.: 02632-258481 • **Vapi** : Shop No-12, Ground Floor, Sheetal Appatment, Near K P Tower, Vapi - 396195. Tel.: 9228012909 • **Varanasi** : D-64/1321St Floor, Anant Complex, Sigra, Varanashi - 221010. Tel.: 8081127746 • **Vellore** : 1, M N R Arcade, Officers Line, Krishna Nagar, Vellore - 632001. Tel - 0416 2215007 • **Vijayawada** : 39-10-7, Opp : Municipal Water Tank, Labbipet, Vijayawada - 520010. Tel.: 0866-6604032/39/40 • **Vile Parle** : V P Road, Opp: Railway Station, Above Axis Bank Atm, Vile Parle (west), Mumbai - 400 056. Tel.: 022-26100967 • **Visakhapatnam** : Door No: 48-8-7, Dwaraka Diamond, Ground Floor, Srinagar, Visakhapatnam - 530016. Tel.: 0891-2714125 • **Warangal** : 5-6-95, 1st Floor, Opp: B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal - 506001. Tel.: 0870-2501664

**www.karvymfs.com** - Website of Karvy Computershare Pvt. Ltd. would also be considered as an Official Point of Acceptance ("OPA") for all the Schemes of the AMC. The online transaction portal of MF Utilities India Private Limited ("MFUI") i.e www.mfuonline.com and the POS locations of MFUI will be in addition to the existing OPA of the AMC