Aditya Birla Sun Life Mutual Fund

ADITYA BIRLA CAPITAL

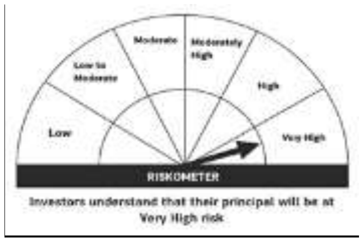
MUTUAL FUNDS

Scheme Information Document

Aditya Birla Sun Life Nifty Healthcare ETF

(An open ended exchange traded fund tracking Nifty Healthcare TRI)

NSE Symbol: HEALTHY
BSE Scrip Code: 543473

This product is suitable for investors who are seeking*:		
	Scheme Risk-o-meter	**Benchmark Risk-o-meter** (Nifty Healthcare TRI)
• Long term capital growth • Investments in stocks comprising the underlying index and endeavors to track the benchmark index		

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

Continuous offer of Units at NAV based prices.

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

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

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

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

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

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

DISCLAIMER CLAUSE OF NSE

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/5298 dated May 03, 2021 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the Stock Exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

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

DISCLAIMER CLAUSE OF BSE

BSE Ltd. ("the Exchange") has given vide its letter dated February 28, 2022 permission to Aditya Birla Sun Life Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the Stock Exchanges on which this Mutual Fund's unit are proposed to be listed. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to Aditya Birla Sun Life Mutual Fund. The Exchange does not in any manner: i) warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or ii) warrant that this scheme's unit will be listed or will continue to be listed on

the Exchange; or iii) take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund; and it should not for any reason be deemed or construed that this Scheme Information Document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

This Scheme Information Document is dated June 30, 2024

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Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	**Name of the scheme**	Aditya Birla Sun Life Nifty Healthcare ETF
II.	**Category of the Scheme**	Exchange Traded Fund (ETF)
III.	**Scheme type**	An open ended exchange traded fund tracking Nifty Healthcare TRI
IV.	**Scheme code**	ABSL/O/O/OET/21/07/0096
V.	**Investment objective**	The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Healthcare TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error. **The Scheme does not guarantee/indicate any returns. There is no assurance or guarantee that the investment objective of the Scheme will be achieved.**
VI.	**Inception Date**	October 21, 2021
VII.	**Liquidity/listing details**	The Units of the Scheme are listed on National Stock Exchange of India (NSE)/ BSE Limited (BSE) and/or on any other recognised stock exchanges as may be decided by AMC from time to time. The Units of the Scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange. The AMC will appoint atleast 2 Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote (buy and sell quotes) in the market. Alternatively, the Market Makers and Large Investors may subscribe to and/or redeem the units of the Scheme with the Mutual Fund on any business day during the ongoing offer period commencing not later than 5 (five) business days from the date of allotment at intra-day NAV based on the actual execution price of the underlying portfolio. The Market Makers may transact directly with AMC, provided the units offered for subscription and/or redemption are not less than Creation Unit size & in multiples thereof. Large investors can subscribe/redeem directly with the AMC for an amount greater than INR 25 crores. All investors including Market Makers, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all the trading days of the stock exchange. Mutual fund will repurchase units from Market Makers and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size. The redemption consideration shall normally be the basket of securities represented Nifty Healthcare TRI in the same weightage as in the Index and cash component.
VIII.	**Creation Unit Size**	Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the "Portfolio Deposit" and a "Cash Component" or cash of equivalent value. The Portfolio Deposit and Cash Component are defined as follows: **Portfolio Deposit:** Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.

		Cash Component: Cash Component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit. The Portfolio Deposit and Cash Component may change from time to time due to change in NAV and will be announced by the AMC on its website. **The Creation Unit size for the Scheme shall be 1,10,000 units and in multiples thereof.** For redemption of Units, it is vice versa i.e. fixed number of units of the Scheme and a Cash Component is exchanged for Portfolio Deposit. The Portfolio Deposit and the Cash Component will change from time to time as decided by AMC. The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on website of the Mutual Fund (www.mutualfund.adityabirlacapital.com).
IX.	**Transaction handling charges**	Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Maker or large investor.
X.	**Cost of trading on the stock exchange**	The investor shall have to bear costs in the form of bid/ask spread and brokerage, or such other cost as charged by the broker for transacting in the units of the Scheme through secondary market.
XI.	**Benchmark (Total Return Index)**	**Nifty Healthcare TRI** The Scheme intends to track Nifty Healthcare TRI. Hence, it is considered to be an appropriate benchmark.
XII.	**NAV disclosure**	The NAV will be calculated and disclosed for every Business Day. NAV of the scheme will be calculated up to four decimal places. AMC shall update the NAV on AMFI website (www.amfiindia.com) and on the website of the Mutual Fund (www.mutualfund.adityabirlacapital.com) by 11.00 pm on all business days. NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE and BSE) and will be updated during the market hours on its website www.mutualfund.adityabirlacapital.com. However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE and BSE) and update the Indicative NAV periodically on its website atleast once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers/Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market.
XIII.	**Applicable timelines**	• **Dispatch of redemption proceeds:** The Mutual Fund shall transfer the Redemption proceeds within three working days from date of receipt. However, in case of exceptional circumstances mentioned in para 14.1.3 of SEBI Master Circular dated May 19, 2023, redemption or repurchase proceeds will be transferred /

		dispatched to Unitholders within the time frame prescribed for such exceptional circumstances. For further details, investors are requested to refer to Statement of Additional Information (SAI). • **Dispatch of IDCW.-** Not Applicable
XIV.	**Plans and Options** Plans/Options and sub options under the Scheme	Not Available. The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.
XV.	**Load Structure**	**Exit Load:** Nil.
XVI.	**Minimum Application Amount/switch in**	**<u>During Ongoing Offer period:</u>** **For Subscription / Redemption of units directly with Mutual Fund:** • Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Makers and Large Investors. • Units of the Scheme may be subscribed to / redeemed only in Creation Unit size & in multiples thereof. Large investors can transact directly with the Fund for an amount greater than INR 25 crores. • Market Makers and Large Investors may subscribe to/redeem the units of the Scheme on any business day directly with the Mutual Fund at applicable intra-day NAV and transaction charges, if any, by depositing/receiving stocks comprising the benchmark index and/or cash, value of which is equivalent to Creation Unit size. • The Creation Unit size in case of Aditya Birla Sun Life Nifty Healthcare ETF shall be 1,10,000 units and in multiples thereof. **For Purchase / Sale of units through Stock Exchange:** • All categories of Investors may purchase/sell the units of the Scheme through the Stock Exchange on which the units of the Scheme are to be listed on any trading day in round lot of 1 (one) Unit at the prevailing listed price. **No switch-ins/switch-outs shall be allowed under the Scheme on an ongoing basis.**
XVII.	**Minimum Additional Purchase Amount**	**On Ongoing Basis:** **Market Maker:** Application for subscription of Units directly with the Fund in Creation Unit Size at NAV based prices. **Large Investors:** Minimum amount of Rs. 25 crores for transacting directly with the AMC. **Other investors (including Market Maker, Large Investors and regulated Entities):** Units of the Scheme can be subscribed (in lots of 1 Unit) during the trading hours on all trading days on NSE and BSE on which the Units are listed.
XVIII.	**Minimum Redemption/switch out amount**	**Market Makers:** Application for redemption of Units directly with the Fund in Creation Unit Size. **Large Investors**: Minimum amount of Rs. 25 crores for redeeming directly with the AMC. **Other investors (including Market Maker and Large Investors:** Units of the Scheme can be redeemed (in lots of 1 Unit) during the trading hours at the prevailing listed price on all trading days on NSE and BSE on which the Units are listed.
XIX.	**Swing pricing disclosure**	Not Applicable

XX.	**Stock lending/short selling**	Subject to SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997 & para 12.11 of SEBI Master Circular on Mutual Funds dated May 19, 2023, as amended from time to time, the Scheme may engage in Stock Lending subject to the following limits: • Not more than 20% of the net assets of the Scheme can be deployed in Stock Lending; and • Not more than 5% of the net assets of the Scheme can be deployed in Stock Lending to a single intermediary level.
XXI.	**How to Apply and other details**	Application form and Key Information Memorandum may be obtained from the designated offices / ISCs of AMC or Investor Service Centres (ISCs) of the Registrar or distributors or downloaded from www.mutualfund.adityabirlacapital.com. Please refer to the Section II for further details.
XXII.	**Investor services**	• **Contact details for general service requests:** Investors may contact the ISCs or the office of the AMC for any queries /clarifications. The Head Office of the AMC will follow up with the respective ISC to ensure timely redressal and prompt investor services. • **Contact details for complaint resolution:** Ms. Keerti Gupta can be contacted at the office of the AMC at One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. Contact Nos: 1800-22-7000 / 1800-270-7000 (Toll free) Email: care.mutualfunds@adityabirlacapital.com For any grievances with respect to transactions through Stock Exchange Platform for Mutual Funds, the investors should approach either the stock broker or the investor grievance cell of the respective stock exchange.
XXIII.	**Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)**	Not Applicable.
XXIV.	**Special product/facility available on ongoing basis**	• **TRANSACTION THROUGH MF UTILITY** MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Aditya Birla Sun Life AMC Limited, has entered into arrangement with MF Utilities India Private Limited (MFUI), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to facilitate financial transactions viz. purchase / subscription and redemption / repurchase of units of the scheme and non-financial transactions. **No switch-ins/switch-outs of units shall be allowed under the Scheme on an ongoing basis.** For further details of above special products / facilities including the terms and conditions, kindly refer to Statement of Additional Information (SAI).

XXV.	**Weblink**	• TER for last 6 months and Daily TER – https://mutualfund.adityabirlacapital.com/forms-and-downloads/total-expense-ratio • Scheme factsheet - https://mutualfund.adityabirlacapital.com/forms-and-downloads/factsheets

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

The Asset Management Company confirms that a Due Diligence Certificate duly signed by the Compliance Officer of Aditya Birla Sun Life AMC Limited, has been submitted to SEBI on June 30, 2024 which reads as follows:

Due Diligence Certificate

It is confirmed that:

(i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.

(iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

(v) The contents of the Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct.

(vi) The AMC has complied with the set of checklist applicable for Scheme Information Documents and that there are no deviations from the regulations.

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

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

Sd/-

PLACE: Mumbai
DATE: June 30, 2024

Mr. Parth Makwana
Compliance Officer

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

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

Instruments	Indicative Allocations (% of total Assets)	
	Minimum	**Maximum**
Equity & Equity related instruments constituting Nifty Healthcare TRI	95%	100%
Cash, Money Market & Debt instruments	0%	5%

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

Sr. no	Type of Instrument	Percentage of exposure	Circular references
1.	Securities Lending	(i) Not more than 20% of the net assets of the Scheme can be deployed in Stock Lending; and (ii) Not more than 5% of the net assets of the Scheme can be deployed in Stock Lending to a single intermediary level.	Para 12.11 of SEBI Master Circular dated May 19, 2023.
2.	Repo/reverse repo in Corporate Debt Securities	The Scheme will not invest Repo/reverse repo in Corporate Debt Securities	N.A.
3.	Securitized Debt	The Scheme will not invest in securitized debt.	N.A.
4.	Short Selling	The Scheme will not invest in Short Selling	N.A.
5.	Overseas Securities	The Scheme will not invest in Overseas securities/ADR/GDR.	N.A.
6.	Equity Derivatives for non-hedging purposes	The gross position to such derivatives will be restricted to 5% of net assets of the scheme for hedging and portfolio rebalancing.	Para 12.25 of SEBI Master Circular dated May 19, 2023.
7.	Credit Default Swaps	The Scheme will not invest in Credit Default Swaps.	N.A.
8.	Fixed Income Derivative Instruments.	The Scheme will not invest in Fixed Income Derivative Instruments.	N.A.
9.	Debt instruments with special features and Structured Obligations / Credit Enhancements	The Scheme will not invest in debt instruments with special features and Structured Obligations / Credit Enhancements	N.A.

Exposure to equity derivatives of the index itself or its constituent stocks may be undertaken when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period. The gross position to such derivatives will be restricted to 5% of net assets of the scheme for hedging and portfolio rebalancing.

Money Market Instruments include commercial papers, commercial bills, treasury bills, call or notice money, certificate of deposit, Tri-party Repo on Government securities or treasury bills and any other like instruments as specified by the Reserve Bank of India from time to time with maturity of upto 91 days and Government securities having an unexpired maturity upto one year.

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

The Investment Manager would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal circumstances, such tracking errors are not expected to exceed 2% per annum, subject to compliance with para 3.6.3.1 of SEBI Master Circular on Mutual Funds dated May 19, 2023. However, this may vary when the markets are very volatile.

In accordance with para 12.24.1 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the cumulative gross exposure through equity, debt and equity derivative positions and such other securities/assets as may be permitted by the Board from time to time should shall not exceed 100% of the net assets of the scheme.

Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. SEBI vide letter dated November 3, 2021 has clarified that Cash Equivalent shall consist of Government Securities, T-Bills and Repo on Government Securities.

Portfolio Rebalancing

Rebalancing due to short term defensive consideration:

Subject to the SEBI (MF) Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, and political and economic factors. Such changes in the investment pattern will be for short term and defensive considerations as per para 1.14.1.2 of SEBI Master Circular on Mutual Funds dated May 19, 2023. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short-term purpose only not exceeding 7 calendar days, for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

Rebalancing due to passive breach

Pursuant to provisions of 3.6.7 of SEBI Master Circular on Mutual Funds dated May 19, 2023 rebalancing the portfolio of the Scheme shall be as follows:

- In case of change in constituents of the index due to periodic review including corporate actions, the portfolio will be rebalanced within 7 calendar days.
- Any transactions undertaken in the scheme portfolio in order to meet the redemption and subscription obligations will be done while ensuring that post such transactions replication of the portfolio with the index is maintained at all points of time.

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

B. WHERE WILL THE SCHEME INVEST?

Subject to the SEBI (MF) Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. The Scheme will invest in Securities which are constituents of the Nifty Healthcare TRI.
2. Money Market Instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India from time to time subject to regulatory approvals, if any.
3. Certificate of Deposits (CDs).
4. Commercial Paper (CPs).
5. Derivative instruments like Stock Options, Index Options and derivative instruments as permitted by SEBI/RBI.

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

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

C. WHAT ARE THE INVESTMENT STRATEGIES?

The Scheme would invest not less than 95% of its corpus in stocks comprising the underlying index and endeavour to track the benchmark index while minimizing the tracking error and therefore would follow a passive investment strategy. The scheme would aim to maintain least amount of cash & will also try & avoid investment in money market securities. This would only be for the purpose of redemption requirements.

Portfolio Turnover

The Scheme shall be a passively managed, Index Linked, open ended, exchange traded fund. It is therefore expected that there would be a number of subscriptions and redemptions on a daily basis through Market Makers and Large Investors. Generally, turnover will depend upon the extent of purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in Index.

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

A higher churning of the portfolio could attract high transactions of the nature of brokerage, custody charges etc.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the Scheme will be benchmarked to the performance of **Nifty Healthcare TRI**.

Rationale for adoption of benchmark:

Nifty Healthcare TRI is a sectoral index comprising of stocks pertaining to Pharmaceuticals & Healthcare Services etc. industry. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

The fund reserves the right to change the said benchmark and/or adopt one/more other benchmarks to compare the performance of the Scheme. The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

E. WHO MANAGES THE SCHEME?

Mr. Haresh Mehta and Mr. Pranav Gupta would be the designated Fund Managers of the Scheme.

Name	Age	Educational Qualifications	Brief Experience	Managing Since	Tenure
Mr. Haresh Mehta	40 years	B. Com. And MBA (International Business Management) from Sikkim Manipal University	Mr. Haresh Mehta has work experience of over 17 years in dealing related activities. Prior to joining Aditya Birla Sun Life AMC Limited, he was associated with Baroda BNP Paribas Asset Management India Pvt. Ltd for over 4 years as a Dealer and Investment Support. He has also worked for over 11 years as a Trader in Institutional equities with First Global Stockbroking Pvt. Ltd.	April 01, 2023	1.2 years

Names of other schemes under the management of Mr. Haresh Mehta:

Name of the scheme	Fund responsibilities jointly with
Aditya Birla Sun Life Gold Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 200 Momentum 30 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 200 Quality 30 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Bank ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty PSE ETF	-
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty IT ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Next 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	Mr. Pranav Gupta
Aditya Birla Sun Life BSE Sensex ETF	Mr. Pranav Gupta
Aditya Birla Sun Life Silver ETF Fund of Fund	Mr. Pranav Gupta

Name	Age	Educational Qualifications	Brief Experience	Managing Since	Tenure
Mr. Pranav Gupta	33 years	Master in Management Studies– Finance from N.L Dalmia Institute of Management Studies and Research.	He has over 6 years of experience in capital market across segments such as derivative sales trading and Alternative Research. Prior to joining Aditya Birla Sun Life AMC Limited, he was part of the Alternate Research and Strategy department at Centrum Broking Limited and has also worked with OHM Stock Broker Pvt. Ltd	June 8, 2022	2.1 years

Names of other schemes under the management of Mr. Pranav Gupta:

Name of the scheme	Fund responsibilities jointly with
Aditya Birla Sun Life Arbitrage Fund	Mr. Lovelish Solanki
Aditya Birla Sun Life Equity Savings Fund	Mr. Vishal Gajwani and Mr. Harshil Suvarnkar
Aditya Birla Sun Life Gold Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 200 Momentum 30 ETF	Mr. Haresh Mehta

Aditya Birla Sun Life Nifty 200 Quality 30 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Next 50 ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Bank ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty IT ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Next 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	Mr. Haresh Mehta
Aditya Birla Sun Life BSE Sensex ETF	Mr. Haresh Mehta
Aditya Birla Sun Life Silver ETF Fund of Fund	Mr. Haresh Mehta

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

Following are the ETF Schemes of Aditya Birla Sun Life Mutual Fund as on May 31, 2024:

Name of the scheme

- Aditya Birla Sun Life Gold ETF
- Aditya Birla Sun Life Nifty 200 Momentum 30 ETF
- Aditya Birla Sun Life Nifty 200 Quality 30 ETF
- Aditya Birla Sun Life Nifty 50 ETF
- Aditya Birla Sun Life Nifty Bank ETF
- Aditya Birla Sun Life Nifty Next 50 ETF
- Aditya Birla Sun Life Nifty PSE ETF
- Aditya Birla Sun Life Nifty IT ETF
- Aditya Birla Sun Life BSE Sensex ETF
- Aditya Birla Sun Life Silver ETF
- Aditya Birla Sun Life CRISIL Liquid Overnight ETF

For detailed comparative table, kindly refer https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

G. HOW HAS THE SCHEME PERFORMED?

I. PERFORMANCE OF THE SCHEMES AS AT MAY 31, 2024

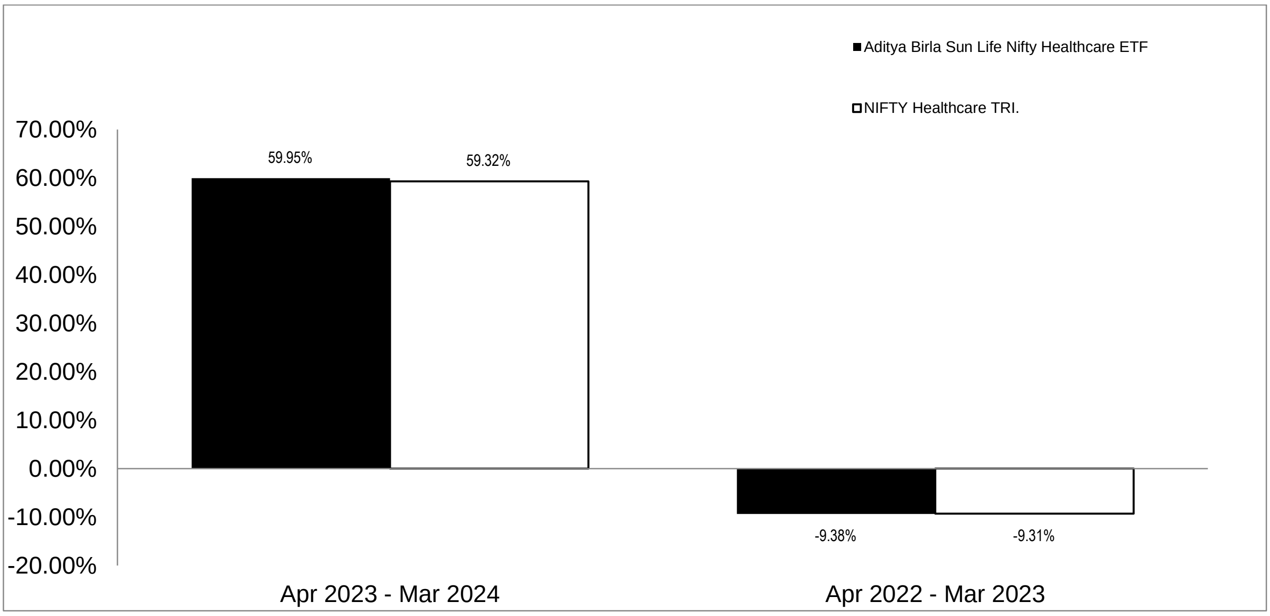
Particulars	1 Year	3 Years	5 Years	Since Inception
Aditya Birla Sun Life Healthcare ETF Inception -October 20, 2021	45.21	-	-	13.44
NIFTY Healthcare Total Return Index	44.64	-	-	13.31

Note:

Past performance may or may not be sustained in future. Returns are in % and absolute returns for period less than 1 year & CAGR for period 1 year or more. Load and taxes not considered.

For IDCW option, the returns would assume reinvestment of IDCW, net of distribution taxes, if any.

II. ABSOLUTE RETURNS FOR EACH FINANCIAL YEAR (FY APR-MAR 2024)



H. ADDITIONAL SCHEME RELATED DISCLOSURES

i. **Scheme's portfolio holdings** i.e. Top 10 holdings by issuer and fund allocation towards various sectors.
Kindly refer for details https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

ii. **Disclosure of name and exposure to Top 7 issuers, stocks, groups and top 4 sectors as a percentage of NAV of the scheme**
Kindly refer for details https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

iii. **Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly**
Kindly refer for details **https://mutualfund.adityabirlacapital.com/forms-and-downloads/portfolio**

iv. **Portfolio Turnover Rate –** 0.56

v. **Aggregate investment in the Scheme by Concerned scheme's Fund Manager(s) as at May 31, 2024:**

Sr. No.	Scheme's Fund Manager	Net Value		Market Value (in Rs.)
		Units	NAV per unit (in Rs.)	
1.	Mr. Haresh Mehta	-	-	-
2.	Mr. Pranav Gupta	-	-	-

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

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

Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996 and para 6.9 of SEBI Master Circular on Mutual Funds dated May 19, 2023, AMC shall not be required to invest minimum amount as a percentage of AUM in the Scheme. However, the mandatory contribution already made by the AMCs in compliance with the applicable MF Regulations shall not be withdrawn.

The AMC may invest in the scheme during the continuous offer period subject to the SEBI (MF) Regulations. As per the existing SEBI (MF) Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the scheme. The Sponsor, Trustee and their associates may invest in the scheme on an ongoing basis subject to SEBI (MF) Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time.

Link to view the investment (if any): https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

Part III- OTHER DETAILS

A. EXCHANGE TRADED FUND (ETF)

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

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

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

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

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

Benefits of ETFs

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

Risks of ETFs

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

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

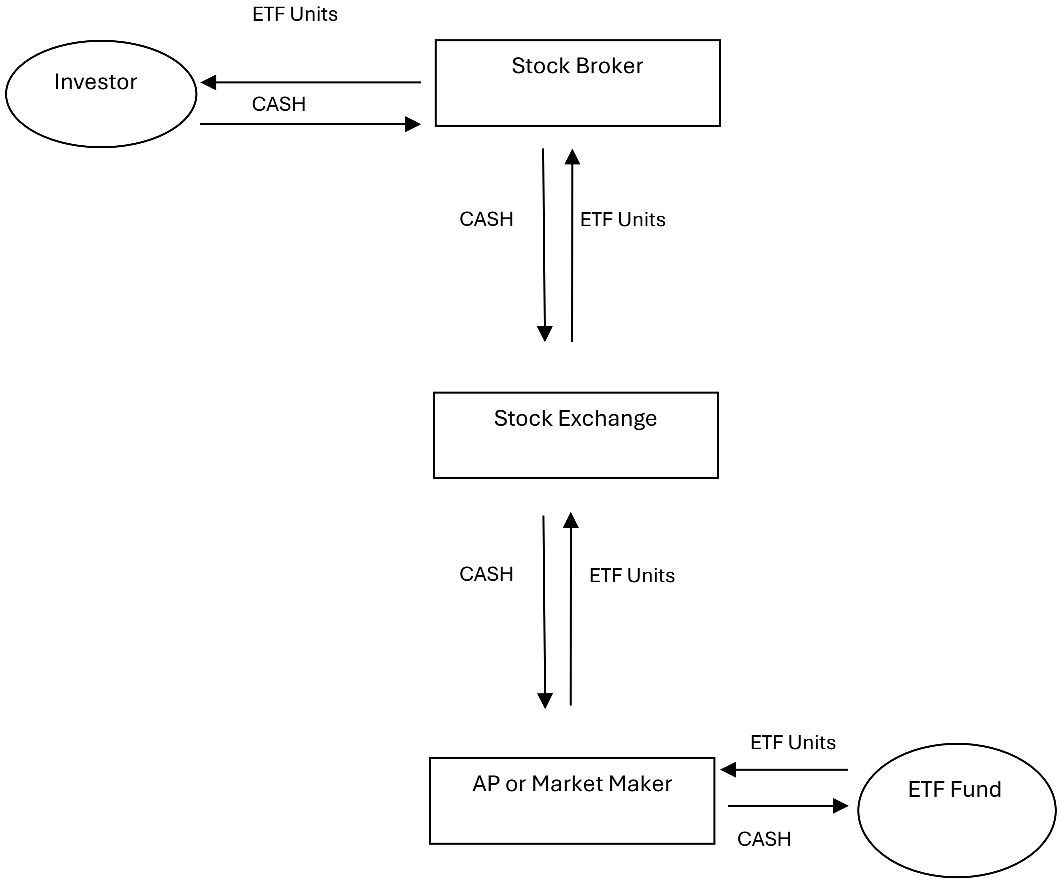
c. Units of Exchange Traded Funds May Trade at Prices Other than NAV: Units of ETFs may trade above or below their NAV. The NAV of Units of ETFs may fluctuate with changes in the market value of a Scheme's holdings.

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

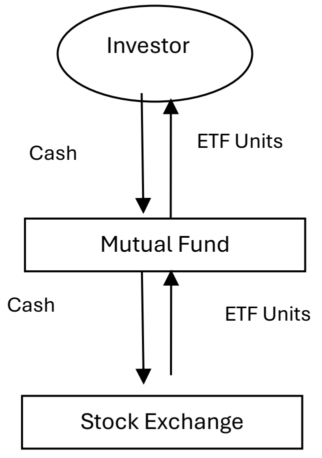
ILLUSTRATION OF WORKING OF ADITYA BIRLA SUN LIFE NIFTY HEALTHCARE ETF:

There are 2 ways in which an investor can buy an ETF.
1. Once the scheme reopens for subscription, the units can be bought or sold directly on the exchange
2. The Fund/AMC allows cash/exchange of Portfolio Deposit for Purchase of Units of the Scheme in Creation Unit size by Large investors/Market Makers.

Working of ETF through stock exchange



Working of ETF through Mutual Fund



Procedure for creation of units in Creation Unit size:

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

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

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

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

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

Procedure for Redemption in Creation Unit size

- The requisite number of Units of the Scheme equivalent to the Creation Unit has to be transferred to the Fund's Depository Participant account and the Cash Component to be paid to the AMC/Custodian.
- On confirmation of the same by the AMC, the AMC will transfer the Portfolio Deposit to the Investor's Depository Participant account and pay/recover the Cash Component and transaction handling charges, if any.
- The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Large Investors / Market Maker.
- Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor.

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

Note:
1. The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.
2. Transaction handling charges include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/redemption or accepting the Portfolio Deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting Market Maker or Large Investors.
3. The Portfolio Deposit and / or Cash Component for the Scheme may change from time to time due to change in NAV.
4. The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying securities.
5. Large investors can transact directly with the Fund for an amount greater than INR 25 crores.

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

SECURITY	Quantity as on May 31, 2024	Price as on May 31, 2024	Value as on May 31, 2024	Weights
SUN PHARMACEUTICAL INDUS	195.00	1,459.10	2,84,524.50	21.52
CIPLA LIMITED	95.00	1,466.60	1,39,327.00	10.54
DR. REDDY'S LABORATORIES	22.00	5,873.75	1,29,222.50	9.77
MAX HEALTHCARE INST LTD	133.00	780.70	1,03,833.10	7.85
APOLLO HOSPITALS ENTERPRISE LTD	18.00	5,766.45	1,03,796.10	7.85
DIVIS LAB-INR 2 DEMAT EQUITY-INR 2	23.00	4,412.80	1,01,494.40	7.68
LUPIN LTD LUPIN LTD	43.00	1,579.40	67,914.20	5.14
AUROBINDO PHARMA-INR 5 DEMAT EQUITY-INR	51.00	1,200.50	61,225.50	4.63
ZYDUS LIFESCIENCES LTD	45.00	1,023.95	46,077.75	3.49
ALKEM LABORATORIES LTD	9.00	4,946.80	44,521.20	3.37
TORRENT.PHARMA LTD(Inr 5) DEMAT EQ	16.00	2,658.05	42,528.80	3.22
GLENMARK PHARMACEUTICALS LTD	27.00	1,156.00	31,212.00	2.36
LAURUS LABS LTD	71.00	427.85	30,377.35	2.30
IPCA LABORATORIES LTD	24.00	1,249.40	29,985.60	2.27
ABBOTT INDIA LTD INR10	1.00	25,991.00	25,991.00	1.97
BIOCON LTD	80.00	310.85	24,868.00	1.88
SYNGENE INTERNATIONAL LTD	32.00	675.95	21,630.40	1.64
DR. LAL PATHLABS	6.00	2,627.35	15,764.10	1.19
GRANULES INDIA LIMITED	24.00	424.80	10,195.20	0.77
METROPOLIS HEALTHCARE LTD	4.00	1,920.35	7,681.40	0.58

Amount collected (Rupees)	A	1,00,00,00,000
NAV say	B	9.5422
Units allotted say	C = (A/B)	10,47,97,086.64
Portfolio Value	D	9.5154
Cash Component	E= B – D	0.0268
Actual Investment in stocks	F= C * D	99,71,90,222
Balance cash for expenses say	G= C * E	28,09,778

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

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

B. COMPUTATION OF NAV

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

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

Market or Fair Value of the scheme's Investments
+ Current Assets (including accrued income)

- Current Liabilities and Provisions (including accrued expenses)

NAV (Rs.) per Unit = ______________________________

No. of Units outstanding under the scheme

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

Illustration of computation of NAV:

If the net assets of the Scheme are Rs.10,55,34,567.12 and units outstanding are 100,00,000, then the NAV per unit will be computed as follows:

10,55,34,567.12 / 100,00,000 = Rs. 10.5534 p.u. (rounded off to four decimals)

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

C. NEW FUND OFFER (NFO) EXPENSES

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

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

D. ANNUAL SCHEME RECURRING EXPENSES

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

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

As per Regulation 52(6)(b) of SEBI (MF) Regulations, the total expense ratio of the scheme including the investment and advisory fees shall not exceed 1.00 per cent of the daily net assets.

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

(a) Additional expenses not exceeding of 0.30% of daily net assets may be charged to the Scheme, if the new inflows from retail investors^ from beyond top 30 cities* are at least (i) 30% of gross new inflows in the scheme or (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher.
^As per para 10.1 of SEBI Master Circular on Mutual Funds dated May 19, 2023, inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".

**Beyond Top 30 (B30) cities shall mean beyond top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.*

In case inflows from beyond such cities is less than the higher of (i) or (ii) mentioned above, such additional expense on daily net assets of the scheme shall be charged on proportionate basis in accordance with para 10.1.3 of SEBI Master Circular on Mutual Funds dated May 19, 2023.
Inflows from corporates and institutions from B-30 cities will not be considered for computing the inflows from B-30 cities for the purpose of additional TER of 30 basis points.

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

Note: SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24,2023 and AMFI letter dated No. 35P/ MEM-COR/ 85-a/ 2022-23 dated March 02, 2023 has directed AMCs to keep B-30 incentive structure in abeyance with effect from March 01, 2023 till further notice.

(b) Brokerage and transaction cost incurred for the purpose of execution of trade shall be charged to the schemes as provided under Regulation 52 (6A) (a) upto 12 bps for cash market transactions and 5 bps for derivatives transactions. In terms of para 10.1.14 of SEBI Master Circular on Mutual Funds dated May 19, 2023, any payment towards brokerage and transaction costs (including GST, if any) incurred for the execution of trades, over and above the said 0.12 per cent for cash market transactions and 0.05 per cent for derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (MF) Regulations.

(c) Additional expenses incurred towards different heads mentioned under Regulations 52(2) and 52(4) of SEBI (MF) Regulations, not exceeding 0.05 per cent of daily net assets of the scheme.

The AMC has estimated the following recurring expenses, as detailed in table related to maximum permissible expense below. The expenses are estimated have been made in good faith as per the information available to the AMC based on past experience and are subject to change inter se.

The purpose of the below table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.

Maximum estimated permissible expense as a % per annum of daily net assets:

Expense Head	**% p.a. of daily Net Assets***
Investment Management & Advisory Fee	Upto 1.00%
Audit fees/fees and expenses of trustees	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / redemption cheques/ warrants	
Marketing & Selling Expenses including Agents Commission and statutory Advertisement	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education & awareness	
Brokerage & transaction cost pertaining to distribution of units	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost ^	
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations)	
Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) (c)	**Upto 1.00%**
Additional expenses under Regulations 52(6A)(c)**	Upto 0.05%
Additional expenses for gross new inflows from specified cities #	Upto 0.30%

The above estimates for recurring expense are for indicative purposes only and have been made in good faith as per the information available to the AMC based on past experience.

***such expenses shall not be charged to the scheme where the exit load is not levied or applicable.*
^ over and above 12 bps for cash market transactions and 5 bps for derivatives transactions respectively.
 # These expenses are in abeyance with effect from March 1, 2023 till further notice.

Note:

(a) The TER of the Direct Plan will be lower to the extent of the abovementioned distribution expenses/ commission which is charged in the Regular Plan.

In terms of para 10.1.16 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the AMC / Mutual Fund shall annually set apart at least 1 basis points (i.e. 0.01%) on daily net assets of the Scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (MF) Regulations for investor education and awareness initiatives.

(b) In terms of para 10.3 of SEBI Master Circular on Mutual Funds dated May 19, 2023, AMC may charge the following Fees and expenses as mentioned below:
   a. **Investment Management and Advisory Fees:** AMC may charge GST on investment management and advisory fees to the Scheme in addition to the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.
   b. **Other than Investment Management and Advisory Fees:** AMC may charge GST on expenses other than investment management and advisory fees to the Scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations. Further, GST on Brokerage and transaction cost incurred for execution of trades, will be within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.

(c) Additional Expenses upto 0.05% of daily net assets as permissible under Regulation 52 (6A) (c) may be charged by AMC under different heads of expenses mentioned under Regulation 52 (2) and (4) and more specifically stated in table above.

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

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

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

Illustration of impact of expense ratio on schemes returns:

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

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

Particulars	**Direct Plan (Rs.)**
Amount invested at the beginning of the year (A)	10,000
Value of above investment at the end of the year (before all applicable expenses) (B)	11,500
Returns before expenses (C)	1,500
Expenses other than Distribution expenses(D)	150
Distribution expenses(E)	-
Value of above investment at the end of the year (post all applicable expenses) (F)	11,350
Returns after expenses at the end of the year (G)	1350
Returns (%) (post all applicable expenses) (H) (H=(F-A)/A)	13.5%
Returns (%) (without considering any expenses) (I) [I= (B-A)/A]	15%

Note(s):

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

E. LOAD STRUCTURE

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

Type of Load	**Load Chargeable (as %age of NAV)**

Exit Load	Nil. The units of the scheme shall be compulsorily traded in dematerialized form, and hence, there shall be no exit load for the units purchased or sold through stock exchanges. However, the investor shall have to bear costs in form of bid/ask spread and brokerage or such other cost as charged by the broker for transacting in units of the Scheme through secondary market.

Pursuant to para 10.3 of SEBI Master Circular on Mutual Funds dated May 19, 2023, exit load charged, if any, by the AMC/Mutual Fund to the unitholders shall be credited to the Scheme immediately, net of GST, if any.

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

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

Any imposition or enhancement of Load in future as may be permitted under SEBI (MF) Regulations shall be applicable on prospective investments only and will be calculated on First in First Out (FIFO) basis.. At the time of changing the Load Structure following measures would be undertaken to avoid complaints from investors about investment in the schemes without knowing the loads:

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

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

F. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

As per provision 6.11.4.2 of para 6.4 of SEBI Master Circular on Mutual Funds dated May 19, 2023, the provisions with respect to minimum number of investors and maximum holding for single investor are not applicable to an exchange traded fund and accordingly, these provisions shall not be applicable to Aditya Birla Sun Life Nifty Healthcare ETF.

Section II

I. INTRODUCTION

A. DEFINITIONS/INTERPRETATION

In this Scheme Information Document, the words and expressions shall have the meaning specified in the following link, unless the context otherwise requires.

https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

Interpretation

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

B. RISK FACTORS

SCHEME SPECIFIC RISK FACTORS

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

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

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

  a. Expenditure incurred by the fund.

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

It will be the endeavor of the fund manager to keep the tracking error as low as possible.

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

Risk pertaining to NIFTY Healthcare TRI

NIFTY Healthcare Index comprises of 20 stocks. Equities are volatile in nature and are subject to price fluctuations on a daily basis. The volatility in the value of the equity instruments is due to various micro and macroeconomic factors affecting the securities markets. This may have an adverse impact on individual securities /sector and consequently on the NAV of Scheme. Since this is a sectoral index, adverse risks associated with the sector will also have an impact on the performance of the Index and hence the ETF.

Risks associated with investment in Equity and Equity related instruments:

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

Risk Factors associated with investments in Fixed Income Securities:

The Scheme intends to invest not less than 95% of its corpus in the securities representing Nifty PSE Index. As this Scheme will invest in the stocks belonging to Nifty PSE Index, the Scheme will have insignificant debt/ market investments. Therefore, the Scheme is not significantly susceptible to risks associated with debt/ money markets.

- **Price-Risk or Interest-Rate Risk:** Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation Yield-to-Maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today's characteristic of the Indian fixed income market.
- **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Pre-payment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.
- Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern e.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds, which are AA rated, are comparatively more-risky than bonds, which are AAA rated.
- The above are some of the common risks associated with investments in fixed income and money market securities. There can be no assurance that a Scheme's investment objectives will be achieved, or that

there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

Risk Factors associated with Listing of units:

- Listing of units of the scheme on stock exchange does not necessarily guarantee liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained.
- Trading in the units of the Scheme on the Exchange may be halted because of market conditions, including any halt in the operations of Depository Participants or for reasons that in view of the Exchange Authorities or SEBI, trading in the units is suspended and / or restricted. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to stock exchange rules of 'circuit filter'. There can be no assurance that the requirements of Stock Exchange necessary to maintain the listing of units of scheme will continue to be met or will remain unchanged.
- Further, the Scheme being listed on stock exchange, the investors wishing to redeem their units may do so through stock exchange at prevailing listed price on such Stock Exchange.
- The Units of the scheme may trade above or below their face value / NAV. The NAV of the scheme will fluctuate with changes in the market value of schemes holdings. The trading prices of units of the scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand which may even lead the units to quote at significant premium or discount to NAV.
- Regulatory Risk: Any changes in trading regulations by the Stock Exchange or SEBI, inter alia, may also result in wider premium/ discount to the NAV of the Scheme. Although the Units are proposed to be listed on the Stock Exchange, the AMC and the Trustees will not be liable for any loss suffered by investors due to delay in listing of units of the Scheme on the Stock Exchange or due to connectivity problems with the depositories due to the occurrence of any event beyond their control.
- As the units of the Scheme may be held in electronic (Demat) mode through depositories, the records of the depository shall be final with respect to the number of units available to the credit of unitholder, settlement of trades, in lieu of such units held in electronic (demat) form, by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control.

Risk Factors associated with Securities Lending and Borrowing:

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

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

Risk Factors associated with investments in Derivatives:

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

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

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

Tracking Error & Tracking Difference:

Tracking Error Risk:
The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as the fees and expenses of the Scheme, corporate actions, cash balance and changes to the underlying index and regulatory restrictions, lack of liquidity which may result in Tracking Error. Hence it may affect AMC's ability to achieve close correlation with the underlying index of the Scheme. The Scheme's returns may therefore deviate from its underlying index. "Tracking Error" is defined as the standard deviation of the difference between daily returns of the underlying index and the NAV of the Scheme. 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.

Tracking errors are inherent in ETFs and such errors may cause the scheme to generate returns which are not in line with the performance of the Nifty PSE Index or one or more securities covered by / included in the Nifty Healthcare TRI and may arise from a variety of factors including but not limited to:

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

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

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

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

C. RISK MITIGATION STRATEGIES

The Scheme is passively managed and linked to the Healthcare TRI, which is well-diversified portfolio across sectors with relatively less concentrated exposure to any one sector. The Mutual Fund has built adequate internal risk management controls and safeguards including ongoing oversight to ensure that the Scheme, which is passively managed is in line with the defined investment objectives as per the Scheme Information Document and in compliance with SEBI (MF) Regulations. While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

D. INFORMATION ABOUT THE SCHEME:

E. WHERE WILL THE SCHEME INVEST?

Subject to the Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. **Investment in instruments forming part of Nifty Healthcare TRI** : The Scheme would invest in securities comprising the Nifty Healthcare TRI and endeavor to track the benchmark index.
2. **Equity Derivatives** –are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., “derived from”) the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property. The equity derivatives may take the following forms:-

   Futures: Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at a date and at an agreed price. SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

   Options: Option is a contract which provides the buyer of the option the right, without the obligation, to buy or sell a specified asset at the agreed price on or up to a particular date. Option contracts are of two types viz:
   (a)Call Option-The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option.
   (b)Put Option–The option that gives the buyer the right but not the obligation to sell is called put option.

3. **Debt and Money Markets Instruments**
   1. **Certificate of Deposits (CD)** – CD is a negotiable money market instrument issued by scheduled commercial banks and select all-India Financial Institutions that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the Banks is between 7 days to one year, whereas, in case of FIs, maturity is between one year to 3 years from the date of issue. CDs may be issued at a discount to face value.
   2. **Commercial Paper (CP)** -CP is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. They are issued at a discount to the face value as may be determined by the issuer. CP is traded in secondary market and can be freely bought and sold before maturity.
   3. **Investment in money market instrument** - The Scheme may also invest in money market instruments, in compliance with Regulations. Money Market Instruments include commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank/SEBI of India from time to time subject to regulatory approvals, if

any.

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

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

F. WHAT ARE THE INVESTMENT RESTRICTIONS?

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

- All investments by the Scheme shall be made only in listed or to be listed equity shares and equity related instruments.
- The Scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging. However, mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
  Provided further that, the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by the Board.
  Considering the nature of the Scheme, investments in such instruments will be permitted upto 5% of its NAV.
- In accordance with the Para 12.8 of SEBI Master Circular on Mutual Funds dated May 19, 2023 as amended from time to time, the scheme shall not invest more than:
  a. 10% of its NAV in debt and money market securities rated AAA; or
  b. 8% of its NAV in debt and money market securities rated AA; or
  c. 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.
  The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of MF Regulation. The long term rating of issuers shall be considered for the money market instruments. However, if there is no long term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long term ratings, the most conservative long term rating shall be taken for a given short term rating. Exposure to government money market instruments such as TREPS on G-Sec/ T-bills shall be treated as exposure to government securities.
  Considering the nature of the Scheme, investments in such instruments will be permitted upto 5% of its NAV.
- Investment in unrated debt and money market instruments (other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc.) by the Scheme shall not exceed 5% of the net assets of the Scheme. However, all such investments shall be made with the prior approval of the Board of AMC and Trustees.
- The Scheme shall not own more than 10% of any company's paid up capital carrying voting rights.
  Provided, for investments in asset management company or trustee company of other mutual fund, collective investment of sponsor of a mutual fund, its associate and/or its group company, and its AMC through Schemes should be considered for calculating 10% voting rights.
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:
  - such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
  - the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided the same are line with para 12.30 of SEBI Master Circular on Mutual Funds dated May 19, 2023.
- The Scheme may invest in other schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the Schemes under the same management or in schemes under management of any other Asset Management Company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other schemes of the fund or in the schemes of any other Mutual Fund.
- The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.
  Provided that a mutual fund may engage securities lending and borrowing specified by the Board
  Provided that, the Mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
  Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual fund on account of the concerned Scheme, wherever investments are intended be of a long-term nature.
- Pending deployment of the funds of the Scheme in securities in terms of investment objective, the Scheme may invest its funds in short term deposits of scheduled commercial banks subject to the following guidelines for parking of funds in short term deposits of scheduled commercial banks laid down in para 12.16 of SEBI Master Circular on Mutual Funds dated May 19, 2023 and such other guidelines as may be specified by SEBI from time to time will be adhered to.
  i. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
  ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with the approval of the Trustee.
  iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
  iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
  v. The Scheme shall not park funds in short-term deposit of a bank which has invested in the Scheme. The bank in which a scheme has short-term deposit shall not invest in the scheme until the scheme has short-term deposit with such bank.
  vi. The AMC will not charge any investment management and advisory fees for funds under the Scheme parked in short term deposits of scheduled commercial banks.

  The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market. However, all term deposits placed as margins shall be disclosed in the half yearly portfolio statements under a separate heading. Details such as name of bank, amount of term deposits, duration of term deposits, percentage of NAV should be disclosed.
- The Scheme shall not make any investment in:
  – Any unlisted security of an associate or group company of the Sponsor; or
  – Any security issued by way of private placement by an associate or group company of the Sponsor; or
  • the listed securities of group companies of the sponsor which is in excess of 25 per cent of the net assets
    ➢ Provided that for the private equity fund or a pooled investment vehicle or a pooled investment fund acting as sponsor of mutual funds, the associate or group company shall also include,-
    a. associate or group company of the manager of any pooled investment vehicle; or
    b. investee companies in which the shareholding of ten percent or more is held by the schemes or funds managed by manager of the pooled investment vehicle; or
  – c. any investee company in which the pooled investment vehicle holds more than ten percent shareholding or where the directors of the pooled investment vehicle or corporate sponsor has representation on the board or right to nominate representatives on the board.
- The Mutual Fund shall not borrow except to meet temporary liquidity needs of the Mutual Fund for the purpose of repurchase / redemption of Units or payment of interest and IDCW to the Unitholders in accordance with the provisions of SEBI Regulations as applicable from time to time.

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

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

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

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

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

G. FUNDAMENTAL ATTRIBUTES

Following are the fundamental attributes of the Scheme, in terms of in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023.

- **Type of Scheme:** An open ended exchange traded fund tracking Nifty Healthcare TRI.

- **Investment objective:** The investment objective of the scheme is to provide returns that before expenses, closely correspond to the total returns of securities as represented by Nifty Healthcare TRI, subject to tracking errors. However, the performance of scheme may differ from that of the underlying index due to tracking error.

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

- **Asset Allocation Pattern:**
  Please refer to 'Part B- Where will the Scheme invest?' of this SID for details.

- **Terms of Issue: Listing/Redemption of Units:**
  As mentioned in "Other Scheme Specific Disclosures "of this SID

- **Aggregate Fees and Expenses**
  Please refer to Part III of this SID.

- **Any Safety Net or Guarantee provided:**
  This Scheme does not provide any guaranteed or assured return to its Investors.

In accordance with Regulation 18(15A) and Regulation 25(26) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the asset management company shall ensure that no change in the fundamental attributes of the scheme, fees and expenses payable or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless-

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

H. INDEX METHODOLGY

The performance of the scheme will be benchmarked to the performance of **Nifty Healthcare TRI.**

About The Index:

The Nifty Healthcare TRI is designed to reflect the behaviour and performance of the Healthcare companies. The Nifty Healthcare Index comprises of maximum of 20 tradable, exchange listed companies.

Nifty Healthcare TRI is public index. The index is reviewed periodically by NSE Indices Ltd. and any changes to the constituents are announced in advance. The index values are calculated by NSE Indices Ltd. on daily basis and put on the web site of the National Stock Exchange of India Limited (www.nseindia.com).

Methodology

Nifty Healthcare TRI is computed using free float market capitalization method with base date of April 1, 2005 indexed to base value of 1000, wherein the level of the index reflects total free float market value of all the stocks in the index relative to a particular base market capitalization value. The method also takes into account constituent changes in the index and importantly corporate actions such as stock splits, rights, new issue of shares etc. without affecting the index.

Eligibility Criteria:

Selection of security to be included in the Nifty Healthcare TRI is based on the following criteria:

Stock Selection Universe:

1. Stocks forming part / going to be a part of the Nifty 500 index at the time of review

2. Stock should form part of “Healthcare” within macro-economic sector

Stock Selection criteria:

Selection of the stocks shall be done in 2 steps:

Step 1: Top 20 stocks based on six-month average free-float market capitalization that are available for trading in NSE’s Futures & Options (F&O) segment at the time of review are selected to be the part of the index

Step 2: In case the number of stocks selected in the Step 1 above is less than 20, then the deficit number of stocks is selected based on six-month average free-float market capitalization

Index Service Provider

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

Rationale for adoption of benchmark:

Nifty Healthcare TRI is a sectoral index comprising of stocks pertaining to Pharmaceuticals & Healthcare Services etc. industry. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

The fund reserves the right to change the said benchmark and/or adopt one/more other benchmarks to compare the performance of the Scheme. The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

CONSTITUENTS OF THE NIFTY BANK TRI (UNDERLYING INDEX FOR ADITYA BIRLA SUN LIFE NIFTY HEALTHCARE ETF) (AS ON MAY 31, 2024)

Sr. No.	Security Name	% Weights in the Index
1.	ABBOTT INDIA LTD.	1.89%
2.	ALKEM LABORATORIES LTD.	3.32%
3.	APOLLO HOSPITALS ENTERPRISE LTD.	8.07%
4.	AUROBINDO PHARMA LTD.	4.58%
5.	BIOCON LTD.	1.89%
6.	CIPLA LTD.	10.43%
7.	DIVI'S LABORATORIES LTD.	7.54%
8.	DR. REDDY'S LABORATORIES LTD.	9.69%
9.	GLENMARK PHARMACEUTICALS LTD.	2.38%
10.	GRANULES INDIA LTD.	0.78%
11.	IPCA LABORATORIES LTD.	2.13%
12.	DR. LAL PATH LABS LTD.	1.34%
13.	LAURUS LABS LTD.	2.26%
14.	LUPIN LTD.	5.25%
15.	MAX HEALTHCARE INSTITUTE LTD.	7.63%
16.	METROPOLIS HEALTHCARE LTD.	0.67%
17.	SUN PHARMACEUTICAL INDUSTRIES LTD.	21.64%
18.	SYNGENE INTERNATIONAL LTD.	1.67%
19.	TORRENT PHARMACEUTICALS LTD.	3.38%
20.	ZYDUS LIFESCIENCES LTD.	3.48%

I. OTHER SCHEME SPECIFIC DISCLOSURES:

Listing and transfer of units	The Units of the Scheme are listed on National Stock Exchange of India (NSE) and on any other recognised stock exchanges as may be decided by AMC from time to time. The Units of the Scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange. The AMC will appoint atleast 2 Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote (buy and sell quotes) in the market. Alternatively, the Market Makers and Large Investors may subscribe to and/or redeem the units of the Scheme with the Mutual Fund on any business day during the ongoing offer period commencing not later than 5 (five) business days from the date of allotment at intraday NAV based prices. The Market Makers may transact directly with AMC, provided

	the units offered for subscription and/or redemption are not less than Creation Unit size & in multiples thereof. Large investors can subscribe/redeem directly with the AMC for an amount greater than INR 25 crores. All investors including Market Makers, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all the trading days of the stock exchange. Mutual fund will repurchase units from Market Makers and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size. The redemption consideration shall normally be the basket of securities represented Nifty Healthcare TRI in the same weightage as in the Index and cash component. Further, pursuant to SEBI letter dated April 26, 2024, the said threshold limit of INR 25 crore for direct transaction in the units of the ETFs with the AMC shall not be applicable for the below mentioned category of investors till October 31, 2024: a. Schemes managed by Employee Provident Fund Organisation, India b. Recognised Provident Funds, approved gratuity funds and approved superannuation funds under Income tax act, 1961. All investors including Market Maker(s), Large Investors and other investors may sell their units on the stock exchange on which these units are listed on all the trading days of the stock exchange. Mutual fund will repurchase units from Market Maker(s) and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size for market makers and for large investors, the execution value is greater than Rs. 25 crore. Units of the scheme shall be available and compulsorily be issued/repurchased and traded in dematerialized form. On listing, the Units of the Scheme held in dematerialised form would be transferable. Transfers should be only in favour of transferees who are eligible for holding Units under the Scheme. The AMC shall not be bound to recognise any other transfer. For effecting the transfer of Units held in electronic form, the Unitholders would be required to lodge delivery instructions for transfer of Units with the DP in the requisite form as may be required from time to time and the transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialised mode. If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence. No request for rematerialization of units of the scheme shall be accepted by Mutual Fund/AMC. Transfer of units will be subject to payment of applicable stamp duty by the Unitholder(s).
Dematerialization of units	**Units of the Scheme shall be available and compulsorily be issued/ repurchased and traded in dematerialized form.** An Investor intending to invest in the Scheme is required to have a beneficiary account with a Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate in the application the DP's name, DP ID

	Number and the beneficiary account number of the applicant held with the DP.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	N.A.
Maximum Amount to be raised (if any)	N.A.
Income Distribution cum capital withdrawal Policy	Not Applicable
Allotment (Detailed procedure)	All Applicants whose monies towards purchase of Units have been realised by the Fund will receive a full and firm allotment of Units, provided also the applications are complete in all respects and are found to be in order. Any application for subscription of units may be rejected if found invalid, incomplete or due to unavailability of underlying securities, etc. The asset management company shall issue units in dematerialized form to a unit holder in a scheme within 2 (two) working days of the receipt of request from the unit holder. **No Account Statements will be issued to investors opted to hold units in electronic (demat) mode, since the statement of account furnished by depository participant periodically will contain the details of transactions.**
Refund	Not Applicable.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted under relevant statutory regulations and their respective constitutions): 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Karta of Hindu Undivided Family (HUF); 3. Minors through parent / legal guardian; 4. Partnership Firms & Limited Liability Partnerships (LLPs); 5. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860; 6. Banks & Financial Institutions; 7. Mutual Funds / Alternative Investment Funds registered with SEBI; 8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) / Overseas Citizen of India (OCIs) residing abroad on repatriation basis or on non-repatriation basis; 10. Foreign Portfolio Investors (FPIs) registered with SEBI 11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;

	12. Scientific and Industrial Research Organisations; 13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India; 14. Other schemes of Mutual Funds subject to the conditions and limits prescribed by SEBI Regulations; 15. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme; 16. Such other individuals / institutions / body corporate etc., as may be decided by the Mutual Fund from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations. Notes: • NRI and PIO residing abroad (NRIs) / OCI have been granted a general permission by Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. • Subject to provisions of SEBI (MF) Regulations, FEMA and other applicable regulations read with guidelines and notifications issued from time to time by SEBI and RBI, investments in the schemes can be made by various categories of persons as listed above including NRIs, FPIs etc. FATCA is a United States (US) Federal Law, aimed at prevention of tax evasion by US Citizens and Residents (US Persons) through use of offshore accounts. FATCA provisions were included in the Hiring Incentives to Restore Employment (HIRE) Act, enacted by US Legislature. SEBI vide its circular no. CIR/MIRSD/2/2014 dated June 30, 2014, has advised that Government of India and US Government have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA and India is now treated as having an IGA in effect from April 11, 2014. Further, SEBI vide its circular no. CIR/MIRSD/2/2015 dated August 26, 2015 has informed that on July 9, 2015, the Government of India and US Government have signed an agreement to improve international tax compliance and to implement FATCA in India. The USA has enacted FATCA in 2010 to obtain information on accounts held by U.S. taxpayers in other countries. As per the aforesaid agreement, foreign financial institutions (FFIs) in India will be required to report tax information about U.S. account holders / taxpayers directly to the Indian Government which will, in turn, relay that information to the U.S. Internal Revenue Service (IRS). Aditya Birla Sun Life AMC Limited (the AMC)/the Fund is classified as a Foreign Financial Institution (FFI) under the FATCA provisions and in accordance therewith, the AMC/the Fund would be required, from time to time: (i) To undertake necessary due diligence process by collecting information/ documentary evidence about US/Non US status of the investors/unit holders and identify US reportable accounts; (ii) To the extent legally permitted, disclose/report information (through itself or its service provider) about the holdings, investment returns pertaining to US reportable accounts to the specified US agencies and/or such Indian authorities as may be specified under FATCA guidelines or under any other guidelines issued by Indian Authorities such as SEBI, Income Tax etc. (collectively referred to as ‘the Guidelines’) and; (iii) Carry out any other related activities, as may be mandated under the Guidelines, as amended from time to time.

	FATCA due diligence will be applicable at each investor/unit holder (including joint holders) level and on being identified as reportable person/specified US person, all folios/accounts will be reported including their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Further, in case of folio(s)/account(s) with joint holder(s), the entire account value of the investment portfolio will be attributable under each such reportable person. Investor(s)/Unit Holder(s) will therefore be required to comply with the request of the AMC/the Fund to furnish such information, in a timely manner as may be required by the AMC/the Fund to comply with the due diligence/reporting requirements stated under IGA and/or the Guidelines issued from time to time. FATCA provisions are relevant not only at on-boarding stage of investor(s)/unit holder(s) but also throughout the life cycle of investment with the Fund/the AMC. In view of this, Investors should immediately intimate to the Fund/the AMC, in case of any change in their status with respect to FATCA related declaration provided by them previously. The Fund/AMC reserves the right to reject any application or redeem the units held directly or beneficially in case the applicant/investor(s) fails to furnish the relevant information and/or documentation in accordance with the FATCA provisions, notified. The AMC reserves the right to change/modify the provisions mentioned above in response to any new regulatory development which may require to do so at a later date. **Unitholders should consult their own tax advisors regarding the FATCA requirements with respect to their own situation and investment in the schemes of Aditya Birla Sun Life Mutual Fund to ensure that they do not suffer U.S. withholding tax on their investment returns.** • In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions. • Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor. • The list given above is indicative and the applicable law, if any, shall supersede the list. • The Trustee, reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of units of this Scheme. • Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme(s) and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.

Who cannot invest	It should be noted that the following entities cannot invest in the Scheme: • Any individual who a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999, except where registered with SEBI as a FPI. However, there is no restriction on a foreign national from acquiring Indian securities provided such foreign national meets the residency tests as laid down by Foreign Exchange Management Act,1999. • Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs.) • Investor residing in any Financial Action Task Force (FATF) designated High Risk jurisdiction. • “U.S. Person” under the U.S. Securities Act of 1933 and corporations or other entities organized under the laws of U.S. • Residents of Canada or any Canadian jurisdiction under the applicable securities laws. • The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any. Subject to the Regulations, any application for subscription of Units may be accepted or rejected if found incomplete or due to unavailability of underlying securities, etc. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Unit Holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit Holders to accept such an application. 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.
How to Apply and other details	Application form and Key Information Memorandum may be obtained from the designated offices / ISCs of AMC or Investor Service Centres (ISCs) of the Registrar or distributors or downloaded from www.mutualfund.adityabirlacapital.com. The application forms can also be submitted at the designated offices / ISCs of Aditya Birla Sun Life Mutual Fund as mentioned in this SID. Registrar & Transfer Agents **Computer Age Management Services Limited (CAMS)** Rayala Towers, 158, Anna Salai, Chennai – 600 002. Contact Details: 1800-425-2267 E-mail: adityabirlacapital.mf@camsonline.com Website Address: www.camsonline.com Please refer to the SAI and Application form for the instructions.
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	The Scheme is listed and hence this clause is not applicable.

Restrictions, if any, on the right to freely retain or dispose of units being offered.	The Units of the Scheme held in electronic (demat) mode are transferable. The Mutual Fund at its sole discretion reserves the right to suspend sale and switching of Units in the Scheme temporarily or indefinitely when any of the following conditions exist. However, the suspension of sale of Units either temporarily or indefinitely will be with the approval of the Trustee. 1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays. 2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme are not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unit holders. 3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated. 4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme. 5. In case of natural calamities, strikes, riots and bandhs. 6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the ISC. 7. If so directed by SEBI. The AMC reserves the right in its sole discretion to withdraw the facility of Sale option of Units into the Scheme, temporarily or indefinitely, if AMC views that changing the size of the corpus further may prove detrimental to the existing Unit holders of the Scheme.
Right to Limit Redemptions	a. **Liquidity issues** - When markets at large becomes illiquid affecting almost all securities rather than any issuer specific security. b. **Market failures, exchange closures -** When markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. c. **Operational issues** - When exceptional circumstances are caused by *force majeure*, unpredictable operational problems and technical failures (e.g. a black out). Under the aforesaid circumstances, ABSLAMC / Trustee may restrict redemption for a specified period of time not exceeding 10 working days in any 90 days period. For redemption requests placed during the restriction period the following provisions will be applicable: i. For redemption requests upto Rs. 2 lakh the above-mentioned restriction will not be applicable and i. Where redemption requests are above Rs. 2 lakh, AMCs shall redeem the first Rs. 2 lakh without such restriction and remaining part over and above Rs. 2 lakh shall be subject to such restriction. ABSLAMC / Trustee reserves the right to change / modify the provisions of right to limit Redemption / switch-out of units of the Scheme(s) pursuant to direction/ approval of SEBI.
Cut off timing for subscriptions/ redemptions/ switches **This is the time before which your application**	In accordance with para 3.6.2.3 and 8.4, 8.7 of SEBI Master Circular on Mutual Funds dated May 19, 2023, and further amendments if any, thereto, the following cut-off timings shall be observed by Mutual Fund in respect of purchase/ redemption of units of the scheme, and the following NAVs shall be applied in each case:

(complete in all respects) should reach the official points of acceptance.	**For Subscriptions/Purchases/Redemptions/Sales of units directly with Mutual Fund** On an ongoing basis, only Market Makers (in Creation Unit Size) and Large Investors (with Minimum application amount of Rs. 25 Crores and in multiples of Creation Unit Size) may approach the Fund directly for subscription/redemption of units of the ETF on all Business Days. The creation/redemption of units would be based on Portfolio deposit and the applicable cash component for the respective business day on which such creation/ redemption of units are made and the deposit and cash are credited to the Scheme's account. The Fund may also allow Cash (through RTGS / Transfer / Cheque) subscription /redemption in creation unit size by Market Makers and for large investors having execution value greater than Rs. 25 crores. The NAV shall be declared in accordance with the provisions as mentioned in this SID. Further, pursuant to SEBI letter dated April 26, 2024, the said threshold limit of INR 25 crore for direct transaction in the units of the ETFs with the AMC shall not be applicable for the below mentioned category of investors till October 31, 2024: c. Schemes managed by Employee Provident Fund Organisation, India d. b) Recognised Provident Funds, approved gratuity funds and approved superannuation funds under Income tax act, 1961 For all direct transactions in units of ETFs by MMs or other eligible investors (only for large investors meeting threshold of Rs. 25 Cr.) with AMCs shall be at intra-day NAV based on the actual execution price of the underlying portfolio. **For transactions done on the stock exchange** An investor can buy/sell Units on a continuous basis on the NSE and BSE on which the Units are listed during the trading hours on all trading days. Therefore, the provisions of Cut-off timing for subscriptions/redemptions will not be applicable.
Minimum amount for purchase/redemption/switches	**For Subscription / Redemption of units directly with Mutual Fund:** - Subscription / Redemption facility directly with the Mutual Fund would be restricted to Market Makers and Large Investors. - Units of the Scheme may be subscribed to / redeemed by the market marker only in Creation Unit size & in multiples thereof. Large investors can subscribe to/ redeem Units of the Scheme for an amount greater than 25 crores on all Business Days on an ongoing basis. - Market Makers may subscribe to/redeem the units of the Scheme on any business day directly with the Mutual Fund at applicable intraday NAV and transaction costs, if any, by depositing / receiving stocks comprising the benchmark index and/or cash, value of which is equivalent to Creation Unit size. - The Creation Unit size shall be 1,10,000 units and in multiples thereof. **For Purchase / Sale of units through Stock Exchange**

	All categories of Investors may purchase/sell the units of the scheme through Stock exchange on which the units of the scheme will be listed on any trading day in round lot of 1(one) Unit at the prevailing listed price.
Ongoing Price for redemption (sale) / switch outs (to other schemes / plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs.	At Applicable NAV, subject to prevailing exit load, if any. **Note:** The transaction handling charges which include brokerage, Securities Transaction Tax, regulatory charges, if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/ redemption or accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request, shall be recoverable from the transacting Market Maker or Large Investor.
Accounts Statements	The depository participant with whom the unitholder has a depository account will send a statement of transactions in accordance with the byelaws of the depository which will contain the details of transaction of units. Allotment of units and dispatch of Allotment Advice to FPIs will be subject to RBI approval, if required. Units allotted under this scheme are transferable subject to the provisions of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time and other applicable provisions. The asset management company shall issue units in dematerialized form to a unit holder in a scheme within 2 (two) working days of the receipt of request from the unit holder. **Note:** The fund house may not furnish separate accounts statement to the unitholders since the statement of accounts furnished by depository participant will contain the details of transactions in these units. The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form). A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month. Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable For further details, refer SAI.
IDCW	Not Applicable. The Scheme currently does not offer any IDCW Option.
Redemption	All investors including Market Makers, Large Investors and other investors can sell their units in the stock exchange(s) on which units of the Schemes are to be listed on all the trading days of the stock exchange.

Mutual Fund will repurchase units from Market Makers on any business day provided the value of units offered for repurchase is not less than creation unit size.

Mutual Fund will repurchase units from Large Investors on any business day provided the execution value is greater than Rs. 25 crore.

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

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

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

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

However, in case of exceptional circumstances mentioned in para 14.1.3 of SEBI Master Circular dated May 19, 2023, redemption or repurchase proceeds will be transferred / dispatched to Unitholders within the time frame prescribed for such exceptional circumstances. For further details, investors are requested to refer to Statement of Additional Information (SAI).

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

Exit opportunity for investors other than Market Makers and Large Investors

	Investors can directly approach the AMC for redemption of units of ETFs, for transaction of upto Rs. 25 Cr. without any exit load, in case of the following scenarios: a. Traded price (closing price) of the ETF units is at a discount of more than 1% to the end day NAV for 7 continuous trading days; or b. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days; or c. Total bid size on the exchange(s) is less than half of the Creation Unit Size daily, averaged over a period of 7 consecutive trading days. In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day. In case of redemptions by NRIs, requisite TDS will be deducted from the respective redemption proceeds. The mutual fund will track the aforesaid liquidity criteria on a continuous basis and in case if any of the above-mentioned scenario arises, the same shall be displayed on website www.mutualfund.adityabirlacapital.com.
Bank Mandate	Bank Details: In order to protect the interest of investors from fraudulent encashment of cheques, the current SEBI (MF) Regulations have made it mandatory for investors to mention in their application / Redemption request, the bank name and account number. Applications without these details are liable to be rejected.
Delay in payment of redemption / repurchase proceeds	The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
Unclaimed Redemption Amount	The unclaimed redemption amount may be deployed by the Mutual Fund in call money market or money market instruments or a separate plan of only Overnight scheme/Liquid scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption amounts are deployed shall be only those Overnight scheme/ Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per para 17.5 of SEBI Master Circular on Mutual Funds dated May 19, 2023. No exit load shall be charged on these plans and Total Expense Ratio (TER) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower. The 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. Please refer to SAI for further details.
Disclosure w.r.t investment by minors	• In case of application in the name of minor, the minor has to be the first and the sole holder. No joint holder will be allowed with the Minor as the first or sole holder. The Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. In accordance with para 17.6 of SEBI Master Circular on Mutual Funds dated May 19, 2023 read with SEBI circular dated May 12, 2023, payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian, else the transaction is liable to get rejected. A copy of birth

	certificate, passport copy, etc. evidencing date of birth of the minor and relationship of the guardian with the minor, should be mandatorily attached with the application. Further, irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. • The minor unitholder, on attaining majority, shall inform the same to AMC / Mutual Fund / Registrar and submit following documents to change the status of the account (folio) from 'minor' to 'major' to allow him to operate the account in his own right viz., (a) Duly filled request form for changing the status of the account (folio) from 'minor' to 'major'. (b) Updated bank account details including cancelled original cheque leaf of the new account (c) Signature attestation of the major by a bank manager of Scheduled bank / Bank certificate or Bank letter. (d) KYC acknowledgement letter of major. The guardian cannot undertake any financial and non-financial transactions after the date of the minor attaining majority in an account (folio) where the units are held on behalf of the minor, and further, no financial and non-financial transactions can be undertaken till the time the change in the status from 'minor' to 'major' is registered in the account (folio) by the AMC/ Mutual Fund. The list given above is indicative and the applicable law, if any, shall supersede the list.
Minimum balance to be maintained and consequences of non-maintenance	There is no minimum balance requirement.

II. OTHER DETAILS

A. PERIODIC DISCLOSURES SUCH AS HALF YEARLY DISCLOSURES, HALF YEARLY RESULTS, ANNUAL REPORT

Portfolio Disclosures

In terms of SEBI Regulation, Mutual Funds/ AMCs will disclose portfolio (along with ISIN) as on the last day of the month / half-year for all Schemes on its website www.mutualfund.adityabirlacapital.com and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format. The Mutual Fund/AMCs will send to Unitholders a complete statement of the scheme portfolio, within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund. Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such half yearly scheme portfolio on its website www.mutualfund.adityabirlacapital.com and on the website of AMFI (www.amfiindia.com).Mutual Funds/ AMCs will also provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.
https://mutualfund.adityabirlacapital.com/forms-and-downloads/portfolio

Half yearly results :

Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website (www.mutualfund.adityabirlacapital.com). Further, the Mutual Fund / AMC will publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website.

https://mutualfund.adityabirlacapital.com/financials

Annual report :

The scheme wise annual report or an abridged summary thereof shall be provided to all Unitholders not later than four months from the date of closure of the relevant accounting year whose email addresses are registered with the Mutual Fund. The physical copies of Scheme wise Annual report will also be made available to the

	unitholders, at the registered offices at all times. The scheme-wise annual report will also be hosted on the website on its website (www.mutualfund.adityabirlacapital.com) and on the website of AMFI (www.amfiindia.com). https://mutualfund.adityabirlacapital.com/financials
Scheme Summary Document	The AMC is required to prepare a Scheme Summary Document for all schemes of the Fund. The Scheme Summary document is a standalone scheme document that contains all the applicable details of the scheme. The document is updated by the AMCs on a monthly basis or on changes in any of the specified fields, whichever is earlier. The document is available on the websites of AMC, AMFI and Stock Exchanges in 3 data formats, namely: PDF, Spreadsheet and a machine readable format (either JSON or XML). https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures
Risk-o-meter	Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website. https://mutualfund.adityabirlacapital.com/forms-and-downloads/scheme-risk-o-meter
Tracking Error and Tracking Difference	**Tracking Error:** The Scheme will disclose the tracking error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI. In case the Scheme has been in existence for a period of less than one year, the annualized standard deviation shall be calculated based on available data. **Tracking Difference** The tracking difference i.e. the annualized difference of daily returns between the index and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

B. TRANSPARENCY/NAV DISCLOSURE

The NAV will be calculated and disclosed for every Business Day. NAV of the scheme will be calculated up to four decimal places. AMC shall update the NAV on AMFI website (www.amfiindia.com) and on the website of the Mutual Fund (www.mutualfund.adityabirlacapital.com) by 11.00 pm on all business days.

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

Further the Mutual Fund / AMC will extend facility of sending latest available NAVs of the Scheme to the Unit holders through SMS upon receiving a specific request in this regard. Also, information regarding NAVs can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.

NAV shall also be communicated to stock exchanges where the units of the Scheme will be listed. The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE and BSE) and will be updated during the market hours on its website www.mutualfund.adityabirlacapital.com. However, AMC will calculate intra-day indicative NAV (computed based on snapshot prices received from NSE and BSE) and update the Indicative NAV periodically on its website atleast once in two hours during market hours. However, disclosure of Indicative NAV will be subject to availability of relevant services like receipt of index value, technological feasibility and other input requirements with respect to uploading of Indicative NAV on AMC's website. Intra-day Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers/Large Investors. The iNAV shall be disclosed on a continuous basis on the Stock Exchange(s) where the units are to be listed within a maximum time lag of 15 seconds from the underlying market.

C. Transaction charges and stamp duty-

No transaction charge shall be deducted from the subscription amount for transactions /applications received through the distributors.

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by the Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value would be levied on allotment of Mutual Fund units including units allotted in demat mode. Accordingly, pursuant to levy of stamp duty, the number of units allotted on subscriptions to the unitholders would be reduced to that extent.

D. Associate Transactions- Please refer to Statement of Additional Information (SAI)

E. Taxation- For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

Tax	Resident Investors	Mutual Fund
Tax on IDCW*	10%@/20%@@ (Note 1)	Nil (Note 1)
Capital gain *		
Long Term:	10% without indexation + applicable Surcharge + 4% Cess	NIL
Short Term:	15% + applicable Surcharge+ 4%Cess	
*plus applicable surcharge and education cess		

Note:

1. IDCW distribution tax is abolished w.e.f. 1st April 2020. Accordingly, IDCW will be taxed in the hands of investor. Section 194K is introduced in order to deduct tax on IDCW.
   @Tax is not deductible if cumulative IDCW income in respect of units of a mutual fund is below Rs. 5000/- in a financial year
   @@ If PAN is not provided/ invalid, the base tax is further increased by surcharge at the following rates:
   b. 15% where total income exceeds Rs. 1 Cr but does not exceed Rs. 2 Crs
   c. 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 Crs

2. Finance Act, 2020 has capped maximum surcharge at 15% w.r.t. WHT on IDCW paid to non-resident non-corporate investors (namely individual, HUF, AOP, BOI, artificial judicial person etc.)

$The Health and Education Cess to be applicable at 4% on aggregate of base tax and surcharge.

F. Rights of Unitholders- Please refer to SAI for details.

G. List of official points of acceptance: AMC has appointed Computer Age Management Services Limited (CAMS) located at Rayala Towers, 158, Anna Salai, Chennai – 600 002 to act as Registrar and Transfer Agents ("The Registrar") to the Schemes. The Registrar is registered with SEBI under registration number INR 000002813.**For further details on our Fund, please contact our customer**

service centres. For details on Branch offices of Aditya Birla Sun Life Mutual Fund and CAMS Centre, please visit: https://mutualfund.adityabirlacapital.com/forms-and-downloads/disclosures

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

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

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

3. **Details of all enforcement actions taken by SEBI in the last five financial years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.**

   NIL

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

   There are cases pending before the Consumer Redressal Commissions, Civil Courts and High Courts. The contingent liability aggregates to Rs. 82.22 lakhs approximately.

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

   NIL

Besides the above, there is no other disclosure.

Note:

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

(b) The Scheme under this Scheme Information Document was approved by the Trustees on September 01, 2017. Further, Trustees have obtained in-principle approval from NSE vide letter NSE/LIST/18645 dated September 08, 2017 and BSE vide letter DCS/IPO/US/MF/IP/1127/2018-19 dated December 06, 2018.

(c) The Trustees have ensured that Aditya Birla Sun Life Nifty Next 50 ETF approved by them is a new product offered by Aditya Birla Sun Life Mutual Fund and is not a minor modification of any existing scheme/fund/product.

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

For and on behalf of the Board of Directors of

Aditya Birla Sun Life AMC Limited

Sd/-

PLACE: MUMBAI

Parth Makwana

DATE: June 30, 2024

Compliance Officer