


Key Information memorandum

ADITYA BIRLA SUN LIFE BANKING & PSU DEBT FUND

(Formerly known as Aditya Birla Sun Life Treasury Optimizer Plan)

(An open ended debt scheme predominantly investing in debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds)

<p>NAME OF SCHEME Aditya Birla Sun Life Banking & PSU Debt Fund</p>	<p>This Product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Generation of reasonable returns and liquidity over short term • investment primarily in securities issued by Banks, Public Sector Undertakings and Public Financial Institutions in India  <p>Investors understand that their principal will be at Moderately Low risk</p>
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*Investors should consult their financial advisers if in doubt whether the product is suitable for them

Continuous Offer of units at NAV based prices

<p>NAME OF THE ASSET MANAGEMENT COMPANY ADITYA BIRLA SUN LIFE AMC LTD One Indiabulls Centre, Tower-1, 17th floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013 Tel.: +91-22 43568000 Fax No. +91-22 43568110 / 8111 CIN: U65991MH1994PLC080811</p>	<p>NAME OF MUTUAL FUND ADITYA BIRLA SUN LIFE MUTUAL FUND One India Bulls Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013 Tel. +91-22 43568000 Fax No. +91-22 43568110 / 8111 Website www.mutualfund.adityabirlacapital.com</p>
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This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.mutualfund.adityabirlacapital.com

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

The Mutual Fund/AMC and its empanelled broker(s) has not given and shall not give any indicative portfolio and indicative yield in any communication, in any manner whatsoever. Investors are advised not to rely on any communication regarding indicative yield/portfolio with regard to the scheme.

This KIM is dated June 04, 2018

KEY INFORMATION MEMORANDUM

Name of the Scheme	Aditya Birla Sun Life Banking & PSU Debt Fund											
Structure	An open ended debt scheme predominantly investing in debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds											
Inception Date	April 19, 2002											
No. of Folios & AUM (as on April 30, 2018)	Folios: 16864 Rs. 6,642.59 crores											
Investment Objective	To generate reasonable returns by primarily investing in debt and money market securities that are issued by Banks, Public Sector Undertakings (PSUs) and Public Financial Institutions (PFIs) in India											
Asset Allocation Pattern of the Scheme	<p>Under normal circumstances, the asset allocation pattern shall be as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Instruments</th> <th style="width: 20%;">Asset Allocation</th> <th style="width: 20%;">Risk profile</th> </tr> </thead> <tbody> <tr> <td>Debt * and Money Market Instruments, issued by Scheduled Commercial Banks, Public Sector Undertakings (PSUs) & Public Financial Institutions (PFIs) and Municipal Bonds</td> <td style="text-align: center;">80% -100%</td> <td style="text-align: center;">Medium to High</td> </tr> <tr> <td>Debt* (including government securities) and Money Market Instruments issued by entities other than the above @^</td> <td style="text-align: center;">0 – 20%</td> <td style="text-align: center;">Low to Medium</td> </tr> </tbody> </table> <p style="text-align: right;">(% age of net assets)</p> <p>*Including investments in securitized debt up to 50% of the net assets except foreign securitized debt.</p> <p>@The non- banking, non PSU part of the portfolio will have exposure to companies from the private sector.</p> <p>^The scheme will invest in State Development Loans and UDAY Bonds issued by PSU & PFI as mentioned below.</p> <p>Public sector entities/undertakings to include those entities,:</p> <ul style="list-style-type: none"> • in which the Government of India / a State Government has atleast 51% shareholding. • notified / qualifies as public sector entities, in accordance with norms / notified by Government of India / a State Government • the debt of which is guaranteed by Government of India / a State Government. <p>Public Financial Institution” means—</p> <p>(i) the Life Insurance Corporation of India, established under section 3 of the Life Insurance Corporation Act, 1956;</p> <p>(ii) the Infrastructure Development Finance Company Limited, referred to in clause (vi) of sub-section (1) of section 4A of the Companies Act, 1956 so repealed under section 465 of this Act;</p> <p>(iii) specified company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;</p> <p>(iv) institutions notified by the Central Government under sub-section (2) of section 4A of the Companies Act, 1956 so repealed under section 465 of this Act;</p> <p>(v) such other institution as may be notified by the Central Government in consultation with the Reserve Bank of India:</p> <p>Provided that no institution shall be so notified unless -</p> <p>(A) it has been established or constituted by or under any Central or State Act; or</p> <p>(B) not less than fifty-one per cent of the paid-up share capital is held or controlled by the Central Government or by any State Government or Governments or partly by the Central Government and partly by one or more State Governments;</p> <p>Banks will include all scheduled commercial banks which are regulated by Reserve Bank of India.</p> <p>The scheme may use fixed income derivative upto 50% of the net assets, for the purpose of hedging and portfolio rebalancing or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time</p> <p>The scheme shall participate in repo transactions The gross exposure to repo transactions in corporate</p>			Instruments	Asset Allocation	Risk profile	Debt * and Money Market Instruments, issued by Scheduled Commercial Banks, Public Sector Undertakings (PSUs) & Public Financial Institutions (PFIs) and Municipal Bonds	80% -100%	Medium to High	Debt* (including government securities) and Money Market Instruments issued by entities other than the above @^	0 – 20%	Low to Medium
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	<p>debt securities shall not be more than 10 % of the net assets. In terms of provisions of SEBI circular no. CIR / IMD / DF / 19 / 2011 dated November 11, 2011 read with SEBI circular no. CIR / IMD / DF / 23 / 2012 dated November 15, 2012, Repo in Corporate debt securities shall be in accordance with guidelines as prescribed by the Board of Directors of the Aditya Birla Sun Life AMC Limited and Aditya Birla Sun Life Trustee Private Limited, subject to directions issued by RBI and SEBI from time to time.</p> <p>The cumulative gross exposure in debt and money market instruments and derivative positions shall not exceed 100% of the net assets of the scheme.</p> <p>The scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.</p> <p>The scheme shall not invest in Foreign Securities and Credit Default Swaps. The scheme shall not engage in short selling and securities lending activities.</p>
<p>Investment Strategy</p>	<p>The Scheme will invest in securities issued by banks and financial institutions across maturities with an intention to offer reasonable level of yields at lower levels of risk while maintaining sufficient portfolio liquidity. The fund manager will focus on credit quality as an important criterion for investment decision making. The Fund will typically invest in short to medium term securities and as a result significant proportion of the total returns is likely to be in the form of income yield or accrual. The general maturity range for the portfolio will be determined after considering the prevailing political conditions, the economic environment (including interest rates and inflation), the performance of the corporate sector and general liquidity as well as other considerations in the economy and markets.</p>
<p>Risk Profile of the Scheme</p>	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the Scheme Information Document carefully for details on risk factors before investment. Scheme Specific Risk Factors are summarized below:</p> <p>Investments in the Scheme are subject to various risk factors including but not limited to risks associated with: investments in Fixed Income Securities such as Price-Risk or Interest-Rate Risk, Credit Risk, Liquidity or Marketability Risk, Reinvestment Risk etc., investments in unrated securities, investments in Derivatives, including Interest rate swaps, (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), investments in Securitised Debt assets which would be in the nature of Mortgage backed securities (MBS) and Asset backed securities (ABS) with underlying pool of assets and receivables like Housing Loans, Auto loans and corporate loans. The various risks associated with securitised assets include Prepayment Risk, Credit Risk, Liquidity Risk, Conversion risk, Price risks etc. The Scheme shall also be subject to risks associated with investments in repo transactions in corporate bond and foreign securities. Different types of securities in which the Scheme would invest as given in the Scheme Information Document/Key Information Memorandum 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. The above are some of the common risks associated with investments in various 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. Further, the Fund/AMC is not guaranteeing or assuring any returns. Further, it should be noted that the actual distribution of dividends and the frequency thereof are indicative and will depend, inter-alia, on availability of distributable surplus. Dividend payouts will be entirely at the discretion of the Trustee.</p> <p>Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, i.e. before making a decision to invest/redeem Units.</p> <p>Investors in the Scheme are not being offered any guaranteed returns. Please refer to SID for detailed scheme specific risk factors.</p>
<p>Risk Control Strategies</p>	<p>Since investing requires disciplined risk management; in order to protect the interest of investors, Birla Sun Life AMC would incorporate adequate safeguards for controlling risks in the portfolio. As a prudent measure, Birla Sun Life AMC has broad internal investment norms and investments made by the scheme would be in accordance with the investment objectives of the scheme and provisions of SEBI Regulations. Where required, Scheme specific guidelines are also in place.</p> <p>Concentration risk is mitigated by defining issuer level limits. The Investment Committee is an overseeing body for the performance and the risk indicators of the portfolios of the respective Schemes.</p> <p>Rigorous in depth credit evaluation of the issuers proposed to be invested, will be conducted by the Investment team. As part of credit evaluation, a study on the operating environment, past track record as well as future prospects of the issuer, short as well as long term financial health of the issuer. Aditya Birla Sun Life AMC will be guided by the ratings of accredited agencies such as CRISIL, CARE, ICRA etc and the internal credit policy which defines the norms for credit exposure and the approval authorisation matrix.</p>

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	<p>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.</p>																																				
<p>Plans/Options</p>	<p>Scheme will have Regular Plan and Direct Plan** with a common portfolio and separate NAVs. Investors should indicate the Plan for which the subscription is made by indicating the choice in the application form. Each of the above (Regular and Direct) Plan under the Scheme will have the following Options:</p> <ul style="list-style-type: none"> (i) Monthly Dividend Option [^](Payout & Reinvestment) (ii) Quarterly Dividend Option (Payout & Reinvestment) (iii) Dividend Option (Payout & Reinvestment) (iv) Growth Option <p>[^] Last Friday of each month</p> <p>1. **DIRECT PLAN:</p> <ul style="list-style-type: none"> i. Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Mutual Fund and is not available for investors who route their investments through a Distributor. ii. Eligible investors: All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Scheme are eligible to subscribe under Direct Plan. iii. Modes for applying: Investments under Direct Plan can be made through various modes offered by the Mutual Fund for investing directly with the Mutual Fund [except through Stock Exchange Platforms for Mutual Funds and all other Platform(s) where investors' applications for subscription of units are routed through Distributors]. iv. How to apply: <ul style="list-style-type: none"> a. Investors desirous of subscribing under Direct Plan of a Scheme will have to ensure to indicate "Direct Plan" against the Scheme name in the application form. b. Investors should also indicate "Direct" in the ARN column of the application form. 																																				
<p>Default Plan / Option / Sub-option</p> <p>(In case the investor fails to specify his preference, the given default plan / option / sub-option would apply.)</p>	<p>Default Option: Monthly Dividend Reinvestment Option.</p> <p>In case of valid application received without indicating choice between options under the scheme, the same shall be considered as Monthly Dividend Reinvestment Option and processed accordingly.</p> <p>Default Plan:</p> <p>Investors are requested to note the following scenarios for the applicability of "Direct Plan or Regular Plan" for valid applications received under the Scheme:</p> <table border="1" data-bbox="381 1249 1469 1648"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p><i>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</i></p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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<p>Applicable NAV (after the scheme opens for repurchase and</p>	<p>In accordance with provisions of SEBI circular CIR/IMD/DF/21/2012 dated September 13, 2012, SEBI circular dated No. Cir/ IMD/ DF/ 19/ 2010 dated November 26, 2010, SEBI Circular No. IMD/ CIR No. 11 / 142521 / 08 dated October 24, 2008 and SEBI Circular SEBI/ IMD/ CIR No.11/ 78450/ 06 dated October 11, 2006 and further amendments if any, thereto, the following cut-off timings shall be</p>																																				

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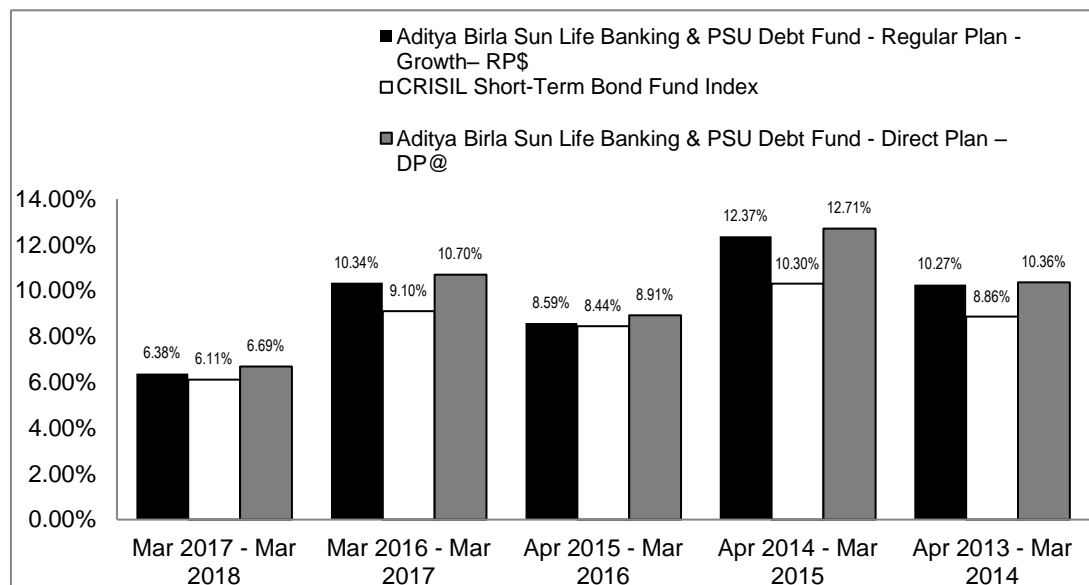
<p>sale)</p>	<p>observed by Mutual Fund in respect of purchase/ redemption/ switches of units of the scheme, and the following NAVs shall be applied in each case:</p> <p>I. APPLICABLE NAV FOR SUBSCRIPTIONS/ PURCHASE INCLUDING SWITCH-IN OF UNITS:</p> <p><u>For an amount less than Rs.2 lacs:</u></p> <ul style="list-style-type: none"> In respect of valid applications received upto 3.00 p.m. by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable. In respect of valid applications received after 3.00 p.m. by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable. <p><u>For an amount of Rs.2 lacs and above#:</u></p> <p>In respect of valid applications for purchase of units with amount equal to or more than Rs. 2 lacs, the closing NAV of the day (or immediately following Business Day if that day is not a Business day) on which the funds are available for utilization, shall be applicable.</p> <p>In respect of subscriptions/purchase/Switch-in application with amount equal to or more than Rs. 2 lacs, for allotment of units at applicable NAV as above, it shall be ensured that:</p> <ol style="list-style-type: none"> Application is received before the applicable cut-off time (i.e. 3.00 p.m.) Funds for the entire amount of subscription / purchase /switch-in as per the application are credited to the bank account of the respective scheme before the applicable cut-off time (i.e. 3.00 p.m.). The funds are available for utilization before the applicable cut-off time without availing any credit facility whether intra-day or otherwise, by the respective scheme. <p>II. APPLICABLE NAV FOR REDEMPTIONS INCLUDING SWITCH-OUT OF UNITS:</p> <ul style="list-style-type: none"> In respect of valid applications received upto 3.00 p.m. by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3.00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable. <p>While the Applicable NAV shall be as per cut-off time specified above, the NAV shall be declared in accordance with the provisions as mentioned in the SID.</p> <p>#Investors are requested to note that the following practice of aggregating multiple / split applications / transactions shall be followed and accordingly the closing Net Asset Value (NAV) of the day on which the funds are available for utilization is being implemented where the aggregated amount of investments is Rs. 2 lacs and above.</p> <ol style="list-style-type: none"> All transactions received on same Business Day (as per cut-off timing and Time stamping rule prescribed under SEBI (Mutual Funds) Regulations,1996 or circulars issued thereunder from time to time). Transactions shall include purchases, additional purchases, and exclude Switches, if any. Aggregation of transactions shall be done on the basis of investor(s) Permanent Account Number (PAN). In case of joint holding in folios, transactions with similar holding pattern will be aggregated. Such aggregation shall be done irrespective of the number of folios under which the investor is investing and irrespective of source of funds, mode of payment, location and time of application All transactions will be aggregated where investor holding pattern is same as stated above, irrespective of whether the amount of the individual transaction is above or below Rs. 2 lacs. Only transactions in the same scheme shall be clubbed. This will include transactions at plan / options level (i.e. Regular Plan, Direct Plan, Dividend Option, Growth Option, etc). Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. However, two or more transactions in the same folio of a minor will be considered for aggregation. 		
<p>Minimum Application Amount / Number of Units</p>	<p>Purchase (Incl. Switch-in)</p> <p>Minimum of Rs.1,000/- and in multiples of Rs.1/- thereafter</p>	<p>Additional Purchase (Incl. Switch-in)</p> <p>Minimum of Rs.1,000/- and in multiples of Rs.1/- thereafter</p>	<p>Repurchase</p> <p>In Multiples of Rs. 1/- or 0.001 units.</p>
<p>Despatch of Proceeds of Repurchase (Redemption) Request</p>	<p>Within 10 working days of the receipt of the redemption request at the official points of acceptance of Aditya Birla Sun Life Mutual Fund.</p>		
<p>Benchmark Index</p>	<p>CRISIL Short Term Bond Fund Index</p> <p>The Fund reserves the right to change the benchmark for evaluation of the performance of the scheme from time to time, subject to SEBI (MF) Regulations and other prevailing guidelines, if any.</p>		

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Dividend Policy	Dividends will be declared subject to availability of distributable surplus and at the discretion of the AMC/Trustee. On payment of Dividends, the NAV will stand reduced by the amount of dividend payout and dividend distribution tax, if any.																																							
Name of the Fund Manager and Tenure for which the fund manager has been managing the scheme	<table border="1" data-bbox="381 315 1315 483"> <thead> <tr> <th data-bbox="381 315 852 357">Fund Manager</th> <th data-bbox="860 315 1112 357">Managing Since</th> <th data-bbox="1120 315 1315 357">Tenure</th> </tr> </thead> <tbody> <tr> <td data-bbox="381 357 852 399">Mr. Kaustubh Gupta</td> <td data-bbox="860 357 1112 399">September 29, 2009</td> <td data-bbox="1120 357 1315 399">8.51 years</td> </tr> <tr> <td data-bbox="381 399 852 483">Mr. Maneesh Dangi</td> <td data-bbox="860 399 1112 483">April 01, 2017</td> <td data-bbox="1120 399 1315 483">1.00 year</td> </tr> </tbody> </table>					Fund Manager	Managing Since	Tenure	Mr. Kaustubh Gupta	September 29, 2009	8.51 years	Mr. Maneesh Dangi	April 01, 2017	1.00 year																										
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Name of the Trustee Company	Aditya Birla Sun Life Trustee Private Limited (formerly known as Birla Sun Life Trustee Company Private Limited)																																							
Performance of the Scheme	<p data-bbox="381 567 1031 598">I. PERFORMANCE OF SCHEMES AS AT APRIL 30, 2018.</p> <table border="1" data-bbox="381 598 1469 1375"> <thead> <tr> <th data-bbox="381 598 600 630">Returns</th> <th data-bbox="609 598 820 630">Last 1 Year</th> <th data-bbox="828 598 1039 630">Last 3 years</th> <th data-bbox="1047 598 1258 630">Last 5 Years</th> <th data-bbox="1266 598 1469 630">Since Inception</th> </tr> </thead> <tbody> <tr> <td data-bbox="381 630 600 798">ABSL Banking & PSU Debt Fund - Regular Plan <i>Inception - April 24, 2008**</i></td> <td data-bbox="609 630 820 798">5.83</td> <td data-bbox="828 630 1039 798">8.17</td> <td data-bbox="1047 630 1258 798">9.29</td> <td data-bbox="1266 630 1469 798">8.60</td> </tr> <tr> <td data-bbox="381 798 600 882">CRISIL Short Term Bond Fund Index</td> <td data-bbox="609 798 820 882">5.48</td> <td data-bbox="828 798 1039 882">7.62</td> <td data-bbox="1047 798 1258 882">8.28</td> <td data-bbox="1266 798 1469 882">8.00</td> </tr> <tr> <td data-bbox="381 882 600 1050">ABSL Banking & PSU Debt Fund – Retail Plan^ <i>Inception - April 19, 2002</i></td> <td data-bbox="609 882 820 1050">5.83</td> <td data-bbox="828 882 1039 1050">8.17</td> <td data-bbox="1047 882 1258 1050">9.22</td> <td data-bbox="1266 882 1469 1050">7.76</td> </tr> <tr> <td data-bbox="381 1050 600 1134">CRISIL Short Term Bond Fund Index</td> <td data-bbox="609 1050 820 1134">5.48</td> <td data-bbox="828 1050 1039 1134">7.62</td> <td data-bbox="1047 1050 1258 1134">8.28</td> <td data-bbox="1266 1050 1469 1134">7.17</td> </tr> <tr> <td data-bbox="381 1134 600 1302">ABSL Banking & PSU Debt Fund - Direct Plan <i>Inception – January 1, 2013</i></td> <td data-bbox="609 1134 820 1302">6.14</td> <td data-bbox="828 1134 1039 1302">8.50</td> <td data-bbox="1047 1134 1258 1302">9.58</td> <td data-bbox="1266 1134 1469 1302">9.58</td> </tr> <tr> <td data-bbox="381 1302 600 1375">CRISIL Short Term Bond Fund Index</td> <td data-bbox="609 1302 820 1375">5.48</td> <td data-bbox="828 1302 1039 1375">7.62</td> <td data-bbox="1047 1302 1258 1375">8.28</td> <td data-bbox="1266 1302 1469 1375">8.37</td> </tr> </tbody> </table> <p data-bbox="381 1407 1469 1470">Note: Past performance may or may not be sustained in future. *Absolute Returns For dividend option, the returns would assume reinvestment of dividend, net of distribution taxes, if any</p>					Returns	Last 1 Year	Last 3 years	Last 5 Years	Since Inception	ABSL Banking & PSU Debt Fund - Regular Plan <i>Inception - April 24, 2008**</i>	5.83	8.17	9.29	8.60	CRISIL Short Term Bond Fund Index	5.48	7.62	8.28	8.00	ABSL Banking & PSU Debt Fund – Retail Plan^ <i>Inception - April 19, 2002</i>	5.83	8.17	9.22	7.76	CRISIL Short Term Bond Fund Index	5.48	7.62	8.28	7.17	ABSL Banking & PSU Debt Fund - Direct Plan <i>Inception – January 1, 2013</i>	6.14	8.50	9.58	9.58	CRISIL Short Term Bond Fund Index	5.48	7.62	8.28	8.37
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II. ABSOLUTE YEARWISE RETURNS (FY APR-MAR)



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.

Expenses of the Scheme

Entry Load*: Nil
Exit Load: Nil

(i) Load Structure

*In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 01, 2009. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.

- No Exit Loads / CDSC will be chargeable in case of switches made from Growth option to Dividend option or vice-versa within the respective Plans offered under the Scheme
- No entry or exit load shall be charged in respect of units issued to unitholders on Reinvestments of Dividends and units issued to unitholders as Bonus units.
- Switch of investments from Regular Plan to Direct Plan shall be subject to applicable exit load, if any, and vice versa.
- Pursuant to Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, 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.

(ii) Recurring expenses (As a % of daily net assets)

Actual (unaudited) expenses for the financial year ended March 31, 2018:
0.64% (Regular); 0.34% (Direct); 0.64% (Retail)

Maximum estimated permissible expenses, including investment management and advisory fees, as a % per annum of daily net assets:

A. Expense Head / Nature of expense	% of daily net assets
Investment Management and Advisory Fees (AMC fees)	Upto 2.25%
Trustee fee	
Audit fees	
Custodian fees	
Marketing & Selling expense including agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements/allotment advice and dividend/ redemption cheques and warrants	
Costs of Statutory advertisements	

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Cost towards investor education & awareness (at least 2 bps)^	
Brokerage & transaction cost over and above 12 bps for cash market trades.	
GST on expenses other than investment management and advisory fees	
GST on brokerage and transaction cost	
Other expenses	
Maximum total expense ratio (TER) permissible under Regulation 52(6)(c)(i) ##	Upto 2.25%
C. Additional expense for gross new inflows from specified cities under Regulation 52 (6A) (b) to improve geographical reach of scheme.	Upto 0.30%

Registrar & Transfer Agent (RTA) Fees will be borne by the AMC

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

Note:

- (a) The TER is charged towards distribution expenses/ commission in the Regular Plan. 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.
#The expected difference in Total Expense Ratio to be charged to Direct Plan and Regular Plan under Scheme/Plan would be determined and disclosed at the time of filing of Final Scheme Information Document with SEBI before launch of the Scheme.
- (b) ##The Maximum total expense ratio for the Direct Plan as permissible under Regulation 52(6)(c)(i) will not exceed 2.00% p.a. of daily net assets of the Scheme.
- (c) ^ In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC / Mutual Fund shall annually set apart at least 2 basis points (i.e. 0.02%) 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.
- (d) In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, AMC may charge GST on following Fees and expenses as below:
 - (i) 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.
 - (ii) 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.
- (e) As per Regulation 52(6)(c)(i) of SEBI (MF) Regulations, the total expenses of the scheme, including Investment Management and Advisory Fees, shall be subject to following limits as specified below:

First Rs.100 Crores	Next Rs.300 Crores	Next Rs.300 Crores	Over Rs. 700 Crores
2.25%	2.00%	1.75%	1.50%

- (f) **Fungibility of 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 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. Subject to the SEBI (MF) Regulations, expenses over and above the prescribed ceiling will be borne by the AMC. **Investors are requested to refer to SID under “Section IV-FEES AND EXPENSES - B. Annual Scheme Recurring Expense” for further details on total expenses permissible to be charged to the scheme in accordance with Regulation 52 of the SEBI (MF) Regulations.**

Waiver of Load for Not Applicable

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<p>Direct Applications</p>		
<p>Tax treatment for the Investors (Unitholders)</p>	<p>Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.</p>	
<p>Daily Net Asset Value (NAV) Publication</p>	<p>The NAV will be declared on all business days and will be published in atleast 2 daily newspapers in accordance with SEBI (MF) Regulations. NAV can also be viewed on www.mutualfund.adityabirlacapital.com and www.amfiindia.com Investors can also call up at our toll free number 1800-22-7000 / 1800-270-7000.</p>	
<p>For Investor Grievances please contact</p>	<p>Aditya Birla Sun Life AMC Limited One India Bulls Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel.: 1800-270-7000 / 1800-22-7000, E-mail: care.mutualfunds@adityabirlacapital.com</p>	<p>Registrar & Transfer Agents: Computer Age Management Services Pvt. Ltd. (CAMS) Rayala Towers, 158, Anna Salai, Chennai - 600002. Contact Details: 1800-425-2267 E-mail: adityabirlacapital.mf@camsonline.com Website Address: www.camsonline.com</p>
<p>Unitholders' Information</p>	<p>APPLICABLE TO INVESTORS WHO OPT TO HOLD UNITS IN PHYSICAL (NON-DEMAT) MODE AND DO NOT HAVE DEMAT ACCOUNT :</p> <p>For normal transactions during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> ▪ On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted to the investor shall be send by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of receipt of transaction request. ▪ Thereafter, a Consolidated Account Statement (CAS) for each calendar month to the Unitholder(s) in whose folio(s) transaction(s) has/have taken place during the month, on or before 10th of the succeeding month shall be sent by e-mail/mail. CAS shall contain details relating to all the transactions** carried out by the investor, including details of transaction charges paid to the distributor, if any, across all schemes of all mutual funds, during the month and holding at the end of the month. <i>**The word 'transaction' shall include purchase, redemption, switch, dividend payout, dividend reinvestment, Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan and bonus transactions.</i> ▪ In case of specific request is received from investors, account statement shall be issued to the investors within 5 (five) business days from the receipt of such request without any charges. The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. ▪ In the event the account has more than one registered holder, the first named Unitholder shall receive the CAS/account statement. ▪ The transactions viz. purchase, redemption, switch, dividend payout, etc., carried out by the Unitholders shall be reflected in the CAS on the basis of Permanent Account Number (PAN). ▪ The CAS shall not be received by the Unitholders for the folio(s) not updated with PAN details. The Unitholders are therefore requested to ensure that the folio(s) are updated with their PAN. ▪ 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 <p>APPLICABLE TO INVESTORS WHO OPT TO HOLD UNITS IN ELECTRONIC (DEMAT) MODE:</p> <ul style="list-style-type: none"> ▪ On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted to the investor shall be send by way of email and/or SMS's to the investors' registered email address and/or mobile number not later than 5 (five) business days from the date of receipt of transaction request. ▪ Thereafter, Single Consolidated Account Statement (SCAS), based on PAN of the holders, shall be sent by Depositories, for each calendar month within 10th day of the succeeding month to the unitholders in whose folio(s)/demat account(s) transactions have taken place during that month. • SCAS shall be sent by Depositories every half yearly (September/ March), on or before 10th day of succeeding month, detailing holding at the end of the sixth month, to all such unitholders in whose 	

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folios and demat accounts there have been no transactions during that period.

- In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.
- Consolidation shall be done on the basis of Permanent Account Number (PAN). In the event the folio / demat account has more than one registered holder, the first named Unit holder / Account holder shall receive the SCAS. For the purpose of SCAS, common investors across mutual funds / depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/ order of investors in various folios/ demat accounts across mutual funds / demat accounts across depository participants.
- In case of multiple accounts across two depositories, the depository with whom the demat account has been opened earlier will be the default depository which will consolidate the details across depositories and Mutual Fund investments and dispatch the SCAS to the unitholders.
- Unitholders whose folio(s)/demat account(s) are not updated with PAN shall not receive SCAS. Unitholders are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.
- For Unitholders who have provided an e-mail address in KYC records, the SCAS will be sent by e-mail.
- The Unitholders may request for account statement for mutual fund units held in physical mode. In case of a specific request received from the Unitholders, account statement shall be provided to the unitholders within 5 business days from the receipt of such request.
- No account statements will be issued to unitholders opted to hold units in demat mode, since the statement of account furnished by depository participant periodically will contain the details of transactions.
- SCAS sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form

Half Yearly Consolidated Account Statement:

- A CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before 10th day of succeeding month, to all such Unitholders in whose folios no transaction has taken place during that period. Such Consolidated Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the consolidated account statement.
- The half yearly consolidated account statement will be sent by e-mail to the Unitholders whose e-mail address is available, unless a specific request is made to receive in physical.

COMMUNICATION BY EMAIL

For those unitholders who have provided an e-mail address, the AMC will send the communication by email. Unitholders who receive e-mail statements may download the documents after receiving e-mail from the Mutual Fund. Should the Unitholder experience any difficulty in accessing the electronically delivered documents, the Unitholder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unitholder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.

Half yearly Disclosures:

The Mutual Fund shall publish a complete statement of the scheme portfolio, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located. These shall also be displayed on www.mutualfund.adityabirlacapital.com

Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website (www.mutualfund.adityabirlacapital.com). Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website, in atleast one national English daily newspaper and a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.

Annual Report:

The scheme wise annual report or an abridged summary thereof shall be sent to all Unitholders not

KEY INFORMATION MEMORANDUM

later than four months from the date of closure of the relevant accounting year and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unitholders on request on payment of nominal fees, if any.

The scheme wise annual report or an abridged summary thereof (the reports) shall be sent:

- (i) By e-mail only to the Unitholders whose e-mail address is available with ABSLAMC / Mutual Fund;
- (ii) In physical form to the Unitholders whose email address is not available with Mutual Fund and/or to those Unitholders who have opted / requested for the same.

Accordingly, unitholders are requested to ensure that their folio(s) are updated with e-mail address, in case they wish to receive the reports electronically i.e. via e-mail. Also, in case the unitholders wish to receive physical copies of reports they may indicate as such, notwithstanding registration of e-mail address with ABSLAMC / Mutual Fund.

The physical copy of the scheme wise annual report or abridged summary thereof shall be made available to the investors at the registered office of the ABSLAMC. A link of the scheme annual report or abridged summary thereof shall be displayed prominently on the website of the Mutual Fund (www.mutualfund.adityabirlacapital.com) and shall also be displayed on the website of AMFI (www.amfiindia.com).

Half Yearly Disclosures (Unaudited Financial Results / Portfolio):

Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website (www.mutualfund.adityabirlacapital.com). Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website, in atleast one national English daily newspaper and a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.

The Mutual Fund / AMC shall before the expiry of one month from the close of each half year (i.e. 31st March and 30th September), publish complete statement of the scheme portfolio in prescribed format as at end of such half year in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.

Monthly Portfolio Disclosures:

The monthly portfolio of the scheme (alongwith ISIN) shall also be made available on the website of Mutual Fund (www.mutualfund.adityabirlacapital.com) on or before tenth day of the succeeding month.

Scheme Portfolio Holdings

a) Top 10 holdings (as on April 30, 2018)

Issuer	% to Net Assets
State Government Securities	13.70%
Power Finance Corporation Limited	9.86%
Rural Electrification Corporation Limited	7.78%
LIC Housing Finance Limited	7.05%
Small Industries Dev Bank of India	4.74%
U.P. Power Corporation Limited	4.47%
Indiabulls Housing Finance Limited	4.34%
ONGC Petro Additions Limited	3.79%
Government of India	3.53%
Clearing Corporation of India Ltd	3.50%

b) Sector-wise Allocation (as on April 30, 2018)

Sector	% to net assets
Financial Services	56.29%
Government of India	17.22%
Miscellaneous	13.70%
Energy	3.96%
Others	3.50%
Cash & Cash Equivalent:	3.32%
Telecom	1.86%
Automobile	0.15%

** includes Cash / CBLO / Interest Rate Swap /Bills Rediscounting /Fixed Deposit /REPO / Margin Fixed Deposit

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<p>Transaction Charges</p> <p>(For Lumpsum Purchases and SIP Investments routed through distributor / agent)</p>	<p>SEBI has, with the intent to enable investment by people with small saving potential and to increase reach of Mutual Fund products in urban areas and in smaller towns, wherein the role of the distributor is considered vital, allowed AMC's vide its circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 to deduct transaction charges for subscription of Rs.10,000/- and above.</p> <p>In accordance with the said circular, ABSLAMC / Mutual Fund will deduct the transaction charges from the subscription amount and pay to the distributors as shown below (who have opted-in to receive the transaction charges on basis of type of product). Thereafter, the balance of the subscription amount shall be invested.</p> <p>1. Transaction charges shall be deducted for Applications for purchase/ subscription relating to new inflows and routed through distributor/ agent:</p> <table border="1" data-bbox="324 493 1469 693"> <thead> <tr> <th>Investor Type</th> <th>Transaction charges^</th> </tr> </thead> <tbody> <tr> <td>First Time Mutual Fund Investor (across Mutual Funds)</td> <td>Rs.150 for subscription application of Rs.10,000 and above.</td> </tr> <tr> <td>Investor other than First Time Mutual Fund Investor</td> <td>Rs.100 for subscription application of Rs.10,000 and above.</td> </tr> </tbody> </table> <p>2. ^The transaction charge, if any, shall be deducted by the ABSLAMC from the subscription amount and paid to the distributor; and the balance shall be invested and accordingly units allotted. The statement of account shall clearly state the net investment as gross subscription less transaction charge and depict the number of units allotted against the net investment amount.</p> <p>3. Transaction charges shall not be deducted/applicable for:</p> <ul style="list-style-type: none"> (a) purchases / subscriptions for an amount less than Rs.10,000/-; (b) Transaction other than purchases / subscriptions relating to new inflows such as Switches, etc. (c) Purchases / subscriptions made directly with the Mutual Fund (i.e. not routed through any distributor / agent). (d) Transactions carried out through the Stock Exchange Platforms for Mutual Funds. <p>4. Investor should note that, as per SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, the upfront commission, if any, on investment made by the investor shall continue to be paid by the investor directly to the Distributor by a separate cheque, based on his assessment of various factors including the service rendered by the Distributor.</p>	Investor Type	Transaction charges^	First Time Mutual Fund Investor (across Mutual Funds)	Rs.150 for subscription application of Rs.10,000 and above.	Investor other than First Time Mutual Fund Investor	Rs.100 for subscription application of Rs.10,000 and above.
Investor Type	Transaction charges^						
First Time Mutual Fund Investor (across Mutual Funds)	Rs.150 for subscription application of Rs.10,000 and above.						
Investor other than First Time Mutual Fund Investor	Rs.100 for subscription application of Rs.10,000 and above.						

Notwithstanding anything contained in the Key Information Memorandum, the provisions of SEBI (Mutual Funds) Regulations, 1996 and Guidelines thereunder shall be applicable. Further, investors may ascertain about any further changes from the Mutual Fund/Investor Service Centres /Distributors or Brokers.

Date: June 04, 2018

Place: Mumbai