

**SCHEME INFORMATION DOCUMENT**

**SECTION I**

**Mirae Asset Equity Allocator Fund of Fund**

An open-ended fund of fund scheme predominantly investing in units of domestic equity ETFs

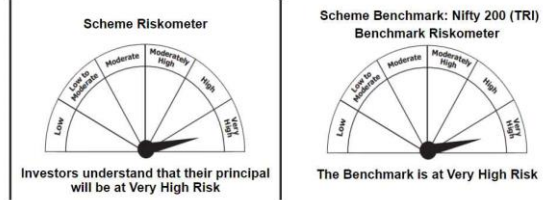
**PRODUCT LABELLING**

**Mirae Asset Equity Allocator Fund of Fund**

This product is suitable for investors who are seeking\*

- To generate long term capital appreciation/income
- Investments predominantly in units of equity Exchange Traded Funds

\*Investors should consult their financial advisors if they are not clear about the suitability of the product.



The above riskometer is as on October 31, 2024. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

*Continuous Offer for units at NAV based prices*

**Name of Mutual Fund: Mirae Asset Mutual Fund**

**Name of Asset Management Company:** Mirae Asset Investment Managers (India) Private Limited  
**CIN:** U65990MH2019PTC324625

**Name of Trustee Company:** Mirae Asset Trustee Company Private Limited  
**CIN:** U65191MH2007FTC170231

**Registered & Corporate Office:**

Unit No.606, Windsor Building, Off. C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098

**Tel. No.:** 022-678 00 300 **Fax No.:** 022- 6725 3940 - 47

**Website:** [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in) **E-mail:** [miraeasset@miraeassetmf.co.in](mailto:miraeasset@miraeassetmf.co.in)

The particulars of the Scheme have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (hereinafter referred to as SEBI (Mutual Funds) Regulations) as amended till date and circulars issued thereunder filed with SEBI, along with Due Diligence Certificate from the Asset Management Company. 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 SID.
The Scheme Information Document sets forth concisely the information about <b>Mirae Asset Equity Allocator Fund of Fund</b> that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this SID after the date of this Document from the Mutual Fund/ Investor Service Centers/ Website/ Distributors or Brokers.
The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Mirae Asset Mutual Fund, standard risk factors, special considerations, tax and legal issues and general information on <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>
SAI is incorporated by reference (is legally a part of the SID). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.
The SID (Section I and II) should be read in conjunction with SAI and not in isolation.
This SID is dated November 30, 2024

**Table of Contents**

<b>SECTION I</b> .....	<b>1</b>
<b>Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME</b> .....	<b>4</b>
<b>DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY</b> .....	<b>8</b>
<b>Part II. INFORMATION ABOUT THE SCHEME</b> .....	<b>9</b>
A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS? .....	9
B. WHERE WILL THE SCHEME INVEST?.....	10
C. WHAT ARE THE INVESTMENT STRATEGIES? .....	11
D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE? .....	11
E. WHO MANAGES THE SCHEME?.....	11
F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?.....	12
G. HOW HAS THE SCHEME PERFORMED.....	12
H. ADDITIONAL SCHEME RELATED DISCLOSURES .....	13
Part III- OTHER DETAILS .....	14
A. COMPUTATION OF NAV .....	14
B. NEW FUND OFFER (NFO) EXPENSES .....	15
C. ANNUAL SCHEME RECURRING EXPENSES .....	15
D. LOAD STRUCTURE .....	18
<b>Section II</b> .....	<b>19</b>
I. Introduction .....	19
A. Definitions/interpretation .....	19
B. Risk factors.....	19
C. Risk Mitigation Measures.....	26
II. Information about the scheme: .....	28
A. Where will the scheme invest?.....	28
B. What are the investment restrictions?.....	30
C. Fundamental Attributes .....	32
D. Other Scheme Specific Disclosures: .....	34
III. Other Details .....	44
A. Details of Underlying Fund.....	44
B. Periodic Disclosures .....	49
C. Transparency/NAV Disclosure .....	51
D. Transaction charges and stamp duty- .....	51
E. Associate Transactions .....	52
F. Taxation.....	52
G. Rights of Unitholders .....	54

H. List of official points of acceptance .....54

I. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations For Which Action May Have Been Taken Or Is In The Process Of Being Taken By Any Regulatory Authority...54

**Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME**

Sr. No.	Title	Description
I.	<b>Name of the scheme</b>	<b>Mirae Asset Equity Allocator Fund of Fund</b>
II.	<b>Category of the Scheme</b>	Fund of Funds – Domestic
III.	<b>Scheme type</b>	An open-ended fund of fund scheme predominantly investing in units of domestic equity ETFs
IV.	<b>Scheme code</b>	MIRA/O/O/FOD/20/08/0021
V.	<b>Investment objective</b>	The investment objective of the scheme is to provide long-term capital appreciation from a portfolio investing predominantly in units of domestic equity ETFs. There is no assurance that the investment objective of the Scheme will be realized.
VI.	<b>Liquidity details</b>	<p>The Scheme will offer units for purchases/switch-ins and redemptions/switch-outs at NAV based prices on all business days on an ongoing basis. Repurchase of Units will be at the NAV prevailing on the date the units are tendered for repurchase.</p> <p>As per SEBI Regulations, the Mutual Fund shall dispatch redemption proceeds within 3 Business Days of receiving a valid redemption request. A penal interest of 15% per annum or such other rate as may be prescribed by SEBI from time to time, will be paid in case the redemption proceeds are not made within 3 Business Days from the date of receipt of a valid redemption request.</p> <p>Further, clause 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024 has provided list of exceptional instances wherein additional time has been allowed for payment of redemption or repurchase proceeds.</p> <p>Currently the Units of the Scheme are not proposed to be listed on any stock exchange.</p>
VII.	<b>Benchmark (Total Return Index)</b>	<p>The benchmark of the scheme is NIFTY 200 Index (TRI).</p> <p><b><u>Rationale for adoption of benchmark:</u></b> The NIFTY 200 Index has been chosen as the benchmark as it captures the performance of large cap and midcap segment of the market as it consists of 100 large cap and 100 midcap companies, weighted based on Free float Mcap. Since the scheme will predominantly invest in the units of domestic equity ETFs, the portfolio of which is mostly based on stocks from large cap and/or midcap equity segment, hence NIFTY 200 index, is an appropriate benchmark.</p> <p>The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.</p>
VIII.	<b>NAV disclosure</b>	<p>The NAV of the Scheme will be calculated and disclosed on all Business Days. The AMC shall update the NAVs on the website of the Mutual Fund <a href="https://www.miraeassetmf.co.in/">https://www.miraeassetmf.co.in/</a> and on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 10.00 a.m. of the following business day.</p> <p>Further Details in Section II.</p>
IX.	<b>Applicable timelines</b>	<p>Timeline for</p> <ul style="list-style-type: none"> <li>Dispatch of redemption proceeds: 4 working days from the date of redemption</li> <li>Dispatch of IDCW (if applicable) etc.: within 7 working days from the record date</li> </ul>

X.	<p><b>Plans and Options</b> Plans/Options and sub options under the Scheme</p>	<p>The 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.</p> <p>Each of the above Regular and Direct Plan under the scheme will have the following Options: (1) Growth Option and (2) Income Distribution cum Capital Withdrawal (IDCW) Option.</p> <p>The IDCW Option shall have the following 2 sub-options:</p> <ul style="list-style-type: none"> <li>a) Payout of Income Distribution cum capital withdrawal option (“Payout of IDCW”)</li> <li>b) Reinvestment of Income Distribution cum capital withdrawal option (“Reinvestment of IDCW”).</li> </ul> <p>The default option for the unitholders will be Regular Plan - Growth Option if he is routing his investments through a distributor and Direct Plan – Growth option if he is a direct investor.</p> <p>If the unit holders select IDCW option but does not specify the sub-option then the default sub-option shall be Reinvestment of IDCW.</p> <p>Amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.</p> <p>Investors subscribing under Direct Plan of the Scheme will have to indicate “Direct Plan” against the Scheme name in the application form i.e. “Mirae Asset Equity Allocator Fund of Fund- Direct Plan”.</p> <p>Guidelines for Processing of transactions received under Regular Plan with invalid ARN</p> <p>In accordance with AMFI circular no. 135/BP/ 111 /2023-24 dated February 2, 2024, transactions received in Regular Plan with Invalid ARN shall be processed in Direct Plan of the same Scheme (even if reported in Regular Plan), applying the below logic:</p>
----	--	--

		Transaction Type	Primary ARN			SUB distributor ARN		EUI N*	Execution Only Mentioned	Regular Plan / Direct Plan
			Valid	Invalid	Empanelled	Valid	Invalid	Valid	Yes	
		Lump Sum/Registration	Y		Y				Y	Regular
			Y		N	Not applicable				Direct
			Y		Y	N.A	N.A	N.A	N	Regular
			Y		Y	Y		Y		Regular
				Y						Direct
			Y		Y	Y			Y	Regular
			Y		Y		Y			Direct
		Trigger	Y			Not applicable			Regular	
				Y		Not applicable			Direct	
		<p>The AMC reserves the right to introduce a new option / investment Plan at a later date, subject to the SEBI (MF) Regulations. The AMC also reserves the right to discontinue / withdraw any option / investment plan, if deemed fit, after taking approval of the Board of Directors of AMC and Trustee.</p> <p><b>**DIRECT PLAN:</b> Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Mutual Fund or through the stock exchange and is not available for investors who route their investments through a Distributor. For detailed disclosure on default plans and options, kindly refer SAI.</p>								
XI.	<b>Load Structure</b>	If redeemed or switched out within 5 calendar days from the date of allotment: 0.05%. If redeemed or switched out after 5 days from date of allotment: Nil								
XII.	<b>Minimum Application Amount/switch in</b>	Investors can invest under the Scheme during the ongoing offer period with a minimum investment of Rs.5,000/- and in multiples of Re. 1/- thereafter.  The minimum amount for SIP shall be Rs. 99/- and in multiples of Re. 1 thereafter  The Minimum Application shall not be applicable to the mandatory investments made in the Scheme pursuant to the provisions of clause 6.9 and 6.10 of SEBI Master Circular dated June 27, 2024, as amended from time to time.								
XIII.	<b>Minimum Additional Purchase Amount</b>	For subsequent additional purchases, the investor can invest with the minimum amount of Rs. 1000/- and in multiples of Re. 1/- thereafter.  The minimum amount for SIP shall be Rs. 500/- and in multiples of Re. 1 thereafter.								
XIV.	<b>Minimum Redemption/switch out amount</b>	The minimum redemption amount shall be 'any amount' or 'any number of units' as requested by the investor at the time of redemption request.								
XVII.	<b>Segregated portfolio/side pocketing disclosure</b>	The Scheme has the provision to segregate a portfolio comprising of debt or money market instrument affected by a credit event.  For Details, kindly refer SAI								
XVIII	<b>Swing pricing disclosure</b>	NA								

XIX.	<b>Stock lending/short selling</b>	The Scheme does not intend to participate in stock lending/securities lending.
XX.	<b>How to Apply and other details</b>	<p>Investors can undertake transactions in the Schemes of Mirae Asset Mutual Fund either through physical, online / electronic mode or any other mode as may be prescribed from time to time.</p> <p>Physical Transaction:</p> <p>Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or RTA or Distributors or can be downloaded from our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>.</p> <p>Online / Electronic Transactions</p> <p>Investors can undertake transactions via electronic mode through various online facilities offered by MAMF and other platforms specified by AMC from time to time.</p> <p>For further details of online / electronic mode please refer SAI.</p> <p>The list of the OPA / ISC are available on our website as well.</p> <p>Further details in Section II.</p>
XXI.	<b>Investor services</b>	<p>Contact Details for general service requests and complaint resolution:</p> <p><b>Mr. Chaitanya Chaubal</b> Mirae Asset Investment Managers (India) Pvt. Ltd. 606, 6<sup>th</sup> Floor, Windsor Bldg, Off CST Road, Kalina, Santacruz (E), Mumbai - 400 098. Telephone Nos.: 6780 0300 e-mail: <a href="mailto:customercare@miraeasset.com">customercare@miraeasset.com</a></p> <p><b>Investors may contact any of the ISCs or the AMC by calling the investor line of the AMC at "1800 2090 777" or visit the website at <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a> for complete details.</b></p>
XXIII	<b>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)</b>	Nil
XXIV	<b>Special product /facility available during NFO and on ongoing basis</b>	<p>The following facilities are available under the Scheme:</p> <ul style="list-style-type: none"> <li>• Systematic Investment Plan <ul style="list-style-type: none"> <li>○ Top-up facility under Systematic Investment Plan (SIP)</li> <li>○ SIP Pause facility:</li> <li>○ Multi-SIP Facility</li> <li>○ SIP Step-up &amp; Top-up facility</li> </ul> </li> <li>• Systematic Transfer Plan <ul style="list-style-type: none"> <li>○ Flex STP (Flexible STP) (erstwhile Variable Transfer Plan)</li> </ul> </li> <li>• Systematic Withdrawal Plan</li> <li>• C- SIP (Corporate SIP) (erstwhile Group Investment Plan)</li> </ul>

		<ul style="list-style-type: none"> <li>• WhatsApp Chatbot facility:</li> <li>• One Time Mandate (OTM) Facility:</li> <li>• UPI (Unified Payments Interface) AutoPay Mandate facility</li> <li>• Interscheme Switching</li> <li>• Intrascheme Switching</li> <li>•</li> </ul> <p>For further details of above special products / facilities, kindly refer SAI.</p>
XXV.	<b>Weblink</b>	<p>A weblink for Daily TER and TER for last 6 months:  <a href="https://www.miraeassetmf.co.in/downloads/statutory-disclosure/total_expense-ratio">https://www.miraeassetmf.co.in/downloads/statutory-disclosure/total_expense-ratio</a></p> <p>A weblink for scheme factsheet:  <a href="https://www.miraeassetmf.co.in/downloads/factsheet">https://www.miraeassetmf.co.in/downloads/factsheet</a></p>

**DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

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

Date: **November 30, 2024**  
Place: **Mumbai**

**Sd/-**  
Name: **Rimmi Jain**  
Designation: **Compliance Officer**



**Part II. INFORMATION ABOUT THE SCHEME**

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

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

Types of Instruments	Indicative allocation (% of total assets)	
	Minimum	Maximum
Units of domestic Equity Exchange Traded Funds (ETFs)	95%	100%
Money market instruments / debt securities, Instruments and/or units of debt/liquid schemes of domestic Mutual Funds	0	5%

- The Scheme shall not invest in securitised debt.
- The Scheme shall not invest in Structured Obligations / Credit Enhancements.
- The Scheme shall not invest in derivatives.
- The scheme shall not participate in repo in corporate debt securities.
- The Scheme shall not engage in securities lending or short selling
- The Scheme shall not participate in Credit Default Swaps
- The Scheme shall not invest in foreign securities

The Scheme can invest in the schemes managed by Mirae Asset Mutual Fund or any other Mutual Fund(s) as per the above stated asset allocation. The cumulative gross exposure through units of domestic Equity Exchange Traded Funds, Money market instruments / debt securities, Instruments and/or units of debt/liquid schemes of domestic Mutual Funds shall not exceed 100% of the net assets of the Scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.

The scheme will predominantly invest in the units of domestic equity ETFs, the portfolio of which shall mostly be based on stocks from large cap and/or midcap equity segment. The selection of stocks for the portfolio of underlying ETFs may be based on market cap range, sector, theme, strategy etc. or a combination of one or more of these styles.

The cumulative gross exposure to money market instruments, debt instruments will generally not exceed 5% of the Net Assets of the Scheme.

Debt securities include, but are not limited to, debt securities of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, collateralized debt securities or any other instruments as may be prevailing and permissible under the Regulations from time to time).

The debt securities (including money market instruments) referred to above could be fixed rate or floating rate, listed, unlisted, privately placed, among others, as permitted by regulation.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with clause 12.16 of SEBI Master Circular dated June 27, 2024.

Further, the Scheme may, pending deployment of funds invest in units of money market/liquid schemes of Mirae Asset Mutual Fund and/or any other mutual fund. Such investments will be within the limits specified under SEBI (MF) Regulations. The AMC shall not charge any investment management fees with respect to such investment.

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

Sl. no	Type of Instrument	Percentage of exposure	Circular references*
1.	Securities Lending	0%	Clause 12.11 of SEBI Master Circular dated June 27, 2024
2.	Derivatives	0%	Clause 12.25 of SEBI Master Circular dated June 27, 2024
3.	Equity Derivatives	0%	Clause 12.25 of SEBI Master Circular dated June 27, 2024
4.	Securitized Debt	0%	Clause 12.15 of SEBI Master Circular dated June 27, 2024
5.	Overseas Securities	0%	Clause 12.19 of SEBI Master Circular dated June 27, 2024
6.	Debt Instruments with Structured obligation /credit enhancement	0%	Clause 12.3 of SEBI Master Circular dated June 27, 2024
7.	Repo in Corporate Debt Securities	0%	Clause 12.18 of SEBI Master Circular dated June 27, 2024
8.	Credit default swaps	0%	Clause 12.28 of SEBI Master Circular dated June 27, 2024
9.	Short Selling	0%	Clause 12.11 of SEBI Master Circular dated June 27, 2024
10.	REITs and InvITs	0%	Clause 12.21 of SEBI Master Circular dated June 27, 2024
11.	Debt Instruments having Special Features	0%	clause 12.2 of SEBI Master Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated June 27, 2024

\*SEBI circular references (wherever applicable) in support of exposure limits of different types of asset classes in asset allocation shall be provided.

### Rebalancing due to passive breach

Subject to SEBI (MF) Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. As per clause 2.9 of SEBI Master Circular dated June 27, 2024 and in line with SEBI clarification letter dated June 29, 2022, such changes in the investment pattern will be for short term and for defensive consideration only. In the event of deviations, portfolio rebalancing will be carried out within 30 calendar days in such cases.

In the event of deviation from mandated asset allocation mentioned above due to passive breaches, the rebalancing will be carried out in 30 business days. Where the portfolio is not rebalanced within 30 business days, justification for the same including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period in accordance with clause 2.9.2 of SEBI Master Circular dated June 27, 2024 . However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

### B. WHERE WILL THE SCHEME INVEST?

1. Equity and Equity Related Instruments
2. Debt & Money Market Instruments

Detailed definition and applicable regulations/guidelines for each instrument shall be included in **Section II**.

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

As per investment objective, the scheme will predominantly invest in the units of domestic equity ETFs, the portfolio of which shall mostly be based on stocks from large cap and/or midcap equity segment. The selection of stocks for the portfolio of underlying ETFs may be based on market cap range, sector, theme, strategy etc. or a combination of one or more of these styles.

Investments made from the net assets of the Scheme would be in accordance with the investment objective of the Scheme and the provisions of the SEBI (MF) Regulations. The AMC will strive to achieve the investment objective by way of a judicious portfolio mix comprising of Debt and Money Market Instruments and equity/equity related instruments.

#### **Policy for Investment decisions**

The investment policy of the AMC has been determined by the Investment Committee (“IC”) which has been ratified by the Boards of the AMC and Trustee. At the strategic level, the broad investment philosophy of the AMC and the authorized exposure limits are spelt out in the Investment Policy of the AMC. During trading hours, the Fund Managers have the discretion to take investment decisions for the Scheme within the limits defined in the Investment Policy, these decisions and the reasons thereof are communicated to the CEO for post facto approval.

The designated Fund Manager(s) of the Scheme will be responsible for taking day-to-day investment decisions and will inter-alia be responsible for asset allocation, security selection and timing of investment decisions.

#### **Portfolio Turnover Policy**

Portfolio turnover is defined as the aggregate value of purchases or sales as a percentage of the corpus of a scheme during a specified period of time. The Scheme is open ended, with subscriptions and redemptions expected on a daily basis, resulting in net inflow/outflow of funds, and on account of the various factors that affect portfolio turnover; it is difficult to give an estimate, with any reasonable amount of accuracy.

However, during volatile market conditions, the fund manager has the flexibility to churn the portfolio actively to optimize returns keeping in mind the cost associated with it.

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

The performance of the scheme will be benchmarked to the performance of the NIFTY 200 Index (TRI).

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 of this scheme will be compared with its peers in the Industry. 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.

#### **Rationale for adoption of benchmark:**

The NIFTY 200 Index has been chosen as the benchmark as it captures the performance of large cap and midcap segment of the market as it consists of 100 large cap and 100 midcap companies, weighted based on Free float Mcap. Since the scheme will predominantly invest in the units of domestic equity ETFs, the portfolio of which is mostly based on stocks from large cap and/or midcap equity segment, hence NIFTY 200 index, is an appropriate benchmark.

The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

### **E. WHO MANAGES THE SCHEME?**

Sr. No.	Particulars	Details
i.	<b>Name</b>	Ms. Bharti Sawant
ii.	<b>Age</b>	38 years
iii.	<b>Qualification</b>	(ICFAI Hyderabad), CFA, B.Com
iv.	<b>Previous experience</b>	Ms. Sawant has professional experience of more than 17 years and her primary responsibility includes Investment Analysis & Fund Management. She has been associated with the AMC as an Investment Analyst since September 3, 2013. She was previously associated with Sushil Finance Securities Pvt. Ltd., Latin Manharlal Securities Pvt. Ltd., Kabu Shares & Stocking Pvt. Ltd. for Financial Analysis and Research.  Other schemes managed by Ms. Sawant:  Mirae Asset Equity Savings Fund (Equity Portion)
v.	<b>Tenure for which Fund Manager is managing the scheme</b>	4 years and 1 months (Since September 2020)

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

The existing Fund of Fund of Mirae Asset Mutual Fund are as below:

1. Mirae Asset Global X Artificial Intelligence & Technology ETF Fund of Fund
2. Mirae Asset Nifty 100 ESG Sector Leaders Fund of Fund
3. Mirae Asset NYSE FANG+ ETF Fund of Fund
4. Mirae Asset S&P 500 Top 50 ETF Fund of Fund
5. Mirae Asset Hang Seng TECH ETF Fund of Fund
6. Mirae Asset Nifty India Manufacturing ETF Fund of Fund
7. Mirae Asset Global Electric & Autonomous Vehicles ETFs Fund of Fund
8. Mirae Asset Nifty Smallcap250 Momentum Quality 100 ETF Fund of Fund
9. Mirae Asset Nifty Midsmallcap400 momentum quality 100 ETF Fund of Fund
10. Mirae Asset Nifty200 Alpha 30 ETF Fund of Fund
11. Mirae Asset Gold ETF Fund of Fund

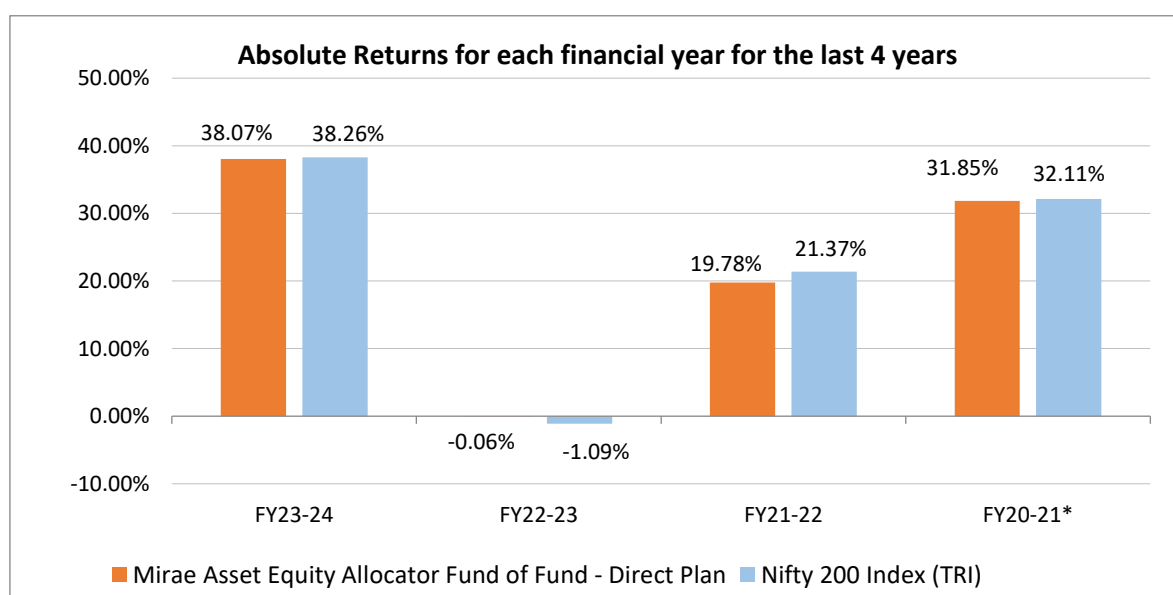
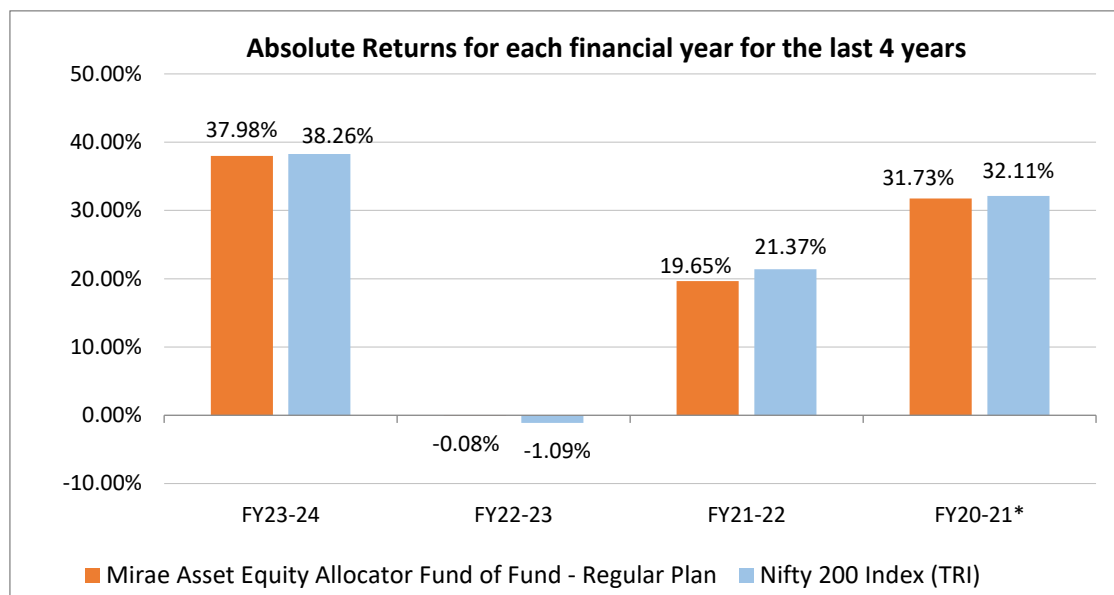
The table showing the differentiation of the Scheme with the existing Fund of Fund of Mirae Asset Mutual Fund is available at: <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>

#### G. HOW HAS THE SCHEME PERFORMED

Particulars	Regular Plan – Growth option		Direct Plan – Growth option	
	Scheme returns (%)	Benchmark Returns (%)	Scheme returns (%)	Benchmark Returns (%)
<b>Compounded Annualised Growth Returns (CAGR)</b>				
<b>Since Inception</b>	26.76	26.97	26.86	26.97
<b>Last 1 year</b>	40.03	40.41	40.11	40.41
<b>Last 3 years</b>	17.58	17.43	17.66	17.43
<b>Last 5 years</b>	NA	NA	NA	NA
<b>NAV as on 30/09/2024 (Rs.)</b>	25.986	19,267.03	26.070	19,267.03

Since inception date (21-Sep-20)

**Absolute Return for Each Financial Year for the Last 4 years**



\*from inception (21-Sep-20) to 31-Mar-24

**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

As per the SEBI standards for performance reporting, the returns are calculated on Rs.10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. The absolute graph of is computed from the Date of Allotment/1st April, as the case maybe, to 31st March of the respective financial year.

**H. ADDITIONAL SCHEME RELATED DISCLOSURES**

- i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors are available on functional website link:- <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>
- ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description :- N.A
- iii. Functional website link for Portfolio Disclosure:- <https://www.miraeassetmf.co.in/downloads/portfolio>
- iv. Portfolio Turnover Ratio: N.A since it is a Fund of Fund
- v. Aggregate investment in the Scheme by:

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.)
		Units	NAV per unit	
	Fund Manager(s)			
	Bharti Sawant	89,860.61	26.07	23,42,665.97

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 – <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>

The AMC shall not invest in any of the schemes unless full disclosure of its intention to invest has been made in the Scheme Information Document and that the AMC shall not be entitled to charge any fees on such investment

### Part III- OTHER DETAILS

#### A. COMPUTATION OF NAV

The NAV of the Units of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date.

NAV of Units under the Options there under can be calculated as shown below:

NAV = (Market or Fair Value of Scheme's investments + Current assets including Accrued Income - Current Liabilities and provisions including accrued expenses)

---

No. of Units outstanding under the Scheme/Option.

The NAV, the sale and repurchase prices of the Units will be calculated and announced at the close of each working day. The NAVs of the Scheme will be computed and units will be allotted upto 3 decimals.

Computation of NAV will be done after taking into account IDCW paid, if any, and the distribution tax/TDS thereon, if applicable. Therefore, once IDCW are distributed under the IDCW Option, the NAV of the Units under the IDCW Option would always remain lower than the NAV of the Units issued under the Growth Option. The income earned and the profits realized in respect of the Units issued under the Growth Option remain invested and are reflected in the NAV of the Units.

The valuation of the Schemes' assets and calculation of the Schemes' NAVs shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

#### Illustration on Computation of NAV:

If the net assets of the Scheme are Rs.10,65,44,345.34 and units outstanding are 1,00,00,000 then the NAV per unit will be computed as follows:

$10,65,44,345.34 / 1,00,00,000 = \text{Rs. } 10.654 \text{ p.u. (rounded off to three decimals)}$

**Methodology for calculation of sale and re-purchase price of the units of mutual fund scheme:**

- **Ongoing Price for subscription (purchase)/ switch-in (from other schemes/ plans of the mutual fund) by investors. (This is the price you need to pay for purchase/ switch-in):**

The Sale Price for a valid purchase will be the Applicable NAV.

i.e. Sale Price = Applicable NAV

For a valid purchase request of Rs. 10,000 where the applicable NAV is Rs. 11.1234, the units allotted will be:

$$= \frac{10,000 \text{ (i.e. purchase amount)}}{11.1234 \text{ (i.e. applicable NAV)}}$$

= 899.006 units (rounded to three decimals)

**Transaction charges and other charges/expenses, if any, borne by the investors have not been considered in the above illustration.**

- **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):**

The Repurchase Price for a valid repurchase will be the applicable NAV reduced by any exit load (say 1%).  
i.e. applicable NAV - (applicable NAV X applicable exit load).

For a valid repurchase request where the applicable NAV is Rs. 12.1234, the repurchase price will be:

$$= 12.1234 - (12.1234 \times 1.00\%)$$

$$= 12.1234 - 0.1212$$

$$= \text{Rs. } 12.0022$$

Therefore, for a repurchase of 899.006 units, the proceeds received by the investor will be -

$$= 899.006 \text{ (units)} \times 12.0022 \text{ (Repurchase price)}$$

$$= \text{Rs. } 10,790.049 \text{ (rounded to three decimals)}$$

**Transaction charges and other charges/expenses, if any, borne by the investors have not been considered in the above illustration.**

The Mutual Fund may charge the load within the stipulated limit of 5% and without any discrimination to any specific group. The Repurchase Price however, will not be lower than 95% of the NAV.

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

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

These expenses incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. were borne by the AMC. No NFO expenses were charged to the Scheme.

**C. ANNUAL SCHEME RECURRING EXPENSES**

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

The AMC has estimated that upto 1% of the daily net assets of the scheme 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 <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/total-expense-ratio>

Particulars	% p.a. of daily net assets
Investment Management & Advisory Fee	Upto 1.00%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission**	
Cost related to investor communications	
Cost of fund transfer from location to location***	
Cost of providing account statements and redemption cheques and IDCW warrants	
Costs of statutory Advertisements	
Brokerage & transaction cost over and above 12 bps for cash market transactions	
Goods and Services tax on expenses other than investment and advisory fees	
Goods and Services tax on brokerage and transaction cost	
Other Expenses*	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)</b>	
^ Additional expenses under regulation 52 (6A) (c)	Upto 0.05%
**Additional expenses for gross new inflows from specified cities***	Upto 0.30%

*Since it is a Fund of Fund Scheme, the investor shall bear the recurring expense of the scheme in addition to the expense of the underlying scheme.*

Provided that the total expense ratio to be charged over and above the weighted average of the total expense ratio of the underlying scheme shall not exceed two times the weighted average of the total expense ratio levied by the underlying scheme(s), subject to the overall ceilings as stated in the above table.

\*Other expenses: Any other expenses which are directly attributable to the Scheme, may be charged with approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

^ Such expenses will not be charged if exit load is not levied/not applicable to the scheme.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

\*\*Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under Direct Plan. 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 purpose of the above table is to assist the investor in understanding the various costs & expenses that the investor in the Scheme will bear directly or indirectly. These estimates have been made in good faith as per the information available to the AMC and the above expenses (including investment management and advisory fees) are subject to inter-se change and may increase/decrease as per actual and/or any change in the Regulations, as amended from time to time.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route.



\*\*\* Note: clause 10.1 of SEBI Master Circular dated June 27, 2024 has directed AMCs to keep B-30 incentive structure in abeyance with effect from March 01, 2023 till further notice.

All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan. The TER of the Direct Plan will be lower to the extent of the distribution expenses/commission which is charged in the Regular Plan and no commission for distribution of Units will be paid / charged under the Direct Plan.

In addition to the limits as specified in Regulation 52(6) of SEBI (Mutual Funds) Regulations 1996 [‘SEBI Regulations’] or the Total Recurring Expenses (Total Expense Limit) as specified above, the following costs or expenses may be charged to the scheme namely:-

a) GST payable on investment and advisory service fees (‘AMC fees’) charged by Mirae Asset Investment Managers (India) Private Limited (‘Mirae Asset AMC’);

Within the Total Expense Limit chargeable to the Scheme, following will be charged to the Scheme:

(a) GST on other than investment and advisory fees, if any, (including on brokerage and transaction costs on execution of trades) shall be borne by the Scheme;

(b) Brokerage and transaction cost incurred for the purpose of execution shall be charged to the schemes (a) up to 12 bps and 5 bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage & transaction costs, over and above the said 12 bps and 5 bps for cash market transactions and 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 (Mutual Funds) Regulations, 1996.

The current expense ratios will be updated on the AMC website <https://miraeassetmf.co.in/downloads/regulatory> at least 3 working days prior to the effective date of the change.

Further, the notice of change in base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A) (b) and 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996) in comparison to previous base TER charged to the scheme will be communicated to investors of the scheme through notice via email or SMS at least three working days prior to effecting such change.

However, any decrease in TER due to decrease in applicable limits as prescribed in Regulation 52 (6) (i.e. due to increase in daily net assets of the scheme) would not require issuance of any prior notice to the investors. Further, such decrease in TER will be immediately communicated to investors of the scheme through email or SMS and uploaded on the AMC website.

The above change in the base TER in comparison to previous base TER charged to the scheme shall be intimated to the Board of Directors of AMC along with the rationale recorded in writing.

The changes in TER shall also be placed before the Trustees on quarterly basis along with rationale for such changes.

#### **Illustration of impact of expense ratio on scheme’s returns (by providing simple example)**

<b>Particulars</b>		<b>Regular Plan</b>	<b>Direct Plan</b>
Opening NAV per unit	A	10.0000	10.0000
Gross Scheme Returns @ 8.75%	B	0.8750	0.8750
Expense Ratio @ 1.50 % p.a.	C = (A x 1.50%)	0.1500	0.1500
Distribution Expense Ratio @ 0.25 % p.a. *	D = (A x 0.25%)	0.0250	0.0000
Total Expenses	E = C + D	0.1750	0.1500
Closing NAV per unit	F = A + B - E	10.7000	10.7250
Net 1 Year Return	F/A - 1	<b>7.00%</b>	<b>7.25%</b>

\*Distribution/Brokerage expense is not levied in direct plan

The above calculation is provided to illustrate the impact of expenses on the scheme returns and should not be construed as indicative Expense Ratio, yield or return

#### **D. 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 (<https://www.miraeassetmf.co.in/>) or may call at '1800 2090 777' or your distributor.

<b>Type of Load</b>	<b>Load chargeable (as %age of NAV)</b>
Exit	If redeemed or switched out within 5 Calendar days from the date of allotment: 0.05% If redeemed or switched out after 5 days from date of allotment: Nil

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

The Mutual Fund may charge exit load within the stipulated limit of 5% and without any discrimination to any specific group. The Repurchase Price however, will not be lower than 95% of the NAV.

The Trustee reserves the right to modify/alter the load structure and may decide to charge on the Units with prospective effect, subject to the maximum limits as prescribed under the SEBI Regulations. At the time of changing the load structure, the AMC shall take the following steps:

- Arrangements shall be made to display the changes/modifications in the SID in the form of a notice in all the Mirae Asset ISCs' and distributors' offices and on the website of the AMC.
- The notice-cum-addendum detailing the changes shall be attached to SIDs and Key Information Memoranda. The addendum will be circulated to all the distributors so that the same can be attached to all SIDs and Key Information Memoranda already in stock.
- The introduction of the exit load along with the details shall be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.
- A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
- Any other measures which the mutual funds may feel necessary.

The AMC may change the load from time to time and in case of an exit/repurchase load this may be linked to the period of holding. It may be noted that any such change in the load structure shall be applicable on prospective investment only. The exit load (net off GST, if any, payable in respect of the same) shall be credited to the Scheme of the Fund.

The distributors should disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor.

## Section II

### **I. Introduction**

#### **A. Definitions/interpretation**

Please refer the definitions/interpretation as disclosed under:  
<https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>

#### **B. Risk factors**

##### **Standard Risk Factors:**

- Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal
- As the price / value / interest rate of the securities in which the Scheme invests fluctuates, the value of your investment in the scheme can go up or down depending on various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor/ AMC/ Mutual Fund does not guarantee the future performance of the Scheme.
- The Scheme does not in any manner indicate its quality or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1.00 lakh made by it towards setting up the Mirae Asset Mutual Fund.
- The present scheme is not a guaranteed or assured return scheme. In addition, the scheme does not guarantee or assure any Income Distribution cum Capital Withdrawal (IDCW) and also does not guarantee or assure that it will make any IDCW distribution, though it has every intention to make the same in the distributions of Income Distribution cum Capital Withdrawal option. All IDCW distributions of Income Distribution cum Capital Withdrawal will be subjected to the investment performance of the Scheme.

##### **Scheme Specific Risk Factors**

Some of the specific risk factors related to the Scheme include, but are not limited to the following:

- As the investors are incurring expenditure at both the Fund of Funds level and the schemes into which the Fund of Funds invests, the returns that they may obtain may be materially impacted or may at times be lower than the returns that investors may obtain by directly investing in such schemes.
- As the Fund of Funds scheme may shift the weightage of investments between schemes into which it invests, the expense charged being dependent on the structure of the underlying schemes (being different) may lead to a non- uniform charging of expenses over a period of time.
- In the Fund of Funds (FOF) factsheets and disclosures of portfolio will be limited to providing the particulars of the schemes invested at FOF level, thus investors may not be able to obtain specific details of the investments of the underlying schemes.
- While it would be the endeavor of the Fund Manager of the Fund of Funds scheme to invest in the target schemes in a manner, which will seek to maximize returns, the allocation pattern and the performance of the underlying funds may vary which may lead to the returns of the Fund of Funds being adversely impacted.
- The scheme specific risk factors of each of the underlying schemes become applicable where a fund of funds invest. Investors who intend to invest in Fund of Funds are required to and are deemed to have read and understood the risk factors of the underlying schemes in which Fund of Funds scheme invest in. Copies of the Scheme Information Documents pertaining to the various schemes of Mirae Asset Mutual Fund, which disclose the relevant risk factors, are available at the Investor/Customer Service Centers or may be accessed at [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in). For the underlying schemes of other AMCs, please refer to their regulatory disclosures.

- The FoF may invest in a scheme of other AMCs apart from Mirae Asset Mutual Fund. The product and risk management policies affecting the underlying scheme hence may differ.
- The FoF may invest in the underlying ETF through stock exchange, where market price of underlying ETF may be different from its Indicative Net Asset Value (INAV)/NAV. This may affect the performance of the scheme.
- The subscription and redemption in FoF is also dependent on the liquidity of the underlying scheme. The illiquidity of the same may affect the performance of the FoF
- A Fund Manager managing the Fund of Funds scheme may also be the Fund Manager for any underlying schemes.

**Risks associated with ADR / GDR / Foreign Securities:**

- The scheme will not have any exposure to ADR / GDR / Foreign Securities.

**Risks associated with Derivatives:**

- The scheme will not have any exposure to Derivatives.

**Risks associated with Securitized Debt**

- The scheme will not have any exposure to Securitized debt.

**Risks associated with Short Selling and Securities Lending**

- The scheme does not intend to short sell the securities and will not engage in Securities lending.

**Risks Associated with Debt & Money Market Instruments**

- 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 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.

- **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.
- **Concentration Risk:** The Scheme portfolio may have higher exposure to a single sector, subject to maximum of 20% of net assets, depending upon availability of issuances in the market at the time of investment, resulting in higher concentration risk. Any change in government policy / businesses environment relevant to the sector may have an adverse impact on the portfolio.
- **Different types of securities** in which the scheme would invest as given in the SID 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.

#### **Risks associated with segregated portfolio**

- Investor holding units of segregated portfolio may not be able to liquidate their holding till the time recovery of money from the issuer.
- Security comprises of segregated portfolio may not realise any value.
- Listing of units of segregated portfolio in recognised 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.

#### **Risks associated with investing in Tri-Party Repo through CCIL (TREPS)**

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Triparty Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. CCIL maintains prefunded resources in all the clearing segments to cover potential losses arising from the default member. In the event of a clearing member failing to honour his settlement obligations, the default Fund is utilized to complete the settlement. The sequence in which the above resources are used is known as the "Default Waterfall". As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member). However, it may be noted that a member shall have the right to submit resignation from the membership of the Security segment if it has taken a loss through replenishment of its contribution to the default fund for the segments and a loss threshold as notified have been reached. The maximum contribution of a member towards replenishment of its contribution to the default fund in the 7 days (30 days in case of securities segment) period immediately after the afore-mentioned loss threshold having been reached shall not exceed 5 times of its contribution to the Default Fund based on the last re-computation of the Default Fund or specified amount, whichever is lower. Further, it may be noted that, CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral."

The underlying schemes having exposure to the fixed income securities and/ or equity and equity related securities will be subject to the following risks and in turn the Scheme's/ Plans' performance will be affected accordingly.

#### **RISKS ASSOCIATED WITH INVESTING IN UNDERLYING SCHEMES (AS APPLICABLE):**

The scheme specific risk factors of each of the underlying schemes become applicable where a fund of funds invests in any underlying scheme. Investors who intend to invest in Fund of Funds are required to and are deemed to have read and understood the risk factors of the underlying schemes in which the Fund of Funds scheme invest in. Copies of the Scheme Information Documents pertaining to the various schemes of Mirae Asset Mutual Fund, which disclose the relevant risk factors, are available at the Customer Service Centers or may be accessed at [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in). For the underlying schemes of other AMCs, please refer to their regulatory disclosures.

#### Tracking Error and Tracking Difference 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, changes to the underlying index and regulatory restrictions, which may result in Tracking Error with the underlying index. The Scheme's returns may therefore deviate from those of the 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. "Tracking Difference" is the annualized difference of daily returns between the Index and the NAV of the scheme (difference between fund return and the index return). Tracking Error and Tracking difference may arise including but not limited to the following reasons:

- Expenditure incurred by the Fund.
- Available funds may not be invested at all times as the Scheme may keep a portion of the funds in cash to meet Redemptions, for corporate actions or otherwise.
- Securities trading may halt temporarily due to circuit filters.
- Corporate actions such as debenture or warrant conversion, rights issuances, mergers, change in constituents etc.
- Rounding-off of the quantity of shares in the underlying index.
- Dividend payout.
- Index providers undertake a periodical review of the scrips that comprise the underlying index and may either drop or include new scrips. In such an event, the Fund will try to reallocate its portfolio but the available investment/reinvestment opportunity may not permit absolute mirroring immediately.

SEBI Regulations (if any) may impose restrictions on the investment and/or divestment activities of the Scheme. Such restrictions are typically outside the control of the AMC and may cause or exacerbate the Tracking Error.

It will be the endeavour of the fund manager to keep the tracking error as low as possible. However, in case of events like, dividend received from underlying securities, rights issue from underlying securities, and market volatility during rebalancing of the portfolio following the rebalancing of the underlying index, etc. or in abnormal market circumstances may result in tracking error. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Index.

#### **Risks Associated with Equity Investments:**

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, changes in law/ policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the

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

### **Risks Associated with Debt & Money Market Instruments**

- **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 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.
- **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.
- **Concentration Risk:** The Scheme portfolio may have higher exposure to a single sector, subject to maximum of 20% of net assets, depending upon availability of issuances in the market at the time of investment, resulting in higher concentration risk. Any change in government policy / businesses environment relevant to the sector may have an adverse impact on the portfolio.
- **Different types of securities in which the scheme would invest as given in the SID 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.

### **Risks Associated with Derivatives**

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 instruments. Such risks include mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. 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 call option bears a risk of loss if the value of the underlying asset increases above the exercise price. The loss can be unlimited as underlying asset

can increase to any levels. The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price and the loss is limited to strike price.

Investments in futures face the same risk as the investments in the underlying securities. The extent of loss is the same as in the underlying securities. However, the 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 the potential high volatility of the futures markets. The derivatives are also subject to liquidity risk as the securities in the cash markets. The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility in the values. For further details please refer to section "Investments Limitations and Restrictions in Derivatives" in this SID.

#### **Risk associated with Covered Call**

If the underlying price rises above the strike, the short call loses its value as much as the underlying stock gains and as a result the upside of the stock always gets capped. This is a lost opportunity risk.

a) Writing call options are highly specialized activities and entail higher than ordinary investment risks. In such investment strategy, the profits from call option writing is capped at the option premium, however the downside depends upon the increase in value of the underlying equity shares. This downside risk is reduced by writing covered call options.

b) The Scheme may write covered call option only in case it has adequate number of underlying equity shares as per regulatory requirement. This would lead to setting aside a portion of investment in underlying equity shares. If covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately if the view changes to sell and exit the stock. The covered call options need to be unwound before the stock positions can be liquidated. This may lead to a loss of opportunity, or can cause exit issues if the strike price at which the call option contracts have been written become illiquid. Hence, the scheme may not be able to sell the underlying equity shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity.

c) The writing of covered call option would lead to loss of opportunity due to appreciation in value of the underlying equity shares. Hence, when the appreciation in equity share price is more than the option premium received the scheme would be at a loss.

d) The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of Scheme to buy any options.

#### **Risk associated with Securities Lending**

Securities Lending is a 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.

In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to 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.

#### **Risk Associated with Securitised Debt**



The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential/commercial properties. ABS/MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/MBS or the originator of the underlying receivables. The ABS/MBS holders have a limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement provided, ABS/MBS holders will suffer credit losses. ABS/MBS are also normally exposed to a higher level of reinvestment risk as compared to the normal corporate or sovereign debt.

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

1. Auto Loans (cars / commercial vehicles / two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/ receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitized debt are as follows:

**Prepayment Risk:** This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

**Reinvestment Risk:** Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

#### **Risk Associated with structured obligations and credit enhancement**

The Scheme may invest in domestic structured obligations such as corporate / promoter guarantee: Securities which have a structure with a guarantee from the corporate / promoter, may see an adverse effect if there are any signs of stress at the promoter / group level, even though the standalone borrowing entity's debt servicing capability and repayments may not see any material impact, from a future cash flow perspective.

Where equity shares are provided as collateral there is the risk of sharp price volatility of underlying securities which may lead to erosion in value of collateral which may affect the ability of the fund to enforce collateral and recover capital and interest obligations. Also there is a possibility of guarantor going insolvent which also can impact the recovery value of exposure. In case of credit enhanced structures backed by equity share the liquidity of the underlying shares may be low leading to a lower recovery and a higher impact cost of liquidation. In case of other assets provided recovery value and enforce ability of asset can also be a risk factor which can lower the recovery value.

#### **Risk factors associated with instruments having special features**

- The scheme may invest in certain debt instruments with special features which may be subordinated to equity and thereby such instruments may absorb losses before equity capital. The instrument is also convertible to equity upon trigger of a pre-specified event for loss absorption as may be decided by the RBI.
- The debt instruments with special features are considered as Non-Convertible Debentures, may be treated as debt instruments until converted to equity.
- The instruments are subject to features that grant issuer a discretion in terms of writing down the principal/coupon, to skip coupon payments, to make an early recall etc. Thus debt instruments with special features are subject to “Coupon discretion”, “Loss Absorbency”, “Write down on Point of Non-viability trigger(PONV) event” and other events as more particularly described as per the term sheet of the underlying instruments.
- The instrument is also subject to Liquidity Risk pertaining to how saleable a security is in the market. The particular security may not have a market at the time of sale due to uncertain/insufficient liquidity in the secondary market, then the scheme may have to bear an impact depending on its exposure to that particular security.

#### **C. Risk Mitigation Measures**

The underlying schemes having exposure to the fixed income securities and/ or equity and equity related securities will be subject to the following risks and in turn the Scheme’s/ Plans’ performance will be affected accordingly.

##### **Concentration Risk**

The Scheme will try and mitigate this risk by investing in large number of companies so as to maintain optimum diversification and keep stock-specific concentration risk relatively low.

##### **Liquidity Risk**

As such the liquidity of stocks that the fund invests into could be relatively low. The fund will try to maintain a proper asset-liability match to ensure redemption / Maturity payments are made on time and not affected by illiquidity of the underlying stocks.

##### **Risks Associated with Equity Investments:**

The scheme shall have a diversified portfolio to counter the volatility in the prices of individual stocks. Diversification in the portfolio reduces the impact of high fluctuations in daily individual stock prices on the portfolio.

##### **Risks Associated with Debt & Money Market Instruments**

**Credit Risk** - The fund has a rigorous credit research process. There is a regulatory and internal cap on exposure to each issuer. This ensures a diversified portfolio and reduced credit risk in the portfolio.

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.

##### **Risks Associated with Repo in Corporate Debt**

###### **1) Illiquidity Risk**

The repo market for corporate debt securities is over the counter (OTC) and illiquid. Hence, repo obligations cannot be easily sold to other parties. Therefore, to mitigate such risks, it has been stipulated that gross exposure to Repo in corporate bonds would be limited to 10% of net assets of the concerned scheme. Further, the tenor of repo would be taken based on nature and unit holders' pattern of the scheme.

## **2) Counter-party risk**

Credit risk would arise if the counter-party fails to repurchase the security as contracted or if counterparty fails to return the security or interest received on due date. To mitigate such risks, the schemes shall carry out repo transactions with only those counterparties, which has a credit rating of 'A1+' or 'AA and above'. In case of lending of funds as a repo buyer, minimum haircuts on the value of the collateral security have been stipulated, and we would receive the collateral security in the scheme's account before the money is lent to the counter-party. Overall, we would have a limited number of counter-parties, primarily comprising of Mutual Funds, Scheduled Commercial banks, Financial Institutions and Primary dealers. Similarly, in the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter-party may hurriedly dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to the Scheme. Thus, the Scheme may suffer losses in such cases. Sufficient funds flow management systems are in place to mitigate such risks.

## **3) Collateral Risk (as a repo buyer)**

Collateral risks arise due to fall in the value of the security (change in credit rating and/or interest rates) against which the money has been lent under the repo arrangement. To mitigate such risks, we have stipulated the minimum credit rating of the issuer of collateral security.

('AA' for long-term instruments/A1+ for money market instruments), maximum duration of the collateral security (10 years) and minimum haircuts on the value of the security.

## **Risk Mitigation measures**

- The FoF will invest in ETFs, which in cumulation will endeavor to have a diversified equity portfolio comprising stocks across various sectors of the economy to reduce sector specific risks. All the underlying ETF scheme related risk factors will apply to the Fund of Fund.
- Any investments in debt securities would be undertaken after assessing the associated credit risk, interest rate risk and liquidity risk.

The Scheme will also invest in debt securities and money market instruments.

- The credit quality of the portfolio will be maintained and monitored using in-house research capabilities as well as inputs from external sources such as independent credit rating agencies.
- The investment team will primarily use a top down approach for taking interest rate view, sector allocation along with a bottom up approach for security/instrument selection.
- The bottom up approach will assess the quality of security/instrument (including the financial health of the issuer) as well as the liquidity of the security.
- Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification.

Risk is an inherent part of the investment function. Effective risk management is critical to fund management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objective of the Scheme and provisions of SEBI (MF) Regulations. AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools like but not limited to calculating risk ratios, tracking error etc. The AMC has implemented Bloomberg as the Front Office and Settlement System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and "soft" warning alerts at appropriate levels

for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same so as to act in a preventive manner.

The risk control measures for managing the debt portion of the scheme are:

1. Monitoring risk adjusted returns performance of the fund with respect to its peers and its benchmark.
2. Tracking analysis of the fund on various risk parameters undertaken by independent fund research / rating agencies or analysts and take corrective measures if needed.
3. Credit analysis plays an important role at the time of purchase of bond and then at the time of regular performance analysis. Our internal research anchors the credit analysis. Sources for credit analysis include Capital Line, CRISIL, ICRA updates etc. Debt ratios, financials, cash flows are analysed at regular intervals to take a call on the credit risk.
4. We define individual limits for G-Sec, money market instruments, MIBOR linked debentures and corporate bonds exposure, for diversification reasons.

The Scheme does not propose to underwrite issuances of securities of other issuers. There will be no exposure to securitized debt securities in the portfolio.

## **II. Information about the scheme:**

### **A. Where will the scheme invest?**

#### **Equity and Equity Related Instruments:**

The Scheme can invest in the schemes managed by Mirae Asset Mutual Fund or any other Mutual Fund(s) as per the above stated asset allocation. The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme.

The scheme will predominantly invest in the units of domestic equity ETFs, the portfolio of which shall mostly be based on stocks from large cap and/or midcap equity segment. The selection of stocks for the portfolio of underlying ETFs may be based on market cap range, sector, theme, strategy etc. or a combination of one or more of these styles.

#### **Debt & Money Market Instruments:**

The Scheme will invest in debt and money market instruments. It retains the flexibility to invest across all the securities in the debt and money markets.

Debt securities and Money Market Instruments will include but will not be limited to:

- a. Securities created and issued by the Central and State Governments as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- b. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- c. Debt securities of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
- d. Corporate debt (of both public and private sector undertakings).
- e. Obligations/ Term Deposits of banks (both public and private sector) and development financial institutions.

- f. Money market instruments permitted by SEBI/RBI, or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements.
- g. Certificate of Deposits (CDs).
- h. Commercial Paper (CPs). A part of the net assets may be invested in the Tri-party repo or in an alternative investment as may be provided by RBI to meet the liquidity requirements.
- i. The non-convertible part of convertible securities.
- j. Any other domestic fixed income securities as permitted by SEBI / RBI from time to time.
- k. Any other instruments/securities, which in the opinion of the fund manager would suit the investment objective of the scheme subject to compliance with extant Regulations.

The Investment Manager will invest only in those debt securities that are rated investment grade by a domestic credit rating agency authorized to carry out such activity, such as CRISIL, ICRA, CARE, FITCH, etc. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals.

The Scheme shall not enter into any repurchase and reverse repurchase obligations in all securities held by it.

#### **Overview of Debt Markets in India**

Indian fixed income market, one of the largest and most developed in South Asia, is well integrated with the global financial markets. Screen based order matching system developed by the Reserve Bank of India (RBI) for trading in government securities, straight through settlement system for the same, settlements guaranteed by the Clearing Corporation of India and innovative instruments like TREPS have contributed in reducing the settlement risk and increasing the confidence level of the market participants.

The RBI reviews the monetary policy six times a year giving the guidance to the market on direction of interest rate movement, liquidity and credit expansion. The central bank has been operating as an independent authority, formulating the policies to maintain price stability and adequate liquidity. Bonds are traded in dematerialized form. Credit rating agencies have been playing an important role in the market and are an important source of information to manage the credit risk.

Government (Central and State) is the largest issuer of debt in the market. Public sector enterprises, quasi government bodies and private sector companies are other issuers. Insurance companies, provident funds, banks, mutual funds, financial institutions, corporates and FPIs are major investors in the market. Government loans are available up to 40 years maturity. Variety of instruments available for investments including plain vanilla bonds, floating rate bonds, money market instruments, structured obligations and interest rate derivatives make it possible to manage the interest rate risk effectively.

Indicative levels of the instruments as on November 6, 2024 are as follows:

<b>Instrument</b>	<b>Maturity</b>	<b>Tenure</b>	<b>Yield</b>	<b>Liquidity</b>
TREPS / Repo	Short	Overnight	6.24	Very High
CP / CD / T Bills	Short	3 months CP*	7.54	High
		3 months CD	7.17	
		1 Year CP*	7.85	
		1 Year CD	7.55	

Central Government securities	Low to High	10 years	6.83	Medium
-------------------------------	-------------	----------	------	--------

Source: Bloomberg \*Data is for NBFC.

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

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

- 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. shall be subject to the following:
  - a. Investments shall only be made in such instruments, including bills rediscounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.
  - b. Exposure in such instruments, shall not exceed 5% of the net assets of the scheme.
  - c. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.
- 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.

However, the scheme 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.

- A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company. Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and TREPS. Provided further that investment within such limit can be made in mortgaged backed securitised debts which are rated not below investment grade by a credit rating agency registered with the Board.

Further, in accordance with Clause 12.8 of SEBI Master Circular Dated June 27, 2024, 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 above.

Considering the nature of the scheme, investments in such instruments will be permitted upto 5% of its NAV.

- Inter scheme transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if such transfers are done at the prevailing market price for quoted instruments on spot

basis. Explanation -“Spot basis” shall have same meaning as specified by stock exchange for spot transactions. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

Pursuant to Clause 12.30 of SEBI Master Circular dated June 27, 2024, ISTs may be allowed in the following scenarios:

- i. for meeting liquidity requirement in a scheme in case of unanticipated redemption pressure
- ii. for Duration/ Issuer/ Sector/ Group rebalancing

No IST of a security shall be done, if there is negative news or rumors in the mainstream media or an alert is generated about the security, based on internal credit risk assessment. The Scheme shall comply with the guidelines for inter-scheme transfers as specified under clause 12.30 of SEBI Master Circular dated June 27, 2024.

- The scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities; Further, the scheme shall not engage in short selling or securities lending and borrowing scheme. The scheme shall not enter into derivatives transactions.
- The Scheme shall get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.
- The Scheme shall not make any investment in: a) Any unlisted security of an associate or group company of the Sponsor; or b) Any security issued by way of private placement by an associate or group company of the sponsor; or c) The listed securities of group companies of the Sponsor which is in excess of 25% of the net assets.
- The scheme shall not make any investment in any fund of funds scheme.
- The Mutual Fund having an aggregate of securities which are worth Rs.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by SEBI, settle their transactions entered on or after January 15, 1998 only through dematerialized securities. Further, all transactions in government securities shall be in dematerialized form.
- Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with clause 12.16 of SEBI Master Circular dated June 27, 2024 .
- The mutual fund shall not borrow except to meet temporary liquidity needs of the mutual funds for the purpose of repurchase, redemption of units or payment of interest or dividend to the unitholders. Provided that the mutual fund shall not borrow more than 20 per cent of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.

As per clause 12.16.1.3 of SEBI Master Circular dated June 27, 2024 on investments in Short Term Deposits (STDs) of Scheduled Commercial Banks: :

- Total investment of the Scheme in Short term deposit(s) of all the Scheduled Commercial Banks put together shall not exceed 15% of the net assets. However, this limit can be raised upto 20% of the net assets with prior approval of the trustees. Further, investments 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.
- “Short Term” for parking of funds by Mutual Funds shall be treated as a period not exceeding 91 days

- The Scheme shall not invest more than 10% of the net assets in short term deposit(s), of any one scheduled commercial bank including its subsidiaries.
- The Scheme shall not invest in short term deposit of a bank which has invested in that Scheme. AMC shall also ensure that the bank in which a scheme has Short term deposit do not invest in the said scheme until the scheme has Short term deposit with such bank.
- Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
- The investments in short term deposits of scheduled commercial banks will be reported to the Trustees along with the reasons for the investment which, inter-alia, would include comparison with the interest rates offered by other scheduled commercial banks. Further, AMC shall ensure that the reasons for such investments are recorded in the manner prescribed in clause 12.23 of SEBI Master Circular dated June 27, 2024.
- The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time. The Trustee may alter the above restrictions from time to time to the extent that changes in the regulations may allow. All investment restrictions shall be applicable at the time of making investment.
- The aforesaid limits shall not be applicable to term deposits placed as margins for trading in cash and derivatives market.

### C. Fundamental Attributes

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

#### (i) Type of a scheme

An open-ended fund of fund scheme predominantly investing in units of domestic equity ETFs.

Open ended – Fund of Fund

#### (ii) Investment Objective

The investment objective of the scheme is to provide long-term capital appreciation from a portfolio investing predominantly in units of domestic equity ETFs. There is no assurance that the investment objective of the Scheme will be realized.

- **Main Objective** - Growth and Income
- **Investment pattern**

#### Asset allocation:

Types of Instruments	Indicative allocation (% of total assets)	
	Minimum	Maximum
Units of domestic Equity Exchange Traded Funds (ETFs)	95%	100%
Money market instruments / debt securities, Instruments and/or units of debt/liquid schemes of domestic Mutual Funds	0	5%



Subject to SEBI (MF) Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. As per clause 2.9 of SEBI Master Circular dated June 27, 2024 and in line with SEBI clarification letter dated June 29, 2022, such changes in the investment pattern will be for short term and for defensive consideration only. In the event of deviations, portfolio rebalancing will be carried out within 30 Business days in such cases.

In the event of deviation from mandated asset allocation mentioned above due to passive breaches, the rebalancing will be carried out in 30 business days. Where the portfolio is not rebalanced within 30 business days, justification for the same including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period in accordance with clause 2.9.2 of SEBI Master Circular dated June 27, 2024 . However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

### **(iii) Terms of Issue**

- **Listing:**

The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility on the exchange is provided. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and if the Trustee considers it necessary in the interest of unit holders of the Scheme.

### **Redemption:**

The Unit Holder has the option to request for Redemption either in amount in rupees or in number of Units. In case the request for Redemption specifies both, i.e. amount in rupees as well the number of Units to be redeemed, then the latter will be considered as the redemption request and redemption will be processed accordingly. The minimum redemption amount shall be 'any amount' or 'any number of units' as requested by the investor at the time of redemption request. The Trustees have authorized the AMC to suo moto redeem such fractional balance units (less than 1 unit), on periodic basis across all schemes, as and when decided by the AMC. Units can be redeemed (sold back to the Fund) at the Redemption Price during the Ongoing Offer Period. If an investor has purchased Units of a Scheme on more than one Business Day the Units will be redeemed on a first-in-first-out basis. If multiple Purchases are made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.

### **Redemption Price:**

The Redemption Price of the Units is the price at which a Unit Holder can redeem Units of a scheme. It will be calculated as described below:

Redemption Price = Applicable NAV - (Applicable NAV x Exit Load\*)

\* Exit Load, whatever is applicable, will be charged.

Redemption Price will be calculated for up to three decimal places for the Scheme.

For example, if the Applicable NAV of a Scheme is Rs.10.5550, and it has a 2% Exit Load, the Redemption Price will be calculated as follows:

Redemption Price = 10.5550 - (10.5550 X 2.00%) i.e. 10.4550 - 0.2110 = 10.3440

If the Scheme has no Exit Load, the Redemption Price will be equal to the Applicable NAV.

The Securities Transaction Tax levied under the Income Tax Act, 1961, at the applicable rate on the amount of redemption will be reduced from the amount of redemption.

**To illustrate:**

If a Redemption of 4,900 units is sought by the Unit Holder at a Redemption Price of Rs. 10.3440 (as calculated above), the redemption amount is Rs. 50,685.60. Securities Transaction Tax (STT) for instance is 0.001%. This will be further reduced by the STT of Re. 0.50 (i.e. Rs. 50,685.60 x 0.001%), making the net redemption amount Rs. 50,685.10.

If a Redemption of Rs. 10,000 is sought by the Unit Holder at a Net Redemption Price of Rs. 10.3440 (as calculated above), which will give 966.744 Units; the effective redemption amount will be grossed up to Rs. 10,204.08 (i.e.  $10,000 \div (1-2\%)$ ) and 966.744 units ( $10,204.08 \div 10.555$ ) will be redeemed. This is to ensure that the Unit Holder receives the net amount of Rs. 10,000 as desired.

Investors may note that the Trustee has a right to modify the existing Load structure in any manner subject to a maximum as prescribed under the Regulations and with prospective effect only.

Please refer section – LOAD STRUCTURE.

Applicable NAV for Redemption / Switch-Out / Systematic Transfer Plan:

In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable.

In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.

- **Aggregate fees and expenses charged to the scheme**

For detailed fees and expenses charged to the scheme please refer to section- I Part - III ‘C – Annual Scheme Recurring Expenses’.

- **Any safety net or guarantee provided**

There is no assurance OR guarantee of returns.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024 the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

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

**D. Other Scheme Specific Disclosures:**

Listing and transfer of units	The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility on the exchange is provided. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and if the Trustee considers it necessary in the interest of unit holders of the Scheme.
-------------------------------	--

Units held in Demat form are transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018, as may be amended from time to time. Transfer can be made only in favor of transferees who are capable of holding Units and having a Demat Account. The delivery instructions for transfer of Units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode. Further, for the procedure of release of lien, the investors shall contact their respective Depository.

However, if a person becomes a holder of the Units consequent to operation of law or upon enforcement of a pledge, the Mutual 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 Mutual Fund subject to production of satisfactory evidence.

Please refer SAI for details on transmission, nomination, lien, pledge, duration of the Scheme and Mode of Holding.

**Transfer of units held in Non-Demat [Statement of Account ('SOA')] mode:**

Pursuant to the provisions of AMFI Best Practices Guidelines Circular No.116 /2024-25 dated August 14, 2024, units held by individual unitholders in Non-Demat ('SoA') mode can be transferred under the following categories:

- a. surviving joint holder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s).
- b. Nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee;
- c. a minor unitholder who has turned a major and has changed his/her status from minor to major, wants to add the name of the parent / guardian, sibling, spouse etc. in the folio as joint holder(s).

Partial transfer of units held in a folio shall be allowed. However, if the balance units in the transferor's folio falls below specified threshold / minimum number of units as specified in the SID, such residual units shall be compulsorily redeemed, and the redemption amount will be paid to the transferor.

If the request for transfer of units is lodged on the record date, the IDCW payout/ reinvestment shall be made to the transferor.

Redemption of the transferred units shall not be allowed for 10 days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently.

The facility for transfer of Units held in Non-Demat (SOA) mode shall be made available only through online mode via the transaction portals

	<p>of the RTAs and the MF Central i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper-based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc.</p> <p>For further details on Pre-requisites and Payment of Stamp duty on Transfer of Units, please refer SAI.</p>
Dematerialization of units	<p>The Unit holders are given an Option to hold the units by way of an Account Statement (Physical form) or in Dematerialized ('Demat') form.</p> <p>Mode of holding shall be clearly specified in the KIM cum application form.</p> <p>The Unit holder intending to hold the units in Demat form are required to have a beneficiary account with the Depository Participant (DP) (registered with NSDL / CDSL). Unit holders opting to hold the units in demat form must provide their Demat Account details like the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP, in the specified section of the application form. In case Unit holders do not provide their Demat Account details, unit will be allotted to them in physical form and an Account Statement shall be sent to them.</p> <p>Investors holding units in dematerialized form as well as investors holding units in physical form, both shall be able to trade on the BSE StAR MF Platform, NSE NMF II and ICEX.</p>
Dividend Policy (IDCW)	<p>The IDCW warrants shall be dispatched to the unit holders within 7 working days from the record date.</p> <p>In case of Unit Holder having a bank account with certain banks with which the Mutual Fund would have made arrangements from time to time, the IDCW proceeds shall be directly credited to their account.</p> <p>The IDCW will be paid by warrant and payments will be made in favor of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p> <p>Further, the IDCW proceeds may be paid by way of ECS/EFT/NEFT/RTGS/any other manner through which the investor's bank account specified in the Registrar &amp; Transfer Agent's records is credited with the IDCW proceeds as per the instructions of the Unit holders.</p> <p>In case the delay is beyond seven working days, then the AMC shall pay interest @ 15% p.a. from the expiry of seven working days till the date of dispatch of the warrant.</p>
Allotment	<p>The AMC shall send an allotment confirmation specifying the units allotted by way of e-mail and/or SMS within 5 Business Days of receipt of valid application to the Unit holders registered e-mail address and/or mobile number.</p>

	<p>In case of specific request received from investors, Mutual Fund shall provide the account statement to the investors within 5 working days from the receipt of such request without any charges.</p> <p>Allotment of Units and dispatch of Account Statements to FPIs will be subject to RBI approval, if required.</p> <p>For investors who have given Demat account details in the application form, the Units issued by the AMC shall be credited by the Registrar to the investors' beneficiary account with the DP as per information provided in the application form and information of allotment will be accordingly sent by the Registrar.</p> <p>The Units will be computed and accounted for up to whole numbers (complete integers) only and no fractional units will be allotted for all Subscriptions/Application Money.</p> <p>If any fractional units are calculated as a result of the switch application, the units in the resultant scheme would be allotted to the extent of the entire such application money from the source scheme and will be computed and accounted for up to 3 decimal places and that no refund shall be paid/refunded to the investor for said such fractional Units. Accordingly, the clause for multiples of Re.1 will not be applicable for switch transactions both during On-Going basis.</p>
<p><b>Who can invest</b> This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.</p>	<ul style="list-style-type: none"> <li>• Indian resident adult individuals, either singly or jointly (not exceeding three);</li> <li>• Minor through parent / lawful guardian; (please see the note below)</li> <li>• Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;</li> <li>• Partnership Firms constituted under the Partnership Act, 1932;</li> <li>• Limited Liability Partnerships (LLP);</li> <li>• A Hindu Undivided Family (HUF) through its Karta;</li> <li>• Banking Company as defined under the Banking Regulation Act, 1949;</li> <li>• Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</li> <li>• Public Financial Institution as defined under the Companies Act, 1956;</li> <li>• Insurance Company registered with the Insurance Regulatory and Development Authority (IRDA);</li> <li>• Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) on full repatriation basis or on non-repatriation basis;</li> <li>• Foreign Portfolio Investors (FPI) (including overseas ETFs, Fund of Funds) registered with SEBI on repatriation basis;</li> <li>• Mutual Funds/ Alternative Investment Funds registered with SEBI</li> <li>• Army, Air Force, Navy and other para-military funds and eligible institutions;</li> <li>• Scientific and Industrial Research Organizations;</li> <li>• Provident / Pension / Gratuity and such other Funds as and when permitted to invest;</li> <li>• International Multilateral Agencies approved by the Government of India / RBI; and</li> </ul>

	<ul style="list-style-type: none"> <li>• The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws).</li> <li>• A Mutual Fund through its schemes if permitted by the regulatory authorities.</li> <li>• Special Purpose Vehicles (SPVs) approved by appropriate authority (subject to RBI approval).</li> <li>• Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorized to invest in mutual fund schemes under their trust deeds;</li> <li>• Qualified Foreign Investors subject to the conditions prescribed by SEBI, RBI, Income Tax authorities and the AMC, from time to time on repatriation basis.</li> <li>• Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI Regulations/RBI, etc.</li> </ul> <p><b>Note: 1.</b> Minor Unit Holder on becoming major may inform the Registrar about attaining majority and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card as mentioned under the paragraph “Anti Money Laundering and Know Your Customer” to enable the Registrar to update their records and allow him to operate the Account in his own right.</p> <p><b>Note 2. Applicants under Power of Attorney:</b> An applicant willing to transact through a power of attorney must lodge the photocopy of the Power of Attorney (PoA) attested by a Notary Public or the original PoA (which will be returned after verification) within 30 Days of submitting the Application Form / Transaction Slip at a Designated Collection Centre. Applications are liable to be rejected if the power of attorney is not submitted within the aforesaid period.</p>
Who cannot invest	<p>It should be noted that the <b>following entities cannot invest in the scheme:</b></p> <ul style="list-style-type: none"> <li>• Any individual who is 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.</li> <li>• 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.)</li> <li>• Non-Resident Indians residing in the Financial Action Task Force (FATF) Non-Compliant Countries and Territories (NCCTs)</li> <li>• “U.S. Person” under the U.S. Securities Act of 1933 and corporations or other entities organized under the laws of U.S.</li> <li>• Residents of Canada or any Canadian jurisdiction under the applicable securities laws.</li> <li>• 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.</li> </ul>

	<p>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.</p> <p>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.</p>
<p>How to apply and other details</p>	<p>Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or RTA or Distributors or can be downloaded from our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>.</p> <p>The list of the OPA / ISC are available on our website as well.</p> <p>Investors intending to trade in Units of the Schemes, through the exchange platform will be required to provide demat account details in the application form.</p> <p><b>Registrar &amp; Transfer Agent:</b> <b>KFin Technologies Limited</b></p> <p>Registered Office: Karvy Selenium, Tower B, Plot Number 31 &amp; 32, Financial District, Gachibowli, Hyderabad - 500 034.</p> <p>Contact Persons: Mr. Babu PV Tel No. : 040 3321 5237 Email Id : <a href="mailto:babu.pv@kfintech.com">babu.pv@kfintech.com</a></p> <p>Mr. 'P M Parameswaran' Tel No. : 040 3321 5396 Email Id : <a href="mailto:parameswaran.p@kfintech.com">parameswaran.p@kfintech.com</a></p> <p>Website address: <a href="https://mfs.kfintech.com/mfs/">https://mfs.kfintech.com/mfs/</a></p> <p><b>Branches:</b> Applications can be submitted at collecting bankers and Investor Service Centers of Mirae Asset Investment Managers (India) Pvt. Ltd and KFin Technologies Limited. Details of which are furnished on back cover page of this document.</p> <p>Please refer the AMC website at the following link for the list of official points of acceptance, collecting banker details etc.: <a href="https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data">https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data</a></p> <p><b>Website of the AMC:</b></p>

	<p>Investor can also subscribe to the Units of the Scheme through the website of the AMC i.e. <a href="https://www.miraeassetmf.co.in/investor-center/investor-services">https://www.miraeassetmf.co.in/investor-center/investor-services</a></p> <p><b>Stock Exchanges:</b> A Unit holder may purchase Units of the Scheme through the Stock Exchange infrastructure. Investors can hold units only in dematerialized form.</p> <p><b>MF Utility (MFU):</b> A unitholder may purchase units of the Plan(s) under the Scheme through MFU.</p> <p>All financial and non-financial transactions pertaining to Schemes of Mirae Asset Mutual Fund can also be submitted through MFU either electronically or physically through the authorized Points of Service (“POS”) of MFUI. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a> and may be updated from time to time.</p> <p>Investors to note that it is mandatory to mention the bank account numbers in the applications/requests for redemption.</p> <p>Please refer to the SAI and application form for the instructions.</p>
<p>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</p>	<p>All units can be reissued without any limit by the Scheme.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>A unit shall be freely transferable by act of parties or by operation of law.</p> <p>The units with the depository will be transferable in accordance with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.</p> <p>Any additions / deletions of names will not be allowed under any folio of the Scheme. However, the provisions pertaining to transfer will not be applicable in case a person (i.e. a transferee) becomes a holder of the Units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the Scheme.</p> <p>The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer. The delivery instructions for transfer of Units will have to be lodged with the DP in the requisite form as may be required from time to time and transfer will be effected in accordance with such rules/ regulations as may be in force governing transfer of securities in dematerialized form.</p> <p><b>RIGHT TO RESTRICT REDEMPTION AND / OR SUSPEND REDEMPTION OF THE UNITS:</b></p>



	<p>The Fund at its sole discretion reserves the right to restrict Redemption (including switchout) of the Units (including Plan /Option) of the Scheme of the Fund upon occurrence of the below mentioned events for a period not exceeding ten (10) working days in any ninety (90) days period subject to approval of the Board of Directors of the AMC and the Trustee. The restriction on Redemption (including switch-out) shall be applicable where the Redemption (including switch-out) request is for a value above Rs. 2,00,000/- (Rupees Two Lakhs). Further, no restriction shall be applicable to the Redemption / switch-out request upto Rs. 2,00,000/- (Rupees Two Lakhs). It is further clarified that, in case of redemption request beyond Rs. 2,00,000/- (Rupees Two Lakhs), no restriction shall be applicable on first Rs. 2,00,000/- (Rupees Two Lakhs).</p> <p>The Trustee / AMC reserves the right to restrict Redemption or suspend Redemption of the Units in the Scheme of the Fund on account of circumstances leading to a systemic crisis or event(s) that severely constrict market liquidity or the efficient functioning of the markets. A list of such circumstances under which the restriction on Redemption or suspension of Redemption of the Units in the Scheme of the Fund may be imposed are as follows:</p> <ol style="list-style-type: none"> <li>1. Liquidity issues- when market at large becomes illiquid affecting almost all securities rather than any issuer specific security; or</li> <li>2. Market failures / Exchange closures; or</li> <li>3. Operational issues; or</li> <li>4. If so directed by SEBI.</li> </ol> <p>It is clarified that since the occurrence of the abovementioned eventualities have the ability to impact the overall market and liquidity situation, the same may result in exceptionally large number of Redemption requests being made and in such a situation the indicative timelines (i.e. within 3-4 Business Days) mentioned by the Fund in the scheme offering documents, for processing of requests for Redemption may not be applicable.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Cut-off time is the time before which the Investor's Application Form(s) (complete in all respects) should reach the Official Points of Acceptance to be entitled to the Applicable NAV of that Business Day.</p> <p>An application will be considered accepted on a Business Day, subject to it being complete in all respects and received and time stamped upto the relevant Cut-off time mentioned below, at any of the Official Points of Acceptance of transactions. Where an application is received and the time stamping is done after the relevant Cut-off time the request will be deemed to have been received on the next Business Day.</p> <p>Cut off timing for subscriptions/purchases/switch- ins:</p> <ol style="list-style-type: none"> <li>i. In respect of valid applications received upto 3.00 p.m. at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase/switch-ins as per the application are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time- the closing NAV of the day shall be applicable.</li> <li>ii. In respect of valid applications received after 3.00 p.m. at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the Scheme before the cut-off time of the next Business</li> </ol>

	<p>Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.</p> <p>iii. Irrespective of the time of receipt of applications at the Official Point(s) of Acceptance, where the funds for the entire amount of subscription/purchase/ switch-ins as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</p> <p>For Redemption/ Repurchases/Switch out:</p> <p>i. In respect of valid application accepted at an Official Points of Acceptance up to 3 p.m. on a Business Day by the Fund, the closing NAV of that day will be applicable.</p> <p>ii. In respect of valid application accepted at an Official Point of Acceptance as listed in the SAI, after 3 p.m. on a Business Day by the Fund, the closing NAV of the next Business Day will be applicable.</p>
<p>Minimum amount for purchase/redemption/switches</p>	<p>Purchase : Rs. 5000/- and in multiples of Re. 1/- thereafter Additional Purchase: Rs.1000/- and in multiples of Re.1/- thereafter.</p> <p>Investments through SIP: Rs. 99/- and in multiples of Re.1/- thereafter.</p> <p>Redemption: The minimum redemption amount shall be ‘any amount’ or ‘any number of units’ as requested by the investor at the time of redemption request.</p> <p>The Minimum Application and redemption amount mentioned above shall not be applicable to the mandatory investments made in the Scheme pursuant to the provisions of clause 6.10 of SEBI Master Circular dated June 27, 2024, as amended from time to time.</p>
<p>Accounts Statements</p>	<p>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).</p> <p>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.</p> <p>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</p> <p>For further details, refer SAI.</p>
<p>Dividend/ IDCW</p>	<p>The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date or as per timelines prescribed by SEBI/AMFI from time to time</p>

Redemption	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within four working days from the date of redemption or repurchase.</p> <p>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024.</p>
Bank Mandate	<p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements and any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p>
Delay in payment of redemption / repurchase proceeds/dividend	<p>The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay.</p>
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	<p>As per the Clause 14.3 of SEBI Master Circular dated June 27, 2024, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments and in a separate plan of Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. The AMCs shall not be permitted to charge any exit load in this plan.</p> <p>Provided that such schemes where the unclaimed redemption and IDCW 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.</p> <p>The investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount can be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts.</p> <p>The website of Mirae Asset Mutual Fund also provides information on the process of claiming the unclaimed amount and the necessary forms / documents required for the same.</p> <p>The details of such unclaimed amounts are also disclosed in the annual report sent to the Unit Holders.</p> <p>Important Note: All applicants must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Disclosure w.r.t investment by minors	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified account of the minor i.e.</li> </ul>

	<p>the account the minor may hold with the parent/ legal guardian after completing all KYC formalities.</p> <ul style="list-style-type: none"> <li>• The AMC will send an intimation to Unit holders advising the minor (on attaining majority) to submit an application form along with prescribed documents to change the status of the account from ‘minor’ to ‘major’.</li> <li>• All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account.</li> <li>• No investments (lumpsum/SIP/ switch in/ STP in etc.) in the scheme would be allowed once the minor attains majority i.e. 18 years of age.</li> </ul> <p>Please refer SAI for details on Transmission of Units.</p>
<p>Investments in Scheme by AMC, Sponsor &amp; Associates</p>	<p>Subject to the Regulations, the AMC and investment companies managed by the Sponsor(s), their associate companies and subsidiaries may invest either directly or indirectly, in the Scheme during the NFO and/or on ongoing basis. However, the AMC shall not charge any investment management fee on such investment in the Scheme, in accordance with sub-regulation 3 of Regulation 24 of the Regulations and shall charge fees on such amounts in future only if the SEBI Regulations so permit. The associates, the Sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme’s units and collectively constitute a major investment in the Schemes. The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time and required by applicable regulations and also in accordance with Clause 6.11 of SEBI Master Circular dated June 27, 2024 regarding minimum number of investors in the Scheme.</p> <p>In terms of SEBI notification dated August 5, 2021 and as per Regulation 25, sub-regulation 16A of SEBI (Mutual Funds) Regulations, the asset management company shall invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by the Board from time to time</p>

### III. Other Details

#### A. Details of Underlying Fund

##### 1. MIRAE ASSET NIFTY 50 ETF

**Details of Benchmark of underlying Fund:-** Nifty 50 TRI index

#### About the Benchmark

The NIFTY 50 is a diversified 50 stock index accounting for 13 sectors of the economy. It is used for a variety of purposes such as benchmarking fund portfolios, index-based derivatives and index funds.

#### Index Methodology:

#### Criteria for Selection of constituent stocks:

Constituents of NIFTY 100 index that are available for trading in NSE's Futures & Options segment and company's trading frequency is 100% in the last six months are eligible for inclusion in the NIFTY 50 index. Selection of the index set is based on the following criteria: • Liquidity (Impact Cost) For inclusion in the index, the security should have traded at an average impact cost of 0.50% or less during the last six months for 90% of the observations for a basket size of Rs. 10 Crores. Impact cost is cost of executing a transaction in a security in proportion to the weightage of its free float market capitalisation as against the index free float market capitalisation at any point of time. This is the percentage mark up suffered while buying / selling the desired quantity of a security compared to its ideal price (best buy + best sell) / 2.

**Index Re-Balancing:** Index is re-balanced on semi-annual basis in June and December. Four weeks prior notice is given to market from the date of change.

**Index Governance:** A professional team manages all NSE indices. There is a three-tier governance structure comprising the Board of Directors of NSE Indices Limited, the Index Advisory Committee (Equity) and the Index Maintenance Sub-Committee.

**Investment Objective of underlying Fund:-** The investment objective of the scheme is to generate returns, before expenses, that are commensurate with the performance of the Nifty 50 Index, subject to tracking error. The Scheme does not guarantee or assure any returns.

**Investment Strategy of underlying Fund:-**

The NIFTY 50 ETF will be managed passively with investments in stocks in a proportion that match as close as possible to the weights of these stocks in Nifty 50 Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections/redemptions in the Scheme. A part of the funds may be invested in debt and money market instruments, to meet the liquidity requirements.

**TER of underlying fund as on September 30, 2024:** - 0.04%

**Asset Under Management of the underlying fund as on September 30, 2024:** - Rs. 3389.14 Cr.

**Year wise performance as on September 30, 2024:** - The performance of MIRAE ASSET NIFTY 50 ETF

Particulars		
Compounded Annualised Growth Returns (CAGR)	Scheme returns (%)	Benchmark Returns (%)
Since Inception	17.53	17.67
Last 1 year	32.87	33.00
Last 3 years	14.87	14.94
Last 5 years	18.83	18.98
NAV as on 30/09/2024 (Rs.)	274.8239	38,315.21

**Top 10 Holding of the underlying fund as on September 30, 2024:-**

Name of the Instrument	ISIN	Industry	Quantity	Market/Fair Value(Rs. in Lacs)	% to Net Assets
HDFC Bank Limited	INE040A01034	Banks	22,18,228	38420.82	11.34%
Reliance Industries Limited	INE002A01018	Petroleum Products	9,91,623	29284.11	8.64%
ICICI Bank Limited	INE090A01021	Banks	20,60,228	26226.70	7.74%

Infosys Limited	INE009A01021	IT - Software	10,52,465	19740.03	5.82%
ITC Limited	INE154A01025	Diversified FMCG	27,20,214	14094.79	4.16%
Bharti Airtel Limited	INE397D01024	Telecom - Services	7,83,816	13399.73	3.95%
Tata Consultancy Services Limited	INE467B01029	IT - Software	2,98,889	12758.08	3.76%
Larsen & Toubro Limited	INE018A01030	Construction	3,44,250	12653.08	3.73%
Axis Bank Limited	INE238A01034	Banks	8,33,467	10269.98	3.03%
State Bank of India	INE062A01020	Banks	11,25,082	8864.52	2.62%

## 2. Mirae Asset Nifty Midcap 150 ETF

**Details of Benchmark of underlying Fund:-** Nifty Midcap 150 TRI index

### About the Benchmark

The Nifty Midcap 150 Index aims to track the performance of midcap stocks listed or permitted to trade on NSE. This index aims to measure the performance of mid-market capitalization companies. The index includes 150 companies (companies ranked 101-250) based on full market capitalization from the Nifty 500 Index.

### Index Methodology:

NIFTY Midcap 150 Index is computed using free float market capitalization method, wherein the level of the index reflects the total free float market value of all the stocks in the index relative to particular base market capitalization value.

### Criteria for Selection of constituent stocks:

- i To be considered for inclusion in NIFTY Midcap 150 index, companies must form part of NIFTY 500
- ii Securities will be included if rank based on full market capitalization is among top 225
- iii Securities will be included if full market capitalization is 1.50 times of the last constituent in NIFTY Midcap 150
- iv Securities will be excluded if rank based on full market capitalization falls below 275 or if constituents get excluded from NIFTY 500
- v Eligibility criteria for newly listed security is checked based on the data for a three-month period instead of a six-month period

**Index Re-Balancing:** Index is re-balanced on semi-annual basis. The cut-off date is January 31 and July 31 of each year, i.e. For semiannual review of indices, average data for six months ending the cut-off date is considered. Four weeks prior notice is given to market from the date of change.

**Index Governance:** A professional team manages all NSE indices. There is a three-tier governance structure comprising the Board of Directors of NSE Indices Limited, the Index Advisory Committee (Equity) and the Index Maintenance Sub-Committee.

**Investment Objective of underlying Fund:-** The investment objective of the scheme is to generate returns, before expenses, that are commensurate with the performance of the Nifty Midcap 150 Total Return Index, subject to tracking error. The Scheme does not guarantee or assure any returns.

### Investment Strategy of underlying Fund:-

The Mirae Asset Nifty Midcap 150 ETF will be managed passively with investments in stocks in the same proportion as in the Nifty Midcap 150 Index. The investment strategy of the Scheme will be to invest in a basket of securities forming part of Nifty Midcap 150 Index in similar weight proportion. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, considering the change in weights of stocks in the Index as well as the incremental collections/redemptions in

the Scheme. A part of the funds may be invested in debt and money market instruments, to meet the liquidity requirements.

**TER of underlying fund as on September 30, 2024: - 0.05%**

**Asset Under Management of the underlying fund as on September 30, 2024: - Rs. 945.06 Crores**

**Year wise performance as on September 30, 2024: - The performance of Mirae Asset Nifty Midcap 150 ETF**

Particulars		
Compounded Annualised Growth Returns (CAGR)	Scheme returns (%)	Benchmark Returns (%)
Since Inception	35.10	35.41
Last 1 year	48.02	48.21
Last 3 years	NA	NA
Last 5 years	NA	NA
NAV as on 30/09/2024 (Rs.)	22.5812	28,192.01

**Top 10 Holding of the underlying fund as on September 30, 2024:-**

Name of the Instrument	ISIN	Industry	Quantity	Market/Fair Value(Rs. in Lacs)	% to Net Assets
Suzlon Energy Limited	INE040H01021	Electrical Equipment	31,55,614	2526.07	2.67%
Max Healthcare Institute Limited	INE027H01010	Healthcare Services	1,97,713	1948.96	2.06%
The Indian Hotels Company Limited	INE053A01029	Leisure Services	2,33,410	1598.16	1.69%
Persistent Systems Limited	INE262H01021	IT - Software	28,279	1541.32	1.63%
Lupin Limited	INE326A01037	Pharmaceuticals & Biotechnology	64,172	1406.07	1.49%
Dixon Technologies (India) Limited	INE935N01020	Consumer Durables	10,058	1388.30	1.47%
Cummins India Limited	INE298A01020	Industrial Products	36,065	1372.65	1.45%
PB Fintech Limited	INE417T01026	Financial Technology (Fintech)	84,350	1366.43	1.45%
Colgate Palmolive (India) Limited	INE259A01022	Personal Products	35,255	1341.28	1.42%
BSE Limited	INE118H01025	Capital Markets	36,107	1330.42	1.41%

**3. Mirae Asset Nifty Next 50 ETF**

**Details of Benchmark of underlying Fund:-** Nifty Next 50 TRI index

**About the Benchmark**

The NIFTY Next 50 is a diversified 50 stock index accounting for 14 sectors of the economy. The NIFTY Next 50 Index represents 50 companies from NIFTY 100 after excluding the NIFTY 50 companies. It is used for a variety of purposes such as benchmarking fund portfolios, index based derivatives and index funds.

**Index Methodology:**

NIFTY Next 50 is a well diversified 50 stocks index accounting for 14 sectors of the economy. It is computed using a free float market capitalisation weighted method wherein the level of the index reflects the total market value of all the stocks in the index relative to a particular base period. The method also takes into account constituent changes in the index and importantly corporate actions such as stock splits, rights, etc without affecting the index value. Stocks are selected based on their float adjusted market capitalization, liquidity and other factors. NIFTY Next 50 Index is a broad based diversified index. It has a base period of November 4, 1996 with a base index value of 1000.

**Criteria for Selection of constituent stocks:**

To be considered for inclusion in NIFTY Next 50 index, companies must form part of NIFTY 100, but should not be forming part of the NIFTY 50. Eligibility criteria for newly listed security are checked based on the data for a three-month period instead of a six-month period. Index Re-Balancing: Index is re-balanced on semi-annual basis. The cut-off date is January 31 and July 31 of each year, i.e. For semi-annual review of indices, average data for six months ending the cut-off date is considered. Four weeks prior notice is given to market from the date of change.

**Index Re-Balancing:** Index is re-balanced on semi-annual basis. The cut-off date is January 31 and July 31 of each year, i.e. For semiannual review of indices, average data for six months ending the cut-off date is considered. Four weeks prior notice is given to market from the date of change.

**Index Governance:** A professional team manages all NSE indices. There is a three-tier governance structure comprising the Board of Directors of NSE Indices Limited, the Index Advisory Committee (Equity) and the Index Maintenance Sub-Committee.

**Investment Objective of underlying Fund:-** The investment objective of the scheme is to generate returns, before expenses, that are commensurate with the performance of the Nifty Next 50 Total Return Index, subject to tracking error. The Scheme does not guarantee or assure any returns.

**Investment Strategy of underlying Fund:-**

The Nifty Next 50 ETF will be managed passively with investments in stocks in a proportion that match as close as possible to the weights of these stocks in Nifty Next 50 Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections/redemptions in the Scheme. A part of the funds may be invested in debt and money market instruments, to meet the liquidity requirements.

**TER of underlying fund as on September 30, 2024: - 0.05%**

**Asset Under Management of the underlying fund as on September 30, 2024: - Rs. 305.93 Crores**

**Year wise performance as on September 30, 2024: - The performance of Mirae Asset Nifty Next 50 ETF –**

Particulars		
Compounded Annualised	Scheme returns (%)	Benchmark Returns (%)
Growth Returns (CAGR)		
Since Inception	23.47	24.08
Last 1 year	71.98	72.34
Last 3 years	22.81	23.10
Last 5 years	NA	NA
NAV as on 30/09/2024 (Rs.)	783.1642	1,09,646.40

**Top 10 Holding of the underlying fund as on September 30, 2024: -**



Name of the Instrument	ISIN	Industry	Quantity	Market/Fair Value(Rs. in Lacs)	% to Net Assets
Vedanta Limited	INE205A01025	Diversified Metals	2,52,469	1294.28	4.23%
Hindustan Aeronautics Limited	INE066F01020	Aerospace & Defense	28,289	1250.56	4.09%
InterGlobe Aviation Limited	INE646L01027	Transport Services	25,751	1232.82	4.03%
Tata Power Company Limited	INE245A01021	Power	2,51,439	1213.44	3.97%
Power Finance Corporation Limited	INE134E01011	Finance	2,16,574	1056.99	3.45%
REC Limited	INE020B01018	Finance	1,85,787	1030.19	3.37%
Divi's Laboratories Limited	INE361B01024	Pharmaceuticals & Biotechnology	18,907	1029.17	3.36%
Indian Oil Corporation Limited	INE242A01010	Petroleum Products	5,57,994	1005.23	3.29%
Cholamandalam Investment and Finance Company Ltd	INE121A01024	Finance	62,079	998.23	3.26%
TVS Motor Company Limited	INE494B01023	Automobiles	34,986	993.55	3.25%

## B. Periodic Disclosures

### **Half yearly Disclosures: Financial Results**

The AMC/Mutual Fund shall within one month from the close of each half year, that is on March 31st and on September 30th, host a soft copy of its unaudited financial results on their website <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/financials>. The half-yearly unaudited financial results shall contain details as specified in Twelfth Schedule of the SEBI (Mutual Funds) Regulations, 1996 and such other details as are necessary for the purpose of providing a true and fair view of the operations of Mirae Asset Mutual Fund.

The AMC/Mutual Fund shall publish an advertisement disclosing the hosting of unaudited financial results on their website [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in) in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.

The mutual fund shall publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half-yearly statement of the Scheme portfolio on its website and on the website of Association of Mutual Funds in India (AMFI). The AMC will provide a physical copy of the statement of its Scheme portfolio, without charging any cost, on specific request received from a unitholder.

### **Annual Report**

Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 read with Clause 5.4 of SEBI Master Circular dated June 27, 2024, the scheme wise annual report or abridged summary thereof will be hosted on the website of the Mirae Asset Mutual Fund viz. <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/financials> and on the website of AMFI, not later than four months after the close of each financial year (31st March). The AMCs shall display the link prominently on the website of the Mirae Asset Mutual Fund viz. <https://miraeassetmf.co.in> and make the physical copies available to the unitholders, at their registered offices at all times. Unit holders whose e-mail addresses are not registered will have to specifically 'opt in' to receive physical copy of scheme wise annual report or abridged summary thereof. The unit holders may request for a physical copy of scheme annual reports at a price and the text of the relevant scheme by writing to the Mirae Asset Investment Managers (India) Pvt Ltd. / Investor Service Centre / Registrar & Transfer Agents. The Mutual Fund / AMC shall provide a physical copy of abridged report of the annual report, without charging any

cost, on specific request received from a unit holder. An advertisement shall be published every year disclosing the hosting of the scheme wise annual report on website of Mirae Asset Mutual Fund and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.

**Monthly/Half Yearly Portfolio Disclosures:**

The Mutual Fund/ AMC will disclose portfolio (along with ISIN) of the Scheme in the prescribed format, as on the last day of the month / half-year i.e. March 31 and September 30, on its website viz. <https://www.miraeassetmf.co.in/downloads/portfolio> and on the website of Association of Mutual Funds in India (AMFI) viz. [www.amfiindia.com](http://www.amfiindia.com) within 10 days from the close of each month/ half year respectively. In case of unitholders whose e-mail addresses are registered, the Mutual Fund/ AMC will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/ half year respectively. Mutual Fund / AMC will publish an advertisement every half year in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half-yearly statement of the Scheme portfolio on its website and on the website of Association of Mutual Funds in India (AMFI). Mutual Fund / AMC will provide a physical copy of the statement of its Scheme portfolio, without charging any cost, on specific request received from a unitholder.

**Monthly Average Asset under Management (Monthly AAUM) Disclosure**

The Mutual Fund shall disclose the Monthly AAUM under different categories Schemes as specified by SEBI in the prescribed format on a monthly basis on its website viz. <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure> and forward to AMFI within 7 working days from the end of the month.

**Scheme Summary Document**

The AMC has provided on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme viz. Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. Scheme summary document is uploaded on the websites of AMC viz. <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure>, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML). The document shall be updated by the AMCs on a monthly basis or on changes in any of the specified fields, whichever is earlier.

**Product Labeling and Risk-o-meter:**

The Risk-o-meter shall have following six levels of risk:

1. Low Risk
2. Low to Moderate Risk
3. Moderate Risk
4. Moderately High Risk
5. High Risk and
6. Very High Risk

The evaluation of risk levels of a scheme shall be done in accordance with clause 17.4 of SEBI Master Circular dated June 27, 2024.

Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter along with portfolio disclosure shall be disclosed on the AMC website viz. <https://www.miraeassetmf.co.in/downloads/portfolio> as well as AMFI website within 10 days from the close of each month.

The AMC shall 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 its website viz. <https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure> and AMFI website.

Further, in accordance with clause 5.16 of SEBI Master Circular dated June 27, 2024, the AMC shall disclose:

- a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed;
- b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.
- c. scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark while disclosing portfolio of the scheme.

### **C. Transparency/NAV Disclosure**

The AMC will calculate and disclose the first NAV under the Scheme not later than 5 Business Days from the date of allotment of units under the NFO Period. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day. Mutual Fund / AMC will provide facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard. NAV of the Units of the Scheme (including options thereunder) calculated in the manner provided in this SID or as may be prescribed by the Regulations from time to time. The NAV will be computed upto 3 decimal places.

In accordance with clause 8.1 of SEBI Master Circular dated June 27, 2024, the NAV of the scheme shall be uploaded on the websites of the AMC (miraeassetmf.co.in) and Association of Mutual Funds in India (www.amfiindia.com) by 10.00 a.m. of the following business day. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

### **D. Transaction charges and stamp duty-**

SEBI 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 vital, has allowed AMCs under clause 10.5. of SEBI Master Circular dated June 27, 2024 to deduct transaction charges for subscription of Rs. 10,000/- and above. The said transaction charges will be paid to the distributors of the Mutual Fund products (based on the type of product).

In accordance with the said circular, AMC / Mutual Fund will deduct the transaction charges from the subscription amount and pay to the distributors (based on the type of product and those who have opted to receive the transaction charges) as shown in the table below. Thereafter, the balance of the subscription amount shall be invested.

(i) Transaction charges shall be deducted for Applications for purchase/ subscription received by distributor/ agent as under:

<b>Investor Type</b>	<b>Transaction Charges</b>
<b>First Time Mutual Fund Investor</b>	Transaction charge of Rs.150/- for subscription of Rs.10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the first time investor. The balance of the subscription amount shall be invested.
<b>Investor other than First Time Mutual Fund Investor</b>	Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the investor. The balance of the subscription amount shall be invested.

(ii) **Transaction charges shall not be deducted for:**

- Purchases /subscriptions for an amount less than Rs. 10,000/-; and
- Transactions other than purchases/ subscriptions relating to new inflows such as Switches, etc.
- Any purchase/subscription made directly with the Fund (i.e. not through any distributor/ agent).

- Transactions carried out through the stock exchange platforms.

**Applicability of Stamp Duty:**

Pursuant to Notification No. S. O. 1226 (E) and G.S.R 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value shall be levied on applicable mutual fund transactions.

Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including dividend reinvestment) to the unitholders would be reduced to that extent

For details refer in Statement of Additional Information.

**E. Associate Transactions**

Please refer to Statement of Additional Information (SAI)

**F. Taxation**

**Rates of tax and tax deducted at source (TDS) under the Act for Capital Gains from transfer of units of Equity Oriented Fund:**

Type of Capital Gain	Condition		Income Tax Rates		TDS Rates	
			Resident/ PIO/ NRI/ Other non FII non- residents	FII	Resident	NRI/OCBs/ FII & others
+ Short Term Capital Gain (redemption before completing one year of holding)	STT has been paid on redemption	Sale upto 22nd July, 2024	15%	15%	Nil	15%
		Sale on or after 23rd July, 2024	20%	20%	Nil	20%
	Other cases	Upto 22nd July, 2024	Normal rate of tax applicable to the assessee	30%	Nil	30% for Non-resident other than corporates, 40% (till 31 March 2024)/ 35% (from 1 April 2024) for non-residents corporates

		23rd July, 2024 onwards	Normal rate of tax applicable to the assessee	30%	Nil	30% for Non-resident other than corporates, 35% for non-residents corporates
++ Long Term Capital Gain (redemption after completing one year of holding)	STT has been paid on redemption	Upto 22nd July, 2024	10%#	10%#	Nil	10%
		23rd July, 2024 onwards	12.5%#	12.5%#	Nil	12.5%
	Other cases	Upto 22nd July, 2024	10%*	10%*	Nil	10%
		23rd July, 2024 onwards	12.5%*	12.5%*	Nil	12.5%

**PIO:** Person of Indian origin

**NRI:** Non-resident Indian

**FII:** Foreign Institutional investor

**OCB:** Overseas Corporate Body

# Under section 112A of the Act, where long term capital gain exceeds Rs. 1,25,000/- tax is payable @ 10% upto 22<sup>nd</sup> July, 2024 and 12.5% from 23<sup>rd</sup> July, 2024 onwards plus applicable surcharge and cess (without indexation benefit).

\*without indexation benefit

+ With respect to an Equity Oriented Fund of Fund, units acquired post 1 April 2023 and sold prior to 31 March 2025 would be considered as units sold of a Specified Mutual Fund (SMF) as mentioned below and hence, any gains arising on transfer of such units would be deemed to be short-term capital gains. However, with respect to units acquired prior to 1 April 2023, gains arising on transfer of such units would not be considered as units sold of a Specified Mutual Fund (SMF) as mentioned below and would continue to be governed by the normal provisions (i.e., long-term or short-term, depending upon period of holding) as mentioned in the table above.

++ As per the amended Finance Bill 2023, a Specified Mutual Fund (SMF) acquired on or after April 1, 2023, shall be deemed to be short-term capital asset and hence, the gains arising on such transfer will be regarded as short-term capital gains (STCG) irrespective of period of holding. SMF is a Mutual Fund holding less than 35% of its total investment in equity shares of domestic companies. Accordingly, Equity Fund of Fund investing in Equity ETF shall fall within the ambit of SMF and the gains arising on its transfer will be regarded as STCG and would be taxable at the rate of 15% (where transfer takes place before 23 July 2024) or 20% (where transfer takes place on or after 23 July 2024) (plus applicable surcharge and cess) and no indexation benefit will be

available on transfer of such investments. However, effective 01 April 2025, the definition of ‘Specified Mutual Fund’ has been proposed to be amended as under:

- A mutual fund wherein more than 65% of total proceeds are invested in the debt and money market instruments; or
- Fund which invests 65% or more of its total proceeds in units of a fund referred in clause (a) above, calculated basis the annual average of the daily closing figures

As a result of the proposed amendment, Equity Fund of Fund investing in Equity ETF which were earlier covered under the definition of Special Mutual Fund will now get excluded from the definition. Thus, for Equity Fund of Fund investing in Equity ETF sold on or after 1 April 2025, the above provisions of specified mutual funds would not apply. However, capital gains on sale of mutual Funds investing more than 65% in debt and money market instruments or Fund which invests 65% or more of its total proceeds in units of such fund (hereinafter referred to as “Debt and Money Market Mutual Funds”) would continue to be deemed to be short-term capital gains.

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

Please refer to SAI for details.

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

<https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>

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

<https://www.miraeassetmf.co.in/downloads/statutory-disclosure/other-disclosure/offer-documents-data>

**Notwithstanding anything contained in this SID, the provisions of the SEBI (Mutual Funds), Regulations, 1996 and the guidelines thereunder shall be applicable.**

**THE TERMS OF THE SCHEME WERE APPROVED BY THE DIRECTORS OF MIRAE ASSET TRUSTEE COMPANY PRIVATE LIMITED VIDE THEIR CIRCULAR RESOLUTION NO. 308 DATED JUNE 12, 2020.**

For and on behalf of the Board of Directors of

**Mirae Asset Investment Managers (India) Private Limited  
(Asset Management Company for Mirae Asset Mutual Fund)**  
Sd/-

**Rimmi Jain  
Compliance Officer**

Place: Mumbai  
Date: November 30, 2024