Key Information Memorandum cum Application Form

CPSE ETF
An Open-ended Index Exchange Traded Scheme

Product labels

This product is suitable for investors who are seeking:

- Long-term capital appreciation
- Investment in Securities covered by the Nifty CPSE Index.

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

Continuous offer for Units at NAV based prices.

TRUSTEE
Corporate Office
Reliance Capital Trustee Co. Limited,
CIN : U65910MH1995PLC220528
Reliance Centre, 7th Floor South Wing, Off Western Express Highway, Santacruz (East), Mumbai - 400 055.
Tel No. - 022- 4303 1000, Fax No. - 4303 7662
E-mail : customercare@nipponindiamf.com
‘Touchbase’ [Customer Helpline] 18602660111 (Charges applicable)
Overseas callers need to dial  91-22-68334800 (Charges applicable)
Website: https://www.nipponindiamf.com

INVESTMENT MANAGER
Corporate Office
Reliance Nippon Life Asset Management Limited,
CIN : L65910MH1995PLC220793
Reliance Centre, 7th Floor South Wing, Off Western Express Highway, Santacruz (East), Mumbai - 400 055.
Tel No. - 022- 4303 1000, Fax No. - 4303 7662

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the Scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors’ rights & services, risk factors, penalties & pending litigations, etc., investors should, before investment, refer to the respective Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.nipponindiamf.com / www.nipponindiaetf.com

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM. This KIM is dated October 18, 2019.
The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty CPSE Index, by investing in the Securities which are constituents of the Nifty CPSE Index in the same proportion as in the Index.

There can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

The AMC uses a “passive” or indexing approach to try and achieve Scheme’s investment objective. The Scheme will invest at least 95% of its total assets in the stocks of its underlying index in the same proportion as in the index.

Asset Allocation Pattern of the Scheme

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocations (% of net assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities covered by Nifty CPSE Index</td>
<td>Minimum 95% Maximum 100%</td>
<td>Medium to High</td>
</tr>
<tr>
<td>Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash &amp; cash equivalents.</td>
<td>Minimum 0% Maximum 5%</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

The above stated percentages are indicative and not absolute. The Scheme will not invest in securitized debt, ADR, GDR, foreign Securities, nor will it engage in short selling and Repo in corporate debt. As the Nifty CPSE Index is an Equity index, the constituents of the index do not include debt Securities. Cash and cash equivalents will include Cash Component of the Portfolio Deposit received for Subscription and payable on Redemptions, Dividend received by the Scheme which is pending deployment, etc. The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible. Under normal circumstances, the AMC shall endeavor that the Tracking Error of the Scheme shall not exceed 2% per annum. There can be no assurance or guarantee that the Scheme will achieve any particular level of Tracking Error relative to performance of the underlying Index.

For the time duration of change in the index constituents, the Scheme may have to invest in Derivatives to maintain the respective weights for the companies, constituting the index. Other than for purposes of portfolio rebalancing, the Scheme will not invest in Derivatives. These investments would be for a short period of time. The notional exposure of the Scheme in Derivative instruments shall be restricted to 10% of the net assets of the Scheme. The combined exposure of equity shares, debt Securities and gross notional exposure of Derivative instruments shall not exceed 100% of the net assets of the Scheme.

Subject to the SEBI Regulations as applicable from time to time, the Scheme may, if the Trustees permit, participate in securities lending. The maximum exposure of the Scheme to a single intermediary in the stock lending programme at any point of time would be limited to 5% of the market value of its equity portfolio or up to such limits as may be specified by SEBI. The Scheme will not lend more than 20% of its corpus.

Risk Profile of the Scheme

Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. The Scheme is further subjected to risks which are briefly enumerated below:

(i) Portfolio Concentration Risk

To the extent that the Scheme may concentrate its investments in the Securities of companies of certain sectors, the Scheme will therefore be subject to the risks associated with such concentration. In addition, to the extent the Scheme may invest in small capitalization and/or newly-established companies, the Scheme may be exposed to higher levels of volatility and risk than would generally be the case in a more diverse fund portfolio of equity Securities. Such risks may impact the Scheme to the extent that it invests in particular sectors even in cases where the investment objective is more generic.

(ii) Risk Associated with Investing in Equities

• The Scheme is intended for long-term Investors who can accept the risks associated with investing primarily in Equity and Equity Related Securities. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis.
• Equity and Equity Related Securities are subordinate in the right of payment (e.g., they will rank behind in a bankruptcy, etc.) to other corporate Securities, including debt Securities.
• The portfolio price volatility and associated risks could be greater for investments in smaller, lesser-known companies as compared to investments in more mature or better-known firms.
• The Scheme may concentrate its investments in the Securities of companies of certain sectors and will therefore be subject to the risks associated with such concentration.
• The Scheme may invest in convertible Securities which have a similar risk and performance profile to the underlying equity shares when they are or are close to convertible.
• If the Fund Manager does not receive sufficient advance notice of a voluntary corporate action by the issuer of the Security, such as an offer to purchase new shares, or to tender existing shares, of that Security at a certain price, the Fund Manager may not be able to elect to participate in that corporate action.

(iii) Risks Associated with Investing in Indian Markets

Investing in Indian markets may be affected by political, social, and economic developments affecting India, which may include changes in exchange rates and controls, interest rates, government policies, diplomatic conditions, hostile relations with neighbouring countries, taxation policies including the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on Dividend or interest payments, limitation on removal of funds or assets of the Scheme and ethnic, religious and racial disaffections or conflict.

(iv) Risk relating to receiving underlying CPSE Securities from the GOI

In the event the Scheme does not receive the underlying CPSE Securities from the GOI for any reason whatsoever, including on account of GOI terminating the agreement with the AMC, the Scheme may not invest in the Securities of companies of certain sectors and will therefore be subject to the risks associated with such concentration.

The Scheme may invest in convertible Securities which have a similar risk and performance profile to the underlying equity shares when they are or are close to convertible.

If the Fund Manager does not receive sufficient advance notice of a voluntary corporate action by the issuer of the Security, such as an offer to purchase new shares, or to tender existing shares, of that Security at a certain price, the Fund Manager may not be able to elect to participate in that corporate action.

(v) Risk relating to CPSE Securities

Since the CPSE companies are substantially owned by the GOI, the agenda of the GOI may at times be focused on the social good and therefore may not always be aimed at profit maximization for the Unit holder. The interests of the GOI may be different from the interests of Unit holders and as a result, the GOI may take actions with respect to the CPSE sector that may not be in the best interests of Unit holders. There can be no assurance that such incidents would not result in a fall in price of the underlying Securities constituting the Nifty CPSE Index and correspondingly the NAV of the Scheme.
(vi) Risk of Investment Strategy
As the Scheme would be primarily investing in the stock of CPSE companies, any government policy which will have an impact on central public sector enterprises, including any change in the disinvestment policy of the government, could impact the performance of the Scheme.

(vii) Risks relating to the proposed discount (if any) on the Tap Structure Reference Market Price
Investors should note that the Tap Structure Reference Market Price for each of the constituents of the Nifty CPSE Index would be determined based on the full day volume weighted average price (VWAP) of the constituents of the Nifty CPSE Index on the NSE on the Subscription day. This price could be different from the closing market price for each of the constituents of the Nifty CPSE Index on the Subscription day. Since the AMC would be applying the discount (if any) offered by the GOI to the Scheme on the Tap Structure Reference Market Price, the discounted price for each of the constituents may or may not be lower than the closing market price for each of the constituents on the Subscription day. Hence, the discounted price at which the Mutual Fund will purchase the underlying constituents of the Nifty CPSE Index (for the Portfolio Deposit portion) from the GOI on behalf of the Investor under the Tap Structure on the Subscription day might not amount to a discount against the closing market price of the constituents on the Subscription day.

(viii) Tracking Error Risk
The Scheme will be subject to Tracking Error risk. The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as fees and expenses of the respective Scheme, corporate actions, cash balance, changes to the underlying index and regulatory restrictions, which may result in Tracking Error with the underlying index of the Schemes. The Scheme’s returns may therefore deviate from those of their respective indices. “Tracking Error” is defined as the standard deviation of the difference between daily returns of the underlying index and the NAV of the Scheme. The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible.

(ix) Passive Investments
The Scheme is not actively managed. Since the Scheme is linked to index, it may be affected by a general decline in the Indian markets relating to its underlying indices. The Scheme as per its investment objective invests in Securities which are constituents of its underlying index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets.

(x) Risk Factors relating to Portfolio Rebalancing
In the event that the asset allocation of the Scheme deviates from the ranges as provided in the asset allocation table in the SID, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table within a period of 7 days from the date of said deviation. However, if market conditions do not permit the Fund Manager to rebalance the portfolio of the Scheme within the stipulated period of 7 days then the AMC would notify the Board of the Trustee Company and the Investment Committee of the AMC with appropriate justifications.

(xi) Risk Factors in case of Corporate Actions
In case the Scheme invests in stocks of companies outside the index due to corporate actions, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table within a period of 30 days from the date of said deviation. However, if market conditions do not permit the Fund Manager to rebalance the portfolio of the Scheme within the stipulated period of 30 days then the AMC would notify the Board of the Trustee Company and the Investment Committee of the AMC with appropriate justifications.

(xii) Units of the Scheme may trade at prices other than NAV
The Units of the Scheme may trade above or below its NAV. The NAV of the Scheme will fluctuate with changes in the market value of the holdings of the Scheme. The trading prices of the Units of the Scheme will fluctuate in accordance with changes in its NAV as well as market supply and demand for the Units of the Scheme. However, given that Units of the Scheme can be created and redeemed in Creation Units directly with the Mutual Fund, it is expected that large discounts or premiums to the NAV of Units of the Scheme will not sustain due to arbitrage opportunity available.

(xiii) Market Risk
The Scheme’s NAV will react to the securities market movements.

(xiv) Substantial Redemption/Redemption Risk
Substantial Redemptions of Units within a limited period of time could require the Scheme to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Units being Redeemed and that of the outstanding Units of the Scheme.

(xv) Volatility Risk
The equity markets and Derivative markets are volatile and the value of Derivative contracts and other instruments correlated with the equity markets may fluctuate dramatically from day to day. This volatility may cause the value of investment in the Scheme to decrease.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Risk mitigation strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Risk</td>
<td>Market risk is a risk which is inherent to an equity scheme. With the Scheme following a passive investment strategy, the Scheme will invest in Securities in accordance with the weightages in the underlying Nifty CPSE Index and will typically not seek to take any active risk relative to such index. As a passive scheme is designed to track an index, the Scheme aims to track Nifty CPSE Index, and aims to purchase Securities of the constituent companies as per the composition and weightages provided in the Nifty CPSE Index. Therefore, the specific market risk associated with the Nifty CPSE Index is inherent to this Scheme. Investors should however note the section on Tracking Error Risk set out below.</td>
</tr>
<tr>
<td>Liquidity Risk</td>
<td>The liquidity of the Scheme’s investments is inherently restricted by trading volumes in the securities in which it invests. The underlying index will have constituents which have high level of liquidity. Hence liquidity issues in the Scheme related to underlying constituents is not envisaged.</td>
</tr>
<tr>
<td>Tracking Error Risk</td>
<td>The performance of the Scheme may not be commensurate with the performance of Nifty CPSE Index on any given day or over any given period. The objective of the Scheme is that the NAV should closely track the performance of Nifty CPSE Index over the same period subject to tracking error. The Scheme would endeavor to maintain a low tracking error by actively aligning the portfolio in line with the index.</td>
</tr>
</tbody>
</table>

Investors are requested to read the detailed sections on ‘Standard Risk Factors’ and the ‘Scheme Specific Risk Factors’ applicable to the Scheme provided in the SID carefully before making Investments in the Scheme.

Plans and Options
The Scheme offers only Growth Option. Unit holders to note that the Trustee may at their absolute discretion reserve the right to declare a Dividend from time to time (which will be paid out to the Unit holders) in accordance with the Dividend Policy set out in the SID.
In accordance with the SEBI Regulations on the procedure for declaration of Dividend, the Trustees may declare Dividend to the Unit holders. The Units of the Scheme will be available in dematerialized form. This helps in consolidating with other portfolio holdings.

### Benchmark Index

**Nifty CPSE TRI**

**About the Index**

Nifty CPSE Index is constructed in order to facilitate Government of India’s initiative to dis-invest some of its stake in selected CPSEs. The Government opted for ETF route for disinvestment. The ETF shall track the performance of the Nifty CPSE Index. The index values are to be calculated on free float market capitalization methodology. The index has base date of 01-Jan-2009 and base value of 1000. Weights of index constituent shall be re-aligned (i.e. capped at 20%) on a quarterly basis after the expiry of the F&O contracts in March, June, September and December.

**Selection Criteria’s for the Nifty CPSE Index:**

The CPSEs selected meet below mentioned parameters:

1. Included in the list of CPSEs published by the Department of Public Enterprise
2. Listed at National Stock Exchange of India Ltd. (NSE)
3. Having more than 51.50% government holding (stake via Govt. of India or President of India) under promoter category.
4. Companies having average free float market capitalization of more than 1,000 Cr. for six month period ending August 2018 are selected.
5. Companies which are IRDA dividend norms compliant shall be considered eligible to be included in the index.

**Index Composition as on 30/09/2019 is as below:**

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Weightage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bharat Electronics Ltd.</td>
<td>6.86</td>
</tr>
<tr>
<td>Coal India Ltd.</td>
<td>19.77</td>
</tr>
<tr>
<td>Indian Oil Corporation Ltd.</td>
<td>22.01</td>
</tr>
<tr>
<td>NBCC (India) Ltd.</td>
<td>1.28</td>
</tr>
<tr>
<td>NLC India Ltd.</td>
<td>0.73</td>
</tr>
<tr>
<td>NTPC Ltd.</td>
<td>19.41</td>
</tr>
<tr>
<td>Oil India Ltd.</td>
<td>2.90</td>
</tr>
<tr>
<td>Oil &amp; Natural Gas Corporation Ltd.</td>
<td>19.53</td>
</tr>
<tr>
<td>Power Finance Corporation Ltd.</td>
<td>6.82</td>
</tr>
<tr>
<td>S.JVN Ltd.</td>
<td>0.66</td>
</tr>
</tbody>
</table>

**Dividend Policy**

In accordance with the SEBI Regulations on the procedure for declaration of Dividend, the Trustees may declare Dividend to the Unit holders. The generation and record date of Dividend will be entirely at the discretion of the Trustees. Such Dividend will be payable to the Unit holders whose names appear on the register of Unit holders on the record date, as fixed by the Trustees for the Scheme. The Dividend declared, if any, shall be paid net of tax deducted at source, wherever applicable, to the Unit holders within 30 days from the declaration of Dividend.

The Scheme will follow the requirements stipulated in the listing agreement for declaration of dividend. The Trustees reserve the right to declare Dividends on a regular basis. The Fund does not guarantee or assure declaration or payment of Dividends. Such declaration of Dividend, if any, is subject to Scheme’s performance and the availability of distributable surplus in the Scheme at the time of declaration of such Dividend.

**Effect of Dividend**

If the Fund declares Dividend, the NAV of the Scheme will stand reduced by the amount of Dividend and dividend distribution tax (if applicable) paid.

All the Dividend payments shall be in accordance and compliance with SEBI Regulations and Exchange regulations, as applicable from time to time.

**Procedure for distribution of Dividend**

The Dividend proceeds may be paid by way of cheques, Dividend warrants / direct credit / NEFT / RTGS / ECS or any other manner to the Unit holder’s bank account as specified in the Registrar’s / Depository’s records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. Please refer to the Statement of Additional Information for details on unclaimed Redemptions and Dividends.

**Dematerialization**

The Units of the Scheme will be available in dematerialized form. This helps in consolidating with other portfolio holdings.

**Units Offered at Premium/ Discount**

As the Units of the Scheme can be bought / sold directly from the Mutual Fund, this mechanism provides efficient arbitrage between the traded prices and the NAV, thereby reducing the incidence of the Units of the Scheme being traded at premium / discounts to NAV.
Under the Tap Structure, Investors / Unit holders will be able to Subscribe for Units of the Scheme in multiples of Tap Structure Creation Unit Size at a predetermined discount (if any) as set out in this SID.

The AMC will announce by way of notice, which will be disclosed on the website of the Mutual Fund (www.nipponindiamf.com / www.nipponindiaetf.com under the Tap Structure section of the Scheme) / Investor Services Centers (ISCs), at least 5 Working Days before the commencement of any particular Tap Structure Period, the open date for that particular Tap Structure Period and the maximum number of Units (the “Tap Issue Limit” will be in multiples of Tap Structure Creation Unit Size) which will be made available during that particular Tap Structure Period. If the Tap Issue Limit is reached at any particular time on any particular Working Day during that Tap Structure Period, the Tap Structure shall be immediately stopped for the rest of that particular Tap Structure Period irrespective of the closing date for that particular Tap Structure Period. Post the opening of any particular Tap Structure Period, the provisional number of Creation Units for Tap Structure available for Subscription under that particular Tap Structure Period on any particular Working Day shall be disclosed on the website of the Mutual Fund (www.nipponindiamf.com / www.nipponindiaetf.com under the Tap Structure section of the Scheme) by 9.00 am based on the Tap Issue Limit for that particular Tap Structure Period and the Creation Units for the Tap Structure already subscribed under the Tap Structure till the closing of the previous Working Day from the open date of that particular Tap Structure Period; hence investors are requested to refer to the website of the Mutual Fund (www.nipponindiamf.com / www.nipponindiaetf.com under the Tap Structure section of the Scheme). During any particular Tap Structure Period, the AMC will announce the closing date at least 5 Working Days before closure of that particular Tap Structure Period.

Under the Tap Structure, the underlying Nifty CPSE Index shares (in the form of an Index basket) will be purchased by the Scheme directly from the GOI on every Working Day (as required) for the Tap Structure Period up to the Tap Issue Limit allocated by GOI to the Scheme for that period. Under the Tap Structure, Investors can only Purchase Units in multiples of the Tap Structure Creation Unit Size by paying cash, and the AMC/Scheme will not accept any Portfolio Deposit(s) from the Investors for such Purchases.

Details such as (i) application size for determining Investor category, (ii) multiple applications by same Investor, (iii) minimum amount for Purchase under Tap Structure, (iv) where can the applications for Subscription under Tap Structure be submitted, (v) ongoing price for Subscription under Tap Structure, (vi) allotment of Units, etc. will be informed to Unit holders at least 5 Working Days before the commencement of the first Tap Structure Period and will be applicable to all the forthcoming Tap Structure Periods unless such details are changed by the AMC at its discretion.

Investors should note that the above mentioned discount (if any) on the ‘Tap Structure Reference Market Price’ may not be a discount to the closing market price of the underlying shares of the constituents of Nifty CPSE index.

For additional details on the Tap Structure, please refer to Section III (B) (Ongoing Offer Details) of the SID.

### Name of the Fund Manager
Vishal Jain has been managing CPSE ETF Scheme since November 2018.

### Name of the Trustee Company
Reliance Capital Trustee Company Limited

### Performance of the Scheme

#### (a) Absolute Returns for each financial year for the last 5 years

<table>
<thead>
<tr>
<th>Period</th>
<th>CPSE ETF (%)</th>
<th>Nifty CPSE TRI** (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns for the last 1 year</td>
<td>-10.32</td>
<td>-9.94</td>
</tr>
<tr>
<td>Returns for the last 3 year</td>
<td>-0.13</td>
<td>0.04</td>
</tr>
<tr>
<td>Returns for the last 5 year</td>
<td>-0.57</td>
<td>-0.51</td>
</tr>
<tr>
<td>Returns Since Inception</td>
<td>5.84</td>
<td>3.52</td>
</tr>
</tbody>
</table>

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

Returns since inception are calculated from the date of allotment i.e. March 28, 2014. Dividends (if any) are assumed to be reinvested at the prevailing NAV. Distribution taxes (if any) are excluded while calculating the returns. After payment of Dividend, NAV will fall to the extent of the payout and statutory levy (if applicable).

**Note:** TRI - Total Returns Index reflects the returns on the index arising from (a) constituent stock price movements and (b) dividend receipts from constituent index stocks. For better understanding of investors additional details about TR Index has been provided in the performance section.
### Expenses of the Scheme

**(i) Load Structure**
- **Entry Load:** Nil
- **Exit Load:** Nil

Load amounts are variable and are subject to change from time to time at the discretion of the Sponsor. The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For the current Load structure, please refer to the website of **www.nipponindiamf.com** or call toll-free no. 1800 300 11 111 or your Distributor.

There is no Entry Load / Exit Load for Subscription / Redemption of the Units of the Scheme in Creation Unit Size. However, during the process of creation / Redemption there will be transaction costs, other incidental expenses and equalization of Dividend and this will form part of the Cash Component. Further, there is no Entry / Exit Load on Units of the Scheme bought or sold through the secondary market, i.e. on theNSE and BSE. However, an Investor would be paying cost in the form of a bid and ask spread and brokerage, as charged by his broker for buying / selling Units of the Scheme, any other statutory charges which may be applicable from time to time.

Any change in the Load structure shall apply on a prospective basis and in no case the same would affect the existing Investors adversely. The Investor is requested to check the prevailing Load structure of the Scheme before investing. For any change in Load structure, AMC will issue the notice and display it on the AMC Website / Investor Service Centres, and the Mutual Fund may charge Load within the stipulated limit of 7% and without any discrimination in favor of any specific group of Unit holders. The AMC will ensure that the Redemption Price will not be lower than 93% of the NAV and difference between the Redemption Price and Purchase Price will not exceed 7% calculated on the Purchase Price.

**(ii) Transaction Charges**

The AMC / Mutual Fund may deduct transaction charges of `150 (Rupees One Hundred and Fifty) (for first time investors across mutual funds) or `100 (Rupees One Hundred) (for existing investors across mutual funds) from the Subscription amount, which would be paid to the empanelled AMFI registered Distributor / agent of the Investor (in case the empanelled AMFI registered Distributor / agent has "opted in" to receive the transaction charge for this type of product) and the balance amount shall be invested in the Scheme. Please refer to Section IV (C) (Transaction Charges) of the SID for further details in this regard.

**(iii) Recurring expenses**

These are the expected 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 below.

Annual scheme recurring expenses are fees and expenses for operating the Scheme. These are aimed to assist the Investor to understand the composition of various costs and expenses that an Investor of the Scheme will bear directly or indirectly and are permitted under Regulation 52 of the SEBI Regulations. The AMC would update the current expense ratios on the website of the mutual fund at least three working days prior to the effective date of the change. Further Actual Expense ratio will be disclosed at the following link: https://www.nipponindiamf.com/investor-services/downloads/total-expense-ratio-of-mutual-fund-schemes-Estimated-Expense-Structure.

The AMC has estimated the fees and expenses for the Scheme, on an annual basis, expressed as a percentage of daily net assets as follows:

<table>
<thead>
<tr>
<th>Expense Description: Expense Head</th>
<th>% of daily Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment management and advisory fees</td>
<td></td>
</tr>
<tr>
<td>Trustee fee</td>
<td></td>
</tr>
<tr>
<td>Audit fees</td>
<td></td>
</tr>
<tr>
<td>Custodian fees</td>
<td></td>
</tr>
<tr>
<td>RTA Fees</td>
<td></td>
</tr>
<tr>
<td>Listing &amp; licensing fees</td>
<td></td>
</tr>
<tr>
<td>Marketing and selling expense</td>
<td></td>
</tr>
<tr>
<td>Cost related to investor communications</td>
<td></td>
</tr>
<tr>
<td>Cost of fund transfer from location to location</td>
<td>0.0095%</td>
</tr>
<tr>
<td>Cost of providing account statements and Dividend / Redemption cheques and warrants</td>
<td></td>
</tr>
<tr>
<td>Costs of statutory advertisements</td>
<td></td>
</tr>
<tr>
<td>Cost towards investor education &amp; awareness (at least 2 bps)</td>
<td></td>
</tr>
<tr>
<td>Brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively</td>
<td></td>
</tr>
<tr>
<td>Goods &amp; Service tax on expenses other than investment and advisory fees</td>
<td></td>
</tr>
<tr>
<td>Goods &amp; Service tax on brokerage and transaction cost paid for execution of trades*</td>
<td></td>
</tr>
<tr>
<td>Other Expenses**</td>
<td></td>
</tr>
</tbody>
</table>

**Maximum total expense ratio (TER)**

0.0095%

The Scheme shall not incur any distribution expenses and no commission shall be paid by this Scheme.

To the extent incurred on the brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively.

**As permitted under Regulation 52 of the SEBI Regulations.** Investors should note that the actual annual recurring expenses of the Scheme will be variable in nature and will be subject to changes over time but within the limit prescribed above. For details on the latest actual current expenses charged to the Scheme, the Investor should refer to the website of the Mutual Fund on **www.nipponindiamf.com**

AMC is free to allocate the above list of expenses within the overall maximum limit prescribed under SEBI (Mutual Funds) Regulations, 1996, which means there will be no internal sub-limits on charging of any particular expense in the scheme.

In terms of Regulation 52(1) of SEBI (Mutual Funds) Regulations, 1996, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, will necessarily be paid from the Scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustee or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC’s books. Such expenses shall be paid out of AMC books at actuals or not exceeding 2 bps of respective scheme AUM, whichever is lower. List of such miscellaneous expenses may be provided by AMFI in consultation with SEBI or as specified/amended by AMFI / SEBI from time to time.

AMC / Mutual Fund will set apart 0.02% on daily net assets for investor education and awareness initiatives from the maximum recurring expenses provided above.

Goods & Service tax on investment management and advisory fees, to the Scheme will be, in addition to the maximum annual recurring expenses that may be charged to the Scheme.

As permitted under Regulation 52(6A) of SEBI Regulations, brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, over and above 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions may be charged to the Scheme within the maximum limit of the Total Expense Ratio (TER). Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the Trustee or Sponsor.

Subject to the SEBI Regulations and the Offer Document, expenses over and above the prescribed ceiling will be borne by the AMC, Trustees or the Sponsor.

The Trustee / AMC reserves the right to change the expenses of the Scheme as copped above as and when it is allowed by SEBI to charge higher expenses under the Scheme.

The Investor should refer to the website of the Fund for the actual fees charged.

Actual expenses (annualised) for the previous financial year i.e. 2018-19 as a percentage of daily net assets was 0.04% (Exclusive of Goods & Service tax on investment Management and Advisory Fees)
Waiver of Load for Direct Applications
As per the Regulations, no Entry Load shall be charged by the AMC.

Tax Treatment for the Unit holders
Investors are advised to refer to the details in the Statement of Additional Information (SAI) and also independently refer to their own tax advisor.

Daily Net Asset Value (NAV) Publication
The NAV of the Scheme shall be calculated and announced on all Working Days. The AMC shall update the NAVs on the website of the Mutual Fund (www.nipponindiamf.com/www.nipponindiaetf.com) and on the website of AMFI (www.amfiindia.com) by 11.00 p.m. on every Working Day. Further, AMC shall extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.

Since the Scheme is listed on the exchange(s), the listed price would be applicable on the respective Stock Exchange.

Computation of NAV
The Net Asset Value (NAV) of the Units will be determined daily or as prescribed by the Regulations. The NAV shall be calculated in accordance with the following Formula, or such other formula as may be prescribed by SEBI from time to time:

\[
NAV = \frac{\text{Market or fair value of the Scheme’s investments + current assets – current liabilities and provision (including accrued expenses)}}{\text{No. of Units outstanding under Scheme on the valuation date}}
\]

Example: If the applicable NAV is Rs. 10.00, sales/entry load if any is 2 per cent and the exit/repurchase load is 2 percent then the sales price will be Rs. 10.20 and the repurchase price will be Rs. 9.80.

For Investor Grievances please contact
Karvy Fintech Private Limited : Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telengana - 500032, India
Nippon India Mutual Fund: Reliance Centre, 7th Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055. Tel No. - 022-4303 1000, Fax No. - 022-4303 7662, Email - customercare@nipponindiamf.com

Unitholders’ Information:
Accounts statement / transaction alert (on each transaction), Annual financial results and Half yearly portfolio disclosure shall be provided to investors by post or published or in such other manner as per SEBI Regulations.

Investors are requested/ encouraged to register/update their email id and mobile number of the primary holder with the AMC/RTA through our Designated Investor Service Centres (DISCs) in order to facilitate effective communication.

Employee Unique Identification Number (EUIN) would assist in tackling the problem of misselling even if the employee/relationship manager/sales person leave the employment of the distributor.

For further details on the Schemes, investors are advised to refer to the Scheme Information Document and Statement Of Additional Information.

Portfolio Turnover Ratio of the Scheme
Portfolio turnover is the term used by the Fund for measuring the amount of trading that occurs in a Scheme’s portfolio during a specified period of time. The Scheme is an open ended Scheme. It is therefore expected that there would be a number of Subscriptions and Redemptions on a daily basis. There may be frequent transaction to buy and sell the Securities resulting in increase in transaction cost. At the same time frequent transactions may increase the profits and which can offset the increase in cost. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. However, the Fund Manager will endeavour to optimize the portfolio turnover to minimize risk and maximize gains while keeping in mind the cost associate with such transaction.

Portfolio Turnover Ratio of the Scheme is 3.48 as on 30/09/2019

Portfolio of the Scheme
The Scheme’s top 10 portfolio holdings by issuer and sector allocation as of 30/09/2019:

<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
<th>Weightage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Indian Oil Corporation Limited</td>
<td>21.96%</td>
</tr>
<tr>
<td>2</td>
<td>Coal India Limited</td>
<td>19.73%</td>
</tr>
<tr>
<td>3</td>
<td>Oil &amp; Natural Gas Corporation Limited</td>
<td>19.48%</td>
</tr>
<tr>
<td>4</td>
<td>NTPC Limited</td>
<td>19.36%</td>
</tr>
<tr>
<td>5</td>
<td>Bharat Electronics Limited</td>
<td>6.85%</td>
</tr>
<tr>
<td>6</td>
<td>Power Finance Corporation Limited</td>
<td>6.81%</td>
</tr>
<tr>
<td>7</td>
<td>Oil India Limited</td>
<td>2.89%</td>
</tr>
<tr>
<td>8</td>
<td>NBCC (India) Limited</td>
<td>1.27%</td>
</tr>
<tr>
<td>9</td>
<td>NLC India Limited</td>
<td>0.75%</td>
</tr>
<tr>
<td>10</td>
<td>SJVN India Limited</td>
<td>0.66%</td>
</tr>
</tbody>
</table>

Sector Allocations:

<table>
<thead>
<tr>
<th>Sector</th>
<th>% Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>65.10%</td>
</tr>
<tr>
<td>Metals</td>
<td>19.73%</td>
</tr>
<tr>
<td>Industrial Manufacturing</td>
<td>6.85%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>6.81%</td>
</tr>
<tr>
<td>Construction</td>
<td>1.27%</td>
</tr>
<tr>
<td>Others</td>
<td>0.19%</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalent</td>
<td>0.06%</td>
</tr>
</tbody>
</table>

Link to obtain schemes latest monthly portfolio holding - https://www.nipponindiamf.com/investor-service/downloads/Factsheets/

No. of Folios & Assets under Management as on 30/09/2019

CPSE ETF
Assets Under Management: Rs. 11,269.09 Crores
No. of Folios: 302,814
The investment objective of Nippon India ETF Bank BeES is to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty Bank Index. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme's investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements. **Differentiation:** Nippon India ETF Bank BeES endeavors to track and generate similar returns to its benchmark Nifty Bank TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 6705.30, **No. of Folios as on September 30, 2019:** 17521

**Nippon India ETF Gold BeES**

**Asset Allocation Pattern:** Securities constituting Nifty 50 Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements. **Differentiation:** Nippon India ETF Gold BeES endeavors to track and provide similar returns to its benchmark- Nifty 50 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 2729.17, **No. of Folios as on September 30, 2019:** 143693

**Nippon India ETF Infra BeES**

**Asset Allocation Pattern:** Securities covered by the Nifty Infra Infrastructure Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements. **Differentiation:** Nippon India ETF Infra BeES endeavors to track and provide similar returns to its benchmark- Nifty Infrastructure TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 7.04, **No. of Folios as on September 30, 2019:** 1036

**Nippon India ETF Junior BeES**

**Asset Allocation Pattern:** Securities covered by Nifty Next 50 Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF Junior BeES is to provide returns that, before expenses, closely correspond to the total returns of Securities as represented by the Nifty Next 50 Index. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements. **Differentiation:** Nippon India ETF Junior BeES endeavors to track and provide similar returns to its benchmark- Nifty Next 50 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 12.58, **No. of Folios as on September 30, 2019:** 1925
asset allocation pattern, except to meet its liquidity requirements. **Differentiation:** Nippon India ETF Junior BeES endeavors to track and provide similar returns to its benchmark- Nifty Next 50 TRI by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 1237.65, No. of Folios as on September 30, 2019: 32862

**Nippon India ETF PSU Bank BeES**

**Asset Allocation Pattern:** Securities covered by Nifty PSU Bank Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF PSU Bank BeES is to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty PSU Bank Index. There can be no assurance or guarantee that the investment objective of the Scheme would be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear over valued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements.

**Differentiation:** Nippon India ETF PSU Bank BeES endeavors to track and provide similar returns to its benchmark- Nifty PSU Bank TRI by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 93.93, No. of Folios as on September 30, 2019: 2560

**Nippon India ETF Shariah BeES**

**Asset Allocation Pattern:** Securities covered by the Nifty50 Shariah Index - 95% to 100%, Cash - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF Shariah BeES is to provide returns that, before expenses, correspond to the total returns of the Securities as represented by the Nifty50 Shariah Index by investing in Securities which are constituents of the Nifty50 Shariah Index in the same proportion as in the Index. Investors to note that Nippon India ETF Shariah BeES is not a Shariah compliant scheme. There can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve the Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it tracks and does not seek temporary defensive positions when markets decline or appear over valued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements.

**Differentiation:** Nippon India ETF PSU Bank BeES endeavors to track and provide similar returns to its benchmark- Nifty50 Shariah TRI by investing in its Index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 2.64, No. of Folios as on September 30, 2019: 306

**Nippon India ETF Liquid BeES**

**Asset Allocation Pattern:** Treasury bills and Government Securities, Call Money, Tri-Party Repos, Repos and Reverse Repos - 95% to 100%, Other Money Market Instruments - 0% to 5%. **Primary Investment Pattern:** The investment objective of the Scheme is to provide current income, commensurate with relatively low risk while providing a high level of liquidity primarily through a portfolio of treasury bills, Government Securities, Call Money, Tri-Party Repo /similar instruments, Repos and Reverse Repos and other Money Market Instruments. There can be no assurance or guarantee that the investment objective of the Scheme would be achieved. **Investment Strategy:** All investments of the Scheme would be in Government Securities, treasury bills (T Bills), Call Money, Tri-Party Repo /similar instruments, Repos and Reverse Repos and other Money Market Instruments. **Differentiation:** Nippon India ETF Liquid BeES seek to provide current income, commensurate with relatively low risk while providing a high level of liquidity, primarily through a portfolio of treasury bills, Government Securities, Call Money, Tri-Party Repo /similar instruments, Repos and Reverse Repos and other Money Market Instruments.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 2222.62, No. of Folios as on September 30, 2019: 28126

**CPSE ETF**

**Asset Allocation Pattern:** Securities covered by the Nifty CPSE Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents - 0% to 5%. **Primary Investment Pattern:** The investment objective of the Scheme is to provide returns that, before expenses, correspond to the total returns of the Securities as represented by the Nifty CPSE Index, by investing in the Securities which are constituents of the Nifty CPSE Index in the same proportion as in the index. However the performance of the Scheme may differ from that of the underlying index due to tracking error. There can be no assurance or guarantee that the investment objective of the Scheme would be achieved. **Investment Strategy:** The AMC uses a “passive” or indexing approach to try and achieve Scheme’s investment objective. Unlike other Funds, the Scheme does not try to “beat” the markets it track and do not seek temporary defensive positions when markets decline or appear over valued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/underperformance vis-à-vis a benchmark. The Scheme shall invest all of its funds as per its investment objective and asset allocation pattern, except to meet its liquidity requirements.

**Differentiation:** CPSE ETF endeavors to track and provide similar returns to its benchmark- Nifty CPSE TRI by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 11269.09 No. of Folios as on September 30, 2019: 302814

**Nippon India ETF Long Term Gilt**

**Asset Allocation Pattern:** Securities constituting Nifty 8-13 yr G-Sec Index - 95% to 100%, Money Market instruments (with maturity not exceeding 91 days) - 0% to 5%. **Primary Investment Pattern:** The investment objective of the Scheme is to provide investment returns closely corresponding to the total returns of the securities as represented by the Nifty 8-13 yr G-Sec Index, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty 8-13 yr G-Sec Index, before expenses. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved. **Investment Strategy:** The Scheme adopts a passive investment approach designed to track the performance of Nifty 8-13 yr G-Sec Index. The Scheme seeks to achieve this goal by investing in securities constituting the Nifty 8-13 yr G-Sec Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in debt and money market instruments to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Long Term Gilt endeavors to track and provide similar returns to its benchmark- Nifty 8-13 yr G-Sec Index by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 4.52 No. of Folios as on September 30, 2019: 602

**Nippon India ETF Nifty 100**

**Asset Allocation Pattern:** Securities constituting Nifty 100 Index - 95% to 100%, Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days) - 0% to 5%. **Primary Investment Pattern:** The investment objective of the Scheme is to provide investment returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty 100 Index, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The Scheme employs a passive investment approach designed to track the performance of Nifty 100 Index. The Scheme seeks to achieve this goal by investing in securities constituting the Nifty 100 Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in debt and money market instruments to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Nifty 100 Fund endeavors to track and provide similar returns to its benchmark- Nifty 100 TRI by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 1129, No. of Folios as on September 30, 2019: 1129

**Nippon India ETF Consumption**

**Asset Allocation Pattern:** Securities constituting Nifty India Consumption Index - 95% to 100%, Money Market Instruments including Tri-Party Repo (with maturity not exceeding 91 days) and liquid schemes of Mutual Fund - 0% to 5%. **Primary Investment Pattern:** The investment objective of the Scheme is to provide investment returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty India Consumption Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments including Tri-Party Repo to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Consumption endeavors to track and provide similar returns to its benchmark- Nifty India Consumption TRI by investing in its index constituents and money market instruments. The fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark.

**Month End AUM (Rs. Crore) as on September 30, 2019:** 12.22, No. of Folios as on September 30, 2019: 1069
Nippon India ETF Dividend Opportunities

**Asset Allocation Pattern:** Securities constituting Nifty Dividend Opportunities 50 Index - 95% to 100%, Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days) - 0% to 5%. **Primary Investment Pattern:** The investment objective of the scheme is to provide investment returns closely corresponding to the total returns of the securities as represented by the Nifty Dividend Opportunities 50 Index, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The Scheme employs a passive investment approach designed to track the performance of Nifty Dividend Opportunities 50 Index. The Scheme seeks to achieve this goal by investing in securities comprising the Underlying Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments including Tri-Party Repo to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Dividend Opportunities endeavors to track and provide similar returns to its benchmark- Nifty Dividend Opportunities 50 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 1.96, **No. of Folios as on September 30, 2019:** 576

Nippon India ETF Sensex

**Asset Allocation Pattern:** Securities constituting S&P BSE Sensex Index - 95% to 100%, Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days) - 0% to 5%. **Primary Investment Pattern:** The investment objective of the scheme is to provide investment returns closely corresponding to the total returns of the securities as represented by the S&P BSE Sensex Index before expenses, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The Scheme employs a passive investment approach designed to track the performance of S&P BSE Sensex Index. The Scheme seeks to achieve this goal by investing in securities constituting the S&P BSE Sensex Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments (including Tri-Party Repo) to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Sensex endeavors to track and provide similar returns to its benchmark- S&P BSE Sensex TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 20.25, **No. of Folios as on September 30, 2019:** 163

Nippon India ETF NV20

**Asset Allocation Pattern:** Securities constituting Nifty 50 Value 20 Index - 95% to 100%, Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days) - 0% to 5%. **Primary Investment Pattern:** The investment objective of the scheme is to provide investment returns closely corresponding to the total returns of the securities as represented by the Nifty 50 Value 20 Index before expenses, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** The Scheme employs a passive investment approach designed to track the performance of Nifty 50 Value 20 Index. The Scheme seeks to achieve this goal by investing in securities constituting the Nifty 50 Value 20 Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments (including Tri-Party Repo) to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF NV20 shall track and provide similar returns to its benchmark- Nifty 50 Value 20 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 31.41, **No. of Folios as on September 30, 2019:** 1650

Nippon India ETF Nifty Midcap 150

**Asset Allocation Pattern:** Securities constituting Nifty Midcap 50 Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents or Liquid Schemes* (*The Fund Manager may invest in Liquid Schemes of Nippon India Mutual Fund. However, the Fund Manager may invest in any other scheme of a mutual fund registered with SEBI, which invest predominantly in the money market securities.) - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF Nifty Midcap 150 is to provide investment returns closely corresponding to the total returns of the securities as represented by the Nifty Midcap150 Index before expenses, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** Nippon India ETF Nifty Midcap 150 is a passively managed exchange traded fund which will employ an investment approach designed to track the performance of Nifty Midcap 150 Index. The Scheme seeks to achieve this goal by investing in securities constituting the Nifty Midcap 150 Index in same proportion as in the Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Nifty Midcap 150 endeavors to track and provide similar returns to its benchmark- Nifty Midcap 150 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 191.94, **No. of Folios as on September 30, 2019:** 1186

Nippon India ETF Sensex Next 50

**Asset Allocation Pattern:** Securities constituting S&P BSE SENSEX Next 50 Index - 95% to 100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents or Liquid Schemes* (*The Fund Manager may invest in Liquid Schemes of Nippon India Mutual Fund. However, the Fund Manager may invest in any other scheme of a mutual fund registered with SEBI, which invest predominantly in the money market securities.) - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF Sensex Next 50 is to provide investment returns closely corresponding to the total returns of the securities as represented by the S&P BSE SENSEX Next 50 Index before expenses, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved. **Investment Strategy:** Nippon India ETF Sensex Next 50 is a passively managed exchange traded fund which will employ an investment approach designed to track the performance of S&P BSE SENSEX Next 50 Index. The Scheme seeks to achieve this goal by investing in securities constituting the S&P BSE SENSEX Next 50 Index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in money market instruments to meet the liquidity and expense requirements. **Differentiation:** Nippon India ETF Sensex Next 50 TRI by investing in its index constituents and money market instruments. The Fund follows a passive strategy of management with endeavor to generate similar returns to its benchmark. **Month End AUM (Rs. Crore) as on September 30, 2019:** 12.05, **No. of Folios as on September 30, 2019:** 9
Disclaimers by NSE

As required, a copy of this SID has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/231070-F dated February 20, 2014 permission to the Mutual Fund to use the Exchange’s name in this SID as one of the stock exchanges on which the Mutual Fund’s Units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the SID has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this SID; nor does it warrant that the Mutual Fund’s Units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any Scheme of the Mutual Fund.

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

Disclaimers by BSE

BSE Ltd. ("BSE") has given vide its letter DCS/IPO/NP/IP/693/2013-14 dated February 21, 2014 permission to the Mutual Fund to use BSE’s name in this SID as one of the stock exchanges on which this Scheme’s Units are proposed to be listed. BSE has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. BSE does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or
2. Warrant that this Scheme’s Unit will be listed or will continue to be listed on the BSE; or
3. Take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund; and it should not for any reason be deemed or construed that this SID has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any Unit of CPSE ETF of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such Subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimers by Index Provider

Performance of the Nifty CPSE Index will have a direct bearing on the performance of the Scheme. In the event that Nifty CPSE Index is dissolved or is withdrawn by the index provider NSE Indices Limited (formerly known as India Index Services & Products Limited ("IISL")) or in case the License Agreement executed with index provider for licensing of Nifty CPSE Index is terminated, subject to necessary approvals, including prior written approval from the The Department of Investment and Public Asset Management (DIPAM), the Trustee reserves a right to modify the Scheme so as to track a different and suitable index and the procedure stipulated in the SEBI Regulations shall be complied with.

a. The product i.e. the Scheme is not sponsored, endorsed, sold or promoted by NSE Indices Limited. NSE Indices Limited does not make any representation or warranty, express or implied to the owners of the product or any member of the public regarding the advisability of investing in Securities generally or in the product particularly or the ability of Nifty CPSE Index to track general stock market performance in India. The relationship of NSE Indices Limited to Reliance Nippon Life Asset Management Limited (RNAM) is only in respect of the licensing of certain trademarks and trade-names of their index, which is determined, composed and calculated by NSE Indices Limited without regard to RNAM or any product. NSE Indices Limited does not have any obligation to take the needs of RNAM or the Unit holders of the product into consideration in determining, composing or calculating Nifty CPSE Index. NSE Indices Limited is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the product to be issued or in the determination or calculation of the equation by which the product are to be converted into cash. NSE Indices Limited has no obligation or liability in connection with the administration or marketing or trading of the product.

b. NSE Indices Limited does not guarantee the accuracy and/or the completeness of the Nifty CPSE Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. NSE Indices Limited makes no warranty, express or implied, as to the results to be obtained by the RNAM, Unit holders of the product or any other persons or entity from the use of the Nifty CPSE Index or any data included therein. NSE Indices Limited makes no express or implied warranties and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE Indices Limited expressly disclaims any and all liability for any damages or losses arising out of or related to the product, including any and all direct, special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages.