Product Label

This product is suitable for investors who are seeking*:

- Long term capital appreciation
- Investment in equity and equity related securities and portfolios replicating the composition of S&P BSE SENSEX Next 50 Index, subject to tracking errors

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

Offer of Units of Rs. 10/- each for cash (on allotment, the value of each Unit would approximately equal to the value of 1/1000th of the value of S&P BSE SENSEX Next 50 Index) to be issued at a premium, if any, approximately equal to the difference between face value and allotment price during the New Fund Offer (“NFO”) and at NAV based prices during the Ongoing Offer.

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Nippon India Mutual Fund, Tax and Legal issues and general information on www.reliancemutual.com / www.relianceetf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated October 31, 2019 and was approved by the Board of AMC and the Trustees on April 29, 2019 and April 30, 2019 respectively. The trustees have ensured that Nippon India ETF Sensex Next 50 approved by them is a new product offered by Nippon India Mutual Fund and is not a minor modification of the existing scheme/fund/product.

Nippon India ETF Sensex Next 50 is a Scheme to be launch by Nippon India Mutual Fund (NIMF) which will manage through its Asset Management Company i.e. Reliance Nippon Life Asset Management Limited (RNAM).

NAME OF MUTUAL FUND
Nippon India Mutual Fund (NIMF)

NAME OF ASSET MANAGEMENT COMPANY
Reliance Nippon Life Asset Management Limited (RNAM)
CIN : L65910MH1995PLC220793

NAME OF TRUSTEE COMPANY
Reliance Capital Trustee Co. Limited (RCTC)
CIN : U65910MH1995PLC220528

Registered Office (NIMF, RNAM, RCTC)
Reliance Centre, 7th Floor South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.
Tel No. - 022-33031000; Fax No. - 022-33037662
Website : www.reliancemutual.com / www.relianceetf.com
Disclaimer:

"BSE Ltd. ('the Exchange') has given vide its letter LO/IPO/LK/MF/IP/91/2019 - 20 Dated May 29, 2019 permission to Nippon India Mutual Fund to use the Exchange's name in this SID as one of the Stock Exchanges on which this Mutual Fund's Unit are proposed to be listed. The Exchange has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to Nippon India Mutual Fund. The Exchange does not in any manner: - i) warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or ii) warrant that this scheme's unit will be listed or will continue to be listed on the Exchange; or iii) take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund; and it should not for any reason be deemed or construed that this SID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of Nippon India ETF Sensex Next 50 of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever*"

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1. INVESTMENT OBJECTIVE
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 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.

2. LIQUIDITY
All investors including Authorized Participants, Large Investors and other investors may sell their units on the stock exchange(s) on which these units are listed on all the trading days of the stock exchange. Alternatively Authorized Participant and Large Investors can directly buy /sell in blocks from the fund in ‘Creation Unit’ Size.

3. CREATION UNIT:
‘Creation Unit’ is a fixed number of Nippon India ETF Sensex Next 50, which is exchanged for a basket of shares underlying the index called the “Portfolio Deposit” and a “Cash Component”. The facility of creating / redeeming units in Creation Unit size will be available to the Authorized Participants and large Investors. Currently, it is proposed by RNAM that, East India Securities Limited and ECAP EQUITIES LIMITED shall act as Authorized Participant. Further RNAM reserves the right to modify authorised participants on an ongoing basis. The list of authorized participants will be available on the website of the Fund www.reliancemutual.com. The number of Nippon India ETF Sensex Next 50 that investors can create / redeem in exchange of the Portfolio Deposit and Cash Component is 110,000 units and in multiples thereafter. The Fund may also allow Cash# subscription /redemption of Nippon India ETF Sensex Next 50 in creation unit size by large investors.

4. Benchmark
S&P BSE SENSEX Next 50 TRI. As applicable, the performance of the scheme wherever mentioned in the Scheme Information Document shall be benchmarked to the Total Return (TRI) variant of the benchmark.

5. TRANSPARENCY/NAV DISCLOSURE
   a) The NAV will be calculated and disclosed at the close of every Business Day and uploaded on the AMFI website www.amfiindia.com and Nippon India Mutual Fund website i.e. www.reliancemutual.com by 11.00 p.m. on the day of the declaration of the NAV. Further, AMC shall extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard. The AMC will calculate and disclose the first NAV not later than 5 business days from the date of allotment.

5. TRANSPARENCY/NAV DISCLOSURE
   b) The NAV of the Scheme will be calculated and declared by the Fund on every Working Day. The information on NAV may be obtained by the Unitholders, on any business day from the office of the AMC / the office of the Registrar in Hyderabad or any of the other Designated Investor Service Centres. Investors may also obtain information on the purchase /sale price for a given day on any Working Day from the office of the AMC / the office of the Registrar in Hyderabad/ any of the other Designated Investor Service Centres. Investors may also note that Nippon India Mutual Fund shall service its customers through the call center from Monday to Saturday between 8.00 am to 9.00 pm. However, 24x7 facility shall be available for addressing the queries through interactive voice response (IVR) and for hot listing the Reliance Any Time Money Card. Investor may also call Customer Care at 18602660111 (charges applicable) and investors outside India can call Customer Care at 91-22-68334800 (charges applicable).

5. TRANSPARENCY/NAV DISCLOSURE
   c) The AMC will disclose the Half-yearly Unaudited Financial Results in the prescribed format on the NIMF website i.e. www.reliancemutual.com and communicate to the Unit holders with such timelines as may be prescribed under the Regulations from time to time.

5. TRANSPARENCY/NAV DISCLOSURE
   d) Providing of the Annual Reports of the respective Schemes within the stipulated period as required under the Regulations.

5. TRANSPARENCY/NAV DISCLOSURE
   e) The AMC shall disclose the scheme’s portfolio in the prescribed format as on the last day of the month/ Half year for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. www.reliancemutual.com and AMFI website www.amfiindia.com.

5. TRANSPARENCY/NAV DISCLOSURE
   f) In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall 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.

5. TRANSPARENCY/NAV DISCLOSURE
   g) In addition to above, the indicative NAV will be updated on AMCs website during market hours, at least once in every 2 hours. Since the scheme is listed on the exchange the listed price on respective stock exchange shall be applicable

6. LOADS
   Entry & Exit Load: Not Applicable

   There will be no entry/exit load on Nippon India ETF Sensex Next 50, bought or sold through the secondary market on the 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 Nippon India ETF Sensex Next 50. The Fund may also allow Cash# subscription /redemption of Nippon India ETF Sensex Next 50 in creation unit size by large investors. No entry or exit load will be levied on transactions with Authorised Participants and Large Investors during NFO or continuous offer.

   Investor other than APs/Large investors can directly approach AMC and no exit load shall be charged for redemption of units if:
a) the traded price of the ETF Units is at a discount of more than 3% to the NAV for continuous 30 days; or
b) discount of bid price to applicable NAV is more than 3% over a period of 7 consecutive trading days; or
c) No quotes are available on exchange for 3 consecutive trading days, or
d) Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.

In such a scenario valid applications received upto 3 p.m. the Mutual Fund shall process the redemption request basis the closing NAV of the day of receipt of application

Such instances shall be tracked by RNAM on an ongoing basis and incase if any of the above mentioned scenario arises the same shall be disclosed on the website of Nippon India Mutual Fund i.e. www.reliancemutual.com / www.relianceeft.com

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

#RTGS, NEFT or transfer cheque.

7. MINIMUM APPLICATION AMOUNT DURING NFO

Rs. 5,000 & in multiples of Re.1 thereafter

MINIMUM APPLICATION AMOUNT DURING ONGOING BASIS FROM MUTUAL FUND /STOCK EXCHANGE(S):

i. From Mutual Fund:

Purchases directly from the Mutual Fund would be restricted to Authorized Participants and Large Investors provided the value of units to be purchased is in creation unit size. Authorized Participants and Large Investors may buy the units on any business day for the scheme directly from the Mutual Fund in exchange of portfolio deposit, cash component and transaction charges, if applicable, by transferring stocks or cash, value of which is equal to creation unit size. Each creation unit consists of 110,000 units (to be finalised before launch of scheme) and cash component, if any, of Nippon India ETF Sensex Next 50. The Fund may also allow Cash# subscription /redemption of Nippon India ETF Sensex Next 50 in creation unit size by large investors.

#RTGS, NEFT or transfer Cheque

ii. On the Exchange:

The minimum number of Units that can be bought or sold on the exchange is 1 (one) unit and in multiples of 1 unit.

8. ROUNDING OFF OF UNITS

Based on the Allotment Price, the Scheme will allot only whole Units and balance amount on account of fractional Units not allotted will be refunded.

9. CHOICE OF INVESTMENT PLANS

Presently the Scheme does not offer any Plans/Options for investment. The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.

10. REPATRIATION

Full Repatriation benefits would be available to NRIs, subject to applicable conditions/regulations notified by Reserve Bank of India from time to time.

11. LISTING

The units of Nippon India ETF Sensex Next 50 shall be listed on BSE Limited. The trading will be as per the normal settlement cycle. The AMC reserves the right to list the units of the Scheme on any other recognized stock exchange.

12. DEMATERIALIZATION

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

13. TRANSACTION CHARGES:

In accordance with SEBI Circular No. IMD/ DF/13/ 2011 dated August 22, 2011, with effect from November 1, 2011, Reliance Nippon Life Asset Management Limited (RNAM)/ NIMF shall deduct a Transaction Charge on per purchase / subscription of Rs. 10,000/- and above, as may be received from new investors (an investor who invests for the first time in any mutual fund schemes) and existing investors. The distributors shall have an option to either “Opt-in / Opt-out” from levying transaction charge based on the type of product. Therefore, the “Opt-in / Opt-out” status shall be at distributor level, basis the product selected by the distributor at the Mutual Fund industry level.

Such charges shall be deducted if the investments are being made through the distributor/agent and that distributor / agent has opted to receive the transaction charges as mentioned below:

- For the new investor a transaction charge of Rs 150/- shall be levied for per purchase / subscription of Rs 10,000 and above; and
- For the existing investor a transaction charge of Rs 100/- shall be levied for per purchase / subscription of Rs 10,000 and above.

The transaction charge shall be deducted from the subscription amount and paid to the distributor/agent, as the case may be and the balance shall be invested. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

Transaction charges shall not be deducted if:

(a) The amount per purchases /subscriptions is less than Rs. 10,000/-;
(b) The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP/ DTP, etc.
(c) Purchases/Subscriptions made directly with the Fund through any mode (i.e. not through any distributor/agent).
(d) Subscription made through Exchange Platform irrespective of investment amount.

14. Face Value

Rs.10/- per unit.
A. RISK FACTORS

1. STANDARD RISK FACTORS

a) Mutual Funds and securities investments are subject to market risks such as trading volumes, settlement risk, liquidity risk and default risk including the possible loss of principal and there is no assurance or guarantee that the objectives of the Scheme will be achieved.

b) As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.

c) Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.

d) Nippon India ETF Sensex Next 50 is only the name of the Scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.

e) The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond their initial contribution of Rs.1 lakh made by it towards the setting up of the Mutual Fund and such other accretions and additions to the corpus.

f) The present scheme is not a guaranteed or assured return scheme. The Mutual Fund is not guaranteeing or assuring any dividend.

g) The Mutual Fund is also not assuring that it will make periodical dividend distributions, though it has every intention of doing so. All dividend distributions are subject to the availability of distributable surplus of the Scheme.

2. SCHEME SPECIFIC RISK FACTORS:

(a) Risks associated with investing in Equities

Subject to the stated investment objective, the Scheme proposes to primarily invest in equity and equity related Securities. The Scheme is intended for long-term Investors who can accept the risks associated with investing primarily in such Securities. Equity instruments by nature are volatile and subject to price fluctuations on a daily basis due to both macro and micro factors. Investors in equity and equity related Securities will be subject to the risks associated with equities, the values of which in general fluctuate in response to the activities of individual companies and general market and economic conditions. In particular, Investors should be aware that equity and equity related Securities are subordinate in the right of payment to other corporate Securities, including debt Securities. To the extent the Scheme invests in other schemes of the Mutual Fund or schemes of other mutual funds, Investors will be subject to the risks associated with such schemes and the underlying investments of such schemes. Any inability to dispose of Securities in the Scheme due to adverse market conditions or other factors could result either in losses to the Unit holders due to a substantial decline in value of the Scheme.

i) Convertible Securities

The Scheme may invest in convertible Securities that are debt obligations of the issuer convertible at a stated exchange rate into equity shares of the issuer. As with all debt Securities, the market value of convertible Securities tends to decline as interest rates increase and, conversely increases as interest rates decline. Convertible Securities generally offer lower interest or dividend yields than non-convertible Securities of similar quality. However, when the market price of the equity shares underlying a convertible Security exceeds the conversion price, the price of the convertible Security tends to reflect the value of the underlying equity shares. As the market price of the underlying equity shares declines, the convertible Security tends to trade increasingly on a yield basis, and thus may not depreciate to the same extent as the underlying equity shares. Convertible Securities generally rank senior to equity shares in an issuer’s capital structure and are consequently of higher quality and entail less risk than the issuer’s equity shares. However, the extent to which such risk is reduced depends in large measure upon the degree to which the convertible Security sells above its value as a fixed income Security. In evaluating a convertible Security, the AMC will give primary emphasis to the attractiveness of the underlying equity shares.

ii) Corporate Action and Proxy Voting

From time to time, the issuer of a Security held in the Scheme may initiate a corporate action relating to that Security. Corporate actions relating to equity Securities may include, among others, an offer to purchase new shares, or to tender existing shares, of that Security at a certain price. Corporate actions relating to debt Securities may include, among others, an offer for early redemption of the debt Security, or an offer to convert the debt Security into stock. Certain corporate actions are voluntary, meaning that the Scheme may only participate in the corporate action it elects to do so in a timely fashion. Participation in certain corporate actions may enhance the value of the Scheme. In cases where the Fund or the Fund Manager receives sufficient advance notice of a voluntary corporate action, the Fund Managers will exercise their discretion, in good faith, to determine whether the Scheme will participate in that corporate action. If the Fund Managers do not receive sufficient advance notice of a voluntary corporate action, the Fund Managers acting on behalf of the Scheme may not be able to timely elect to participate in that corporate action. Participation or lack of participation in a voluntary corporate action may result in a negative impact on the value of the Scheme.

The Scheme may find itself invested in unlisted securities due to external events or corporate actions. This may increase the risk of the portfolio as these unlisted securities are inherently illiquid in nature and carry larger liquidity risk as compared to the listed securities or those that offer other exit options to the investors.

The AMC may at its discretion exercise or procure the exercise of voting or other rights which may be exercisable in relation to Securities held by the Scheme, or at its discretion, elect not to exercise or procure the exercise of such voting or other rights. In relation to the exercise of such rights the AMC has established guidelines for the exercise of voting or other rights wherein it is stated that for passive funds / ETFs we will generally be abstaining on resolutions.

iii) Risks relating to Investing in Indian Markets

Investments in India 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.
The relative small size and inexperience of the Securities markets in India and the limited volume of trading in Securities may make the Scheme’s investments illiquid and more volatile than investments in more established markets.

In addition, the settlement systems may be less developed than in more established markets, which could impede the Scheme’s ability to effect portfolio transactions and may result in delayed settlement and the Scheme’s investments being settled through a more limited range of counter parties with an accompanying enhanced credit risk.

To the extent the Scheme is subject to margining or pre-payment systems, whereby margin or the entire settlement proceeds for a transaction is required to be posted prior to the settlement date, this can potentially give rise to credit and operational risks as well as potentially borrowing costs for the Scheme.

(b) Market Risk

The NAV of the Scheme will react to the securities market movements. The Investor may lose money over short or long periods due to fluctuation in the Scheme’s NAV in response to factors such as economic, political, social instability or diplomatic developments, changes in interest rates and perceived trends in stock prices, market movements and over longer periods during market downturns. Investments may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on Dividend or interest payments, limitations on the removal of funds or other assets of the Scheme. The Scheme may not be able to immediately sell Securities. The purchase price and subsequent valuation of restricted and illiquid Securities may reflect a discount, which may be significant, from the market price of comparable Securities for which a liquid market exists.

(c) Market Trading Risks

1. Absence of Prior Active Market: Although the Units of the Scheme are listed on Stock Exchange, there can be no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the Units of the Scheme would be infrequent

2. Trading in Units may be Halted: Trading in the Units of the Scheme on Stock Exchange(s) may be halted because of market conditions or for reasons that in view of Stock Exchange(s) or SEBI, trading in the Units of the Scheme are not advisable. In addition, trading of the Units of the Scheme are subject to trading halts caused by extraordinary market volatility and pursuant to Stock Exchange(s) and SEBI ‘circuit filter’ rules. There can be no assurance that the requirements of Stock Exchange(s) necessary to maintain the listing of the Units of the Scheme will continue to be met or will remain unchanged.

3. Lack of Market Liquidity: The Scheme may not be able to immediately sell certain types of illiquid Securities. The purchase price and subsequent valuation of restricted and illiquid Securities may reflect a discount, which may be significant, from the market price of comparable Securities for which a liquid market exists.

4. 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.

5. Regulatory Risk: Any changes in trading regulations by Stock Exchange(s), BSE or SEBI may affect the ability of market maker to arbitrage resulting into wider premium/discount to NAV.

6. Reinvestment Risk: This risk refers to the interest rate levels at which cash flows received from the Securities in the Scheme is reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

7. Risk of Substantial Redemptions: 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. The risk of a substantial Redemption of the Units may be exacerbated where an investment is made in the Scheme as part of a structured product with a fixed life and where such structured products utilise hedging techniques. Please also refer Statement of Additional Information for additional details. Regardless of the period of time in which Redemptions occur, the resulting reduction in the NAV of the Scheme could also make it more difficult for the Scheme to generate profit or recover losses. The Trustee, in the general interest of the Unit holders of the Scheme offered under this SID and keeping in view of the unforeseen circumstances/unalusual market conditions, may limit the total number of Units which can be Redeemed on any Working Day depending on the total “Saleable Underlying Stock” available with the Fund.

(d) Volatility Risk

The equity markets and Derivative markets are volatile and the value of Securities, 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.

(e) Redemption Risk

Investors may note that even though the Scheme is an open-ended Scheme, the Scheme would ordinarily repurchase Units in Creation Unit Size. Thus Unit holdings less than the Creation Unit Size can only be sold through the secondary market on the Exchange unless any of the scenarios mentioned below have occurred:

- if the traded price of the ETF Units is at a discount of more than 3% to the NAV for continuous 30 days; or
- if discount of bid price to applicable NAV is more than 3% over a period of 7 consecutive trading days; or
- if no quotes are available on exchange for 3 consecutive trading days; or
Debt Securities are subject to the risk of an issuer’s inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). The Fund Manager will consider both credit risk and market risk in making investment decisions for the Scheme.
The market value of unrated debt Securities tends to reflect individual corporate developments to a greater extent than that of rated debt Securities which react primarily to fluctuations in the general level of interest rates. As a result, the ability of the Scheme if it invests in unrated debt Securities to achieve its investment objectives may depend to a greater extent on the Fund Manager’s judgment concerning the creditworthiness of the issuers of such Securities than the Scheme investing in rated debt Securities.

ii) Interest Rate Risk
Changes in interest rates will affect the Scheme’s NAV. The prices of Securities usually increase as interest rates decline and usually decrease as interest rates rise. The extent of fall or rise in the prices is guided by duration, which is a function of the existing coupon, days to maturity and increase or decrease in the level of interest rate. The new level of interest rate is determined by the rate at which the government raises new money and/or the price levels at which the market is already dealing in existing Securities. Prices of long-term Securities generally fluctuate more in response to interest rate changes than short-term Securities.

In case of Tri-Party Repo, the rate of interest, from time to time, depends upon the number of borrowers at that point of time and the amount to be borrowed by such borrowers. In case of Floating Rate Instruments, an additional risk could be due to the change in the spreads of Floating Rate Instruments. If the spreads on Floating Rate Instruments rise, then there could be a price loss on these instruments. Secondly in the case of fixed rate instruments that have been swapped for floating rates, any adverse movement in the fixed rate yields vis-à-vis swap rates could result in losses. The price risk is low in the case of the floating rate or inflation-linked bonds. The price risk does not exist if the investment is made under a Repo agreement.

Debt markets, especially in developing markets like India, can be volatile leading to the possibility of price moving up or down in fixed income Securities and thereby to possible movements in the NAV.

iii) Prepayment Risk
A borrower may prepay a receivable prior to its due date. This may result in a change in the yield and tenor for the Scheme.

iv) Zero Coupon and Deferred Interest Bonds
The Scheme may invest in zero coupon bonds and deferred interest bonds, which are debt obligations issued at a discount to their face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. Zero coupon bonds do not provide periodic interest payments and deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments benefit the issuer by mitigating its initial need for cash to meet debt service and some also provide a higher rate of return to attract Investors who are willing to defer receipt of such cash. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations which provide for regular payments of interest, and the Scheme may accrue income on such obligations even though it receives no cash.

v) Liquidity or Marketability Risk
This refers to the ease at which a Security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such period may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of Securities. As liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests or restructuring of the Scheme.

vi) Credit Risk
Credit Risk means that the issuer of a Security may default on interest payments or even paying back the principal amount on maturity (i.e. the issuer may be unable to make timely principal and interest payments on the Security). Even where no default occurs, the prices of Security may go down because the credit rating of an issuer goes down. However, it must be noted that where the Scheme has invested in Government Securities, the risk of default is lower.

vii) Risks of Investing in Unrated Debt Securities
Unrated debt Securities are more likely to react to developments affecting market and credit risk than are more highly rated Securities, which react primarily to movements in the general level of interest rates. Unrated debt Securities are more likely to react to developments affecting market and credit risk than rated debt Securities, which react primarily to movements in the general level of interest rates. Unrated debt Securities are considered predominantly speculative by traditional investment standards and may have poor prospects for reaching investment grade standing. Unrated debt Securities of comparable credit quality (commonly known as “junk bonds”) are subject to the increased risk of an issuer’s inability to meet principal and interest obligations and further, are usually unsecured and are often subordinated to the rights of other creditors of the issuers of such Securities. These Securities, also referred to as ‘high yield Securities’, may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions or publicity (whether or not based on fundamental analysis) of the junk bond markets generally and less secondary market liquidity. Unrated debt Securities are issued by less established companies seeking to expand. Such issuers are often highly leveraged and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions.

The market value of unrated debt Securities tends to reflect individual corporate developments to a greater extent than that of rated debt Securities which react primarily to fluctuations in the general level of interest rates. As a result, the ability of the Scheme if it invests in unrated debt Securities to achieve its investment objectives may depend to a greater extent on the Fund Manager’s judgment concerning the creditworthiness of the issuers of such Securities than the Scheme investing in rated debt Securities.
The Scheme may invest in other scheme(s) managed by the AMC or in schemes of other mutual funds, provided such investments

- **Investments by the Scheme in other schemes**

There are risks inherent in Securities lending, including the risk of failure of the other party, in this case the approved intermediary, Securities lending is lending of Securities through an approved intermediary to a borrower under an agreement for a specified period

- **Risk of Securities Lending**

Credit ratings issued by recognised credit rating agencies are designed to evaluate the safety of principal and interest payments

- **viii) Risks Associated with Credit Rating Agencies**

The secondary market for unrated debt Securities is concentrated in relatively few market makers and is dominated by institutional investors. Accordingly, the secondary market for such Securities is typically not very liquid, and is more volatile than, the secondary market for rated debt Securities. In addition, market trading volume for high yield fixed income Securities is generally lower and the secondary market for such Securities could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. These factors may have an adverse effect on the market price and the Scheme’s ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Scheme to obtain precise valuations of the high yield Securities in its portfolio.

- **(k) Risk of Securities Lending**

Securities lending is lending of Securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent Securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the Securities borrowed.

There are risks inherent in 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 the 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, 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 in respect of the Securities lent. The Fund may not be able to sell such lent Securities and this can lead to temporary illiquidity.

- **(l) Investments by the Scheme in other schemes**

The Scheme may invest in other scheme(s) managed by the AMC or in schemes of other mutual funds, provided such investments are in conformity with the investment objectives of the Scheme and in accordance with terms of the prevailing SEBI Regulations. Such investments in other schemes may provide the Scheme access to a specialised investment area or economic sector which can be more effectively accessed by investing in the underlying scheme(s). The Fund Manager will only make such investments if it determines in its discretion that to do so is consistent with the interests of the Unit holders of the Scheme. The Scheme may invest in schemes operated by third parties. Considering third parties are not subject to the oversight or control of the AMC, the Fund Manager may not have the opportunity to verify the compliance of such schemes with the laws and regulations applicable to them.

It is possible that a number of underlying scheme(s) might take substantial positions in the same security at the same time. This inadvertent concentration may interfere with the Scheme’s goal of diversification. The AMC would attempt to alleviate any potential inadvertent concentration as part of its regular monitoring and reallocation process. Conversely the AMC may at any given time, hold opposite positions, such position being taken by different underlying scheme(s). Each such position shall result in transaction fees for the Scheme without necessarily resulting in either a loss or a gain. Moreover, the AMC may proceed to a reallocation of assets between the underlying scheme(s) and liquidate investments made in one or several of them. Further, many of the underlying scheme(s) in which the Scheme may invest could use special investment techniques or concentrate its investments in only one geographic area or asset investment category, which may subject the Scheme’s investments to risks different from those posed by investments in equity or fixed income scheme(s) or risks of the market and of rapid changes to the relevant geographic area or investment category.

When the Scheme invests in other schemes, the Unit holders in the Scheme will also incur fees and expenses (such as, but no limited to, management fees, custody fees, registrar fees, audit fees, etc.) at the level of the underlying scheme in accordance with the offering documents of the relevant scheme(s) and the limits prescribed under the SEBI Regulations.

No assurance can be given that the strategies employed by other schemes in the past to achieve attractive returns will continue to be successful or that the return on the Scheme’s investments will be similar to that achieved by the Scheme or other schemes in the past.

- **(m) Risk of Changes in Borrowing Rates**

The Scheme may borrow funds on a temporary basis within the limits set forth under the SEBI Regulations. The Scheme may choose to only borrow from the Custodian of the Scheme, and the borrowing rate imposed by the Custodian of the Scheme may change due to market conditions. As a consequence thereof, the borrowing rates imposed by the Custodian may not be the most competitive.

- **(n) 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 this 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.

**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 exiting the corporate action within this 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.

**Valuation of the Scheme’s Investments**

The AMC carries out valuation of investments made by the Scheme. The AMC values Securities and assets in the Scheme according to the valuation policies described in the Statement of Additional Information.

**Proxy Voting by the AMC**

The AMC has adopted policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions that it makes on behalf of the Scheme, and to help ensure that such decisions are made in accordance with its fiduciary obligations to the Scheme. Notwithstanding proxy voting policies and procedures, proxy voting decisions made by the AMC with respect to Securities held by the Scheme may benefit the interests of AMC other than the Scheme.

**Other Scheme Specific Risk factors**

a) The liquidity of the Scheme’s investments may be inherently restricted by trading volumes, settlement periods and transfer procedures. In the event of an inordinately large number of redemption requests, or of a re-structuring of the Scheme’s investment portfolio, these periods may become significant. Please read the Sections of this Scheme Information Document entitled “Special Considerations” and “Right to Limit Redemptions” there under.

b) Although, the objective of the Fund is to generate optimal returns, the objective may or may not be achieved. The investors may note that if the AMC/Investment Manager is not able to make right decision regarding the timing of increasing exposure in debt securities in times of falling equity market, it may result in negative returns. Given the nature of scheme, the portfolio turnover ratio may be on the higher side commensurate with the investment decisions and Asset Allocation of the Scheme. At times, such churning of portfolio may lead to losses due to subsequent negative or unfavorable market movements.

c) The tax benefits available under the scheme are as available under the present taxation laws and are available only to certain specified categories of investors and that is subject to fulfillment of the relevant conditions. The information given is included for general purposes only and is based on advise that the AMC has received regarding the law and the practice that is currently in force in India and the investors and the Unitholders should be aware that the relevant fiscal rules and their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor/Unitholder is advised to consult his/her own professional tax advisor.

d) Subject to the Regulations, the investments may be in securities which are listed or unlisted, secured or unsecured, rated or unrated, and acquired through secondary market purchases, RBI auctions, open market sales conducted by RBI etc., Initial Public Offers (IPOs), other public offers, placements, rights, offers, negotiated deals, etc

e) The NAV of the scheme to the extent invested in Debt and Money market securities are likely to be affected by changes in the prevailing rates of interest and are likely to affect the value of the Scheme’s holdings and thus the value of the Scheme’s Units.

f) The AMC may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields. This may increase the risk of the portfolio.

g) While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.

h) Investment decisions made by the AMC may not always be profitable, even though it is intended to generate capital appreciation and maximize the returns by passively investing in equity and equity related securities as mentioned in the asset allocation pattern.

i) **Political Risks:** Whereas the Indian market was formerly restrictive, a process of deregulation has been taking place over recent years. This process has involved removal of trade barriers and protectionist measures, which could adversely affect the value of investments. It is possible that the future changes in the Indian political situation, including political, social or economic instability, diplomatic developments and changes in laws and regulations could have an effect on the value of investments. Expropriation, confiscatory taxation or other relevant developments could affect the value of investments.

j) **Competition Risks:** An investment in Nippon India ETF Sensex Next 50 may be adversely affected by competition from other methods of investing in the Index.

**Risk Profile of the scheme:**

Mutual Fund units involve investment risks including possible loss of principal. Since this scheme is an ETF that will passively track an index, the performance of the scheme will depend on the performance of the index. The ability of investors to exit the scheme (for units below creation unit size) may be temporarily affected by liquidity conditions in the market for the ETF units.
B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

As per Circular number SEBI/IMD/CIR NO 10/22701/03 dated December 12, 2003, the above guidelines are not applicable for Exchange Traded Funds. As Nippon India ETF Sensex Next 50 is an exchange traded fund, same is not applicable.

C. SPECIAL CONSIDERATIONS

The Mutual Fund is not assuring or guaranteeing that it will be able to make regular periodical distributions/distribute bonus units to its Unit holders though it has every intention to manage the portfolio so as to make periodical income/bonus distributions to Unit holders. Periodical distributions will be dependent on the returns achieved by the Asset Management Company. Periodical distributions may therefore vary from period to period, based on investment results of the portfolio.

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Right to Limit Redemption

Right to limit Purchase of units and/or Right to limit Redemption of units

The Trustee and AMC may, in the general interest of the Unit holders of the Scheme under this Scheme Information Document and keeping in view the unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Working Day for redemption requests of more than Rs. 2 Lakhs per folio at a scheme level in any Scheme. In line with the SEBI Circular dated May 31, 2016 the following conditions would be applicable.

a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
   i. Liquidity issues - when market at large becomes illiquid and affecting almost all securities.
   ii. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
   iii. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).

b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.

c. When restriction on redemption is imposed, the following procedure shall be applied:
   i. No redemption requests upto INR 2 lakh shall be subject to such restriction.
   ii. Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

However, suspension or restriction of redemption under any scheme of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the Asset Management Company and the Trustee Company. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI immediately.
NIMF also reserves the right at its sole discretion to withdraw sale of Units in the Scheme temporarily or indefinitely, if the AMC views that increasing the Scheme’s size further may prove detrimental to the existing unit holders of the Scheme. An order/ request to purchase Units is not binding on and may be rejected by the Trustee, the AMC or their respective agents, unless it has been confirmed in writing by the AMC or its agents and (or) payment has been received.

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

ETFs came into existence in the USA in 1993. The first ETFs were based on the S&P 500 and are popularly known as SPDRs (Spiders). ETFs have gained prominence over the last few years.

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

ETFs have all the benefits of indexing such as diversification, low cost and transparency. As ETFs are listed on the exchange, costs of distribution are much lower and the reach is wider.

These savings in cost are passed on to the investors in the form of lower costs. Further more, exchange traded mechanism helps reduce minimal collection, disbursement and other processing charges.

The structure of ETFs is such that it protects long-term investors from inflows and outflows of short-term investor. This is because the fund does not bear extra transaction cost when buying / selling due to frequent subscriptions and redemptions.

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

Benefits of ETFs
1. Can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
2. Can be bought / sold anytime during market hours at prices that are expected to be close to actual NAV of the Scheme. Thus, investor invests at real-time prices as opposed to end of day prices.
3. No separate form filling for buying / selling units. It is just a phone call to your broker or a click on the net.
4. Ability to put limit orders.
5. Minimum investment for an ETF is one unit.
6. Protects long-term investors from the inflows and outflows of short-term investors.
7. Flexible as it can be used as a tool for gaining instant exposure to the equity markets, hedging or for arbitraging between the cash and futures market.
8. Helps in increasing liquidity of underlying cash market.
9. Aids low cost arbitrage between Futures and Cash market.
10. An investor can get a consolidated view of his investments without adding too many different account statements, as ETFs will be in demat form.

Uses of ETFs:
1. Investors with a long-term horizon
   Allows diversification of portfolio at one shot, thereby reducing scrip specific risk at a low cost.
2. FII, Institutions and Mutual Funds
   Allows easy asset allocation, hedging at a low cost.
3. Arbitrage
   Low impact cost to carry out arbitrage between the Cash and the Futures market.
4. Investors with a shorter term horizon
   Allows liquidity due to ability to trade during the day and expected to have quotes near NAV during the course of trading day.

D. DEFINITIONS AND ABBREVIATIONS
In this Scheme Information Document, the following words and expressions shall have the meaning specified below, unless the context otherwise requires:

<table>
<thead>
<tr>
<th>Word or Expression</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aadhaar</td>
<td>Aadhaar number issued by the Unique identification Authority of India (UIDAI)</td>
</tr>
<tr>
<td>Applicable Net Asset Value (NAV)</td>
<td>Unless otherwise stated in this document, Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for purchase or redemption/switch is received at the designated investor service centre and is considered accepted on that day. An application is considered accepted on that day, subject to it being complete in all respects and received prior to the cut-off time on that Business Day.</td>
</tr>
<tr>
<td><strong>AMFI</strong></td>
<td>Association of Mutual Funds in India, the apex body of all the registered AMCs incorporated on August 22, 1995 as a non-profit organisation.</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Asset Management Company (AMC/RNAM)/ Investment Manager</strong></td>
<td>Reliance Nippon Life Asset Management Limited, the Asset Management Company incorporated under the Companies Act, 1956, and authorized by SEBI to act as the Investment Manager to the Schemes of Nippon India Mutual Fund.</td>
</tr>
<tr>
<td><strong>Authorised Participants</strong></td>
<td>Member of the BSE Limited or any other recognised stock exchange or any other person who is appointed by the AMC to act as Authorised Participant as decided by the AMC.</td>
</tr>
</tbody>
</table>
| **Business Day / Working Day** | A Business Day / Working Day means any day other than:  
1. Saturday or  
2. Sunday or  
3. a day on which BSE Limited or National Stock Exchange Limited or Reserve Bank of India or Banks in Mumbai are closed or  
4. a day on which there is no RBI clearing/settlement of securities or  
5. a day on which the sale and/or redemption and/or switches of Units is suspended by the Trustees or AMC or  
6. a book closure period as may be announced by the Trustees / Asset Management Company or  
7. a day on which normal business could not be transacted due to storms, floods, or  
8. bandhs, strikes or any other events as the AMC may specify from time to time. |
<p>| <strong>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all DISC.</strong> |
| <strong>S&amp;P BSE SENSEX Next 50 (the “Index”)</strong> | The Index is published by Asia Index Private Limited (“AIPL”), which is a joint venture among affiliates of S&amp;P Dow Jones Indices LLC (“SPDJI”) and BSE Limited (“BSE”). |
| <strong>Collecting Bank</strong> | Branches of Banks for the time being authorized to receive application(s) for units, as mentioned in this document. |
| <strong>Continuous Offer</strong> | Offer of the Units when the scheme becomes open ended after the closure of the New Fund Offer. |
| <strong>Creation of unit</strong> | “Creation Unit” is a fixed number of Nippon India ETF Sensex Next 50, which is exchanged for a basket of shares underlying the index called the “Portfolio Deposit” and a “Cash Component”. The facility of creating/redeeming units in Creation Unit size will be available to the Authorized Participants and large investors. Currently, East India Securities Limited and ECAP EQUITIES LIMITED shall act as Authorized Participant. Further RNAM reserves the right to modify authorised participants on an ongoing basis. The list of authorized participants will be available on the website of the Fund <a href="http://www.reliancemutual.com">www.reliancemutual.com</a>. The number of Nippon India ETF Sensex Next 50 that investors can create/redeem in exchange of the Portfolio Deposit and Cash Component is 110,000 units and in multiples thereafter. The Fund may also allow Cash# subscription/redemption of Nippon India ETF Sensex Next 50 in creation unit size by large investors. |
| <strong>Custodian</strong> | Custodian means a person who has been granted a certificate of registration to carry on the Business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996. Presently, Deutsche Bank A.G., registered vide registration number IN/CUS/003 is appointed as Custodian of securities for all the schemes of NIMF, or any other custodian as may be appointed by the Trustees. |
| <strong>Cut-off time</strong> | A time prescribed in the SID upto which an Investor can submit a Purchase request / Redemption request for that Working Day |
| <strong>Debt Instruments</strong> | Corporate debentures, bonds, promissory notes, Money Market Instruments, pass through obligations, assets backed securities and other similar securities. |
| <strong>Depository</strong> | Depository means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL). |
| <strong>Designated Investor Service Centres (DISC) / Official point of acceptance for transaction</strong> | Any location as may be defined by the Asset Management Company from time to time, where investors can tender the request for subscription, redemption or switching of units, etc. |</p>
<table>
<thead>
<tr>
<th><strong>Dividend</strong></th>
<th>Income distributed by the Scheme on the Units</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DP</strong></td>
<td>Depository Participant means a person registered as such under sub regulation (1A) of section 12 of SEBI Act, 1992 (15 of 1992)</td>
</tr>
<tr>
<td><strong>Distributor</strong></td>
<td>Such persons / firms / companies / corporates as may be appointed by the AMC to distribute / sell / market the Scheme(s) of the Mutual Fund.</td>
</tr>
<tr>
<td><strong>Entry Load</strong></td>
<td>Load on subscriptions / switch in.</td>
</tr>
<tr>
<td><strong>Exit Load</strong></td>
<td>Load on redemptions / switch out.</td>
</tr>
<tr>
<td><strong>Equity related instruments</strong></td>
<td>Such instruments like Convertible bonds and debentures and warrants carrying the right to obtain equity shares and derivative instruments.</td>
</tr>
<tr>
<td><strong>ETF</strong></td>
<td>Exchange Traded Fund.</td>
</tr>
<tr>
<td><strong>Exchange</strong></td>
<td>BSE Limited (BSE) or any other exchange where the Units are listed.</td>
</tr>
<tr>
<td><strong>FPI</strong></td>
<td>Foreign Portfolio Investors (FPI) as defined in Regulation 2(1) (h) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 As stipulated by the SEBI (FPI) Regulations, 2014, Foreign Institutional Investors (FIIs), sub accounts and Qualified Foreign Investors (QFIs) are clubbed/merged into a single category, referred to as FPIs</td>
</tr>
<tr>
<td><strong>‘G-secs’ or ‘Government Securities’</strong></td>
<td>Securities issued and created by the Central Government and / or State Government (including treasury bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.</td>
</tr>
<tr>
<td><strong>Investment Management Agreement (IMA)</strong></td>
<td>The Agreement entered into between Reliance Capital Trustee Co. Limited and Reliance Nippon Life Asset Management Limited by which RNAM has been appointed the Investment Manager for managing the funds raised by NIMF under the various Schemes and all amendments thereof.</td>
</tr>
<tr>
<td><strong>Index Fund</strong></td>
<td>Means a mutual fund scheme, which invests in securities in the same proportion that constitutes the underlying index.</td>
</tr>
<tr>
<td><strong>‘Indian Resident’</strong></td>
<td>Means a ‘person resident in India’, as defined under The Foreign Exchange Management Act 1999, as amended from time to time.</td>
</tr>
<tr>
<td><strong>‘Investor’</strong></td>
<td>Any resident or non-resident person whether individual or a non-individual who is eligible to subscribe for Units under the laws of his / her / their state / county of incorporation, establishment citizenship, residence or domicile and under the Income Tax Act, 1961 including amendments made from time to time and who has made an application for subscribing Units under the Scheme. Under normal circumstances, a Unit holder would be deemed to be an investor.</td>
</tr>
<tr>
<td><strong>KIM</strong></td>
<td>Key Information Memorandum as required in terms of SEBI (MF) Regulation 29(4)</td>
</tr>
<tr>
<td><strong>Large Investor</strong></td>
<td>‘Large Investor’ means an Investor who is eligible to invest in the respective Schemes and who would be creating Units of the Schemes in Creation Unit size by depositing Portfolio Deposit and Cash Component. Further Large Investor would also mean those Investors who would be Redeeming Units of the Schemes in Creation Unit size.</td>
</tr>
<tr>
<td><strong>Load</strong></td>
<td>A charge that may be levied as a percentage of NAV at the time of entry into the scheme/plans or at the time of exiting from the scheme/ plans.</td>
</tr>
<tr>
<td><strong>Local Cheque</strong></td>
<td>A Cheque handled locally and drawn on any bank, which is a member of the banker’s clearing house located at the place where the application form is submitted.</td>
</tr>
<tr>
<td><strong>Money Market Instruments</strong></td>
<td>Money market instruments include Tri-party Repo/ Repo and Reverse Repo (including corporate bond Repo), certificate of deposit, commercial papers, commercial bills, treasury bills, Government securities issued by Central &amp; State Government/ corporate bonds having an unexpired maturity up to one year, call or notice money, Term Deposits, usance bills (BRDS) and any other similar instruments as specified by the RBI/SEBI from time to time.</td>
</tr>
<tr>
<td><strong>Net Asset Value (NAV)</strong></td>
<td>Net Asset Value of the Units in each plan of the Scheme is calculated in the manner provided in this Scheme Information Document or as may be prescribed by Regulations from time to time. The NAV will be computed up to four decimal places.</td>
</tr>
<tr>
<td><strong>INAV</strong></td>
<td>INAV is a measure of the schemes’ intraday value based on real time prices of the underlying securities in the scheme’s portfolio</td>
</tr>
<tr>
<td><strong>NRI</strong></td>
<td>Non-Resident Indian. Person resident outside India who is either a citizen of India or a Person of Indian Origin</td>
</tr>
<tr>
<td><strong>Offer Document</strong></td>
<td>Means and includes this Supplement, the Scheme Information Document and the Statement of Additional Information issued by Nippon India Mutual Fund, offering Units of the Scheme for Subscription.</td>
</tr>
<tr>
<td><strong>Official Points of Acceptance</strong></td>
<td>The specified centres of the Registrar and / or the AMC designated for collection of the Application Form(s), details of which are available on the back cover of this Supplement. Investors are however requested to check the website of the Mutual Fund for the updated list of the Official Points of Acceptance.</td>
</tr>
<tr>
<td><strong>Ongoing Offer</strong></td>
<td>The offer of Units under the Scheme since it became open-ended after the closure of the NFO period. The Ongoing Offer Period for the Scheme shall commence on or before August 12, 2019.</td>
</tr>
<tr>
<td><strong>Ongoing Offer Period</strong></td>
<td>The period during which the Ongoing Offer for Subscription to the Units of the Scheme is made.</td>
</tr>
<tr>
<td>-------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>PIO</strong></td>
<td>Person of Indian Origin. A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b). Person of Indian Origin</td>
</tr>
<tr>
<td><strong>Purchase / Subscription</strong></td>
<td>Purchase of / subscription to Units by an Investor of the Scheme.</td>
</tr>
<tr>
<td><strong>Plans/Options</strong></td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Portfolio Deposit</strong></td>
<td>This is a pre-defined basket of securities that represent the underlying index and will be defined and announced by the fund on allotment date and can change from time to time.</td>
</tr>
<tr>
<td><strong>Purchase Price</strong></td>
<td>Purchase Price to the investor of Units of any of the plans computed in the manner indicated in this Scheme Information Document.</td>
</tr>
<tr>
<td><strong>Reserve Bank of India (RBI)</strong></td>
<td>Reserve Bank of India, established under the Reserve Bank of India Act, 1934.</td>
</tr>
<tr>
<td><strong>Nippon India Mutual Fund (NIMF) /Mutual Fund/the Fund</strong></td>
<td>Nippon India Mutual Fund (formerly known as Reliance Capital Mutual Fund), a Trust under Indian Trust Act, 1882 and registered with SEBI vide registration number MF/022/95/1 dated June 30, 1995.</td>
</tr>
<tr>
<td><strong>Reliance Capital Trustee Co. Limited (RCTC) /Trustee / Trustee Company</strong></td>
<td>Reliance Capital Trustee Co. Limited, a Company incorporated under the Companies Act, 1956, and authorized by SEBI and by the Trust Deed to act as the Trustee of NIMF.</td>
</tr>
<tr>
<td><strong>Redemption Price</strong></td>
<td>Redemption Price to the investor of Units of any of the plans computed in the manner indicated in this Scheme Information Document.</td>
</tr>
<tr>
<td><strong>Registrar /Karvy</strong></td>
<td>Karvy Fintech Private Limited, who have been appointed as the Registrar or any other Registrar who is appointed by RNAM.</td>
</tr>
<tr>
<td><strong>Repo</strong></td>
<td>Sale of Government Securities with simultaneous agreement to repurchase them at a later date.</td>
</tr>
<tr>
<td><strong>Reverse Repo</strong></td>
<td>Purchase of Government Securities with simultaneous agreement to sell them at a later date.</td>
</tr>
<tr>
<td><strong>Statement of Additional Information (SAI)</strong></td>
<td>Statement of Additional Information, the document issued by Nippon India Mutual Fund containing details of Nippon India Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.</td>
</tr>
<tr>
<td><strong>Scheme</strong></td>
<td>Nippon India ETF Sensex Next 50, An Open Ended Index Exchange Traded Fund.</td>
</tr>
<tr>
<td><strong>Scheme Information Document (SID)</strong></td>
<td>Scheme Information Document issued by NIMF, offering units of Nippon India ETF Sensex Next 50 for subscription.</td>
</tr>
<tr>
<td><strong>SEBI (Mutual Funds) Regulations/ SEBI (MF) Regulations/ Regulations</strong></td>
<td>Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and such other regulations (including the Rules, Guidelines or Circulars) as may be in force from time to time to regulate the activities of Mutual Funds.</td>
</tr>
<tr>
<td><strong>Sponsor</strong></td>
<td>Sponsor of Nippon India Mutual Fund i.e., Nippon Life Insurance Company (&quot;NLI&quot;) which is mutual company incorporated and existing under the laws of Japan.</td>
</tr>
<tr>
<td><strong>The Securities and Exchange Board of India (SEBI)</strong></td>
<td>Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time, including by way of circulars or notifications issued by SEBI and the Government of India.</td>
</tr>
<tr>
<td><strong>Tracking Error</strong></td>
<td>Tracking error means the variance between daily returns of the underlying benchmark and the NAV of the scheme for any given period.</td>
</tr>
<tr>
<td><strong>Tri-Party Repo</strong></td>
<td>Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.</td>
</tr>
<tr>
<td><strong>Trust Deed</strong></td>
<td>The Trust Deed entered into on April 24, 1995 between the Sponsor and the Trustee, and all amendments thereof.</td>
</tr>
<tr>
<td><strong>Trust Fund</strong></td>
<td>The corpus of the Trust, unit capital and all property belonging to and/or vested in the Trustee.</td>
</tr>
<tr>
<td><strong>Unit Capital</strong></td>
<td>The aggregate of the face value of the Units issued under the Scheme.</td>
</tr>
<tr>
<td><strong>Unit</strong></td>
<td>The interest of the investors in any of the plans, of the scheme which consists of each Unit representing one undivided share in the assets of the corresponding plan of the scheme.</td>
</tr>
<tr>
<td><strong>Unitholder</strong></td>
<td>A person who holds Unit(s) under the scheme.</td>
</tr>
<tr>
<td><strong>Unitholders Record</strong></td>
<td>Unitholders whose names appear on the unitholders register of the concerned plan(s) on the date of determination of Dividend/Bonus, subject to realisation of the cheque.</td>
</tr>
</tbody>
</table>
Underlying Stock / Securities:
Instruments invested in by the Fund manager, for the scheme, subject to the approval of the Regulator and/or in compliance with the Regulations.

Website:
Website of NIMF namely www.reliancemutual.com / www.relianceeft.com

Words and Expressions used in this Scheme Information Document and not defined shall have the same meaning as in the Regulations.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

1. The Scheme Information Document of Nippon India ETF Sensex Next 50, forwarded to SEBI, is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

2. 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.

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

4. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registrations are valid, as on date, to the best of our knowledge and belief.

Place: Mumbai
Date: October 31, 2019
Muneesh Sud
Designation: Chief Legal & Compliance officer

Note: The Due Diligence Certificate as stated above was submitted to the Securities and Exchange Board of India on October 31, 2019.
II. INFORMATION ABOUT THE SCHEME – Nippon India ETF Sensex Next 50

A. TYPE OF THE SCHEME –
An Open Ended Index Exchange Traded Fund

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?
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 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.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?
Under normal circumstances, the anticipated asset allocation would be:

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative asset allocation (% of total assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities constituting S&amp;P BSE SENSEX Next 50</td>
<td>Minimum: 95%</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 or Liquid Schemes*</td>
<td>Maximum: 100%</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

*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.

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 S&P BSE SENSEX Next 50 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.

For the time duration of change in the index constituents, the Scheme may have to invest in Derivatives to maintain the respective weightages 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 Derivatives 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 15% of its corpus.

Change in Asset Allocation Pattern
Subject to the SEBI Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. In the event that the asset allocation of the Scheme should deviate from the ranges as noted in the asset allocation table above, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table above within a period of 7 days (30 days in case of corporate actions) from the date of said deviation. Such changes in the asset allocation will be for short term and defensive considerations.

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

D. WHERE WILL THE SCHEME INVEST?
Investment in Equities and equity related instruments: The Scheme would invest in stocks comprising the S&P BSE SENSEX Next 50 in the same proportion (weightage) as in the Index and endeavor to track the total return variant of the benchmark index.

Investment in money market instrument: The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity requirements. The scheme may also invest in liquid schemes of Nippon India Mutual Fund or any other Fund House. Money Market Instruments include commercial papers, treasury bills, and Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, Tri-Party Repo and any other like instruments as specified by the Reserve Bank of India from time to time.

Investment in Derivatives Instruments: The scheme will invest in derivatives instruments as per SEBI regulations for the purpose stated above under the asset allocation pattern table.

Securities Lending by the Fund:
The scheme shall engage in securities lending for equity investments, in line with the SEBI (Mutual Funds) Regulations, 1996, Securities Lending Scheme, 1997, SEBI Circular No MFD/CIR/01/047/99 dated February 10, 1999, SEBI Circular no. SEBI/IMD/CIR/14/187175/2009 dated December 15, 2009, SEBI circular No MRD/DoP/SE/Dep/Cir/14/2007 dated December 20, 2007 notifying framework 13 for lending of securities and such other applicable guidelines as may be amended from time to time. The scheme may engage in Securities Lending not exceeding 15% of the net assets of the scheme and shall not lend more than 5% of its Net Assets to a single counterparty or such other limits as may be permitted by SEBI from time to time.

In accordance with the Regulations and applicable guidelines, the Fund may engage in stock lending activities. The Securities will be lent by the
At present, the Indian debt market is dominated by issues of Central Government bonds, Corporate Debentures and PSU Bonds. The new

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

It is proposed to manage the risks by placing limit orders for basket trades and other trades, proactive follow-up with the service providers for

For the Scheme, risks would be the impact cost on securities, the delayed communication of weightage changes by the index service providers

The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent

7. Changes in the constituents of the underlying Index. Whenever there are any changes, the Scheme has to reallocate its investment as per

The fund is ideal for those investors who would like to participate in the India growth story by passively investing in a well-diversified portfolio of well known companies as approximately represented by S&P BSE SENSEX Next 50 Index.

E. WHAT ARE THE INVESTMENT STRATEGIES?

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 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.

The fund is ideal for those investors who would like to participate in the India growth story by passively investing in a well-diversified portfolio of well known companies as approximately represented by S&P BSE SENSEX Next 50 Index.

Tracking Error

Tracking error is defined as the standard deviation of the difference between the daily returns of the Underlying Index and the NAV of the Scheme. Theoretically, the corpus of the Scheme has to be fully invested in the securities comprising the Underlying Index in the same proportion of weights as the securities have in the Underlying Index. However, deviations from the stated index replication may occur due to reason that the Scheme has to incur expenses, corporate actions pertaining to the Index including changes to the constituents, regulatory policies, ability of the Fund Manager to closely replicate the Underlying Index, etc. The Scheme’s returns may therefore deviate from those of its Underlying Index. Tracking Error may arise due to the following reasons:

1. Fees and expenses of the Scheme.
2. Cash balance held by the Scheme due to dividend received subscriptions, redemption, etc.
3. Halt in trading on the stock exchange due to circuit filter rules.
4. Corporate actions
5. The Scheme has to invest in the securities in whole numbers and has to round off the quantity of securities shares.
6. Dividend payout.
7. Changes in the constituents of the underlying Index. Whenever there are any changes, the Scheme has to reallocate its investment as per the revised Index but market conditions may not offer an opportunity to rebalance its portfolio to match the Index and such delay may affect the NAV of the Scheme.

The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal market circumstances, such tracking error is not expected to exceed by 2% p.a. However, in case of events like, dividend issuance by constituent members, rights issuance by constituent members, and market volatility during rebalancing of the portfolio following the rebalancing of the Underlying Basket, etc. in abnormal market circumstances, the tracking error may exceed the above limits.

Risk Control

For the Scheme, risks would be the impact cost on securities, the delayed communication of weightage changes by the index service providers and the delayed calculation of net change in assets of the Scheme, amongst others.

It is proposed to manage the risks by placing limit orders for basket trades and other trades, proactive follow-up with the service providers for daily change in weights in index as well as monitor daily inflows and outflows to and from the Fund closely.

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. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process.

Debt market in India

The Indian Debt market is facing major shift in the recent times. The substantial growth in Mutual Fund collections in the past few years have provided an easy route for the investors to channelise their savings into the debt market, which otherwise is largely dominated by Banks and other Institutional investors.

At present, the Indian debt market is dominated by issues of Central Government bonds, Corporate Debentures and PSU Bonds. The new Securitised instruments are also very attractive in the primary market. Risk associated with securitized Debt or PTCs are credit risk, liquidity risk and price risk/interest rate risk. The other instruments available for investment are Commercial Papers, Certificate of Deposits, Government guaranteed bonds, etc.

Brief details about the instruments are given below as on Oct 22, 2019.

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Listed/ Unlisted</th>
<th>Current Yield Range As on Oct 22, 2019</th>
<th>Liquidity</th>
<th>Risk profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Government Securities</td>
<td>Listed</td>
<td>5.22%-7.19%</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Corporate Debentures / PSU Bonds</td>
<td>Listed</td>
<td>6.60%-7.90%</td>
<td>Moderate</td>
<td>Low</td>
</tr>
<tr>
<td>CDs (short term)</td>
<td>Unlisted</td>
<td>5.37%-6.20%</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Call Money</td>
<td>Unlisted</td>
<td>4.00%-5.50%</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Mibor linked Papers*</td>
<td>Listed</td>
<td>225-270 bps</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

* Range of spread between 5 year and 10 year AAA Corporate bond and OIS papers of similar maturity

A brief description about yields presently available on Central Govt. Securities /Bonds & Debentures of various maturities is as follows:

Annualised yields (as on Oct 22, 2019) are:
THE PRICE AND YIELD ON VARIOUS DEBT INSTRUMENTS FLUCTUATE FROM TIME TO TIME DEPENDING UPON THE MACRO ECONOMIC SITUATION, INFLATION RATE, OVERALL LIQUIDITY POSITION, FOREIGN EXCHANGE SCENARIO, ETC. ALSO, THE PRICE AND YIELD VARY ACCORDING TO MATURITY PROFILE, CREDIT RISK ETC

Portfolio Turnover Policy

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 transactions 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 endeavor to optimize the portfolio turnover to minimize risk and maximize gains while keeping in mind the cost associated with such transactions.

F. FUNDAMENTAL ATTRIBUTES

Following are the fundamental attributes in accordance with Regulation 18(15)(A) of the SEBI(MF) Regulations, 1996:

(i) Type of a scheme
   An Open Ended Index Exchange Traded Fund

(ii) Investment Objectives
   ● Main Objective - 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 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 Pattern - Refer to Section II - C: “How will the Scheme allocate its assets?”

(iii) Terms of Issue
   a) Liquidity provisions such as repurchase/redemption of units
      Nippon India ETF Sensex Next 50 shall be listed on the Exchange, subsequent buying or selling by Unit holders can be made from the secondary market. For details on repurchase/redemption of units please refer section on redemption.
   b) Aggregate Fees and expenses charged to the Scheme
      i) New Fund Offer (NFO) Expenses
         Refer to Section IV - A : New Fund Offer (NFO) Expenses
      ii) Annual Scheme Recurring Expenses
         Refer to Section IV - B : Annual Scheme Recurring Expenses
   ii) Any safety net or guarantee provided – Not Applicable

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, 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:

i) 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

ii) The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

S&P BSE SENSEX Next 50. The performance of the scheme shall be benchmarked to the Total Return (TRI) variant of the benchmark.

As per the investment objective of the scheme, the investment would primarily be in securities which are constituents of the S&P BSE SENSEX Next 50 Index. Thus, the composition of the aforesaid benchmark index is such that it is most suited for comparing performance of the Scheme

About the Index

S&P BSE SENSEX Next 50 Index was launched on February 27, 2017 (Base date December 16, 2005) with a base value as 7000.

Eligible Universe:

The index measures the performance of 50 companies within S&P BSE 100 that are not members of the S&P BSE SENSEX 50.

Index Construction:

All constituents of the S&P BSE 100 that are not members of the S&P BSE SENSEX 50 are selected and form the index, subject to the following derivative market linkage constraints:

- The individual float-adjusted weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
- The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%.

If any of the above derivative market linkage constraints are violated, the lowest-ranked company not linked to derivatives trading is removed and replaced with the highest-ranked eligible company linked to derivatives trading. This process is repeated until the aggregate weight of the index constituents not linked to derivatives trading no longer violates the constraints outlined above.

Constituent Weightings:

Index constituents are weighted based on their float-adjusted market capitalization.
**Index Rebalancing:**
Index rebalancing occurs on semi-annual basis in the months of June & December.

**Index Governance:**
The S&P BSE Indices Index Committee oversees the S&P BSE Indices. The Index Committee is composed of full time employees of S&P Dow Jones Indices and the BSE. The Index Committee meets quarterly. At each meeting, the Index Committee may review pending corporate actions that may affect index constituents, statistics comparing the composition of the indices to the market, companies that are being considered as candidates for addition to an index, and any significant market events. In addition, the Index Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

**H. WHO MANAGES THE SCHEME?**

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Educational Qualification</th>
<th>Type and Nature of past experience including assignments held during the past 10 years</th>
<th>Name of the Other Scheme managed</th>
</tr>
</thead>
</table>
| Mr. Mehul Dama                      | 37 years | C.A., B.Com            | **Over 14 years of experience**  
**From November 06, 2018 onwards**  
Fund Manager & Dealer - ETF  
**April 09, 2018 - November 05, 2018**  
RNAM: Dealer - ETF  
**November 2016 - April 08, 2018**  
RNAM: Lead – Finance ETF  
**August 2011 - November 2016**  
Goldman Sachs Asset Management (India) Private Limited, Vice President – Controllers.  
**January 2010 – August 2011**  
Benchmark Asset Management Company Private Limited, Assistant Vice President – Operations / Controllers.  
**September 2004 – December 2009**  
Lovelock & Lewes – Assistant Manager | Nippon India ETF Consumption, Nippon India ETF Dividend Opportunities, Nippon India ETF Gold BeES, Nippon India ETF Infra BeES, Nippon India ETF Nifty 100, Nippon India ETF NV20, Nippon India ETF PSU Bank BeES, Nippon India ETF Sensex, Nippon India ETF Shariah BeES, Reliance Index Fund – Nifty Plan, Reliance Index Fund – Sensex Plan, Reliance Gold Savings Fund, Nippon India ETF Nifty Midcap 150, Reliance Junior BeES FoF, Nippon India ETF Sensex Next 50 |

**I. WHAT ARE THE INVESTMENT RESTRICTIONS?**
The investment policy of the scheme complies with the rules, regulations and guidelines laid out in SEBI (Mutual Funds) Regulations, 1996. As per the Regulations, specifically the Seventh Schedule, the following investment limitations are currently applicable:

1. 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 Tri-Party Repo:

   Provided further that the schemes already in existence shall within an appropriate time and in the manner, as may be specified by the Board, conform to such limits.

2. The Scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and the Board of asset management company.

   Note: Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified above. Further, it is clarified that the investment limits mentioned in (1) and (2) above are applicable to all debt securities which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc. guaranteed by either central or state government. Government securities issued by central/state government or on its behalf by RBI are exempt from the above referred investment limits.

3. The Mutual Fund under all its schemes taken together will not own more than 10% of any companies paid up capital carrying voting rights.

4. The Scheme may invest in another scheme under the same asset management company or in any other mutual fund without charging any fees, provided the aggregate inter scheme investments made by all Schemes under the same management company or in schemes under the management of any other AMC shall not exceed 5% of NAV of the Mutual Fund. [Provided that this clause shall not apply to any fund of funds scheme.]

5. The Mutual Fund 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 and shall in no case put itself in a position whereby it has to make short sale or carry forward transactions or engage in badla finance:

   Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board:

   Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

6. The Fund shall get the securities purchased or transferred in the name of the Fund on account of the concerned scheme, wherever investments are intended to be of a long-term nature.

7. The fund’s schemes shall not make any investment in:
   i) Any unlisted security of an associate or group company of the sponsor
   ii) Any security issued by way of private placement by an associate or group company of the sponsor
   iii) The listed securities of group companies of the sponsor which is in excess of 25% of the net assets of the scheme.
8. The Scheme shall not invest in a fund of funds scheme.
9. No term loans for any purpose will be advanced by the Scheme.
10. The Fund shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments.
11. The Scheme shall not invest more than 10% of its NAV in equity shares/equity related instruments of any company. Provided that, the limit of 10% shall not be applicable for investments in index fund or sector/industry specific scheme. However, the Scheme at any point of time will not invest more than 10% of the NAV of the Scheme in a single company.
12. In case any company has invested more than 5% of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same Mutual Fund in that company or its subsidiaries, if any, shall be brought to the notice of the Trustees by RNAM and be disclosed in the half-yearly and annual accounts with justification for such investment provided that the latter investment has been made within one year of the date of the former investment calculated on either side.
13. The Scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.
14. Aggregate value of ‘illiquid securities’ of the Scheme, which are defined as non-traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the Scheme.
15. In order to address the risk related to portfolio concentration in ETFs and Index Funds in accordance with SEBI circular No. SEBI/HO/IMD/DF3/CIR/P/2019/011 dated January 10, 2019, it has been decided to adopt the following norms:
   a) The index shall have a minimum of 10 stocks as its constituents.
   b) For a sectoral/ thematic Index, no single stock shall have more than 35% weight in the index. For other than sectoral/ thematic indices, no single stock shall have more than 25% weight in the index.
   c) The weightage of the top three constituents of the index, cumulatively shall not be more than 65% of the Index.
   d) The individual constituent of the index shall have a trading frequency greater than or equal to 80% and an average impact cost of 1% or less over previous six months.

Accordingly, the scheme seeks to replicate a particular Index hence shall ensure that the index complies with the aforesaid norms.
16. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase / Redemption of Units or payment of interest and Dividend to the Unitholders. Provided that the Fund shall not borrow more than 20% of the net assets of any individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

At NIMF, to ensure robust risk management and adequate portfolio diversification internal Investment policy for various schemes have been framed. The investment policy at NIMF specifies limits both on overall basis (across all schemes) as well as on individual scheme level. All the Schemes securities investment will be in transferable securities.

All investment restrictions stated above shall be applicable at the time of making investment. The Scheme will not enter into any transaction, which exposes it to unlimited liabilities or results in the encumbering of its assets in any way so as to expose them to unlimited liability.

These investment limitations / parameters as expressed / linked to the net asset / net asset value / capital, shall in the ordinary course, apply as at the date of the most recent transaction or commitment to invest. Changes do not have to be effected merely because of appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders. The Trustee Company in consultation with AMC may alter these above stated limitations from time to time, and also to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments in order to achieve its investment objectives & policies. As such, all investments of the Scheme will be made in accordance with the Regulations including Schedule VII thereof and the Fundamental Attributes of this Scheme.

Investment by the AMC in the Scheme: In line with SEBI Regulations and circulars issued by SEBI from time to time, the AMC may invest its own funds in the scheme(s). Further, the AMC shall not charge any fees on its investment in the Scheme(s), unless allowed to do so under SEBI Regulations in the future.

J. HOW HAS THE SCHEME PERFORMED?

Absolute Returns for each financial year for the last 5 years - NA

<table>
<thead>
<tr>
<th>Compounded Annualised Returns</th>
<th>Nippon India ETF Sensex Next 50 (%)</th>
<th>S&amp;P BSE SENSEX Next 50 TRI** (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns for the last 1 year</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Returns for the last 3 years</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Returns for the last 5 years</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Returns since inception</td>
<td>4.72</td>
<td>4.79</td>
</tr>
</tbody>
</table>

Note: As the scheme has not completed 1 year, returns are provided for since inception

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. July 30, 2019. 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.
K. ADDITIONAL DISCLOSURES

This Scheme is a new scheme, therefore the following additional disclosures are Not Available

a. Top 10 holdings by issuer and sectors

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>Weightage(%)</th>
<th>Sector</th>
<th>Allocation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPL Limited</td>
<td>4.56%</td>
<td>Financial Services</td>
<td>20.78%</td>
</tr>
<tr>
<td>HDFC Life Insurance Company Limited</td>
<td>4.15%</td>
<td>Consumer Goods</td>
<td>19.36%</td>
</tr>
<tr>
<td>Dabur India Limited</td>
<td>3.47%</td>
<td>Pharma</td>
<td>12.77%</td>
</tr>
<tr>
<td>Hindustan Petroleum Corporation Limited</td>
<td>3.09%</td>
<td>Automobile</td>
<td>8.92%</td>
</tr>
<tr>
<td>Pidilite Industries Limited</td>
<td>3.05%</td>
<td>Energy</td>
<td>7.33%</td>
</tr>
<tr>
<td>Bharti Infratel Limited</td>
<td>3.02%</td>
<td>Cement &amp; Cement Products</td>
<td>6.20%</td>
</tr>
<tr>
<td>Divi's Laboratories Limited</td>
<td>2.92%</td>
<td>Industrial Manufacturing</td>
<td>5.33%</td>
</tr>
<tr>
<td>Marico Limited</td>
<td>2.80%</td>
<td>Fertilisers &amp; Pesticides</td>
<td>4.56%</td>
</tr>
<tr>
<td>Colgate Palmolive (India) Limited</td>
<td>2.76%</td>
<td>Chemicals</td>
<td>4.48%</td>
</tr>
<tr>
<td>Avenue Supermarts Limited</td>
<td>2.72%</td>
<td>Telecom</td>
<td>3.02%</td>
</tr>
</tbody>
</table>

Link to obtain schemes latest monthly portfolio holding - https://www.reliancemutual.com/investor-services/downloads/factsheets/

b. Portfolio Turnover Ratio : Not Available

C. Aggregate Investments in the scheme by Board of Directors / Fund Managers / Other Key Managerial Persons

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Aggregate Investments (Rs. in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>NA</td>
</tr>
<tr>
<td>Fund Managers</td>
<td>NA</td>
</tr>
<tr>
<td>Other Key Managerial Persons</td>
<td>NA</td>
</tr>
</tbody>
</table>

Note: Investment by Executive Director-cum-CEO is included in the aggregate investments by Other Key Managerial Persons.

L. HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED EXCHANGE TRADED FUNDS OF THE MUTUAL FUND

Nippon India ETF Bank BeES

Asset Allocation Pattern: Securities covered by the Nifty Bank Index - 95-100%; Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents. - 0-5%

Primary Investment Pattern: 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 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 Bank BeES endeavors to track and generate returns similar 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: 7670.30, No. of Folios as on September 30, 2019: 7521

Nippon India ETF Gold BeES

Asset Allocation Pattern: Physical Gold or Gold related Instruments as permitted by SEBI from time to time: 95-100%, Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents, Securitized Debts* - 0-5%(* Investments in securitised debts can be made by the Scheme up to 5% of the net assets). Primary Investment Pattern: The investment objective of Nippon India ETF Gold BeES is to provide returns that, before expenses, closely correspond to the returns provided by Domestic price of Gold through physical gold. 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 Gold BeES endeavors to track and provide similar returns to its benchmark- the domestic prices of gold through investment in physical gold and money market instruments. The fund follows a passive investment strategy and endeavors to generate returns similar to its benchmark. The fund is benchmarked to physical price of gold. Month End AUM (Rs. Crore) as on September 30, 2019: 2729.17, No. of Folios as on September 30, 2019: 143693

Nippon India ETF Nifty 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. - 0% to 5%. Primary Investment Pattern: The investment objective of Nippon India ETF Nifty BeES is to provide investment returns that, before expenses, closely correspond to the total returns of the Securities as represented
by the Nifty 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 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 Nifty 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. 

**Nippon India ETF Hang Seng BeES**

**Asset Allocation Pattern:** Securities constituting Hang Seng Index - 95% to 100% Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents, mutual fund schemes/overseas exchange traded funds based on Hang Seng Index - 0% to 5%. **Primary Investment Pattern:** The investment objective of Nippon India ETF Hang Seng BeES is to provide returns that, before expenses, closely correspond to the total returns of Securities as represented by Hang Seng Index of Hang Seng Data Services Limited, by investing in the Securities in the same proportion as in the 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 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 Hang Seng BeES endeavors to track and provide similar returns to its benchmark- Hang Seng 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. 

**Nippon India ETF Infra BeES**

**Asset Allocation Pattern:** Securities covered by the Nifty Infrastructure Index by investing in the Securities in the same proportion as in the 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 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 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. 

**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 returns of Securities as represented by 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 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 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. 

**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 Securities as represented by the Nifty PSU 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 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
Next 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, closely 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 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 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: 506

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 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. There can be no assurance or guarantee that the investment objective of the Scheme will 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: 281206

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, 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. 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 they track and do 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: 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, 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 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 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: 7.01, 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, 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 India Consumption Index in same proportion as in the Index. The Scheme 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) 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 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 in same proportion as in the Index. The Scheme follows a passive strategy of management with endeavor to generate 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 in same proportion as in the Index. The Scheme follows a passive strategy of management with endeavor to generate 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 in same proportion as in the Index. The Scheme follows a passive strategy of management with endeavor to generate 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 TRl 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 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 Sensex Next 50 endeavors to track and provide similar returns to its benchmark- S&P BSE SENSEX Next 50 TRl 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

**Risk Mitigation Factors for all the above mentioned Schemes** - Applicable for all the above mentioned Schemes. Robust measures implemented to mitigate Risk include, adoption of internal policies on investments and valuations, rigorous procedures for monitoring investment restrictions and effective implementation of various norms prescribed by SEBI from time to time.
III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. NEW FUND OFFER (NFO)

| Plans / Options offered | Presently the Scheme does not offer any Plans/Options for investment. The AMC/Trustee reserve the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date. However, Unit holders are requested to note that the Trustees may at their absolute discretion reserve the right to declare Dividend from time to time (which will be paid out to the Unit holders) in accordance with the Dividend Policy. The AMC and the Trustees reserve the right to introduce such other plans/options as they deem necessary or desirable from time to time, in accordance with the SEBI Regulations. |

| Dividend Policy | In accordance with the SEBI Regulations on the procedure for declaration of Dividend, the Trustees may declare Dividend to the Unit holders under the Scheme subject to the availability of distributable surplus, and the actual distribution of Dividend, the frequency of distribution, the quantum of Dividend and the record date 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, if any. 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 the 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 through the Unit holder’s bank account as specified in the Registrar’s records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. |

| Refund | If any application is rejected, full amount will be refunded within five business days of closure of the NFO. No interest will be payable on any subscription money refunded within five business days. If refunded later than five business days, interest @ 15% p.a. for the delay period will be paid to the applicant and borne by the AMC for the period from the day following the date of expiry of five business days until the actual date of the refund. Refund orders will be marked “A/c. payee only” and drawn in the name of the applicant in the case of a sole applicant and in the name of the first applicant in all other cases, mentioning the bank account number and bank name of the sole / first applicant, as specified in the application form. In case the bank account details are not available or incomplete, the refund order will be issued without the bank account details of the applicant at the applicant’s own risk. The bank and/or collection charges, if any, will be borne by the applicant. All the refund payments will be sent by registered post or courier service or as required under The Regulations. |

| Who can invest | The units of the scheme are being offered to the public for subscription The following persons (subject, wherever relevant, to purchase of units being permitted under their respective constitutions and relevant State Regulations) are eligible to subscribe to the units 1. Resident adult individuals, either singly or jointly (not exceeding three) or on anyone or survivor basis. 2. Minors through parents / lawful guardian. 3. Hindu Undivided Family (“HUF”) through its karta. 4. Partnership firms. 5. Companies, bodies corporate, societies, association of persons, body of individuals, clubs and public sector undertakings registered in India if authorized and permitted to invest under applicable Laws and regulations. 6. Banks (including co-operative banks and regional rural banks), financial institutions and investment institutions incorporated in India or the Indian branches of banks incorporated outside India. 7. Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis and on non-repatriation basis. 8. Mutual Funds registered with SEBI. 9. FPIs (subject to regulations / directions prescribed by the RBI/SEBI from time to time relating to FPI investments in mutual fund schemes). This is an indicative list. Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions. |
10. Charitable or religious trusts, wakf boards or endowments and registered societies (including registered cooperative societies) and private trusts authorized to invest in Units of mutual fund schemes under their trust deeds.

11. Army, air force, navy, para-military funds and other eligible institutions.

12. Scientific and industrial research organizations.

13. Multilateral funding agencies or bodies corporate incorporated outside India with the permission of GOI / RBI.

14. Overseas financial organizations which have entered into an arrangement for investment in India, interalia with a mutual fund registered with SEBI and which arrangement is approved by GOI.

15. Provident / pension / gratuity / superannuation and such other retirement and employee benefit and other similar funds as and when permitted to invest.

16. Other associations, institutions, bodies etc. authorized to invest in the Units.

17. Apart from the above, all other categories of Investors permitted at present and in future are eligible to invest in the Scheme.

All cheques and bank drafts accompanying the Application Form should contain the Application Form number / folio number and the name of the sole / 1st applicant / Unit holder on its reverse. 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 are liable to be rejected. The Registrar / AMC may ask the Investor to provide a blank cancelled cheque for the purpose of verifying the bank account number.

Applications without relevant details of the applicant’s Depository account are liable to be rejected.

Note:

1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid Regulations.

2. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, along with a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions.

3. In line with SEBI Regulations and circulars issued by SEBI from time to time, the AMC may invest its own funds in the scheme(s). Further, the AMC shall not charge any fees on its investment in the Scheme(s), unless allowed to do so under SEBI Regulations in the future.

4. It is expressly understood that at the time of investment, the investor/unitholder has the express authority to invest in units of the Scheme and the onus of the investment being compliant with the relevant constitution is on the investor.

5. RNAM reserves the right to include / exclude new / existing categories of investors to invest in this Scheme from time to time, subject to the Regulations, if any.

Note:

1. Neither this Scheme Information Document ("SID")/ Key Information Document ("KIM")/ Statement of Additional Information ("SAI") ["Scheme Related Documents"] nor the units of the scheme(s) have been registered under the relevant laws, as applicable in the territorial jurisdiction of United States of America nor in any provincial/ territorial jurisdiction in Canada. It is being clearly stated that the Scheme Related Documents and/or the units of the schemes of Nippon India Mutual Fund have been filed only with the regulator(s) having jurisdiction in the Republic of India. The distribution of these Scheme Related Documents in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of these Scheme Related Documents are required to inform themselves about, and to observe any such restrictions.

No persons receiving a copy of these Scheme Related Documents or any KIM accompanying application form jurisdiction may treat such Scheme Related Documents as an invitation to them to subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly these Scheme Related Documents do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of such persons in possession of the Scheme Related Documents and any persons wishing to apply for units pursuant to these Scheme Related Documents to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.
The RNAM shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the RNAM. The investor shall be responsible for complying with all the applicable laws for such investments.

The RNAM reserves the right to put the transaction requests on hold/reject the transaction request/reverse allotted units, as the case may be, as and when identified by the RNAM, which are not in compliance with the terms and conditions notified in this regard.

2. Foreign Account Tax Compliance

In accordance with the relevant provisions of the Foreign Account Tax Compliance Act (“FATCA”) as contained in the United States Hiring Incentives to Restore Employment (“HIRE”) Act, 2010, there is a likelihood of withholding tax being levied on certain income/receipt sourced from the subjects of United States of America (“US”) with respect to the schemes, unless such schemes are FATCA compliant.

In this regard, the respective governments of India and US have signed an Inter Governmental Agreement-1 (IGA) on July 9, 2015. In the terms of this proposed IGA, Nippon India Mutual Fund (“NIMF”) and/or Reliance Nippon Life Asset Management Limited (“RNAM”/ “AMC”) classified as a “Foreign Financial Institution” and in which case NIMF and/or RNAM would be required, from time to time, to (a) undertake the necessary due-diligence process; (b) identify US reportable accounts; (c) collect certain required information/documentary evidence (“information”) with respect to the residential status of the unit holders; and (d) directly or indirectly disclose/report/submit such or other relevant information to the appropriate Indian authorities. Such information may include (without limitation) the unit holder’s folio detail, identity of the unit holder, details of the beneficial owners and controlling persons etc.

In this regard and in order to comply with the relevant provisions under FATCA, the unit holders would be required to fully cooperate & furnish the required information to the AMC, as and when deemed necessary by the latter in accordance with IGA and/or relevant circulars or guidelines etc, which may be issued from time to time by SEBI/AMFI or any other relevant & appropriate authorities.

The applications which do not provide the necessary information are liable to be rejected. The applicants/unit holders/prospective investors are advised to seek independent advice from their own financial & tax consultants with respect to the possible implications of FATCA on their investments in the scheme(s).

In case required, NIMF/RNAM reserves the right to change/modify the provisions (mentioned above) at a later date.

The Fund reserves the right to include/exclude new/existing categories of investors to invest in the Schemes, subject to SEBI Regulations and other prevailing statutory regulations, if any.

3. Rejection of the application:

Subject to the SEBI Regulations and applicable Laws, any application for NFO Units may be accepted or rejected at the sole and absolute discretion of the Trustees/AMC. For example and without limitations, the Trustees/AMC may reject any application for the Purchase of NFO Units if the application is received from an Investor to whom the NFO Units cannot be lawfully or validly offered or by whom the NFO Units cannot be lawfully or validly subscribed or if the Investor does not provide information/details required by the Mutual Fund/AMC/Trustees in relation to KYC, beneficial ownership, FATCA or any other requirements mandated by the Mutual Fund/Trustees/AMC pursuant to any directives of AMFI or any other additional administrative processes required with respect to such Investors or if the application is invalid or incomplete, or if, in its opinion, increasing the size of the Scheme’s Unit Capital is not in the general interest of the Unit holders, or if the Trustees/AMC 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.

4. Further information request by the AMC/Trustees:

The AMC/Trustees may request Investors/Unit holders to provide verification of their identity or other further details as may be required in the opinion of the AMC/Trustees under applicable Laws and/or pursuant to any directives of AMFI. This may result in a delay in dealing with the applicants, Unit holders, benefits, distribution, etc. and/or even rejection of the application/mandatory Redemption of Units.

How to Apply

Please refer to the Statement of Additional Information and Key Information Memorandum cum Application form for the instructions.

Listing

The units of Nippon India ETF Sensex Next 50 shall be listed on the BSE Limited. The trading will be as per the normal settlement cycle. The AMC reserves the right to list the units of the Scheme on any other recognized stock exchange.

The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.

The units under the scheme once repurchased, shall not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.

Right to Limit Redemption

The Trustee and AMC may, in the general interest of the Unit holders of the Scheme under this Scheme Information Document and keeping in view the unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Working Day for redemption requests of more than Rs. 2 Lakhs per folio at a scheme level, in any Scheme. In line with the SEBI Circular dated May 31, 2016 the following conditions would be applicable.

a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
   i. Liquidity issues - when market at large becomes illiquid and affecting almost all securities.
   ii. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
   iii. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).

b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.

c. When restriction on redemption is imposed, the following procedure shall be applied:
   i. No redemption requests upto INR 2 lakh shall be subject to such restriction.
   ii. Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

However, suspension or restriction of redemption under any scheme of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the Asset Management Company and the Trustee Company. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI immediately.

NIMF also reserves the right at its sole discretion to withdraw sale of Units in the Scheme temporarily or indefinitely, if the AMC views that increasing the Scheme’s size further may prove detrimental to the existing unit holders of the Scheme. An order/ request to purchase Units is not binding on and may be rejected by the Trustee, the AMC or their respective agents, unless it has been confirmed in writing by the AMC or its agents and (or) payment has been received.

B. ONGOING OFFER DETAILS

| Ongoing Offer Period | Within 5 working days from the date of allotment, an investor can buy/sell units of Nippon India ETF Sensex Next 50 on a continuous basis on the BSE Limited/ and other recognised stock exchanges where units are listed and traded like any other publicly traded securities at market prices which may be close to the actual NAV of the Scheme. The trading lot is one Nippon India ETF Sensex Next 50 unit. Investors can purchase units at market prices, which may be at a premium/discount to the NAV of the scheme depending upon the demand and supply of units at the exchanges. Alternatively, Authorized Participants and Large Investors may buy the units on any business day for the scheme directly from the Mutual Fund at applicable NAV and transaction charges, if applicable, by transferring stocks or cash, value of which is equal to creation unit size. Each creation unit consists of 110,000 units and cash component, if any, of Nippon India ETF Sensex Next 50. Mutual fund will also repurchase units from Authorized Participants and Large Investors on any business day provided the number of Nippon India ETF Sensex Next 50 that investors can create / redeem in exchange of the Portfolio Deposit and Cash Component is 110,000 units and in multiples thereafter. |
| Ongoing price for subscription (purchase) by investors. | This is the price you need to pay for purchase A. Directly with the Fund Units of the Scheme in less than Creation Unit cannot be Purchased directly with the Fund. The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments. The number of Units of the Scheme that Investors can create in exchange of the Portfolio Deposit and Cash Component are 110,000 Units and in multiples thereof. ‘Creation Unit’ is fixed number of Units of each Scheme, which is exchanged for a basket of shares underlying the index called the Portfolio Deposit and a Cash Component. The facility of creating Units in Creation Unit size is available to the Authorised Participants (whose names will be available on our website www.reliancemutual.com / www.relianceetf.com) and Large Investors. The Portfolio Deposit and Cash Component are defined as follows: - a. Portfolio Deposit: This is a pre-defined basket of Securities that represent the underlying index and will be defined and announced by the Fund on daily basis and can change from time to time. |
b. **Cash Component for Creating in Creation Unit Size:** The Cash Component represents the difference between the Applicable NAV of a Creation Unit and the market value of the Portfolio deposit. This difference will represent accrued Dividends, accrued annual charges including management fees and residual cash in the Scheme. In addition the Cash Component will include transaction cost as charged by the Custodian/Depository Participant, equalization of Dividend and other incidental expenses for Creating Units. In addition the Cash Component for creation will also include Entry Load, as may be levied by the Fund from time to time and statutory levies, if any. The Cash Component for creation will vary from time to time and will be decided and announced by the AMC on its website and other data providers and media at large.

**Procedure for Subscription in Creation Unit size**

The requisite Securities constituting the Portfolio Deposit of the Scheme has to be transferred to the Fund’s Depository Participant account while the Cash Component has to be paid to the Custodian/AMC. On confirmation of the same by the Custodian/AMC, the AMC will transfer the respective number of Units of the relevant Scheme into the Investor’s Depository Participant account. The AMC may create Creation Unit prior to receipt of all or a portion of the relevant Portfolio Deposit and Cash Component in certain circumstances where the Purchaser, among other things, posts collateral to secure its obligation to deliver such outstanding Portfolio Deposit and Cash Component.

The Fund may allow cash Purchases of Units of the Scheme in Creation Unit size by Large Investors/Authorised Participants. Purchase request for Creation Unit shall be made by such Investor to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio Securities. The Portfolio Deposit and Cash Component will be exchanged for the shares of the relevant Scheme in Creation Unit size.

Creation of Units in such Scheme will be done only after full sighting of cash / portfolio deposit in such Scheme accounts.

**Disclosure of Portfolio Deposit and Cash Component**

The AMC shall disclose on a daily basis the portfolio and Cash Component for creating and Redeeming Units in Creation Unit size for the Scheme. The same will be disclosed on our website i.e. www.reliancemutual.com / www.relianceetf.com, daily in the morning and would be applicable for creating and Redeeming Units in Creation Unit size for that Working Day only.

**B. On the Exchange**

As the Units of the Scheme are listed on BSE, an Investor can buy Units on continuous basis on the capital market segment of BSE during trading hours like any other publicly traded stock at prices which may be close to the actual NAV of the Scheme. There is no minimum investment, although Units are Purchased in round lots of 1 Unit.

**Ongoing price for redemption (sale) by investors.**

This is the price you will receive for redemptions.

Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:

\[
\text{Rs. } 10 \times (1-0.02) = \text{Rs. } 9.80
\]
The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Large Investors/Authorized Participant. Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor. Accordingly, the sale proceeds of portfolio Securities, after adjusting necessary charges/costs, will be remitted to the Investor.

### Procedure for Redemption in less than Creation Unit size

Unit holders / investor other than Authorised Participants/Large Investors of an directly approach Reliance AMC and no Exit Load shall be charged for Redemption of Units if -

a) the traded price of the ETF Units is at a discount of more than 3% to the NAV for continuous 30 days; or
b) discount of bid price to applicable NAV is more than 3% over a period of 7 consecutive trading days; or
c) No quotes are available on Exchange for 3 consecutive trading days; or
d) Total bid size on the Exchange is less than half of Creation Units Size daily, averaged over a period of 7 consecutive trading days.

In such a scenario valid applications received upto 3 p.m., Reliance MF shall process the Redemption request basis the closing NAV of the day of receipt of application. Such instances shall be tracked by Reliance AMC on an ongoing basis and incase if any of the above mentioned scenario arises the same shall be disclosed on the website of Nippon India Mutual Fund i.e. www.reliancemutual.com / www.relianceeft.com.

### Disclosure of Portfolio Deposit and cash Component

The AMC shall disclose on a daily basis the portfolio and cash component for creating and Redeeming Units in Creation Unit size. The same will be disclosed on our website i.e. www.reliancemutual.com / www.relianceeft.com, daily in the morning and would be applicable for creating and Redeeming Units in Creation Unit size for that Working Day only.

### B. On the Exchange

As the Units of the Scheme are listed on BSE, an Investor can sell Units on continuous basis on the capital market segment of BSE during trading hours like any other publicly traded stock at prices which may be close to the actual NAV of the Scheme. The Units are sold in round lots of 1 Unit

### Cut off timing for subscriptions / redemptions

<table>
<thead>
<tr>
<th>Investors / Unit holders to note that the below mentioned Cut-off time are not applicable to transactions undertaken on a recognised Stock Exchange and are only applicable to transactions undertaken at the Official Points of Acceptance.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Cut-off time for receipt of valid application for Subscriptions and Redemptions is 3.00 p.m. However, as the Scheme is an Exchange Traded Fund, the Subscriptions and Redemptions of Units would be based on the Portfolio Deposit and Cash Component as defined by the Mutual Fund for that respective Working Day.</td>
</tr>
</tbody>
</table>

### Where can the applications for purchase/redemption be submitted?

<table>
<thead>
<tr>
<th>Authorised Participants / Large Investors may submit / mail the completed application forms at any of the Designated Investor Service Centers of Nippon India Mutual Fund. The addresses of the Designated Investor Service Centers (DISC) are located, may send their application forms to any of the nearest DISC, accompanied by Demand Draft/s payable locally at the DISC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switch in will be accepted from Liquid and Debt Funds and Switch out to Liquid, Debt and Equity funds will also be accepted.</td>
</tr>
</tbody>
</table>

### Pricing (per unit)

- Approximately 1/1000th of the S&P BSE SENSEX Next 50 Index

### Minimum amount for purchase / redemption

- **Directly with Fund**
  - Minimum number of Units (Creation Units) - 110,000 Units and in multiples thereof
- **On the Exchange**
  - The Units of the Scheme can be Purchased/ sold in minimum lot of 1 Unit and in multiples thereof.

### Minimum Switch Amount

Will be as per the minimum application amount in the respective scheme which may have been opted by the Investor for switching the units/amount where the switch facility is available

### Minimum balance to be maintained and consequences of non maintenance.

| Not applicable |

### Special Products available

| Being an ETF, none of the Special Products is available in the scheme. |

### Special Facilities

1) **Switch-in Facility:**

   During the on-going offer period of the scheme, switch-in into the scheme shall be permitted from eligible open ended Liquid and Debt/Income Funds.

   For availing this facility, Investors are requested to note the following operational modalities:

   a. Based on number of basket’s the Investor wants to purchase in the scheme, switchout amount from Liquid or Debt/Income Fund should be calculated basis the following:

   \[(\text{No. of Baskets opted by investor} \times \text{Units creation size} \times \text{Previous day NAV of Switch-in scheme}) + 2\%\]
For e.g. if the investor wants to purchase 2 baskets and previous day’s NAV is Rs.60.1234 the switch amount would be calculated as follows:

\[2 \times 10000 \text{(unit Basket)} \times 60.1234 \times 1.02\% = Rs. 12,26,517.40\]

b. Accordingly investor should provide the switch request for Rs. 12,26,517.00 [as illustrated in point “a” (i.e. nearest to rupee)].

c. Switch-out from the Liquid or Debt/Income Fund into the scheme shall be accepted only in terms of amount in INR and not in terms of units.

d. Switch transaction will be processed at the applicable NAV of the switch-out scheme and only if the value is available in the switch-out scheme.

e. Based on the funding in the scheme, investment for creation of portfolio deposit shall be carried out by RNAM in the securities market on the behalf of the investor.

f. In case the amount of portfolio deposit and cash component is less than the switch funding amount, excess amount will be refunded to investor within 5 business days of transaction. Units of the switch-in scheme shall be credited to investors demat account within 5 business days of transaction.

g. Investors to note that the pattern and sequence of holding both in the open-ended (Non-ETF) Folio and in demat account (used for ETF units) should be same. The Trustee/AMC reserves the right to modify the above facility at any time in future on a prospective basis.

2) **Switch-Out Facility**

Switch-out from the Scheme to eligible open ended (Non-ETF) Equity, Liquid and Debt/Income Schemes shall be permitted. For availing this facility, Investors are requested to note the following operational modalities:

a. Switch-out from the Scheme will be allowed only in terms of Basket size (unit)

b. Switch transaction will be processed subject to availability of all details as per regulatory guidelines.

c. The applicability of the NAV in the transferee Scheme will be the NAV of the business day on which the Funds are realized in Scheme’s account before cut-off time

d. In case of any rejection in Switch-in to the transferee Scheme, the amount will be paid to the investor as redemption proceeds.

e. Investors to note that the pattern and sequence of holding both in the open-ended (Non-ETF) Folio and in demat account (used for ETF unit holding) should be same. However, in case there is no existing Folio, the investor has to provide the details and signatures of all holders for Folio creation in the open-ended (Non-ETF) Scheme.

f. Investors should have the clear balance of ETF units in their demat account for execution of the Switch-out transaction from the selected ETF Scheme.

3) **Official Points of Acceptance of Transaction through MF utility:**

MF Utilities India Private Limited (“MFUI”), a “Category II - Registrar to an Issue” under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, has extended the features of MF Utility (“MFU”) website for accepting commercial transactions in Nippon India ETF Schemes (except Nippon India ETF Liquid BeES and Nippon India ETF Gold BeES) in Creation Unit size. Accordingly, the website/mobile application of MFUI (available currently and also updated from time to time) are shall be eligible to be considered as ‘official points of acceptance’ for all financial transactions in the schemes of NIMF ETFs (except Nippon India ETF Liquid BeES and Nippon India ETF Gold BeES) electronically with effect from August 27, 2018.

Applicability of NAV shall be based on time stamping as evidenced by confirmation data of MFUI and also the realization of funds in the Bank account of Nippon India Mutual Fund (and NOT the time of realization of funds in the Bank account of MFUI) within the applicable cut-off timing. The Uniform Cut-off time as prescribed by SEBI and mentioned in the SID / KIM shall be applicable for applications received through such facilities. Investors are requested to note that MFUI will allot a Common Account Number (“CAN”) i.e. a single reference number for all investments in the mutual fund industry for transacting in multiple schemes of various mutual funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form and necessary documents at the POS. However, for NIMF ETFs the MFU will only act as a transaction aggregator and will not provide the holding details under the Folio/Can. The AMC and/or its Registrar and Transfer Agent shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU. Investors are requested to visit the website of MFUI i.e. www.mfuindia.com to download the relevant forms.

For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on +91 22 6134 4316 (during the business hours on all days except Saturday, Sunday and public holidays) or send an email to clientservices@mfuindia.com.

4) **Variable Systematic Transfer Plan (vSTP)**

A. **vSTP-in facility into all applicable ETF schemes from eligible open-ended (Non-ETF) Liquid and Debt/Income schemes.**

During the on-going offer period of the scheme, vSTP-in to the designated ETF scheme shall be permitted from unit holder(s) holding units in non-demat form of eligible open-ended (Non-ETF) Liquid and Debt/Income Funds. Investors to note that the ETF units are to be held in dematerialized form only.
For availing this facility, Investors are requested to note the following operational modalities:

a. Investor will have to specify the No. of Basket to be invested in the Transferee Scheme on the pre-determined date in the vSTP registration form. Based on number of basket(s) the Investor wants to purchase in the ETF scheme, vSTP out amount from non ETF Liquid or Debt/Income Fund will be calculated (No. of Baskets opted by investor x Units creation size x Previous business day (of vSTP out date) * NAV of transferee Scheme) + upto 7% markup.

E.g. Investor wants to purchase 2 baskets of Nippon India ETF Nifty BeES on 5th of every month through vSTP from eligible open-ended non ETF Debt Scheme of NIMF. Hence vSTP-out date would be 3rd of the month. The Net Asset Value ("NAV") of Nippon India ETF Nifty BeES on (T-3)* is assumed as Rs. 1,244.80/- per unit;

The vSTP amount will be calculated as below:

\[2 \times 5000\text{\(\text{unit Basket}\)} \times 1244.80\] + 3\% = Rs.12,821,440.

*The above example is only for illustrative purpose. The fund settlement cycle may vary from scheme to scheme.

b. vSTP transaction will be processed at the applicable NAV of the vSTP-out scheme and only if the value is available in the vSTP-out (transferor) scheme.

c. In case the balance in the transferor Scheme is less than the amount derived as per the above formula in point ‘a’ the STP transaction will not be processed.

d. In case the amount of portfolio deposit and cash component is less than the vSTP funding amount, excess amount will be refunded to investor within 5 business days of transaction. Units of the vSTP-in scheme shall be credited to investors demat account within 5 business days of transaction.

B. vSTP-out facility from all the applicable ETF schemes to eligible open-ended (Non-ETF) Equity, Liquid and Debt/Income Schemes

vSTP-out from the Scheme to eligible open-ended (Non-ETF) Equity, Liquid and Debt/Income Schemes shall be permitted. For availing this facility, Investors are requested to note the following operational modalities:

a. vSTP-out from the Scheme will be allowed only in terms of Basket size (unit).

b. vSTP transaction will be processed subject to availability of all details as per regulatory guidelines.

c. The applicability of the NAV in the transferee Scheme will be as per guidelines for cut off time basis availability of Funds in Scheme’s account before the cut-off time.

d. Investors to note that the pattern and sequence of holding both in the open-ended (Non-ETF) Folio and in demat account (used for ETF units) should be same. However, in case there is no existing Folio, the investor has to provide the relevant details and signatures of all holders for Folio creation in the open-ended (Non-ETF) Scheme.

e. Investors should have the clear balance of ETF units in their demat account for execution of the STP-out transaction from the selected ETF Scheme.

Investors to note the following in case of vSTP-in & vSTP-out:

(i) The pattern and sequence of holding both in the open-ended Folio and in demat account (used for ETF units) should be same.

(ii) In case the vSTP-in/vSTP-out date is a non-business day, the immediate next Business Day will be considered for the purpose of determining the applicability of NAV.

(iii) Investor has to submit separate mandate for each Scheme he selects for vSTP.

(iv) Minimum number of transfers required for a vSTP shall be two. In case of daily vSTP, minimum tenure of transfer is one month.

a. Daily Option – where vSTP will be executed on Daily basis.

b. Weekly Option – where vSTP will be executed on 1st, 8th, 15th and 22nd of every month.

c. Monthly Option – where vSTP will be executed on any pre-specified date of every month to be chosen by the unit holders.

(v) Investor can discontinue vSTP by providing a written notice to DISC at least 7 calendar days (excluding of submission) prior to the due date of the next transfer date. In case of Daily vSTP, the cancellation will be effective from the date falling after 7 calendar days.

(vi) The amount transferred under the vSTP from the Transferor Scheme to the Transferee Scheme shall be effected by redeeming units of Transferor Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV in respect of each vSTP investment.

(vii) This facility is not available for units which are under any Lien/Pledged or any lock-in period. The registered vSTP will be automatically terminated if units are pledged or upon receipt of intimation of death of the unit holder.

(viii) Default Frequency of vSTP: If an investor does not mention any frequency or mentions multiple frequencies on the vSTP application form or the frequency is unclear on the vSTP application form, the default frequency shall be monthly.
(ix) Default vSTP Date: If an investor opts for Monthly frequency of vSTP but does not mention the vSTP Date or mentions multiple vSTP dates on the mandate or the vSTP date is unclear on the vSTP Mandate, the default vSTP date shall be treated as 10th of every month.

(x) Default vSTP Enrollment period when start date is not provided: If an investor does not mention vSTP start date, or the vSTP start date is unclear/not expressly mentioned on the vSTP Application form, then by default vSTP would start from the next subsequent cycle after meeting the minimum registration requirement of 7 working days as per the defined frequency by the investor. If an investor does not mention vSTP end date or the vSTP end date is unclear, it will be considered as perpetual vSTP.

(xi) Both vSTP-in and vSTP-out will be in Units / Basket terms only, thus the vSTP amount will be variable for every cycle as per the illustration shown above.

(xii) In case of three consecutive rejections the vSTP Registration will be cancelled.

NIMF/RNAM reserves the right to introduce, change, modify or withdraw any of the features available in this facilities from time to time.

### Accounts Statements

Units issued by the AMC under the scheme shall be credited to the investor’s beneficiary account with a Depository Participant (DP) of CDSL or NSDL. The AMC will credit the units to the beneficiary account of the unitholder within five business days from the date of receipt of credit of the Cash.

With a view to create one record for all financial assets of every individual, SEBI vide its Circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 enabled a single consolidated view of all the investments of an investor in Mutual Funds (MF) and securities held in demat form with the Depositories.

In accordance with the above, the following shall be applicable for unitholders having a Demat Account.

- Investors having MF investments and holding securities in Demat account shall receive a Single Consolidated Account Statement from the Depository.
- Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis.
- If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios depositories shall send the CAS within ten days from the month end. In case there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.


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.

### Dividend Policy

The Trustee may declare Dividend to the Unit holders under the Scheme subject to the availability of distributable surplus and the actual distribution of Dividends and the frequency of distribution will be entirely at the discretion of the Trustee. Such Dividend will be payable to the Unit holders whose names appear on the register of Unit holders on the record date as fixed for the Scheme. The Dividend declared will be paid net of tax deducted at source, wherever applicable, to the Unit holders within 30 days from the declaration of the Dividend.

The Scheme will follow the requirements stipulated in the listing agreement for declaration of Dividend.

There is no assurance or guarantee to the Unit holders as to the rate of Dividend distribution nor that the Dividend will be paid regularly. 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 & BSE 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 / National Electronic Funds Transfer ("NEFT") / Real Time Gross Settlement ("RTGS") / Electronic Clearing System ("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.

### Dividend

The Dividend warrants shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend. In the event of failure of dispatch of Dividend warrants within 30 days, the AMC shall pay an interest @ 15 per cent per annum of the relevant Dividend amount to the applicable Unit holders.

### Redemption

**For Redemption request received directly with the Fund**

The Redemption or repurchase proceeds shall be dispatched to the Unit holders within 10 Working Days from the date of Redemption or repurchase.

**Payment of proceeds**

The Fund will dispatch the Redemption proceeds within 10 Working Days from the date of acceptance of the Redemption request.

1. **Resident Investors**

   In case the Unit holder requests, Redemption proceeds will be paid by cheques, such cheques will be marked “A/c Payee only” and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar / Depository).
The Redemption cheque will be issued in favour of the sole / first Unit holder’s registered name and bank account number, and will be mailed to the registered address of the sole / first holder as indicated in the original Application Form. The Redemption cheque will be payable at par. If the Unit holder is located outside the locations from where the cheque is payable at par, a demand draft payable at the city of his residence will be issued.

The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the Investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.

The Redemption proceeds may be paid by way of direct credit / NEFT / RTGS / ECS or any other manner to which the Investor’s bank account specified in the Registrar’s / Depository’s records.

Note: The Trustees, at its discretion at a later date, may choose to alter or add other modes of payment.

2. Non-Resident Indian Investors / Foreign Institutional Investors / FPIs

Units held by NRI Investors and FPIs may be Redeemed by such Unit holder by tendering Units to the AMC or for payment of maturity proceeds, subject to any procedures laid down by RBI from time to time. Provisions with respect to NRIs / FPIs stated above, is as per the AMC/Trustee’s understanding of the Laws currently prevalent in India and such Redemption proceeds will be remitted depending upon the source of investment as follows:

(a) Repatriation Basis

When Units have been Purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit holder’s FCNR deposit or from funds held in the Unit holder’s Non Resident (External) Rupee account kept in India, the proceeds will be remitted to the Unit holder in Rupees for crediting to his NRE / FCNR / Non-Resident (Ordinary) account and the authorized dealer of the Unit holder will convert the payments in foreign currency.

(b) Non-Repatriation Basis

When Units have been Purchased from funds held in the Unit holder’s non-resident (ordinary) account, the proceeds will be sent to the Unit holder’s Indian address for crediting to the Unit holder’s non-resident (ordinary) account.

For FPIs, the designated branch of the authorised dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the foreign currency account or non-resident Rupee account of the FII/FPI maintained in accordance with the approval granted to it by the RBI.

For item (a) and (b) above, the AMC / Trustees / Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while the authorized dealer converts the Rupee amount in foreign exchange in the case of transactions with NRIs / FPIs.

The Fund may make other arrangements for effecting payment of Redemption proceeds in the future.

Effects of Redemption

Units once Redeemed will be extinguished and will not be re-issued.

As the Units of the Scheme are in demat form, the periodic holding statement issued by the Depository Participant (indicating the new balance to the credit in the account) would be deemed to be adequate compliance with requirements of SEBI regarding dispatch of statements of account.

General Provisions

As Units may not be held by any person in breach of the SEBI Regulations, applicable Laws or requirements of any governmental, statutory authority including, without limitation, exchange control regulations, the Trustees / AMC may mandatorily Redeem all the Units of any Unit holder where the Units are held by a Unit holder in breach of the same. The Trustees / AMC may also mandatorily Redeem Units held by Unit holders which the Trustees/ AMC, in their sole opinion, suspect to be engaged in market-timing or excessive trading or unfair or suspicious practices, or if the Trustees /AMC for any other reason believe that mandatory Redemption of such Unit holders would generally be in the interest of the Scheme or its Unit holders.

In case an Investor has Purchased Units on more than 1 Working Day (either under during the NFO Period or during the Ongoing Offer Period), the Units Purchased prior in time (i.e. those Units which have been held for the longest period of time), will be Redeemed first i.e. on a first-in - first-out basis.

For further details on Redemption also refer to Statement of Additional Information.

The Trustees/ AMC may mandatorily Redeem Units of any Unit holder in the event it is found that the Unit holder has submitted information either in the application or otherwise that is false, misleading or incomplete without limitation to verifying their identity.

If a Unit holder makes a Redemption request immediately after Purchase of Units, the Fund shall have a right to withhold the Redemption request in accordance with the conditions provided in the Statement of Additional Information. However, this is only applicable if sufficient balance is not available in the Unit holders account to effect such a Redemption and the value of Redemption is such that some or all of the freshly Purchased Units may have to be Redeemed to effect such Redemption.
### Delay in payment of redemption / repurchase / subscription proceeds
The AMC shall be liable to pay interest to the Unit holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

### Rounding off of Units
Based on the Allotment Price, the Scheme will allot only whole Units and balance amount on account of fractional Units not allotted will be refunded.

### Settlement of purchase/sale of Nippon India ETF Sensex Next 50 units on the stock exchange
Buying/Selling of Units of the Scheme on the BSE is just like buying/selling any other normal listed security. If an Investor has bought Units, then such Investor has to pay the Purchase amount to the broker/sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the BSE. If an Investor has sold Units, then such Investor has to deliver the Units to the broker/sub-broker before the Securities pay-in day of the settlement cycle on the BSE. The Units (in the case of Units bought) and the funds (in the case of Units sold) are paid out to the broker on the payout day of the settlement cycle on the BSE. The BSE regulations stipulate that the trading member should pay the money or Units to the Investor within 24 hours of the payout.

If an Investor has bought Units, then such Investor should give Standing Instructions for ‘Delivery-In’ to its Depository Participant for accepting Units in its beneficiary account. An Investor should give the details of its beneficiary account and the Depository Participant-ID of their Depository Participant to their trading member. The trading member will transfer the Units directly to the beneficiary account of the Investor on receipt of the same from BSE’s clearing corporation.

An Investor who has sold Units should instruct their Depository Participant to give ‘Delivery Out’ instructions to transfer the Units from their beneficiary account to the Pool Account of their trading member through whom they have sold the Units. The details of the Pool A/c (CM-BP-ID) of their trading member to which the Units are to be transferred, Unit quantity etc. should be mentioned in the Delivery Out instructions given by them to the Depository Participant. The instructions should be given well before the prescribed Securities pay-in day.

SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the Cut-off time for the prescribed Securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.

The rolling settlement on T+2 basis for all trades has commenced from April 1, 2003 onwards. The pay-in and pay-out of funds and the Securities/Units takes place within 2 Working Days after the trading date.

The pay-in and pay-out days for funds and Securities are prescribed as per the settlement cycle. A typical settlement cycle of rolling settlement is given below:

<table>
<thead>
<tr>
<th>Day</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>T</td>
<td>The day on which the transaction is executed by a trading member</td>
</tr>
<tr>
<td>T+1</td>
<td>Confirmation of all trades including custodial trades by 11.00 a.m.</td>
</tr>
<tr>
<td>T+1</td>
<td>Processing and downloading of obligation files to brokers/Custodians by 1.30 p.m.</td>
</tr>
<tr>
<td>T+2</td>
<td>Pay-in of funds and Securities by 11.00 a.m.</td>
</tr>
<tr>
<td>T+2</td>
<td>Pay out of funds and Securities by 1.30 p.m.</td>
</tr>
</tbody>
</table>

While calculating the days from the Trading day (Day T), weekend days (i.e. Saturday and Sundays), Exchange holidays and bank holidays are not taken into consideration.

### Dematerialisation
Nippon India ETF Sensex Next 50 units will be available only in the Dematerialized form.

The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the DP’s name, DP ID Number and its beneficiary account number with DP.

Since Nippon India ETF Sensex Next 50 are to be issued / repurchased and traded compulsorily in dematerialized form, no request for rematerialisation will be accepted.

Applications without relevant details of his / her / their depository account are liable to be rejected.

### Listing
The units of the Scheme shall be listed on the BSE Limited and any other stock exchange(s) as may be decided by the Reliance AMC within 5 working days from the date of allotment, subsequent buying or selling by investors can be made from the secondary market on the BSE.

The minimum number of units that can be bought or sold through the stock exchange is 1 (one) unit.

### Depository
Nippon India ETF Sensex Next 50 units will be held in dematerialized form and hence the SEBI (Depositories and Participants) Regulations, 1996 would apply. The service charges payable to the depository participant will form part of annual recurring expenses.

### Third party Cheques
Third party Cheques Investment/subscription made through third party cheque(s) will not be accepted for investments in the units of Nippon India Mutual Fund barring few exception issued by AMFI from time to time for the ‘third party payments’. For more details refer to SAI.
Know Your Client (KYC) Norms

With effect from 1st January 2011, KYC (Know Your Customer) norms are mandatory for investors for making investments in Mutual Funds, irrespective of the amount of investment Further, in order to reduce hardship and help investors dealing with SEBI intermediaries, SEBI issued three circulars - MIRSD/SE/Cir-21/2011 dated October 05, 2011, MIRSD/Cir-23/2011 dated December 02, 2011 and MIRSD/Cir-26/2011 dated December 23, 2011 informing SEBI registered intermediaries as mentioned therein to follow, with effect from January 01, 2012, a uniform KYC compliance procedure for all the investors dealing with them on or after that date. SEBI also issued KYC Registration Agency ("KRA") Regulations 2011 and the guidelines in pursuance of the said Regulations and for In-Person Verification ("IPV"). SEBI has issued circular no. CIR/MIRSD/66/2016 dated July 21, 2016 and no. CIR/MIRSD/120/2016 dated Nov. 10, for uniform and smooth implementation of CKYC norms for onboarding of new investors in Mutual funds with effect from 1st Feb 2017. For more details refer to SAI.

Implementation of the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 with respect to seeding of Aadhaar number:

Investors are requested to note the following requirements in relation to submission of Aadhaar number and other prescribed details to Nippon India Mutual Fund (NIMF) / Reliance Nippon Life Asset Management Limited ("the AMC") / Karvy Fintech Private Limited (Karvy) its Registrar and Transfer Agent:

i. Where the investor is an individual, who is eligible to be enrolled for Aadhaar number, the investor is required to submit the Aadhaar number issued by UIDAI. If such an individual investor is not eligible to be enrolled for Aadhaar number, and in case the Permanent Account Number (PAN) is not submitted, the investor shall submit the PAN or one certified copy of an officially valid document containing details of his identity and address and one recent photograph along with such other details as may be required by the Mutual Fund.

The investor is required to submit PAN as defined in the Income Tax Rules, 1962.

ii. Where the investor is a non-individual, Aadhaar numbers and PANs (as defined in Income-tax Rules, 1962) of managers, officers or employees or persons holding an attorney to transact on the investor’s behalf is required to be submitted, apart from the constitution documents. In case PAN is not submitted, an officially valid document is required to be submitted. If a person holding an authority to transact on behalf of such an entity is not eligible to be enrolled for Aadhaar and does not submit the PAN, certified copy of an officially valid document containing details of identity, address, photograph and such other documents as prescribed is required to be submitted.

It may be noted that the requirement of submitting Form 60 is not applicable for investment in mutual fund units. For more details kindly refer SAI and FAQs on our website www.reliancemutual.com / www.relianceetf.com

Investors are requested to note that pursuant to the direction issued by Hon’ble Supreme Court on March 13, 2018 in Writ Petition (Civil) no. 494/ 2012 and Notification No. 1/2018/F. No. P.12011/24/2017-ES Cell-DoR from Ministry of Finance (Department of Revenue) dated March 31, 2018 the effective date for mandatory submission of Aadhaar has been deferred till further notice.

Example of Creation and Redemption of Units

Each Creation Unit consists of 110,000 units of Nippon India ETF Sensex Next 50. The Creation Unit is made up of 2 components i.e. Portfolio Deposit and Cash Component. The Portfolio Deposit will be determined by the Fund as per the weights of each security in the Underlying Index. The value of this Portfolio Deposit will change due to change in prices during the day. The number of shares of each security that constitute the Portfolio Deposit will remain constant unless there is any corporate action in the Underlying Index or there is a rebalance in the Underlying Index.

The example of Creation Unit as on 25th October, 2019 for Nippon India ETF Sensex Next 50 is as follows:

<table>
<thead>
<tr>
<th>Security in the Underlying Basket</th>
<th>Index Weightage (%)</th>
<th>Price (Rs.)</th>
<th>Quantity</th>
<th>Portfolio Deposit Value (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC LTD.</td>
<td>1.77</td>
<td>39</td>
<td>1518.75</td>
<td>59,231.25</td>
</tr>
<tr>
<td>AMBUJA CEMENT LTD</td>
<td>2.00</td>
<td>346</td>
<td>197.85</td>
<td>68,456.10</td>
</tr>
<tr>
<td>APOLLO HOSPITALS ENTER. L</td>
<td>1.92</td>
<td>42</td>
<td>1538.6</td>
<td>64,621.20</td>
</tr>
<tr>
<td>ASHOK LEYLAND LTD</td>
<td>1.50</td>
<td>675</td>
<td>75.85</td>
<td>51,198.75</td>
</tr>
<tr>
<td>AUROBINDO PHARMA LTD</td>
<td>1.82</td>
<td>132</td>
<td>469.15</td>
<td>61,927.80</td>
</tr>
<tr>
<td>BAJAJ HOLDINGS &amp; INVS LTD</td>
<td>2.58</td>
<td>24</td>
<td>3664.5</td>
<td>87,948.00</td>
</tr>
<tr>
<td>BANK OF BARODA</td>
<td>1.48</td>
<td>561</td>
<td>89.9</td>
<td>50,433.90</td>
</tr>
<tr>
<td>BHARAT FORGE CO. LTD</td>
<td>1.56</td>
<td>118</td>
<td>451.1</td>
<td>53,229.80</td>
</tr>
<tr>
<td>BHARAT HEAVY ELECTRICALS LTD.</td>
<td>0.91</td>
<td>606</td>
<td>51.25</td>
<td>31,057.50</td>
</tr>
<tr>
<td>BIOCON LIMITED</td>
<td>1.50</td>
<td>209</td>
<td>244.95</td>
<td>51,194.55</td>
</tr>
<tr>
<td>BOSCH LIMITED</td>
<td>1.71</td>
<td>4</td>
<td>14514.7</td>
<td>58,058.80</td>
</tr>
<tr>
<td>CADILA HEALTHCARE LIMITED</td>
<td>0.86</td>
<td>120</td>
<td>244.55</td>
<td>29,346.00</td>
</tr>
<tr>
<td>COLGATE PALMOLIVE (INDIA) LTD.</td>
<td>2.87</td>
<td>62</td>
<td>1564.8</td>
<td>97,017.60</td>
</tr>
<tr>
<td>CONTAINER CORPORATION OF INDIA LTD</td>
<td>2.22</td>
<td>129</td>
<td>586.45</td>
<td>75,652.05</td>
</tr>
<tr>
<td>CROMPTON</td>
<td>1.45</td>
<td>195</td>
<td>255.2</td>
<td>49,764.00</td>
</tr>
<tr>
<td>Security in the Underlying Basket</td>
<td>Index Weightage (%)</td>
<td>Price (Rs.)</td>
<td>Quantity</td>
<td>Portfolio Deposit Value (Rs.)</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------</td>
<td>------------</td>
<td>----------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>CUMMINS INDIA LTD</td>
<td>1.02</td>
<td>63</td>
<td>546.25</td>
<td>34,413.75</td>
</tr>
<tr>
<td>DABUR INDIA LTD</td>
<td>3.65</td>
<td>264</td>
<td>469.65</td>
<td>123,987.60</td>
</tr>
<tr>
<td>DIVI'S LABORATORIES LTD</td>
<td>3.10</td>
<td>60</td>
<td>1764.65</td>
<td>105,879.00</td>
</tr>
<tr>
<td>AVENUE SUPERMARTS LTD</td>
<td>2.77</td>
<td>50</td>
<td>1892</td>
<td>94,600.00</td>
</tr>
<tr>
<td>EDELEWEISS FINANCIAL SERVICES LTD.</td>
<td>0.65</td>
<td>254</td>
<td>87.15</td>
<td>22,136.10</td>
</tr>
<tr>
<td>EXIDE INDUSTRIES LTD</td>
<td>1.11</td>
<td>216</td>
<td>176.1</td>
<td>38,037.60</td>
</tr>
<tr>
<td>FEDERAL BANK LTD</td>
<td>2.20</td>
<td>926</td>
<td>81</td>
<td>75,006.00</td>
</tr>
<tr>
<td>GLENMARK PHARMACEUTICALS</td>
<td>0.63</td>
<td>70</td>
<td>304.25</td>
<td>21,297.50</td>
</tr>
<tr>
<td>HAVELLS INDIA LIMITED</td>
<td>2.31</td>
<td>118</td>
<td>669.9</td>
<td>79,048.20</td>
</tr>
<tr>
<td>HDFC STANDARD LIFE INSURANCE COMPANY LTD.</td>
<td>4.26</td>
<td>236</td>
<td>615.75</td>
<td>145,317.00</td>
</tr>
<tr>
<td>HINDUSTAN PETROLEUM CORPORATION LTD.</td>
<td>3.08</td>
<td>351</td>
<td>298.95</td>
<td>104,931.45</td>
</tr>
<tr>
<td>BHARTI INFRATEL LTD</td>
<td>2.78</td>
<td>400</td>
<td>237.45</td>
<td>94,980.00</td>
</tr>
<tr>
<td>LIC HOUSING FINANCE LTD</td>
<td>1.54</td>
<td>142</td>
<td>370.1</td>
<td>52,554.20</td>
</tr>
<tr>
<td>LUPIN LIMITED</td>
<td>2.41</td>
<td>113</td>
<td>730.25</td>
<td>82,518.25</td>
</tr>
<tr>
<td>M&amp;M FIN. SERVICES LTD</td>
<td>1.35</td>
<td>140</td>
<td>331.4</td>
<td>46,396.00</td>
</tr>
<tr>
<td>MARICO LIMITED</td>
<td>2.81</td>
<td>243</td>
<td>394.65</td>
<td>95,899.95</td>
</tr>
<tr>
<td>MOTHERSON SUMI SYSTEMS LT</td>
<td>1.84</td>
<td>565</td>
<td>111.45</td>
<td>62,969.25</td>
</tr>
<tr>
<td>MRF LTD</td>
<td>1.82</td>
<td>1</td>
<td>63550.15</td>
<td>63,550.15</td>
</tr>
<tr>
<td>NMDC LTD.</td>
<td>1.25</td>
<td>403</td>
<td>105.45</td>
<td>42,496.35</td>
</tr>
<tr>
<td>PIRAMAL ENTERPRISES LTD</td>
<td>1.84</td>
<td>3</td>
<td>22965.1</td>
<td>68,895.30</td>
</tr>
<tr>
<td>PETRONET LNG LIMITED</td>
<td>2.50</td>
<td>49</td>
<td>1723.7</td>
<td>84,461.30</td>
</tr>
<tr>
<td>PIDILITE INDUSTRIES LTD</td>
<td>2.78</td>
<td>353</td>
<td>269.05</td>
<td>94,974.65</td>
</tr>
<tr>
<td>PUNJAB NATIONAL BANK</td>
<td>0.87</td>
<td>498</td>
<td>59.75</td>
<td>29,755.50</td>
</tr>
<tr>
<td>RBL BANK LTD.</td>
<td>1.20</td>
<td>163</td>
<td>251.9</td>
<td>41,059.70</td>
</tr>
<tr>
<td>RURAL ELEC CORP. LTD</td>
<td>1.72</td>
<td>437</td>
<td>134.15</td>
<td>58,623.55</td>
</tr>
<tr>
<td>SHREE CEMENTS LTD</td>
<td>2.44</td>
<td>4</td>
<td>20293.55</td>
<td>81,174.20</td>
</tr>
<tr>
<td>SIEMENS LTD.</td>
<td>2.00</td>
<td>42</td>
<td>1630.8</td>
<td>68,493.60</td>
</tr>
<tr>
<td>SHRIRAM TRANSPORT FIN CO.</td>
<td>2.47</td>
<td>79</td>
<td>1069.7</td>
<td>84,506.30</td>
</tr>
<tr>
<td>TATA CHEMICALS LTD</td>
<td>1.48</td>
<td>83</td>
<td>612.25</td>
<td>50,816.75</td>
</tr>
<tr>
<td>TATA GLOBAL BEVERAGES LIMITED</td>
<td>1.61</td>
<td>196</td>
<td>280.7</td>
<td>55,017.20</td>
</tr>
<tr>
<td>TATA POWER CO. LTD</td>
<td>1.48</td>
<td>853</td>
<td>59.1</td>
<td>50,413.20</td>
</tr>
<tr>
<td>TVS MOTOR COMPANY LTD</td>
<td>1.26</td>
<td>94</td>
<td>458.9</td>
<td>43,136.60</td>
</tr>
<tr>
<td>UNITED PHOSPHOROUS LTD</td>
<td>4.52</td>
<td>258</td>
<td>598.05</td>
<td>154,296.90</td>
</tr>
<tr>
<td>VOLTAS LTD</td>
<td>2.23</td>
<td>107</td>
<td>707.95</td>
<td>75,750.65</td>
</tr>
</tbody>
</table>

**Value of Portfolio Deposit**: 34,146,697.75

| Value of Portfolio Deposit (Rs.) | 3,414,670 |
| Value of Cash Component (Rs.)    | 12,556    |
| Total Value of Creation Unit (Rs.) | 3,427,226 |

**Cash Component arrived in the following manner:**

| Number of units comprising one creation unit | 110,000 |
| NAV per Unit (as on October 24, 2019)        | 31.16   |
| Value of 1 Creation Unit                    | 3,427,226 |
| Value of Portfolio Deposit (pre defined basket of securities of the Underlying Basket) | 3,414,670 |
| Cash Component                              | 12,556  |

The above is just an example to illustrate the calculation of cash component. Cash Component will vary depending upon the actual charges incurred like Custodial Charges and other incidental charges for creating units.
C. PERIODIC DISCLOSURES

Net Asset Value
This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.

The AMC will calculate and disclose the first NAV not later than 5 business days from the date of allotment. The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI’s website www.amfiindia.com by 11.00 p.m. on the day of declaration of the NAV and also on www.reliancemutual.com/ www.relianceetf.com. Further, AMC will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard. In addition to above, the indicative NAV will be updated on AMCs website during market hours, at least once in every 2 hours.

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

Since the Scheme is proposed to be listed on recognized Stock Exchange, the listed price would be applicable on the respective Stock Exchange.

Half yearly Disclosures: Portfolio / Financial Results
This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.

(i) Half Yearly disclosure of Un-Audited Financials for the Schemes of NIMF:
Before expiry of one month from the close of each half year i.e. on March 31 or September 30, the Fund shall host a soft copy of half – yearly unaudited financial results on the website of the NIMF i.e. www.reliancemutual.com / www.relianceetf.com and that of AMFI www.amfiindia.com. A notice advertisement communicating the investors that the financial results shall be hosted on the website shall be published in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the fund is situated.

(ii) Half Yearly disclosure of Scheme’s Portfolio:
The fund shall disclose the scheme’s portfolio in the prescribed format as on the last day of the Half year for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. www.reliancemutual.com and AMFI site www.amfiindia.com
In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall send via email the half-yearly statement of scheme portfolio within 10 days from the close of each half-year respectively.
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 Disclosures of Schemes’ Portfolio Statement
The fund shall disclose the scheme’s portfolio in the prescribed format as on the last day of the month for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. www.reliancemutual.com and AMFI site www.amfiindia.com
In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall send via email both the monthly statement of scheme portfolio within 10 days from the close of each month respectively.
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
The scheme wise annual report shall be hosted on the website of the AMC and on the website of the AMFI soon as may be possible but not later than four months from the date of closure of the relevant accounting year. The AMC shall publish an advertisement every year in all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC.
The AMC shall email the annual report or an abridged summary thereof to the unitholders whose email addresses are registered with the Fund. The unitholders whose e-mail addresses are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database. Physical copy of scheme wise annual report or abridged summary shall be provided to investors who have opted to receive the same.
AMC shall provide a physical copy of the abridged summary of the annual report, without charging any cost, on specific request received from a unitholder.
As per regulation 56(3A) of the Regulations, copy of scheme wise Annual Report shall be also made available to unitholder on payment of nominal fees.

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

Taxation
The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Taxation of income earned on mutual fund units under the Income Tax Act 1961 as amended by The Finance (No.2) Act, 2019.

<table>
<thead>
<tr>
<th>Income in the hands of</th>
<th>Individual &amp; HUF</th>
<th>Other than Individual &amp; HUF</th>
<th>NRI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature of Income ↓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend</td>
<td>Tax free</td>
<td>Tax free</td>
<td>Tax free</td>
</tr>
<tr>
<td>Dividend Distribution Tax on Grossed up value of Dividend</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Long Term Capital Gain</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Short Term Capital Gain</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Securities Transaction Tax (STT)</td>
<td>From April 1, 2019 onwards</td>
<td>0.001%</td>
<td>0.001%</td>
</tr>
</tbody>
</table>

Equity Oriented Funds For FY 2019-20
1. "equity oriented fund" has been defined to mean a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—
   a) In a case where the fund invests in the units of another fund which is traded on a recognized stock exchange,-
      (I) A minimum of 90 % of the total proceeds of such funds is invested in the units of such other fund ; and
      (II) such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on recognized stock exchange; and
   b) in any other case, a minimum of 65 % of the total proceeds of such fund is invested in the equity shares of domestic companies listed on recognized stock exchange.
2. a) Short Term Capital Gain would mean gain on sale/redemption/repurchase of mutual fund units held for not more than 12 months
   b) Long term Capital Gain would mean gain other than Short Term Capital Gain and shall be computed without considering indexation benefit. Further, Threshold benefit of Rs. 1,00,000 available on such long term capital gain.
3. The Surcharge applicable for FY 2019-20:

<table>
<thead>
<tr>
<th>Assessee</th>
<th>If income below Rs. 0.50 crore</th>
<th>If income exceeds Rs. 0.50 crore but less than Rs. 1 crores</th>
<th>If income exceeds Rs. 1 crore but less than Rs. 2 crores</th>
<th>If income exceeds Rs. 2 crore but less than Rs. 5 crores</th>
<th>If income exceeds Rs. 5 crore but less than Rs. 10 crore</th>
<th>If income exceeds Rs. 10 crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>#Individual (including proprietorships), Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individual (BOI)</td>
<td>NIL</td>
<td>10%</td>
<td>15%</td>
<td>25%</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Co-operative Society, Local Authority and Partnership Firms (including LLPs)</td>
<td>NIL</td>
<td>NIL</td>
<td>12%</td>
<td>12%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Indian Corporate</td>
<td>Nil</td>
<td>NIL</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>Foreign Companies</td>
<td>Nil</td>
<td>NIL</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>5%</td>
</tr>
</tbody>
</table>

4. #Finance (No.2) Act, 2019 increased in the surcharge rate applicable on Individual (including proprietorships), Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individual (BOI).
5. Ministry of Finance has issued a press release on August 24, 2019 stated that surcharge increased by Finance (No.2) Act, 2019 shall not be applicable for Equity and Equity Oriented mutual fund units. However, we have not given effect of the same as notification is awaited from Central Board of Direct Tax.
6. The Health and Education Cess applicable for FY 2019-20 @ 4%.
7. The tax rates will be increased by surcharge, Health & education cess as applicable.
8. Nippon India Mutual Fund is registered with SEBI and as such is eligible for benefits under Section 10 (23D) of the Income Tax Act, 1961. Accordingly its entire income is exempt from tax.

For further details on taxation please refer to the clause on Taxation in the Statement of Additional Information.

Investor services

Mr. Bhalchandra Joshi is the Investor Relations Officer for the Fund. All related queries should be addressed to him at the following address:

Mr. Bhalchandra Joshi, Chief – Service Delivery and Operations Excellence
Reliance Nippon Life Asset Management Limited
Reliance Centre, Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.
Tel No. - 022- 43031000; Fax No. - 022- 43037662
Email: bhalchandra.y.joshi@nipponindiaamc.com

D. COMPUTATION OF NAV

The Net Asset Value (NAV) of the Units will be determined daily or as prescribed by the Regulations.

The NAV under Nippon India ETF Sensex Next 50 shall be calculated up to 4 decimals as follows or such other formula as may be prescribed by SEBI from time to time:

\[
\text{NAV} = \frac{\text{Market/Fair Value of Scheme's Investments + Receivables + Accrued Income + Other Assets - Accrued Expenses - Payables - Other Liabilities}}{\text{Number of Units Outstanding}}
\]
**NAV Information**: The NAV of the Scheme will be calculated and declared by the Fund on every Working Day by 11.00 p.m. The information on NAV may be obtained by the Unit holders, on any day from the office of the AMC / the office of the Registrar in Hyderabad or any of the other Designated Investor Service Centres.

The NAV shall be published in two daily newspapers on a daily basis as per the Regulations.

Investors may also obtain information on the purchase/sale price for a given day on any Working Day from the office of the AMC / the office of the Registrar in Hyderabad/ any of the other Designated Investor Service Centres.

For any NAV information, investor may also call our Customer Service Centre 1860-266-0111 (local charges applicable), and Investors outside India can call at 91-22-68334800 (charges applicable)

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.
This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

The New Fund Offer expenses of the scheme shall be borne by the AMC from retained earnings.

B. 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 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.reliancemutual.com/investor-services/downloads/total-expense-ratio-of-mutual-fund-schemes

Estimated Expense Structure

<table>
<thead>
<tr>
<th>Expense Head</th>
<th>% of 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 including agent commission</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></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>Other Expenses#</td>
<td></td>
</tr>
<tr>
<td><strong>Maximum total expense ratio (TER) permissible under Regulation 52(6)(b)</strong></td>
<td><strong>Upto 1.00%</strong></td>
</tr>
<tr>
<td>Additional expenses for gross new inflows from specified investors and cities under Regulation 52(6A)(b)</td>
<td>Upto 0.30%</td>
</tr>
</tbody>
</table>

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

(# Expenses including listing fees charged under the said parameters shall be in line with the Regulation 52 of SEBI (MF) Regulations or such other basis as specified by SEBI from time to time.)

Illustration – Impact of Expense Ratio on the Returns

| Value of Rs 1 lac on 12% annual returns in 1 year, considering 1% Expense Ratio |
|-------------------------------|-------------------------------|
| Amount Invested               | 100,000.00                    |
| NAV at the time of Investment | 10.00                         |
| No of Units                   | 10,000.00                     |
| Gross NAV at end of 1 year (assuming 12% annual return) | 11.20 |
| Expenses (assuming 1% Expense Ratio on average of opening and closing NAV) | 0.11 |
| Actual NAV at end of 1 year post expenses (assuming Expense Ratio as above) | 11.09 |
| Value of Investment at end of 1 year (Before Expenses) | 112,000.00 |
| Value of Investment at end of 1 year (After Expenses) | 110,940.00 |

**Note:** Please note that the above is an approximate illustration of the impact of expense ratio on the returns, where the Gross NAV has been simply reduced to the extent of the expenses. In reality, the actual impact would vary depending on the path of returns over the period of consideration. Expenses will be charged on daily net assets.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience but the total expenses shall not exceed the limits permitted by SEBI. Types of expenses charged shall be as per the SEBI (MF) Regulations. The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.
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.

Goods & Service Tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit as per regulation 52 of the SEBI Regulations.

Mutual Funds/AMCs will annually set apart at least 2 basis points on daily net assets within the maximum limit as per regulation 52 of the SEBI Regulations for investor education and awareness initiatives.

However, no Investment Management fees would be charged on RNAM’s investment in the Scheme. The Trustee Company, shall be entitled to receive a sum computed @ 0.05% of the Unit Capital of all the Schemes of NIMF on 1st April each year or a sum of Rs.5,00,000/- whichever is lower or such other sum as may be agreed from time to time in accordance with the SEBI Regulations or any other authority, from time to time.

The total expenses of the ETF scheme including the investment management and advisory fee shall not exceed One percent (1%) of the daily net assets and such other limits as stated in Regulation 52(6).

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.

In addition to the limits specified in regulation 52(6), the following costs or expenses may be charged to the scheme as per new sub regulation 6A, namely-

(a) Brokerage and Transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Payment towards brokerage and transaction costs incurred for the execution of trades, over and above the said 0.12 per cent for cash market transactions 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. Any expenditure in excess of the said prescribed limit (including brokerage and transaction costs, if any) shall be borne by the AMC or by the Trustee or Sponsors.

(b) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such specific investors and cities as specified by the Board from time to time are at least -

(i) 30 per cent of gross new inflows in the scheme, or;

(ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub- clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis:

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment;

The Fund will strive to reduce the level of these expenses so as to keep them well within the maximum limits allowed by SEBI. Expenses on an ongoing basis will not exceed the percentage of the daily net assets or such maximum limits as may be specified by SEBI Regulations from time to time.

The recurring expenses incurred in excess of the limits specified by SEBI (MF) Regulations will be borne by the AMC or by the Trustee or the Sponsor.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. For the current applicable structure, please refer to the website of the AMC (www.reliancemutual.com / www.relianceeff.com ) or may call at 18602660111 (local charges applicable) and investors outside India can call Customer Care at 91-22-68334800 (charges applicable) or your distributor.

Load amounts are variable and are subject to change from time to time. RNAM, in consultation with the Trustees, reserves the right to change the load structure if it so deems fit in the interest of smooth and efficient functioning of the scheme. Any imposition or enhancement in the load shall be applicable on prospective investments only. However, RNAM shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. At the time of changing the load structure:

(i) The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.

(ii) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.

(iii) The introduction of the exit load along with the details may 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.

(iv) 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.

(v) Any other measures which the mutual funds may feel necessary.
Applicable Load Structure

Entry Load : Nil
Exit Load : Nil

There will be no entry/exit load on Nippon India ETF Sensex Next 50 bought or sold through the secondary market on the 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 Nippon India ETF Sensex Next 50. The Fund may also allow Cash# subscription /redemption of Nippon India ETF Sensex Next 50 in creation unit size by large investors. No entry or exit load will be levied on transactions with Authorized Participants and Large Investors during NFO or continuous offer.

Investor other than APs/Large investors can directly approach AMC and no exit load shall be charged for redemption of units if :-

a) the traded price of the ETF Units is at a discount of more than 3% to the NAV for continuous 30 days; or
b) discount of bid price to applicable NAV is more than 3% over a period of 7 consecutive trading days; or
c) No quotes are available on exchange for 3 consecutive trading days, or
d) Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.

In such a scenario valid applications received up to 3 p.m. the Mutual Fund shall process the redemption request basis the closing NAV of the day of receipt of application.

Such instances shall be tracked by RNAM on an ongoing basis and incase if any of the above mentioned scenario arises the same shall be disclosed on the website of Nippon India Mutual Fund i.e. www.reliancemutual.com

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

#RTGS, NEFT or transfer cheque
Exit load if charged, by NIMF to the unitholders shall be credited to the scheme immediately net of Goods & Service Tax, if any.

The Fund will charge Load within the stipulated limit of 7% and without any discrimination in favour 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 the permissible limit

Switchover Facility

Switch in during ongoing basis will be allowed only from eligible Liquid and Debt /Income funds into Nippon India ETF Sensex Next 50. Switch-out during ongoing basis will be allowed only from eligible equity, liquid and debt / income schemes

All loads for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load shall be charged for all the mutual fund schemes. Therefore the procedure for the waiver of load for direct application is no longer applicable.

E. TRANSACTION CHARGES:

In accordance with SEBI Circular No. IMD/ DF/13/ 2011 dated August 22, 2011, with effect from November 1, 2011, Reliance Nippon Life Asset Management Limited (RNAM)/ NIMF shall deduct a Transaction Charge on per purchase / subscription of Rs. 10,000/- and above, as may be received from new investors (an investor who invests for the first time in any mutual fund schemes) and existing investors. The distributors shall have an option to either “Opt-in / Opt-out” from levying transaction charge based on the type of product. Therefore, the “Opt-in / Opt-out” status shall be at distributor level, basis the product selected by the distributor at the Mutual Fund industry level.

Such charges shall be deducted if the investments are being made through the distributor/agent and that distributor / agent has opted to receive the transaction charges as mentioned below:

• For the new investor a transaction charge of Rs 150/- shall be levied for per purchase / subscription of Rs 10,000 and above; and
• For the existing investor a transaction charge of Rs 100/- shall be levied for per purchase / subscription of Rs 10,000 and above.

The transaction charge shall be deducted from the subscription amount and paid to the distributor/agent, as the case may be and the balance shall be invested. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

Transaction charges shall not be deducted if:

(a) The amount per purchases /subscriptions is less than Rs. 10,000/-;
(b) The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP/ DTP, etc.
(c) Purchases/Subscriptions made directly with the Fund through any mode (i.e. not through any distributor/agent).
(d) Subscription made through Exchange Platform irrespective of investment amount.
IV. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

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

   NIL

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

   During last three years, there have been no monetary penalties imposed and/ or action by any financial regulatory body or governmental authority, against Sponsor(s), AMC, Board of Trustees, Trustee Company; for any irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. However, in respect of the consent terms filed by Reliance Nippon Life Asset Management Limited –Portfolio Management Services (RNAM-PMS) with SEBI with respect to an inspection report, SEBI has issued a settlement order (Order no. CA/EFD/87/JAN/2016 dated January 14, 2016), in terms of which the underlying proceedings have been disposed off.

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

   There was no enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/ adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party.

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

   In terms of the SEBI [Mutual Fund] Regulations, 1996 (as amended from time to time), the mutual fund schemes are permitted to invest in securitized debt. Accordingly, investments in certain Pass Through Certificates (“PTC’s”) of a securitization trust (“the Trust”) were made through some of schemes of Nippon India Mutual Fund (“the Fund”). The returns filed by few of these securitisation Trusts whose PTCs were held by the Fund were taken up for scrutiny by the Income Tax Authorities which raised demand initially on the Trusts. However, on failure to recover, the Income Tax Authorities sent the demand notices to the Fund for Assessment Years 2009-10 and 2010-11. The Fund in consultation with its tax & legal advisors has contested the applicability of such demand and proceedings there on are still pending. It may be noted that this is a matter, which is not restricted only to the Fund but is an Industry issue. Accordingly, through the Association of Mutual Funds in India (AMFI), the matter has also been appropriately escalated to the Ministry of Finance, in order to seek necessary clarifications, reliefs and if required, to carry out necessary amendments to the relevant provisions of the Income Tax Act, 1961. In addition to the above the AMC is party to certain litigations in various courts, commissions etc. which are in ordinary course of business & have no material impact.

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

   There was no deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency.

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

For and behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited
[Asset Management Company for Nippon India Mutual Fund]

Sd/-

Mumbai
October 31, 2019

Executive Director & Chief Executive Officer

(Sundeep Sikka)