



A target maturity index fund

NFO Period: 1st Nov 2022 – 7th Nov 2022

Oct 2022



Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Sep 2028 Index Fund

(An open-ended target Maturity Index Fund investing in the constituents of Crisil IBX 50:50 Gilt Plus SDL Index – Sep 2028. A relatively high interest rate risk and relatively low credit risk.)

Invest in a mix of **Central** and
State Government bonds



Higher Safety



No Lock-In



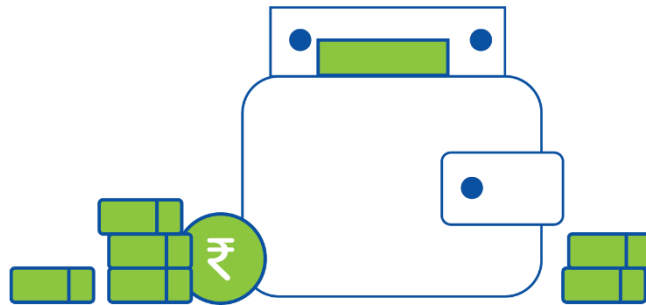
Lower Tax



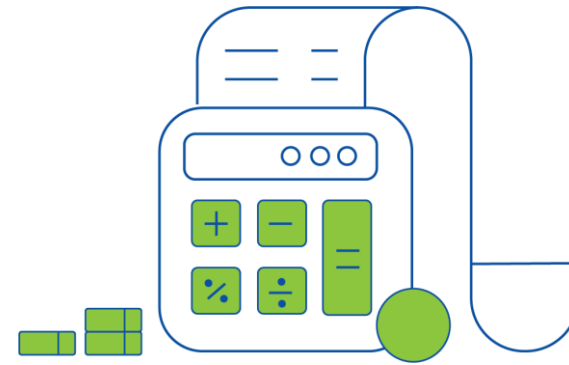
What do you expect from your investment?



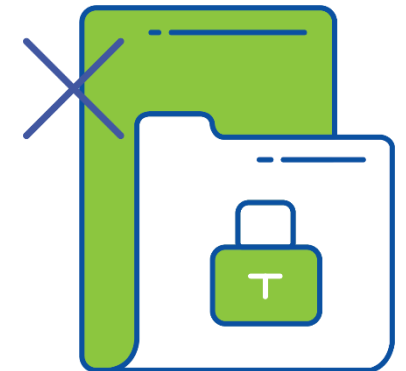
Higher Safety



Relatively Stable Returns



Lower Tax



No Lock-in

Get the best of all worlds



Bonds



- * Visible Returns*
 - * Fixed Maturity Date
 - * Lower Interest Rate
- Risk if held till maturity

Mutual Funds



- * Diversified Portfolio
- * Professionally Managed
- * Tax Efficiency

Index Funds



- * Liquidity
- * Low Cost
- * Transparency

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G-Sec and State Development Loans (SDL)

An Index Fund which will invest your money predominantly in Sovereign bonds issued by Central and State government

Defined Maturity

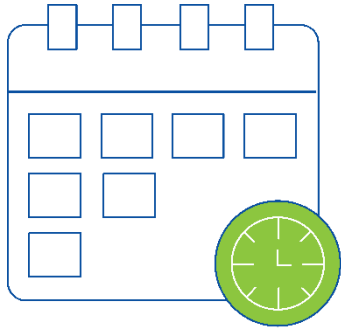
The Fund will have a defined maturity date and at maturity you will get back your investment proceeds.



Index Fund

A passively managed Index Fund which you can buy and sell any time through the AMC during the tenure of the fund.

Investment Strategy



The Index Fund will have a fixed maturity period having a diversified portfolio of G-Sec and SDLs.

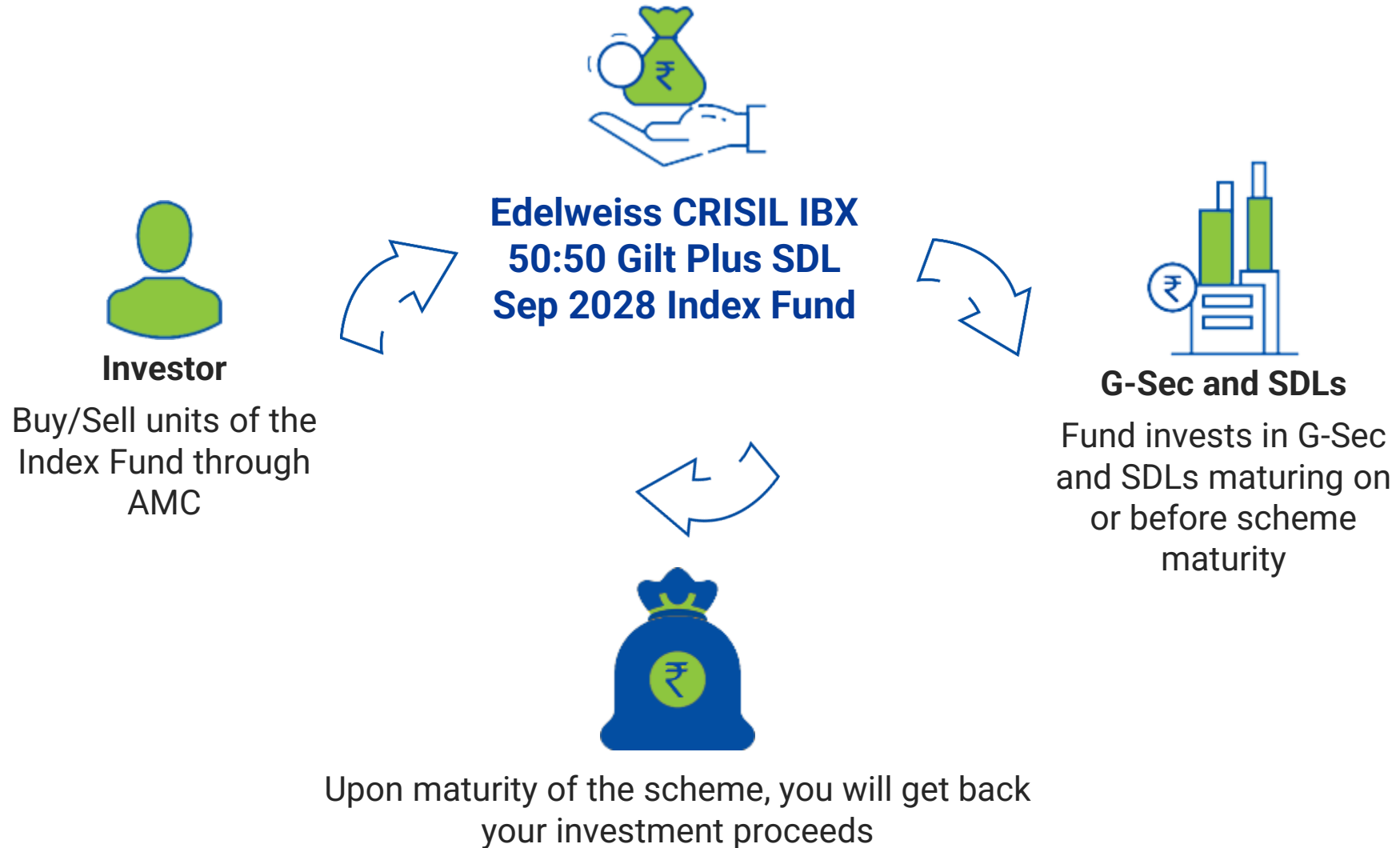
It will seek to track investment results of the CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028.



It will invest in a mix of G-Sec and SDLs maturing on or before the maturity date of the fund

It will endeavor to hold bonds till their maturity with an aim to provide stable and predictable returns.

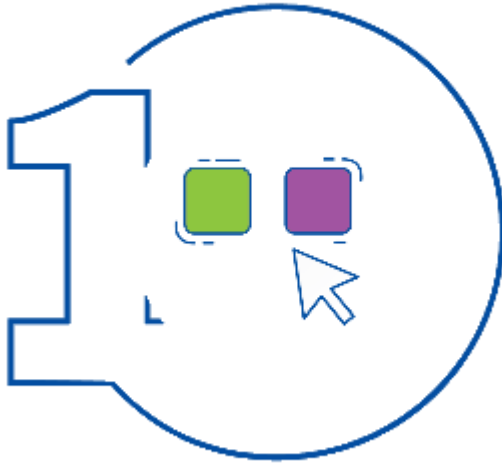
How it works?



Index methodology

- * The Fund will invest in G-Sec and SDLs that meet the eligibility criteria of the Index
- * The Fund will have similar maturity as that of the Index i.e., 28th Sep 2028.

Index will select bonds in a transparent manner through a 3-step process



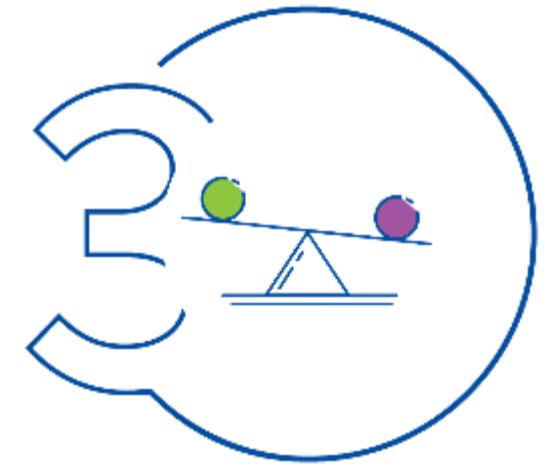
Selection

- * Equal allocation between bonds issued by Central and State Governments.
- * 50% allocation to top 2 G-Sec with a minimum outstanding of Rs 25,000 crore, having the highest liquidity.
- * 50% allocation to top 15 SDLs with a minimum outstanding of Rs. 1,000 crores with highest liquidity.
- * G-Sec and SDLs having maturity within 12 months prior to the Index maturity date.



Weight Assignment

- * Both G-Sec and SDL weights will be calculated in the ratio of amount outstanding (30% weightage) and liquidity score (70% weightage).
- * The above weight allocation is as of the base date of the index.



Rebalancing

- * Quarterly Rebalancing and review of Index constituents

Note: Liquidity score is calculated by allocating 70% weight to volume traded, 15% weight to number of days traded and 15% weight to number of trades of the bonds during the previous quarter.

Why should you invest?



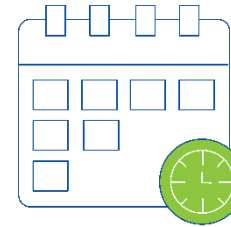
Stability & Visibility*

A bond like structure with fixed maturity provides visibility and stable returns at maturity



High Safety*

Investment in a diversified basket of Indian Government Bonds and State Development Loans



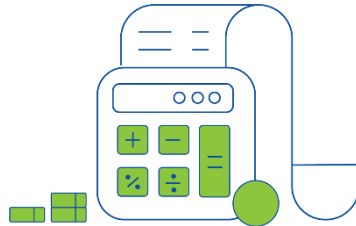
Transparency

The fund will invest in constituents that are eligible as per the index methodology



No Lock-in

Buy/Sell any time or through AMC



Lower Tax

Tax efficient compared to traditional investment avenues. Taxed at only 20% post indexation*



Low Cost

Since this is a passively managed fund the expense will be relatively low

Feature Comparison to other Investment Avenues



Features	Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Sep 2028 Index Fund	Open-ended Debt Mutual Funds	Term Deposits	Individual Bonds	Tax Free Bonds	Small Savings Scheme
Visibility* of Returns	✓		✓	✓	✓	✓
Liquidity	✓	✓				
Defined Maturity	✓		✓	✓	✓	✓
Tax Efficiency - Indexation	✓	✓				
Ease of Access as an Investment Tool	✓	✓	✓		✓	✓
Diversification	✓	✓				

*Please note that the scheme is neither capital protected nor guaranteed return product

Indexation Benefit - Illustration



	Traditional Investment	CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028
Investment Amount	Rs. 10 Lakhs	Rs. 10 Lakhs
Assumed Rate of Return	5.65%	7.63%
Indexation**	NA	6
Value on Maturity	Rs. 13.85 Lakhs	Rs. 15.45 Lakhs
Indexed Cost	Rs. 10.00 Lakhs	Rs. 13.02 Lakhs
Taxable Amount	Rs.3.85 Lakhs	Rs. 2.43 Lakhs
Applicable Tax*	Rs. 1.20 Lakhs	Rs. 0.51 Lakhs
Post Tax Value	Rs. 12.65 Lakhs	Rs. 14.95 Lakhs
Net Post Tax Return	4.04%	7.02%

- * Indexation is an efficient way to reduce tax on your returns by adjusting it for inflation.
- * Indexation allows you to adjust purchase price of your investment with inflation.
- * It is applied to long term returns on your investments
- * Higher inflation means higher purchase price, which means lower tax
- * Long term capital gains are taxed at 20% post Indexation in debt mutual funds

- Assumed Tenure for Traditional Investment and Gilt Plus SDL Index Fund (6 Indexation)
- **Assumed Rate of Inflation is 4.5%.
- * Traditional Investment taxed at 30% + 4% Cess and Gilt Plus SDL Index Fund taxed at 20% post indexation + 4% cess,
- Assumed rate of return for traditional investment taken as SBI Fixed Deposit rates for amount below Rs. 2 cr. and tenure between 5-10 yrs. as on Aug 13, 2022. Source: www.sbi.co.in. The YTM of the underlying index is annualized as of October 28, 2022 ,considered as a proxy for return of the scheme.
- Above is only for illustration purposes, Assuming allotment date of 11th November 2022 as the start date for the above. Please consult your TAX Advisor before making any investment

CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028

Constituents



Sr. no.	Issuer	Credit Rating	Maturity Date	Weight
1	CENTRAL GOVERNMENT	Sovereign	02-Jun-28	15.33%
2	CENTRAL GOVERNMENT	Sovereign	08-Jan-28	34.67%
3	TAMIL NADU	Sovereign	18-Apr-28	11.31%
4	GUJARAT	Sovereign	23-Oct-27	4.21%
5	KARNATAKA	Sovereign	31-Jan-28	4.23%
6	RAJASTHAN	Sovereign	27-Dec-27	4.86%
7	MAHARASHTRA	Sovereign	11-Jul-28	3.79%
8	HARYANA	Sovereign	01-Jun-28	2.79%
9	MADHYA PRADESH	Sovereign	11-Oct-27	2.08%
10	KERALA	Sovereign	25-Jul-28	2.39%
11	WEST BENGAL	Sovereign	21-Feb-28	3.34%
12	ANDHRA PRADESH	Sovereign	29-Nov-27	1.99%
13	UTTAR PRADESH	Sovereign	28-Feb-28	3.10%
14	PUNJAB	Sovereign	21-Mar-28	1.83%
15	CHHATTISGARH	Sovereign	27-Mar-28	1.27%
16	BIHAR	Sovereign	27-Mar-28	1.69%
17	ASSAM	Sovereign	21-Feb-28	1.12%
Grand Total				100.00%

Mod Duration 4.22 yrs.

Index YTM: 7.63%*

*The indicative yield provided is of the Index and not that of the Scheme. The Scheme is neither a Capital Protected nor a Guaranteed Return Product and may or may not generate return in line with Index. Indicative Yield of the Index is annualised as on 28th October 2022

Fund Features

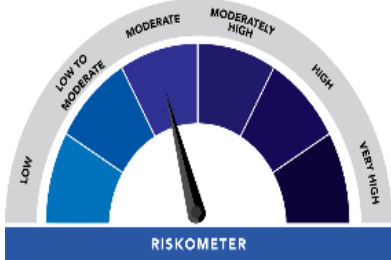



Scheme	Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Sep 2028 Index Fund
Investment Objective	To replicate CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028 by investing in Indian Government Bonds and SDLs, maturing on or before Sep 28, 2028, subject to tracking errors. However, there is no assurance that the investment objective of the Scheme will be realized, and the Scheme does not assure or guarantee any returns.
NFO Period	1 st November, 2022 to 7 th November, 2022
Underlying Index	CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028
Fund Manager	Mr. Dhawal Dalal
Co – Fund Manager	Mr. Rahul Dedhia
Exit Load	Up to 30 days – 0.10% After 30 days - NIL
Minimum Investment Amount (NFO Period)	Rs. 5,000/- and in multiples of Rs. 1/- thereafter

Riskometer & PRC Matrix



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 (An open-ended target maturity Index Fund investing in the constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028. A relatively high interest rate risk and relatively low credit risk.)

The product is suitable for investors who are seeking	Risk-o-meter of the Scheme	Risk-o-meter of the Benchmark
<ul style="list-style-type: none"> Income over long term Investments in Indian Government Bonds and State Development Loans (SDLs) that seeks to track CRISIL IBX 50:50 Gilt Plus SDL Index – Sep 2028, subject to tracking errors 		
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them	Investors understand that their principal will be at Moderate risk	

Potential Risk Class Matrix			
Credit Risk	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A III		

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