

## TABLE OF CONTENTS

	<b>HIGHLIGHTS – SUMMARY OF THE SCHEME</b>	2
<b>I.</b>	<b>INTRODUCTION</b>	7
A.	RISK FACTORS	7
B.	REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME	13
C.	SPECIAL CONSIDERATIONS	13
D.	DEFINITIONS AND ABBREVIATIONS	15
E.	DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY	21
<b>II.</b>	<b>INFORMATION ABOUT THE SCHEME</b>	22
A.	NAME & TYPE OF SCHEME	22
B.	INVESTMENT OBJECTIVE	22
C.	ASSET ALLOCATION AND INVESTMENT PATTERN	22
D.	WHERE WILL THE SCHEME INVEST?	26
E.	INVESTMENT STRATEGY & APPROACH	29
F.	INVESTMENT BY THE AMC IN THE SCHEME	30
G.	FUNDAMENTAL ATTRIBUTES	30
H.	BENCHMARK	32
I.	FUND MANAGER(S) FOR THE SCHEME	32
J.	INVESTMENT RESTRICTIONS	33
K.	SCHEME PERFORMANCE	39
L.	INVESTMENT OF SUBSCRIPTION MONEY	39
M.	ADDITIONAL DISCLOSURES	39
N.	PRODUCT DIFFERENTIATION	40
<b>III.</b>	<b>UNITS &amp; OFFER</b>	44
A.	NEW FUND OFFER (NFO)	44
B.	ONGOING OFFER DETAILS	65
C.	PERIODIC DISCLOSURES & OTHER INFORMATION	90
D.	COMPUTATION OF NET ASSET VALUE	97
<b>IV.</b>	<b>FEES AND EXPENSES</b>	99
A.	NEW FUND OFFER (NFO) EXPENSES	99
B.	ANNUAL SCHEME RECURRING EXPENSES	99
C.	LOAD STRUCTURE	102
D.	TRANSACTION CHARGES	104
E.	WAIVER OF ENTRY LOAD FOR DIRECT APPLICATIONS	105
<b>V.</b>	<b>RIGHTS OF UNIT HOLDERS</b>	105
<b>VI.</b>	<b>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</b>	105

**HIGHLIGHTS – SUMMARY OF THE SCHEME**

<b>Name of the Scheme</b>	Edelweiss Focused Equity Fund
<b>Type of the Scheme</b>	An open-ended equity scheme investing in maximum 30 stocks across market capitalisation
<b>Investment Objective</b>	<p>The investment objective of the fund is to generate long term capital appreciation by investing in equity and equity related instruments of upto 30 companies across market capitalisation.</p> <p>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.</p>
<b>Plans, Options and Facilities</b>	<p>The Scheme will offer two Plans:</p> <ol style="list-style-type: none"> <li>1. Regular Plan; and</li> <li>2. Direct Plan</li> </ol> <p>The Direct Plan will be offered only for investors who purchase /subscribe Units of the Scheme directly with the Fund and will not be available for investors who route their investments through a Distributor. In case neither Distributor’s Code nor “Direct” is indicated in the application form, the same will be treated as “Direct Plan” application.</p> <p>The portfolio of the option Scheme under both these Plans will be common.</p> <p>Each Plan will offer: (i) Growth Option and (ii) IDCW Option (Means Income Distribution cum Capital withdrawal)</p> <p>IDCW Option shall have Reinvestment, Payout &amp; Transfer Facility.</p> <p>The AMC/Trustee reserve the right to introduce Plans/Option(s) as may be deemed appropriate at a later date.</p>
<b>Default Plan / Option / Facility</b>	<p>The investors must clearly indicate their choice of Plan/ Option/Facility in the relevant space provided for in the Application Form. In the absence of such clear instructions, it will be assumed that the investor has opted for the “Default” Plan/Option/Facility &amp; the Application will be processed accordingly.</p> <p><b>Default Plan/Option/Facility:</b></p> <p><b>Default Plan:</b></p> <p>Investors should indicate the Plan viz. Regular/Direct for which the subscription is made by indicating the choice in the Application Form. In case of valid Applications received without indicating any choice of Plan, the Application will be processed for the Plan as under:</p>

	<b>Scenario</b>	<b>Broker Code mentioned by the investor</b>	<b>Plan mentioned by the investor</b>	<b>Default Plan to be captured</b>
	1	Not mentioned	Not mentioned	Direct Plan
	2	Not mentioned	Direct	Direct Plan
	3	Not mentioned	Regular	Direct Plan
	4	Mentioned	Direct	Direct Plan
	5	Direct	Not Mentioned	Direct Plan
	6	Direct	Regular	Direct Plan
	7	Mentioned	Regular	Regular Plan
	8	Mentioned	Not Mentioned	Regular Plan
	<p>In cases of wrong/ invalid/ incomplete ARN codes are mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the Application Form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of Application without any exit load.</p> <p>If the above conditions are not met, the application will be processed under Regular Plan.</p> <p><b>Default Option:</b> If the investor does not clearly specify the choice of Option at the time of investing, it will be deemed that the investor has opted for Growth Option.</p> <p><b>Default Facility:</b> If the investor selects IDCW Option but fails to mention the facility, it will be deemed that the investor has opted for IDCW Reinvestment Facility.</p> <p>If the investor chooses a Plan/Option/Facility in the Application Form but fails to comply with the minimum application/ additional application amount/other criteria of the said Plan/Option/Facility, then he will be allotted units under the Default Plan/Option/Facility, provided the required amount/other criteria are fulfilled.</p>			
<b>Minimum Application Amount</b>	Minimum of Rs. 5,000/- and multiples of Re. 1/- thereafter.			
<b>Minimum Additional Application Amount</b>	Minimum of Rs. 500/- and multiples of Re. 1/- thereafter.			
<b>Minimum Redemption Amount</b>	There will be no minimum redemption criterion. The Redemption / Switchout would be permitted to the extent of credit balance in the Unit holder's account of the Plan(s) / Option(s) of the Scheme (subject to release			

	<p>of pledge / lien or other encumbrances). The Redemption / Switch-out request can be made by specifying the rupee amount or by specifying the number of Units of the respective Plan(s) / Option(s) to be redeemed. In case a Redemption / Switch-out request received is for both, a specified rupee amount and a specified number of Units of the respective Plan(s)/ Option(s), the specified number of Units will be considered the definitive request. Amount based redemptions will be in multiples of Re. 1.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units which can be fractional units also. Depository participants of registered Depositories can process only redemption request of units held in demat mode.</p> <p>The AMC/ Trustee reserves the right to change/ modify the terms of minimum redemption amount/switch-out.</p>
<b>Load</b>	<p><b>Entry Load:</b> Not Applicable</p> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• If the Units are redeemed / switched out on or before 365 days from the date of allotment – 1.00%</li> <li>• If the Units are redeemed / switched out after 365 days from the date of allotment – Nil</li> </ul> <p>AMC reserves the right to revise the load structure from time to time. Such changes will become effective prospectively from the date such changes are incorporated.</p> <p>For details on load structure, please refer Section on 'Load Structure'.</p>
<b>Dematerialization (Demat)</b>	<p>The Unit holders will have an Option to hold the units by way of an Account Statement or in Dematerialized ('Demat') form. Unit holders opting to hold the units in Demat form must provide their Demat Account details in the specified section of the application form. The Applicant intending to hold the units in Demat form are required to have a beneficiary account with a Depository Participant (DP) registered with NSDL / CDSL and will be required to indicate in the application the DP's name, DP ID Number and the Beneficiary Account Number of the applicant held with the DP at the time of purchasing Units. Unitholders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form or vice versa should be submitted to their Depository Participants.</p> <p>In case Unit holders do not provide their demat account details or the demat details provided in the application form are incomplete / incorrect or do not match with the details with the Depository records, the Units will be allotted in account statement mode provided the application is otherwise complete in all respect and accordingly an account statement shall be sent to them.</p>

	<p>In case of Investors investing through SIP facility and opting to hold the Units in Demat form, the units will be allotted based on the Applicable Net Asset Value (NAV) and the same will be credited to investor's Demat Account on weekly basis on realization of funds.</p> <p>The AMC shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder.</p>
<b>Transaction Charges</b>	<p>In accordance with SEBI circular no. Cir/IMD/DF/13/2011 dated August 22, 2011, the AMC will deduct Transaction Charges on purchase/subsorption of Rs.10,000/- and above made through a valid ARN Holder i.e. AMFI registered distributors/ intermediaries, provided such distributor has opted to receive the Transaction Charges. Further, in accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, distributors have an option either to opt in or opt out of levying transaction charge based on type of the product. Such Transaction Charges collected by the AMC will be paid to the ARN Holder through whom the investment has been made. However, no Transaction Charges will be imposed for investments made directly with the Fund.</p> <p>For more details on Transaction Charges, please refer the Section on "Transaction Charges" in this Document.</p>
<b>Purchase/ Redemption Price</b>	Purchase/Redemption Price will be based on Applicable NAV, subject to applicable Entry and Exit Loads, if any.
<b>Target Amount to be raised during the NFO</b>	Rs. 10 Crores
<b>Benchmark Index</b>	<p>NIFTY 500 Total Return Index</p> <p>The AMC/Trustee reserves the right to change the benchmark for evaluation of the performance of the Scheme from time to time, subject to SEBI Regulations and other prevailing guidelines if any.</p>
<b>Fund Managers</b>	<p>Fund Manager: Mr. Trideep Bhattacharya Co-Fund Manager: Mr. Abhishek Gupta</p>
<b>Risk Factors</b>	For Risk Factors, please refer to para on Risk Factors.
<b>Liquidity</b>	<p>On an on-going basis, the Scheme will offer Units for purchase/switch-in and redemption/switch-out at NAV related prices on every Business Day. As per SEBI Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days from the date of receipt of valid redemption or repurchase request. In case the Redemption proceeds are not made within 10 Business Days of the date of redemption or repurchase, interest will be paid @15% per annum or such other rate from the 11<sup>th</sup> Business Day onwards, as may be prescribed by SEBI from time to time.</p>

**Transparency/NAV disclosure**

The AMC will calculate and disclose the first NAV within the timelines stipulated under the Regulations from the closure of the New Fund Offer Period. As a result, the AMC shall update the NAV by 11.00 p.m. on the same business day on the website of Association of Mutual Funds in India and Mutual and the mutual fund website [www.edelweissmf.com](http://www.edelweissmf.com). The AMC will prominently disclose the NAVs under a separate head on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) NAV will be updated on the website of the AMC ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the AMFI website ([www.amfiindia.com](http://www.amfiindia.com)). The NAVs will be normally updated on the websites by 11.00 p.m. on the same business day. In case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAV.

The NAV will be calculated in the manner as provided in this SID or as may be prescribed by the SEBI Regulations from time to time. The NAV will be computed up to three decimal places.

Investors may write to the AMC for availing facility of receiving the latest NAVs through SMS.

The AMC will disclose portfolios (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI [www.amfiindia.com](http://www.amfiindia.com) within 10 days from the close of each month/half year.

In case of unitholders whose email addresses are registered, the AMC will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year respectively.

The AMC will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website ([www.edelweissmf.com](http://www.edelweissmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. The AMC will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

## I. INTRODUCTION

### A. RISK FACTORS:

Apart from the risk factors mentioned in SAI, following are some of the additional risk factors which investors are advised to go through before investing:

#### a) STANDARD RISK FACTORS:

- \* Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- \* As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down
- \* Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- \* Edelweiss Focused Equity Fund is only the name of the Scheme & it does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- \* The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs.1,00,000 made by it towards setting up the Fund.
- \* The Scheme is not a guaranteed or assured return Scheme.

#### b) SCHEME SPECIFIC RISK FACTORS:

The performance of the Scheme may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems, etc. Some of the Risks are listed below:

#### 1. Risk Factors Associated with Equity & Equity related instruments

The value of the Scheme's investments may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, etc. Settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. The Scheme may face liquidity risk or execution risk or redemption risk or the risk of NAV going below par.

Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risk of losing their investment. The liquidity and valuation of the Scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date for disinvestment.

Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio.

At times, taking benefit of investing in Special Situations may involve certain risks like the promoter may choose not to accept the discovered prices or the Regulatory hurdles may delay any specific corporate action. For details, please refer SAI.

#### 2. Risks Associated with investing in Money Market Instruments

- **Interest rate Risk:** Price of a fixed income instrument generally falls when the interest rates move up and vice-versa. The extent of fall or rise in the prices depends upon the coupon and maturity

of the security. It also depends upon the yield level at which the security is being traded. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.

- **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.
- **Credit risk or default Risk:** Credit risk is the risk that the issuer of a debenture/ bond or a money market instrument may default on interest and/or principal payment obligations. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.
- **Liquidity & Settlement Risk:** The liquidity of a fixed income security may change, depending on market conditions leading to changes in the liquidity premium attached to the price of such securities. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio. Different segments of the financial markets have different settlement cycle/periods and such settlement cycle/periods may be impacted by unforeseen circumstances, leading to Settlement Risk. This can adversely affect the ability of the Fund to swiftly execute trading strategies which can lead to adverse movements in NAV.
- **Reinvestment Risk:** Interest rates may vary from time to time. The rate at which intermediate cash flows are reinvested may differ from the original interest rates on the security, which can affect the total earnings from the security.
- **Performance Risk:** Performance of the Scheme may be impacted with changes in factors, which affect the capital market and in particular the debt market.
- **Prepayment Risk:** The Scheme may receive payment of monthly cashflows earlier than scheduled, which may result in reinvestment risk.
- **Market Risk:** Lower rated or unrated securities are more likely to react to developments affecting the market as they tend to be more sensitive to changes in economic conditions than higher rated securities

### 3. Risk factors associated with Derivatives

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.



Trading in derivatives has the following risks:

- a. An exposure to derivatives in excess of the hedging requirements can lead to losses.
- b. An exposure to derivatives, when used for hedging purpose, can also limit the profits from a genuine investment transaction.
- c. Derivatives carry the risk of adverse changes in the market price.
- d. Illiquidity Risk i.e. risk that a derivative trade may not be executed or reversed quickly enough at a fair price, due to lack of liquidity in the market.

The Fund may use derivatives instruments like equity futures & options, or other derivative instruments as permitted under the Regulations and Guidelines. Usage of derivatives will expose the Scheme to liquidity risk, open position risk, and opportunities risk etc. Such risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. In case of the derivative strategies, it may not be possible to square off the cash position against the corresponding derivative position at the exact closing price available in the Value Weighted Average Period. Debt derivatives instruments like interest rate swaps, forward rate agreements or other derivative instruments also involve certain risks. For details, please refer SAI.

#### **4. Risks Associated with exposure in Tri-party Repo**

Risk of exposure in the Tri-party Repo settlement Segment provided by CCIL emanates mainly on two counts –

- a. Risk of failure by a lender to meet its obligations to make funds available or by a borrower to accept funds by providing adequate security at the settlement of the original trade of lending and borrowing under Tri-party Repo transaction.
- b. Risk of default by a borrower in repayment.

#### **5. Risks Associated with Stock Lending & Short Selling:**

##### **i) Risks associated With Stock Lending**

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments. This, along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there can be temporary illiquidity of the securities that are lent out and the Scheme will not be able to sell such lent out securities until they are returned. There is also a possibility of opportunity loss.

##### **ii) Risks associated with short selling**

Scheme may enter into short selling transactions, subject to SEBI and RBI regulations in the matter. This will be done if the fund management team is of the view that there exists an opportunity to make

trading gains. Calls for short selling will be taken after considering the liquidity, price movement & volatility of the security by the fund management team. There can be a loss in such a transaction if the price of the security goes up instead of falling down.

## **6. Risk factors associated with Repo transactions in Corporate Debt:**

### **i) Lending transactions:**

The scheme may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honour the repurchase agreement. However, in repo lending transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk may be further mitigated through over-collateralization (the value of the collateral being more than the repo amount). Further, the liquidation of underlying securities in case of counterparty default would depend on liquidity of the securities and market conditions at that time. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation and over-collateralization to cushion the impact of market risk on sale of underlying security.

### **ii) Borrowing transactions:**

In the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin). This risk is normally mitigated by better cash flow planning to take care of such repayments. Further, there is also a Credit Risk that the Counterparty may fail to return the security or Interest received on due date. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation.

## **7. Risks associated with writing covered call options for equity shares**

- a. Writing call options are highly specialized activities and entail higher than ordinary investment risks. In such investment strategy, the profits from call option writing is capped at the option premium, however the downside depends upon the increase in value of the underlying equity shares. This downside risk is reduced by writing covered call options.
- b. The Scheme may write covered call option only in case it has adequate number of underlying equity shares as per regulatory requirement. This would lead to setting aside a portion of investment in underlying equity shares. If covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately if the view changes to sell and exit the stock. The covered call options need to be unwound before the stock positions can be liquidated. This may lead to a loss of opportunity, or can cause exit issues if the strike price at which the call option contracts have been written become illiquid. Hence, the scheme may not be able to sell the underlying equity shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity.
- c. The writing of covered call option would lead to loss of opportunity due to appreciation in value of the underlying equity shares. Hence, when the appreciation in equity share price is more than the option premium received the scheme would be at a loss.
- d. The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of Scheme to buy any options.

**8. Risk Factors Associated with Investments in REITs and InvITs:**

- **Market Risk:** REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. The NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
- **Liquidity Risk:** As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
- **Reinvestment Risk:** Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

**9. Risks Associated with segregated portfolio**

- Unit holder holding units of Segregated Portfolio may not be able to liquidate their holdings till the recovery of money from the issuer.
- Portfolio comprising of Segregated Portfolio may not realise any value or may have to be written down.
- Listing of units of Segregated Portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.
- Illustration of Segregated Portfolio

<b>Portfolio Date:</b>	1/7/2021
<b>NAV:</b>	12.0000
<b>Credit Event Date:</b>	2/7/2021
<b>Credit Event:</b>	Credit Rating Downgrade of secured NCD issued by Company "C Limited" from AA+ to D
<b>Sector of affected Security:</b>	Infrastructure
<b>Valuation Impact:</b>	Affected asset to be valued at 50% of the face value Accrued interest has to be valued at 50%

**Portfolio of Affected Scheme before the Credit Event:**

Security	LT Credit Rating	Type of Security	Face Value	Price	Market Value	YTM	% of Assets
A Limited	AAA	Bond	100,000,000.00	100.5	100,500,000.00	8.50%	9.90%
B Limited	AAA	Bond	100,000,000.00	100.6	100,600,000.00	8.45%	9.91%

C Limited	AA+	Bond	100,000,000.00	100.7	100,700,000.00	8.40%	9.92%
D Limited	AAA	Bond	100,000,000.00	100.8	100,800,000.00	8.35%	9.93%
E Limited	AAA	Bond	100,000,000.00	100.7	100,700,000.00	8.40%	9.92%
F Limited	AAA	Bond	100,000,000.00	100.6	100,600,000.00	8.35%	9.91%
G Limited	AAA	Bond	100,000,000.00	100.5	100,500,000.00	8.40%	9.90%
H Limited	AAA	Bond	100,000,000.00	100.4	100,400,000.00	8.45%	9.89%
I Limited	AAA	Bond	100,000,000.00	100.3	100,300,000.00	8.50%	9.88%
J Limited	AAA	Bond	100,000,000.00	100.2	100,200,000.00	8.55%	9.87%
Cash	-	TREPS	10,000,000.00	100	10,000,000.00	6%	0.98%
<b>TOTAL</b>			<b>1,010,000,000.00</b>		<b>1,015,300,000.00</b>		<b>100%</b>

**Affected Security:**

Security	LT Credit Rating	Type of Security	Face Value	Price	Market Value	YTM	% of Assets
C Limited	AA+	Bond	100,000,000.00	100.7	100,700,000.00	8.40%	9.92%

**Old NAV of Main Portfolio prior to Segregation:** Rs. 12.0000

**New NAV of Main Portfolio post Segregation:** Rs. 10.8098

**Main Portfolio:**

Security	LT Credit Rating	Type of Security	Face Value	Price	Market Value	YTM	% of Assets
A Limited	AAA	Bond	100,000,000.00	100.5	100,500,000.00	8.50%	10.99%
B Limited	AAA	Bond	100,000,000.00	100.6	100,600,000.00	8.45%	11.00%
D Limited	AAA	Bond	100,000,000.00	100.8	100,800,000.00	8.35%	11.02%
E Limited	AAA	Bond	100,000,000.00	100.7	100,700,000.00	8.40%	11.01%
F Limited	AAA	Bond	100,000,000.00	100.6	100,600,000.00	8.35%	11.00%
G Limited	AAA	Bond	100,000,000.00	100.5	100,500,000.00	8.40%	10.99%
H Limited	AAA	Bond	100,000,000.00	100.4	100,400,000.00	8.45%	10.98%
I Limited	AAA	Bond	100,000,000.00	100.3	100,300,000.00	8.50%	10.97%
J Limited	AAA	Bond	100,000,000.00	100.2	100,200,000.00	8.55%	10.96%
Cash	-	TREPS	10,000,000.00	100	10,000,000.00	6%	1.09%
<b>TOTAL</b>			<b>910,000,000.00</b>		<b>914,600,000.00</b>		<b>100%</b>

**Segregated Portfolio:**

Security	LT Credit Rating	Type of Security	Face Value	Price	Market Value	YTM	% of Assets
C Limited	D	Bond	100,000,000.00	50.35	50,350,000.00	-	100.00%

**NAV of Segregated Portfolio:** Rs. 0.5951

**Net Impact on Investor:**

NAV Movement	Main Portfolio	Segregated Portfolio	MTM Loss	Total
Before the Credit Event:	12.0000	NA	NA	12.0000
After the Credit Event:	10.8098	0.5951	0.5951	12.0000

*Assumptions: There is no change in the valuation of the rest of assets on the day of credit event.*

For further details please refer SAI.

**B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. If either/both of such limit(s) is breached during the NFO of the Scheme, it shall be ensured that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. During the ongoing offer these two conditions shall be complied with on calendar quarter basis, on an average basis, as specified by SEBI. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2) (c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the Units would be redeemed at applicable NAV. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days' notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the Applicable Net Asset Value on the 15th day of the notice period. The Mutual Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

In order to track the investor's holding rather than the folio/account's holdings, the fund houses are recommended to track the investors at the master folio/ master account (whatever be the terminology used by the fund houses) level. In addition since there is a possibility of an investor holding multiple accounts, the account is identified for the purpose of aggregation to comply with 20/25 rule by using a common parameter like PAN. Thus, tracking of investor's holding & number of investors may be conducted using a common parameter like PAN, Master Folio/Master Account, since there is possibility of an investor holding multiple accounts. In line with AMFI's suggestion, tracking of investor's holding & number of investors may be conducted using a common parameter like PAN, master folio/master account, since there is possibility of an investor holding multiple accounts. In case of multiple folios, the sequence or the order of the compulsory redemption is left to the discretion of the fund house in consultation with the investor.

**C. SPECIAL CONSIDERATIONS**

The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs.1,00,000/- (Rupees One Lakh) collectively made by them towards setting up the Fund or such other accretions and additions to the initial corpus set up by the Sponsor.

Neither this Document nor the Units have been registered in any other jurisdiction other than India. The distribution of Units /this Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Document are required to inform themselves about, and to observe, any such restrictions.

The AMC can invest in any of the Schemes of Edelweiss Mutual Fund subject to the limits as prescribed by the SEBI Regulations and in such case it will not be entitled to charge any fees on such investments. The Sponsor, entities managed or sponsored by the affiliates or associates of the Sponsor, Funds managed/ advised by the Sponsor/and their associated entities, the Asset Management Company, the Custodian, the Registrar, any Associate, any Distributor, Dealer, any Company, Corporate Bodies, Trusts, any Service Provider, investor (resident or non resident), any Scheme / Mutual Fund managed by the Asset Management Company or by any other asset management company may invest in this Scheme, subject to the limits specified by SEBI. While at all times the Trustee Company and the Asset Management Company will endeavor that excessive holding of Units in the Scheme among a few Unit holders is avoided, however, the funds invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unit holder in the Scheme. Redemption of Units held by such persons may have an adverse impact on the value of the Units of the Scheme because of the timing of any such redemption. It may also have impact on the liquidity of the Scheme, which may lead to an adverse impact on the NAV of the Scheme.

Prospective investors should review / study this Document in addition with Statement of Additional Information in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.

The tax benefits described in this Document in addition with Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or 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 an investment in the Scheme will endure indefinitely.

In accordance with the SEBI Regulations, an AMC subject to certain conditions is permitted to undertake activities in the nature of portfolio management services and management and advisory services to pooled assets including offshore funds, insurance funds, pension funds, provident funds, if

any of such activities are not in conflict with the activities of the Mutual Fund. Subject to these activities being assessed as desirable and economically viable, the AMC may undertake any or all of these activities after satisfying itself that there is no potential conflict of interest.

In accordance with the SEBI Regulations, the AMC also acts as the investment manager to the following Alternative Investment Funds (AIFs) as per SEBI (Alternative Investment Funds) Regulations 2012:

1) Edelweiss Multi Strategy Investment Trust, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/12-13/0004; 2) Edelweiss Alpha Fund, a Category III Alternative Investment Fund having SEBI Registration No. IN/AIF3/13-14/0047; 3) Edelweiss Alternative Investment Opportunities Trust, a Category II Alternative Investment Fund having SEBI Registration No. IN/AIF2/17-18/0502; 4) Edelweiss Alternative Equity Trust, a Category II Alternative Investment Fund having SEBI Registration No. IN/AIF2/ 21-22/1021 (collectively known as the “AIFs”) and other AIFs set up from time to time.

Further, the AMC is also authorized to act as the Portfolio Manager as per SEBI (Portfolio Managers) Regulations 1993, vide SEBI Registration No. INP000004631, for various PMS strategies.

While undertaking the aforementioned business activities, the AMC shall ensure that

- (i) there is no conflict of interest with the activities of the Mutual Fund;
- (ii) there exists a system to prohibit access to insider information as envisaged under SEBI (Mutual Funds) Regulations, 1996; and
- (iii) Interest of the Unit holder(s) of the Scheme(s) of the Mutual Fund are protected at all times.

#### **D. DEFINITIONS & ABBREVIATIONS**

The following Scheme specific definitions/terms apply throughout this document in addition to the definitions mentioned in the Statement of Additional Information unless the context requires otherwise:

<b>Applicable NAV</b>	The Net Asset Value (NAV) applicable for purchases or redemptions or switches, based on the time of the Business Day & relevant cut off time by which the application is accepted at the Investor Service Centres and/or at Branches.
<b>AMC or Investment Manager or EAML</b>	Edelweiss Asset Management Limited, the asset management company set up under the Companies Act, 1956 and authorized by SEBI to act as the asset management company to the Schemes of Edelweiss Mutual Fund.
<b>Business Day</b>	Business Day is a day other than (a) Saturday and Sunday or (b) a day on which banks in Mumbai including Reserve Bank of India are closed for business or clearing or (c) a day on which the Bombay Stock Exchange and /or National Stock Exchange are closed or (d) a day which is a public and/or bank holiday at any ISC of the Mutual Fund or its Registrar where the application is received or (e) a day on which sale and repurchase of Units is suspended by the AMC or (f) a day on which normal business

	<p>could not be transacted due to storms, floods, bandhs, strikes, etc. or (g) a day on which money markets are closed for business / not accessible or (h) a day on which funds accompanying applications cannot be realized and / or are not available for utilisation for investments or investments cannot be liquidated and / or funds are not available for utilization for redemption / repurchase .</p> <p>All applications received on non-Business Days will be processed on the next Business Day at Applicable NAV.</p> <p>AMC reserves the right to declare any day as Business Day or otherwise at any or all ISCs of the Mutual Fund or its Registrar.</p>
<b>CCIL</b>	Clearing Corporation of India Limited
<b>Credit Risk</b>	Risk of default in payment of principal or interest or both.
<b>Consolidated Account Statement/CAS</b>	<p>Consolidated Account Statement/CAS sent by the AMC/Registrar and Transfer Agent is a statement containing details relating to all the transactions across all Mutual Funds viz. purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan transactions, etc.</p> <p>CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus, etc. (including transaction charges paid to the distributor) and transactions in dematerialised securities across demat accounts of the investor.</p>
<b>COTM</b>	Common One Time Mandate
<b>Custodian</b>	Standard Chartered Bank, Mumbai registered under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, acting as Custodian for the Scheme, and includes such Custodian(s) as may be appointed from time to time.
<b>Cut off Time/ Business Hours</b>	In respect of subscriptions and redemptions received by the Scheme, it means the outer limit of timings within a particular day/ Business Day, which are relevant for determination of the NAV/ related prices to be applied for a transaction.
<b>Day</b>	Any day (including Saturday, Sunday and holiday) as per English Calendar viz. 365 days in a year. For the filing of an official request, if the day is a Saturday, Sunday, or federal (or gazetted or statutory) holiday, or any occurrence causes the closure of the designated accepting office (for part or whole of the day), the next day that office is open is counted as the day.
<b>Debt Instruments</b>	Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass-through obligations, asset backed securities/securitised debt and other possible similar securities.
<b>Depository</b>	Depository as defined in the Depositories Act, 1996 (22 of 1996).



<b>Depository Participant or DP</b>	'Depository Participant' or 'DP' means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
<b>Derivatives</b>	A financial instrument, traded on or off an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of one or more underlying securities, equity indices, debt instruments, commodities, other derivative instruments, or any agreed upon pricing index or arrangement (e.g., the movement over time of the Consumer Price Index or freight rates) etc. is known as a derivative. Derivatives involve the trading of rights or obligations based on the underlying product, but do not directly transfer property.
<b>IDCW</b>	Income Distribution cum Capital Withdrawal by the Mutual Fund
<b>Electronic Fund Transfer/ EFT</b>	Electronic Fund Transfer includes all the means of electronic transfer like Direct Credit / Debit, Electronic Clearing System (ECS), RTGS, NEFT, Wire Transfer or such like modes as may be introduced by relevant authorities from time to time.
<b>Expiry Day</b>	Expiry Day is the settlement day for derivatives segment in the relevant Stock Exchange (which is currently last Thursday of the month or any day which is declared as the settlement day for Derivatives segment in case of NSE.)
<b>Equity related instruments</b>	Equity related instruments would include convertible bonds, convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other similar instrument.
<b>FATCA</b>	Foreign Account Tax Compliance Act.
<b>FATF</b>	Financial Action Task Force.
<b>Floating Rate Instruments</b>	Floating rate instruments are debt / money market instruments that have a variable coupon, equal to a reference rate e.g. MIBOR (Mumbai Interbank Offered Rate) or any other rate, plus a spread. The spread is a rate that remains constant. The frequency of coupon payments as well as reset may differ among such various instruments. At the beginning of each coupon period, the coupon is calculated by taking the fixing of the reference rate for that day and adding the spread.
<b>Foreign Portfolio Investor or FPI</b>	Means a person who has been registered under Chapter II of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992.
<b>Foreign Portfolio Institution / FPI</b>	An entity registered with SEBI under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
<b>FRM</b>	Financial Risk Managers
<b>Gilt or Government Securities</b>	Under the Government Securities Act 2006, "Government security" means a security created and issued by the Government for the purpose of raising a public loan or for any other purpose as may be notified by the Government in the Official Gazette and having one of the forms

	mentioned in section 3 of the said Act, as amended or re-enacted from time to time.
<b>Investor Service Centre / ISC</b>	Investor Service Centres, as designated from time to time by the AMC, whether of the Registrar or AMC's own branches, being official points of acceptance, authorized to receive Application Forms Purchase/Redemption /Switch and other service requests/queries from investors/Unit Holders. For details please refer to the application form and/or website of the Mutual Fund at <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> .
<b>Load</b>	In the case of redemption / switch out of a Unit, the sum of money deducted from the Applicable NAV and in the case of subscription / switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit in addition to the Applicable NAV.
<b>Main Portfolio</b>	Means the scheme portfolio excluding the segregated portfolio.
<b>Money Market Instruments</b>	Money Market Instruments as defined in The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Money market instruments include commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, Tri-party Repo, certificates of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time;
<b>Mutual Fund or The Fund</b>	Edelweiss Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882 and registered as a Mutual Fund with SEBI bearing SEBI Registration No. MF/057/08/02 dated April 30, 2008.
<b>NAV</b>	Net Asset Value of the Units of the Scheme and the plans thereunder calculated in the manner provided in this Document and in conformity with the SEBI Regulations as prescribed from time to time.
<b>New Fund Offer Period or NFO Period</b>	The date on or the period during which the initial subscription of Units of the Scheme can be made subject to extension, if any.
<b>Official Points of Acceptance</b>	Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.
<b>Overseas Corporate Bodies / OCBs</b>	Firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons without the prior approval of the RBI.
<b>Ongoing Offer</b>	Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer period.
<b>Ongoing Offer Period</b>	The period during which the Ongoing Offer for subscription to the Units of the Scheme is made & not suspended.
<b>Portfolio</b>	The portfolio of the Scheme would include all Permissible Investments and cash.
<b>Permissible Investments or Investments</b>	Collective or group investments made on account of the Unit holders in accordance with the SEBI Regulations.

<b>Reserve Bank of India or RBI</b>	Reserve Bank of India established under the Reserve Bank of India Act, 1934.
<b>Registrar and Transfer Agent / Registrar</b>	KFin Technologies Private Limited ("KFintech"), appointed as the Registrar and Transfer Agent for the Scheme, or any other registrar that may be appointed by the AMC.
<b>Repo/Reverse Repo</b>	Sale/Purchase of Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase/resell them at a later date.
<b>Scheme</b>	Edelweiss Focused Equity Fund, an open-ended equity scheme investing in maximum 30 stocks across market capitalisation
<b>Scheme Information Document / SID / Document</b>	This document issued by Edelweiss Mutual Fund offering Units of the Scheme for Subscription.
<b>SEBI Regulations or Regulations or SEBI (MF Regulations)</b>	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, including its Circulars, Notification & Guidelines.
<b>Securities</b>	As defined in The Securities Contract (Regulation) Act, 1956 & includes notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund Units, Money Market Instruments like Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities.
<b>Segregated portfolio</b>	Means a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.
<b>Statement of Additional Information / SAI</b>	The document issued by the Mutual Fund containing details of the Mutual Fund, its constitution, and other tax, legal and general information legally forming a part of the SID.
<b>Total Portfolio</b>	Means the scheme portfolio including the securities affected by the credit event.
<b>Tri-Party Repo</b>	Tri-party Repo arrangement has been introduced by CCIL in place of CBLO
<b>Trustee / Trustee Company/ ETCL</b>	Edelweiss Trusteeship Company Limited, a company incorporated under the Companies Act, 1956 and appointed as the Trustee to Edelweiss Mutual Fund
<b>Unit</b>	The interest of an investor, which consists of one undivided share in the net assets of the Scheme.
<b>Unit holder</b>	A person holding Units of a Scheme of a Mutual Fund under this Scheme Information Document.
<b>US Person</b>	Please refer page 72, section "Who Cannot Invest", point (3).
<b>Volatility</b>	The relative rate at which the price of a security moves up and down. Volatility is found by calculating the annualized standard deviation of daily change in price. If the price of a stock moves up and down rapidly

	over short time periods, it has high volatility. If the price almost never changes, it has low volatility.
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**Abbreviations:**

AMC	Edelweiss Asset Management Limited	PAN	Permanent Account Number
EMF	Edelweiss Mutual Fund	AMFI	Association of Mutual Funds in India
KYC	Know Your Client	RTGS	Real Time Gross Settlement
NACH	National Automated Clearing House	SEBI or the Board	The Securities and Exchange Board of India established under the SEBI Act, 1992
NFO	New Fund Offer	SEBI Act	The Securities and Exchange Board of India Act, 1992
NRI	Non Resident Indian	SIP	Systematic Investment Plan
NEFT	National Electronic Fund Transfer Service	STP	Systematic Transfer Plan
GOI	Government of India	SWP	Systematic Withdrawal Plan
SPVs	Special Purpose Vehicles approved by the appropriate authority.	I.T. Act	The Income Tax Act, 1961 as amended from time to time.
NSE	National Stock Exchange	OIS	Overnight Indexed Swap
FIMMDA	Fixed Income Money Market & Derivatives Dealers Association	MIBOR	Mumbai Interbank Offered Rate
SAI	Statement of Additional Information	SID	Scheme Information Document
IMI	Investable Market Index	ISC	Investor Service Centre
		PEKRN	PAN Exempt KYC Reference Number

**Interpretation:**

For all purposes of this Document, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words denoting any gender shall include all genders.
- (b) Words used in singular would include plural form and vice-versa.
- (c) A reference to a thing includes a part of that thing.
- (d) Any reference to any statute or statutory provision shall be construed as including a reference to any statutory modifications or re-enactment from time to time.
- (e) Clause headings are for ease of reference only and shall not affect the construction or interpretation of this Document.
- (f) Words and expressions used herein but not defined shall have the meaning specified in the Companies Act, 1956, Companies Act, 2013, Securities Contracts (Regulation) Act, 1956, SEBI Act, 1992, SEBI (Mutual Funds) Regulations, 1996, Depositories Act, 1996, Reserve Bank of India Act, 1934, Public Debts Act, 1944, Information Security Act, 2000 and the Rules, Income Tax Act 1961, Contract Act 1872, Prevention of Money Laundering Act, 2002, Foreign Exchange Management Act & Regulations and the Rules, Regulations and Guidelines issued thereunder from time to time.

**E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

A Due Diligence Certificate, duly signed by the Chief Executive Officer of Edelweiss Asset Management Limited, has been submitted to SEBI, which reads as follows:

**DUE DILIGENCE CERTIFICATE**

It is confirmed that:

1. The draft Scheme Information Document forwarded to SEBI is in accordance with the Securities and Exchange Board of India (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 and also the Guidelines, instructions, etc. issued by the Government of India 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 investments in the proposed Scheme.
4. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
5. The contents of Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct.

Signed: sd/-

Place: Mumbai  
Date: October 14, 2021

Name: **Radhika Gupta**  
Designation: **Managing Director & CEO**

## II INFORMATION ABOUT THE SCHEME

### A. NAME & TYPE OF SCHEME

Edelweiss Focused Equity Fund, an open-ended equity scheme investing in maximum 30 stocks across market capitalization.

### B. INVESTMENT OBJECTIVE

The investment objective of the fund is to generate long term capital appreciation by investing in equity and equity and derivative segment of upto 30 companies across market capitalisation.

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.

### C ASSET ALLOCATION AND INVESTMENT PATTERN

Under normal circumstances, it is anticipated that the asset allocation shall be as follows:

Instruments	Indicative Allocation (% of Total Assets)	Risk Profile
Equity and Equity related instruments	65%-100%	High
Debt and Money Market Instruments	0%-35%	Low to Medium
Units of REITs & InvITs	0%-10%	Medium to High

\*Money Market instruments includes commercial papers, commercial bills, treasury bills, Tri-party repo, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.

- The Scheme can take derivative exposure upto 50% of net asset of the Scheme. The total exposure related to options premium paid will not exceed 20% of the net assets of the Scheme.
- The scheme can participate in covered call Option strategy. It is a call option that gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset.
- The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. Exposure to a single counterparty in such transactions will not exceed 10% of the net assets of the Scheme.
- The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. The Scheme shall not deploy more than 20% of its net assets in stock lending and not more than 5% of the net assets of the Scheme will be deployed in Stock lending to any single intermediary.
- The Scheme may invest in units of Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs). Not more than 10% of the net assets of the Scheme will be invested in InvITs and REITs and not more than 5% of the net assets of the Scheme will be invested in InvITs and REITs of any single issuer.

- The cumulative gross exposure through Equity and equity related instruments, debt, Money Market Instruments, repo in corporate debt securities, REITs / InvITs and derivative positions will not exceed 100% of the net assets of the scheme. However, cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
- The Scheme may also invest in other schemes managed by the AMC or in the schemes of any other Mutual Fund not more than 5% of the Net Asset Value of the Mutual Fund, provided it is in conformity with the investment objectives of the Scheme.
- The Scheme will not invest in ADR/GDR, foreign securities, securitized debt, credit default swaps, equity linked debentures, unrated debt securities, instruments having structured obligations and credit enhancement and debt instruments with special features (AT1/AT2 Bonds).

There can be no assurance that the investment objective of the scheme will be realized. The Fund Manager may churn the portfolio to the extent as considered necessary to replicate the index.

Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.

***Change In Asset Allocation, Portfolio Rebalancing and reporting & disclosure requirement:***

In the event of deviation from mandated asset allocation mentioned in the Scheme Information Document (SID) due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), the same will be rebalanced within 30 business days. In case the asset allocation is not rebalanced within 30 business days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before Investment Committee (IC). The IC can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. In case the portfolio of schemes is not rebalanced within the aforementioned mandated plus extended timelines, AMCs shall:

- not be permitted to launch any new scheme till the time the portfolio is rebalanced.
- not levy exit load, if any, on the exiting investors.

AMCs will report the deviation to Trustees at each stage. Further, in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of the scheme, the investors will be immediately informed through SMS and email / letter including details of portfolio not rebalanced. Email / Letter and SMS will also be immediately triggered as and when the rebalancing of portfolio takes place. The same will also be communicated to investors through periodic portfolio disclosures as mandated by SEBI.

The above norms shall be applicable to main portfolio and not to segregated portfolio(s). The above is in line with SEBI circular no SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022 as amended from time to time

**Investment in Tri-party Repo before the closure of NFO:**

In accordance with SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42, dated March 18, 2016, the scheme may deploy the NFO proceeds in Tri-party Repo before the closure of NFO period. The appreciation received from investment in Tri-party Repo shall be passed on to investors. In case if the scheme is not able to garner the minimum subscription amount during the NFO period the interest earned upon investment of NFO proceeds in Tri-party Repo shall be returned to investors, in proportion of their investments, along-with the refund of the subscription amount. The AMC shall not charge any investment management and advisory fees on funds deployed in Tri-party Repo during the NFO period.

**Creation of a Segregated Portfolio:**

Creation of a Segregated Portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

- 1) Segregated Portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
  - a) Downgrade of a debt or money market instrument to 'below investment grade', or
  - b) Subsequent downgrades of the said instruments from 'below investment grade', or
  - c) Similar such downgrades of a loan rating.
- 2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of Segregated Portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
- 3) Creation of Segregated Portfolio is optional and is at the discretion of the AMC.

**Process for Creation of Segregated Portfolio:**

- 1) On the date of credit event, the AMC shall decide on creation of Segregated Portfolio and once the decision is made, the AMC shall:
  - a) seek approval of Trustees prior to creation of the Segregated Portfolio;
  - b) immediately issue a press release disclosing its intention to segregate such debt/money market instrument and its impact on the investors. The AMC will also disclose that the segregation will be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC;
  - c) ensure that till the time the Trustee approval is received, which in no case shall exceed 1 Business Day from the day of credit event, the subscription and redemption in the Scheme will be suspended for processing with respect to creation of units and payment on redemptions.
- 2) Once Trustee approval is received by the AMC:
  - a) Segregated Portfolio will be effective from the day of credit event;
  - b) AMC will issue a press release immediately with all relevant information pertaining to the Segregated Portfolio. The said information will also be submitted to SEBI;
  - c) An e-mail or SMS will be sent to all unit holders of the Scheme;
  - d) The NAV of both Segregated and Main Portfolios will be disclosed from the day of the credit event;
  - e) All existing investors in the Scheme as on the day of the credit event will be allotted equal number of units in the Segregated Portfolio as held in the Main Portfolio;
  - f) No redemption and subscription will be allowed in the Segregated Portfolio.



- g) AMC will enable listing of Units of Segregated Portfolio on the recognized stock exchange within 10 working days of creation of Segregated Portfolio and also enable transfer of such Units on receipt of transfer requests;
  - h) Unit holders, who wish to redeem their units under the Scheme will receive redemption proceeds only for the units held under the Main Portfolio of the Scheme based on its NAV and will continue to hold the Units of Segregated Portfolio. However, upon recovery of money from Segregated Portfolio, whether partial or full, it will be immediately distributed to the unit holders in proportion to their holding in the Segregated Portfolio;
- 3) If the Trustees do not approve the proposal to segregate portfolio, the AMC will issue a press release immediately informing investors of the same. In that case, subscription and redemption applications will be processed based on the NAV of Total Portfolio.

**Creation of Segregated Portfolio of unrated debt or money market instruments** by mutual fund schemes of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following:

- a. Segregated Portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount.
- b) The AMC is required to inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, the AMC may segregate the portfolio.

**Valuation:**

The valuation would take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.

**Disclosure Requirement:**

- a. A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b. Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.
- c. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d. The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e. The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.

- f. The disclosures at paragraph (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

### **Monitoring by Trustees**

a. In order to ensure timely recovery of investments of the segregated portfolio, trustees shall ensure that:

- i. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
- ii. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
- iii. An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustee meeting till the investments are fully recovered/ written-off.
- iv. The trustees shall monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

b. In order to avoid mis-use of segregated portfolio during the credit event trustees have put mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

### **Benefits of Segregated Portfolio**

While very stringent internal credit evaluation norms are being followed by the AMC/Mutual Fund, the risk of credit downgrade in portfolio companies due to various factors cannot be ruled out. In the event of credit downgrade the downgraded instrument generally become illiquid making it very difficult for the fund manager to dispose of such instrument/s. In such an event segregation of such an instrument from the main portfolio will prevent the distressed asset(s) from damaging the returns generated from more liquid and better-performing assets of the portfolio. It also provides fair treatment to all existing, incoming and outgoing investors, as any recovery from the issuer in future would get distributed among those investors, who would have suffered a loss due to downgrade event.

### ***D. WHERE WILL THE SCHEME INVEST?***

#### **Investment in Equity and Equity related instruments:**

The Scheme will invest in Equity and Equity related instruments inclusive of convertible debentures, equity warrants, convertible preference shares, equity derivatives etc..

**Investment in Debt and Money Market securities:**

The Scheme shall invest in a range of Debt & Money Market Instruments to meet liquidity and expense requirements. Some of these instruments are:

- a. Securities created and issued by Governments of India and/or repos/ reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- b. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- c. Corporate debt securities and repo in corporate debt Securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, etc.
- d. Money market instruments permitted by SEBI/RBI, having maturities upto one year and call money market or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements.
- e. Any other domestic fixed income securities.
- f. Any other like instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority from time to time.

The above-mentioned securities could be listed, unlisted, secured, unsecured, and may be acquired through Primary, secondary market offerings, private placements, rights offer etc. Further, investments in debentures, bonds and other fixed income securities will usually be in instruments, which have been assigned investment grade ratings by an approved rating agency.

- **Investments in Derivative Instruments:**

The Scheme may invest in Derivative Instruments to the extent permitted under SEBI Circulars DNPDP/Cir-29/2005 dated September 14, 2005, DNPDP/Cir-29/2005 dated January 20, 2006, SEBI/DNPDP/Cir-31/2006 dated September 22, 2006 and CIR/IMD/DF/11/2010 dated August 18, 2010 on 'Trading by Mutual Funds on Exchange Traded Derivatives' as amended from time to time. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of derivatives requires an understanding not only of the underlying instrument but also of the derivative instruments itself. The Scheme may use derivative instruments such as index futures and options, stock futures and options contracts, warrants, convertible securities, swap or forward rate agreements or any other derivative instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objective of the Scheme.

Index futures/options are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures/options can be an efficient way of achieving the Scheme's investment objective. Notwithstanding the pricing, they can help in reducing the Tracking Error in the Scheme. Index futures/options may avoid the need for trading in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the individual stocks. Index futures/options can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares comprising the Underlying Index and will be easy to settle compared to physical portfolio of shares representing the Underlying Index. In case of investments in index futures/options, the risk/reward

would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future/option. Further, there could be an element of settlement risk, which could be different from the risk in settling physical shares. This settlement risk is likely to be minimized if the exchange acts as the clearing corporation and the counter party, as is the practice in the developed markets. The Scheme will not maintain any leveraged or trading positions.

#### Covered Call Options:

A call option gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset.

Benefits of using Covered Call strategy in Mutual Funds:

The covered call strategy can be followed by the Fund Manager in order to hedge risk thereby resulting in better risk adjusted returns of the Scheme. The strategy offers the following benefits:

a) Hedge against market risk - Since the fund manager sells a call option on a stock already owned by the mutual fund scheme, the downside from fall in the stock price would be lower to the extent of the premium earned from the call option.

b) Generating additional returns in the form of option premium in a range bound market.

Thus, a covered call strategy involves gains for unit holders in case the strategy plays out in the right direction.

*Illustration* – Covered Call strategy using stock call options: A fund manager buys equity stock of ABC Ltd. for Rs. 1000 and simultaneously sells a call option on the same stock at a strike price of Rs. 1100. Further, it is assumed that the scheme has earned a premium of Rs. 50 and the fund manager is of the opinion that the stock price will not exceed Rs. 1100, during the expiry period of the option.

#### Scenario 1: Stock price exceeds Rs. 1100

The call option will get exercised and the fund manager will sell the stock to settle his obligation on the call at Rs. 1100 (earning a return of 10% on the stock purchase price). Also, since the scheme has earned a premium of Rs. 50, this has reduced the purchase cost of the stock (Rs. 1000 – Rs. 50 = Rs. 950). Hence, the Net Gain = Rs. 150 (Rs 100 stock appreciation + Rs 50 call option premium) (However, please note that in a scenario where the stock price reaches Rs. 1300, investment in long only equity would be more beneficial than a covered call strategy as the net gain under the covered call strategy would be Rs. 150, against a net gain of Rs. 300 under a pure long only equity strategy.)

#### Scenario 2: Stock prices stays below Rs. 1100

The call option will not get exercised and will expire worthless. The premium earned on call option will generate alpha for the scheme. Hence, the Net Gain = Rs. 50.

- **Investments in units of Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs):**

In accordance with SEBI circular no. SEBI/HO/IMD/ DF2/CIR/P/2017/17 dated February 28, 2017 and amendments thereto from time to time, the Scheme may invest in units of Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) within the stipulated investment limits.

- **Investments in the Schemes of Mutual Fund:**

The Scheme may invest in units of money market/liquid Schemes managed by the AMC, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI

Regulations. As per SEBI Regulations, no Investment Management fees will be charged for such investments and the aggregate inter Scheme investment made by all Schemes in the schemes of the Mutual Fund shall not exceed 5% of the Net Asset Value of the Mutual Fund.

#### **E. INVESTMENT STRATEGY & APPROACH**

The scheme aims to generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 30 companies across market capitalisation. In order to have a concentrated portfolio, the scheme will follow a bottom-up stock selection approach. The scheme will reflect best investment ideas of the fund manager at all points of time.

The universe of stocks is carefully selected to include companies having a robust business model and enjoying sustainable competitive advantages as compared to their competitors.

The scheme will invest in companies across market capitalisation and sector based on investing opportunities that may arise from time to time.

#### **\* Risk Control:**

The Scheme proposes to allocate assets predominantly in equity and equity related instruments of upto 30 companies across market capitalisation. The Fund shall invest in a diversified basket of equity stocks spread across sectors, debt and money market instruments along with a portion of fund invested in initial/primary market offerings.

This allocation will be steadily monitored, and it shall be ensured that investments are made in accordance with the Scheme objective and within the regulatory and internal investment restrictions prescribed from time to time. Diversification across sectors/companies at the time of investments shall also manage the risk.

The Fund has designed a detailed process to identify, measure, monitor and manage the portfolio risk. The aim is not to eliminate the risk completely but to have a structured mechanism towards risk management thereby maximizing potential opportunities and minimize the adverse effects of risk. Few of the key risks identified are:

<b>Risk &amp; Description specific to the Scheme</b>	<b>Risk mitigants / management strategy</b>
<b>Credit risk</b> Risk associated with repayment of investment	Investment universe carefully selected to only include issuers with high credit quality
<b>Performance risk</b> Risk arising due to change in factors affecting the market	Understand the working of the markets and respond effectively to market movements
<b>Concentration risk</b> Risk arising due to over exposure in few securities	Invest across the spectrum of issuers and keeping flexibility to invest across tenor
<b>Liquidity risk</b> Risk arising due to inefficient Asset Liability Management, resulting in high impact costs	Control portfolio liquidity at portfolio construction stage. Having optimum mix of cash

	& cash equivalents along with the money market instruments in the portfolio
<b>Interest rate risk</b> Price volatility due to movement in interest rates	Control the portfolio duration and periodically evaluate the portfolio structure with respect to existing interest rate scenario

**\* Portfolio Turnover:**

The Scheme will endeavour to keep the portfolio turnover at a minimum. However, the portfolio turnover ratio may vary as the Scheme may change the portfolio according to Asset Allocation to align itself with the objectives of the Scheme. The effect of higher portfolio turnover could be higher brokerage and transaction costs.

**F. INVESTMENT BY THE AMC IN THE SCHEME**

The AMC may invest either directly or indirectly in the Scheme during the NFO Period and on ongoing basis. However, the AMC shall not charge any investment management and advisory services fee on such investments in a Scheme.

Further, as per clause sub-regulation 16 (A) of Regulation 25 of SEBI (Mutual Funds) Regulations, 1996 read along with SEBI circular no SEBI/HO/IMD/IMD-1DOF5/P/CIR/2021/54 dated September 2, 2021 on alignment of interest of AMC with the unit holders of Mutual Fund, the AMC will invest in the Scheme based on the risk-o-meter.

**G. FUNDAMENTAL ATTRIBUTES**

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

**(i) Type of Scheme** – An open-ended equity scheme investing in maximum 30 stocks across market capitalisation

**(ii) Investment Objective**

**\* Main Objective** – The investment objective of the fund is to generate long term capital appreciation by investing in equity and equity and derivative segment of upto 30 companies across market capitalisation. 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.

**\* Investment pattern** – The scheme aims to generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 30 companies. In order to have a concentrated portfolio, the scheme will follow a bottom up stock selection approach. The scheme will reflect best investment ideas of the fund manager at all points of time. The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. The scheme will

invest in companies across market capitalisation and sector based on investing opportunities that may arise from time to time.

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

#### **\* Liquidity Provisions:**

The Scheme, being open ended, the Units are not proposed to be listed on any stock exchange. However, the Board of Trustees reserve the right to list the Units as and when this Scheme is permitted to be listed and considers it necessary in the interest of Unit holders of the Fund.

The Scheme offers subscription & redemption facility at the Applicable NAV on every Business Day. As per SEBI Regulations, the Mutual Fund will dispatch Redemption proceeds within 10 Business Days of receiving a valid redemption request. In case the redemption proceeds are not made within 10 Business Days of the date of receipt of a valid redemption request, interest will be paid @ 15% per annum or such other rate from the 11th day onwards as may be prescribed by SEBI from time to time.

#### **\* Aggregate fees and expenses charged to the Scheme:**

The aggregate fees and expenses charged to the Scheme will be in line with the limits defined in the SEBI Regulations as amended from time to time. The aggregate fee and expenses to be charged to the Scheme is detailed in Section IV of this document.

#### **\* Any Safety Net or Guarantee Provided:**

The Scheme does not provide any safety net or guarantee.

### **Change in Fundamental Attributes:**

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- The Trustees have taken/received comments from SEBI in this regard before carrying out such changes.
- An addendum to the existing SID shall be issued and displayed on AMC website immediately.
- A written communication about the proposed change is sent to each Unit holder and a public notice / 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;
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load; and
- The SID shall be revised and updated immediately after completion of duration of the exit option (not less than 30 days from the notice date).

**H. BENCHMARK**

**Nifty 500 Index (TRI)** is designed to reflect the behaviour and performance of Edelweiss Focused Equity Fund

**Rationale for adoption of benchmark:**

The fund would be investing in a concentrated portfolio across market capitalisation (large caps, midcaps and small caps) and across sectors. Since the fund is a focused fund and will have concentrated portfolio holdings, considering liquidity and volatility of the portfolio, the fund will have large part of portfolio holdings which may be part of the Nifty 500 index. Thus, it is most appropriate to benchmark the fund against Nifty 500 TRI.

The Trustees reserves right to change benchmark in future for measuring performance of the scheme

**I. FUND MANAGER(S) FOR THE SCHEME**

<b>Fund Manager</b>	<b>Age &amp; Qualification</b>	<b>Experience</b>	<b>Name of other schemes of the Fund under his management.</b>
Mr. Trideep Bhattacharya	47 Years, CFA, B.Tech form IIT, Kharagpur and MBA (Finance)	Mr. Trideep Bhattacharya has over 13 years' experience as a Portfolio Manager and Research Analyst. Prior to joining Edelweiss, he has worked as Senior Portfolio Manager – Alternate Equities with Axis Asset Management Company Limited, Head of Research with Motilal Oswal Securities Limited and Portfolio Manager with State Street Global Advisors and UBS Global Asset Management Limited.	Fund Manager: 1. Edelweiss Large & Mid Cap Fund 2. Edelweiss Mid Cap Fund 3. Edelweiss Flexi Cap Fund 4. Edelweiss Small Cap Fund 5. Edelweiss Long Term Equity Fund (Tax Savings)
Mr. Abhishek Gupta	40 Years CFA, PGDBM and B. Com	Mr. Abhishek Gupta has over 11 years' experience as in portfolio construction and management. Prior to joining Edelweiss, he has worked with Goldman Sachs Asset Management Limited.	Co-Fund Manager: 1. Edelweiss Large & Mid Cap Fund



**J. 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. All the investments by Scheme shall be made only in listed equity shares and equity related securities.
2. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company.  
Provided that, the limit of 10 per cent shall not be applicable for investments in case of sector or industry specific scheme.
3. A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised 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 collateralized borrowing and lending obligations:  
Provided further that investment within such limit can be made in mortgaged backed securitised debts which are rated not below investment grade by a credit rating agency registered with the Board.
4. No Mutual Fund under all its schemes should own more than 10% of any company's paid up capital carrying voting rights.
5. Investment in unrated debt and money market instruments (other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc.) by the Scheme shall not exceed 5% of the net assets of the Scheme. However, all such investments shall be made with the prior approval of the Board of AMC and Trustees.
6. The Scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging. However, mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis. Provided further that, the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by the Board.

7. Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:

- Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
- The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided the same are in line with SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2020/202 dated October 8, 2020.

8. The Scheme may invest in other Schemes of the AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-Scheme investment made by all the Schemes under the same management or in Schemes under management of any other Asset Management Company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other schemes of the fund or in the schemes of any other Mutual Fund.

9. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities: Provided that the 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 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. Further, the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board.

10. 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.

11. The Scheme shall not make any investment in any fund of funds scheme.

12. The Scheme shall not make any investment in:

- Any unlisted security of an associate or group company of the Sponsor; or
- Any security issued by way of private placement by an associate or group company of the Sponsor; or
- The listed securities of group companies of the Sponsor, which is in excess of 25% of the net assets of the Scheme of the Mutual Fund.

13. No loans for any purpose shall be advanced by the Scheme.

14. 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 IDCW to the Unit holders. Provided that the Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of the borrowing shall not exceed a period of 6 months.

15. Pending deployment of funds of the Scheme in securities in terms of the investment objectives of the Scheme, the Fund may invest the funds of the Scheme in short term deposits of scheduled commercial banks or in like instruments subject to the Guidelines as may be specified by the Board. Further, the AMC shall not charge investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

Further as per SEBI Circular SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007 and circular no. SEBI/HO/IMD/DM4/CIR/P/2019/093 dated August 16, 2019:

- a. Total investment of the Scheme in Short term deposit(s) of all the Scheduled Commercial Banks put together shall not exceed 15% of the net assets. However, this limit can be raised upto 20% of the net assets with prior approval of the Board of Trustees. Further, investments in Short Term Deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- b. Scheme shall not invest more than 10% of the net assets in short term deposit(s), of any one scheduled commercial bank including its subsidiaries.
- c. Scheme shall not invest in short term deposit of a bank which has invested in that Scheme
- d. The Scheduled Commercial Banks in which a scheme has Short Term Deposits shall not invest in the Scheme until the Scheme has Short Term Deposits with such bank.

Further as per SEBI Circular No. SEBI/IMD/CIR No.7/129592/08 dated June 23, 2008, it is clarified that the said limits shall not apply to term deposits placed as margins for trading in cash and derivatives market.

The investments in short term deposits of scheduled commercial banks will be reported to the Board of Trustees along with the reasons for the investment which, inter alia, would include comparison with the interest rates offered by other scheduled commercial banks. Further, the AMC shall ensure that the reasons for such investments are recorded in the manner prescribed in SEBI Circular MFD/CIR/6/73/2000 dated July 27, 2000.

16. Investments in derivatives shall be in lines with the norms/restrictions specified in SEBI circular no. Cir/IMD/DF/11/2010 dated August 18, 2010.
17. The Scheme may invest in the units of InvITs and REITs subject to the following:
- (a) The Fund under all its schemes shall own not more than 10% of units issued by a single issuer of InvITs and REITs; and
  - (b) The Scheme shall not invest: i. more than 10% of its net assets in the units of InvITs and REITs; and ii. more than 5% of its net assets in the units of InvITs and REITs issued by a single issuer.
18. The Scheme can write Call options only under a covered call strategy subject to the following conditions:
- a) The Scheme can write call options under a covered call strategy only for constituent stocks of NIFTY 50 and BSE SENSEX.

b) The total notional value (taking into account strike price as well as premium value) of call options written by the Scheme shall not exceed 15% of the total market value of equity shares held in the Scheme.

c) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.

d) At all points of time the Scheme shall comply with the provisions at points (b) and (c) above. In case of any passive breach of the requirement at paragraph (b) above, the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.

e) In case the Scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (c) and (b) above while selling the securities.

f) In no case, the scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.

g) The premium received shall be within the requirements prescribed in terms of SEBI circular dated August 18, 2010 i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.

h) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of paragraph 3 of SEBI Circular no. Cir/IMD/DF/11/2010, dated August 18, 2010. The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the Scheme until the position is closed or expired.

19. Investment restrictions in relation to repo in corporate debt securities:

- The net exposure of any Mutual Fund scheme to repo transactions in money market and corporate debt securities shall not be more than 10 % of the net assets of the Scheme.
- The cumulative gross exposure through repo transactions in money market and corporate debt securities along with debt shall not exceed 100% of the net assets of the Scheme.
- Mutual funds shall participate in repo transactions only in money market and corporate debt securities with long-term credit rating of AA and above at the time of transaction by any of the recognized credit rating agencies.

20. The Scheme will comply with any other regulations applicable to the investments of Mutual Funds from time to time.

**Investments Limitations and Restrictions in Derivatives:**

In accordance with SEBI guidelines, the following conditions shall apply to the Scheme's participation in the derivatives market. Please note that the investment restrictions applicable to the Scheme's participation in the derivatives market will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time.

**Position limit for the Fund in index options contracts:**

The position limit for the Mutual Fund in index options contracts shall be as follows:

- The Fund's position limit in all index options contracts on a particular underlying index shall be Rs. 500 Crores or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
- This limit would be applicable on open positions in all options contracts on a particular underlying index.

**Position limit for the Fund in index futures contracts:**

The position limit for the Mutual Fund in index futures contracts shall be as follows:

- The Fund's position limit in all index futures contracts on a particular underlying index shall be Rs. 500 Crores or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
- This limit would be applicable on open positions in all futures contracts on a particular underlying index.

**Additional position limit in index derivatives for hedging of the Fund:**

In addition to the position limits above, the Fund may take exposure in equity index derivatives subject to the following limits:

- Short positions in index derivatives (short futures and long puts) shall not exceed (in notional value) the Fund's holding of stocks.
- Long positions in index derivatives (long futures and long calls) shall not exceed (in notional value) the Fund's holding of cash, government securities, T-Bills and similar instruments.

**Position limit for the Fund for stock based derivative contracts:**

The position limit for the Mutual Fund in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts shall be as follows:

- For stocks having an applicable market-wise position limit (MWPL) of Rs. 500 Crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 Crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 Crores, whichever is lower.
- For stocks having an applicable market-wise position limit (MWPL) less than Rs. 500 Crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 Crores whichever is lower.

**Position limit for the Scheme:**

The position limit / disclosure requirements for the Scheme shall be as follows:

- For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of the Scheme shall not exceed the higher of:  
1% of the free float market capitalisation (in terms of number of shares) OR  
5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts (Shares)).
- For index based contracts, the Fund shall disclose the total open interest held by its Scheme or all Schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

These position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

**Exposure Limit:**

1. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the Scheme.
2. The Scheme shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
4. Cash or cash equivalent instruments under the Scheme, with residual maturity of less than 91 days shall be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
  - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated as exposure while calculating cumulative gross exposure.
  - c. Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.
  - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.

The Scheme shall enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases will not exceed the value of respective existing assets being hedged by the Scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the Scheme.

6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be included while calculating cumulative gross exposure.
7. Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders.

These investment restrictions shall be applicable at the time of investment and changes do not have to be effected merely because, owing to appreciations or depreciations in value, or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any Schemes 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 as soon as possible take appropriate corrective action, taking into account the interests of the Unit holders.

In addition, certain investment parameters may be adopted internally by AMC, and amended from time to time, to ensure appropriate diversification / security for the Fund. The Trustee Company / AMC may alter these above stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Schemes to make its investments in the full spectrum of permitted investments for Mutual Funds to achieve its investment objective. As such all investments of the Schemes will be made in accordance with SEBI (Mutual Funds) Regulations, 1996, including Schedule VII thereof.

#### ***K. SCHEME PERFORMANCE***

This scheme is a new scheme and does not have any performance track record.

#### ***L. INVESTMENT OF SUBSCRIPTION MONEY***

Pending deployment in securities as per the investment objectives of the Scheme and also taking into consideration the current SEBI Regulations, the Fund may invest subscription money received from the investors in bank deposits, or money market instruments before finalisation of the allotment of Units. The AMC, on being satisfied of the receipt of the minimum subscription amount, can commence investment out of the funds received in accordance with the investment objectives of the Scheme and as per the existing Regulations, on or after the closure of the NFO period. The income earned out of such investments would be merged with the corpus of the Scheme on completion of the allotment of the Units.

#### ***M. ADDITIONAL DISCLOSURES***

##### ***(i) SCHEME PORTFOLIO HOLDINGS***

- a) Top 10 holdings: Not Available
- b) Sector wise holdings: Not Available

The Scheme is a new Scheme and does not have any Portfolio Holdings and Sector wise holdings.

##### ***(ii) INVESTMENT DETAILS:***

Category	Aggregate Investment (Rs. in Lakhs)
i. AMC's Board of Directors	NA
ii. Concerned scheme's Fund Manager(s)	NA
iii. Other key managerial personnel	NA

Since the Scheme is a new Scheme, the aggregate investment in the scheme is not available.

**Monthly Portfolio Disclosure:**

The Fund/AMC will disclose the portfolio (along with ISIN) of the Scheme as on the last day of the month on its website [www.edelweissmf.com](http://www.edelweissmf.com) on or before the tenth day of the succeeding month in a user-friendly and downloadable format.

**Portfolio Turnover Ratio:** Not Available

**N. PRODUCT DIFFERENTIATION:**

Scheme Name	Investment Objective	Asset Allocation	Investment Strategy	Differentiation	AUM (Cr) (as on May 31, 2022)	No. of Folios (as on May 31, 2022)
Edelweiss Large & Mid Cap Fund	The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly Large Cap and Mid Cap equity and equity-related securities. However, there is no assurance that the investment objective of the scheme will be realised.	Equity and equity related of Large Cap Companies: 35% - 65%, Equity & Equity related instruments of Mid Cap Companies: 35% - 65% Debt & Money Market Instruments: 0% - 30%	The Scheme will primarily be a diversified equity fund which will seek to invest in companies for long term investment. Though the benchmark is S&P BSE-200 TR Index, the investments will not be limited to the companies constituting the benchmark.	An open-ended equity scheme investing in both large cap and mid cap stocks	1294.45	76,063
Edelweiss Large Cap Fund	The investment objective is to seek to generate long-term capital appreciation from a portfolio predominantly consisting of equity and equity-related securities of the 100 largest corporates by market capitalisation listed in India. 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.	Equity & Equity related instruments of the 100 largest corporates by market capitalization, listed in India: 80% - 100%, Equity & Equity related instruments of other companies: 0% - 20%, Debt & Money Market Instruments: 0% - 20%, Units of InvITs/REITs : 0%-10%	The Scheme aims to generate capital appreciation by investing in equity and equity-related securities of Large Cap by market capitalization and are relatively liquid and widely held. The investment manager will seek to identify companies that exhibit the following qualities: strong competitive edge and sustainable market share; a proven business model; financial strength (strong balance sheet, good revenue growth); relatively attractive valuations. The focus will be to identify potential outperformers in the market over the long term. The Scheme will remain diversified across stocks and sectors to mitigate risk.	An open-ended equity scheme predominantly investing in large cap stocks	325.55	24,835
Edelweiss Flexi Cap Fund	The investment objective of the Scheme is to generate long-term capital appreciation from a	Equity and Equity related securities across market cap: 65% -100%, Debt &	The Scheme will be a diversified equity fund which will invest predominantly in equity and	An open-ended equity scheme	911.93	39,358



Scheme Name	Investment Objective	Asset Allocation	Investment Strategy	Differentiation	AUM (Cr) (as on May 31, 2022)	No. of Folios (as on May 31, 2022)
	diversified portfolio that predominantly invests in equity and equity-related securities of companies across various market capitalisation. However, there can be no assurance that the investment objective of the Scheme will be realised.	Money Market Instruments : 0% - 35%	equity related securities through allocation in companies across different market capitalisation that is Large Cap, Mid Cap and Small Cap. The investment approach will be bottom-up stock picking - where investments will be selected primarily on the basis of specific criteria relevant to the company in question rather than general macroeconomic considerations. There will be no particular bias towards any market cap size or any sector. The Scheme will endeavour to remain fully invested in equity and equity related instruments at all times. An exposure to various derivatives instruments is likely - for the purposes of hedging, portfolio balancing and optimising returns.	investing across large cap, mid cap, small cap stocks		
Edelweiss Mid Cap Fund	The investment objective is to seek to generate long-term capital appreciation from a portfolio that predominantly invests in equity and equity-related securities of Mid Cap companies. However, there can be no assurance that the investment objective of the Scheme will be realised.	Equity and equity related securities of Mid Cap Companies 65%—100%; Equity and equity related securities of companies other than Mid Cap Companies 0%—35%; Debt and money market instruments 0%—35%.	The Scheme will primarily be a diversified equity fund which will seek to invest in Mid Cap companies for long term investment. The types of companies that may fall within the scope of such investment would predominantly be the Mid Cap companies including: a) companies with strong growth potential; b)companies with a special product which has a particular market niche and therefore good earnings potential; c) companies undertaking corporate restructuring. The investment approach will be bottom-up stock picking – where investments will be selected primarily on the basis of specific criteria	An open ended equity scheme predominantly investing in mid cap stocks	1,918.97	96,188

Scheme Name	Investment Objective	Asset Allocation	Investment Strategy	Differentiation	AUM (Cr) (as on May 31, 2022)	No. of Folios (as on May 31, 2022)
			relevant to the company in question rather than general macroeconomic considerations. There will be no particular bias towards any sector. The focus will be on Mid Cap stocks listed on Indian Domestic exchanges. The strategy will be to identify companies early or which have potential to scale up significantly to become materially larger in the medium to long term. The Scheme will endeavour to remain fully invested in equity and equity related instruments at all times. An exposure to various derivatives instruments is likely for the purposes of hedging, portfolio balancing and optimising returns.			
Edelweiss Small Cap Fund	The investment objective of the scheme is to generate long term capital appreciation from a portfolio that predominantly invests in equity and equity related securities of small cap companies	Equity and Equity related securities of Small Cap companies- 65% to 100% Equity and Equity related securities of other companies- 0% to 35% Debt and money market instruments- 0% to 35%	The Scheme will be a diversified equity fund which will invest in small cap equity and equity related securities of the companies that are likely to benefit in the long term.	An open ended equity scheme predominantly investing in small cap stocks	1,116.82	62,077
Edelweiss Long Term Equity Fund (Tax Savings)	The primary objective of the scheme is to generate long-term capital appreciation with an option of periodic payouts at the end of lock in periods from a portfolio that invests predominantly in equity and equity related instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not	Equity & Equity related instruments: 80% - 100%, Short Term Debt & Money Market instruments: 0% - 20%	The Fund will invest in a diversified basket of equity stocks spanning the entire market capitalization spectrum and across multiple sectors, debt and money market instrument.	An open-ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit	186.67	18,576

Scheme Name	Investment Objective	Asset Allocation	Investment Strategy	Differentiation	AUM (Cr) (as on May 31, 2022)	No. of Folios (as on May 31, 2022)
	assure or guarantee any returns.					
Edelweiss Recently Listed IPO Fund	The investment objective of the Scheme is to seek to provide capital appreciation by investing in equity and equity related securities of recently listed 100 companies or upcoming Initial Public Offers (IPOs). 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.	Equity & Equity related instruments including derivatives of recently listed 100 companies or upcoming Initial Public Offer (IPOs) : 80% - 100%, Equity and Equity related instruments including derivatives of other than recently listed 100 companies: 0-20% Debt & Money Market instruments : 0% - 20%	The Scheme will be a thematic equity fund which will invest in equity and equity related securities of last 100 newly listed companies on BSE and NSE and companies that will be listed on an ongoing basis. These companies can be large, mid and small in terms of market capitalization. The Scheme further intend to invest in companies in their early growth phase and shall include companies that are at a nascent stage, are planning to expand their business and are getting ready for the next growth phase. The universe of such companies would be 100 recently listed IPOs. The Scheme would identify companies for investment, based on the following criteria amongst others: 1. Track record of the company 2. Potential for future growth 3. Industry economic scenario & its outlook	An open ended equity scheme following investment theme of investing in recently listed 100 companies or upcoming Initial Public Offer (IPOs).	981.99	97,043

**III. UNITS & OFFER**

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

**A. NEW FUND OFFER (NFO)**

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors.</p>	<p>Edelweiss Focused Equity Fund</p> <p>NFO opens on: July 12, 2022 NFO closes on: July 15, 2022</p> <p>Scheme re-opens for continuous sale &amp; repurchase not later than: August 5, 2022</p> <p>The Scheme, when offered for subscription, would be open for such number of days (not exceeding 15 days) as may be decided by the AMC.</p> <p>The AMC / Trustee also reserve the right to close the Scheme earlier by giving at least one day's notice.</p> <p>The AMC / Trustee reserve the right to extend the closing date of the NFO Period, subject to the condition that subscription list of the NFO shall not be kept open for more than 15 days. Any such extension shall be announced by way of a notice in one national newspaper.</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the investors have to pay to invest during the NFO.</p>	<p>During the New Fund Offer, the Units will be offered at a price of Rs. 10 per Unit (NFO Price).</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Minimum of Rs. 5,000/- and in multiples of Re. 1/- thereafter per application which includes switch-ins from other Schemes of the Edelweiss Mutual Fund.</p>
<p>Minimum Target amount</p>	<p>The minimum target amount to be raised during the NFO Period shall be Rs. 10 Crores.</p> <p>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period of the Scheme, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 Business Days from the date of closure of the NFO Period, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of fifth business day of the closure of the subscription period.</p>

<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</p>	<p>There will be no upper limit on the total corpus collected under the Scheme during the NFO Period.</p>																																				
<p>Plans / Options offered</p>	<p>In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, direct investments by investors, viz. where the investment is not routed through distributors but made directly by the investors, are required to have a separate plan (i.e. Direct Plan) and a separate NAV. Expenses such as distribution expenses, brokerage or commission payable to distributors will not be charged to the investment made via direct investment and hence the Direct Plan will have a lower expense ratio.</p> <p>Based on the above, the Scheme offers a choice of two plans:</p> <ol style="list-style-type: none"> <li>1. Direct Plan; and</li> <li>2. Regular Plan</li> </ol> <p>Investors subscribing under Direct Plan of the Scheme will have to indicate “Direct Plan” against the Scheme name in the application form i.e. “Edelweiss Focused Equity Fund”. Investors should also indicate “Direct” in the ARN column of the application form.</p> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1" data-bbox="592 1279 1461 1742"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not mentioned	Regular Plan
Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured																																		
1	Not mentioned	Not mentioned	Direct Plan																																		
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4	Mentioned	Direct	Direct Plan																																		
5	Direct	Not mentioned	Direct Plan																																		
6	Direct	Regular	Direct Plan																																		
7	Mentioned	Regular	Regular Plan																																		
8	Mentioned	Not mentioned	Regular Plan																																		

shall reprocess the transaction under Direct Plan from the date of application without any exit load.

Each Plan under the Scheme offers a choice of two options:

- Growth Option
- IDCW Option

IDCW Option shall have the following facilities:

- a) IDCW Payout
- b) IDCW Reinvestment
- c) IDCW Transfer

**(a) Growth Option:** No IDCW will be declared under this Option. Income / profits received / earned on the Scheme's corpus would be accumulated by the Fund as capital accretion & will remain invested in the Scheme and will be reflected in the Net Asset Value (NAV). Unit holders who opt for this Option will not receive any IDCW in normal circumstances.

**(b) INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL Option (Payout Facility):** Under this Option, IDCW will be declared subject to the availability of distributable surplus as computed in accordance with SEBI Regulations. IDCWs, if declared, will be paid (subject to deduction of TDS and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date. AMC reserves the right to change the record date from time to time. However, it must be distinctly understood that actual declaration of IDCWs and frequency thereof is at the discretion of Board of Trustees. There is no assurance or guarantee to Unit holders as to the rate of IDCW distribution nor that the IDCWs will be declared regularly, though it is the intention of the Mutual Fund to make regular IDCW distribution under the IDCW Option. On payments of IDCWs, the NAV will stand reduced by the amount of IDCW paid and the dividend distribution tax, if applicable.

**(c) INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL Option (Reinvestment Facility):** Unit holders opting for IDCW option may choose to reinvest the IDCWs to be received by them. Under this facility the IDCW due and payable to the Unit holders will be compulsorily and without any further act by the Unit holders, reinvested in the IDCW option at a price based on the prevailing Net Asset Value per Unit on the record date. The Units for the purpose of re-investment will be created and credited to the Unit holder's account at a price based on the prevailing Ex-IDCW Net Asset Value (NAV derived post declaration of IDCW) per unit on the record date.

	<p>There shall, however, be no load on the IDCWs so reinvested. In case the selected date for IDCW declaration falls on a holiday/non-Business Day then the next Business Day will be considered.</p> <p><b>Default Option: Growth Option</b> If the investor does not clearly specify the choice of Option at the time of investing, the Units of the respective Scheme(s) will be allotted in the Growth Option of the Scheme.</p> <p><b>Default Facility: IDCW Reinvestment</b> If the investor selects IDCW Option but fails to mention the facility, it will be deemed that the investor has opted for IDCW Reinvestment facility.</p>
IDCW Policy	<ul style="list-style-type: none"> <li>● <b>IDCW Distribution Procedure:</b> SEBI Circular lays down the procedure for Declaration of IDCW which clearly says that quantum of IDCW and record date shall be fixed by the Board of Trustees and AMC shall issue a notice to the public communicating the decision about IDCW including the record date, within one calendar day of the decision made by the Board of Trustees in their meeting.</li> </ul> <p>Record date shall be the date that will be considered for the purpose of determining the eligibility of investors whose name appears on the register of Unit holders. Record date shall be five calendar days from the issue of notice.</p> <p>The Trusteeship Company reserves the right to declare IDCW on a regular basis. The Fund does not guarantee or assure declaration or payment of IDCW. Although the Trustees have intention to declare IDCW under IDCW Option, such declaration of IDCW if any, is subject to Scheme's performance &amp; the availability &amp; adequacy of distributable surplus in the Scheme at the time of declaration of such IDCW.</p> <p>Investors should note that, when the Mutual Fund declares a IDCW under the Scheme, the Income distribution shall be dispatched within 15 days of the record date. The requirement of giving notice &amp; the above laid procedure shall not be compulsory for Scheme/plan/option having frequency of IDCW distribution from daily upto monthly IDCW.</p> <p>Further, investors are requested to note that the amounts can be distributed out of the investor's capital (Equilization Reserve), which is part of sales price that represents realized gains.</p> <ul style="list-style-type: none"> <li>● <b>Effect of IDCWs:</b> When IDCWs are declared and paid under the Scheme, the net assets attributable to Unit holders in the IDCW Option will stand reduced by the</li> </ul>

	<p>IDCW amount subject to TDS and statutory levy if any. The NAV of the Unit holders in the Growth Option will remain unaffected by the payment of IDCW.</p> <p>Even though the asset portfolio will be un-segregated, the NAVs of the Growth Option and IDCW Option will be distinctly different after declaration of the first IDCW to the extent of distributed income, tax and statutory levy paid thereon, where applicable, and expenses relating to the distribution of IDCWs.</p> <ul style="list-style-type: none"> <li>● <b>Mode of Payment of IDCWs:</b></li> </ul> <p>The Scheme proposes to pay IDCW by Direct Credit or through RTGS or NEFT or any other EFT means.</p> <p>RBI offers the facility of EFT for facilitating better customer service by direct credit of IDCW amount to a Unit holder's bank account through electronic credit which avoids loss of IDCW in transit or fraudulent encashment. The Mutual Fund will endeavour to offer this facility for payment of IDCW/repurchase proceeds to the Unit holders residing in any of the cities where such a Bank facility is available.</p> <p>The Fund is arranging with selected bankers to enable direct credits into the bank accounts of the investors at these banks. If an investor has an account with a bank with which the Fund will tie up for direct credit, the IDCW amount will be credited directly to the bank account, under intimation to the Unit holder by email/SMS/post. The Mutual Fund, on a best effort basis, and after scrutinising the names of the banks where Unit holders have their accounts, will enable direct credit/RTGS/NEFT/ to the Unit holders' bank accounts.</p> <p>While the preferred mode of payment is through EFT route, the AMC is at the sole discretion to pay IDCW by any other means (including at par cheques and demand drafts, where the EFT facility is not available in a particular city or Bank or as the Trusteeship Company or the AMC deems fit in the interest of investors.)</p> <p>All the IDCW payments shall be in accordance and compliance with SEBI Regulations, as amended from time to time.</p> <p>If Unit holders have opted for IDCW Payout Option, if the IDCW amount payable to such Unit holders (net of tax deducted at source, wherever applicable) is less than or equal to Rs. 250, following treatment shall be:</p> <ol style="list-style-type: none"> <li>a. Where the option to payout IDCW is available in electronic mode: The IDCW amount shall be paid to the Unit holders. However, if the</li> </ol>
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	<p>payment through electronic mode is unsuccessful, the AMC shall issue IDCW warrant for such amount; and</p> <p>b. Where the option to payout IDCW is not available in electronic mode: The IDCW shall be mandatorily reinvested in the respective Scheme/Plan by issuing additional Units at the applicable ex-IDCW NAV.</p>
<b>Allotment</b>	<p>Allotment will be completed after due reconciliation of receipt of funds for all valid applications within 5 Business Days from the closure of the NFO period. Allotment to NRIs/FPIs will be subject to RBI approval, if required. Subject to the SEBI (MF) Regulations, the Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in the Trustee's sole discretion. For investors who have given demat account details, the Units will be credited to the investor's demat account after due verification and confirmation from NSDL/CDSL of the demat account details.</p> <ul style="list-style-type: none"> <li>• Allotment Confirmation/Account Statement (for non-demat account holders): An Allotment Confirmation/Account statement will be sent by way of SMS and/or email and/or ordinary post, to each Unit Holder who has not provided his demat account details in the application form for subscription during the NFO. The Allotment Confirmation/Account statement, stating the number of Units allotted to the Unit Holder will be sent not later than 5 Business Days from the close of the NFO Period of the Scheme. The Account Statement shall be non-transferable.</li> <li>• Dispatch of Account Statements to NRIs/FPIs will be subject to RBI approval, if required.</li> <li>• Allotment Advice/Holding Statement (demat account holders): For investors who have given valid demat account details at the time of NFO, Units issued by the AMC shall be credited by the Registrar to the investor's beneficiary account with the DP as per information provided in the Application Form. The AMC shall issue to such investor, units in dematerialized form as soon as possible but not later than five working days from the date of closure of the initial subscription list or from the date of receipt of the application. Such investors will receive the holding statement directly from their depository participant (DP) at such a frequency as may be defined in the Depository Act or Regulations or on specific request.</li> <li>• Consolidated Account Statement (for non-demat account holders): CAS shall also be sent to the Unit holder in whose folio transactions have taken place during that month, on or before 15<sup>th</sup> of the succeeding month. In the event the account has more than one registered Unit holder, the first named Unit holder shall receive the CAS. In case of specific request</li> </ul>

	<p>received from investors, Mutual Fund will provide an account statement to the investors within 5 Business Days from the receipt of such request.</p> <p>The Mutual Fund reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by him/her/it for purchase of Units.</p>
<b>Refund</b>	<p>Refund of subscription money to applicants in the case of minimum subscription amount not being raised or applications rejected for any other reason whatsoever, will be made within 5 Business Days from the date of closure of the NFO period &amp; all refund orders will be sent by registered post or in such other manner as permitted under Regulations. Investors should note that no interest will be payable on any subscription money so refunded within 5 Business Days. If the Mutual Fund refunds the amount after 5 Business Days, interest at the rate of 15% p.a. will be paid to the applicant and borne by the AMC for the period from the day following the date of expiry of 5 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. In both cases, the bank name and bank account number, as specified in the application, will be mentioned in the refund order. The bank and/or collection charges, if any, will be borne by the applicant.</p>
<b>Policy on Unclaimed Redemption and IDCW Amounts</b>	<p>In terms of SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption amount and IDCW amounts (the funds) may be deployed by the Mutual Fund in money market instruments and separate plan of liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts only. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.</p> <p>The details of such unclaimed redemption/IDCW amounts are made available to investors upon them providing proper credentials, on website of Mutual Funds and AMFI along with the information on the process of claiming the unclaimed amount and the necessary forms / documents required for the same.</p>
<b>Who can invest?</b>  This is an indicative list and	<p>The following persons are eligible and may apply for subscription to the Units of the Scheme of the Fund (subject, wherever relevant, to purchase of units of Mutual Funds being permitted and duly authorised under their</p>

<p>you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions, etc):</p> <ol style="list-style-type: none"> <li>1. Resident adult Indian individuals either singly or jointly (not exceeding three), or on an Anyone or Survivor basis;</li> <li>2. Karta of Hindu Undivided Family (HUF in the name of Karta);</li> <li>3. Partnership Firms in the name of any one of the partner (constituted under the Indian partnership law) &amp; Limited Liability Partnerships (LLP);</li> <li>4. Minors (Resident or NRI) through parent / legal guardian;</li> <li>5. Schemes of Mutual Funds registered with SEBI, including schemes of Edelweiss Mutual Fund, subject to the conditions and limits prescribed by SEBI Regulations and the respective Scheme Information Documents;</li> <li>6. Companies, Bodies Corporate, Public-Sector Undertakings (PSU), Association of Persons (AOP) or bodies of individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions);</li> <li>7. Banks, including Scheduled Bank, Regional Rural Bank, Co-Operative Bank etc. &amp; Financial Institutions;</li> <li>8. Special Purpose Vehicles (SPV) approved by appropriate authority;</li> <li>9. Religious and Charitable Trusts, Wakfs or endowments of private trusts and Private trusts (subject to receipt of necessary approvals as required &amp; who are authorised to invest in Mutual Fund schemes under their trust deeds);</li> <li>10. Non-Resident Indians (NRIs) / Persons of Indian origin residing abroad (PIO) on repatriation or non-repatriation basis;</li> <li>11. Foreign Institutional Investors (FPIs) registered with SEBI on fully repatriation basis;</li> <li>12. Foreign Portfolio Investors (FPIs) subject to the applicable Regulations;</li> <li>13. Provident / Pension / Gratuity / superannuation, such other retirement and employee benefit and such other funds to the extent they are permitted to invest;</li> <li>14. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</li> <li>15. Scientific and Industrial Research Organisations;</li> <li>16. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India;</li> <li>17. Trustee, the AMC, their Shareholders or Sponsor, their associates, affiliates, group companies may subscribe to Units under the Scheme;</li> <li>18. Overseas financial organizations which have entered into an arrangement for investment in India, inter-alia with a mutual fund</li> </ol>
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	<p>registered with SEBI and which arrangement is approved by Government of India.</p> <p>19. Insurers, insurance companies / corporations registered with the Insurance Regulatory Development Authority (subject to IRDA Circular (Ref : IRDA/F&amp;I/INV/CIR/074/03/2014) dated March 3, 2014</p> <p>20. Any other category of individuals / institutions / body corporate etc., so long as wherever applicable they are in conformity with SEBI Regulations/other applicable Regulations/the constituent documents of the applicants.</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1. Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges, if any, are liable to be debited to the investor.</li> <li>2. It is expressly understood that at the time of investment, the investor/Unit holder has the express authority to invest in Units of the Scheme and AMC / Trustees / Mutual Fund will not be responsible if such investment is ultravires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.</li> <li>3. Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad/ Overseas Citizens of India (OCI) / Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India under 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. If a person who is a resident Indian at the time of subscription becomes a resident outside India subsequently, he/she shall have the option to either be paid repurchase value of Units or continue into the Scheme if he/she so desires and is otherwise eligible.</li> </ol> <p>However, the AMC shall not be liable to pay interest or any compensation, arising on account of taxation law or otherwise, on redemption, IDCW or otherwise, to such a person during the period it takes for the Fund to record change in residential status, bank mandates, and change in address due to change in tax status on account of change in residential status.</p> <p>Notwithstanding the aforesaid, the Trustee reserves the right to close the Unit holder's account and to pay the repurchase value of Units,</p>
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	<p>subsequent to his becoming a person resident outside India, should the reasons of cost, interest of other Unit holders and any other circumstances make it necessary for the Fund to do so.</p> <ol style="list-style-type: none"> <li>4. Investors desiring to invest / transact in the Scheme are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Passport/PAN Card/Memorandum and Articles of Association/byelaws/Trust Deed/Partnership Deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.</li> <li>5. The Government of India has authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI, an independent body), to perform the function of Central KYC Records including receiving, storing, safeguarding and retrieving KYC records in digital form. Accordingly, in line with SEBI circular nos. CIR/MIRSD/66/2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016 on Operationalisation of Central KYC (CKYC), read with AMFI Best Practice Guidelines circular no. 68/2016-17 dated December 22, 2016, new individual investors investing into the Fund are requested to comply with the CKYC norms.</li> <li>6. It is compulsory for investors to give certain mandatory disclosures while applying in the Scheme like bank details &amp; PAN/PEKRN copy etc. For details please refer SAI.</li> <li>7. The Trustee may also periodically add and review the persons eligible for making application for purchase of Units under the Scheme.</li> <li>8. In line with provisions of SEBI circular dated December 24, 2019, the minor unitholder, on attaining majority, shall inform the same to AMC / Mutual Fund / Registrar and submit following documents to change the status of the account (folio) from 'minor' to 'major' to allow him/her to operate the account in his/her own right viz., (a) Duly filled request form for changing the status of the account (folio) from 'minor' to 'major'; (b) updated bank account details including cancelled original cheque leaf of the new account; (c) Signature attestation of the major by a bank manager of Scheduled bank / Bank certificate or Bank letter; (d) KYC acknowledgement letter of major. The guardian cannot undertake any financial and non-financial transactions after the date of the minor attaining majority in an account (folio) where the units are held on behalf of the minor, and further, no financial and non-financial transactions can be</li> </ol>
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	<p>undertaken till the time the change in the status from 'minor' to 'major' is registered in the account (folio) by the AMC/ Mutual Fund.</p> <p>9. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/ Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.</p> <p><b>Investors are requested to view full details on eligibility /non-eligibility for investment in the Scheme mentioned in the SAI under the head “Who Can Invest” &amp; also note that this is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</b></p> <p><b>Foreign Account Tax Compliance Act (commonly known as “FATCA”):</b> The Foreign Account Tax Compliance Act is a United States (US) federal law, aimed at prevention of tax evasion by US Citizens and Residents (“US Persons”) through use of offshore accounts. The Government of India and the US have reached an agreement in substance on the terms of an Inter-Governmental Agreement (“IGA”) to implement the FATCA provisions, which have become globally applicable from July 1, 2014.</p> <p>Edelweiss Mutual Fund (“the Fund”)/ Edelweiss Asset Management Limited (“the AMC”) is classified as a FFI under the FATCA provisions, in which case the Fund / AMC is required, from time to time, to:</p> <ul style="list-style-type: none"> <li>(i) undertake necessary due diligence process by collecting information/documentary evidence of the US/non-US status of the investors;</li> <li>(ii) disclose/report information as far as may be legally permitted about the holdings/investment returns pertaining to reportable accounts to the US Internal Revenue Service and/or such Indian authorities as may be specified under FATCA or other applicable laws and</li> <li>(iii) carry out such other activities as prescribed under the FATCA provisions, as amended from time to time.</li> </ul>
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FATCA due diligence will have to be directed at each investor/unit holder (including joint investors) and on being identified as a reportable person/specified US person, all the folios will be reported. Further, in case of folio with joint investors, the entire account value of investment portfolio will be attributable under each such reportable person. Investors/Unit holders would therefore be required to furnish such information to the Fund/AMC, from time to time, in order to comply with the reporting requirements stated in the IGA and or circulars/guidelines issued by SEBI/AMFI in this regard.

The impact of FATCA is relevant not only at the point of on-boarding of the investors but also throughout the life cycle of the investor account / folio with the Fund. Hence investor(s) should immediately intimate the Fund/AMC, in case of any change in the FATCA related information provided by them at the time of initial subscription.

The Fund/AMC reserves the right to reject any application or compulsorily redeem the units held directly or beneficially in case the applicant/investor fails to furnish the relevant information and/or documentation or is found to be holding units in contravention of the FATCA provisions.

Further, in accordance with the regulatory requirements relating to FATCA/CRS read along with SEBI Circular no. CIR/MIRSD/2/2015 dated August 26, 2015 and AMFI Best practices guidelines circular no. 63/2015-16 dated September 18, 2015 regarding uniform implementation of FATCA/CRS requirements, investors are requested to ensure the following:

- With effect from November 1, 2015 all investors have to mandatorily provide the details and declaration pertaining to FATCA/CRS for all new accounts opened, failing which the application shall be liable to be rejected.
- For accounts opened between July 1, 2014 and October 31, 2015 and certain pre - existing accounts opened till June 30, 2014, the AMC shall reach out to the investors to seek the requisite information/declaration which has to be submitted by the investors before December 31, 2015. In case the information/declaration is not received from the investor on or before December 31, 2015, the account shall be treated as reportable account.

**Ultimate Beneficial Ownership:** In accordance with SEBI Circular no. CIR/MIRSD/2/2013 dated January 24, 2013 and AMFI Best practices guidelines circular no. 62/2015-16 dated September 18, 2015, Investors may note the following:

	<ul style="list-style-type: none"> <li>• With effect from November 1, 2015, it is mandatory for new investors to provide beneficial ownership details as part of account opening documentation failing which the AMC shall reject the application.</li> <li>• With effect from January 1, 2016 it is mandatory for existing investors/unit holders to provide beneficial ownership details, failing which the AMC may reject the transaction for additional subscription (including switches).</li> </ul>
<b>Who cannot invest?</b>	<p>The following persons/entities cannot invest in the Scheme:</p> <ol style="list-style-type: none"> <li>1. Overseas Corporate Bodies pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003</li> <li>2. Non-Resident Indians residing in the Financial Action Task Force (FATF) declared Non-Compliant Countries or Territories (NCCTs)</li> <li>3. United States Person (US Person*) as defined under the extant laws of the United States of America, except where such US Person is an NRI / PIO, he/she shall be permitted to make an investment in the Scheme, when present in India, as lump-sum subscription, switch transaction and systematic transactions (including SIP/STP/SWP) only through physical form and upon submission of such additional documents/undertakings, as may be stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme(s).</li> <li>4. Persons residing in Canada.</li> <li>5. The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time. In case the application is found invalid / incomplete or for any other reason Trustee feels that the application is incomplete, the Trustee at its sole discretion may reject the application, subject to SEBI Regulations and other prevailing statutory regulations, if any.</li> </ol> <p><i>*The term "U.S. Person" means any person that is a U.S. person within the meaning of Regulations under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time.</i></p>



<p><b>Where can you submit the filled up applications.</b></p>	<p>Duly completed application form for purchase of Units under the Scheme during the NFO period along with the instrument for payment may be submitted at any of the Official Point of Acceptance/ISC of the AMC or to the Registrars - KFin Technologies Private Limited, Unit - Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot number 31 &amp; 32, Financial District, Gachibowli, Hyderabad – 500032, Tel: 040-4030 8000.</p> <p>For any other investor related query, you may call us at our toll free number 1800 425 0090 (for MTNL/BSNL land line) and/or non-toll free number 040-23001181 (for non MTNL/BSNL land line, mobile users and investors outside India) or email us at EMFHelp@edelweissfin.com.</p> <p>For further details please refer the back cover page of this Document.</p>
<p><b>How to Apply</b></p>	<p>Investors are requested to refer to the SAI and Application form for instructions.</p>
<p><b>Listing</b></p>	<p>Units of the Scheme shall not be listed in view of continuous redemption facility being offered to unitholders. However, the Mutual Fund may at its sole discretion list the Units under the Scheme on one or more stock exchange at a later date.</p>
<p><b>Special facilities available during the NFO</b></p>	<p><b>Stock Exchange Infrastructure Facility:</b></p> <p>During NFO of the Scheme the AMC may make available facility to investors to subscribe to the Units of the Scheme through Mutual Fund Services System (MFSS) of the National Stock Exchange of India Ltd. (NSE) and through BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds (BSE StAR MF System) of BSE Limited. For more information on this facility, please refer to SAI.</p> <p><b>Switching Options:</b></p> <p>Unit holders will be able to invest in the NFO of the Scheme by switching part or all of their unit holdings held in the respective plan(s) / option(s) of the existing scheme(s) established by the Mutual Fund. Application for switch of units from existing schemes to the Scheme(s) will be accepted upto 3.00 p.m. on the last day of the NFO of the respective Scheme(s).</p> <p>This option will be useful to unit holders who wish to alter the allocation of their investment among the scheme(s) of the Mutual Fund (subject to completion of lock-in period, if any, of the units of the scheme(s) from where the units are being switched) in order to meet their changed investment needs.</p> <p>The switch will be effected by way of a redemption of units from the scheme and a reinvestment of the redemption proceeds in the Scheme and accordingly, to be effective, the switch must comply with the redemption rules of the scheme and the issue rules of the respective Scheme(s) (e.g. as to the minimum number of units that may be redeemed</p>

or issued, exit load etc). The price at which the units will be switched-out of the scheme will be based on the redemption price and the proceeds will be invested in the Scheme at Rs. 10/- per unit.

**Systematic Investment Plan (SIP):**

Investors are given an additional facility of Systematic Investment Plan (SIP) in the Scheme. Thus, by investing a fixed amount at regular intervals, Unit holders can take advantage of the benefits of rupee cost averaging. Such facility will be treated as subscription along with the Applicable NAV/load, if any. Investor can enroll themselves for SIP by submitting the enrolment form along with the relevant documents like debit instructions, the first cheque to start SIP and a cancelled cheque or a copy of cheque in case of NACH as the case may be, at any of our ISCs. Investors should note that the AMC may take initial transaction processing time upto 30 days. Investment can be made by the investor under SIP in either IDCW / Growth Option provided the following conditions are met:

Frequency	Minimum Investment Amount*	Minimum number of installments*	Investment Dates:
Daily	Rs. 300/- & in multiples of Re. 1/- thereafter	20	All Business Days
Weekly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every wednesday
Fortnightly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every alternate Wednesday
Monthly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Any date except last 3 days of the month
Quarterly	Rs. 1000/- & in multiples of Re. 1/- thereafter	6	Any date except last 3 days of the month for the quarter

\* Apart from the initial amount paid for subscribing/entering into this facility.

**Note:**

- 1) Default date: If the investment frequency is not selected or in case of any ambiguity, the SIP date will be 7<sup>th</sup> of each Month & the default frequency will be Monthly.

Default installments: Where the number of installments has not been specified by the investors/Unit holder, the default number

	<p>of installments shall be the applicable minimum installments for the relevant frequency.</p> <ol style="list-style-type: none"> <li>2) The balance SIP installments must be uniformly dated as stated above for every month.</li> <li>3) All the installments should be for the same amount and same date(s) of each month over the SIP tenure.</li> <li>4) The first current dated cheque accompanying the SIP application form will be processed and units will be allotted to the Applicant. In cases where subsequently, during the scrutiny of the documents submitted for SIP registration, if it is found that the documents are incomplete or deficient in any manner whatsoever, then the AMC reserves the right to reject such SIP applications. For such rejected cases, the units allotted to the applicant on processing of the first current dated cheque will be treated as acceptance &amp; will not be reversed.</li> <li>5) Maximum Investment amount per installment: There is no upper limit for each SIP installment.</li> <li>6) Investors are requested to fill up the SIP application form along with ECS Form/ SIP Auto Debit Form if they want to opt for this facility.</li> <li>7) Outstation cheques will not be accepted for SIP investments.</li> <li>8) On an ongoing basis the application will be accepted at all the ISCs.</li> <li>9) With effect from November 28, 2016 fresh registration under the SIP through post dated cheques will not be accepted</li> <li>10) Termination: In case the investor's bank account does not have sufficient balance to honour the SIP payment for three consecutive times, then the AMC shall terminate the SIP facility.</li> </ol> <p>Any Unit Holder can avail of this facility subject to certain terms and conditions detailed in the Application Form.</p> <p><b>Corporate SIP Facility:</b></p> <p>In the case of Corporate SIPs, if the Corporate would provide direct credit for the cumulative SIP investments of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off.</p> <p>Further, the frequency of such SIPs may be customised by the AMC, at its discretion. In case of receipt of transfer of Funds by way of direct credit instructions / any other electronic mode of transfer of Funds for such SIPs, the date of allotting units under the Corporate SIP facility would be the date of receipt of a valid direct credit / transfer of Funds instruction by the AMC.</p>
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**Micro SIPs facility:**

Micro SIPs are investments through Systematic Investment Plans (SIPs) upto Rs. 50,000/- per year per investor. Such investments shall be exempt from the requirement of PAN. The PAN requirement shall be exempted if the aggregate of the lump sum investment (fresh purchase & additional purchase) and SIP installments by an investor in rolling 12 months period or financial year i.e. April to March does not exceed Rs. 50,000/- (Rupees Fifty Thousand) (hereafter referred to as "Micro Investments"). However, the requirements of Know Your Customer (KYC) shall be mandatory for all investments, irrespective of the amount of investment.

For the purpose of identifying Micro Investments, the value of investments at the investor level (first holder) will be aggregated and such aggregation shall be done irrespective of the number of folios / accounts under which the investor has invested.

The aforesaid exemption for PAN will be applicable only to Micro Investments made by the individuals being Indian citizens [including Non-Resident Indians (NRIs), Joint holders, minors acting through guardian and sole proprietary firms], Person of Indian Origin (PIO), Hindu Undivided Family (HUF), Qualified Foreign Investor (QFI) and other categories of investors will not be eligible for this exemption.

Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN.

**Facility of National Automated Clearing House (NACH) Platform in Systematic Investment Plan (SIP):**

In addition to existing facility available for payments through Electronic Clearing Service (ECS)/Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH facility can also be used to make payment of SIP installments.

NACH is an electronic payment facility launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.

Investors can avail NACH facility by duly filling up and submitting the SIP Enrolment cum NACH/Auto Debit Mandate Form. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

	<p><b>Facility of ‘Common One Time Mandate’ in Systematic Investment Plan (SIP):</b></p> <p>The Common One Time Mandate (‘COTM’) shall be registered against the PAN/PEKRN of the First Unitholder, which authorizes his/her bank to debit their account up to a certain specified limit per transaction (subject to the statutory limits as applicable from time to time), as and when they wish to transact with the Fund, without the need of submitting cheque or fund transfer instruction with every transaction, thereafter. This Facility currently enables Unitholder(s) of the Fund to start Systematic Investment Plan (SIP), invest lump sum amounts and trigger based investments in the schemes of the Fund wherever subscription is allowed. Currently, this Facility is available for transactions made through physical mode only and the Fund may, at its discretion, extend the same to other modes of transactions from time to time. This Facility can be availed only if the Investor’s Bank is participating in the NACH (National Automated Clearing House) Platform and subject to investor’s bank accepting ACH/OTM Registration mandate.</p>
<p><b>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.</b></p>	<p>Not Applicable</p>
<p><b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b></p>	<p>The Units of the Scheme held in electronic (demat) mode are freely transferable. In case of units held in physical form, additions / deletions of names will be allowed in case a person (i.e. a transferee) becomes a holder of the Units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the Scheme. The cost of stamp duty paid for issuing the unit certificate in case of a transfer or otherwise will form part of the annual on-going expenses and will be recovered from the unit holder(s).</p> <p>SEBI Circular no. SEBI / HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the following conditions, in case the AMC wish to impose restrictions on redemption:</p> <ol style="list-style-type: none"> <li>a. Restrictions may be imposed when there are circumstances leading to a systematic crisis or event that severely constricts market liquidity or the efficient functioning of market such as: <ol style="list-style-type: none"> <li>i. Liquidity issues</li> <li>ii. Market failures, exchange closure</li> <li>iii. Operational issues</li> </ol> </li> </ol>

	<p>b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.</p> <p>c. Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.</p> <p>d. When restriction on redemption is imposed, the following procedure shall be applied:</p> <p>i. No redemption request upto INR 2 lakh shall be subject to such restriction.</p> <p>ii. When redemption request are above INR 2 lakhs, 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.</p> <p>For details, please refer to paragraph on “Right to limit redemption, “suspension of purchase and / or redemption of Units” &amp; paragraph on “Lien &amp; pledge” under SAI.</p>
<p><b>Multiple Bank Account Registration and Change in Bank Mandate</b></p>	<p><b>Multiple Bank Account Registration</b></p> <p>The Mutual Fund offers a facility to register multiple bank accounts for pay-in &amp; payout purposes and designate one of the registered bank account as “Default Bank Account”. Individuals, HUFs, Sole proprietor firms can register upto five bank accounts and a non-individual investor can register upto ten bank accounts in a folio. This facility can be availed by using a designated “Bank Accounts Registration Form” available at Investor Service Centers and Registrar and Transfer Agent’s offices. In case of new investors, the bank account mentioned on the purchase application form, used for opening the folio, will be treated as default bank account till the investor gives a separate request to register multiple bank accounts and change the default bank account to any of other registered bank account. Registered bank accounts may also be used for verification of pay-ins (i.e. receiving of subscription funds) to ensure that a third party payment is not used for mutual fund subscription. Default Bank Account will be used for all IDCW and redemption payouts unless investor specifies one of the existing registered bank account in the redemption request for receiving redemption proceeds. However, in case a Unit holder does not specify the default account, the Mutual Fund reserves the right to designate any of the registered bank accounts as default bank account.</p> <p>Consequent to introduction of “Multiple Bank Accounts Facility”, registering a new bank account will require a cooling period of not more than 10 days from the date of receipt of request. In the interim, in case of any IDCW/ redemption/ maturity payout, the same would be credited in the existing registered bank account.</p>

	<p><b>Change in Bank Mandate</b></p> <p>Change in Bank Mandate: Pursuant to AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process changes will be carried out in relation to change in bank mandate:</p> <ol style="list-style-type: none"> <li>1. In case of standalone change of bank details, documents as enlisted in the SAI should be submitted as a proof of new bank account details.</li> <li>2. In case of standalone change of bank details, documents as enlisted below should be submitted as a proof of new bank account details:</li> <li>3. Investors/Unit holders are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;</li> <li>4. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;</li> <li>5. Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request or received along with the redemption request, Edelweiss Asset Management Ltd will continue to follow cooling period of 10 calendar days for validation and registration of new bank account and dispatch/credit of redemption proceeds shall be completed in 10 working days from the date of redemption.</li> </ol>
<p><b>Third party Cheques</b></p>	<p>Investment/subscription made through third party cheque(s) will not be accepted for investments.</p> <p>Third party cheque(s) for this purpose are defined as:</p> <ol style="list-style-type: none"> <li>i) Investment made through instruments issued from an account other than that of the beneficiary investor,</li> <li>ii) in case the investment is made from a joint bank account, the first holder of the Fund folio is not one of the joint holders of the bank account from which payment is made.</li> </ol> <p>Third party cheque(s) for investment/subscription shall be accepted, only in exceptional circumstances, as detailed below:</p> <ol style="list-style-type: none"> <li>1. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift. Provided the minor is an account holder in the said bank account.</li> <li>2. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum/one-time subscription through Payroll deductions.</li> <li>3. Custodian on behalf of a Foreign Institutional Investor (FII) or a client.</li> <li>4. Payment by registered Stock brokers of recognized stock exchanges for their clients having demat accounts.</li> </ol>

	<p>The above mentioned exception cases will be processed after carrying out necessary checks and verification of documents attached along with the purchase transaction slip/application form, as stated below:</p> <ol style="list-style-type: none"><li>1. Determining the identity of the Investor and the person making payment i.e. mandatory now Your Client (KYC) for Investor and the person making the payment.</li><li>2. Obtaining necessary declaration from the Investor/unitholder and the person making the payment. Declaration by the person making the payment should give details of the bank account from which the payment is made and the relationship with the beneficiary.</li><li>3. Verifying the source of funds to ensure that funds have come from the drawer's account only.</li></ol> <p>The AMC reserves a right to seek information and/or obtain such other additional documents other than the aforesaid documents from third party for establishing the identity of the Third Party, before processing such applications. Please visit <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> for further details.</p>
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**B. ONGOING OFFER DETAILS**

<p><b>Ongoing Offer Period</b></p> <p>This is the date from which the Scheme will reopen for subscription/redemption after the closure of the NFO period.</p>	<p>The Units of the Scheme(s) are available for subscription / redemption at applicable NAV based prices, subject to prevalent load provisions, if any.</p>
<p><b>Ongoing price for subscription (purchase)/switch-in (from other Schemes/plans of the Mutual Fund) by investors. (This is the price an investor needs to pay for purchase/switch-in.)</b></p>	<p>Units of the Scheme will be available at the Applicable NAV.</p> <p><b>Sales Price:</b></p> <p>For calculating the Sales price, the entry load applicable at the time of investment shall be deducted from the applicable NAV of the Scheme. Please note that as per SEBI (Mutual Funds) Regulations 1996, no entry load can be charged to the Scheme. For example: If the applicable NAV of the Scheme is Rs. 10 and the Entry Load applicable is 0% at the time of investment, then the Sales Price will be calculated as follows:</p> <p><b>Step 1:</b></p> <p>Entry Load Amount = Applicable NAV * Entry Load at the time of investment in %  = Rs. 10* 0%  = Rs. 0</p> <p><b>Step 2:</b></p> <p>Sales price = Applicable NAV – Entry Load Amount  = Rs. 10 - Rs. 0  = Rs. 10</p>
<p><b>Ongoing price for redemption (sale) /switch outs (to other Schemes/plans of the Mutual Fund) by investors. (This is the price you will receive for redemptions/switch outs.)</b></p> <p><b>Example: If the applicable NAV is Rs. 10, exit load is 1% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.90</b></p>	<p>Units can be redeemed / switched out at the Applicable NAV subject to prevailing exit load.</p> <p><b>Repurchase Price:</b></p> <p>For calculating the Repurchase Price, the exit load applicable at the time of investment shall be deducted from the applicable NAV of the Scheme. For example: If the applicable NAV of the Scheme is Rs. 10 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the investor redeems units before completion of 1 year, then Repurchase Price will be calculated as follows:</p> <p><b>Step 1:</b></p> <p>Exit Load Amount = Applicable NAV * Exit Load at the time of investment in %  = Rs. 10* 1%  = Rs. 0.10</p> <p><b>Step 2:</b></p> <p>Repurchase price = Applicable NAV - Exit Load Amount</p>

	<p>= Rs. 10 - Rs. 10 = Rs. 9.90</p> <p>The Mutual Fund will ensure that the repurchase price will not be lower than 95% of the Applicable NAV.</p>
<p><b>Cut off timing for subscriptions/ redemptions/ switches</b></p> <p><b>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</b></p>	<p>Investors will get the Units on the basis of NAV &amp; the time at which they apply. NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for subscription/redemption/switch is received at the Designated Investor Service Center subject to its being complete in all respects and received prior to the cut-off timings on that Business Day.</p> <p>The AMC will calculate on every Business Day and the same will be declared/disclosed and uploaded on the AMFI website i.e., <a href="http://www.amfiindia.com">www.amfiindia.com</a> and on Edelweiss Mutual Fund's website i.e. <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> by 11.00 p.m. on the same Business Day.</p> <p><b>For Purchase of any amount:</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. 3.00 p.m. - the closing NAV of the day shall be applicable.</li> <li>• In respect of valid applications received after 3.00 p.m. and where the funds for the entire amount are available for utilization on the same day or before the cut-off time of the next business day - the closing NAV of the next Business Day shall be applicable.</li> </ul> <p>Irrespective of the time of receipt of application, where the funds for the entire amount are available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</p> <p><b>For Redemption:</b></p> <ol style="list-style-type: none"> <li>a. Where the application is received up to 3.00 p.m. on a Business Day - Closing NAV of the day of receipt of application; and</li> <li>b. Where the application is received after 3.00 p.m. on a Business Day - Closing NAV of the next Business Day.</li> </ol> <p>Note: In case of applications received on a Non-Business Day the closing NAV of the next Business Day shall be applicable.</p> <p><b>For Switches:</b></p> <p>Valid applications for 'Switch-out' shall be treated as applications for Redemption and valid applications for 'Switch-in' shall be treated as applications for Purchase, and the provisions of the cut-off time and</p>

	<p>the Applicable NAV mentioned above as applicable to purchase and redemption shall be applied respectively to the 'Switch-in' and 'Switch-out' applications.</p> <p>For Switch-ins of any amount: In case of switch from one scheme to another scheme received before cut-off i.e. upto 3 p.m. having business day for both the schemes, closing NAV of the Business Day shall be applicable for switch-out scheme and for Switch-in scheme, the closing NAV of the Business Day shall be applicable, on which funds are available for utilization in the switch-in scheme (allocation shall be in line with the redemption payout).</p> <p>To clarify, for investments through systematic investment systematic investment and trigger routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), IDCW Transfer, Power SIP, Power STP, Multi SIP, Combo SIP, STeP Facility, Gain Switch Mechanism, Switch on Arbitrage etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme irrespective of the installment date of the SIP, STP or record date of IDCW etc.</p> <p>The NAV of the Scheme will be calculated and declared by the Fund on every Business Day. The information on NAV may be obtained by the Unit holders, on any day from the office of AMC / the office of the Registrar or any of the other Designated Investor Service Centres or from <a href="http://www.edelweissmf.com">www.edelweissmf.com</a> &amp; <a href="http://www.amfiindia.com">www.amfiindia.com</a>.</p> <p>Investors may also call our Toll-free number 1800 425 0090. Callers outside India, mobile users, other landline users may dial. +91-040-23001181. The Toll-Free Number and the Non-Toll-Free Number will be available between 9.00 am to 7.00 pm from Monday to Saturday.</p> <p>For details, please visit AMC website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>)</p>
<p><b>Processing of Subscription and Redemption Proceeds in case of Segregation</b></p>	<p>All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:</p> <ol style="list-style-type: none"> <li>i. Upon trustees' approval to create a segregated portfolio - <ul style="list-style-type: none"> <li>• Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.</li> <li>• Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.</li> </ul> </li> </ol>

	<p>ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.</p>
<p><b>Where can the applications for purchase/redemption switches be submitted?</b></p>	<p>Investors can submit the Application Forms for purchase or redemption or switch at any of the ISCs notified by the AMC. For details, please visit AMC website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>).</p> <p>Investments under Edelweiss Focused Equity Fund - Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund including the Stock Exchange Platform(s). Investments under Edelweiss Focused Equity Fund - Regular Plan may be through all other modes and Platform(s) where investors' applications for subscription of units are routed through Distributors}.</p>
<p><b>Minimum amount for purchase/redemption/swiches</b></p>	<p><b>Minimum Purchase Amount:</b> Minimum of Rs. 5,000/- and multiples of Re. 1/- thereafter.</p> <p><b>Minimum additional purchase amount:</b> Rs.500/- and in multiples of Re. 1/-thereafter.</p> <p><b>Minimum Redemption Amount:</b> There will be no minimum redemption criterion. The Redemption / Switchout would be permitted to the extent of credit balance in the Unit holder's account of the Plan(s) / Option(s) of the Scheme (subject to release of pledge / lien or other encumbrances).</p> <p>Amount based redemptions will be in multiples of Re. 1.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units which can be fractional units also. Depository participants of registered Depositories can process only redemption request of units held in demat mode.</p> <p>The AMC may revise the minimum / maximum amounts and the methodology for new/additional subscriptions, as and when necessary. Such change may be brought about after taking into account the cost structure for a transaction/account and /or Market practices and/or the interest of existing Unit holders. Further, such changes shall only be applicable to transactions from the date of such a change, on a prospective basis.</p> <p><b><u>NOTE:</u></b> * Investors can purchase Units under the Scheme at the purchase price. The Unit holder can request for purchase of Units by amount or by number of Units. For details on how the Purchase Price is</p>

	<p>calculated, investors are requested to view SAI under the heading "Purchase Price".</p> <p>* Allotment of Units for purchases by NRIs / FPIs / PIOs shall be in accordance with RBI rules in force.</p>
<b>Purchase and Redemption of Units through Stock Exchange infrastructure</b>	<p>Units of the Scheme can be purchased / redeemed through Mutual Fund Services System (MFSS) of the National Stock Exchange of India Ltd. (NSE) and through BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds (BSE StAR MF System) of BSE Limited (BSE).</p> <p>Please refer to SAI for more details.</p>
<b>Transferability of Units of the Scheme</b>	<p>Units of the Scheme, which are held in dematerialized (demat) form, are freely transferable under the depository system in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996. However, for Units of the Scheme held on physical form the AMC shall, on production of instrument of transfer together with relevant unit certificates, register the transfer and return the unit certificate to the transferee within 30 days from the date of such production. The cost of stamp duty paid for issuing the unit certificate in case of a transfer or otherwise will form part of the annual on-going expenses and/or may be recovered from the unit holder(s).</p>
<b>Minimum balance to be maintained and consequences of non-maintenance.</b>	Not applicable
<b>Special Products available</b>	<p>The AMC/Trustees reserves the right to amend or terminate or introduce special facilities/products in this Scheme. Such facilities/products for the time being include Systematic Investment Plan, Systematic Withdrawal Plan, Systematic Transfer Plan, Trigger Facility, Switch Facility and any such facility/products that may be introduced in the future. Applicants are requested to indicate the Option/sub option i.e. IDCW or Growth Option, Payout or Reinvestment or Sweep Facility etc. clearly in the Application Form.</p> <p><b>1. Systematic Investment Plan (SIP):</b></p> <p>Investors are given an additional facility of Systematic Investment Plan (SIP) in the Scheme. Thus, by investing a fixed amount at regular intervals, Unit holders can take advantage of the benefits of rupee cost averaging. Such facility will be treated as subscription along with the Applicable NAV/load, if any. Investor can enroll themselves for SIP by submitting the enrolment form along with the relevant documents like debit instructions, the first cheque to start SIP and a cancelled cheque or a copy of cheque in case of Electronic Clearing System (ECS) as the case may be, at any of our ISCs. Investors should note that the AMC may take initial transaction processing time upto 30 days.</p>

Investment can be made by the investor under SIP in either IDCW / Growth Option provided the following conditions are met:

Frequency	Minimum Investment Amount*	Minimum number of installments*	Investment Dates:
Daily	Rs. 300/- & in multiples of Re. 1/- thereafter	20	All Business Days
Weekly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every Wednesday
Fortnightly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every alternate Wednesday
Monthly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Any date except last 3 days of the month
Quarterly	Rs. 1000/- & in multiples of Re. 1/- thereafter	6	Any date except last 3 days of the month for the quarter

\* Apart from the initial amount paid for subscribing/entering into this facility.

**Note:**

- 1) Default date: If the investment frequency is not selected or in case of any ambiguity, the SIP date will be 7<sup>th</sup> of each Month & the default frequency will be Monthly.

Default installments: Where the number of installments has not been specified by the investors/Unit holder, the default number of installments shall be the applicable minimum installments for the relevant frequency.

- 2) The balance SIP installments must be uniformly dated as stated above for every month.
- 3) All the installments should be for the same amount and same date(s) of each month over the SIP tenure.

- 4) The first current dated cheque accompanying the SIP application form will be processed and units will be allotted to the Applicant. In cases where subsequently, during the scrutiny of the documents submitted for SIP registration, if it is found that the documents are incomplete or deficient in any manner whatsoever, then the AMC reserves the right to reject such SIP applications. For such rejected cases, the units allotted to the applicant on processing of the first current dated cheque will be treated as acceptance & will not be reversed.
- 5) Maximum Investment amount per installment: There is no upper limit for each SIP installment.
- 6) Investors are requested to fill up the SIP application form along with ECS Form/ SIP Auto Debit Form if they want to opt for this facility.
- 7) Outstation cheques will not be accepted for SIP investments.
- 8) On an ongoing basis the application will be accepted at all the ISCs.
- 9) With effect from November 28, 2016, fresh registration under the SIP through postdated cheques will not be accepted
- 10) Termination: In case the investor's bank account does not have sufficient balance to honour the SIP payment for three consecutive times, then the AMC shall terminate the SIP facility.

Any Unit Holder can avail of this facility subject to certain terms and conditions detailed in the Application Form.

**Corporate SIP Facility:**

In the case of Corporate SIPs, if the Corporate would provide direct credit for the cumulative SIP investments of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off.

Further, the frequency of such SIPs may be customised by the AMC, at its discretion. In case of receipt of transfer of Funds by way of direct credit instructions / any other electronic mode of transfer of Funds for such SIPs, the date of allotting units under the Corporate SIP facility would be the date of receipt of a valid direct credit / transfer of Funds instruction by the AMC.

**Micro SIPs facility:**

Micro SIPs are investments through Systematic Investment Plans (SIPs) upto Rs. 50,000/- per year per investor. Such investments shall be exempt from the requirement of PAN. The PAN requirement shall be exempted if the aggregate of the lump sum investment (fresh purchase & additional purchase) and SIP installments by an investor in rolling 12 months period or financial year i.e. April to March does not

exceed Rs. 50,000/- (Rupees Fifty Thousand) (hereafter referred to as "Micro Investments"). However, the requirements of Know Your Customer (KYC) shall be mandatory for all investments, irrespective of the amount of investment.

For the purpose of identifying Micro Investments, the value of investments at the investor level (first holder) will be aggregated and such aggregation shall be done irrespective of the number of folios / accounts under which the investor has invested.

The aforesaid exemption for PAN will be applicable only to Micro Investments made by the individuals being Indian citizens [including Non-Resident Indians (NRIs), Joint holders, minors acting through guardian and sole proprietary firms], Person of Indian Origin (PIO), Hindu Undivided Family (HUF), Qualified Foreign Investor (QFI) and other categories of investors will not be eligible for this exemption.

Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN.

**Facility of National Automated Clearing House (NACH) Platform in Systematic Investment Plan (SIP):**

In addition to existing facility available for payments through Electronic Clearing Service (ECS)/Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH facility can also be used to make payment of SIP installments.

NACH is an electronic payment facility launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.

Investors can avail NACH facility by duly filling up and submitting the SIP Enrolment cum NACH/Auto Debit Mandate Form. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

**2. Systematic Withdrawal Plan (SWP):**

This facility enables the Unit holders to withdraw fixed sum from their Unit accounts at periodic intervals through a one-time request. The amount withdrawn under SWP will be considered as redemption with Applicable NAV/Load. To qualify for SWP, the Units should not be marked under Lien or Units should not be locked in nor pledged, &



Minimum Investment Amount in the Scheme should be Rs. 25,000/- & the following options are available:

Frequency	Minimum Withdrawal Amount	Minimum number of installments	Investment Dates:
Fortnightly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	10 <sup>th</sup> and 25 <sup>th</sup> of the month
Monthly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Any date except last 3 days of the month
Quarterly	Rs. 500/- & in multiples of Re. 1/- thereafter	6	Any date except last 3 days of the month

**Note:**

1) Default installments: Where the number of installments has not been specified by the investors/Unit holder, the default number of installments shall be the applicable minimum installments for the relevant frequency.

2) SWP will be terminated automatically in case of a Zero balance in the respective Scheme-Folio on the run-date or expiry of the enrolment period whichever is earlier.

3) To qualify for SWP, the Units should not be marked under Lien or Units should not be locked in nor pledged, & Minimum Investment Amount in the Scheme should be Rs. 25,000/-

**3. Systematic Transfer Plan (STP)**

This facility enables the unit holder to transfer fixed sum periodically from the source Scheme to the target Scheme by redeeming Units of source Scheme at Applicable NAV, subject to exit load, if any; and reinvesting the same amount in target Scheme at Applicable NAV. (The minimum amount criteria in the target Scheme should however be fulfilled unless specified otherwise) STP will be automatically terminated if all Units are liquidated or withdrawn from the source Scheme or pledged or upon receipt of intimation of death of the Unit holder. Further, STP would not be applicable in case of insufficient balance under the source Scheme. To qualify for STP, the following conditions should be met with:

Minimum Investment Amount in the source Scheme should be Rs. 25,000/-.

Frequency	Minimum Transfer Amount	Minimum number of installments	Investment Dates:
Daily	Rs. 300/- & in multiples of Re. 1/- thereafter	20	All Business Days
Weekly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every Wednesday
Fortnightly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Every alternate Wednesday
Monthly	Rs. 500/- & in multiples of Re. 1/- thereafter	12	Any date except last 3 days of the month
Quarterly	Rs. 1000/- & in multiples of Re. 1/- thereafter	6	Any date except last 3 days of the month for the quarter

- \* Units marked under lien or pledged in the "Source Scheme" shall not be eligible for STP.
- \* A Unit holder who has opted for STP under a specific Scheme can also redeem or switch his Units to any other eligible Scheme provided he has sufficient balance in his account on the date of such a request.
- \* The Unit holder can make additional subscriptions in accordance to the terms and conditions of the Document. Such additional subscription will not alter the functioning of the STP unless subsequent request in writing is received from Unit Holder.
- \* STP will be terminated automatically in case of a Zero balance in the respective Scheme-Folio on the run-date or expiry of the enrolment period whichever is earlier.

**Note:**

1. Under all the Plans i.e. SIP, STP & SWP in case if the investor fails to specify the frequency, the default frequency will be considered as Monthly Frequency.

Default installments: Where the number of installments has not been specified by the investors/Unit holder, the default number of installments shall be the applicable minimum installments for the relevant frequency.

2. It should be noted that ECS facility is available only to investors in selected bank branches.
3. Transactions in STP or SWP may result in Capital Gains or Capital Losses, for details please refer to chapter on Tax Benefits.
4. All transactions accepted / transacted in case of "Special Products" will be effected only on "Business Day" as defined in SID.
5. Investors will have the right to discontinue the SIP/STP/SWP at any time, if they so desire provided they intimates the Mutual Fund at least 10 Business Days prior to the date of their due installment date.
6. EAML has tied up with selected Banks who will be authorizing SIP debits on the basis of standing instructions received from investors having bank accounts with these banks.

The AMC reserves the right to change the frequency or the dates in such facility, in the interest of Unit holders.

#### **4. INTER SCHEME SWITCHING**

Unit holders under the Scheme have the option to switch part or all of their Unit holdings in the respective Plans to any other open ended Schemes launched by the Mutual Fund from time to time. The Mutual Fund also, provides the investors the flexibility to switch their investments from any other open-ended Scheme(s) / plan (s) that will be offered by the Mutual Fund in future to this Scheme.

This Option will be useful to Unit holders who wish to alter the allocation of their investment among the open ended Scheme(s) / Plan(s)/Options of the Mutual Fund (subject to completion of lock-in period, if any, of the Units of the Scheme(s) from where the Units are being switched) in order to meet their changed investment needs. The Switch will be effected by way of a redemption of Units from the Scheme / Plan/Option and a reinvestment of the redemption proceeds in an open-ended Scheme / Plan/Option and accordingly, to be effective, the switch must comply with the redemption rules of the Scheme and the issue rules of the other Scheme (for e.g. applicable cut off time & NAV, minimum amount to be subscribed/ redeemed, Entry/ Exit Load etc.). The price at which the Units will be switched out of the respective Plans/Options will be based on the Redemption Price, and the proceeds will be invested in any open ended Scheme / Plan/Option at the prevailing sale price for Units in that Scheme / Plan/Option.

Valid applications for 'switch-out' shall be treated as applications for redemption and valid applications for 'switch-in' shall be treated as applications for Purchase.

Exit Load, as applicable, will be charged in case of switch-outs/systematic transfers between Edelweiss Balanced Advantage Fund, Edelweiss Midcap Fund and Edelweiss Long Term Equity Fund (Tax Savings).

**5. INTRA – SCHEME SWITCHING OPTION:**

[Between Edelweiss Focused Equity Fund - Regular Plan and Edelweiss Focused Equity Fund - Direct Plan or Growth Option and IDCW Option or between facilities under IDCW Options]

Investors can switch between different Plans/ Options under the Scheme.

- Where investments were routed through a distributor, any switches of Units from Edelweiss Focused Equity Fund - Regular Plan to Edelweiss Focused Equity Fund - Direct Plan shall be subject to applicable exit load, if any. In such cases, after the switch, exit load under the Scheme prevailing on the date of the switch shall apply for subsequent redemptions/switch out from Edelweiss Focused Equity Fund - Direct Plan. However, where investments were made directly, i.e. without any Distributor Code, exit load will not be levied on switch of units from Edelweiss Focused Equity Fund - Regular Plan to Edelweiss Focused Equity Fund - Direct Plan.
- No exit load shall be levied in case of switch of units from Edelweiss Focused Equity Fund - Direct Plan to Edelweiss Focused Equity Fund - Regular Plan. However, after the switch, exit load under the Scheme prevailing on the date of switch shall apply for subsequent redemptions/switch out from Edelweiss Focused Equity Fund.
- No exit load shall be levied in case of switch of units between the Options under the same Plan.

Any valid Intra Scheme Switching between Plans will be treated in the same manner as applications for purchase or redemption & will attract load as applicable in case of purchase/ redemption. It will also have tax consequences.

It should be noted that switch between Options will not attract load & such switches will take place at the Applicable NAV based prices and the difference between the NAVs of the two Plans/Options will be reflected in the number of Units allotted.

## **6. FACILITATING TRANSACTIONS THROUGH THE STOCK EXCHANGE INFRASTRUCTURE**

The Scheme offers the facility to transact (subscribe / redeem) through the infrastructure provided by BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") viz. the Bombay Stock Exchange Platform for Allotment and Redemption of Mutual Fund Units ("BSE StAR MF") and Mutual Fund Service System ("MFSS"), respectively. This Facility is currently not offered to the investors/unit holders under the IDCW Transfer Facility available under the Scheme.

The Fund / AMC may from time to time withdraw or include any other Plan/option/facility (existing or future) or vary the terms of the Facility in accordance with the applicable guidelines and regulations.

Following are the salient features of the Facility:

1. Investors will be eligible to only purchase/redeem units of the Scheme. Switching is currently not permitted.
2. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the stock exchanges.
3. The window for purchase/redemption of units on BSE StAR MF and MFSS ("Stock Exchange System") will be available on all Business Days between 9.00 a.m. and 3.00 p.m. only or such other timings as may be decided from time to time.
4. All trading members of BSE & NSE who are registered with the Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and who are empaneled with Edelweiss Asset Management Limited and also registered with BSE & NSE as Participants ("Brokers") are eligible to offer this Facility to investors.
5. Units of mutual fund scheme permitted to be transacted through clearing members of the registered Stock Exchanges.
6. Depository Participants of registered Depositories are permitted to process only redemption request of units held in demat form.
7. Investors who are interested in transacting in eligible Plan(s)/Option(s) under the Scheme should register themselves with Brokers/Clearing Members/Depository Participants.
8. The eligible Brokers, Clearing Members and Depository Participants will be considered as 'Official Points of Acceptance' of the Fund. Such Brokers, Clearing Members and Depository would issue a time stamped confirmation slip for the transaction entered into the Stock Exchange System, which shall be considered for determining applicable NAV and cut-off timing for the transactions.

	<p>9. Units can be held by investors in physical (i.e. through Statement of Account) or dematerialized (demat) mode, as opted by them. Separate folios will be allotted for Units held in physical and demat mode.</p> <p>10. Investors will be able to purchase/redeem units in the Scheme in the following manner:</p> <p><b>i. Purchase of Units:</b></p> <p><b>a. Physical Form</b></p> <ul style="list-style-type: none"> <li>• The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the Brokers.</li> <li>• The Broker shall verify the application for mandatory details and KYC compliance.</li> <li>• After completion of the verification, the purchase order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.</li> <li>• The investor will transfer the funds to the Brokers.</li> <li>• Allotment details will be provided by the Brokers to the investor.</li> </ul> <p><b>b. Dematerialized Form</b></p> <ul style="list-style-type: none"> <li>• The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL.</li> <li>• The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the Brokers.</li> <li>• The investor should provide their depository account details to the Brokers.</li> <li>• The purchase order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.</li> <li>• The investor will transfer the funds to the Brokers.</li> <li>• Allotment details will be provided by the Brokers to the investor.</li> </ul> <p><b>ii. Redemption of Units:</b></p> <p><b>a. Physical Form (Routed through Brokers/CM)</b></p> <ul style="list-style-type: none"> <li>• The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the Brokers/CM.</li> </ul>
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	<ul style="list-style-type: none"> <li>• The redemption order will be entered in the Stock Exchange System and an order confirmation slip will be issued to investor.</li> <li>• The Investor will receive redemption proceeds by way of a Cheque/RTGS /NEFT/direct credit, as per the bank account details recorded with the Fund and as per the timelines prescribed by SEBI.</li> </ul> <p><b>b. Dematerialized Form</b></p> <p>➤ <b>Routed through Brokers/CM:</b></p> <ul style="list-style-type: none"> <li>• The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL and units converted from physical mode to demat mode prior to placing of redemption order.</li> <li>• The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the Brokers.</li> <li>• The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.</li> <li>• The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.</li> <li>• The Investor will receive redemption proceeds by way of a Cheque/RTGS /NEFT/direct credit, as per the bank account details recorded with the Fund. The AMC/ Mutual Fund shall pay proceeds to the Broker/Clearing Member and Broker/Clearing Member in turn to the respective investor.</li> <li>• Such payment of redemption proceeds by the AMC/ Mutual Fund to the Broker / CM's pool account shall discharge AMC/ Mutual Fund of its obligation of payment to the individual investor.</li> </ul> <p>➤ <b>Routed Through Depository Participants</b></p> <ul style="list-style-type: none"> <li>• The investors who intend to deal in Depository mode are required to have units in the demat account maintained with CDSL/ NSDL prior to placing of redemption order with their Depository Participant.</li> <li>• The investors should provide their Depository Participant with Depository Instruction Slip with relevant Scheme ISIN and units to be redeemed.</li> <li>• The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Depository Participant.</li> </ul>
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	<p>11. Applications for purchase/redemption of units, which are incomplete /invalid, are liable to be rejected.</p> <p>12. Existing unit holders desiring to convert their existing physical units into demat form must submit a demat request, along with the supporting documents, at the Investor Service Centres (“ISCs”) of the Fund.</p> <p>13. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach ISCs of the Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode.</p> <p>14. An account statement will be issued by the Fund to investors who purchase/ redeem their units under this Facility in physical mode only. In case of investors who intend to deal in units in demat mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account.</p> <p>15. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s).</p> <p>16. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/NSDL and the Fund to participate in this Facility.</p> <p><b>7. FACILITY TO TRANSACT THROUGH THE WEBSITE OF THE FUND:</b> Facility of online transactions is available to the investor on the official website of the Fund i.e. <a href="http://www.edelweissmf.com">www.edelweissmf.com</a>. Accordingly, investors can subscribe, redeem, switch and carry out other transactions online. The Uniform Cut-off time as prescribed by SEBI and as mentioned in this Document shall be applicable for applications received on the website. However, investors should note that transactions on the website shall be subject to the eligibility of the investor, any terms &amp; conditions as stipulated by the Mutual Fund/AMC from time to time and any regulations for the time being in force.</p> <p><b>8. TRANSACTIONS THROUGH "CHANNEL DISTRIBUTORS":</b> Investors may enter into an agreement with certain distributors (with whom AMC also has a tie up) referred to as "Channel Distributors" who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic</p>
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	<p>means or through Power of Attorney in favor of the Channel Distributor, as the case may be.</p> <p>Under such arrangement, the Channel Distributors will aggregate the details of transactions (viz. subscriptions/redemptions/switches) of their various investors and forward the same electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the Scheme.</p> <p>The Channel Distributor is required to send copy of investors' KYC proof and agreement entered into between the investor &amp; distributor to the RTA (one time for central record keeping) as also the transaction documents / proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. In case KYC proof and other necessary documents are not furnished within the stipulated timeline, the transaction request shall be liable to be rejected. Normally, the subscription proceeds, when invested through this mode are by way of direct credits to the specified bank account of the Fund.</p> <p>The Redemption proceeds (subject to deduction of tax at source, if any) and IDCW payouts, if any, are paid by the AMC to the investor directly through direct credit in the specified bank account of the investor or through issuance of payment instrument, as applicable.</p> <p>It may be noted that investors investing through this mode may also approach the AMC / Official Point(s) of Acceptance directly with their transaction requests (financial / nonfinancial) or avail of the online transaction facilities offered by the AMC.</p> <p>The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors/distributors through above mode.</p> <p><b>9. TRANSACTIONS THROUGH MF UTILITIES INDIA PRIVATE LTD.</b> MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a platform for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Accordingly, all financial and non-financial transactions pertaining to Schemes of Edelweiss Mutual Fund can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> as and when such a facility is made available by MFUI or physically through the authorized Points of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the</p>
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POS locations. The list of POS of MFUI is published on the website of MFUI at [www.mfuindia.com](http://www.mfuindia.com) as may be updated from time to time. The Online Transaction Portal of MFU i.e. [www.mfuonline.com](http://www.mfuonline.com) and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance (“OPA”) of the AMC. Applicability of NAV shall be based on time stamping of application and realization of funds in the bank account of Edelweiss Mutual Fund within the applicable cut-off timing. The uniform cut-off time as prescribed by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received by MFU (physical / online). However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms & conditions as stipulated by MFUI / Mutual Fund / the AMC from time to time and any law for the time being in force. Investors are requested to note that, MFUI will allot a Common Account Number (“CAN”), 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 (CRF) and necessary documents at the MFUI POS. Investors can visit the website of MFUI ([www.mfuindia.com](http://www.mfuindia.com)) to download the relevant forms. The AMC reserves the right to change/modify/withdraw the features mentioned in the above facility from time to time.

**10. ACCEPTING TRANSACTIONS THROUGH ELECTRONIC PLATFORM OF KFIN TECHNOLOGIES PRIVATE LIMITED**

Investors / unit holders will be allowed to transact in schemes of the Fund through [www.kfintech.com/](http://www.kfintech.com/), an electronic platform provided by KFin Technologies Private Limited, Registrar & Transfer Agent of the Fund ('KFintech'). The facility to transact in schemes of the Fund will also be available through mobile application of KFintech i.e. 'KTRACK' (collectively called, 'KFintech's electronic platforms').

The above facility will be available for all schemes of the Fund except Exchange Traded Funds with effect from September 21, 2017. The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents ('SIDs') / Key Information Memorandums ('KIMs') of the respective schemes of the Fund will be applicable for transactions received through KFintech's electronic platforms and the time of receipt of transaction recorded on the server of KFintech will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s) wherever applicable.

	<p>The facility to transact in eligible schemes of Edelweiss Mutual Fund through KFinTech's electronic platforms is available subject to such operating guidelines, terms and conditions as may be prescribed from time to time by KFinTech, Edelweiss Asset Management Limited / Edelweiss Trusteeship Company Limited and applicable laws for the time being in force.</p> <p>For operating guidelines, terms and conditions, registration form and further details, investors / unit holders are requested to visit <a href="http://www.kfintech.com/">www.kfintech.com/</a>.</p> <p><b>11. REGULAR PAYOUT FACILITY ('THE RP FACILITY')</b></p> <p>The RP Facility will enable investors to withdraw/redeem a fixed percentage of the specified amount from their investments in the Eligible Schemes at a predefined frequency as specified at the time of registering for the RP Facility. Investor/unit holders are requested to take note of the terms and conditions of the RP Facility as stated in the Regular Payout Facility Form, effective from September 29, 2017.</p> <p><b>12. INVESTMENTS THROUGH MF CENTRAL</b></p> <p>As per the SEBI circular no SEBI/HO/IMD/IMD- II DOF3/P/CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the QRTA's, Kfin Technologies Private Limited (Kfintech) and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors. MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable T&amp;Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <a href="https://mfcentral.com">https://mfcentral.com</a> and a Mobile App in future with a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, Edelweiss Mutual Fund ("the Fund") designates MFCentral as its Official point of acceptance (DISC – Designated investor Service Centre) w.e.f. September 23, 2021. Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service centres or collection centres of Kfintech or CAMS.</p>
<b>Cash Investments in Mutual Funds</b>	Pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and CIR/IMD/DF/10/2014 dated May 22, 2014, in order to

	<p>help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI has permitted receipt of cash for purchases / additional purchases to the extent of Rs. 50,000/- per investor, per mutual fund, per financial year subject to (i) compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines and (ii) sufficient systems and procedures in place. However, payment of redemption/ IDCW proceeds, etc. with respect to aforementioned investments shall be paid only through banking channel. The AMC is in the process of checking feasibility of setting up a platform in pursuance of the above mentioned circulars and shall intimate public at large once the same is in place.</p>
<p><b>Accounts Statements</b></p>	<p><b>For investors who opt to hold Units in Physical Form (Non-demat form):</b></p> <ul style="list-style-type: none"> <li>• On receipt of valid application for subscription/transaction request, an Allotment Confirmation will be sent by way of SMS and/or email within 5 Business Days from the date of receipt of application/transaction request to the Unit holder's registered mobile number and/or email address. Unit holders who have not registered their email address/mobile number with the Fund will receive a physical Account Statement giving details of the transaction.</li> <li>• A Consolidated Account Statement (CAS) for each calendar month to the Unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month on or before 15th of the succeeding month shall be sent by mail/email.</li> <li>• The Unit holder may request for a physical Account Statement by writing/calling the AMC/ISC/R&amp;T. The Mutual Fund/ AMC shall dispatch an Account Statement within 5 Business Days from the date of the receipt of request from the Unit holder.</li> <li>• In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ Account Statement.</li> <li>• The transactions viz. purchase, redemption, switch, IDCW payout, etc., carried out by the Unit holders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).</li> <li>• The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.</li> <li>• For folios not included in CAS (due to non availability of PAN), EAML shall issue Account Statement to such Unit holders on a monthly basis, pursuant to any financial transaction in their folios, on or before tenth day of succeeding month by way of email to the</li> </ul>

	<p>registered email address and if the same is not available with EAML, a physical statement will be sent.</p> <ul style="list-style-type: none"> <li>• Unit holders who receive Account Statements by e-mail may download the documents after receiving the same from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</li> </ul> <p><b>For Investors who opt to hold Units in Demat Form:</b></p> <p>The AMC shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder. In order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, SEBI vide its circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 had advised to generate and dispatch a single Consolidated Account Statement for investors having Mutual Fund investments and holding demat accounts. Accordingly,</p> <ul style="list-style-type: none"> <li>• Investors shall receive a single CAS from the Depository.</li> <li>• Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.</li> <li>• In case an investor has multiple accounts across two Depositories, the Depository with whom the account has been opened earlier will be the default Depository.</li> <li>• The CAS shall be generated on a monthly basis.</li> <li>• 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 fifteen 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.</li> <li>• In case of demat accounts with nil balance and no transactions in securities and in Mutual Fund folios, the Depository shall send holding statement in terms of regulations applicable to the Depositories.</li> <li>• For Unit holders who have provided an e-mail address to the Fund or have updated the same in KYC records, CAS will be sent to such Unit holders by e-mail. However, where an investor does not wish to receive CAS through e-mail, option shall be given to such</li> </ul>
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	<p>investor to receive the CAS in physical form at the address registered with the Depository.</p> <ul style="list-style-type: none"> <li>Investors who do not wish to receive CAS sent by Depositories have an option to indicate their negative consent. Such investors may contact the Depositories to opt out.</li> </ul> <p>The dispatch of CAS by the Depositories would constitute compliance by the AMC/the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.</p> <p><b>Half Yearly Consolidated Account Statement:</b></p> <ul style="list-style-type: none"> <li>* A consolidated account statement detailing holding across all Schemes at the end of every six months (i.e. September/March), on or before 21st day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/email.</li> <li>* The half yearly CAS will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive in physical.</li> <li>* Unit holders who receive account statements by e-mail may download the documents after receiving e-mail from the Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Fund to enable the Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</li> </ul>
<b>IDCW</b>	The IDCW payments shall be dispatched to the unitholders within 15 days from the record date.
<b>Redemption</b>	As per SEBI Regulations, the Mutual Fund shall dispatch redemption proceeds within 10 Business Days of receiving a valid redemption request.
<b>Delay in payment of redemption/repurchase proceeds</b>	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). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC/Trustee is required to obtain from the Unit Holder verification of identity or such other details as may be required under any applicable law or as may be required by a regulatory authority which may result in delay in processing the application.

<b>Scheme to be binding on Unit holders</b>	The AMC may, from time to time, in consultation with the Board of Trustees, add to or otherwise vary or alter all or any of the features, investment options and terms of this Scheme after obtaining the prior approval of SEBI / other applicable regulatory authorities and / or the Unit holders where necessary, in accordance with the then prevalent Regulations and the same shall be binding on each Unit holder.
<b>Mode of Payment</b>	<p><b>(a) For Subscription:</b> As an investor friendly measure, the AMC will prefer to receive subscription from investors by EFT means like RTGS, NEFT, Wire Transfer, Electronic Clearing System (ECS), etc. Unit holders having a bank account with certain banks, with which the Mutual Fund would have an arrangement from time to time, may avail the facility of Direct Debit to their account for subscription of the Units of under this Scheme. The AMC may allow any other mode of payment for subscription, in the interest of investors. If the Application for Subscription is through any other mode (other than EFT mode) and such instrument gets rejected by any of our banks, the AMC reserves the right to reject such applications.</p> <p><b>(b) Payment of redemption proceeds:</b> The Fund proposes to pay redemption proceeds in the following manner:</p> <p>a) Direct credit of redemption proceeds to the bank account of Unit holders: The Fund has arrangements with select banks, to enable direct credits of redemption proceeds into the bank accounts of the investors at these banks. The names of such banks will be intimated to the Unit holders subsequently. As per the directive issued by SEBI, it is mandatory for an investor to declare his / her bank account number and accordingly, investors are requested to give their bank account details in the application form. The Mutual Fund, on a best effort basis, and after scrutinising the names of the banks where Unit holders have their accounts, will allow direct credit to the Unit holders' bank accounts.</p> <p>b) Redemption proceeds can be routed through Electronic Fund Transfer systems like RTGS or NEFT by the AMC.</p> <p>c) While the preferred mode of payment is through Direct Credit or EFT route, the AMC reserves the right to send the redemption proceeds by any other means in the interest of investors if it deems fit.</p> <p><b>(c) In case of NRI &amp; FPI's:</b> In terms of Schedule 5 of Notification No. FEMA 20/2000 dated May, 2000, the RBI has granted general permission to NRIs and FPIs to purchase, on a repatriation basis, Units of domestic Mutual Fund subject to conditions mentioned therein. Further, the general permission has also been granted to NRIs and FPIs to sell the Units to the Mutual Fund for repurchase or for the payment of maturity</p>

	<p>proceeds provided that the Units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this Para, the term "Mutual Funds" has same meaning as in Clause (23 D) of Section 10 of the Income-Tax Act 1961.</p> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>* The AMC will prefer to receive or make payment through Electronic Fund Transfer route &amp; only in exceptional situations accept or make payment through any other means.</li> <li>* In the normal course cash, Demand Drafts, money orders, outstation cheques / outstation drafts, post dated cheques and postal orders are liable to be rejected. However, if the AMC accepts valid applications with outstation cheques/ demand drafts not payable at par at a place where the application is received, closing NAV of the day on which outstation cheques / demand drafts is credited shall be applicable.</li> <li>* Any remittance or redemption proceeds to NRI/FPIs will be subject to the prevailing RBI /any other regulatory requirements in force from time to time.</li> </ul> <p>For further details please refer SAI.</p>
<p><b>Redemption Details</b></p>	<p>The Redemption / Switch would be permitted to the extent of credit balance in the Unit holder's account. The Redemption/Switch request can be made by specifying the Rupee amount or by specifying the number of Units to be redeemed. If a redemption request is for both, a specified Rupee amount and a specified number of Units, the specified number of Units will be considered the definitive request. If only the redemption amount is specified by the Unit holder, the AMC will divide the redemption amount so specified by the redemption Price to arrive at the number of Units. The request for redemption Units could also be in fractions, upto three decimal places.</p> <p>Minimum Redemption Amount can be Re.1/- or any number of units.</p> <p>In case Units are held in Dematerialised (demat) mode, the redemption request may be made by specifying the number of Units to be redeemed and the minimum redemption mandatorily would be 50 units. The AMC reserves the right to change the basis for redemption through demat mode from Unit basis to any other basis.</p> <p>SEBI Circular no. SEBI / HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the following conditions, in case the AMC wish to impose restrictions on redemption:</p>



	<p>a. Restrictions may be imposed when there are circumstances leading to a systematic crisis or event that severely constricts market liquidity or the efficient functioning of market such as:</p> <ul style="list-style-type: none"> <li>i. Liquidity issues</li> <li>ii. Market failures, exchange closure</li> <li>iii. Operational issues</li> </ul> <p>b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.</p> <p>c. Any imposition of restriction would require specific approval of Board of AMCs and Trustee and the same should be informed to SEBI immediately.</p> <p>d. When restriction on redemption is imposed, the following procedure shall be applied:</p> <ul style="list-style-type: none"> <li>iii. No redemption request upto INR 2 lakh shall be subject to such restriction.</li> <li>iv. When redemption request are above INR 2 lakhs, 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.</li> </ul> <p>For details, please refer to paragraph on “Right to limit redemption” under SAI.</p> <p>The normal time taken to process redemption and / or purchase requests, as mentioned earlier, may not be applicable during extraordinary circumstances as discussed under the head “suspension of purchase and / or redemption of Units” in SAI. The purchase and / or redemption of Units may be suspended, temporarily or indefinitely, by the AMC, in consultation with the Board of Trustees, when any of such conditions exist at one/more Designated ISCs.</p> <p>Investors should further note that whilst every effort will be made to ensure that the Scheme will have sufficient liquidity to enable the repurchase cheques to be collected/dispatched within the deadline stated in the foregoing clause, Unit holders may experience some delays in receiving repurchase cheques. For details, please refer to SAI (subsection: possible deferral of redemption/repurchase requests).</p> <p>For details on calculation of redemption price, submission of redemption request, dispatch of redemption proceeds and effect of Redemption on the Scheme etc., please refer SAI.</p>
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**C. PERIODIC DISCLOSURES & OTHER INFORMATION**

<p><b>Net Asset Value</b></p> <p><i>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.</i></p>	<p>The AMC will calculate and disclose the first NAVs of the scheme not later than 5 Business days from the date of allotment. NAVs will be calculated up to four decimal places. The AMC shall update the NAV by 11.00 p.m. on the same business day on the website of Association of Mutual Funds in India and Mutual and the mutual fund website <a href="http://www.edelweissmf.com">www.edelweissmf.com</a>.</p> <p>In case of any delay, the reasons for such delay would be explained to AMFI by the next day. 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 providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>The information on NAV of the scheme may be obtained by the unit holders, on any day by calling the office of the AMC or any of the ISCs at various locations. Investors may also write to the AMC for availing facility of receiving the latest NAVs through SMS.</p>
<p><b>Monthly Portfolio Disclosure / Half yearly Disclosures: Portfolio / Half yearly Financial Results</b></p>	<p>The AMC will disclose portfolios (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all the schemes on its website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month/half year.</p> <p>In case of unitholders whose email addresses are registered, the AMC will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year, respectively.</p> <p>The AMC will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the scheme portfolio on the AMC's website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and the modes such as SMS, telephone, email or written request (letter) through which an unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. The AMC will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.</p>
<p><b>Risk-o-meter</b></p>	<p>In accordance with circular no. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 5, 2020 the risk-o-meter will be disclosed alongwith</p>

	<p>monthly portfolio and on annual basis on the website of the AMC and AMFI. Further, the same will also be disclosed in the Annual Report in the format specified in the circular. Further in accordance with SEBI circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/555 dated April 29, 2021 and circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR /2021/621 dated August 31, 2021 the risk-o-meter of the scheme, name of the benchmark and risk-o-meter of the scheme shall be disclosed alongwith the monthly and half yearly portfolios sent via email to the investors.</p> <p>In addition to the above, the AMC shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:</p> <p>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</p> <p>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.</p>
<b>Annual Report</b>	<p>The Annual Report or Abridged summary thereof in the format prescribed by SEBI will be hosted within four months from the date of closure of the relevant accounting year (i.e. March 31st each year) on AMC's website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>). The Annual Report or Abridged Summary thereof will also be sent by way of e-mail to the Unit holder's registered e-mail address. Unit holders, who have not registered their email address, will have an option of receiving a physical copy of the Annual Report or Abridged summary thereof. The Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a Unit holder. Physical copies of the report will also be available to the Unit holders at the registered office at all times. The Fund will publish an advertisement every year, in the 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 AMC's website (<a href="http://www.edelweissmf.com">www.edelweissmf.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the of the scheme wise annual report or abridged summary thereof.</p>
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).
<p><b>Taxation</b></p> <p>The information is provided for general information only. However, in view of the individual</p>	<p><b>Taxation – Edelweiss Equity Fund:</b></p> <p>Equity oriented fund has been defined u/s 112A of Income Tax Act,1961 to mean a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,</p>

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 Scheme.

- (i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,— (A) a minimum of ninety per cent of the total proceeds of such fund is invested in the units of such other fund; and (B) such other fund also invests a minimum of ninety per cent of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and
- (ii) in any other case, a minimum of sixty-five per cent of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange.

Further, the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

The Scheme's corpus shall predominantly be invested in equity and equity related securities including equity derivatives in the Indian and international markets. However, in order to protect its objective of giving absolute returns with low volatility, the Scheme may even invest its corpus largely in debt and money market securities. In such a situation, the Scheme may at any point of time lose its status of an equity-oriented Scheme and such conversion may have tax consequences. It may be noted that no prior intimation/indication would be given to investors in such cases.

In such an aforesaid situation, tax provisions of an Equity Oriented Scheme may not be applicable for such a period where the Scheme is not classified as equity-oriented Scheme under the Income Tax Act, 1961. Consequently, tax provisions as summarized in table 2 below would be applicable. Investors are requested to examine the asset allocation from time to time for every purchase / transfer / redemption before claiming tax exemptions available for Equity Oriented Schemes.

The Information is provided only for general information purposes. However, in view of the individual nature of the implications, each investor is advised to consult his or her or its own tax advisors/ authorised dealers with respect to the specific amount of tax and other implications arising out of his or her or its participation in the Scheme. The tax to the investors and the Mutual Fund are based on status of the Scheme.

In case the Scheme is categorized as Equity Oriented Fund, the tax status will be as follows:

<b>TAX STATUS FOR EQUITY ORIENTED FUND</b>			
<b>Units of mutual fund being an equity oriented fund shall be a short term capital asset if the period of holding is less than 12 months.</b>			
<b>Tax on Capital Gains :</b>	<b>Resident Individuals &amp; HUF</b>	<b>FII's/ Overseas financial Organisations</b>	<b>Mutual Fund</b>
<u>Long Term</u>	<i>10%*</i>	<i>10%*</i>	<i>Nil</i>
<u>Short term</u>	<i>15%</i>	<i>15%</i>	<i>Nil</i>
	<b>Partnership Firms</b>	<b>Non-resident Indians</b>	
<u>Long Term</u>	<i>10% *</i>	<i>10% *</i>	
<u>Short term</u>	<i>15%</i>	<i>15%</i>	
	<b>Indian Companies</b>	<b>Foreign Companies</b>	
<u>Long Term</u>	<i>10%*</i>	<i>10%*</i>	
<u>Short term</u>	<i>15%</i>	<i>15%</i>	

**Note:**

(\*) From AY 2019-20 (FY 2018-19) Any Long-Term Capital Gains arising on transfer of unit of an equity oriented mutual fund will be taxable at 10% without indexation benefit of such capital gains exceeding Rs.1,00,000/- . No Chapter VI-A or rebate will be allowed from this capital gains.

With the amendment in Finance Act 2020, any income received in respect of units of Mutual Fund specified under section 10(23D) is taxable in the hands of the unit holders.

The tax rate would be increased by a surcharge of:

- 7% in case of domestic corporate unit holders where the income exceeds Rs.1 crore but is upto 10 crores and 12% where it exceeds Rs. 10 crores.
- 2% in case of foreign corporate unit holders where the income exceeds Rs.1 crore is upto 10 crores, 5% where income exceeds Rs. 10 crores.
- At the rate of 12% in case of Partnership Firm, Local Authorities and Co-operative Societies where income exceeds Rs. 1 crore.
- In case of Individuals, Hindu Undivided Family, AOP, Artificial Juridical Person and BOI at the rate of 10% where the income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and 15% where income exceeds Rs. 1 crore but does not exceed 2 Crore Further, at the rate of 25% where income exceeds 2 Crore but does not exceed Rs. 5 crore and 37% where income exceeds Rs. 5 crore. {The maximum rate of Surcharge for IDCW income, income referred to in section 111A,112A and 115AD shall be levied at the rate of 15%}

*In addition to the above, Health and education cess of 4% is applicable for all categories of Tax Payers.*

From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS under section 194K of Income Tax Act, 1961 @ 10%.

TDS shall not be deductible in the following cases:

- 1) Where income distributed does not exceed INR 5,000/-
- 2) Where income distributed is in nature of Capital Gains

Further, Income distributed to Non Resident Unit Holders, will be subject to TDS under section 196A of Income Tax Act, 1961 @ 20% plus applicable surcharge and Health and Education Cess.

Under section 206AB of the Act, TDS shall be at higher of following rates on specified payments, where recipient has not filed return of income for 1 previous year and TDS in each year is INR 50,000 or more: (with effect from the 1st day of April, 2022)

- Twice the rate specified in the Act or
- Twice the rates in force
- Rate of 5 %

Section 206AB excludes non-resident who does not have a permanent establishment in India.

In case the Scheme does not fulfill the criteria of an Equity Oriented fund as specified under Income Tax Act, 1961, the tax status will be as stated below (Table – 2):

<b>TAX STATUS FOR FUND OTHER THAN EQUITY ORIENTED FUND</b>			
<b>Units of mutual fund other than equity-oriented fund shall be a short-term capital asset if the period of holding is less than 36 months.</b>			
<b>Tax on Capital Gains:</b>	<b>Resident Individuals &amp; HUF</b>	<b>FII's / Overseas Financial Organisations</b>	<b>Mutual Fund</b>
<u>Long Term</u>	20% with Indexation	10% u/s. 115AD	<i>Not Applicable</i>
<u>Short term</u>	Applicable Slab Rates	30%	
	<b>Partnership Firms</b>	<b>Non-resident Indians</b>	
<u>Long Term</u>	20% with Indexation	20%	
<u>Short term</u>	30%	Applicable Slab Rates	

	<b>Indian Companies</b>	<b>Foreign Companies</b>	
<u>Long term</u>	20% with Indexation	20%	
<u>Short term</u>	30%*	40%	

\*A tax rate of 25% is applicable for the financial year 2021-22 in the case of domestic companies having total turnover or gross receipts not exceeding Rs. 400 crores in the financial year 2018-19. Domestic companies may opt for a lower tax rate of 22% under section 115BAA of the Act, subject to fulfillment of prescribed conditions.

Further, new domestic manufacturing companies may opt for a lower tax rate of 15% under section 115BAB of the Act, subject to fulfillment of prescribed conditions.

With the amendment in Finance Act 2020, any income received in respect of units of Mutual Fund specified under section 10(23D) is taxable in the hands of the unit holders.

Note-1: The tax rate would be increased by a surcharge of:

(a) 7% in case of domestic corporate unit holders where the income exceeds Rs.1 crore but is upto 10 crores and 12% where it exceeds Rs. 10 crores.

(b) 2% in case of foreign corporate unit holders where the income exceeds Rs.1 crore is upto 10 crores, 5% where income exceeds Rs. 10 crores.

(c) At the rate of 12% in case of Partnership Firm, Local Authorities and Co-operative Societies where income exceeds Rs. 1 crore.

(d) In case of Individuals, Hindu Undivided Family, AOP, Artificial Juridical Person and BOI at the rate of 10% where the income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and 15% where income exceeds Rs. 1 crore but does not exceed 2 Crore Further, at the rate of 25% where income exceeds 2 Crore but does not exceed Rs. 5 crore and 37% where income exceeds Rs. 5 crore. {The maximum rate of Surcharge for IDCW income, income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}

*In addition to the above, Health and education cess of 4% is applicable for all categories of Tax Payers.*

From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS under section 194K of Income Tax Act,1961 @ 10%.

	<p>TDS shall not be deductible in the following cases:</p> <ol style="list-style-type: none"> <li>1) Where income distributed does not exceed INR 5,000/-</li> <li>2) Where income distributed is in nature of Capital Gains</li> </ol> <p>Further, Income distributed to Non-Resident Unit Holders, will be subject to TDS under section 196A of Income Tax Act, 1961 @ 20% plus applicable Surcharge and Health and Education Cess.</p> <p>Under section 206AB of the Act, TDS shall be at higher of following rates on specified payments, where recipient has not filed return of income for 1 previous years and TDS in each year is INR 50,000 or more: (with effect from the 1st day of April, 2022)</p> <ul style="list-style-type: none"> <li>-Twice the rate specified in the Act or</li> <li>-Twice the rates in force</li> <li>-Rate of 5 %</li> </ul> <p>Section 206AB excludes non-resident who does not have a permanent establishment in India.</p> <p>Note 2: Non-Equity Oriented Fund will not attract securities transaction tax (STT).</p> <p>Note 3: In case if the Income is treated as Business Income, then the relevant Income <b>Tax provisions would be applicable.</b></p>
<p><b>Investor services</b></p>	<p>Investors can enquire about NAVs, Unit holdings, valuation, IDCWs, etc. or lodge any service request including change in the name, address, designated bank account number and bank branch, loss of Account Statement, etc. to M/s. KFin Technologies Private Limited - UNIT Edelweiss Mutual Fund, Karvy Selenium Tower B, Plot No 31 &amp; 32, Gachibowli, Financial, District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Tel no: 040-67161500 or can also call us at our toll free number 1800 425 0090 (MTNL/BSNL) and non-toll free number +91 40 23001181 for others and investors outside India. The Toll-Free Number and the Non-Toll-Free Number will be available between 9.00 am to 7.00 pm from Monday to Saturday.</p> <p>It should be noted that for folios with transactions of Rs. 50,000 and above/ and any investor who has provided KYC confirmation issued by CVL, all details of the investor in the Edelweiss Mutual Fund records will be replaced by the details given by the investor to the CVL in the KYC Application Form. Any change in details like change of Name / Address / Status /Signature, etc. should be given by such Investor, who has provided KYC Confirmation, directly to CVL in the prescribed manner.</p>



	<p>Alternatively, the Unit holder can call at the EAML branch office for any services / information. Some service requests can be processed only upon receipt of a written request with required supporting documents. In order to protect confidentiality of information, the service representatives at our branches/ ISC's may require personal information of the investor for verification of his / her identity.</p> <p>Unit holder's grievances should be addressed to Investor Services Centres (ISC's) at the EAML branch offices, or KFin Technologies Private Limited's Investor Service Centres. All grievances will then be forwarded to the Registrar, if required, for necessary action. The complaints will be closely monitored /followed up with the Registrar to ensure timely redressal.</p> <p>EAML will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly. A comprehensive complaint management system is in place for managing complaints with features for tracking each complaint through its lifecycle from recording and initiation to investigation, reporting, and closure - following the appropriate process to ensure that nothing slips through the cracks enabling EAML to conduct root cause analysis and trigger corrective and preventive action. There is a built-in customised workflow process as well as assignment and escalation process to EAML officials.</p> <p>Investors can also address their queries/grievances to Mr. Abdulla Chaudhari, Head – Investor Services, at Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400098</p> <p>Contact Details:  Tel. No. (022) 4097 9737  Fax no. (022) 4097 9878  E-mail id: <a href="mailto:EMFHelp@edelweissfin.com">mailto:EMFHelp@edelweissfin.com</a></p>
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#### **D. COMPUTATION OF NET ASSET VALUE**

The Net Asset Value (NAV) of the Units will be calculated on every Business Day and for such other days as may be required for the purpose for transaction of Units. The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time:

$$\text{NAV} = \frac{\text{Market or Fair Value of the Scheme's Investments+ Receivables+ Accrued Income+ Other Assets- Accrued Expenses- Payables- Other Liabilities}}{\text{Number of Units Outstanding}}$$

The NAV of the Scheme will be calculated and declared upto 2 decimal places & the second decimal will be rounded off higher to the next digit if the third decimal is or more than 5 i.e., if the NAV is Rs. 10.127 it will be rounded off to Rs. 10.13.

**IV. FEES AND EXPENSES**

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

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

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees, marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The New Fund Offer expenses in relation to the Scheme will be borne by the AMC.

**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 has estimated the following recurring expenses of the daily net assets of the Scheme that will be charged to the Scheme as expenses. The total expenses may be more or less than as specified in the table below. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund. Any change in the current expense ratios will be updated on the website and the same will be communicated to the investor via SMS / e-mail 3 working days prior to the effective date of change.

<b>Expense Head</b>	<b>% of daily Net Assets</b>
Investment Management and Advisory Fees	Upto 2.25%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and IDCW redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 0.12% and 0.05% for cash and derivative market trades, respectively^	
Goods & Service tax on expenses other than investment and advisory fees	
Goods & Service tax on brokerage and transaction cost	
Other Expenses*	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (b)</b>	<b>Upto 2.25%</b>
Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b)	Upto 0.30%

Additional Expenses under Regulation 52 (6A) (c)	Upto 0.05%
^As per SEBI Circular no. CIR/IMD/DF/24/2012 dated November 19, 2012, the Brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 0.12% for cash market transactions and 0.05% for derivatives transactions. Any payment towards brokerage and transaction cost, over and above the said 0.12% for cash market transactions and 0.05% for derivatives transactions, may be charged to the scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI Regulations.	
*Subject to the Regulations and as permitted under Regulation 52 of SEBI (MF) Regulations, 1996, any other expenses which are directly attributable to the Scheme may be charged with the approval of the Trustee within the overall limits as specified in the Regulations.	

#### **Additional Expenses under Regulation 52 (6A):**

1. The AMC may charge additional expenses, incurred towards different heads mentioned under regulations 52(2) and 52(4), not exceeding 0.05 per cent of daily net assets of the Scheme. However, such additional expenses will not be charged if exit load is not levied/ not applicable to the Scheme.
2. To improve the geographical reach of the Fund in smaller cities/towns as may be specified by SEBI from time to time, expenses not exceeding of 0.30 % p.a. of daily net assets, if the new inflows from retail investors^ from such cities (i.e. beyond Top 30 cities\*) are at least:
  - (i) 30 % of gross new inflows in the Scheme, or;
  - (ii) 15 % of the average assets under management (year to date) of the Scheme, whichever is higher.

In case the inflows from beyond Top 30 cities is less than the higher of (i) or (ii) above, such additional expenses on daily net assets of the Scheme shall be charged on proportionate basis. The expenses so charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Further, the additional expense charged on account of new inflows from beyond Top 30 cities shall be credited back to the Scheme, in case the said inflows are redeemed within a period of 1 year from the date of investment.

*^As per SEBI circular dated March 25, 2019, inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".*

*\*The Top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.*

3. Brokerage and transactions costs incurred for the purpose of execution of trades and are included in the cost of investments shall be charged to the Scheme in addition to the limits on total expenses prescribed under Regulation 52(6) and will not exceed 0.12% in case of cash market transactions and 0.05% for derivatives transactions.

As per SEBI Circular no. CIR/IMD/DF/24/2012 dated November 19, 2012, the brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 0.12% for cash market transactions and 0.05% for derivatives transactions. Any payment towards brokerage and transaction cost, over and above the said 0.12% for cash market transactions and 0.05% for derivatives transactions may be charged to the scheme within the maximum limit of TER as prescribed under Regulation 52 (6) of the SEBI (MF) Regulations.

#### **Goods and Service Tax (GST):**

In addition to the expenses under Regulation 52 (6) and (6A), AMC shall charge GST as below:

1. GST on investment and advisory fees will be charged to the Scheme in addition to the maximum limit of TER as prescribed in Regulation 52 (6).
2. GST on other than investment and advisory fees, if any, will be borne by the Scheme within the maximum limit of TER as prescribed in Regulation 52 (6).
3. GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52.
4. GST on exit load, if any, shall be paid out of the exit load proceeds and exit load net of GST, if any, shall be credited to the Scheme

#### **Stamp Duty:**

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by the Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value would be levied on mutual fund transactions (including transactions carried through stock exchanges and depositories for units in demat mode), with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including IDCW reinvestment and IDCW transfers) to the unitholders would be reduced to that extent.

#### **Notes:**

- a. The Direct Plan and Options thereunder shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under Direct Plan of the Scheme.
- b. Maximum Permissible expense: The maximum Total Expense Ratio (TER) that can be charged to the Scheme will be subject to such limits as prescribed under the SEBI (MF) Regulations. The said maximum TER shall either be apportioned under various expense heads as enumerated in the table above, without any sub limit or allocated to any of the said expense head(s) at the discretion of AMC. Also, the types of expenses charged shall be as per the SEBI (MF) Regulations.
- c. Investor Education and Awareness initiatives: As per Para F of the SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC shall annually set apart at least 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken by the Fund.

The AMC may incur expenses on behalf of the Scheme which will be reimbursed on actual basis to the AMC to the extent such expenses are permissible & are within the prescribed SEBI limit.

Any change in the current expense ratios will be updated on the website viz. [www.edelweissemf.com](http://www.edelweissemf.com) and the same will be communicated to the investor via SMS / e-mail 3 working days prior to the effective date of change.

**Illustration of impact of expense ratio on scheme's returns:**

An illustration providing the impact of expense ratio on scheme return is provided below:

Particulars	Regular Plan	Direct Plan
Amount Invested at the beginning of the year	10,000	10,000
Income on Investment (assumed rate 8.00% p.a.)	800	800
Expenses other than Distribution Expenses (assumed expense ratio @ 2.00 % p.a.)	216	216
Distribution Expenses (assumed expense ratio for Regular Plan @ 0.25 % p.a.)	27	0
Returns after Expenses at the end of the Year	557	584

Details of the actual TER charged to the scheme after allotment would be available on the website of the Mutual Fund on [www.edelweissemf.com](http://www.edelweissemf.com).

**TER for the Segregated Portfolio**

- 1) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- 2) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence. In addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below.
- 3) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- 4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

**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. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC

(www.edelweissmf.com) or call at toll free number 1800 425 0090 (MTNL/BSNL) and non toll free number +91 40 23001181. Investors outside India can also contact their distributors.

### Applicable Load Structure

The load structure would comprise of an Entry Load and /or an Exit Load, as may be permissible under the Regulations. The current load structure is stated as under:

Particulars	Load chargeable (as % of NAV)
Entry Load*	Not Applicable
Exit Load**	<ul style="list-style-type: none"> <li>• If the Units are redeemed / switched out on or before 365 days from the date of allotment – 1.00%</li> <li>• If the Units are redeemed / switched out after 365 days from the date of allotment – Nil</li> </ul>

\*No entry load will be charged for purchase / additional purchase / switch-in transaction(s) accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund.

Also Units allotted on reinvestment of IDCWs shall not be subject to load.

\*\*The entire exit load (net of Goods and Service tax), charged, if any, shall be credited to the Scheme.

The upfront commission shall be paid by the investor directly to the ARN Holder based on the investor's assessment of various factors including service rendered by the ARN Holder.

AMC reserves the right to revise the load structure from time to time. Such changes will become effective prospectively from the date such changes are incorporated.

### ***Please Note that:***

- \* Exit Load will be applicable for inter Scheme switches as well as special products under the Scheme such as switch-outs/systematic transfer between the schemes of Edelweiss Mutual Fund.
- \* No exit load shall be levied in case of switch of units from Edelweiss Focused Equity Fund - Direct Plan to Edelweiss Focused Equity Fund - Regular Plan. However, after the switch, exit load under the Scheme prevailing on the date of switch shall apply for subsequent redemptions/switch out from Edelweiss Focused Equity Fund.
- \* Bonus Units and Units issued on reinvestment of IDCWs shall not be subject to exit load.
- \* The normal load structure will be applicable in case of Special Products (SIP/STP/SWP) unless otherwise specified.
- \* The AMC shall ensure the repurchase price will not be lower than 95% of the Applicable NAV.
- \* For any change in load structure, the AMC will issue an addendum and display it on the website/Investor Service Centres.

***The investors are requested to check the prevailing load structure of the Scheme, before investing.***

### **Changing the Load Structure:**

Under the Scheme, the AMC, in consultation with the Trustee, reserves the right to change the load structure if it so deems fit in the interest of investors & for the smooth and efficient functioning of the

Scheme. Any imposition or enhancement in the load shall be applicable on prospective investments only. At the time of changing the load structure, the AMC shall issue a public notice 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. Unit Holders / Prospective investors will be informed of the changed / prevailing Load structures through various means of communication such as public notice and / or display at ISCs / Distributors' offices, on Account Statements, acknowledgements, investor newsletters etc. 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 Memorandum already in stock. The introduction of the exit load along with the details may also be disclosed in the Account Statement issued after the introduction of such load.

#### **D. TRANSACTION CHARGES**

The AMC will deduct Transaction Charges on purchase/subscription of Rs.10,000/- and above made through a valid ARN Holder i.e. AMFI Registered distributors/intermediaries, provided such distributor has opted to receive the Transaction Charges. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, distributors have an option either to opt in or opt out of levying transaction charge based on type of the product. Such Transaction Charges collected by the AMC will be paid to the ARN Holder in the following manner:

(i) For the First Time Investor in Mutual Funds (across all Mutual Funds):

Transaction Charge of Rs. 150/- for subscription of Rs. 10,000/- and above will be deducted from the subscription amount and paid to the distributor/agent of such First Time Investor and the balance amount will be invested.

(ii) For Investor other than First Time Mutual Fund Investor (existing investors in any Mutual Fund):

Transaction Charge of Rs. 100/- per subscription of Rs.10,000/- and above will be deducted from the subscription amount and paid to the distributor/agent of the investor and the balance amount will be invested.

(iii) For Investments through Systematic Investment Plan(SIP):

Transaction Charges shall be deducted only if the total commitment through SIP (i.e. amount per SIP installment \*No. of Installments) amounts to Rs.10,000/- or more. In such cases Transaction Charges shall be deducted in 4 equal installments, starting from the 2<sup>nd</sup> installment to the 5<sup>th</sup> installment.

(iv) No Transaction Charges shall be deducted:

- where the ARN Holder/distributor of the investor has not opted to receive any Transaction Charges;
- for purchases/subscriptions of an amount less than Rs. 10,000/-;
- for transactions other than purchases/ subscriptions relating to new inflows such as Switches etc;
- for purchases/subscriptions made directly with the Mutual Fund (i.e. not through any distributor);
- for purchase/subscription routed through the Stock Exchange Platform.



Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN) at the First/Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN / KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund in this regard.

The Account Statement / Consolidated Account Statement sent to the Unit holders shall clearly state the net investments as gross subscription less Transaction Charges and shall also show the number of units allotted against the net investments.

**E. WAIVER OF ENTRY LOAD FOR DIRECT APPLICATIONS**

**Not applicable.**

**V. RIGHTS OF UNIT HOLDERS**

Please refer to SAI for details.

**VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS 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. *N.A*
2. In case of Indian Sponsor(s), 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 shareholders 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. : Please refer point 3 below.
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.

In the matter of IPO of Electrosteel Steels Limited, Edelweiss Financial Services Limited (EFSL), along with other Merchant Bankers received an adjudication order dated March 31, 2016 from SEBI imposing penalty of Rs. 1,00,00,000/- on all the Merchant Bankers, which the Merchant Bankers are

liable to pay jointly and severally. EFSL along with other Merchant Bankers have filed an Appeal before Securities Appellate Tribunal against the Adjudicating order. The matter is currently pending. The Securities Appellate Tribunal vide its order dated November 14, 2019, has reduced the penalty amount from Rs. 1,00,00,000 to Rs. 50,00,000. The penalty of Rs. 50,00,000 imposed on the Merchant Bankers has been paid jointly. EFSL paid Rs. 16,66,667/-.

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. Nil
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. Nil

**Notes:**

1. Further any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Document shall prevail over those specified in this Document.
2. The Scheme under this Document was approved by the Directors of Edelweiss Trusteeship Company Limited on October 12, 2021.
3. The Board of the Trustees has ensured that Edelweiss Focused Equity Fund, approved by it, is a new product offered by Edelweiss Mutual Fund and is not a minor modification of the existing Fund.
4. The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the Tax Act and has been included relying upon advice provided to the Fund's tax advisor based on the relevant provisions prevailing as at the currently applicable Laws.
5. Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India.

**Notwithstanding anything contained in the Scheme Information Document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines thereunder shall be applicable.**

**For and on behalf of the Board of Directors of  
Edelweiss Asset Management Limited**

**Sd/-**

**Place: Mumbai  
Date: June 28, 2022**

**Radhika Gupta  
Managing Director & CEO**