

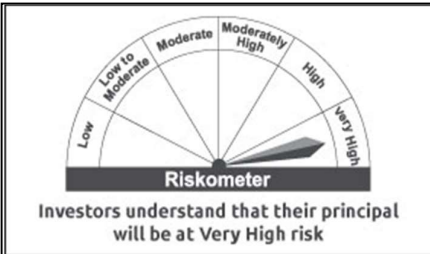
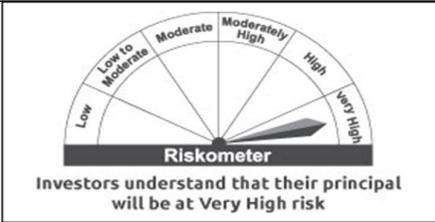


## SCHEME INFORMATION DOCUMENT

### **Motilal Oswal Nasdaq 100 ETF**

(An open ended scheme replicating/tracking NASDAQ-100 Total Return Index)

(Scheme code:-MOTO/O/O/EET/11/03/0003)

| <b>This product is suitable for investors who are seeking*</b>   | <b><u>Scheme Riskometer</u></b>  | <b><u>Benchmark Riskometer</u></b><br><b><u>NASDAQ-100 Total Return Index</u></b>   |
|--|--|---|
| <ul style="list-style-type: none"> <li>Return that corresponds generally to the performance of the NASDAQ-100 Index, subject to tracking error</li> <li>investment in equity securities of NASDAQ-100 Index</li> </ul> |  |  <p>The Benchmark Riskometer is at very high risk.</p> |

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. The Mutual Fund/AMC shall also disclose risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark

### **Continuous Offer of Units at NAV based prices**

|   |   |
|---|---|
| <b>Name of Mutual Fund</b>                    | Motilal Oswal Mutual Fund   |
| <b>Name of Asset Management Company (AMC)</b> | Motilal Oswal Asset Management Company Limited (MOAMC)  |
| <b>Name of Trustee Company</b>                | Motilal Oswal Trustee Company Limited   |
| <b>Address</b>                                | Registered Office<br>10 <sup>th</sup> Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai-400025 |
| <b>Website</b>                                | <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a>  |

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Motilal Oswal Mutual Fund (MOMF), Tax and Legal issues and general information on [www.motilaloswalmf.com](http://www.motilaloswalmf.com)

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

**The SID should be read in conjunction with the SAI and not in isolation.**

**This SID is dated October 28, 2022**

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**HIGHLIGHTS/SUMMARY OF THE SCHEME**

|                             |   |
|-----------------------------|---|
| <b>Name of the Scheme</b>   | Motilal Oswal Nasdaq 100 ETF  |
| <b>Scheme code</b>          | MOTO/O/O/EET/11/03/0003   |
| <b>Type of the Scheme</b>   | An open ended scheme replicating/tracking NASDAQ-100 Total Return Index   |
| <b>Category of Scheme</b>   | Exchange Traded Fund (ETF)  |
| <b>Investment Objective</b> | <p>The Scheme seeks investment return that corresponds to the performance of the NASDAQ-100 Total Return Index, subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>  |
| <b>Investment</b>           | The Scheme will invest in the securities which are constituents of NASDAQ-100 Total Return Index in the same proportion as in the Index.  |
| <b>Benchmark</b>            | NASDAQ-100 Total Return Index   |
| <b>Loads</b>                | <p>Entry Load: Not Applicable</p> <p>Exit Load: Nil</p> <p>*Note: In case of redemption of units of the Scheme for less than Creation Unit Size, directly with the Fund, where there have been no quotes on the exchange for 3 trading days consecutively, an investor can sell its units of the Scheme to the Fund with an exit load of 1% of NAV of the Scheme.</p>   |
| <b>Liquidity</b>            | <p><b>On the Exchange</b></p> <p>The units of the Scheme can be bought/sold on all trading days on the National Stock Exchange of India Ltd (NSE) and BSE Ltd. (BSE) where the Scheme is listed.</p> <p>The price of the Units in the secondary market on the Stock Exchange will depend on demand and supply at that point of time. The AMC will appoint Authorized Participant(s) to provide liquidity in secondary market on an ongoing basis.</p> <p><b>Directly with the Mutual Fund</b></p> <p><b>For Eligible investors*:</b></p> <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crore.</p> <p><b>For Market makers:</b></p> <p>The number of units of the Scheme that Market Makers/authorized participant can subscribe is 2, 50,000 units and in multiples thereafter.</p> |

|   |  |
|---|--|
|   | <p><b>Dematerialization:</b></p> <p>The Units of the Scheme are available only in dematerialized (electronic) form. Investors intending to invest in Units of the Scheme will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during NFO and in ongoing offer directly from the fund in Creation Unit Size. In case the demat details are not mentioned in the application or the mentioned details are incorrect / incomplete/illegible/ambiguous, such applications will be rejected.</p> <p>The Units of the Scheme will be issued, traded and settled compulsorily in dematerialized (electronic) form.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p>   |
| <p><b>Minimum Application Amount</b></p>  | <p><b>On Exchange:</b> Investors can buy/sell units of the Scheme in round lot of 1 unit and in multiples thereof.</p> <p><b>Directly with the Mutual Fund:</b></p> <p><b>For Eligible investors*:</b></p> <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crs.</p> <p><b>For Market makers:</b></p> <p>The number of units of the Scheme that Market Makers/authorized participant can subscribe is 2,50,000 units and in multiples thereafter.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p>   |
| <p><b>Transparency/NAV Disclosure</b></p> <p>The Mutual Fund / AMC shall disclose portfolio (along with ISIN) in a user friendly &amp; downloadable spreadsheet format, as on the last day of the month /half year for the scheme(s) on its website (<a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a>) on the website of AMFI(<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the</p> | <p>The NAV will be calculated on all calendar days and shall be disclosed in the manner specified by SEBI. The AMC shall update the NAVs on its website <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a> and also on AMFI website <a href="http://www.amfiindia.com">www.amfiindia.com</a> before 11.00 p.m. on every business day. If the NAVs are not available before 11.00 p.m. on every business day, the reason for delay in uploading NAV would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further, AMC will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.</p> <p>The AMC shall also make available the Annual Report of the Scheme within four months of the end of the financial year. The Annual Report shall also be displayed on the website of AMC and AMFI.</p> |

|  |  |
|--|--|
| close of each month/half year. In case of investors whose email addresses are registered with MOMF, the AMC shall send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/half year respectively. The portfolio statement will also be displayed on the website of the AMC and AMFI. | <p>The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices of the underlying securities traded and available on NSE) and will be updated during the market hours on its website (<a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a>).</p> <p>According to SEBI Circular dated July 30, 2021; for transactions in units of Exchange Traded Funds (ETFs) by Authorized Participants / large investors directly with the AMCs, intra-day NAV, based on the executed price at which the securities representing the underlying index or underlying commodity(ies) are purchased / sold, shall be applicable</p> |
| <b>Face Value</b>  | The face value of each unit of the Scheme is be Rs.10/-  |
| <b>Listing</b>   | The units of the Scheme are listed on the National Stock Exchange of India Ltd (NSE) and BSE Ltd. (BSE).   |
| <b>Dematerialization</b>   | The units of the Scheme are available in Dematerialization form only.  |

## I. INTRODUCTION

### A. RISK FACTORS

#### Standard Risk Factors:

- Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price/value/interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down depending on various factors and forces affecting the capital market.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- The name of the Scheme 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. 100,000 made by it towards setting up the Fund.
- The present Scheme is not a guaranteed or assured return Scheme.
- The NAV of the Scheme can go up or down depending on the factors and forces affecting the securities markets.
- Changes in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to Investors in the Scheme.
- Investors in the Scheme are not being offered any guaranteed/indicated returns

#### Scheme Specific Risk Factors

The Scheme is subject to the principal risks described below. Some or all of these risks may adversely affect Scheme's NAV, trading price, yield, return and/or its ability to meet its objectives.

- **Risk associated with investing in Foreign Securities**

- a. The Scheme will invest in foreign securities. Such overseas investments will be made subject to any / all approvals, conditions thereof as may be stipulated by SEBI / RBI and provided such investments do not result in expenses to the Fund in excess of the ceiling on expenses prescribed by and consistent with costs and expenses attendant to international investing. The Fund may, where necessary, appoint other intermediaries of repute as advisors, custodian/sub-custodians etc. for administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceiling of expenses.
- b. As per the SEBI (MF) Regulation, the Fund is permitted to invest USD 1 billion. However, the overall limit for the Mutual Fund Industry is USD 7 billion. The Scheme therefore may or may not be able to utilise the limit of USD 1 billion due to the USD 7 billion limit being exhausted by other Mutual Funds. Further, the overall ceiling for investment in overseas Exchange Traded Funds (ETFs) that invests in securities is USD 1 billion subject to a maximum of USD 300 million per mutual fund. As and when the investment limits are breached, the subscriptions into the Scheme shall be suspended till further notice by the AMC.
- c. Mutual Funds can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of USD 300 million per Mutual Fund, within the overall industry limit of USD 1 billion.
- d. As the Scheme will invest in securities which are denominated in foreign currencies, fluctuations in the exchange rates of these foreign currencies may have an impact on the income and value of the Fund. Thus, returns to investors are the result of a combination of returns from investments and from movements in exchange rates. Thus, the Indian rupee equivalent of the net assets, distribution and income may be adversely affected by changes in the exchange rates of respective foreign currencies relative to the Indian Rupee. Restrictions on currency trading that may be imposed by developing market countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries. The repatriation of capital to India may also be hampered by changes in the regulations concerning exchange controls or political circumstances as well as the application to it of other restriction on investment.
- e. The risk of investing in foreign securities carries an exchange rate risks related to depreciation of foreign currency and country risks. The country risks would include events such as change in regulations or political circumstances like introduction of extraordinary exchange rate controls, restrictions on repatriation of capital due to exchange rate controls, bilateral political tensions leading to immobilisation of overseas financial assets and the prevalent tax laws of the respective jurisdiction for the execution of trades or otherwise.
- f. The Scheme shall invest in securities listed on the overseas stock exchange. Hence all the risk factors pertaining to overseas stock exchange like market trading risk, liquidity risk and volatility risk, as mentioned earlier, are also applicable to the Scheme. The Scheme will also be exposed to settlement risk, as different countries have different settlement periods.
- g. Some countries prohibit or impose substantial restrictions on investments by foreign entities. Certain countries may restrict investment opportunities in issuers or industries or securities deemed important to national interests. The manner, in which foreign investors may invest in companies/securities in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of the Scheme. Certain risk arises from the inability of a country to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country which might adversely affect the interests of the Scheme.
- h. The Scheme may invest in the units of overseas mutual fund schemes including exchange traded funds. Hence scheme specific risk factors of such underlying schemes will be applicable. All risks associated with such schemes, including performance of their underlying stocks, derivative instruments, stock-lending, off-shore investments, liquidity, etc., will therefore be applicable in this Scheme. Investors who intend to invest in the Scheme are required to and deemed to have understood the risk factors of the underlying schemes.

- **Risk associated with ETF**

1. **Passive Investments**

As the scheme proposes to invest not less than 95% of the net assets in the securities of the benchmark Index, the Scheme will not be actively managed. The Scheme may be affected by a general decline in the Indian markets relating to its Underlying Index. The Scheme invests in the securities included in its underlying index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets. The value of the Scheme's investments, may be affected generally by factors affecting equity markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.

2. **Market risk:**

ETFs are typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF managers may use different strategies to achieve this goal, but in general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.

3. **Tracking errors:**

Tracking errors refer to the disparity in performance between an ETF and its underlying index/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying index/assets, and the ETF manager's replication strategy.

4. **Trading at discount or premium:**

An ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty.

5. **Liquidity risk:**

Authorized participants (APs) are Exchange Participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more APs, there is no assurance that active trading will be maintained.

6. **As the units of the Scheme are listed on the Stock Exchange, trading in the units of the Scheme may be halted due to market conditions or for reasons that in the view of the Exchange Authorities or SEBI. There could also be trading halts caused by extraordinary market volatility and pursuant to NSE/BSE and SEBI circuit filter rules and the Scheme would not be able to buy/sell securities in case of subscriptions/redemptions, which may impact the Scheme. Further, there can be no assurance that the requirements of the exchange necessary to maintain the listing of the Scheme will continue to be met or will remain unchanged.**

7. **Listing and trading of the units are undertaken on the Stock Exchanges within the rules, regulation and policy of the Stock Exchange and SEBI. Any change in trading rules, regulation and policy by the regulatory authority would have a bearing on the trading of the units of the Scheme and its prices.**

8. **Though the Scheme is listed on the NSE and BSE, there is no assurance that an active secondary market will develop or be maintained. Hence, there would be times when trading in the units of the Scheme would be infrequent.**

9. **The NAV of the Scheme reflect the valuation of its investment and any changes in market value of its investments would have a bearing on its NAV. When the units are traded on the Stock Exchange, the units**



of the Scheme may trade at prices which can be different from the NAV due to various factors like demand and supply for the units of the Scheme, perceived trends in the market outlook, etc.

10. In certain cases, settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities as in certain cases, settlement periods may be extended significantly by unforeseen circumstances. Similarly, the inability to sell securities held in the Scheme portfolio may result, at times, in potential losses to the Scheme, and there can be a subsequent decline in the value of the securities held in the Scheme portfolio.
11. Investors can directly approach the AMC for redemption of units of ETFs, for transaction of up to INR 25 Cr. without any exit load, in case of the following scenarios:
  - i. Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or
  - ii. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or
  - iii. Total bid size on the exchange is less than half of creation unit size daily, averaged over a period of 7 consecutive trading days.
12. Investors should note that even though the Scheme is an open ended Scheme, subscription/redemptions directly with the Fund would be limited to such investors who have the ability to subscribe/redeem the units of the Scheme in specific lot sizes. Generally, these lot sizes are larger as compared to normal funds. Even though this Scheme is open ended due to large lot size, very few investors can directly subscribe and redeem the units of the Scheme. However, investors wishing to subscribe/redeem units in other than specific lot sizes can do so by buying/selling the same on the Stock Exchange unless no quotes are available on the exchange for 3 trading days consecutively.

Tracking error may arise due to various reasons like fees and expenses charged to the Scheme, dividend received, corporate actions, change in the Underlying Index, etc. Tracking error has an impact on the performance of the Scheme. The Scheme's returns may therefore deviate from those of its Underlying Basket. However, the Fund would endeavour to keep the tracking error as low as possible.

- **Risks associated with Investing in 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 the 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.

Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Scheme may not be able to sell or purchase derivative quickly enough at a fair price. 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.

- **Risks associated with Segregated portfolio**

The AMC / Trustee shall decide on creation of segregated portfolio of the Scheme in case of a credit event/actual default at issuer level. Accordingly, Investor holding units of segregated portfolio may not be able to liquidate their holding till the time recovery of money from the issuer. The Security comprised of segregated portfolio may not realise any value. Further, 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.

- **Risk associated with investing in fixed income securities and Money Market Instruments**

- Credit risk:** Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk, debentures are sold at a yield spread above those offered on Treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.
- Counterparty risk:** Counterparty refers to the counterparty's inability to honour its commitments (payment, delivery, repayment, etc.) and to risk of default. This risk relates to the quality of the counterparty to which the scheme has exposures. Losses can occur in particular for the settlement/delivery of financial instruments.
- Interest Rate risk:** This risk is associated with movements in interest rate depends on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. However, if the investments are held on till maturity of the investments, the value of the investments will not be subjected to this risk.
- Reinvestment risk:** This risk arises from uncertainty in the rate at which cash flows from the securities may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.
- Liquidity or Marketability Risk:** This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market.
- Different types of fixed income securities in which the Scheme would invest carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated.
- The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. 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.

- **Risks associated with investing in TREPS Segments**

The mutual fund is a member of securities and TREPS segments of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in TREPS segments are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in

settling transactions routed through CCIL). The mutual fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time. In the event that the default waterfall is triggered and the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, the scheme may lose an amount equivalent to its contribution to the default fund allocated to the scheme on a pro-rata basis.

- **Risks associated with investing in Equities**

- a. Investments in the equity shares of the Companies constituting the Underlying Index are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro-economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities/sector and consequently on the NAV of Scheme.
- b. The Scheme would invest in the securities comprising the Underlying Index in the same proportion as the securities have in the Index. Hence, the risk associated with the corresponding Underlying Index would be applicable to the Scheme. The Underlying Index has its own criteria and policy for inclusion/exclusion of securities from the Index, its maintenance thereof and effecting corporate actions. The Fund would invest in the securities of the Index regardless of investment merit, research, without taking a view of the market and without adopting any defensive measures. The Fund would not select securities in which it wants to invest but is guided by the Underlying Index. As such the Scheme is not actively managed but is passively managed.
- c. Risks of Total Return  
Dividends are assumed to be reinvested into the Nasdaq 100 Total Return Index after the ex-Dividend date of the constituents. However in practice, the Dividend is received with a lag and after deducting applicable withholding tax, if applicable. This can lead to some tracking error.

- **Market Risk**

The Scheme's NAV will react to stock market movements. The value of investments in the scheme may go down over a short or long period due to fluctuations in Scheme's NAV in response to factors such as performance of companies whose stock comprises the underlying portfolio, economic and political developments, changes in government policies, changes in interest rates, inflation and other monetary factors causing movement in prices of underlining investments.

- **Concentration risk**

This is the risk arising from over exposure to few securities/issuers/sectors.

- **Passive Investments**

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

- **Right to Limit Redemptions**

The Trustee, in the general interest of the unit holders of the Scheme offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day subject to the guidelines/circulars issued by the Regulatory Authorities from time to time.

- **Risk Factors relating to Portfolio Rebalancing**

In the event that the asset allocation of the Scheme deviates from the ranges as provided in the asset allocation table in this SID, then the Fund Manager will rebalance the portfolio of the Scheme to the position

indicated in the asset allocation table. However, if market conditions do not permit the Fund Manager to rebalance the portfolio of the Scheme then the AMC would notify the Board of the Trustee Company and the Investment Committee of the AMC with appropriate justifications.

- **ETF Fund**

The Scheme being an ETF fund follows a passive investment technique and shall only invest in Securities comprising one selected index as per investment objective of the Scheme. The Fund Manager would invest in the Securities comprising the underlying index irrespective of the market conditions. If the Securities market declines, the value of the investment held by the Scheme shall decrease.

- **Risks associated with Securities Lending**

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

In case the Scheme undertakes stock lending as prescribed in the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities lent. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

- **Trading through mutual fund trading platforms of BSE and/ or NSE**

In respect of transaction in Units of the Scheme through BSE and/ or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing/settlement by BSE and/ or NSE and their respective clearing corporations on which the Mutual Fund has no control.

- **Risk associated with potential change in Tax structure**

This summary of tax implications given in the taxation section (Units and Offer Section III) is based on the current provisions of the applicable tax laws. This information is provided for general purpose only. The current taxation laws may change due to change in the 'Income Tax Act 1961' or any subsequent changes/amendments in Finance Act/Rules/Regulations. Any change may entail a higher outgo to the scheme or to the investors by way of securities transaction taxes, fees, taxes etc. thus adversely impacting the scheme and its returns

## **Risk Control**

Risk is an inherent part of the investment function. Effective Risk management is critical to fund management for achieving financial soundness. Investment by the Scheme would be made as per the investment objective of the Scheme and in accordance with SEBI Regulations. AMC has adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep in line with the investment objective of the Scheme. The risk control process would include identifying the risk and taking proper measures for the same. The system has incorporated all the investment restrictions as per the SEBI guidelines and enables identifying and measuring the risk through various risk management tools like various portfolio analytics, risk ratios, average duration and analyses the same and acts in a preventive manner.

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

As Motilal Oswal Nasdaq 100 ETF is an exchange traded fund, the provisions of minimum number of investors and maximum holding by the investor is not applicable as per SEBI Circular having reference no. SEBI/IMD/CIR NO 10/22701/03 dated December 12, 2003.

## **C. SPECIAL CONSIDERATIONS**

- Prospective investors should study this SID and SAI carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest/redeem/hold units.
- Neither this SID and SAI nor the units have been registered in any jurisdiction. The distribution of this SID or SAI in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, any person who comes into possession of this SID or SAI is required to inform themselves about and to observe any such restrictions and/or legal compliance requirements. It is the responsibility of any persons in possession of this SID or SAI and any persons wishing to apply for units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction. Any changes in SEBI/Stock Exchange/RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this SID or SAI or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the SID or SAI or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- The tax benefits described in this SID and SAI 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 as on the date of this SID and the Unitholders 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 view of the individual nature of tax consequences, each Unitholder is advised to consult his / her own professional tax advisor.
- Redemptions due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in SAI.
- IDCWs paid on the common or preferred stock of US companies in which the Scheme would invest are generally subject to US federal withholding tax at the applicable rate. The Scheme would receive IDCW after such withholding tax. The Scheme shall claim the reduced rate of withholding under the Double Tax Avoidance Agreement between India and US, to the extent permitted.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.

- MOAMC undertakes the following activities other than that of managing the Schemes of MOMF and has also obtained NOC from SEBI for the same:

- a) MOAMC is a registered Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993 bearing registration number INP000000670 dated August 21, 2017.
- b) MOAMC acts as an Investment Manager to the Schemes of Motilal Oswal Alternative Investment Trust and is registered under SEBI (Alternative Investment Funds) Regulations, 2012 as Category III AIF bearing registration number IN/AIF3/13-14/0044 and IN/AIF3/19-20/0799 respectively.
- c) MOAMC has incorporated a wholly owned subsidiary in Mauritius which acts as an Investment Manager to the funds based in Mauritius.
- d) MOAMC has incorporated a wholly owned subsidiary in India which currently undertakes Investment Advisory Services/Portfolio Management Services to offshore clients.

AMC confirms that there is no conflict of interest between the aforesaid activities managed by AMC. In the situations of unavoidable conflicts of interest, the AMC undertakes that it shall satisfy itself that adequate disclosures are made of source of conflict, potential 'material risk or damage' to investor interest and develop parameters for the same.

- Apart from the above-mentioned activities, the AMC may undertake any business activities other than in the nature of management and advisory services provided 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 receipt of necessary regulatory approvals and approval of Trustees and by ensuring compliance with provisions of regulation 24(b) (i to viii). Provided further that the asset management company may, itself or through its subsidiaries, undertake portfolio management services and advisory services for other than broad based fund till further directions, as may be specified by the Board, subject to compliance with the following additional conditions:-

- i) it satisfies the Board that key personnel of the asset management company, the system, back office, bank and securities accounts are segregated activity wise and there exist system to prohibit access to inside information of various activities;
- ii) it meets with the capital adequacy requirements, if any, separately for each of such activities and obtain separate approval, if necessary under the relevant regulations.

Explanation:—For the purpose of this regulation, the term 'broad based fund' shall mean the fund which has at least twenty investors and no single investor account for more than twenty five percent of corpus of the fund.

- The Trustee, in the general interest of the unit holders of the Scheme offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests. The Trustee has the right to limit redemptions under certain circumstances. Please refer to the section "Right to limit Redemption".
- The Trustee, in the general interest of the unit holders of the Scheme offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests. The Trustee has the right to limit redemptions under certain circumstances. Please refer to the section "Right to limit Redemption".

- Pursuant to the provisions of Prevention of Money Laundering Act, 2002 (PMLA), if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND (Financial Intelligence Unit – India) or such other authorities as prescribed under the rules/guidelines issued thereunder by SEBI and/or RBI and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI without obtaining the prior approval of the investor/Unitholder/ any other person.

- Termination of the scheme(s)

The Trustees reserve the right to terminate the scheme at any time. Regulation 39(2) of the SEBI Regulations provides that any scheme of a mutual fund may be wound up after repaying the amount due to the unitholders:

- (a) On the happening of any event which, in the opinion of the trustees, requires the scheme to be wound up; or
- (b) If seventy-five percent of the unitholders of a scheme pass a resolution that the scheme be wound up; or
- (c) If SEBI so directs in the interest of the unitholders.
- (d) Where a scheme is wound up under the above Regulation, the trustees shall give a notice disclosing the circumstances leading to the winding up of the scheme:
  - (a) to SEBI; and
  - (b) in two daily newspapers having circulation all over India & a vernacular newspaper circulating at the place where the mutual fund is formed.

In case of termination of the scheme, regulation 41 of the SEBI (mutual Funds) Regulations, 1996 shall apply.

- Compliance with Foreign Accounts Tax Compliance Act (FATCA) / Common Reporting Standards (CRS)

The Central Board of Direct Taxes (CBDT) has notified Rules 114F to 114H (pertaining to FATCA-CRS), as part of the Income-tax Rules, 1962, which require Indian financial institutions such as Motilal Oswal Mutual Fund to seek additional personal, tax and beneficial owner information and certain certifications and documentation from its investors/unitholders. Please note that applications for account opening could be liable to be rejected where such FATCA-CRS related information or documentation is not provided. In relevant cases, the Mutual Fund will have to, inter-alia, report account information (e.g. holdings, redemptions or IDCW) to tax authorities / other agencies, as may be required. In this respect, the Mutual Fund would rely on the relevant information provided by its Registrar and would also use its discretion. The onus to provide accurate, adequate and timely information would be that of the investor. In this regard, any change in the information provided should be intimated to the Mutual Fund promptly, i.e., within 30 days by the investors/unitholders.

Investors/Unitholders should consult their own tax advisors regarding the FATCA/CRS requirements with respect to their own situation and investment in the schemes of MOMF.

## **Disclaimers:**

### **1. NASDAQ OMX Group, Inc.**

The Product is not sponsored, endorsed, sold or promoted by The NASDAQ OMX Group, Inc. or its affiliates (NASDAQ OMX, with its affiliates, are referred to as the “Corporations”). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Product. The Corporations make no representation or warranty, express or implied to the owners of the Product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly, or the ability of the Nasdaq-100 Index® to track general stock market performance. The Corporations' only relationship to Motilal Oswal Asset Management Company Ltd. (“Licensee”) is in the licensing of the NASDAQ®, OMX®, NASDAQ OMX®, NASDAQ-100®, and NASDAQ-100 Index® registered trademarks, and certain trade names of the Corporations and the use of the NASDAQ-100 Index® which is determined, composed and calculated by NASDAQ OMX without regard to Licensee or the Product. NASDAQ OMX has no obligation to take the needs of the Licensee or the owners of the Product(s) into consideration in determining, composing or calculating the NASDAQ-100 Index®. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the

Product to be issued or in the determination or calculation of the equation by which the Product is to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Product.

**THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE PRODUCT(S), OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

## **2. NSE**

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/158158-S dated February 10, 2011 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

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

## **3. BSE**

The Bombay Stock Exchange Limited ("the Exchange") has given vide its letter dated February 10, 2011 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. The Exchange does not in any manner:-

1. warrant, certify or endorse the correctness or completeness of any of the contents of this SID;
2. warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange;
3. take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its promoters, its management or any scheme or project of this Mutual Fund.

and should not for any reason be deemed or construed that the Scheme Information Document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquire any units of Motilal Oswal NASDAQ-100 of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.



## **Creation of segregated portfolio:**

### **A. Introduction:**

SEBI vide its circular dated 28 December, 2018 (SEBI/HO/IMD/DF2/CIR/P/2018/160) read with its circular dated 07 November, 2019 (SEBI/HO/IMD/DF2/CIR/P/2019/127), has advised that portfolios by mutual fund schemes investing in debt and money market instruments should have provision in the concerned SID for creating portfolio segregation with a view to,

- 1) Reducing Sharp fall in NAV of Schemes.
- 2) Reducing Redemption pressure & liquidity risk,
- 3) Safeguarding good quality papers & creating confidence in market, and
- 4) Mitigating reputational risk.
- 5) Accordingly, this policy is being laid down to comply with the SEBI instructions

**Segregated Portfolio:** The portfolio comprising of debt and money market instruments, which might be affected by a credit event and shall also include the unrated debt or money market instruments affected by actual default.

**Main Portfolio:** Scheme portfolio excluding segregated portfolio

**Total Portfolio:** Scheme portfolio including the securities affected by credit events

### **B. Need for segregated portfolio:**

While very stringent internal credit evaluation norms are being followed by 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 downgrade 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) 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.

### **C. Credit Events**

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:

- 1) Downgrade of a debt or money market instrument to 'below investment grade', or
- 2) Subsequent downgrades of the said instruments from 'below investment grade', or
- 3) Similar such downgrades of a loan rating.

The most conservative rating shall be considered, if there is difference in rating by multiple CRAs, Creation of segregated portfolio shall be based on issuer level credit events as detailed at "Credit Events" and implemented at the ISIN level.

**Actual default (for unrated debt or money market instruments)**

In case of unrated debt or money market instruments, the actual default of either the interest or principal amount by the issuer.

On occurrence of any default, the AMC shall inform AMFI immediately about the actual default by the issuer. Subsequent to dissemination of information by AMFI about actual default by the issuer, the AMC might segregate the portfolio of debt or money market instruments of the said issuer.

#### **D. Segregate portfolio creation process**

Creation of segregated portfolio shall be optional and at the discretion of the AMC/ Trustees.

- a. The AMC may decide on creation of segregated portfolio on the day of credit event/ actual default (as applicable). Segregated portfolio has to be created at the issuer level i.e. the scheme having multiple segregated portfolios will have multiple segregated portfolios. Once decided, AMC shall –
  - i. Seek Trustee prior approval,
  - ii. Issue a press release immediately mentioning its intention to segregate such debt and money market instrument and its impact to investors. It should also disclose that the segregation shall be subject to trustee approval. Additionally, the said press release to be prominently disclosed on the website of the AMC.
  - iii. The Trustee approval has to be secured in not more than one business day from the credit event/actual default date & meanwhile the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.
- b. On receipt of the Trustee approval –
  - i. the segregated portfolio shall be created effective from credit event/actual default date
  - ii. AMC shall issue press release immediately mentioning all details pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.
  - iii. An e-mail or SMS should be sent to all unit holders of the concerned scheme.
  - iv. The NAV of both segregated and main portfolio shall be disclosed from the day of the credit event/ Actual Default.
  - v. All existing investors in the scheme as on the day of the credit event/actual default date will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
  - vi. No redemption or subscription will be allowed in the segregated portfolio/s. However, AMC shall enable the listing of the units of the segregated portfolio on recognized stock exchange within 10 working days from the date of its creation and shall also enable transfer of units on receipt of transfer request.
- c. If the trustees do not approve the proposal to segregate portfolio, AMC shall issue a press release immediately informing investors of the same.

#### **E. Disclosure Requirements**

Communication to the investors, NAV disclosure and other disclosure including scheme performance requirements for segregated portfolio shall be as per the norms specified in the above SEBI circular.

MOAMC will comply with all communication requirements /disclosure requirements prescribed by SEBI in an event of creation of segregated portfolio. This shall include disclosures of NAV, issue of account statement, press release announcing credit event and creation of segregated portfolio/s, Disclosure of segregated portfolio in (Monthly/Half Yearly) portfolio statement, etc.

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.

If the Trustee rejects the segregated portfolio proposal then AMC to issue press release and inform the decision of the Trustee to investors, post which subscription and redemption applications will be processed based on the NAV of total portfolio.

#### **F. Valuation of security:**

From the date of credit downgrade to non-investment grade, the Security shall be valued based on principal of fair valuation & hair cut prescribed by the AMFI till the time valuation agency(ies) start providing valuation for the security.

The valuation of the instruments/portfolio shall be done based on the quote/price obtained from the independent valuation agency(ies). In cases where quote/price is not available from an independent agency, the Valuation Committee will decide the methodology for valuation of such instruments/portfolio.

All subscription and redemption requests for which NAV of the day of credit event/ Actual Default or subsequent day is applicable will be processed as per the existing circular on applicability of NAV as under:

- i. Upon trustees' approval to create a segregated portfolio –
  - 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.
  - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
- 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.

**G. Total Expense Ratio (TER) for segregated portfolio:**

AMC shall not charge investment and advisory fees on the segregated portfolio.

TER (including legal charges and excluding the investment and advisory fees) shall be charged pro-rata basis only on upon recovery of investment in the segregated portfolio. 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. The maximum TER limit shall be same as applicable to the main portfolio. TER in excess of limit shall be borne by AMC. However, the costs related to segregated portfolio shall in no case be charged to the main portfolio.

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.

**H. Distribution of recovery:**

Any recovery of investment of the segregated portfolio/s (including recovery after write-off) shall be distributed immediately to the investors in proportion to their holdings in the segregated portfolio/s.

**I. Monitoring of segregated portfolio:**

Trustees shall monitor the compliance of the SEBI Circular in respect of creation of segregated portfolio and disclosure in this respect shall be made in Half-Yearly Trustee reports to be filed with SEBI.

**J. Evaluation of negative impact on the performance incentives:**

In order to avoid mis-use of the segregated portfolio, Trustees will put in place a mechanism to evaluate the negative impact of such segregation, on the performance incentives of the 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 MOAMC., including claw back of such amount to the segregated portfolio of the scheme.

The amount forfeited shall be credited to the segregated portfolio of the concern scheme(s) in the ratio of value of the securities downgraded in the respective schemes before the credit event.

**K. Action Taken Report:**

AMC shall put sincere efforts to recover the bad investment. An Action Taken Report should be prepared and placed before the Board of Trustee meeting/s till the matter is finally resolved.

### Illustration of segregated portfolio

The below table shows how a security affected by a credit event will be segregated and its impact on investors:

Portfolio Date September 30, 2022

Downgrade Event Date September 30, 2022

Mr. X is holding 1000 units of the scheme for an amount of Rs 12,323.10 (1,000 \*12.3231)

#### Portfolio before downgrade event

| Security                   | Rating       | Type of the security   | Quantity | Market Price Per Unit (Rs) | Market Value (Rs) | % of Net Assets |
|----------------------------|--------------|--|----------|----------------------------|-------------------|-----------------|
| 8.50% A Ltd.               | CRISIL AAA   | NCD  | 500      | 101.4821                   | 50,741.05         | 41.18%          |
| 9.00 % B Ltd.              | CRISIL AA+   | NCD  | 25       | 120.00                     | 3000.00           | 2.43%           |
| 8.75% C Ltd.               | CRISIL AA+   | NCD  | 25       | 100.7341                   | 2518.35           | 2.04%           |
| 8.00% D Ltd.               | CRISIL AA+   | NCD  | 375      | 102.7886                   | 38,545            | 31.28%          |
| Cash & cash equivalents    |              |  |          |                            | 28,425.52         | 23.07%          |
| Net Assets                 |              |  |          |                            | 1,23,230.63       | 100.00%         |
| Unit capital (no of units) |              |  |          |                            | 10,000.000        |                 |
| NAV (In Rs)                |              |  |          |                            | 12.3231           |                 |
| Security downgraded        | 9.00% B Ltd. | from AA+ to D  |          |                            |                   |                 |
| Valuation Marked down by   | 75.00%       | Valuation agencies shall be providing the valuation price post consideration of standard haircut matrix. |          |                            |                   |                 |

#### Total Portfolio as on September 30, 2022

| Security                   | Rating     | Type of the security | Quantity | Market Price Per Unit (Rs) | Market Value (Rs) | % of Net Assets |
|----------------------------|------------|----------------------|----------|----------------------------|-------------------|-----------------|
| 8.50% A Ltd.               | CRISIL AAA | NCD                  | 500      | 101.4821                   | 50,741.05         | 41.94%          |
| 9.00 % B Ltd.              | CRISIL D   | NCD                  | 25       | 30.00                      | 750               | 0.62%           |
| 8.75% C Ltd.               | CRISIL AA+ | NCD                  | 25       | 100.7341                   | 2518.35           | 2.08%           |
| 8.00% D Ltd.               | CRISIL AA+ | NCD                  | 375      | 102.7886                   | 38,545            | 31.86%          |
| Cash & cash equivalents    |            |                      |          |                            | 28,425.52         | 23.50%          |
| Net Assets                 |            |                      |          |                            | 120,980.63        | 100.00%         |
| Unit capital (no of units) |            |                      |          |                            | 10,000.000        |                 |
| NAV (In Rs)                |            |                      |          |                            | 12.0981           |                 |

**Main Portfolio as on September 30, 2022**

| Security                   | Rating     | Type of the security | Quantity | Market Price Per Unit (Rs) | Market Value (Rs) | % of Net Assets |
|----------------------------|------------|----------------------|----------|----------------------------|-------------------|-----------------|
| 8.50% A Ltd.               | CRISIL AAA | NCD                  | 500      | 101.4821                   | 50,741.05         | 42.20%          |
| 8.75% C Ltd.               | CRISIL AA+ | NCD                  | 25       | 100.7341                   | 2518.35           | 2.09%           |
| 8.00% D Ltd.               | CRISIL AA+ | NCD                  | 375      | 102.7886                   | 38,545            | 32.06%          |
| Cash & cash equivalents    |            |                      |          |                            | 28,425.52         | 23.64%          |
| Net Assets                 |            |                      |          |                            | 120,230.63        | 100.00%         |
| Unit capital (no of units) |            |                      |          |                            | 10,000.000        |                 |
| NAV (In Rs)                |            |                      |          |                            | 12.0231           |                 |

**Segregated Portfolio as on September 30, 2022**

| Security                   | Rating   | Type of the security | Quantity | Market Price Per Unit (Rs) | Market Value (Rs) | % of Net Assets |
|----------------------------|----------|----------------------|----------|----------------------------|-------------------|-----------------|
| 9.00 % B Ltd.              | CRISIL D | NCD                  | 25       | 30.00                      | 750               | 100%            |
| Net Assets                 |          |                      |          |                            | 750               | 100.00%         |
| Unit capital (no of units) |          |                      |          |                            | 10,000.000        |                 |
| NAV (In Rs)                |          |                      |          |                            | 0.075             |                 |

Net impact on value of holding of Mr. X after creation of segregation portfolio

|                     | Main Portfolio | Segregated Portfolio | Total Value |
|---------------------|----------------|----------------------|-------------|
| No. of Units        | 1,000          | 1000                 |             |
| NAV (in Rs)         | 12.0231        | 0.075                |             |
| Total Value (in Rs) | 12,023.10      | 75                   | 12,098.10   |

**Listing of Mutual Fund schemes that are in the process of winding up**

The Scheme shall comply with the SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/086 dated May 20, 2020 in the vent of Winding-up in terms of Regulation 39(2)(a) of MF Regulations.

The AMC, its sponsor, employees of AMC and Trustee shall not be permitted to transact (buy or sell) in the units of such schemes that are under the process of being wound up. The compliance of the same will be monitored both by the Board of AMC and Trustee.

## D. DEFINITIONS

In this SID, the following words and expressions shall have the meaning specified below, unless the context otherwise requires:

|   |  |
|---|--|
| <b>Applicable NAV</b>   | Unless stated otherwise in this document, 'Applicable NAV' is the Net Asset Value at the close of a Business / Working Day on which the purchase or redemption is sought by an investor and determined by the Fund.  |
| <b>Applicable NAV for redemptions and switch-outs</b>                 | In respect of valid applications received upto 3.00 pm on a business day by the Mutual Fund, same day's closing NAV shall be applicable.<br>In respect of valid applications received after the cut off time by the Mutual Fund: the closing NAV of the next business day.<br>However, the requirement of cut-off timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by Market Makers and other eligible investors.   |
| <b>AMFI Certified Stock Exchange Brokers</b>                          | A person who is registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisor and who has signed up with Motilal Oswal Asset Management Company Limited and also registered with BSE & NSE as a Participant.  |
| <b>Asset Management Company or AMC or Investment Manager or MOAMC</b> | MOAMC, a Company incorporated under the provisions of the Companies Act, 1956, and approved by SEBI to act as the Asset Management Company for the Schemes of Motilal Oswal Mutual Fund.   |
| <b>Authorized Participant / Market Makers</b>                         | Member of the Stock Exchanges having trading terminals on which the units of the Scheme are listed and who are appointed by the AMC to give two way quotes on the stock exchanges and who deal in creation unit size for the purpose of purchase and sale of units directly from the Mutual Fund.  |
| <b>Business Day / Working Day</b>                                     | Any day other than:<br>(a) Saturday and Sunday<br>(b) a day on which capital/debt markets in Mumbai are closed or are unable to trade for any reason<br>(c) a day on which the Banks in Mumbai are closed or RBI is closed<br>(d) a day on which both the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. are closed<br>(e) a day which is public/Bank holiday at a collection centre/ investor service centre/official point of acceptance where the application is received<br>(f) a day on which sale and repurchase of units is suspended by the Trustee/AMC<br>(g) a day on which normal business could not be transacted due to storms, floods, bandhs, strikes or such other event as the AMC may specify from time to time.<br><br>However, the AMC reserves the right to declare any day as the Business / Working Day or otherwise at any or all collection centres / investor service centre / official point of acceptance. |
| <b>Creation Unit</b>  | It is the fixed number of units of the Scheme, which is exchanged for a basket of securities (constituent of the Index) called the "Portfolio Deposit" and a "Cash Component".<br>For redemption of units it is vice versa, i.e. a fixed number of units of the Scheme and cash component are exchanged for Portfolio Deposit.   |
| <b>Custodian</b>  | A person who has been granted a certificate of registration to carry on the business of custodian of securities by SEBI under the SEBI (Custodian of Securities) Regulations, 1996 which for the time being is Deutsche Bank AG.   |

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| <b>Cut-off time</b>                          | A time prescribed in the SID upto which an Investor can submit a Purchase request / Redemption request for that Working Day.  |
| <b>Debt Instruments</b>                      | Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass through certificates, asset backed securities / securitised debt and other possible similar securities.  |
| <b>Depository</b>                            | A body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL).   |
| <b>Depository Participant</b>                | A person registered as a participant under Sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.  |
| <b>Entry Load</b>                            | Load on repurchase/Switch-in of Units.  |
| <b>Equity Related Instruments</b>            | Equity Related Instruments includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.   |
| <b>Exit Load</b>                             | Load on sale / redemption of units.   |
| <b>Exchange</b>                              | Recognized Stock Exchange(s) where the units of the Scheme are listed.  |
| <b>Exchange Traded Fund / ETF</b>            | A fund whose units are listed on an exchange and can be bought/ sold at prices quoted on the exchange or directly with the Fund in creation unit size.  |
| <b>Government Securities (G- Sec)</b>        | Securities created and issued by the Central and / or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.   |
| <b>Indicative Net Asset Value / iNAV</b>     | It is the per unit NAV based on the current market value of its portfolio during the trading hours of the ETF.  |
| <b>Foreign Portfolio Investor or FPI</b>     | <p>FPI means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014.</p> <p>Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.</p> |
| <b>Investment Management Agreement / IMA</b> | Investment Management Agreement dated May 21, 2009, as amended from time to time, entered into between Motilal Oswal Trustee Company Ltd. and MOAMC.  |
| <b>Intra-Day NAV</b>                         | <p>Intra-day NAV means the NAV applicable for subscription/redemption transaction by Authorised Participants/ Market Makers / other eligible investors based on the executed market price of securities representing the underlying index or underlying commodity (ies) purchased / sold and shall include the Cash Component as declared by the AMC at the beginning of the day.</p> <p>Additionally, transaction handling charges, if any, will have to be borne by Authorized Participants/ Market Makers, Large Investors and Regulated Entities.</p>   |
| <b>Large Investor</b>                        | For the purpose of subscription and redemption of units of the Scheme directly with the Fund, Investors who deal in creation unit size other than Authorised Participant.   |
| <b>Load</b>                                  | <p>In case of subscription, the amount paid by the prospective investors on purchase of a unit (Entry Load) in addition to the Applicable NAV and in case of redemption, the amount deducted from the Applicable NAV on the redemption of unit (Exit Load).</p> <p>Presently, entry load cannot be charged by Mutual Fund scheme.</p>   |

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| <b>Money market instruments</b>          | Includes Commercial papers, Commercial bills, Treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, Bills Rediscounting, Repos, Triparty Repo, usance bills, and any other like instruments as specified by the Reserve Bank of India (RBI)/ Securities and Exchange Board of India (SEBI) from time to time.   |
| <b>Mutual Fund</b>                       | Motilal Oswal Mutual Fund (MOMF), a trust set up under the provisions of Indian Trust Act, 1882 and registered with SEBI vide Registration no. MF/063/09/04.   |
| <b>NRI or Non Resident Indian</b>        | A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term under the Foreign Exchange Management (Investment in Firm or Proprietary Concern in India) Regulations, 2000.  |
| <b>NASDAQ-100 Total Return Index</b>     | NASDAQ-100 Total Return Index means an Index owned and operated by NASDAQ OMX.   |
| <b>Net Asset Value / NAV</b>             | Net Asset Value per unit of the Scheme calculated in the manner described in this SID or as may be prescribed by the SEBI Regulations from time to time.   |
| <b>Other eligible investors</b>          | Investors, facilitating any order placed for redemption or subscription, directly with the AMC, above a specified threshold. i.e. INR 25 Cr  |
| <b>Person of Indian Origin</b>           | A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).   |
| <b>Principal Stock exchange</b>          | Principal stock exchange means any recognized stock exchange determined from time to time for the listing of the units of mutual fund schemes  |
| <b>Qualified Foreign Investor (QFI)</b>  | Qualified Foreign Investor means a person who has opened a dematerialized account with a qualified depository participant as a qualified foreign investor.<br><br>Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995. |
| <b>Risk-o-Meter</b>                      | Risk-o-meter forms part of the Product labelling and depicts Risk level of the scheme. The risk-o-meter of the scheme shall be in accordance with SEBI circular October 5, 2020 and the same shall be evaluated and updated on a monthly basis.  |
| <b>Reserve Bank of India or RBI</b>      | The Reserve Bank of India established under The Reserve Bank of India Act, 1934.   |
| <b>Redemption/Repurchase</b>             | Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase/ resale loads as applicable (within limits) as specified under SEBI Regulations 1996, While determining the price of the units, the fund will ensure that the repurchase price is not lower than 95% of the NAV.   |
| <b>Registrar and Transfer Agent</b>      | Kfin Technologies Limited, is currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time..   |
| <b>Sale / Subscription</b>               | Sale or allotment of units to the Unitholder upon subscription by the investor/applicant under the Scheme.   |
| <b>Scheme</b>                            | Motilal Oswal Nasdaq100 ETF.   |
| <b>Scheme Information Document / SID</b> | This document issued by Motilal Oswal Mutual Fund for offering units of the Scheme.  |
| <b>SEBI</b>                              | Securities and Exchange Board of India, established under Securities and Exchange Board of India Act, 1992 as amended from time to time.   |
| <b>SEBI Regulations</b>                  | SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.  |



|  |   |
|--|---|
| <b>Sponsor</b>                                   | Motilal Oswal Financial Services Limited (MOFSL).   |
| <b>Statement of Additional Information / SAI</b> | The document issued by Motilal Oswal Mutual Fund containing details of Motilal Oswal Mutual Fund, its constitution and certain tax, legal and general information. SAI is legally a part of the SID.  |
| <b>TREPS</b>                                     | TREPS is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.                        |
| <b>Tracking Error</b>                            | Tracking error is defined as the annualized standard deviation of the difference between the daily returns of the Underlying Index and the NAV of the Scheme based on past one year rolling data.   |
| <b>Tracking Difference</b>                       | Tracking difference refers to annualized difference of daily returns between the index and the NAV of the ETF.  |
| <b>Trustee</b>                                   | Motilal Oswal Trustee Company Ltd. (MOTC), a Company incorporated under the Companies Act, 1956 and approved by SEBI to act as Trustee of the Schemes of Motilal Oswal Mutual Fund.   |
| <b>Trust Deed</b>                                | The Deed of Trust dated May 29, 2009 made by and between the Sponsor and the Trustee Company establishing the Mutual Fund, as amended by Deed of First Variation dated December 7, 2009, Deed of Second Variation dated December 17, 2009 , Deed of Third Variation dated August 21, 2018 and Deed of Fourth Variation dated August 18, 2022. |
| <b>Unit</b>                                      | The interest of Unitholder which consists of each unit representing one undivided share in the assets of the Scheme.  |
| <b>Unitholder / Investor</b>                     | A person holding unit(s) in the Scheme of MOMF offered under this SID.  |

### **Interpretation:**

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

- all references to the masculine shall include feminine and all reference to the singular shall include plural and vice-versa.
- all references to Unit holders whether masculine or feminine include references to non-individuals unless repugnant to the context thereof.
- all references to “dollars” or “\$” refer to the Unites States Dollars and “Rs” refer to the Indian Rupees. A “crore” means “ten million” and a “lakh” means a hundred thousand.
- all references to timings relate to Indian Standard Time (IST).
- Headings are for ease of reference only and shall not affect the construction or interpretation of this Document.

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

It is confirmed that:

- i. The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- ii. all legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- iii. the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the this Scheme.
- iv. the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- v. the contents of the Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct.

**For Motilal Oswal Asset Management Company Limited  
(Investment Manager for Motilal Oswal Mutual Fund)**

**Sd/-**

**Aparna Karmase**  
**Head – Compliance, Legal & Secretarial**

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

## II. INFORMATION ABOUT THE SCHEME

### A. TYPE OF THE SCHEME

An open ended scheme replicating/tracking NASDAQ-100 Total Return Index.

### B. INVESTMENT OBJECTIVE

The Scheme seeks investment return that corresponds (before fees and expenses) generally to the performance of the NASDAQ-100 Total Return Index subject to tracking error.

However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

### C. ASSET ALLOCATION

Under normal circumstances, the asset allocation pattern of the Scheme is as follows:

| Instruments   | Indicative allocations<br>(% of total assets) |         | Risk Profile    |
|---|---|---------|-----------------|
|   | Minimum                                       | Maximum | High/Medium/Low |
| Securities constituting NASDAQ-100 Total Return Index   | 95  | 100     | Medium to High  |
| Overseas Debt and Money market instruments, and cash at call, mutual fund schemes or exchange traded funds based on NASDAQ-100 Total Return Index | 0   | 5       | Low to Medium   |

The Scheme may take an exposure to derivatives of the Underlying Index or constituents of the Underlying Index for short duration when the securities of the Underlying Index are unavailable, insufficient or for rebalancing at the time of change in Underlying Index or in case of corporate actions. The total exposure to derivatives would be restricted to 10% of the net assets of the Scheme. The aggregate asset allocation including exposure to derivatives will not exceed 100% of net assets of the Scheme. The margin paid for derivative instruments will form part of Debt and Money market Instruments. All overseas investments mentioned above would comply with the provisions of SEBI Circular dated September 26, 2007 and such circulars issued from time to time.

The cumulative gross exposure through equity, debt, derivative positions, other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time will not exceed 100% of the net assets of the scheme, subject to approval if any.

#### Change in Asset Allocation

Subject to the Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. In the event that the asset allocation of the Scheme should deviate from the ranges as noted in the asset allocation table above, then the portfolio of the Scheme will be rebalanced by the Fund Manager to the position indicated in the asset allocation table above. Such changes in the asset allocation will be for short term and defensive considerations. In case of deviation, if any, from the asset allocation pattern, the AMC shall rebalance the portfolio within a period of 7 calendar days. Where the portfolio is not rebalanced within 7 calendar days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.

Further, in case of change in constituents of the index due to periodic review, the portfolio of ETF shall be rebalanced within 7 calendar days. Any transactions undertaken in the scheme portfolio of ETF in order to meet the redemption and subscription obligations shall be done while ensuring that post such transactions replication of the portfolio with the index is maintained at all points of time.

#### **D. INVESTMENT BY THE SCHEME**

##### **Investment in Equity and equity related Instruments**

The Scheme will invest in the securities which are constituents of NASDAQ-100 Total Return Index. The securities are traded on The NASDAQ Stock Market. As per SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 and SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 and SEBI/HO/IMD/IMD-II/DOF3/P/CIR/2021/571 dated June 03, 2021, the limits for overseas investment is subject to a maximum of USD 1 billion per mutual fund. As and when this limit is revised or modified, the Fund shall adopt such new limits. The investment restrictions and the limits as per SEBI (Mutual Funds) Regulations, 1996 are mentioned under the section 'Investment Restrictions'. The investment in NASDAQ-100 constituents would be in USD equivalent to the amount received in INR by the Scheme.

##### **Investment in Debt and Money market instruments**

The Scheme may also invest in overseas debt and money market instruments. As per SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 and SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 and SEBI/HO/IMD/IMD-II/DOF3/P/CIR/2021/571 dated June 03, 2021, the limits for overseas investment is subject to a maximum of USD 1 billion per mutual fund. As and when this limit is revised or modified, the Fund shall adopt such new limits. The investment restrictions and the limits are specified in the Schedule VII of SEBI (Mutual Funds) Regulations, 1996 which are mentioned in the section 'Investment Restrictions'.

##### **Investment in units of overseas mutual fund schemes**

The Scheme may invest in units of mutual fund schemes including Exchange Traded Funds which are based on NASDAQ-100 Index and shall comply with the provisions of SEBI circular dated September 26, 2007 and such circulars issued from time to time. As per SEBI Circular no. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, and SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 the limits for overseas investment is subject to a maximum of USD 600 million per mutual fund and the limits for investments in overseas Exchange Traded Funds that invest in securities is subject to a maximum of USD 200 million per mutual fund, within the overall industry limit of US \$ 1 billion. As and when this limit is revised or modified, the Fund shall adopt such new limits.

As mentioned under SEBI Regulations, the restriction on the investments in mutual fund units upto 5% of net assets and prohibiting charging of fees on the same, shall not be applicable to investments in mutual funds units in foreign countries. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual funds, the same principle shall be applicable for that part of investment.

##### **Investment in Derivatives Instrument**

The Scheme may take an exposure to derivatives of the Underlying Index or constituents of the Underlying Index for short duration when the securities of the Underlying Index are unavailable, insufficient or for rebalancing at the time of change in Underlying Index or in case of corporate actions. The total exposure to derivatives would be restricted to 10% of the net assets of the Scheme. The aggregate asset allocation including exposure to derivatives will not exceed 100% of net assets of the Scheme.

The Scheme may use derivative instruments such as index futures and options, stock futures and options contracts, warrants, convertible securities, swap 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.

#### **Limit for investment in derivatives instruments**

Derivatives shall mean derivatives instruments as permitted by SEBI, including derivative exposure in accordance with SEBI circulars nos. DNPd/Cir-29/2005 dated September 14, 2005, DNPd/Cir-30/2006 dated January 20, 2006 and SEBI/DNPd/Cir-31/2006 dated September 22, 2006, and SEBI Circular No. SEBI/HO/MRD/DP/CIR/P/2016/143 dated December 27, 2016, Circular no. SEBI/HO/IMD/DF2/CIR/P/2017/13 dated February 20, 2017, Circular no. SEBI/HO/IMD/DF2/CIR/P/2017/109 dated September 27, 2017, Circular no. SEBI/HO/IMD/DF2/CIR/P/2019/17 dated January 16, 2019 and such other amendments issued by SEBI from time to time, the following conditions shall apply to the Scheme's participation in the derivatives market. 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.

#### **i. Position limit for the Mutual Fund in index options contracts**

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

#### **ii. Position limit for the Mutual Fund in index futures contracts**

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

#### **iii. Additional position limit for hedging for the Mutual Fund:**

In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

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

#### **iv. Position limit for the Mutual Fund for stock based derivative contracts:**

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

- The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).
- v. Position limit for the Scheme:**
1. 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).
  2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.
  3. 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.

As and when SEBI amends the limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

### Definition of Exposure in case of Derivative Positions

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:

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

### Concepts and Examples:

#### Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Currently futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

#### Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 9,600, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 9,610 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 9,500 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The Carrying cost,
- The interest available on surplus funds, and
- The transaction cost

**Example of a typical future trade and the associated costs:**

| Particulars   | Index Future | Actual Purchase of Stocks |
|---|--------------|---------------------------|
| Index at the beginning of the month   | 9,600        | 9,600                     |
| Price of 1 Month Future   | 9,620        | -                         |
| A. Execution Cost: Carry and other index future costs   | 20           | -                         |
| B. Brokerage Costs (0.05% of Index Future and 0.12% for spot stocks)                                    | 4.81         | 11.52                     |
| C. Gains on Surplus Funds: (Assumed 6.00% p.a. return on 85% of the money left after paying 15% margin) | 40.325       | 0                         |
| (6.00%*9600*85%*30days/365)   |              |                           |
| Total Cost (A+B-C)  | -15.51       | 11.52                     |

**Few strategies that employ stock /index futures and their objectives:****Buying/ Selling Stock future:**

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at Rs. 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis-a- vis a fall in stock price of Rs. 8.

**Risk associated with these strategies:**

1. Lack of opportunities
2. Inability of derivatives to correlate perfectly with underlying security and
3. Execution Risk, whereby ultimate execution takes place at a different rates than those devised by the strategy.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties 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.

**Option Contracts (Stock and Index)**

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price.

Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options

**Options Risk / Return Pay – off Table**

| Stock / Index Options |                           | Buy Call   | Sell Call | Buy Put    | Sell Put |
|-----------------------|---------------------------|------------|-----------|------------|----------|
| 1.                    | <b>View on Underlying</b> | Positive   | Negative  | Negative   | Positive |
| 2.                    | <b>Premium</b>            | Pay        | Receive   | Pay        | Receive  |
| 3.                    | <b>Risk Potential</b>     | Limited to | Receive   | Limited to | Receive  |

|    |                         |              |                  |              |                  |
|----|-------------------------|--------------|------------------|--------------|------------------|
|    |                         | premium paid |                  | premium paid |                  |
| 4. | <b>Return Potential</b> | Unlimited    | Premium Received | Unlimited    | Premium Received |

Note: The above table is for the purpose of explaining concept of options contract. As per the current Regulations, the Scheme(s) cannot write option or purchase instrument with embedded write option.

### **Option contracts are of two types - Call and Put**

#### **Call Option:**

A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

#### **Put Option:**

A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

### **Index Options / Stock Options**

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk is also different when index /stock futures are bought/sold vis-a-vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

In terms of provision of SEBI circular dated August 18, 2010, the Scheme shall not write options or purchase instruments with embedded written options.

The illustration below explains how one can gain using Index call / put option. These same principals of profit / loss in an Index option apply in Toto to that for a stock option.

#### **Call Option**

Suppose an investor buys a Call option on 1 lot of Nifty 50 (Lot Size: 75 units)

- Nifty index (European option)
- Nifty 1 Lot Size: 75 units
- Spot Price (S): 9600
- Strike Price (x): 9700 (Out-of-Money Call Option)
- Premium: 37

Total Amount paid by the investor as premium  $[75 \times 37] = 2775$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

#### **Case 1- The index goes up**

##### **• An investor sells the Nifty Option described above before expiry:**

Suppose the Nifty index moves up to 9900 in the spot market and the premium has moved to Rs 250 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 9600



- Current Premium: Rs.250
- Premium paid: Rs.37
- Net Gain:  $\text{Rs.250} - \text{Rs.37} = \text{Rs.213}$  per unit
- Total gain on 1 lot of Nifty (75 units) =  $\text{Rs.15,975}$  ( $75 \times 213$ )

In this case the premium of Rs.250 has an intrinsic value of Rs. 200 per unit and the remaining Rs. 50 is the time value of the option.

- **An investor exercises the Nifty Option at expiry**

Suppose the Nifty index moves up to 9800 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in the money.

His gains are as follows:

- Nifty Spot: 9800
- Premium paid: Rs.37
- Exercise Price: 9700
- Receivable on exercise:  $9800 - 9700 = 100$
- Total Gain:  $\text{Rs. 4725}$   $\{(100 - 37) \times 75\}$

In this case the realised gain is only the intrinsic value, which is Rs.100, and there is no time value.

## **Case 2 - The Nifty index moves to any level below 9700**

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.2775 (Loss is capped to the extent of Premium Paid) ( $\text{Rs } 37 \text{ Premium paid} \times \text{Lot Size: } 75 \text{ units}$ ).

## **Put Option**

Suppose an investor buys a Put option on 1 lot of Nifty 50.

- Nifty 1 Lot Size: 75 units
- Spot Price (S): 9600
- Strike Price (x): 9500 (Out-of-Money Put Option)
- Premium: 40
- Total Amount paid by the investor as premium  $[75 \times 40] = 3000$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

## **Case 1 - The index goes down**

- **An investor sells the Nifty Option before expiry:**

Suppose the Nifty index moves down to 9400 in the spot market and the premium has moved to Rs. 140 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is in the money. His gains are as follows:

- Nifty Spot: 9400
- Premium paid: Rs.40
- Net Gain:  $\text{Rs.140} - \text{Rs.40} = \text{Rs.100}$  per unit
- Total gain on 1 lot of Nifty (75 units) =  $\text{Rs.7500}$  ( $100 \times 75$ )

In this case the premium of Rs.140 has an intrinsic value of Rs. 100 per unit and the remaining Rs.40 is the time value of the option.

- **An investor exercises the Nifty Option at expiry (It is an European Option)**

Suppose the Nifty index moves down to 9400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is in the money.

His gains are as follows:

- Nifty Spot: 9400
- Premium paid: Rs.40
- Exercise Price: 9500
- Gain on exercise:  $9500 - 9400 = 100$
- Total Gain: Rs.4500  $\{(100 - 40) * 75\}$

In this case the realised amount is only the intrinsic value, which is Rs.100, and there is no time value in this case.

**Case 2 - If the Nifty index stays over the strike price which is 9500, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.**

- Nifty Spot: >9600
- Net Loss Rs.3000 (Loss is capped to the extent of Premium Paid) (Rs. 40 Premium paid \* Lot Size: 75 units)

#### **Risk Associated with these Strategies**

- The risk of mis-pricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

#### **Listing of Mutual Fund schemes that are in the process of winding up**

The Scheme shall comply with the SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/086 dated May 20, 2020 in the vent of Winding-up in terms of Regulation 39(2)(a) of MF Regulations.

The AMC, its sponsor, employees of AMC and Trustee shall not be permitted to transact (buy or sell) in the units of such schemes that are under the process of being wound up. The compliance of the same will be monitored both by the Board of AMC and Trustee.

### **E. INVESTMENT STRATEGY**

The Scheme employs an investment approach designed to track the performance of NASDAQ-100 Total Return Index. The Scheme seeks to achieve this goal by investing in securities constituting NASDAQ-100 Total Return Index in same proportion as in the index. The Scheme will invest at least 95% of its total assets in the securities comprising the Underlying Index. The Scheme may also invest in overseas debt and money market instruments to meet the liquidity and expense requirements. The Scheme may also take exposure in derivative instruments in order to minimize the tracking error.

#### **Risk Control**

Risk is an inherent part of the investment function. Effective Risk management is critical to fund management for achieving financial soundness. Investment by the Scheme would be made as per the investment objective of the Scheme and in accordance with SEBI Regulations. AMC has adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep in line with the investment objective of the Scheme. The risk control process would include identifying the risk and taking proper measures for the same. Further, AMC has implemented Bloomberg Portfolio Order Management System as the Front Office System for managing risk. The system has incorporated all the investment restrictions as per the SEBI guidelines and enables identifying and measuring the risk through various risk management tools like various portfolio analytics, risk ratios, average duration and analyses the same and acts in a preventive manner. The AMC will appoint at least two Authorised Participants who would endeavour to provide liquidity of the units of the Scheme on the exchange at all times.

**Portfolio Turnover**

Portfolio Turnover is defined as the lower of sales or purchase divided by the average corpus during a specified period of time. Generally, Portfolio Turnover would depend upon the rebalancing of the portfolio due to change in composition of the Index or due to corporate actions of the securities constituting the Index.

**Tracking Error**

Tracking error is defined as the annualized standard deviation of the difference between the daily returns of the Underlying Index and the NAV of the Scheme based on past one year rolling data shall not exceed 2%. Theoretically, the corpus of the Scheme has to be fully invested in the securities comprising the Underlying Index in the same proportion of weightage as the securities have in the Underlying Index. However, it is not possible to invest as per the objective due to reason that the Scheme has to incur expenses, corporate actions pertaining to the Basket including changes to the constituents, regulatory policies, ability of the Fund Manager to closely replicate the Underlying Index, etc. The Scheme's returns may therefore deviate from those of its Underlying Basket. Tracking Error may arise due to the following reasons:-

1. Fees and expenses of the Scheme.
2. Cash balance held by the Scheme due to subscriptions, redemption, etc.
3. Corporate actions
4. The Scheme has to invest in the securities in whole numbers and has to round off the quantity of securities shares.
5. Changes in the constituents of the underlying Basket. Whenever there are any changes, the Scheme has to reallocate its investment as per the revised Basket but market conditions may not offer an opportunity to rebalance its portfolio to match the Basket and such delay may affect the NAV of the Scheme.
6. Lack of Liquidity

The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal market circumstances, such tracking error shall not exceed by 2%.

In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMC, the tracking error may exceed 2% and the same will be intimated to the Trustees with corrective actions taken by the AMC, if any.

**Tracking Difference:**

Tracking difference i.e. the annualized difference of daily returns between the index or goods and the NAV of the ETF will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

**Investment by AMC/Sponsor in the Scheme**

In accordance with Regulation 28(4) of SEBI (Mutual Funds) (Amendment) Regulations, 2014 the Sponsor or AMC has invested a portion of its assets into the Scheme as seed capital to the extent mandated and such seed capital will not be redeemed or withdrawn by the AMC until the winding up of the Scheme.

In addition to investments as mandated under Regulation 28(4) of the Regulations as mentioned above, the AMC may invest in the Scheme during the continuous offer period subject to the SEBI (MF) Regulations. The AMC shall not charge investment management fees on investment by the AMC in the Scheme.

**Securities Lending**

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

The Scheme may lend securities from its portfolio in accordance with the Regulations and the applicable SEBI guidelines. Securities' lending shall enable the Scheme to earn income that may partially offset its expenses and

thereby reduce the effect these expenses have on the Scheme's ability to provide investment returns that correspond generally to the performance of its Index. The Scheme will pay reasonable administrative and custodial fees in connection with the lending of securities. The Scheme will be exposed to the risk of loss should a borrower default on its obligation to return the borrowed securities. The Scheme share of income from the lending collateral will be included in the Scheme's gross income. The Fund will comply with the conditions for securities lending specified by SEBI Regulations and circulars issued from time to time.

The maximum exposure of each Scheme to a single intermediary in the stock lending programme at any point of time would be limited to 50% of the market value of its equity portfolio or upto such limits as may be specified by SEBI. Each Scheme will not lend more than 75% of its corpus.

There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Underlying Index.

## **F. FUNDAMENTAL ATTRIBUTES**

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

(i) Type of a Scheme: An open ended scheme replicating/tracking NASDAQ-100 Index

(ii) Investment Objective:

- Investment Objective: Please refer to section 'Investment Objective'.
- Investment pattern: Please refer to section 'Asset Allocation'.

(iii) Terms of Issue: Provisions with respect to listing, repurchase, redemption, fees and expenses are mentioned in the SID.

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

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.
- In addition to the conditions specified above for bringing change in the fundamental attributes of any scheme, trustees shall take comments of the Board before bringing such change(s).

## **G. BENCHMARK INDEX**

The performance of the Scheme will be benchmarked to NASDAQ-100 TRI. As the Scheme is an Index Scheme and would primarily invest in securities which are constituents of NASDAQ-100 Total Return Index, the said index is an appropriate benchmark for the Scheme.

Total Return variant of the index (TRI) will be used for performance comparison.

## H. FUND MANAGER

| Name and Designation of the fund manager                          | Age and Qualification   | Other schemes managed by the fund manager and tenure of managing the schemes  | Experience  |
|---|---|---|---|
| <b>Mr. Ankush Sood</b><br>Fund Manager – (For Foreign Securities) | <b>Age:</b> 26 Years<br><b>Qualification:</b> B.Tech in Electronics & Telecommunications<br>MBA (Tech). | <b>Fund Manager -</b><br>Motilal Oswal S&P 500 Fund, Motilal Oswal Nasdaq 100 ETF, Motilal Oswal Flexi Cap Fund and Motilal Oswal Multi Asset Fund and Motilal Oswal Nasdaq Q50 ETF | Mr. Ankush Sood has extensive experience in Institutional Sales Trading Function. Prior to joining Motilal Oswal AMC he has been associated with Motilal Oswal Financial Services Limited wherein he was primarily responsible for Servicing Domestic & Foreign Institutional Clients Mr. Ankush Sood has a rich experience in Sales Trading. |

## I. INVESTMENT RESTRICTIONS

The following are the investment restrictions as contained in the Seventh Schedule and amendments thereof to SEBI (MF) Regulations which are applicable to the Scheme at the time of making investments:

1. 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 a Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the SEBI:

Provided further that a Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the SEBI:

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.

2. The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.
3. The Mutual Fund under all its schemes shall not own more than 10% of any company's paid up capital carrying voting rights.
4. Transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if,
  - (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.  
[Explanation - "Spot basis" shall have same meaning as specified by stock exchange for spot transactions;]
  - (b) the securities so transferred shall be in conformity with investment objective of the scheme to which such transfer has been made and the Policy on Inter Scheme Transfer prepared in compliance with SEBI circular having ref. no. SEBI/HO/IMD/DF4/CIR/P/2020/202 dated October 01, 2019 as amended from time to time.

5. The Scheme may invest in another scheme under the same asset management company or any other Mutual Fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the Mutual Fund. Provided that this clause shall not apply to any fund of funds scheme.
6. Pending deployment of funds of a Scheme in terms of investment objectives of the Scheme, the Mutual Fund may invest the funds of the scheme in short-term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI and as may be amended from time to time.

Pursuant to the SEBI Circular No. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007 read with SEBI Circular No. SEBI/HO/IMD/DF4/CIR/P/2019/093 dated August 16, 2019, where the cash in the scheme is parked in short term deposits of Scheduled Commercial Banks pending deployment, the scheme shall abide by the following guidelines:

- (a) "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
  - (b) The Scheme shall not park more than 15% of net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustees.
  - (c) Parking of funds 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.
  - (d) The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
  - (e) The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme. Trustees/AMCs shall also ensure that the bank in which a scheme has STD do not invest in the said scheme until the scheme has STD with such bank.
  - (f) The AMC will not charge any investment management and advisory fees for funds under a Plan parked in short term deposits of scheduled commercial banks.
  - (g) The above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.
7. A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time:

Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as may be specified by the Board.

Provided further that the norms for investments by mutual fund schemes in unrated debt instruments shall be specified by the Board from time to time.

8. The Scheme shall not make any investment in :
  - (a) any unlisted security of an associate or group company of the sponsor; or
  - (b) any security issued by way of private placement by an associate or group company of the sponsor; or
  - (c) the listed securities of group companies of the sponsor which is in excess of 25 % of the net assets.
9. The Scheme shall not make any investment in any fund of funds scheme.
10. The Scheme shall not invest more than 10 % 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 index fund or sector or industry specific scheme.

11. The Mutual Fund may borrow to meet liquidity needs, for the purpose of repurchase, redemption of units and such borrowings shall not exceed 20% of the net asset of the Scheme and duration of the borrowing shall not exceed 6 months. The Mutual Fund may borrow from permissible entities at prevailing market rates and may offer the assets of the Mutual Fund as collateral for such borrowing.
12. No sponsor of a mutual fund, its associate or group company including the asset management company of the fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, have -
  - a. 10% or more of the share-holding or voting rights in the asset management company or the trustee company of any other mutual fund; or
  - b. representation on the board of the asset management company or the trustee company of any other mutual fund.
13. The Scheme will comply with any other Regulations applicable to the investments of Mutual Funds from time to time.

All investment restrictions shall be applicable at the time of making investments. The AMC/ Trustees from time to time may alter these investment restrictions in conformity with the SEBI Regulations, so as to permit the Scheme to make its investments in the full spectrum of permitted investments to achieve its investment objective.

### **Investments Limitations and Restrictions in Foreign Securities**

Pursuant to the Reserve Bank of India guidelines, SEBI Regulations and Circulars, the following are the investment and other limitations as presently applicable to the Scheme. All the overseas investments by the Scheme and the Fund, however, will always be within the investment restrictions as specified under SEBI (Mutual Funds) Regulations, 1996, and as amended from time to time.

1. The aggregate ceiling for overseas investment is US \$7 billion.
2. Within the overall limit of US \$ 7 billion, mutual funds can make overseas investments subject to a maximum of US \$ 1 billion per mutual fund.

The permissible investments in which the Scheme can invest in:

- i. ADRs/ GDRs issued by Indian or foreign companies
  - ii. Equity of overseas companies listed on recognized stock exchanges overseas
  - iii. Initial and follow on public offerings for listing at recognized stock exchanges overseas
  - iv. Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
  - v. Money market instruments rated not below investment grade
  - vi. Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
  - vii. Government securities where the countries are rated not below investment grade
  - viii. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
  - ix. Short term deposits with banks overseas where the issuer is rated not below investment grade
  - x. Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).
3. The overall ceiling for investment in overseas ETFs that invest in securities is US \$1 billion subject to a maximum of US \$ 300 million per Mutual Fund.

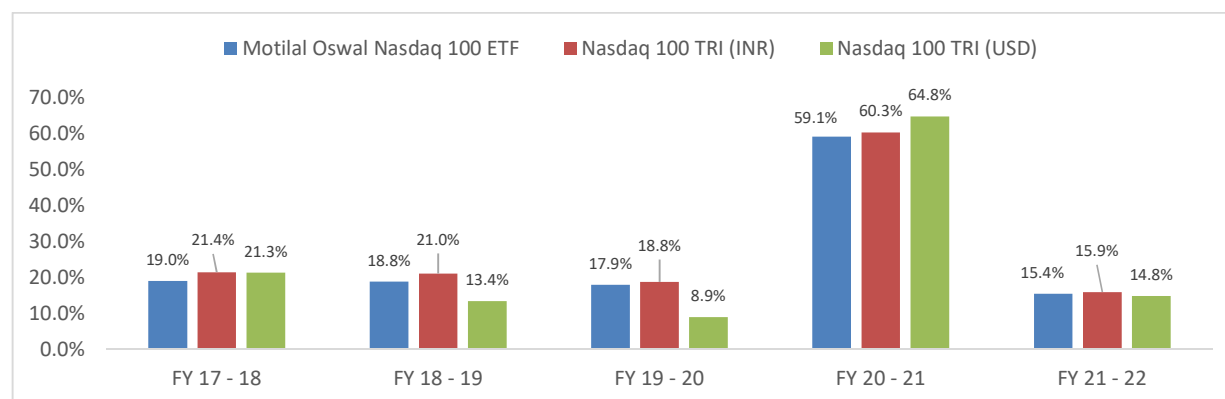
The restriction on the investments in mutual fund units upto 5% of net assets and prohibiting charging of fees on the same, shall not be applicable to investments in mutual funds units in foreign countries as per SEBI Regulations. However, the management fees and other expenses charged by the Fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the Scheme is investing only a part of the net assets in the foreign mutual funds, the same principle shall be applicable for that part of investment.

## J. SCHEME PERFORMANCE

Performance of the Scheme as on September 30, 2022:

| Compounded Annualised Returns | Scheme Returns (%)                  | Benchmark Returns (%)       |
|-------------------------------|-------------------------------------|-----------------------------|
|                               | <b>Motilal Oswal Nasdaq 100 ETF</b> | <b>Nasdaq 100 TRI (INR)</b> |
| Returns for the last 1 year   | -16.62%                             | -16.02%                     |
| Returns for the last 3 year   | 19.02%                              | 19.93%                      |
| Returns for the last 5 year   | 18.41%                              | 19.70%                      |
| Returns for the last 7 year   | 18.73%                              | 20.24%                      |
| Returns since inception       | 20.60%                              | 22.18%                      |

### Absolute Returns for each financial year for the last 5 years



Note: Returns for more than one year are compounded annualized and date of inception is deemed to be date of allotment Date of Allotment is March 29, 2011. Performance is for Growth option. Past performance may or may not be sustained in future.

## K. ABOUT NASDAQ-100 TOTAL RETURN INDEX

| Parameter         | NASDAQ-100 Index TRI   |
|-------------------|--|
| Index Objective   | The NASDAQ-100 Index includes 100 of the largest domestic and international non-financial companies listed on The NASDAQ Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. Index composition is reviewed on an annual basis in December |
| Index Methodology | All companies listed on NASDAQ + non financial + ADV > 2,00,000 shares over past 3 months  |
| Eligible Universe | All NASDAQ listed securities   |
| Stock Selection   | Top 100 companies by Mcap subject to buffer of 25 companies  |
| Weighing          | Max company weight capped at 24%.  |



|             |             |
|-------------|-------------|
| Rebalancing | Semi Annual |
|-------------|-------------|

NASDAQ-100 Index has been designed by NASDAQ OMX Group, Inc. A part of the NASDAQ family of indices, 26 year old, NASDAQ-100 Index includes 100 largest domestic (U.S.) and international non-financial securities listed on The NASDAQ Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain securities of financial companies including investment companies.

### Calculation and Methodology

The NASDAQ-100 Index is calculated under a modified capitalization-weighted methodology. NASDAQ review's the composition of the NASDAQ-100 Index on a quarterly basis and adjusts the weightings of Index components.

For more details, Investors can refer NASDAQ website [www.nasdaq.com](http://www.nasdaq.com).

### **Benchmark as on September 30, 2022:**

| Data Label                | ^NASDAQ 100 TR Index (INR) |
|---------------------------|----------------------------|
| <b>Absolute Returns</b>   |                            |
| 1 Month                   | -8.5%                      |
| 2 Month                   | -9.7%                      |
| 3 Month                   | -0.7%                      |
| 6 Month                   | -19.9%                     |
| 9 Month                   | -24.8%                     |
| <b>Annualized Returns</b> |                            |
| 1 Year                    | -16.0%                     |
| 3 Year                    | 19.9%                      |
| 5 Year                    | 19.7%                      |
| 7 Year                    | 20.3%                      |
| 10 Year                   | 21.1%                      |
| 15 Year                   | 18.5%                      |

### Constituents and their Weights

The indicative constituents of NASDAQ-100 Index as on September 30, 2022 is detailed below:

| Company name         | Portfolio weight |
|----------------------|------------------|
| Company name         | Portfolio weight |
| Apple Inc.           | 13%              |
| Microsoft Corp       | 10%              |
| Amazon.Com Inc       | 7%               |
| Tesla, Inc.          | 5%               |
| Alphabet Cl C Cap    | 4%               |
| Alphabet Cl A Cmn    | 3%               |
| Meta Platforms, Inc. | 3%               |
| Nvidia Corporation   | 3%               |
| Pepsico Inc          | 2%               |
| Costco Wholesale     | 2%               |

Hence the index is complying with the SEBI Circular dated January 10, 2019.

## **L. ADDITIONAL DISCLOSURES AS PER SEBI CIRCULAR DATED MARCH 2016**

### **A. Scheme's Portfolio Holdings**

The top 10 portfolio holdings of the Scheme as on September 30, 2022 are as follows:

| <b>Name of Instrument</b>          | <b>% to Net Assets</b> |
|------------------------------------|------------------------|
| Apple Inc                          | 13.46%                 |
| Microsoft Corp                     | 10.42%                 |
| Amazon Com Inc                     | 6.88%                  |
| Tesla Inc                          | 4.90%                  |
| Alphabet Inc                       | 3.55%                  |
| Alphabet Inc A                     | 3.43%                  |
| Meta Platforms Registered Shares A | 2.74%                  |
| Nvidia Corp Com                    | 2.52%                  |
| PEPSICO INC                        | 2.24%                  |
| Costco Wholesale Corp              | 2.07%                  |

### **B. Sector Allocation of the Scheme**

Sector Allocation of the Scheme as per Global Industry Classification Standards (GICS as on September 30, 2022) is as follows:

| <b>Sector / Rating</b>                     | <b>Percent</b> |
|--|----------------|
| Technology Hardware, Storage & Peripherals | 13.46%         |
| Systems Software                           | 11.86%         |
| Semiconductors                             | 11.50%         |
| Interactive Media & Services               | 10.07%         |
| Internet & Direct Marketing Retail         | 8.02%          |
| Automobile Manufacturers                   | 5.13%          |
| Application Software                       | 5.12%          |
| Biotechnology                              | 4.49%          |
| Soft Drinks                                | 3.19%          |
| Data Processing & Outsourced Services      | 2.91%          |
| Hypermarkets and Supercenters              | 2.07%          |
| Cable & Satellite                          | 2.02%          |
| Semiconductor Equipment                    | 1.99%          |
| Wireless Telecommunication Services        | 1.65%          |
| Communications Equipment                   | 1.64%          |
| Hotels, Resorts & Cruise Lines             | 1.51%          |
| Electric Utilities                         | 1.43%          |
| Health Care Equipment                      | 1.24%          |
| Packaged Foods & Meats                     | 1.16%          |
| Industrial Conglomerates                   | 1.12%          |
| Movies & Entertainment                     | 1.04%          |
| Interactive Home Entertainment             | 1.01%          |
| Restaurants                                | 0.97%          |
| Diversified Support Services               | 0.64%          |
| Railroads                                  | 0.57%          |
| Automotive Retail                          | 0.44%          |
| Apparel, Accessories and Luxury Goods      | 0.36%          |
| Pharmaceuticals                            | 0.32%          |
| General Merchandise Stores                 | 0.30%          |

|                                       |       |
|---------------------------------------|-------|
| Life Sciences Tools & Services        | 0.30% |
| IT Consulting & Other Services        | 0.30% |
| Construction Machinery & Heavy Trucks | 0.29% |
| Apparel Retail                        | 0.29% |
| Trucking                              | 0.28% |
| Internet Services & Infrastructure    | 0.27% |
| Drug Retail                           | 0.27% |
| Research & Consulting Services        | 0.27% |
| Trading Companies & Distributors      | 0.26% |
| Health Care Supplies                  | 0.16% |
| International Exchange Traded Funds   | 0.04% |
| Cash & Equivalent                     | 0.07% |

The Mutual Fund will disclose the portfolio of the Scheme as on the last day of the month on AMC's website ([www.motilaloswalmf.com](http://www.motilaloswalmf.com)) on or before the tenth day of the succeeding month. The Investors will be able to view and download this monthly portfolio from the AMC's website on the following link <https://www.motilaloswalmf.com/download/month-end-portfolio>.

### C. Scheme's Portfolio Turnover Ratio

The Portfolio Turnover Ratio of the Scheme as on September 30, 2022 is **0.22**.

### D. Investment Disclosure

The aggregate investment in the Scheme by the following as on September 30, 2022 is as follows:

| Categories                     | Amount (Rs.)   |
|--------------------------------|----------------|
| Directors of AMC               | NIL            |
| Fund Manager(s) of the Scheme  | NIL            |
| Other Key Managerial Personnel | NIL            |
| Sponsor, Group and Associates  | 1,65,35,581.92 |

### Differentiation of Motilal Oswal Nasdaq 100 ETF with other existing schemes of MOMF

The following table shows the differentiation between the existing schemes with the existing Schemes of MOMF:

| Name of the Scheme         | Investment Objective  | Asset Allocation  | Product Differentiation  | Asset Under Management as on September 30, 2022<br>(Rs. In crores) | Numbers of Folios As on September 30, 2022 |
|----------------------------|---|---|--|--|--|
| Motilal Oswal Nifty 50 ETF | The Scheme seeks investment return that corresponds (before fees and expenses) generally to the performance of the Nifty 50 TRI (Underlying Index), | The Scheme would invest at least 95% in the securities constituting Nifty 50 and the balance in debt and money market | An open ended scheme replicating Nifty 50 which invests in securities constituting Nifty 50. | 30.45  | 4,875                                      |

|  |   |   |  |        |          |
|--|---|---|--|--------|----------|
|  | <p>subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>   | instruments and cash at call.   |  |        |          |
| Motilal Oswal Midcap 100 ETF                   | <p>The Scheme seeks investment return that corresponds (before fees and expenses) to the performance of Nifty Midcap 100 TRI (Underlying Index), subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>               | <p>The Scheme would invest at least 95% in the securities constituting Nifty Midcap 100 and the balance in debt and money market instruments and cash at call.</p>  | <p>An open ended scheme replicating Nifty Midcap 100 which invests in securities constituting Nifty Midcap 100 in the same proportion as in the Index.</p> | 202.23 | 2,10,412 |
| Motilal Oswal Nifty 5 Year Benchmark G-Sec ETF | <p>The Scheme seeks investment return that corresponds (before fees and expenses) to the performance of Nifty 5 yr Benchmark G – Sec Index (Underlying Index), subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be Achieved.</p> | <p>The Scheme would invest at least 95% in the securities constituting Nifty 5 yr Benchmark G-Sec Index and the balance in Money Market instruments, units of liquid scheme or Motilal Oswal Liquid Fund including TREPS.</p> | <p>An open ended scheme replicating/tracking Nifty 5 yr Benchmark G-Sec Index</p>  | 54.91  | 2,543    |
| Motilal Oswal Nasdaq Q 50 ETF                  | <p>The Scheme seeks investment return that corresponds with (before fees and expenses) to the performance of the</p>  | <p>The Scheme would invest at least 95% in the securities</p>   | <p>An open ended scheme replicating/tracking Nasdaq Q-50 Total Return Index.</p>   | 18.33  | 5,359    |

|  |   |   |  |          |          |
|--|---|---|--|----------|----------|
|  | <p>NASDAQ Q-50 Index subject to tracking error and forex movement.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>  | <p>constituting Nasdaq</p> <p>Q 50 Index and the balance in debt and money market instruments and cash at call.</p>   |  |          |          |
| Motilal Oswal NASDAQ 100 ETF             | <p>The Scheme seeks investment return that corresponds (before fees and expenses) generally to the performance of the Motilal Oswal NASDAQ 100 ETF NASDAQ-100 TRI, subject to tracking error.</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p> | <p>The Scheme would invest at least 95% in the securities constituting Motilal Oswal NASDAQ 100 ETF</p> <p>NASDAQ-100 and the balance in Overseas Debt and Money market instruments and cash at call, mutual fund schemes or exchange traded funds based on Motilal Oswal NASDAQ 100 ETF.</p> | <p>The Scheme will invest in the securities which are constituents of Motilal Oswal NASDAQ 100 ETF in the same</p> <p>NASDAQ-100 in the same proportion as in the Index.</p> | 4,790.73 | 1,82,923 |
| Motilal Oswal S&P BSE Low Volatility ETF | <p>The investment objective of the scheme is to provide returns that, before expenses, correspond to the total returns of the securities as represented by S&amp;P BSE Low Volatility Total Return Index, subject to tracking error.</p> <p>However, there is no guarantee or assurance that the investment</p>         | <p>The Scheme would invest at least 95% Constituents of S&amp;P BSE Low Volatility Index and 0-5% in Units of Liquid/ debt schemes, debt and money market instruments</p>   | <p>An open ended fund replicating / tracking the S&amp;P BSE Low Volatility Total Return Index</p>   | 2.69     | 980      |

|  |   |  |   |       |       |
|--|---|--|---|-------|-------|
|  | objective of the scheme will be achieved.   |  |   |       |       |
| Motilal Oswal Nifty 200 Momentum 30 ETF  | <p>The investment objective of the scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by Nifty 200 Momentum 30 Index, subject to tracking error.</p> <p>However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</p> | The Scheme would invest at least 95% Constituents of Nifty 200 Momentum 30 Index and 0-5% in Units of Liquid/ debt schemes, debt and money market instruments                      | An open ended fund replicating / tracking the Nifty 200 Momentum 30 Total Return Index    | 16.92 | 3,404 |
| Motilal Oswal S&P BSE Healthcare ETF     | <p>The investment objective of the scheme is to provide returns that, before expenses, correspond to the total returns of the securities as represented by S&amp;P BSE Healthcare TRI, subject to tracking error. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</p>                 | <p>The Scheme would invest at least 95% Constituents of S&amp;P BSE Healthcare Total Return Index and 0-5% in Units of Liquid/ debt schemes, debt and money market instruments</p> | An open ended scheme replicating / tracking the S&P BSE Healthcare Total Return Index     | 6.08  | 379   |
| Motilal Oswal S&P BSE Enhanced Value ETF | <p>The investment objective of the scheme is to provide returns that, before expenses, correspond to the total returns of the securities as represented by S&amp;P BSE Enhanced Value Index, subject to tracking index.</p> <p>However, there is no guarantee or assurance</p>  | <p>The Scheme would invest at least 95% Constituents of S&amp;P BSE Enhanced Value Index and 0-5% in Units of Liquid/ debt schemes, debt and money</p>                             | An open ended scheme replicating / tracking the S&P BSE Enhanced Value Total Return Index | 5.58  | 312   |

|                                   |   |  |  |      |     |
|-----------------------------------|---|--|--|------|-----|
|                                   | that the investment objective of the scheme will be achieved  | market instruments   |  |      |     |
| Motilal Oswal S&P BSE Quality ETF | <p>The investment objective of the scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the S&amp;P BSE Quality Total Return index, subject to tracking index.</p> <p>However, there is no guarantee or assurance that the investment objective of the scheme will be achieved</p> | <p>The Scheme would invest at least 95% Constituents of S&amp;P BSE Quality Index and 0-5% in Units of Liquid/ debt schemes, debt and money market instruments</p> | An open ended fund replicating / tracking the S&P BSE Quality Total Return Index | 5.68 | 250 |

### III. UNITS AND OFFER

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

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

This section is not applicable as there is Continuous offer of Units of the Scheme (s) at NAV based prices.

#### B. ONGOING OFFER DETAILS

|   |   |
|---|---|
| <p><b>Ongoing Offer Period</b><br/>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>                                  | <p>The Ongoing Offer for subscription and redemption commenced from March 31, 2011.</p>   |
| <p><b>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the Mutual Fund) by investors</b></p> <p>This is the price you need to pay for purchase/switch-in.</p> | <p><b>On the Exchange :</b><br/>As the Scheme is listed on the exchanges, the investor can buy units on an ongoing basis on the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) at the traded prices which may be close to the actual NAV of the Scheme. The units are purchased in round lots of 1 unit.</p> <p><b>Directly with the Mutual Fund#:</b></p> <p><b>For Market makers:</b></p> <p>All direct purchase transaction by MMs / APs and eligible investors shall be at intra-day NAV based on the actual execution price of the underlying portfolio. The number of units of the Scheme that Market Makers/authorized participant can subscribe is 250000 units and in multiples thereafter.</p> <p><b>For Eligible investors*:</b></p> <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crs.</p> <p>All direct transaction by Market Makers and eligible investors shall be at intra-day NAV based on the actual execution price of the underlying portfolio. The following provision of relevant circulars shall not be applicable:</p> <p>The requirement of “cut-off” timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by Market Makers and other eligible investors.</p> <p>Any person transacting with the fund will have to reimburse transaction charges -brokerage, STT, demat charges etc., if any.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p> <p>#The direct creation of units through Authorized Participants / Market Makers or Large Investors is allowed till further notice.</p> |
| <p><b>Ongoing price for redemption (sale) /switch outs (to other schemes/plans</b></p>  | <p><b>On the Exchange :</b><br/>As the Scheme is listed on the exchanges, the investor can sell units on an ongoing basis on the National Stock Exchange of India Ltd. (NSE) and</p>  |



|   |  |
|---|--|
| <p><b>of the Mutual Fund) by investors</b></p> <p>This is the price you will receive for redemptions/switch outs.</p> | <p>BSE Ltd. (BSE) at the traded prices. The units are redeemed in round lots of 1 unit.</p> <p><b>Directly with the Mutual Fund:</b></p> <p><b>For Market makers:</b></p> <p>All direct redemption transaction by MMs / APs and eligible investors shall be at intra-day NAV based on the actual execution price of the underlying portfolio. The number of units of the Scheme that authorized participant can redeem is 2,50,000 units and in multiples thereafter.</p> <p><b>For eligible investors*:</b></p> <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crs.</p> <p>All direct transaction by Market Makers and eligible investors shall be at intra-day NAV based on the actual execution price of the underlying portfolio. The following provision of relevant circulars shall not be applicable:</p> <p>The requirement of “cut-off” timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by Market Makers and other eligible investors.</p> <p>In case of the above scenarios, applications received from investors for redemption upto 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.</p> <p>Any person transacting with the fund will have to reimburse transaction charges -brokerage, STT, demat charges etc, if any.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p> |
| <p><b>Liquidity window for Investors of ETFs with AMCs</b></p>  | <p>Investors can directly approach the AMC for redemption of units of ETFs, for transaction of upto INR 25 Cr. without any exit load, in case of the following scenarios:</p> <ul style="list-style-type: none"> <li>• Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or</li> <li>• No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or</li> <li>• Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days</li> </ul>  |

|   |  |                                 |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
|---|--|---------------------------------|-------------|---|---|-----|---|---------------------------------|------|---------------------------------|-----------------------|------------|-------------------|-----|---------|---|----------------|--------|-------------|
|   | The above instances shall be tracked by the AMC on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be disclosed on the website of AMC.  |                                 |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| <b>Methodology and illustration of sale and repurchase price of Units</b>   | <p><b>a) Methodology of calculating sale price</b></p> <p>The price or NAV, an investor is charged while investing in an open-ended scheme is called sale or subscription price. Pursuant to SEBI Circular dated June 30, 2009, no entry load will be charged by the scheme to the investors. Therefore, Sale or Subscription price = Applicable NAV (for respective plan and option of the scheme)</p> <p>Pursuant to SEBI Circular No. SEBI/IMD/DF2/OW/P/2020/11099/1 dated June 29, 2020, Gazette notification dated March 30, 2020 for extending the effective date for applicability of new stamp duty rules and as per Notification No. S.O. 4419(E) dated December 10, 2019 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value would be levied on all mutual fund inflow transactions i.e. purchases (including Switch-ins), SIP / STP installments (including IDCW reinvestment) with effect from July 01, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted to the unit holders would be lower to that extent. Kindly refer the example below for better understanding.</p> <p>Example: An investor invests Rs.10,000/- and the current NAV is Rs. 10/- then the purchase price will be Rs.10/-. After deduction of stamp duty investor will receive 999.95 units</p> <table><tr><td>Investment amount</td><td>Rs.10,000/-</td><td>A</td></tr><tr><td>Less: Transaction charges (deducted and paid to distributor, if applicable)</td><td>NIL</td><td>B</td></tr><tr><td>Stamp duty applicable (@0.005%)</td><td>0.50</td><td><math>C = (A - B) * 0.005 / 100.005</math></td></tr><tr><td>Net Investment amount</td><td>9,999.50/-</td><td><math>D = (A - B - C)</math></td></tr><tr><td>NAV</td><td>Rs.10/-</td><td>E</td></tr><tr><td>Units allotted</td><td>999.95</td><td><math>F = D / E</math></td></tr></table> <p><b>b) Methodology of calculating repurchase price of Units</b></p> | Investment amount               | Rs.10,000/- | A | Less: Transaction charges (deducted and paid to distributor, if applicable) | NIL | B | Stamp duty applicable (@0.005%) | 0.50 | $C = (A - B) * 0.005 / 100.005$ | Net Investment amount | 9,999.50/- | $D = (A - B - C)$ | NAV | Rs.10/- | E | Units allotted | 999.95 | $F = D / E$ |
| Investment amount   | Rs.10,000/-  | A                               |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| Less: Transaction charges (deducted and paid to distributor, if applicable) | NIL  | B                               |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| Stamp duty applicable (@0.005%)   | 0.50   | $C = (A - B) * 0.005 / 100.005$ |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| Net Investment amount   | 9,999.50/-   | $D = (A - B - C)$               |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| NAV   | Rs.10/-  | E                               |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |
| Units allotted  | 999.95   | $F = D / E$                     |             |   |   |     |   |                                 |      |                                 |                       |            |                   |     |         |   |                |        |             |

|   |   |
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|   | <p>Repurchase or redemption price is the price or NAV at which an open-ended scheme purchases or redeems its units from the investors. It may include exit load, if applicable. The exit load, if any, shall be charged as a percentage of Net Assets Value (NAV) i.e. applicable load as a percentage of NAV will be deducted from the “Applicable NAV” to calculate the repurchase price. Therefore, Repurchase or Redemption Price = Applicable NAV *(1- Exit Load, if any)</p> <p>Example: If the Applicable NAV is Rs. 10 and a 2% Exit Load is charged, the Redemption Price per Unit will be calculated as follows: = Rs. 10 * (1-0.02) = Rs. 10 * (0.98) = Rs. 9.80</p>   |
| <b>Procedure for subscribing / redeeming units directly with the fund</b> | <p>The Authorised Participant can subscribe/ redeem units of the Scheme directly with the Mutual Fund only in creation unit size as per the procedure given below.</p> <p>The Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of shares underlying the Index called the Portfolio Deposit and a Cash Component. Thus, each Creation Unit would comprise of two components viz. Portfolio and Cash. The Portfolio Deposit is the basket of securities, in the same proportion as in the Index. The Cash Component is the difference between the applicable net asset value of creation unit and the market value of the securities. This difference will represent accrued IDCWs, accrued annual charges including management fees and residual cash in the Scheme. In addition, the cash component will include transaction charges to the extent charged by the third parties such as Custodian/DP, equalization of IDCW and other incidental expenses for creating units. The value of both the components changes from time to time and will be announced on our website on daily basis.</p> <p>The number of units of the Scheme that investors can create in exchange of the Portfolio Deposit and Cash Component is 2,50,000 units and in multiples thereof.</p> <p>The facility of creating units in creation unit size is available to the Authorised Participants (whose name will be available on our website <a href="https://www.motilaloswalmf.com/">https://www.motilaloswalmf.com/</a>) and large investors.</p> <p><b>For creating units of the Scheme in creation unit size:</b><br/>The Authorised Participant would transfer the requisite basket of securities comprising the constituents of NASDAQ-100 Index constituting the Portfolio Deposit to the Mutual Fund’s designated DP account while the Cash Component has to be paid to the AMC by way of cheques/pay order/demand draft. On confirmation of the same, the AMC will have the respective number of units of the Scheme credited to the depository account of Authorised Participant.</p> <p><b>For redeeming units of the Scheme in creation unit size:</b><br/>The Authorised Participant would transfer the requisite number of units of the Scheme equaling the creation unit to the Fund’s designated DP account. On confirmation of the same, the AMC will pay the redemption proceeds in kind by transferring the Portfolio Deposit to the depository account of Authorised Participant and pay the Cash Component, if any.</p> <p><b>For Eligible investors*:</b></p> |

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|   | <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crs.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p> <p>The Fund may allow cash purchases/cash redemption of the units of the Scheme in Creation Unit Size by Large Investor/Authorised Participant. Purchase request/Redemption request shall be made by such investor to the Fund whereupon the Fund shall arrange to buy/sell the underlying portfolio of securities on behalf of the investor.</p> <p>The cost of creation/redemption of units in Creation Unit size would be determined based on the cost of purchase/sale of the underlying portfolio in USD and applicable exchange rate.</p> <p><b>Note:</b> Creation / redemption requests will not be executed real-time as such request will be accepted by 3.00 p.m. IST and underlying securities buy/sell orders are queued with global brokers after 7 p.m. IST.</p> <p>Further, an investor can sell its units of the Scheme directly to the Fund for a period of 1 trading week with an exit load of 1% of NAV of the Scheme, under either of the following circumstances :</p> <ol style="list-style-type: none"> <li>When the average discount, of the volume weighted traded price to the volume weighted indicative NAV over a period of 1 trading week is greater than 3%, or</li> <li>When the total bid size on the exchange(s) is less than 50,000 units daily, averaged over a period of 1 trading week.</li> </ol> <p>The notification of the same would be displayed on our website.</p> |
| <p><b>Cut off timing for subscriptions/ redemptions/ switches</b></p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance</p> | <p>The requirement of “cut-off” timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by MMs / APs and other eligible investors.</p> <p>In case of the underneath scenarios, applications received from investors for redemption upto 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day. Investors can directly approach the AMC for redemption of units of ETFs, for transaction of up to INR 25 Cr. without any exit load, in case of the following scenarios:</p> <ol style="list-style-type: none"> <li>Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or</li> <li>No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or</li> </ol> <p>Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.</p>  |

|  |   |
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| <b>Where can the applications for purchase/redemption switches be submitted?</b> | The application forms for purchase/redemption of units directly with the Fund can be submitted at the registered office of the AMC only by Market Makers or other eligible investors.   |
| <b>Minimum amount for purchase/redemption/switches</b>                           | <p>On the Exchange: 1 unit and in multiples thereof.</p> <p>Directly with the Mutual Fund:</p> <p><b>For Market makers:</b></p> <p>The minimum amount for purchase/redemption would be in creation unit size of 2,50,000 units and in multiples thereof.</p> <p><b>For other eligible investors*:</b></p> <p>Direct transaction with AMC pertaining to subscription / redemption by any investor other than Authorized Participants / Market Makers shall be in multiple of unit creation size and the execution value of such transaction should be more than Rs. 25 Crs.</p> <p>The aforesaid threshold shall not be applicable for MMs / APs and shall be periodically reviewed. MMs / APs shall transact with AMC only in multiples of creation unit size of respective scheme. All direct transaction by MMs / APs and eligible investors shall be at intra-day NAV based on the actual execution price of the underlying portfolio.</p> <p>It may be noted that:</p> <p>The requirement of “cut-off” timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by MMs / APs and other eligible investors.</p> <p>*the provisions relating to Eligible investors will be applicable with effect from May 01, 2023 or any other date as maybe prescribed by SEBI.</p> |
| <b>Minimum balance to be maintained and consequences of non-maintenance</b>      | Nil   |
| <b>Dematerialization</b>   | <ol style="list-style-type: none"> <li>The units of the Scheme are available in the Dematerialized (electronic) mode only.</li> <li>The applicant under the Scheme are required to have a beneficiary account with a Depository Participant of NSDL/CDSL and are required to indicate in the application the DP’s name, DP ID Number and beneficiary account number of the applicant with the DP.</li> <li>The units of the Scheme are issued/repurchased and traded compulsorily in dematerialized form.</li> </ol> <p>Applications without relevant details of their depository account are liable to be rejected.</p>  |

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| <p><b>Who can invest</b></p> <p>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.</p> | <p>This is an indicative list and you are requested to consult your financial advisor. The following are eligible to subscribe to the units of the Scheme:</p> <ol style="list-style-type: none"> <li>1. Resident adult individuals, either singly or jointly (not exceeding three) or on anyone or Survivor basis.</li> <li>2. Minors through Parents/Lawful Guardian. AMC will follow uniform process 'in respect of investments made in the name of a minor through a guardian' by SEBI vide circular no SEBI/HO/IMD/DF3/CIR/P/2019/166 dated December 24, 2019.</li> <li>3. Hindu Undivided Family (HUF) through its Karta.</li> <li>4. Partnership Firms in the name of any one of the partner.</li> <li>5. Proprietorship in the name of the sole proprietor.</li> <li>6. Companies, Body Corporate, Societies, (including registered co-operative societies), Association of Persons, Body of Individuals, Clubs and Public Sector Undertakings registered in India if authorized and permitted to invest under applicable laws and regulations.</li> <li>7. Banks (including co-operative Banks and Regional Rural Banks), Financial Institutions.</li> <li>8. Mutual Fund schemes registered with SEBI.</li> <li>9. Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis and on non-repatriation basis. NRIs and PIOs who are residents of U.S. and Canada cannot invest in the Schemes of MOMF. #</li> <li>10. Foreign Portfolio Investors registered with SEBI</li> <li>11. Charitable or Religious Trusts, Wakf Boards or endowments of private trusts (subject to receipt of necessary approvals as "Public securities" as required) and private trusts authorized to invest in units of Mutual Fund schemes under their trust deeds.</li> <li>12. Army, Air Force, Navy, Para-military funds and other eligible institutions.</li> <li>13. Scientific and Industrial Research Organizations.</li> <li>14. Multilateral Funding Agencies or Bodies Corporate incorporated outside India with the permission of Government of India Reserve Bank of India.</li> <li>15. Overseas Financial Organizations which have entered into an arrangement for investment in India, inter-alia with a Mutual Fund registered with SEBI and which arrangement is approved by Government of India.</li> <li>16. Provident / Pension / Gratuity / Superannuation and such other retirement and employee benefit and other similar funds as and when permitted to invest.</li> <li>17. Other Associations, Institutions, Bodies etc. authorized to invest in the units of Mutual Fund.</li> <li>18. Trustees, AMC, Sponsor or their associates may subscribe to the units of the Scheme.</li> <li>19. Such other categories of investors permitted by the Mutual Fund from time to time, in conformity with the SEBI Regulations.</li> <li>20. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, PAN details as mentioned under the paragraph "Anti Money Laundering and Know Your Customer", updated bank account details including cancelled original cheque leaf of the new account and his specimen Signature duly authenticated by his banker. No further transactions shall be allowed till the status of the minor is changed to major.</li> <li>21. Pursuant to SEBI circular No. SEBI/HO/IMD/DF3/CIR/P/2019/166 dated December 24, 2019 investors are required to note that the minor</li> </ol> |
|--|--|

|                     |  |
|---------------------|--|
|                     | <p>shall be the sole unit holder in a folio. Joint holders will not be registered.</p> <p>The minor unit holder shall be represented either by natural parent (father and mother) or by a legal guardian. Payment of investment shall be from the authorised banking channels and from the bank account of minor or joint account of minor with guardian.</p> <p>The process of minor attaining major and status of investment etc. is mention in Statement of Additional Information (SAI).</p> <p>Investors are requested to refer SAI for detailed information.</p> <p><b>Who cannot invest?</b></p> <ol style="list-style-type: none"> <li>1. Persons residing in the Financial Action Task Force (FATF) Non-Compliant Countries and Territories (NCCTs).</li> <li>2. Pursuant to RBI Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.</li> <li>3. United States Person (“U.S. person”*) as defined under the laws of the United States of America except lump sum subscription, switch transactions, Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP), CashFlow Plan requests received from Non-resident Indians / Persons of Indian origin who at the time of such investment / first time registration of specified facility are present in India and submit a physical transaction request along with such documents as may be prescribed by the AMC / Mutual Fund from time to time. The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC / Mutual Fund. The investor shall be responsible for complying with all the applicable laws for such investments. The AMC / Mutual Fund reserves the rights to put the transaction requests on hold / reject the transaction request / reverse allotted units, as the case may be, as and when identified by the AMC / Mutual Fund, which are not in compliance with the terms and conditions prescribed in this regard. All other provisions of the Section ‘Who cannot invest’ of the SID will remain unchanged.</li> <li>4. Residents of Canada</li> <li>5. Such other persons as may be specified by AMC from time to time.</li> </ol> <p>*The term “U.S. person” means any person that is a U.S. person within the meaning of Regulation S 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.</p> <p>The Trustees/AMC reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time and change, subject to SEBI Regulations and other prevailing statutory regulations, if any.</p> <p>Note: It is mandatory to complete the KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor.</p> |
| <b>How to Apply</b> | <p>This section must be read in conjunction with Statement of Additional Information Fund (herewith referred as “SAI”). Investors should mandatorily use the Application Forms, Transactions Request included in</p>   |

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|                                   | <p>the KIM and other standard forms available at the Investor Service Centers/ <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a>, for any financial/non-financial transactions. Any transactions received in any non-standard forms are liable to be rejected.</p> <p>Investors are advised to fill up the details of their bank account numbers on the application form in the space provided. In order to protect the interest of the Unit holders from fraudulent encashment of cheques, SEBI has made it mandatory for investors in mutual funds to state their bank account numbers in their applications. SEBI has also made it mandatory for investors to mention their Permanent Account Number (PAN) transacting in the units of Motilal Oswal Mutual Fund (herewith referred as “MOMF”), irrespective of the amount of transaction.</p> <p>Please also note that the KYC is mandatory for making investment in mutual funds schemes irrespective of the amount, for details please refer to SAI. The application (both direct application and application routed through Distributor) should be complete in all respects along with the cheque / pay order / demand draft / other payment instruction should be submitted at the Investor Service Center, Official Point of Acceptance of Transaction, at the registered and corporate office of the AMC and the office of the Registrar during their Business Hours on their respective Business Day. No outstation cheques or stock invests will be accepted. Currently, the option to invest in the Scheme through payment mode as Cash is not available. The Trustees reserves the right to change/modify above provisions at a later date.</p> <p>Investors can execute transactions online through the official website <a href="https://www.motilaloswalmf.com/investonline">https://www.motilaloswalmf.com/investonline</a>. Please refer to the SAI and Application form for the detailed instructions.</p> |
| <b>Listing</b>                    | <p>The units of the Scheme are listed on the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE).</p> <p>The AMC/Trustee reserves the right to list the units of the Scheme on any other recognized stock exchange as and when the AMC/Trustee consider it necessary in the interest of the Unitholders of the Scheme.</p>   |
| <b>Special Products available</b> | The Scheme does not offer any special products.   |
| <b>Accounts Statements</b>        | <ul style="list-style-type: none"> <li>Units issued by the AMC under the scheme shall be credited to the investor’s beneficiary account with a Depository Participant (DP) of CDSL or NSDL. The AMC will credit the units to the beneficiary account of the unitholder within five business days from the date of receipt of credit of the Cash. With a view to create one record for all financial assets of every individual, SEBI vide its Circular no. CIR/MRD/ DP/31/2014 dated November 12, 2014 enabled a single consolidated view of all the investments of an investor in Mutual Funds (MF) and securities held in demat form with the Depositories. In accordance with the above, the following shall be applicable for unitholders having a Demat Account.</li> <li>Investors having MF investments and holding securities in Demat account shall receive a Single Consolidated Account Statement from the Depository.</li> </ul>  |

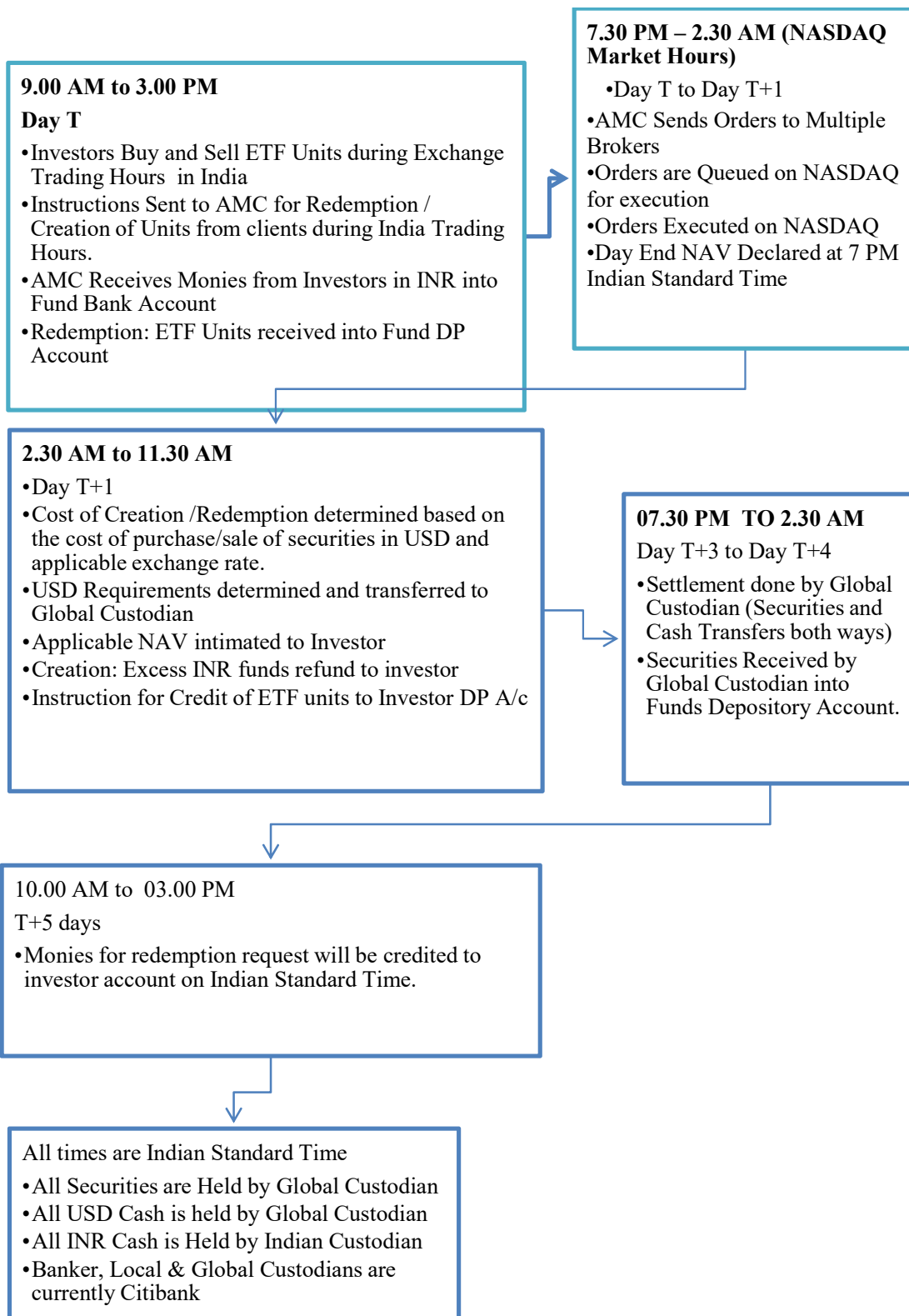


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|   | <ul style="list-style-type: none"> <li>Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis.</li> </ul> <p>If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios depositories shall send the CAS within ten days from the month end. In case there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis. The Consolidated Account statement will be in accordance to SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/137 dated October 22, 2018. Investors are requested/encouraged to register/update their email id and mobile number of the primary holder with the AMC/RTA through our Designated Investor Service Centres (DISCs) in order to facilitate effective communication.</p> <p><b>Annual Account Statement:</b></p> <p>The Mutual Fund shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>Note: If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), Mutual Fund / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor shall from time to time intimate the Mutual Fund / its Registrar and Transfer Agents about any changes in the email address.</p> <p>It may be noted that the primary holder's own email id and mobile no should be provided for speed and ease of communication in a convenient and cost effective manner, and to help prevent fraudulent transactions.</p> |
| <b>Redemption</b>   | <p>The redemption or repurchase proceeds shall be dispatched to the Unitholders within 10 working days from the date of redemption or repurchase.</p> <p>Further, AMCs may also use modes of dispatch such as speed post, courier etc. for payments including refunds to unitholders in addition to the registered post with acknowledgement due.</p>  |
| <b>Delay in payment of redemption / repurchase proceeds</b> | <p>The AMC shall be liable to pay interest to the Unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p>   |

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| <b>Bank Account Details</b>                                   | <p>As per SEBI requirements, it is mandatory for an investor to provide his/her bank account number in the Application Form. The Bank Account details as mentioned with the Depository should be mentioned. If depository account details furnished in the application form are invalid or not confirmed in the depository system, the application may be rejected. The Application Form without the Bank account details would be treated as incomplete and rejected.</p> <p>Notwithstanding any of the above conditions, any application may be accepted or rejected at the sole and absolute discretion of the Trustee.</p>  |
| <b>Role of Authorised Participant</b>                         | <p>The role of Authorised Participants is to proffer liquidity of the units of the Scheme on the Stock Exchange where the Units are listed. Authorised Participants may offer to buy and sell quotes (bid and ask quotes) on the Exchanges such that buy and sell orders get executed in the market subject to price compatibility. Authorised Participants may for the purpose of creating liquidity subscribe or redeem the units of the Scheme directly with the Mutual Fund.</p>  |
| <b>Purchase / Sale of the units of Scheme on the Exchange</b> | <p>Buying / Selling of units of the Scheme on the Exchange is just like buying / selling any other normal listed security. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker / sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in the case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or units to the investor in accordance with the time prescribed by the stock exchange regulation.</p> <p>If an investor has bought units, he/she should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange clearing corporation.</p> <p>An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her beneficiary account to the Pool Account of his/her trading member through whom he/she have sold the units. The details of the pool a/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the Delivery Out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the cut-off time for the prescribed securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.</p> |
| <b>Transaction handling charges</b>                           | <p>Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the Mutual Fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting authorized participant/large investor.</p>   |

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| <b>Cost of trading on the Stock Exchange</b>  | Investor will have to bear the cost of brokerage and other applicable statutory levies e.g. Securities Transaction Tax, etc. when the units are bought or sold on the stock exchange.   |
| <b>Right to limit Redemptions</b>   | <p>The Trustee may, in the general interest of the Unitholders of the Scheme and when considered appropriate to do so based on unforeseen circumstances/unusual market conditions, impose restriction on redemption of Units of the Schemes. The following requirements will be observed before imposing restriction on redemptions:</p> <ol style="list-style-type: none"> <li>a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: <ol style="list-style-type: none"> <li>i. <b>Liquidity issues</b> - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. AMC's should have in place sound internal liquidity management tools for schemes. Restriction on redemption cannot be used as an ordinary tool in order to manage the liquidity of a scheme. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision shall not be allowed.</li> <li>ii. <b>Market failures, exchange closures</b> - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.</li> <li>iii. <b>Operational issues</b> - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems</li> </ol> </li> <li>b. Restriction on redemption may be imposed for a specific period of time not exceeding 10 working days in any 90 day period.</li> <li>c. Any such imposition requires specific approval of Board of AMC's and Trustees and the same shall be immediately informed to SEBI.</li> <li>d. When restriction on redemption is applied the following procedure shall be followed: <ol style="list-style-type: none"> <li>a) Redemption requests upto Rs. 2 lakh will not be subject to such restriction.</li> <li>b) In case of redemption requests above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without restriction and remaining part over above be subject to such restriction.</li> </ol> </li> </ol> |
| <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> | Units once redeemed/repurchased will not be re-issued.  |
| <b>Suspension of Sale of Units</b>  | In case of breach of limits of overseas investments as per applicable regulations, the Fund would suspend sale of units until such time the assets under management in the Scheme decreases from the threshold limit as mentioned in the Regulations.   |

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| <p><b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b></p> | <p>As the units of the Scheme will be issued in demat form, the units will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.</p> <p>The delivery instructions for transfer of Units will have to be lodged with the Depository Participant (DP) in the requisite form as may be required from time to time and transfer will be effected in accordance with the rules/regulations as may be in force governing transfer of securities in demat form.</p> |
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The cash component is arrived in the following manner:

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

Creation/redemption of unit directly with the Fund in creation unit size is explained as follows:

|   |                |
|---|----------------|
| Number of units comprising one Creation Unit  | 250000         |
| NAV per unit  | 927.3457       |
| Value of 1 Creation Unit  | 2,31,83,642.50 |
| Value of Portfolio Deposit (pre-defined basket of securities of the Underlying Index) | 2,32,81,673.19 |
| Cash Component  | -98,030.69     |

### Example of Creation and Redemption of Units

Each Creation Unit consists of 2, 50,000 units of Motilal Oswal Nasdaq 100 ETF. As explained earlier, the Creation Unit is made up of 2 components i.e. Portfolio Deposit and Cash Component. The Portfolio Deposit will be determined by the Fund as per the weights of each security in the Index. The value of this Portfolio Deposit will change due to change in prices during the day. The number of shares of each security that constitute the Portfolio Deposit will remain constant unless there is any corporate action in the Index or there is a rebalance in the Index.

The example of Creation Unit as on September 30, 2022 for Motilal Oswal Nasdaq 100 ETF is as follows:

Value of Portfolio Deposit      2,32,81,673.19

Value of Cash Component      -98,030.69

Total Value of Creation Unit      2,31,83,642.50

The Value of Portfolio Deposit and Cash Component would vary from time to time and would be declared by the Fund on a daily basis.

### Disclosure of Creation/Redemption of Units on AMC's website

On a daily basis, the AMC would disclose the Creation unit for subscription/redemption of units on the AMC's website i.e. [www.motilaloswalmf.com](http://www.motilaloswalmf.com) i.e. value of Portfolio Deposit, basket of securities and the number of shares of each securities and value of Cash Component.

## C. PERIODIC DISCLOSURES

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| <p><b>Net Asset Value</b></p> <p>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.</p>                                       | <p>The NAV will be calculated on all business days and disclosed in the manner specified by SEBI. The AMC shall update the NAVs on its website <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a> and also on AMFI website <a href="http://www.amfiindia.com">www.amfiindia.com</a> before 11.00 p.m. on every business day. If the NAVs are not available before 11.00 p.m. on every business day, the reason for delay in uploading NAV would be explained to AMFI in writing. Further, Mutual Funds/ AMCs shall extend facility of sending latest available NAVs to investors through SMS, upon receiving a specific request in this regard. If the NAV is not available before the commencement of Business Hours on the following day due to any reason</p> <p>, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>iNAV of an ETF shall be disclosed on a continuous basis on the BSE and NSE, where the units of these ETFs are proposed to be listed and traded. The iNAV shall be disclosed within a maximum time lag of 15 seconds from underlying market.</p> <p>Investors can also contact the office of the AMC to obtain the NAV of the Scheme</p> <p>The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices of the underlying securities traded and available on NSE) and will be updated during the market hours on its website <a href="http://www.mostshares.com">www.mostshares.com</a>. Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund.</p> |
| <p><b>Monthly &amp; Half yearly Disclosures: Portfolio</b></p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p> | <p>The Mutual Fund / AMC shall disclose portfolio (along with ISIN) in a user friendly &amp; downloadable spreadsheet format, as on the last day of the month/half year for the scheme(s) on its website (<a href="http://www.motilaloswalmf.com">www.motilaloswalmf.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 investors whose email addresses are registered with MOMF, the AMC shall send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/half year respectively.</p> <p>The AMC shall 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 <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a> and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>). The AMC shall provide physical copy of the statement of scheme portfolio on specific request received from investors.</p>  |
| <p><b>Monthly &amp; Annual Disclosure of Risk-o-meter</b></p>   | <p>The fund shall communicate any change in risk-o-meter by way of Notice cum Addendum and by way of an e-mail or SMS to unitholder. Further Risk-o-meter of scheme shall be evaluated on a monthly basis</p>  |

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|   | <p>and Risk-o-meter along with portfolio shall be disclosed on website and on AMFI website within 10 days from the close of each month.</p> <p>Additionally, MOMF shall disclose the risk level of all schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website.</p>   |
| <b>Disclosure of Benchmark Risk-o-meter</b>       | Pursuant to SEBI Circular No SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/621 dated August 31, 2021, the AMC shall disclose risk-o-meter of the scheme and benchmark in all disclosures including promotional material or that stipulated by SEBI wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed to the investors in which the unit holders are invested as on the date of such disclosure.   |
| <b>Half yearly Disclosures: Financial Results</b> | The Mutual Fund shall within one month from the close of each half year, that is on 31 <sup>st</sup> March and on 30 <sup>th</sup> September, host a soft copy of its unaudited financial results on its website. The mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.  |
| <b>Annual Report</b>                              | <p>The Mutual Fund / AMC will host the Annual Report of the Schemes on its website (www.motilaloswalmf.com) and on the website of AMFI (www.amfiindia.com) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year).</p> <p>The Mutual Fund / AMC shall mail the scheme annual reports or abridged summary thereof to those investors whose e-mail addresses are registered with MOMF. The full annual report or abridged summary shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the investors on request at free of cost. Investors who have not registered their e-mail id will have to specifically opt-in to receive a physical copy of the Annual Report or Abridged Summary thereof.</p> <p>MOMF 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 scheme wise Annual Report on the AMC website (www.motilaloswalmf.com) and on the website of AMFI (www.amfiindia.com).</p> |
| <b>Product Dashboard</b>                          | In accordance with SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, the AMC has designed and developed the dashboard on their website wherein the investor can access information with regards to scheme's AUM, investment objective, expense ratios, portfolio details and past performance of all the schemes.  |
| <b>Associate Transactions</b>                     | Please refer to Statement of Additional Information (SAI).   |
| <b>Disclosure Norms for ETFs</b>                  | <p>As per SEBI Circular dated May 23, 2022, the Scheme shall disclose the following on monthly basis:</p> <ol style="list-style-type: none"> <li>Name and exposure to top 7 issuers and Stocks respectively as a percentage of NAV of the scheme.</li> <li>Name and exposure to top 7 groups as a percentage of NAV of the scheme.</li> </ol>  |



|                                   | iii. Name and exposure to top 4 sectors as a percentage of NAV of the scheme.   |                  |   |  |  |                   |             |                          |                     |     |
|-----------------------------------|---|------------------|---|--|--|-------------------|-------------|--------------------------|---------------------|-----|
| Disclosure of Tracking Error      | <p>The tracking error i.e. the annualized standard deviation of the difference in daily returns between the underlying index or goods and the NAV of the ETF/ Index Fund, based on past one year rolling data shall not exceed 2%.</p> <p>In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMC, the tracking error may exceed 2% and the same will be intimated to the Trustees with corrective actions taken by the AMC, if any.</p> <p>For ETFs in existence for a period of less than one year, the annualized standard deviation shall be calculated based on available data.</p> <p>The Scheme shall disclose the tracking error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI.</p>  |                  |   |  |  |                   |             |                          |                     |     |
| Disclosure of Tracking Difference | Tracking difference i.e. the annualized difference of daily returns between the index or goods and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.  |                  |   |  |  |                   |             |                          |                     |     |
| Taxation                          | <p>Motilal Oswal Mutual Fund is a Mutual Fund registered with SEBI and is governed by the provisions of Section 10(23D) of the Income Tax Act, 1961. Accordingly, any income of a fund set up under a scheme of a SEBI registered mutual fund is exempt from tax. The following information is provided only for general information purposes and is based on the Mutual Fund’s understanding of the Tax Laws as of this date of Document. Investors / Unitholders should be aware that the relevant fiscal rules or their explanation may change. There can be no assurance that the tax position or the proposed tax position will remain same. In view of the individual nature of tax benefits, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Scheme</p> <p>The below Tax Rates shall be applicable w.e.f. April 01, 2022:</p> <table><tr><th>Nature of Income</th><th colspan="2">Debt Oriented Fund/<br/>International Fund / Foreign ETF</th></tr><tr><td></td><th>Resident Investor</th><th>Mutual Fund</th></tr><tr><td>Long Term Capital Gains#</td><td>20% with indexation</td><td>Nil</td></tr></table> | Nature of Income | Debt Oriented Fund/<br>International Fund / Foreign ETF |  |  | Resident Investor | Mutual Fund | Long Term Capital Gains# | 20% with indexation | Nil |
| Nature of Income                  | Debt Oriented Fund/<br>International Fund / Foreign ETF   |                  |   |  |  |                   |             |                          |                     |     |
|                                   | Resident Investor   | Mutual Fund      |   |  |  |                   |             |                          |                     |     |
| Long Term Capital Gains#          | 20% with indexation   | Nil              |   |  |  |                   |             |                          |                     |     |

|                          |   |                          |                                |     |
|--------------------------|---|--------------------------|--------------------------------|-----|
|                          | <table><tr><td>Short Term Capital Gains</td><td>Slab rate<br/>(Applicable Rate)</td><td>Nil</td></tr></table> <p>#Excluding Cess &amp; Surcharge</p> <p>*subject to grandfathering clause</p> <p>For details on taxation, please refer to the clause on Taxation in the Scheme Additional Information (SAI).</p>  | Short Term Capital Gains | Slab rate<br>(Applicable Rate) | Nil |
| Short Term Capital Gains | Slab rate<br>(Applicable Rate)  | Nil                      |                                |     |
| Investor services        | <p><b>Mr. Juzer Dalal</b><br/><b>Motilal Oswal Asset Management Company Limited</b><br/>10<sup>th</sup> Floor, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai – 400025<br/>Toll free No.: +91 81086 22222 or +91 22 4054 8002<br/>Fax No.: 02238464120<br/>Email.: <a href="mailto:amc@motilaloswal.com">amc@motilaloswal.com</a></p> <p>Investors are advised to contact any of the Designated Collection Center / Investor Service Center or the AMC by calling the toll free no. of the AMC at 91 8108622222 and +91 22 405480021800. Investors can also visit our website <a href="http://www.motilaloswalmf.com">www.motilaloswalmf.com</a> for complete details.</p> <p>Investor may also approach the Compliance Officer / CEO of the AMC. The details including, inter-alia, name &amp; address of Compliance Officer &amp; CEO, their e-mail addresses and telephone numbers are displayed at each offices of the AMC.</p> <p>For any grievances with respect to transactions through stock exchange mechanism, Unit Holders must approach either their stock broker or the investor grievance cell of the respective stock exchange or their distributor.</p> |                          |                                |     |

#### **D. COMPUTATION OF NAV**

The Net Asset Value (NAV) per unit under the Scheme will be computed by dividing the net assets of the Scheme by the number of units outstanding on the valuation day. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Asset Value (NAV) of the units under the Scheme shall be calculated as follows:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Receivables} + \text{Accrued Income} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV will be calculated up to four decimals.

The NAV Calculation shall as be as per the Valuation Policy of MOMF made in accordance with SEBI MF Regulations and is available on the mutual fund website [www.motilaloswalmf.com](http://www.motilaloswalmf.com). The NAV shall be calculated and disclosed on each business day on AMFI's website [www.amfiindia.com](http://www.amfiindia.com), by 11.00 p.m. and also on [www.motilaloswalmf.com](http://www.motilaloswalmf.com). The computation of NAV shall be in conformity with SEBI Regulations and guidelines as prescribed from time to time.

The NAV shall be calculated and announced on each working day.

Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAV for a Valuation Day, the AMC may use the last available traded price for the purpose of valuation. The use of the closing price / last available traded price for the purpose of valuation will also be based on the practice followed in a particular market. In case any particular security is not traded on the Valuation Day, the same shall be valued on a fair value basis by the valuation committee of the AMC.

Hence, for the purposes of valuation and calculating NAV of the Scheme for a particular day, the last available prices of securities on NASDAQ shall be considered (which would be the previous day's closing prices). This will enable the disclosure of the NAV of the Scheme before the deadline as provided by SEBI guidelines.

The example for consideration of prices of securities for calculating NAV of the Scheme is as follows:

For calculation and disclosure of NAV as on February 28, 2011, prices of securities at the close of trading on NASDAQ Stock Market on February 27, 2011 have been considered.

On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees exchange rate made available by Reuters Rate (11:30:00 GMT) failing which exchange rates made available by Bloomberg / RBI or any other standard reference rate at the close of banking hours in India. The Trustees reserve the right to change the source for determining the exchange rate.

The following explains process flow and time frames including NAV calculation

9.00 AM to 3.00 PM

- ETF Unit Trades during Exchange Trading Hours in India
- Instructions Received for Redemption / Creation of Units from clients during India Trading Hours



3.00 PM

- Day T
- All Creation / Redemption requests received – no creation / redemption beyond 3 PM
- Monies received from Investors in INR



7.30 PM

- Day T
- Orders Queued on Nasdaq



8.00 PM to 2.30 AM (Nasdaq Market Hours)

- Day T to Day T+1
- All Orders Executed on Nasdaq



2.30 AM to 11.30 AM

- Day T+1
- Cost of Creation Unit determined after determining cost of purchase of securities in USD and applicable exchange rate.
- Applicable NAV intimated to Investor



Note:

- All times are Indian Standard Time
- Created Units are credited to Investor account by 2.30 PM on T+2 days Indian Standard Time
- Monies for redemption request will be received and credited to investor account on T+5 days Indian Standard Time.

#### 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 paid, marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

The entire NFO expenses were borne by the AMC.

##### B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include but are not limited to Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer agents' fees & expenses, marketing and selling costs etc.

The AMC has estimated that the following expenses will be charged to the Scheme, as permitted under Regulation 52 of SEBI (MF) Regulations. For the actual current expenses being charged, the investor should refer to the website of the Fund. For more details, please refer the notes below the table.

| Particulars   | (% per annum to daily Net Assets) |
|---|-----------------------------------|
| Investment Management & Advisory Fee  | Upto 1.00%                        |
| Custodial Fees  |                                   |
| Registrar & Transfer Agent Fees including cost related to providing accounts statement, IDCW/redemption cheques/warrants etc. |                                   |
| License fees / listing fees and other such expenses   |                                   |
| Audit Fees / Fees and expenses of trustees  |                                   |
| Cost towards investor education & awareness (1 bps)**   |                                   |
| Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively               |                                   |
| Audit Fees / Fees and expenses of trustees  |                                   |
| Marketing & Selling Expenses  |                                   |
| Incentives paid to Market Makers, if any^   |                                   |
| Goods and Service Tax (GST) on expenses other than investment management and advisory fees                                    |                                   |
| GST on brokerage and transaction cost   |                                   |
| Other expenses*   |                                   |
| <b>Maximum total expense ratio (TER) permissible under Regulation 52 (6)</b>  | <b>Upto 1.00%</b>                 |
| Additional expenses for gross new inflows from specified cities under Regulation 52 (6A)(b)#                                  | ---                               |

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

\$ As per SEBI Circular dated March 25, 2019, it has been decided that inflows of amount upto Rs. 2,00,000/- per transaction, by the individual investors shall be considered as inflows from retail investors.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses can be paid out of AMC's books at actuals or not exceeding 2 bps of respective scheme AUM, whichever is lower.

^ As per SEBI Circular dated May 23, 2022, it is hereby clarified that with effect from July 1, 2022, incentive to be paid to Market Makers, if any shall be charged to the ETF scheme but within the maximum permissible limit of TER.

Following are the principles of incentive structure:

- MOAMC may decide to pay compensation or remuneration to MMs depending upon various criteria such as volumes, bid-ask spread, inventory maintain by MMs / APs.
- Maintenance by MM of minimum unit creation size of ETF available on both bid and ask side of trades, as may be decided by AMC and MM from time to time.

\*\* As per SEBI Circular dated May 23, 2022, it has been decided that with effect from July 1, 2022, the charges applicable for investor education and awareness initiatives from ETFs shall be 1bps of daily net assets of the scheme.

The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively. Further, the additional expenses under Regulation 52(6A)(c) shall also be incurred towards any of these expense heads.

However, the upfront trail commission shall be paid from AMC's books for inflows through SIPs from new investors as per the applicable regulations. The said commission shall be amortized on daily basis to the scheme over the period for which the payment has been made. A complete audit trail of upfronting of trail commissions from the AMC's books and amortization of the same to scheme(s) thereafter shall be made available for inspection. The said commission should be charged to the scheme as 'commissions' and should also account for computing the TER differential between regular and direct plans in each scheme.

The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively. Further, the additional expenses under Regulation 52(6A)(c) shall also be incurred towards any of these expense heads.

The purpose of the above table is to assist the investor in understanding the various costs & expenses that the investor in the Scheme will bear directly or indirectly. These estimates have been made in good faith as per the information available to the AMC and the above expenses (including investment management and advisory fees) are subject to inter-se change and may increase/decrease as per actual and/or any change in the Regulations, as amended from time to time.

In addition to expenses under Regulation 52(6) and (6A), AMC may charge GST on investment and advisory fees, expenses other than investment and advisory fees and brokerage and transaction cost as below:

1. GST on investment and advisory fees charged to the scheme will be in addition to the maximum limit of TER as prescribed in regulation 52 (6) of the SEBI Regulations.
2. GST on expenses other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per regulation 52 of the SEBI Regulations.
3. GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the SEBI Regulations.

In accordance with Regulation 52(6A), the following expenses can be charged in addition to the existing total recurring expenses charged under Regulation 52(6):

Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 % in case of cash market transactions and 0.05 % in case of derivatives transactions;

Any payment towards brokerage and transaction costs, over and above the said 12 bps and 5 bps for cash market and derivatives transactions respectively, shall be charged to the Scheme within the total recurring expenses limit specified under Regulation 52 of SEBI Regulations. Any expenditure in excess of the said limit will be borne by the AMC/Trustees/Sponsors.

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

The AMC shall charge the investment management and advisory fees and the total recurring expenses of the Scheme in accordance with the limits prescribed from time to time under the SEBI Regulations. Expenses over and above the prescribed ceiling will be borne by the AMC / Trustee / Sponsor.

In accordance with Regulation 52(6A), the following expenses can be charged in addition to the existing total recurring expenses charged under Regulation 52(6):

Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 % in case of cash market transactions and 0.05 % in case of derivatives transactions;

The Mutual Fund would update the current expense ratios on the website ([www.motilaloswalmf.com](http://www.motilaloswalmf.com)) at least three working days prior to the effective date of the change. Investors can refer to “Total Expense Ratio” section on <https://www.motilaloswalmf.com/downloads/mutual-fund/totalexpensratio> for Total Expense Ratio (TER) details.

#### **Illustration of Impact of expense ratio on the returns of the Scheme**

| <b>Particulars</b>                            | <b>Amount (Rs.)</b> |
|---|---------------------|
| Invested amount                               | 10,000              |
| Annualised scheme performance                 | 10%                 |
| Net Assets before expenses                    | 11,000              |
| Annualised expense ratio                      | 1%                  |
| Net Assets after expenses                     | 10,890              |
| Return on invested amount before expenses     | 1,000               |
| Return on invested amount after expenses      | 890                 |
| Return on invested amount before expenses (%) | 10.00%              |
| Return on invested amount after expenses (%)  | 8.90%               |

Please Note:

- The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year. The expenses of the Direct Plan under the Scheme may vary with that of the Regular Plan under the Scheme.
- Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor.

## 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 <https://www.motilaloswalmf.com/> or may call at toll free no. +91 8108622222 and +91 22 40548002 or your distributor.

| Type of Load      | Load chargeable (as % of NAV)   |
|-------------------|---|
| <b>Entry</b>      | <b>Nil</b><br><br>In terms of SEBI Circular having reference No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor. |
| <b>Exit Load*</b> | <b>Nil</b>  |

There is no entry/exit load on units of the Scheme bought or sold through the secondary market on the Stock Exchange. However, an investor would be paying cost in the form of a bid and ask spread and brokerage, as charged by his broker for buying/selling units of the Scheme.

### \* Liquidity window for Investors of ETFs with AMCs

The redemption of units of the Scheme upto INR 25 Crores, directly with AMC, without any exit load, in case of the following scenarios:

- Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or
- No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or
- Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.

In case of the above scenarios, applications received from investors for redemption upto 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.

The above instances shall be tracked by the AMC on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be disclosed on the website of AMC.

The investor is requested to check the prevailing load structure of the Scheme before investing. For any change in load structure, AMC will issue an addendum and display it on the website/Investor Service Centres.

Any imposition or enhancement in the load structure shall apply on a prospective basis and in no case the same would affect the existing investors adversely.

Under the Scheme, the AMC reserves the right to modify/alter the load structure if it so deems fit in the interest of smooth and efficient functioning of the scheme, subject to maximum limits as prescribed under the SEBI Regulations. The load may also be changed from time to time and in case of exit/redemption, load may be linked to the period of holding.

For any change in the load structure, the AMC would undertake the following steps:

- The addendum detailing the changes will be attached to SID and Key Information Memorandum (KIM). The addendum will be circulated to all the distributors so that the same can be attached to all SID and KIM already in stock.
- Arrangements shall be made to display the changes/modifications in the SID in the form of a notice in all Investor Service Centres and distributors/brokers offices.



3. The introduction of the exit load/CDSC along with the details shall be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
4. The Fund shall display an Addendum in respect of such changes on its website ([www.motilaloswalmf.com](http://www.motilaloswalmf.com)).
5. Any other measure that the Mutual Fund shall consider necessary.

#### **D. WAIVER OF LOAD**

As per SEBI Regulations, no entry load shall be charged for existing/prospective investors of the Scheme.

#### **E. TRANSACTION CHARGES**

The AMC/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investors other than first time mutual fund investors through the distributor or through the stock exchange platforms viz. BSE Star MF/ NSE NMF II platforms (who have specifically opted-in to receive the transaction charges) as under :

- i. For existing investor in a Mutual Fund: Rs.100/- per subscription of Rs.10,000/- and above;
- ii. For first time investor in Mutual Funds: Rs.150/- per subscription of Rs.10,000/- and above.

However, there will be no transaction charge on:

- i. Subscription of less than Rs. 10,000/-; or
- ii. Transactions other than purchases/subscriptions relating to new inflows such as Switch/STP/SWP/DTP, etc.; or
- iii. Direct subscription (subscription not routed through distributor); or
- iv. Subscription routed through distributor who has chosen to 'Opt-out' of charging of transaction charge.

The transaction charge as mentioned above will be deducted by AMC from subscription amount of the Unitholder and paid to distributor and the balance shall be invested in the Scheme.

The distributors shall also have the option to either opt in or opt out of levying transaction charge based on type of the product.

#### **V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

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

This section contains the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

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.

##### **Not Applicable**

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.

- a) During the period May 2012 to July 2022, the NSE has levied penalties/fines on MOFSL, aggregating to Rs. **1045402357.73/-** on account of various reasons viz: non-submission of UCC details, short collection of margins & violation of market wide position limit in F&O segment, observations made during the course of inspections. However the aforesaid penalties/fines as levied by NSE have been duly paid.
- b) During the period May 2012 to July 2022, the BSE has levied penalties/fines aggregating to Rs. 10259485.09/-on account of various reasons viz: non-submission of UCC details, settlement of transactions through delivery versus payment, observations made during the course of inspections, etc. However the aforesaid penalties/fines as levied by BSE have been duly paid.
- c) During the period March 2018 to July 2022, the NCDEX has levied penalties/fines on MOFSL, aggregating to INR Rs. 12983994.9/- on account of Margin Shortfall Penalty. However the aforesaid penalties/fines as levied by NCDEX have been duly paid.
- d) During the period March 2018 to July 2022, the MCX has levied penalties/fines on MOFSL, aggregating to INR Rs. 115830702.3/- on account of various reasons viz: late/non submission of details pertaining to Enhanced Supervision, Margin Shortfall Penalty, etc. However the aforesaid penalties/fines as levied by MCX have been duly paid.
- e) During the period April 2013 to August 2022, the CDSL has levied penalties/fines aggregating to Rs. 1490560.41 on account of reasons viz: non-collection of proof of identity of clients, deviation in following of transmission procedure etc; whereas from penalty of Rs. 8,09,601.51 /-were levied by NSDL during the course of MOFSL operations. However the aforesaid penalties/fines as levied by CDSL and NSDL have been duly paid.

Details of pending litigations of MOSL are as follows:

| Sr No. | Case Title                      | Fact Of Case   | Status  |
|--------|---------------------------------|--|---|
| 1      | Hardik M Kotecha VS MOFSL, SEBI | Client has filed writ challenging SEBI new margin system   | Pending with high court                           |
| 2      | MOFSL VS Anand Jatin Desai      | We have filed section 9 application for securing award amount.   | Pending with high court                           |
| 3      | MOFSL VS Shilpa Anand Desai     | We have filed a petition u/s 9 for securing award amount.  | Pending with high court                           |
| 4      | Mamta Nagpal VS MOFSL           | The client has filed the petition for unauthorised trading done in her account and claiming the loss amount to be refunded to her. | Pending with Civil Judge, Senior Division, Kharar |

|    |  |  |  |
|----|--|--|--|
| 5  | MOFSL , PCS Commodities Limited VS SEBI , MCX , MCXCCL , Dhanera Diamonds  | MOFSL has filed a writ petition against SEBI and MCX for crude DDR circular dated April 21, 2020, settling crude oil prices at negative.   | Pending with high court                              |
| 6  | Rajiv Garg VS MOFSL, SEBI, MCX, MCXCCL, Priyanka   | Client has filed a writ petition challenging MCX Crude Circular dated April 21, 2020 fixing settlement prices in negative.   | Pending with High court of Chandigarh                |
| 7  | Dhanera Diamonds VS MOFSL, MCX MCXCCL  | Dhanera Diamonds has filed a Commercial Suit against MCX, MCXCCL and MOFSL challenging the MCX circular dated April 21, 2020. The client has alleged that it is not required to pay any money to MOFSL as the circular of MCX is not correct. Further, he has claimed money from the parties on the basis of close price of April 21, 2020 at 5PM. | Pending with high court                              |
| 8  | Sunil Goel VS MOFSL, SEBI, BSE LTD, CDSL, NSDL, Real Growth Commercial Ltd, UII, ICICI Bank, Kotak Mahindra Bank, HDFC Bank, Kotak Securities, Reliance Securities, NJ India Invest Pvt Ltd, Orbis Financial Ltd | As per SEBI direction, the DMAT accounts of the Applicant had frozen. Plaintiff had challenged the SEBI order.   | Pending with high court                              |
| 9  | Green Valliey Industries Ltd VS MOFSL  | The plaintiff has filed a suit for specific performance of the settlement agreement dated August 31, 2018  | Pending with Court of Additional Deputy Commissioner |
| 10 | MOFSL VS Rajiv Garg  | MOFSL has filed an application u/s 9 of Arbitration Act for interim relief.  | Pending with district court                          |
| 11 | MOFSL VS Anuj Jaipuria   | Execution proceedings filed against the Award dated 1st July, 2016.  | Pending with District Court - New Delhi              |
| 12 | Anju Kapoor VS MOFSL   | Client filed the Suit for recovery against MOFSL claiming 5 Lakhs as principal along with interest.  | Pending with Civil Judge, Senior Division, Gurugram  |
| 13 | Karan Kapoor VS MOFSL  | Client filed the Suit for recovery against MOFSL claiming 15 Lakhs as principal along with interest.   | Civil Judge, Senior Division, Gurugram               |

|    |  |  |  |
|----|--|--|--|
| 14 | Sukhuvinder Singh & anr v/s Navratna Co-Op Housing Society Ltd & others VS MOFSL                 | Plaintiff filed suit for allotment of covered car parking. No claim against MOFSL.   | Pending with Bombay City Civil Court at Borivali Division, Dindosi |
| 15 | M/s Natwarlal Shamaldas & Co VS MOFSL  | Landlord filed the suit for cancellation of tenancy and eviction of tent premises.   | Pending with Small Causes Court, Mumbai                            |
| 16 | MOCBPL VS SEBI   | MOCBPL has filed an appeal against SEBI order dated February 22, 2020 rejecting MOCBPL application for registration as a commodity broker on the ground that MOCBPL is not fit and proper. | Pending with SAT   |
| 17 | Manoj Agarwal VS MOFSL, Kajaria Ceramisc Ltd, MCA Share Transfer Agent, Bidya Financial Services | Client filed the Suit for recovery against Kajaria Ceramisc Ltd and other. MOFSL proforma party to the proceeding and no prayer against MOFSL.   | Pending ASST. DEPUTY COMMISSINER, SHILLONG                         |
| 18 | MOFSL VS K P Siva  | We have filed execution proceedings against client to recover Arbitration Award amount.  | Pending with Additional City Civil Court                           |
| 19 | MOFSL VS R Krishna   | We have filed an execution proceedings to recover the Arbitraation Award amount from the client.   | Pending with Additional City Civil Court                           |
| 20 | Rajeet Singh VS MOWMPL   | MOWMPL employee filed an application before appropriate authority to claim Gratuity amount.  | Pending with Controlling Authority under Payment of Gratuity Act   |
| 21 | MOFSL VS Thomas Demello  | We have filed execution proceedings to recover the Arbitration Award amount.   | Pending with Civil Judger Senior Division                          |
| 22 | MOFSL VS Vishal Chaudhary  | Execution application filed before Civil Court, Dheradun to recover the awarded amount.  | Pending with district court  |
| 23 | MOCBPL VS Suvarna Lunawat  | Execution application filed by MOCBPL to recover the awarded amount.   | Pending with district court  |

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|----|--|---|---|
| 24 | RUMKY CHAKRABORTY<br>VS MOSL, Dipayan Sebgupta   | Client filed the Money Suit for recovery against both MOSL and the BA Dipayan Sebgupta claiming 20 Lakhs as principal along with 18% interest.  | Pending with CIVIL JUDGE, SENIOR DIVISION, BARUIPUR, WB |
| 25 | MOFSL VS Kalavati<br>Kishorebhai Mawani  | Being Award in our favor, we have filed execution proceedings to execute the decree to recover the outstanding dues.  | Pending with High court                                 |
| 26 | MOFSL VS Pradnya Sarkhot   | Suit is filed under specific performance of agreement.  | Pending with Civil Court, Ratnagiri                     |
| 27 | Nirtex VS MOFSL, MOSL, MOFSL, MOWMPL, MOCBPL, PASSIONATE INVESTMENT, BK AGARWAL, MOTILAL OSWAL, RAMDEV AGARWAL, NAVEEN AGARWAL, PRAVIN TRIPATHI, VIVEK PARANJPE, SAMRAT SANYAL, AJAY MENON, HARSH JOSHI, RAJESH DHARMSHI | Nirtex has filed Commercial Suit against MOSL and Ors which is still pending for hearing. We have received the copy of the Complaint filed. The same is handed over to Dewen Dwarkadas for necessary actions.     | Pending with Bombay High court                          |
| 28 | Ketan Shah VS MOCBPL, MOSL, MOFSL, MOWMPL, PASSIONATE INVESTMENT, BK AGARWAL, MOTILAL OSWAL, RAMDEV AGARWAL, NAVEEN AGARWAL, PRAVIN TRIPATHI, VIVEK PARANJPE, SAMRAT SANYAL, AJAY MENON, HARSH JOSHI, RAJESH DHARMSHI    | Ketan Shah has filed Commercial Suit against MOSL and Ors which is still pending for hearing. We have received the copy of the Complaint filed. The same is handed over to Dewen Dwarkadas for necessary actions. | Pending with Bombay High court                          |
| 29 | MOFSL VS Moti Dadlani  | Execution proceedings filed against the Award dated 2nd Feb, 2016.  | Pending with High court                                 |
| 30 | MOFSL VS Limelight   | Arbitrator has passed award in favour of MOFSL. We have filed an application before Mumbai High Court for transfer of decree from   | Pending with High court                                 |

|    |  |   |   |
|----|--|---|---|
|    |  | Mumbai to Kolkata and the same is pending.  |   |
| 31 | MOFSL VS UCO BANK  | MOSL has filed an application for restoring the possession of the Licensed premises at Ghatkopar. | Pending with Debit Recovery Tribunal -2, Mumbai |
| 32 | MOFSL VS ANIL REDDY M  | We have filed execution proceedings.  | Pending   |
| 33 | MOFSL VS Srinivas Reddy Morthalla  | We have filed execution proceedings.  | Pending   |
| 34 | MOSL , Mr. Johnny Ishwardas Kirpalani , Mr. Harish Devidas Thawani , Watermark System (India) Private Limited , Goldcrest Capital Markets Pvt. Ltd. , Motilal Oswal Securities Ltd. , Mr. Nikhil Khandelwal , NSEL Investors Forum (NIFF) VS Union of India , Enforcement Directorate , Forward Market Commission , Warehousing Development and Regulatory Authority , Serious Fraud investigation Officer , State of Maharashtra. , National Spot Exchange , Financial Technologies (India) Limited , National Agricultural Cooperative Marketing Federation Of India Ltd. , Mr. Jignesh Shah , Mr. Shankarlal Guru , Anjani Sinha , Mr. B.D. Pawar , Mr. Joseph Massey , Mr. Shreekanth Javalgekar , Mr. Ramanathan Devarajan , The Maharashtra State Agricultural Marketing Board | NSEL default matter   | Pending with High court                         |

|    |  |                   |                         |
|----|--|-------------------|-------------------------|
| 35 | Financial Technologies (India) Ltd, Antony Verghese, Jay Ganesh of Mumbai, Mahendra Mayekar VS MOCBPL , Union of India, Forward Market Commission, National Spot Exchange Limited, NSEL Investor's Action Group, MMTC Limited, NSEL aggrieved and Recovery Commission NAARA, Syndicate Bank, Standard Chartered Bank, DBS Bank Ltd Singapore, Punjab National Bank (International) Limited | FT + NSEL- Merger | Pending with High court |
|----|--|-------------------|-------------------------|

3. Details of all enforcement actions taken by SEBI in the last five 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.

1. SEBI vide Notice dated May 09, 2019, under Rule 4 (1) of SEBI (Procedure for holding Inquiry and Imposing penalties by Adjudicating Officer) rules, 2005 inquired into alleged violation of the provisions of SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993.

SEBI conducted Inspection of MOFSL to examine whether MOFSL has complied with requirements of SEBI circular dated November 18, 1993. Inspection team observed the MOFSL has mis-utilised the funds of client's credit balance lying with the broker for the settlement obligation of the debit balance clients. MOFSL in its reply submitted that Inspection team has not included margin requirements of clients while calculating total creditor balance and hence the same is on higher side and that there would be considerable decrease in the figures if the margin dues are deducted from creditor balance. SEBI did not accept argument of the MOFSL since the margins collected from clients are in the form of funds and/or securities. The fund portion of the margin collected from the client has already been considered while calculating client deposits with the broker.

In view of the above SEBI called upon to show cause as to why an inquiry should not be held against MOFSL in terms of Rule 4 of the Adjudication Rules read with Section 23 of the SCRA 1956 and why penalty should not be imposed on terms of the provisions of Section 23D of the SCRA 1956. MOFSL has filed its reply dated October 03, 2019.

SEBI has passed adjudication order dated 28th February, 2020 against MOFSL and imposed a monetary penalty of Rs. 17,00,000/- to be paid within 45 days of order issued. We have paid penalty to SEBI and the matter is closed.

2. SEBI has initiated Adjudication vide letter dated December 11, 2019, for transactions of a customer in the scrip of Zylog Systems Limited. MOFSL has accepted the order for trading in ZSL from person other than client without any authority i.e. the trade order was issued by Mr. P Srikanth, husband of Client, Mrs. Srikanth Sripriya instead of client herself. With regard to aforesaid, MOFSL sent the

reply to SEBI on December 30, 2019 thereby denying the said allegations and to understand the reasons for issuance of said notice without any factual background. MOFSL sent reply to SEBI on May 20, 2020. Further our officials attended the video hearing with SEBI officials on 26<sup>th</sup> May, 2020. SEBI issued an Order dated 28<sup>th</sup> May, 2020 whereby they disposed-of the SCN without any penalty or action. The matter is disposed off.

3. SEBI has initiated adjudication notice against MOFSL vide notice no. SEBI/HO/EAD/EAD4/P/OW/2021/27159/3 dated 05th October, 2021 under rule 4(1) of SEBI (Procedure for holding inquiry and Imposing penalties) rules, 1995 in the matter of Resurgere Mines and Minerals India Limited (RMMIL) Personal Hearing scheduled by SEBI held on 4th April 2022. SEBI issued Adjudication order GR/PU/2022-23/17202-17225 dated 21<sup>st</sup> June, 2022 wherein SEBI have taken no action against MOSL (i.e. MOFSL after merger)
4. SEBI has sent show cause notice vide letter no: SEBI/EAD-3/BM/LD/31186/2021 against MOFSL dated November 01, 2021 based on Rule 4(1) of SEBI (Procedure of Holding inquiry and Imposing Penalties) Rules 1995 and Rule 4 (1) of Securities Contract Regulation (Procedure of Holding inquiry and Imposing Penalties) Rules 2005 where non-compliances observed during inspection viz: Mis-utilisation of client funds, Incorrect Reporting/Short collection of Margin, Client funding beyond stipulated time, Discrepancies in CKYC process, Non maintenance of evidence of client order placement, incorrect reporting of Weekly Enhanced Supervision data, are highlighted and have asked to revert with clarifications and supporting within 21 days from date of notice. MOFSL had asked for extension to file the revert which was considered by SEBI. Later, MOFSL had filed its reply to SEBI on 28th December, 2021. Personal hearing was conducted on 14th Feb 2022. Basis direction of Adjudicating officer we have filed additional data w.r.t Margin reporting wherein funds were transferred from one segment to another. SEBI vide adjudication order NO. ORDER/BM/LD/2022-23/16301 dated 29th April, 2022 have imposed the penalty of Rs. 25 lakhs which we have paid to SEBI on 23rd May, 2022. As a corrective action on mis-utilization of funds and post Enhanced Supervision circular issued on Sept, 2016, we have not invested any client's funds into non-cash component. We invest only in cash and cash equivalents.

*MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench. The existing registration no(s) of MOSL would be used until receipt of new MOFSL registration numbers.*

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.

**None**

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.

**None**

**The Scheme under this Scheme Information Document was approved by the Trustees at their meeting held on October 27, 2010. The Trustees have ensured that the Scheme is a new product offered by Motilal Oswal Mutual Fund and is not a minor modification of its existing Scheme/Fund/Product.**

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



**For Motilal Oswal Asset Management Company Limited  
(Asset Management Company for Motilal Oswal Mutual Fund)**

**Sd/-**

**Navin Agarwal  
Managing Director & Chief Executive Officer**

**Place: Mumbai**

**Date: October 28, 2022**

**MOTILAL OSWAL MUTUAL FUND**

**a) Official Point of Acceptance of Transactions (OPAT)**

| <b>BranchName</b> | <b>Branch Address</b>  |
|-------------------|--|
| Ahmedabad         | 6th Floor , Ashwamegh Elegance-3, Opp C N Vidyalaya, Ambawadi                                |
| Bangalore         | 2/1, Ground Floor, Embassy Icon Annexe, Infantry Road  |
| Delhi             | 801-815, 8th Floor, Tolstoy House, Tolstoy Road, Connaught Place                             |
| Hyderabad         | 4th Floor, Door No- 6-3-670, RKJSM Squares, Above Reliance Digital, Punjagutta,              |
| Kolkata           | 3rd Floor, Constantia Building, 11, Dr. U.N Brahmachari Street                               |
| Mumbai-MOT        | 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi    |
| Pune              | Office No.401, 4th Floor. Millennium Towers, CTS No. 885/1, Plot No 241/1/A, Bhandarkar Road |
| Surat             | 2nd Floor, Rockford Business Centre, Ring Road, Udhana Darwaja                               |
| Chennai           | MKV Towers, New No 3, Old No 2, Second Floor, Burkit Rd, T Nagar, Chennai - 600017           |

**b) Investor Service Center (ISC):**

| <b>BranchName</b> | <b>Branch Address</b>                          |
|-------------------|--|
| Chandigarh        | SCO 86, First Floor, Sector 38 C               |
| Indore            | 2nd Floor Shagun Arcade Vijay Nagar Crossing   |
| Jaipur            | 403-404, City Mall, Bhagwan Das Road, C-Scheme |
| Jamshedpur        | 1st Floor, RR Square, Main Road, Bistupur      |

|            |   |
|------------|---|
| Lucknow    | 710, 7th Floor, Ratan Square, 20-A, Vidhan Sabha Marg   |
| Nagpur     | 1 Floor, Kapish Centre, Opp Gajanad Maharaj Mandir, Zenda Chowk, Dharampeth                       |
| Nashik     | 2nd floor, Space Cosmos, Ashok Stambh   |
| Goa-Panaji | Shop No. 2, M/s Advani Enterprises, Cabin No CU-07, Neel Kamal Arcade, Dr. A B Road               |
| Raipur     | Piyank Tower, Rajatalab Road, Ward No. 40   |
| Ranchi     | ‘STAR HEIGHT’, Shop No. 1B, 1st Floor, Opposite. K C Roy Memorial Hospital, Circular Road, Lalpur |
| Vadodara   | 501 – 5th Floor Smeet Above Trends, Sarabhai Campus, Near Genda Circle Gorwa Road                 |
| Cochin     | 1st Floor, Areekkal Mansion, Pannampilly Nagar Main Road, Opposite to Malayala Manorama           |
| Coimbatore | 1011, 1 <sup>st</sup> Floor, Avinashi Road, Above IDFC Bank                                       |

#### KFin Technologies Private Limited (Official Collection Centres)

##### Registrar

KFin Technologies Limited

Address: 9th Floor, Capital Towers, 180, Kodambakkam High Road, Nungambakkam, Chennai – 600034

Tel: 040 79611000 / 67162222

Toll Free No: 18004254034/35

Email: [compliance.corp@kfintech.com](mailto:compliance.corp@kfintech.com)

Website: [www.kfintech.com/](http://www.kfintech.com/)

| Branch Name | Branch Address  |
|-------------|---|
| Bangalore   | No 35, Puttanna Road, Basavanagudi, Bangalore 560004  |
| Belgaum     | Premises No.101, CTS NO.1893, Shree Guru Darshani Tower, Anandwadi, Hindwadi, Belgaum 590011                |
| Bellary     | GROUND FLOOR, 3RD OFFICE, NEAR WOMENS COLLEGE ROAD, BESIDE AMRUTH DIAGNOSTIC SHANTHI ARCADE, Bellary 583103 |

|             |   |
|-------------|---|
| Davangere   | D.No 162/6 , 1st Floor, 3rd Main,P J Extension,Davangere taluk, Davangere Manda,Davangere 577002                                  |
| Gulbarga    | H NO 2-231,KRISHNA COMPLEX, 2ND FLOOR Opp.,Opp. Municipal corporation Office,Jagat, Station Main Road, KALABURAGI,Gulbarga 585105 |
| Hassan      | SAS NO: 490, HEMADRI ARCADE,2ND MAIN ROAD,SALGAME ROAD NEAR BRAHMINS BOYS HOSTEL,Hassan 573201                                    |
| Hubli       | R R MAHALAXMI MANSION,ABOVE INDUSIND BANK, 2ND FLOOR,DESAI CROSS, PINTO ROAD,Hubballi 580029                                      |
| Mangalore   | Mahendra Arcade Opp Court Road,Karangal Padi,-,Mangalore 575003   |
| Margoa      | SHOP NO 21, OSIA MALL, 1ST FLOOR, NEAR KTC BUS STAND, SGDPA MARKET COMPLEX, Margao - 403601                                       |
| Mysore      | NO 2924, 2ND FLOOR, 1ST MAIN, 5TH CROSS, SARASWATHI PURAM, MYSORE 570009  |
| Panjim      | H. No: T-9, T-10, Affran plaza,3rd Floor,Near Don Bosco High School,Panjim 403001   |
| Shimoga     | JAYARAMA NILAYA,2ND CORSS,MISSION COMPOUND,Shimoga 577201   |
| Ahmedabad   | Office No. 401, on 4th Floor,ABC-I, Off. C.G. Road,-,Ahmedabad 380009   |
| Anand       | B-42 Vaibhav Commercial Center,Nr Tvs Down Town Shrow Room ,Grid Char Rasta ,Anand 380001   |
| Baroda      | KFIN Technologies LTD,1st Floor 125 Kanha Capital, Opp. Express Hotel, R C Dutt Road, Alkapuri Vadodara 390007                    |
| Bharuch     | 123 Nexus business Hub,Near Gangotri Hotel,B/s Rajeshwari Petroleum,Makampur Road,Bharuch 392001                                  |
| Bhavnagar   | 303 STERLING POINT ,WAGHAWADI ROAD ,-,Bhavnagar 364001  |
| Gandhidham  | Shop # 12 Shree Ambica Arcade Plot # 300,Ward 12. Opp. CG High School ,Near HDFC Bank,Gandhidham 370201                           |
| Gandhinagar | 123 First Floor,Megh Malhar Complex,Opp. Vijay Petrol Pump Sector - 11,Gandhinagar 382011   |
| Jamnagar    | 131 Madhav Piazza, ,Opp Sbi Bank,Nr Lal Bungalow,Jamnagar 361008  |
| Junagadh    | Shop No. 201, 2nd Floor, V-ARCADE Complex, Near vanzari chowk,M.G. Road,Junagadh,362001   |
| Mehsana     | FF-21 Someshwar Shopping Mall ,Modhera Char Rasta,-,Mehsana 384002  |
| Nadiad      | 311-3rd Floor City Center ,Near Paras Circle,-,Nadiad 387001  |
| Navsari     | 103 1ST FLOORE LANDMARK MALL,NEAR SAYAJI LIBRARY ,Navsari Gujarat,Navsari 396445  |

|             |  |
|-------------|--|
| Rajkot      | 302 Metro Plaza ,Near Moti Tanki Chowk,Rajkot,Rajkot Gujarat 360001  |
| Surat       | Ground Floor Empire State building ,Near Udhna Darwaja, Ring Road, Surat 395002                                    |
| Valsad      | 406 Dreamland Arcade, Opp Jade Blue, Tithal Road, Valsad 396001  |
| Vapi        | A-8 Second FLOOR SOLITAIRE BUSINESS CENTRE, OPP DCB BANK GIDC CHAR RASTA, SILVASSA ROAD, Vapi 396191               |
| Chennai     | KFin Technologies Limited, 9th Floor, Capital Towers, 180, Kodambakkam High Road, Nungambakkam   Chennai – 600 034 |
| Calicut     | Second Floor, Manimuriyil Centre, Bank Road,, Kasaba Village, Calicut 673001                                       |
| Cochin      | Ali Arcade 1St Floor Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakulam 682036                    |
| Kannur      | 2ND FLOOR, GLOBAL VILLAGE, BANK ROAD, Kannur 670001  |
| Kollam      | SREE VIGNESWARA BHAVAN, SHASTRI JUNCTION, KOLLAM - 691001  |
| Kottayam    | 1St Floor Csiascension Square, Railway Station Road, Collectorate P O, Kottayam 686002                             |
| Palghat     | No: 20 & 21 , Metro Complex H.P.O. Road Palakkad, H.P.O. Road, Palakkad 678001                                     |
| Tiruvalla   | 2Nd Floor Erinjery Complex, Ramanchira, Opp Axis Bank, Thiruvalla 689107   |
| Trichur     | 4TH FLOOR, CROWN TOWER, SHAKTHAN NAGAR, OPP. HEAD POST OFFICE, Thrissur 680001                                     |
| Trivandrum  | 1st FLOOR , MARVEL BUILDING OPP, SL ELECTRICALS, UPPALAM ROAD, STATUE PO, TRIVANDRUM 695001                        |
| Coimbatore  | 3rd Floor Jaya Enclave, 1057 Avinashi Road, -, Coimbatore 641018   |
| Erode       | Address No 38/1 Ground Floor, Sathy Road, (VCTV Main Road), Sorna Krishna Complex, Erode 638003                    |
| Karur       | No 88/11, BB plaza, NRMP street, K S Mess Back side, Karur 639002  |
| Madurai     | No. G-16/17, AR Plaza, 1st floor, North Veli Street, Madurai 625001  |
| Nagercoil   | HNO 45 , 1st Floor, East Car Street , Nagercoil 629001   |
| Pondicherry | No 122(10b), Muthumariamman koil street, -, Pondicherry 605001   |
| Salem       | No.6 NS Complex, Omalur main road, Salem 636009  |
| Tirunelveli | 55/18 Jeney Building, 2nd Floor, S N Road, Near Aravind Eye Hospital, Tirunelveli 627001                           |
| Trichy      | No 23C/1 E V R road, Near Vekkaiammam Kalyana Mandapam, Putthur, -, Trichy 620017                                  |
| Tuticorin   | 4 - B A34 - A37, Mangalmal Mani Nagar, Opp. Rajaji Park Palayamkottai Road, Tuticorin 628003                       |

|                       |   |
|-----------------------|---|
| Vellore               | No 2/19,1st floor,Vellore city centre,Anna salai,Vellore 632001   |
| Agartala              | OLS RMS CHOWMUHANI,MANTRI BARI ROAD 1ST FLOOR NEAR Jana Sevak Saloon Building TRAFFIC POINT,TRIPURA WEST,Agartala 799001  |
| Guwahati              | Ganapati Enclave, 4th Floor, Opposite Bora service, Ullubari, Guwahati, Assam 781007  |
| Shillong              | Annex Mani Bhawan ,Lower Thana Road ,Near R K M Lp School ,Shillong 793001  |
| Silchar               | N.N. Dutta Road,Chowchakra Complex,Premtala,Silchar 788001  |
| Ananthapur            | KFin Technologies Ltd.,#13/4, Vishnupriya Complex,Beside SBI Bank, Near Tower Clock,Ananthapur-515001.  |
| Guntur                | 2nd Shatter, 1st Floor,Hno. 6-14-48, 14/2 Lane,,Arundal Pet,Guntur 522002   |
| Hyderabad             | No:303, Vamsee Estates,Opp: Bigbazaar,Ameerpet,Hyderabad 500016   |
| Karimnagar            | 2nd ShutterHNo. 7-2-607 Sri Matha ,Complex Mankammathota ,-,Karimnagar 505001   |
| Kurnool               | Shop No:47,2nd Floor,S komda Shoping mall,Kurnool 518001  |
| Nanded                | Shop No.4 ,Santakripa Market G G Road,Opp.Bank Of India,Nanded 431601   |
| Rajahmundry           | No. 46-23-10/A, Tirumala Arcade, 2nd floor, Ganuga Veedhi, Danavaipeta, Rajahmundry,East Godavari Dist, AP - 533103,  |
| Solapur               | Shop No 106. Krishna complex 477,Dakshin Kasaba, Datta Chowk,Solapur-413007   |
| Srikakulam            | D No 4-4-97 First Floor Behind Sri Vijayaganapathi Temple,Pedda relli veedhi ,Palakonda Road ,Srikakulam 532001   |
| Tirupathi             | Shop No:18-1-421/fl,CITY Center,K.T.Road,Airtel Backside office,Tirupathi - 517501  |
| Vijayawada            | HNo26-23, 1st Floor,Sundarammastreet,GandhiNagar, Krishna,Vijayawada 520010   |
| Visakhapatnam         | DNO : 48-10-40, GROUND FLOOR, SURYA RATNA ARCADE, SRINAGAR, OPP ROADTO LALITHA JEWELLER SHOWROOM,BESIDE TAJ HOTEL LADGE,Visakhapatnam 530016                      |
| Warangal              | Shop No22 , ,Ground Floor Warangal City Center,15-1-237,Mulugu Road Junction,Warangal 506002  |
| Khammam               | 11-4-3/3 Shop No. S-9,1st floor,Srivenkata Sairam Arcade,Old CPI Office Near PriyaDarshini CollegeNehru Nagar ,KHAMMAM 507002                                     |
| Hyderabad(Gachibowli) | KFintech .Ltd,Selenium Plot No: 31 & 32,Tower B Survey No.115/22 115/24 115/25,Financial District Gachibowli Nanakramguda Serilingampally Mandal,Hyderabad,500032 |
| Akola                 | Yamuna Tarang Complex Shop No 30,Ground Floor N.H. No- 06 Murtizapur Road,Opp Radhakrishna Talkies,Akola 444004   |

|                |   |
|----------------|---|
| Amaravathi     | Shop No. 21 2nd Floor,Gulshan Tower,Near Panchsheel Talkies Jaistambh Square,Amaravathi 444601                                |
| Aurangabad     | Shop no B 38,Motiwalla Trade Center,Nirala Bazar,Aurangabad 431001  |
| Bhopal         | SF-13 Gurukripa Plaza, Plot No. 48A,Opposite City Hospital, zone-2,M P nagar,Bhopal 462011                                    |
| Dhule          | Ground Floor Ideal Laundry Lane No 4,Khol Galli Near Muthoot Finance,Opp Bhavasar General Store,Dhule 424001                  |
| Indore         | KFin Technologies Ltd. , 101, Diamond Trade Center, 3-4 Diamond Colony, New Palasia, Above khurana Bakery, Indore             |
| Jabalpur       | 2nd Floor, 290/1 (615-New), Near Bhavartal Garden, Jabalpur - 482001  |
| Jalgaon        | 3rd floor,269 JAEE Plaza, Baliram Peth near Kishore Agencies ,Jalgaon 425001  |
| Nagpur         | Plot No. 2, Block No. B / 1 & 2 , Shree Apratment,Khare Town, Mata Mandir Road,Dharampeth,Nagpur 440010                       |
| Nasik          | S-9 Second Floor,Suyojit Sankul,Sharanpur Road,Nasik 422002   |
| Sagar          | II floor Above shiva kanch mandir.,5 civil lines,Sagar,Sagar 470002   |
| Ujjain         | Heritage Shop No. 227,87 Vishvavidhyalaya Marg,Station Road,Near ICICI bank Above Vishal Megha Mart,Ujjain 456001             |
| Asansol        | 112/N G. T. ROAD BHANGA PACHIL,G.T Road Asansol Pin: 713 303; ,Paschim Bardhaman West Bengal,Asansol 713303                   |
| Balasore       | 1-B. 1st Floor, Kalinga Hotel Lane,Baleshwar,Baleshwar Sadar,Balasore 756001  |
| Bankura        | Plot nos- 80/1/ANATUNCHATI MAHALLA 3rd floor,Ward no-24 Opposite P.C Chandra,Bankura town,Bankura 722101                      |
| Berhampur (Or) | Opp Divya Nandan Kalyan Mandap,3rd Lane Dharam Nagar,Near Lohiya Motor,Berhampur (Or) 760001                                  |
| Bhilai         | Office No.2, 1st Floor,Plot No. 9/6,Nehru Nagar [East],Bhilai 490020  |
| Bhubaneswar    | A/181 Back Side Of Shivam Honda Show Room,Saheed Nagar,-,Bhubaneswar 751007   |
| Bilaspur       | Shop.No.306,3rd Floor,ANANDAM PLAZA,Vyapar Vihar Main Road,Bilaspur 495001  |
| Bokaro         | CITY CENTRE, PLOT NO. HE-07,SECTOR-IV,BOKARO STEEL CITY,Bokaro 827004   |
| Burdwan        | Saluja Complex; 846, Laxmipur, G T Road, Burdwan; PS: BURDWAN & DIST: BURDWAN-EAST,PIN: 713101                                |
| Chinsura       | No : 96,PO: CHINSURAH,DOCTORS LANE,Chinsurah 712101   |
| Cuttack        | SHOP NO-45,2ND FLOOR,,NETAJI SUBAS BOSE ARCADE,,(BIG BAZAR BUILDING) ADJUSENT TO RELIANCE TRENDS,,DARGHA BAZAR,Cuttack 753001 |

|            |   |
|------------|---|
| Dhanbad    | 208 New Market 2Nd Floor,Bank More,-,Dhanbad 826001   |
| Durgapur   | MWAV-16 BENGAL AMBUJA,2ND FLOOR CITY CENTRE,Distt. BURDWAN<br>Durgapur-16 ,Durgapur 713216  |
| Gaya       | Property No. 711045129, Ground FloorHotel Skylark,Swaraipuri Road,-,Gaya 823001   |
| Jalpaiguri | D B C Road Opp Nirala Hotel,Opp Nirala Hotel,Opp Nirala Hotel,Jalpaiguri 735101   |
| Jamshedpur | Madhukunj, 3rd Floor ,Q Road, Sakchi,Bistupur, East Singhbhum,Jamshedpur 831001   |
| Kharagpur  | Holding No 254/220, SBI BUILDING,Malancho Road, Ward No.16, PO: Kharagpur, PS: Kharagpur,Dist: Paschim Medinipur,Kharagpur 721304 |
| Kolkata    | 2/1,Russel Street,4thFloor,Kankaria,Centre,Kolkata,70001,WB   |
| Malda      | RAM KRISHNA PALLY; GROUND FLOOR,ENGLISH BAZAR,-,Malda 732101  |
| Patna      | 3A 3Rd Floor Anand Tower,Exhibition Road,Opp Icici Bank,Patna 800001  |
| Raipur     | OFFICE NO S-13 SECOND FLOOR REHEJA TOWER,FAFADIH CHOWK,JAIL ROAD,Raipur 492001  |
| Ranchi     | Room No 307 3Rd Floor ,Commerce Tower ,Beside Mahabir Tower ,Ranchi 834001  |
| Rourkela   | 2nd Floor, Main Road,UDIT NAGAR,SUNDARGARH,Rourekla 769012  |
| Sambalpur  | First Floor; Shop No. 219,SAHEJ PLAZA,Golebazar; Sambalpur,Sambalpur 768001   |
| Siliguri   | Nanak Complex, 2nd Floor,Sevoke Road,-,Siliguri 734001  |
| Agra       | House No. 17/2/4, 2nd Floor,Deepak Wasan Plaza,Behind Hotel Holiday INN,Sanjay Place,Agra 282002                                  |
| Aligarh    | 1st Floor Sevti Complex,Near Jain Temple,Samad Road Aligarh-202001  |
| Allahabad  | Meena Bazar,2nd Floor 10 S.P. Marg Civil Lines,Subhash Chauraha, Prayagraj,Allahabad 211001                                       |
| Ambala     | 6349, 2nd Floor,Nicholson Road,Adjacent Kos Hospitalambala Cant,Ambala 133001   |
| Azamgarh   | House No. 290, Ground Floor,Civil lines, Near Sahara Office,-,Azamgarh 276001   |
| Bareilly   | 1ST FLOORREAR SIDEA -SQUARE BUILDING,54-CIVIL LINES,Ayub Khan Chauraha,Bareilly 243001  |
| Begusarai  | C/o Dr Hazari Prasad Sahu, Ward No 13, Behind Alka Cinema,Begusarai (Bihar),Begusarai 851117                                      |
| Bhagalpur  | 2Nd Floor,Chandralok ComplexGhantaghar,Radha Rani Sinha Road,Bhagalpur 812001   |
| Darbhanga  | 2nd Floor Raj Complex, Near Poor Home, Darbhanga - 846004   |
| Dehradun   | Shop No-809/799 , Street No-2 A,Rajendra Nagar, Near Sheesha Lounge,Kaulagarh Road,Dehradun-248001                                |

|             |   |
|-------------|---|
| Deoria      | K. K. Plaza,Above Apurwa Sweets,Civil Lines Road,Deoria 274001  |
| Faridabad   | A-2B 2nd Floor,Neelam Bata Road Peer ki Mazar,Nehru Groundnit,Faridabad 121001  |
| Ghaziabad   | FF - 31, Konark Building,Rajnagar,-,Ghaziabad 201001  |
| Ghazipur    | House No. 148/19,Mahua Bagh,Raini Katra-,Ghazipur 233001  |
| Gonda       | H No 782,Shiv Sadan,ITI Road,Near Raghukul Vidyapeeth,Civil lines,Gonda 271001  |
| Gorakhpur   | Shop No 8 & 9, 4th Floor, Cross Road The Mall, Bank Road, Gorakhpur - 273001  |
| Gurgaon     | No: 212A, 2nd Floor, Vipul Agora,M. G. Road,-,Gurgaon 122001  |
| Gwalior     | City Centre,Near Axis Bank,-,Gwalior 474011   |
| Haldwani    | Shoop No 5,KMVN Shopping Complex,-,Haldwani 263139  |
| Haridwar    | Shop No. - 17,Bhatia Complex,Near Jamuna Palace,Haridwar 249410   |
| Hissar      | Shop No. 20, Ground Floor,R D City Centre,Railway Road,Hissar 125001  |
| Jhansi      | 1st Floor, Puja Tower,Near 48 Chambers,ELITE Crossing,Jhansi 284001   |
| Kanpur      | 15/46 B Ground Floor,Opp : Muir Mills,Civil Lines,Kanpur 208001   |
| Lucknow     | Ist Floor,A. A. Complex,5 Park Road Hazratganj Thaper House,Lucknow 226001  |
| Mandi       | House No. 99/11, 3rd Floor,Opposite GSS Boy School,School Bazar,Mandi 175001  |
| Mathura     | Shop No. 9, Ground Floor, Vihari Lal Plaza,Opposite Brijwasi Centrum,Near New Bus Stand,Mathura 281001                  |
| Meerut      | Shop No:- 111,First Floor, Shivam Plaza, Near Canara Bank,Opposite Eves Petrol Pump, Meerut-250001,Uttar Pradesh, India |
| Mirzapur    | Triveni Campus, Near SBI Life Ratanganj Mirzapur 231001   |
| Moradabad   | Chadha Complex,G. M. D. Road,Near Tadi Khana Chowk,Moradabad 244001   |
| Morena      | House No. HIG 959,Near Court,Front of Dr. Lal Lab,Old Housing Board Colony,Morena 476001                                |
| Muzaffarpur | First Floor Saroj Complex ,Diwam Road,Near Kalyani Chowk,Muzaffarpur 842001   |
| Noida       | F-21,2nd Floor,Near Kalyan Jewelers,Sector-18,Noida 201301  |
| Panipat     | K Fin Technologies Ltd,Shop No. 20, 1st Floor BMK,Market, Behind HIVE Hotel, G.T.Road, Panipat-132103, Haryana          |
| Renukoot    | C/o Mallick Medical Store,Bangali Katra Main Road,Dist. Sonebhadra (U.P.),Renukoot 231217                               |
| Rewa        | Shop No. 2, Shree Sai Anmol Complex,Ground Floor,Opp Teerth Memorial Hospital,Rewa 486001                               |



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| Rohtak       | Shop No 14, Ground Floor,Ashoka Plaza,Delhi Road ,Rohtak 124001  |
| Roorkee      | Shree Ashadeep Complex 16,Civil Lines,Near Income Tax Office,Roorkee 247667  |
| Satna        | 1St Floor Gopal Complex,Near Bus Stand Rewa Roa,Satna,485001   |
| Shimla       | 1st Floor,Hills View Complex,Near Tara Hall,Shimla 171001  |
| Shivpuri     | A. B. Road,In Front of Sawarkar Park,Near Hotel Vanasthali,Shivpuri 473551   |
| Sitapur      | 12/12 Surya Complex,Station Road ,Uttar Pradesh,Sitapur 261001   |
| Solan        | Disha Complex, 1St Floor,Above Axis Bank,Rajgarh Road,Solan 173212   |
| Sonepat      | Shop no. 205 PP Tower,Opp income tax office,Subhash chowk Sonepat. 131001.   |
| Sultanpur    | 1st Floor, Ramashanker Market,Civil Line,-,Sultanpur 228001  |
| Varanasi     | D-64/132 KA , 2nd Floor , Anant Complex, Sigra,Varanasi 221010   |
| Yamuna Nagar | B-V, 185/A, 2nd Floor, Jagadri Road,,Near DAV Girls College, (UCO Bank Building) Pyara Chowk,-,Yamuna Nagar 135001   |
| Kolhapur     | 605/1/4 E Ward Shahupuri 2Nd Lane,Laxmi Niwas,Near Sultane Chambers,Kolhapur 416001                                  |
| Mumbai       | 6/8 Ground Floor, Crossley House,Near BSE ( Bombay Stock Exchange)Next Union Bank ,Fort Mumbai - 400 001             |
| Pune         | Office # 207-210, second floor,Kamla Arcade, JM Road. Opposite Balgandharva,Shivaji Nagar,Pune 411005                |
| Vashi        | Vashi Plaza,Shop no. 324,C Wing, 1ST Floor,Sector 17,Vashi Mumbai,400705   |
| Vile Parle   | Shop No.1 Ground Floor,,Dipti Jyothi Co-operative Housing Society,,Near MTNL office P M Road,,Vile Parle East,400057 |
| Borivali     | Gomati SmutiGround Floor,Jambli Gully,Near Railway Station ,Borivali Mumbai,400 092                                  |
| Thane        | Room No. 302 3rd FloorGanga Prasad,Near RBL Bank Ltd,Ram Maruti Cross RoadNaupada Thane West ,Mumbai,400602          |
| Ajmer        | 302 3rd Floor,Ajmer Auto Building,Opposite City Power House,Jaipur Road; Ajmer 305001                                |
| Alwar        | Office Number 137, First Floor,Jai Complex,Road No-2,Alwar 301001  |
| Amritsar     | SCO 5 ,2nd Floor, District Shopping Complex,Ranjit Avenue,Amritsar 143001  |
| Bhatinda     | MCB -Z-3-01043, 2 floor, GONIANA ROAD,OPPORITE NIPPON INDIA MF GT ROAD,NEAR HANUMAN CHOWK,Bhatinda 151001            |
| Bhilwara     | Office No. 14 B, Prem Bhawan,Pur Road, Gandhi Nagar,Near CanaraBank,Bhilwara 311001                                  |
| Bikaner      | 70-71 2Nd Floor   Dr.Chahar Building ,Panchsati Circle,Sadul Ganj ,Bikaner 334003                                    |

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| Chandigarh     | First floor, SCO 2469-70,Sec. 22-C,-,Chandigarh 160022   |
| Ferozpur       | The Mall Road Chawla Bulding Ist Floor,Opp. Centrail Jail,Near Hanuman Mandir,Ferozepur 152002                       |
| Hoshiarpur     | Unit # SF-6,The Mall Complex,2nd Floor , Opposite Kapila Hospital,Sutheri Road,Hoshiarpur 146001                     |
| Jaipur         | Office no 101, 1st Floor,Okay Plus Tower,Next to Kalyan Jewellers,Government Hostel Circle, Ajmer Road,Jaipur 302001 |
| Jalandhar      | Office No 7, 3rd Floor, City Square building,E-H197 Civil Line,Next to Kalyan Jewellers, Jalandhar 144001            |
| Jammu          | KFin Technologies.Ltd, 1D/D Extension 2,Valmiki Chowk, Gandhi Nagar , Jammu 180004,State - J&K                       |
| Jodhpur        | Shop No. 6, GANG TOWER, G Floor,OPPOSITE ARORA MOTER SERVICE CENTRE,NEAR BOMBAY MOTER CIRCLE,Jodhpur 342003          |
| Karnal         | 3 Randhir Colony, Near Doctor J.C.Bathla Hospital, Karnal,( Haryana ) 132001   |
| Kota           | D-8, SHRI RAM COMPLEX,OPPOSITE MULTI PURPOSE SCHOOL,GUMANPUR,Kota 324007   |
| Ludhiana       | SCO 122, Second floor,Above Hdfe Mutual fun,,Feroze Gandhi Market,Ludhiana 141001                                    |
| Moga           | 1St FloorDutt Road,Mandir Wali Gali,Civil Lines Barat Ghar ,Moga 142001  |
| New Delhi      | 305 New Delhi House ,27 Barakhamba Road ,-,New Delhi 110001  |
| Pathankot      | 2nd Floor Sahni Arcade Complex,Adj.Indra colony Gate Railway Road,Pathankot,Pathankot 145001                         |
| Patiala        | B- 17/423,Lower Mall Patiala,Opp Modi College,Patiala 147001   |
| Sikar          | First FloorSuper Tower ,Behind Ram Mandir Near Taparya Bagichi ,-,Sikar 332001                                       |
| Sri Ganganagar | Address Shop No. 5, Opposite Bihani Petrol Pump,NH - 15,near Baba Ramdev Mandir,Sri Ganganagar 335001                |
| Udaipur        | Shop No. 202, 2nd Floor business centre,1C Madhuvan,Opp G P O Chetak Circle ,Udaipur 313001                          |
| Eluru          | DNO-23A-7-72/73K K S PLAZA MUNUKUTLA VARI STREET,OPP ANDHRA HOSPITALS,R R PETA,Eluru 534002                          |