

Motilal Oswal S&P BSE Enhanced Value ETF & Index Fund

Frequently Asked Questions

— What is Factor Investing?

A factor is any characteristic that helps explain the long-term risk and return of the asset class. Factor investing is an investment approach that involves targeting such specific factors in a systematic manner. Popular factors include Momentum, Quality, Value, Low Volatility, Size, etc.

— What is the Value Factor?

Value investing is one of the oldest and best-known styles of investing. It is based on the foundation that “cheap” stocks tend to outperform “expensive” stocks over the long-term.

The Value Factor tries to capture this premium by selecting stocks that are trading at relatively lower P/E, P/B, and P/S ratios.

— What is Motilal Oswal S&P BSE Enhanced Value ETF’s objective?

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&P BSE Enhanced Value TRI, subject to tracking error.

However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.

— What is Motilal Oswal S&P BSE Enhanced Value Index Fund’s objective?

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&P BSE Enhanced Value TRI, subject to tracking error.

However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.

— Are these schemes actively managed or passively managed?

These schemes are passively managed. A Demat account and a trading account is required to invest in units of Motilal Oswal S&P BSE Enhanced Value ETF. However to invest in Motilal Oswal S&P BSE Enhanced Value Index Fund, one does not require a Demat or trading account.

— Where would the fund manager invest my money?

Both the Motilal Oswal S&P BSE Enhanced Value ETF and Motilal Oswal S&P BSE Enhanced Value Index Fund invests in companies that are part of the S&P BSE Enhanced Value Index. The Index is designed to track the performance of the top 30 companies in the S&P BSE LargeMidCap with the most attractive valuations, as measured by P/E, P/B, and P/S ratios.

— What is the Index methodology? How often will the index be rebalanced?

The S&P BSE Enhanced Value Index aims to track the performance of top 30 stocks with most attractive valuations across large and mid-cap universe. The Value score for each stock is based their P/E, P/B, and P/S ratios. The index is rebalanced on a semi-annual basis.

— How would I possibly benefit by investing in S&P BSE Enhanced Value Index?

The S&P BSE Enhanced Value Index helps an investor take exposure to the Value Factor. It is a systematic way to capture stocks that are available at relatively attractive valuations. The Value Factor has historically worked well when the market is in recovery phase.

How can an investor invest in these schemes?

Motilal Oswal S&P BSE Enhanced Value ETF - An investor can invest in the scheme through stock exchange via broker. In case if he wishes to buy directly with the AMC, the subscription amount is in excess of INR 25 Crs.

Motilal Oswal S&P BSE Enhanced Value Index Fund - Like any other mutual fund, an investor can buy fund units from any mutual fund distributor or intermediary and also from the website of Motilal Oswal Asset management (www.motilaloswalmf.com).

What is the tax liability on gains arising out of investing in these schemes?

As per Income Tax Act, all domestic equity mutual funds attract taxation of 'Indian Equity' i.e. Equity Taxation. The gains for a holding period of less than one year are treated as short-term capital gains and for more than 1 year is treated as long-term capital gains. It is recommended to consult tax advisors for detailed information.

What is the minimum application amount?

Motilal Oswal S&P BSE Enhanced Value ETF -

During NFO: Rs 500/- and in multiples of Re 1/- thereafter

Ongoing basis:

On Exchange – Investors can buy/sell in round lot of 1 unit and in multiples thereafter

Directly with Mutual Fund – Buy/sell units of the Scheme where the subscription / redemption amount is in excess of INR 25 Crs. However, the same limit is not applicable to Market makers.

Motilal Oswal S&P BSE Enhanced Value Index Fund -

During NFO and Ongoing basis: Lumpsum and SIP – Rs 500/- and in multiples of Re 1/- thereafter

Is STP / SIP & SWP is allowed in this fund?

No, STP's/SIP's and SWP's are not allowed for investments in Motilal Oswal S&P BSE Enhanced Value ETF. While STP's/SIP's and SWP's are allowed for investments in Motilal Oswal S&P BSE Enhanced Value Index Fund.

Is there an entry/exit load?

Motilal Oswal S&P BSE Enhanced Value ETF - There is 'NIL' entry/exit load

Motilal Oswal S&P BSE Enhanced Value Index Fund - There is 'NIL' entry load.

There is 'NIL' exit load if redeemed after 15 days from the date of allotment, else 1% exit load if redeemed on or before 15 days from the date of allotment.

Are there any restrictions on purchase/withdrawal? Is there a lock-in period?

There are no restrictions either on purchase/withdrawals. The funds have 'NO' lock-in period.

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THINK MOTILAL OSWAL**



Name of the scheme(s)	These products are suitable for investors who are seeking*	Scheme(s) Riskometer
Motilal Oswal S&P BSE Enhanced Value Index Fund (An open ended fund replicating / tracking the S&P BSE Enhanced Value Total Return Index)	<ul style="list-style-type: none"> Return that corresponds to the performance of S&P BSE Enhanced Value Index subject to tracking error. Long term capital growth. 	
Motilal Oswal S&P BSE Enhanced Value ETF (An open ended scheme replicating / tracking the S&P BSE Enhanced Value Total Return Index) BSE Scrip Code and NSE Symbol: The scheme is proposed to be listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Please note that the scrip code and NSE symbol will be generated post listing of the scheme.	<ul style="list-style-type: none"> Return that corresponds to the performance of S&P BSE Enhanced Value Total Return Index subject to tracking error. Long term capital growth. 	
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.		Investors understand that their principal will be at Very High risk

Mutual Fund investments are subject to market risks, read all scheme related documents carefully