

**KEY INFORMATION MEMORANDUM**
**Bandhan Nifty Bank Index Fund**  
 (An open-ended scheme tracking Nifty Bank Index)

Product label	Scheme Riskometer	Benchmark Riskometer
<p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>To create wealth over a long term</li> <li>Investment in equity and equity-related instruments belonging to Nifty Bank Index</li> </ul> <p><i>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them</i></p>	 <p><b>RISKOMETER</b></p> <p>Investors understand that their principal will be at very high risk</p>	<p>As per AMFI Tier I Benchmark i.e. <b>Nifty Bank Index</b></p>  <p><b>RISKOMETER</b></p>

#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made

Offer for Units of Rs. 10/- each for cash during the New Fund Offer and Continuous offer for Units at NAV based prices

**New Fund Offer Opens on:** August 8, 2024

**New Fund Offer Closes on:** August 22, 2024

**Scheme Re-opens on:** August 28, 2024

Scheme Code – **BNDN/O/E/EIN/24/06/0073**

<b>Name of the Mutual Fund</b>	<b>Bandhan Mutual Fund (formerly IDFC Mutual Fund)</b>
<b>Name of the Asset Management Company</b>	<b>Bandhan AMC Limited (formerly IDFC Asset Management Company Limited)</b>
<b>Name of the Trustee Company</b>	<b>Bandhan Mutual Fund Trustee Limited (formerly IDFC AMC Trustee Company Limited )</b>
<b>Address of the Entities</b>	6 <sup>th</sup> Floor, One World Centre, Jupiter Mills Compound, 841, Senapati Bapat Marg, Mumbai – 400013
<b>Website</b>	www.bandhanmutual.com

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, ,penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website [www.Bandhanmutual.com](http://www.Bandhanmutual.com)**

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated July 26, 2024.



<b>Investment Objective</b>	<p>The investment objective of the Scheme is to replicate the Nifty Bank Index by investing in securities of the Nifty Bank Index in the same proportion / weightage with an aim to provide returns before expenses that track the total return of Nifty Bank Index, subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.</p>
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Asset Allocation Pattern of the scheme

The asset allocation under the scheme will be as follows:

Instruments	Indicative Allocation (% of Total Assets)	
	Minimum	Maximum
Securities belonging to the Nifty Bank Index (including stock and index derivatives)	95%	100%
Debt & Money Market instruments & Mutual Fund	0%	5%

The net assets of the scheme will be invested in stocks constituting the Nifty Bank Index. This would be done by investing in all the stocks comprising the Nifty Bank Index in the same weightage that they represent in the Nifty Bank Index.

Exposure in Equity Derivatives shall be up to 20% of the equity exposure. Exposure to equity derivatives of the index or its constituent stocks may be undertaken when equity shares of the underlying index are unavailable or not available in sufficient quantities, subject to rebalancing period as mentioned in the section 'Change in Investment Pattern'.

A portion of the net assets will be invested in debt & money market instruments permitted by SEBI / RBI to meet the liquidity requirements of the scheme and for meeting margin money requirement for Nifty Bank Index futures and/or futures of stocks belonging to the Nifty Bank Index.

Money Market Instruments 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 from time to time.

Subject to the SEBI (MF) Regulations and in accordance with para 12.11 of SEBI master circular, as may be amended from time to time, the Scheme intends to engage in Stock Lending.

Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending.

Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party (as may be applicable).

The cumulative gross exposure through equity and Equity related instruments, derivatives, debt & Money Market instruments and such other securities/assets as may be permitted by the Board from time to time, subject to regulatory approvals if any, should not exceed 100% of the net assets of the scheme.

The scheme will not invest in the following:

- Credit default swaps;
- Debt Instruments having Structured Obligations / Credit Enhancements as specified in Clause 12.1.1 of SEBI Master Circular;
- Debt Instruments with Special Features (AT1 and AT2 Bonds) as stated in Clause 9.4 of SEBI Master circular as amended from time to time;
- Overseas securities,
- Commodity Derivatives,
- Securitized debt instruments,
- Repo in Corporate Debt,
- Debt Derivatives instrument and
- REIT & InVIT Instrument.

Securities in which investment is made for the purpose of ensuring liquidity (debt and money market instruments) are those that fall within the definition of liquid assets which includes Cash, Government Securities, T-bills and Repo on Government Securities.

Pursuant to Clause 12.25.3 of SEBI Master Circular and SEBI Letter to AMFI dated November 03, 2021, Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days:

- a) Government Securities
- b) T-Bills and
- c) Repo on Government securities.

#### **Portfolio Concentration Norms**

In line with clause 3.4 of SEBI Master Circular, specifies following portfolio concentration norms to be adopted by index fund:

- a) The index shall have a minimum of 10 stocks as its constituents.
- b) For a sectoral/ thematic Index, no single stock shall have more than 35% weight in the index. For other than sectoral/ thematic indices, no single stock shall have more than 25% weight in the index.
- c) The weightage of the top three constituents of the index, cumulatively shall not be more than 65% of the Index.
- d) The individual constituent of the index shall have a trading frequency greater than or equal to 80% and an average impact cost of 1% or less over previous six months.

The underlying index i.e. Nifty Bank Index complies with the aforesaid portfolio concentration norms. Further, the Fund shall evaluate and ensure compliance to aforesaid norms at the end of every calendar quarter. The updated constituents of the underlying index have also been made available on the website of the Fund i.e. [www.bandhanmutual.com](http://www.bandhanmutual.com).

**Change in Investment Pattern****Portfolio Rebalancing:**

Pursuant to clause 3.6.7.1 of SEBI Master circular, in case of change in constituents of the index due to periodic review, the portfolio of the scheme will be rebalanced within 7 calendar days.

**Short term defensive consideration:**

Subject to para 1.14.1.2 of the master circular for mutual fund, the asset allocation pattern indicated above may change for a short term period on defensive considerations, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. These proportions may vary depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be rebalanced within 7 calendar days from the date of deviation and further action may be taken as specified under SEBI Circulars/ AMFI guidelines issued from time to time.

In the event of involuntary corporate action, the scheme shall dispose the security not forming part of the underlying index within 7 days from the date of allotment/listing.

**Portfolio Replication norms**

Subject to Clause 3.6.7.2 of SEBI Master Circular, any transactions undertaken in the scheme portfolio 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.

**Disclosure Norms:****I. Portfolio:**

A. The Fund shall disclose the following on monthly basis:

- Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme
- Name and exposure to top 7 groups as a percentage of NAV of the scheme.
- Name and exposure to top 4 sectors as a percentage of NAV of the scheme.

B. Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of change.

**II. Tracking Error:**

The Fund shall disclose the tracking error based on past one year rolling data, on a daily basis, on the website of the Mutual Fund and AMFI.

**III. Tracking Difference**

The annualized difference of daily returns between the index and the NAV of the Fund shall be disclosed on the website of the Mutual Fund and AMFI, on a monthly basis, for tenures 1 year, 3 years, 5 year, 10 year and since the date of allotment of units.

**Indicative Table** (Actual instrument/percentages may vary subject to applicable SEBI circulars)

Sl. no	Type of Instrument	Percentage of exposure	Circular references
1.	Securities Lending	Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party (as may be applicable).	Para 12.11 of SEBI Master Circular
2.	Equity Derivatives for non-hedging purposes	-	-
3.	Securitized Debt	The scheme will not invest	-
4.	Overseas Securities	The scheme will not invest	Para 12.19 of SEBI Master Circular
5.	ReITS and InVITS	The scheme will not invest	Clause 13 of Seventh Schedule of SEBI Mutual Funds Regulations, 1996
6.	AT1 and AT2 Bonds (debt instruments with special features)	The scheme will not invest	Para 12.2 of SEBI Master Circular

	<table border="1"> <tr> <td data-bbox="518 219 611 383">7.</td> <td data-bbox="611 219 855 383">Any other instrument</td> <td data-bbox="855 219 1230 383">Exposure in Equity Derivatives - up to 20% of total assets of equity portfolio</td> <td data-bbox="1230 219 1560 383">Para 12.18.1.1 of SEBI Master Circular</td> </tr> </table>	7.	Any other instrument	Exposure in Equity Derivatives - up to 20% of total assets of equity portfolio	Para 12.18.1.1 of SEBI Master Circular
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	<p><b>Change in Investment Pattern</b></p> <p><b>Portfolio Rebalancing:</b></p> <p>Pursuant to clause 3.6.7.1 of SEBI Master circular, in case of change in constituents of the index due to periodic review, the portfolio of the scheme will be rebalanced within 7 calendar days.</p> <p><b>Short term defensive consideration:</b></p> <p>Subject to para 1.14.1.2 of the master circular for mutual fund, the asset allocation pattern indicated above may change for a short term period on defensive considerations, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. These proportions may vary depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be rebalanced within 7 calendar days from the date of deviation and further action may be taken as specified under SEBI Circulars/ AMFI guidelines issued from time to time.</p> <p>In the event of involuntary corporate action, the scheme shall dispose the security not forming part of the underlying index within 7 days from the date of allotment/listing.</p> <p><b>Portfolio Replication norms</b></p> <p>Subject to Clause 3.6.7.2 of SEBI Master Circular, any transactions undertaken in the scheme portfolio 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.</p>				
<p><b>Investment Strategy</b></p>	<p><b>EQUITY</b></p> <p>The corpus of the Scheme, which will be passively managed, will be invested primarily in stocks constituting the respective benchmark of the Scheme i.e. Nifty Bank Index. A portion of the Scheme will be kept liquid to meet the redemption requirements in line with SEBI Regulations.</p> <p>The performance of the Scheme may not be commensurate with the performance of the respective benchmark of the Schemes on any given day or over any given period.</p>				

	<p>Such variations are commonly referred to as the tracking error. The Scheme intends to maintain a low tracking error by managing the portfolio in line with the index.</p> <p>The stocks comprising the Nifty Bank Index are periodically reviewed by NSE Indices. A particular stock may be dropped or new securities may be included as a constituent of the index. In such an event, the Scheme will endeavor to reallocate its portfolio but the available investment/ disinvestment opportunities may not permit precise mirroring of the index immediately. Similarly, in the event of a constituent stock being demerged / merged / delisted from the exchange, the Scheme will reallocate the portfolio and seek to minimize the variation from the index.</p>
<b>Risk Profile of the Scheme</b>	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:</p> <p>The Scheme attempts to track the respective indices and it would invest in the securities included in its Underlying indices regardless of their investment merit. The Scheme may be affected by a general decline in the Indian markets.</p> <ul style="list-style-type: none"> <li>•The performance of the Nifty Bank Index will have a direct bearing on the performance of the scheme. In the event the Nifty Bank Index is dissolved or is withdrawn by NSE Indices Limited (NSEIL) or is not published due to any reason whatsoever, the Trustee reserves the right to modify the respective scheme, subject to applicable regulations. Hence, as track a different and suitable index or to suspend tracking the Nifty Bank Index till such time it is dissolved/withdrawn or not published and appropriate intimation will be sent to the Unit holders of the scheme. In such a case, the investment pattern will be modified suitably to match the composition of the securities that are included in the new index to be tracked and the scheme will be subject to tracking errors during the intervening period.</li> <li>•Tracking errors are inherent in any index fund, and such errors may cause the scheme to generate returns that are not in line with the performance of the Nifty Bank Index or one or more securities covered by / included in the Nifty Bank Index and may arise from a variety of factors including but not limited to, any delay in the purchase or sale of shares due to illiquidity in the market, settlement, and realization of sales proceeds, delay in credit of securities or in receipt and consequent reinvestment of Income Distribution cum capital withdrawal, etc.</li> <li>•The Indices reflect the prices of securities at a point in time, which is the price at close of business day on National Stock Exchange of India Limited (NSE). The scheme however, may trade these securities at different points in time during the trading session and therefore the prices at which the scheme trade may not be identical to the closing price of each scrip on that day on the NSE. In addition, the scheme may opt to trade the same securities on different exchanges due to price or liquidity factors, which may also result in traded prices being at variance, from NSE closing prices.</li> <li>•NSEIL undertakes periodic reviews of the securities that are represented in the Nifty Bank Index and from time to time may exclude existing securities or include new ones. In such an event, the scheme will endeavor to reallocate its portfolio to mirror the changes. However, the reallocation process may not occur</li> </ul>



instantaneously and permit precise mirroring of the Nifty Bank Index during this period.

- The potential of trades to fail may result in the scheme not having acquired the security at the price necessary to mirror the index.

- Transaction and other expenses, such as but not limited to brokerage, custody, trustee and investment management fees.

- Being an open-ended scheme, the scheme may hold appropriate levels of cash or cash equivalents to meet ongoing redemptions. The scheme may not be able to acquire or sell the desired number of securities due to conditions prevailing in the securities market, such as, but not restricted to, circuit filters in the securities, liquidity, and volatility in security prices.

- Due to the reasons mentioned above and other reasons that may arise, it is expected that the scheme may have a tracking error in the range of 2% per annum from the Benchmark. However, it needs to be clearly understood that the actual tracking error can be higher or lower than the range given.

- In the case of investments in derivatives like index futures, the risk-reward would be the same as investments in a portfolio of shares representing an index. However, there may be a cost attached to buying an index future. Further, there could be an element of settlement risk, which could be different from the risk in settling physical shares, and there is a risk attached to the liquidity and the depth of the index futures market as it is a relatively new market.

- Price-Risk or Interest-Rate Risk: Fixed-income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed-income securities fall, and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity, and the increase or decrease in the level of interest rates.

- Credit Risk: In simple terms this risk means that the issuer of a debenture/bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme(s) has invested in Government Securities, there is no credit risk to that extent. Different types of securities in which the scheme(s) would invest as given in the scheme information document carry different levels and types of risk. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount 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.

- Re-investment Risk: Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates

may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

- Basis Risk (Interest-rate movement): During the life of a floating rate security or a swap, the underlying benchmark index may become less active and may not capture the actual movement in interest rates, or at times, the benchmark may cease to exist. These types of events may result in loss of value in the portfolio.
- Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However, depending upon the market conditions, the spreads may move adversely or favorably leading to fluctuation in the NAV.
- Liquidity Risk: Due to the evolving nature of the floating rate market, there may be an increased risk of liquidity risk in the portfolio from time to time.
- Other Risk: In case of downward movement of interest rates, floating rate debt instruments will give a lower return than fixed rate debt instruments.

For details on risk factors and risk mitigation measures, please refer SID.

**Plans/Options**

Plans and Options Offered  
The Scheme has two Plans - **Regular Plan & Direct Plan.**

Each of the Plans offer Growth option only.

**Growth Option:** This option is suitable for investors who are not seeking Income Distribution cum capital withdrawal.

**Default Option – Growth**

**Default Plan:** Investors subscribing Units under Direct Plan of a Scheme should indicate “Direct Plan” against the Scheme name in the application form. Investors should also mention “Direct” in the ARN column of the application form.

Investors subscribing under Direct Plan of a Scheme will have to indicate “Direct Plan” in the application form e.g. “Bandhan Nifty Bank Index Fund - Direct Plan”. Investors should also indicate “Direct” in the ARN column of the application form.

Both the Plans will have a common portfolio.

The table showing various scenarios for treatment of application under “Direct/Regular” Plan is as follows:

**Treatment of applications under "Direct" / "Regular" Plans:**

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan

3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

AMC shall ensure that before accepting any business from any MFD, such a MFD is duly empaneled with the AMC. Transactions received, if any, from / under the ARN of a non-empaneled MFD may be processed under Direct Plan, with prompt intimation to the non-empaneled MFD, and the investor.

In cases of wrong/incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

Further in case of transactions received from Invalid ARN, the AMC shall follow the guidelines provided in AMFI Best Practice circular dated February 2, 2024.

<b>Applicable NAV (after the scheme opens for subscriptions and redemptions )</b>	<p>Subscription facility is available on a continuous basis.</p> <p><b>A. Applicable NAV for Subscriptions / Switch-ins (irrespective of application amount):</b></p> <ol style="list-style-type: none"> <li>In respect of valid applications received upto 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme before the cut-off time on same day i.e available for utilization before the cut-off time - the closing NAV of the day shall be applicable</li> <li>In respect of valid applications received after 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme either on same day or before the cut-off time of the next Business Day i.e available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable</li> <li>Irrespective of the time of receipt of application at the official point(s) of acceptance, where funds for the entire amount of subscription/purchase (including switch-ins) as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day - i.e available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</li> <li>In case of switch transactions from one scheme to another scheme, units allotment in switch-in scheme shall be in line with the redemption payouts.</li> </ol> <p>The aforesaid provisions shall also apply to systematic transactions i.e Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Transfer of Income Distribution cum capital withdrawal plan etc. irrespective of the installment date or Income Distribution cum capital withdrawal record date.</p> <p><b>B. For Repurchase/Redemption/Switch-outs:</b> In respect of valid applications received upto 3.00 pm by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3.00 pm by the Mutual Fund, the closing NAV of the next business day shall be applicable.</p>		
<b>Minimum Application Amount/ Number of Units</b>	<b>Purchase</b> Rs. 1000/- and in multiples of Re. 1/- thereafter	<b>Additional Purchase</b> Rs. 1000/- and in multiples of Re. 1/- thereafter	<b>Redemption</b> Rs. 500/- or the account balance of the investor, whichever is less
	SIP	Rs.100/- and in multiples of Re.1/-thereafter [minimum 6 installments]	
	SWP	Rs. 200/- and any amount thereafter	
	STP (in)	Rs. 500/- and any amount thereafter	
<b>Despatch of Redemption Request</b>	Redemption: Within 3 (three) working days of the receipt of the redemption request at the authorised centre of Bandhan Mutual Fund.		
<b>Benchmark Index</b>	Nifty Bank Index		
<b>Dividend Policy</b>	Not Applicable as the Scheme offers only Growth option.		
<b>Name of the Fund Manager</b>	The Fund Manager of the Scheme is Mr. Nemish Sheth		
<b>Name of the Trustee Company</b>	Bandhan Mutual Fund Trustee Limited (formerly IDFC AMC Trustee Company Limited)		
<b>Performance of the scheme:</b>	This scheme is a new scheme and does not have any performance track record.		

[In case of a new scheme, the statement should be given “*This scheme does not have any performance track record*”]

Or

[In case of a scheme in existence, the return figures shall be given for that scheme only, as per the For a scheme which is in existence for more than 1 year, the returns given will be Compounded Annualised Returns and for scheme which is in existence for less than 1 year, the returns would be absolute returns since inception.] Absolute returns for each financial year for the last 5 years shall be represented by means of a bar diagram as per the adjacent format.]

**Additional Scheme Related Disclosures**

1. Scheme’s portfolio holdings  
This scheme is a new scheme and does not have any portfolio holdings. The investor can refer the below link for any information on the above point as and when the details are available - <https://bandhanmutual.com/downloads/disclosures>
2. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme - This scheme is a new scheme and hence this disclosure is currently not available.  
The investor can refer the below link for any information on the above point as and when the details are available - <https://bandhanmutual.com/downloads/disclosures>
3. Functional website link for Portfolio Disclosure - This scheme is a new scheme and hence this disclosure is currently not available.

**Portfolio Turnover**

Portfolio turnover in the scheme will be a function of market opportunities. It is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. The AMC will endeavor to optimize portfolio turnover to optimize risk adjusted return keeping in mind the cost associated with it. A high portfolio turnover rate is not necessarily a drag on portfolio performance and may be representative of investment opportunities that exist in the market.



	Being a Index scheme, disclosure of Portfolio Turnover ratio is not applicable to this scheme.
<b>Expenses of the Scheme</b>	New Fund Offer Period - The New Fund Offer expenses of the scheme will be borne by the AMC.

**Load Structure**

Exit load:

- 0.25% - if redeemed on or before 15 days from the allotment date.
- Nil - if redeemed after 15 days from the allotment date

**Recurring expenses**

The AMC has estimated that upto 1.00% (plus additional expenses as permitted under SEBI Regulations) of the daily net assets of the scheme will be charged to the scheme as expenses.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Expense Head	% p.a. of daily Net Assets* (Estimated p.a.)	
Investment Management & Advisory Fee	Upto 1.00%	
Audit fees/fees and expenses of trustees		
Custodial Fees		
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants		
Marketing & Selling Expenses including Agents Commission and statutory advertisement		
Costs related to investor communications		
Costs of fund transfer from location to location		
Cost towards investor education & awareness		
Brokerage & transaction cost pertaining to distribution of units		
Goods & Services Tax on expenses other than investment and advisory fees		
Goods & Services Tax on brokerage and transaction cost		
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations)		
Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) (c)		<b>Upto 1.00%</b>
Additional expenses under regulation 52 (6A) (c)		Upto 0.05%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	

In line with clause 10.1.16.a of SEBI Master Circular, the AMC / Mutual Fund shall annually set apart shall be 1 basis points (i.e. 0.01%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (MF) Regulations for investor education and awareness initiatives.

Brokerage and transaction costs (inclusive of GST) which are incurred for the purpose of execution of trades, shall be charged to the scheme as per Regulation 52(6A)(a) of SEBI (Mutual Funds) Regulations, 1996 not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions. With effect from April 1, 2023, to align with Indian Accounting Standards requirement, transactions cost incurred for the purpose of execution of trades are expensed out (viz. charged to Revenue Account

instead of Capitalization (i.e. forming part of cost of investment)). Any payment towards brokerage and transaction cost, over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

The expense of 30 bps shall be charged if the new inflows from retail investors from B30 cities as specified from time to time are at least -

(i) 30 per cent of gross new inflows from retail investors in the scheme, or; (ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from retail investors from B30 cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from retail investors from B30 cities. Provided further that amount incurred as expense on account of inflows from retail investors from B30 cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

In case inflows from retail investors from beyond top 30 cities is less than the higher of (i) or (ii) above, additional TER on daily net assets of the scheme shall be charged as follows:

$$\frac{\text{Daily net assets} \times 30 \text{ basis points} \times \text{New inflows from individuals beyond top 30 cities}}{\text{-----}}$$

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 365\* X Higher of (i) or (ii) above

\* 366, wherever applicable.

For the above purposes, 'B30 cities' shall be beyond Top 30 cities as at the end of previous financial year as communicated by AMFI. Retail investors would mean individual investors from whom inflows into the Scheme would amount upto Rs. 2,00,000/- per transaction.

*Note: SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 and AMFI letter dated No. 35P/ MEM-COR/ 85-a/ 2022-23 dated March 02, 2023 has directed AMCs to keep B-30 incentive structure in abeyance with effect from March 01, 2023 till further notice*

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan. All fees and expenses charged in a direct plan (in percentage terms)



under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a Regular Plan.

The AMC shall adhere provisions of Chapter 10 of SEBI Master Circular and various guidelines specified by SEBI as amended from time to time, with reference to charging of fees and expenses. Accordingly:

- a. All scheme related expenses including commission paid to distributors, shall be paid from the Scheme only within the regulatory limits and not from the books of the AMC, its associates, sponsor, trustee or any other entity through any route. Provided that, such expenses that are not specifically covered in terms of Regulation 52 (4) can be paid out of AMC books at actual or not exceeding 2 bps of the Scheme AUM, whichever is lower.
- b. The Fund / the AMC shall adopt full trail model of commission in the Scheme, without payment of any upfront commission or upfront of any trail commission, directly or indirectly, in cash or kind, through sponsorships, or any other route.
- c. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in Regular Plan.
- d. No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the investors.

#### Illustration in returns between Regular and Direct Plan

Particulars	Regular Plan	Direct
Amount invested at the beginning of the year (Rs.)	10,000	10,000
Returns before Expenses (Rs.)	1,500	1,500
Expenses other than Distribution Expenses (Rs.)	150	150
Distribution Expenses (Rs.)	50	-
<b>Returns after Expenses at the end of the year (Rs.)</b>	<b>1,300</b>	<b>1,350</b>
<b>Returns (%)</b>	<b>13.00%</b>	<b>13.50%</b>

#### Disclosure on Goods & Services Tax :

Goods & Services Tax on investment management and advisory fees shall be in addition to the above expense. Further, with respect to Goods & Services Tax on other than management and advisory fees:

- Goods & Services Tax on 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 Regulations.
- Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of Goods & Services Tax, if any, shall be credited to the scheme.
- Goods & Services Tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 52 of the Regulations.

For the actual current expenses being charged to the Scheme, the investor should refer to the website of the mutual fund at [www.bandhanmutual.com](http://www.bandhanmutual.com) (Home>Total Expense Ratio of Mutual Fund Schemes). Any change proposed

	<p>to the current expense ratio will be updated on the website at least three working days prior to the change.</p> <p>As per the Regulations, the total recurring expenses that can be charged to the Scheme in this Scheme information document shall be subject to the applicable guidelines. The total recurring expenses of the Scheme, will, however, be limited to the ceilings as prescribed under Regulation 52(6) of the Regulations.</p> <p>The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read “Section- Annual Scheme Recurring Expenses” in the SID.</p>		
<b>Tax treatment for the Investors (Unitholders)</b>	Investor will be advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.		
<b>Daily Net Asset Value (NAV) Publication</b>	<p>NAV will be determined for every Business Day except in special circumstances. NAV calculated upto four decimal places.</p> <p>NAV of the Scheme shall be made available on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and the Mutual Fund (<a href="http://www.bandhanmutual.com">www.bandhanmutual.com</a>) by 11.00 p.m. on all business days. The NAV shall also be available on the call free number 1-800-300-66688 and on the website of the Registrar CAMS (<a href="http://www.camsonline.com">www.camsonline.com</a>).</p> <p>In case the NAV is not uploaded by 11.00 p.m it shall be explained in writing to AMFI for non adherence of time limit for uploading NAV on AMFI’s website. If the NAVs are not available before the 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 NAV.</p>		
<b>For Investor Grievances please contact</b>	<table border="0"> <tr> <td data-bbox="517 1218 767 1435"><b>Name and Address of Registrar</b></td> <td data-bbox="767 1218 1554 1435">           Computer Age Management Services Limited (CAMS)            9th Floor   Tower II   Rayala Towers            # 158   Anna Salai   Chennai – 600 002            contact number is +91- 44 2843 3303 / +91-44 6102 3303            E-Mail ID: <a href="mailto:enq_g@camsonline.com">enq_g@camsonline.com</a>            Website: <a href="http://www.camsonline.com">www.camsonline.com</a> </td> </tr> </table>	<b>Name and Address of Registrar</b>	Computer Age Management Services Limited (CAMS) 9th Floor   Tower II   Rayala Towers # 158   Anna Salai   Chennai – 600 002 contact number is +91- 44 2843 3303 / +91-44 6102 3303 E-Mail ID: <a href="mailto:enq_g@camsonline.com">enq_g@camsonline.com</a> Website: <a href="http://www.camsonline.com">www.camsonline.com</a>
<b>Name and Address of Registrar</b>	Computer Age Management Services Limited (CAMS) 9th Floor   Tower II   Rayala Towers # 158   Anna Salai   Chennai – 600 002 contact number is +91- 44 2843 3303 / +91-44 6102 3303 E-Mail ID: <a href="mailto:enq_g@camsonline.com">enq_g@camsonline.com</a> Website: <a href="http://www.camsonline.com">www.camsonline.com</a>		
<b>Unitholders’ Information</b>	<p><b>Monthly / Half yearly Portfolio Disclosures:</b></p> <p>The Mutual fund shall disclose portfolio (along with ISIN) as on the last day of the month / half year for this scheme on website of the AMC (<a href="http://www.Bandhanmutual.com">www.Bandhanmutual.com</a>) and AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month / half year in a user-friendly and downloadable spreadsheet format. In case of unitholder whose email addresses are registered with the Fund, the portfolios disclosed as above shall be sent to the unitholders via email. The unitholders whose e-mail address are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database. An advertisement shall be published in at least one English daily newspaper and Hindi daily newspaper disclosing the hosting of scheme’s half yearly portfolio on the website of AMC and AMFI. Investors may also place a specific request to the Mutual Fund for sending the half yearly portfolio through email.</p> <p>Physical copy of statement of scheme’s portfolio shall be provided without charging any cost, on specific request received from the unitholder.</p>		

### **Half Yearly Financial Results**

The Mutual Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website and shall publish an advertisement disclosing the hosting of such financial results on their website, in at least 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. The unaudited financial results will be displayed on the website of the Mutual Fund ([www.Bandhanmutual.com](http://www.Bandhanmutual.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

### **Annual Report**

Scheme wise Annual Report or an abridged summary thereof shall be mailed to all unitholders within four months from the date of closure of the relevant accounts year i.e. 31st March each year as under:

- (i) by e-mail to the Unit holders whose e-mail address is available with the Fund,
- (ii) in physical form to the Unit holders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same.

An advertisement shall also be published in all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC.

The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report shall be displayed prominently on the website of the Mutual Fund ([www.Bandhanmutual.com](http://www.Bandhanmutual.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

The AMC shall also provide a physical copy of abridged summary of the annual report, without charging any cost, on specific request received from the unitholder. A copy of scheme wise annual report shall also be made available to unitholder(s) on payment of nominal fees.

### **Risk-o-meter**

In accordance with Clause 5.16 of SEBI Master Circular, Mutual Fund shall disclose, to the investors in which the unit holders are invested,

- (a) risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark and
- (b) details of the scheme portfolio including the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email.

Further, pursuant to clause 17.4.1.h of SEBI Master Circular, any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme.

Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on the website of the Mutual Fund ([www.bandhanmutual.com](http://www.bandhanmutual.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) within 10 days from the close of each month.

Mutual Funds shall also disclose the risk level of 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.

Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.

**Portfolio:**

C.

The Fund shall disclose the following on monthly basis:

○

name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme

○

name and exposure to top 7 groups as a percentage of NAV of the scheme.

○

name and exposure to top 4 sectors as a percentage of NAV of the scheme.

D. Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of change.

**Tracking Error:**

The Fund shall disclose the tracking error based on past one year rolling data, on a daily basis, on the website of the Mutual Fund and AMFI.

**Tracking Difference**

The annualized difference of daily returns between the index and the NAV of the Fund shall be disclosed on the website of the Mutual Fund and AMFI, on a monthly basis, for tenures 1 year, 3 years, 5 year, 10 year and since the date of allotment of units.

**Scheme Summary Document**

Pursuant to SEBI advisory dated December 28, 2021, a standalone scheme document called 'Scheme Summary Document' for all the Schemes of Bandhan Mutual Fund has been hosted on its website ([www.bandhanmutual.com](http://www.bandhanmutual.com)) which contains all the details of the Schemes including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. The Scheme Summary Document is uploaded on the website of the Mutual Fund, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML).

**Transparency/NAV Disclosure:**

NAV will be determined for every Business Day except in special circumstances. NAV calculated upto four decimal places. NAV of the Scheme shall be made available on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) and the Mutual Fund ([www.Bandhanmutual.com](http://www.Bandhanmutual.com)) by 11.00 p.m. on all business days. The NAV shall also

be available on the Toll Free Number -1800-300-66688/1-800-2666688 and on the website of the Registrar and Transfer Agent CAMS ([www.camsonline.com](http://www.camsonline.com)).

For details please refer Section I - Part I (HIGHLIGHTS/SUMMARY OF THE SCHEME).

#### **Account Statements**

##### **For fresh purchase during ongoing sales with creation of a new Folio:**

- The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number within five working days from the date of closure of the transaction.
- The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within five business days of closure of transaction. For allotment in demat form the account statement shall be sent by the depository / depository participant, and not by the AMC.
- For allotment in demat form, the AMC shall issue units in dematerialized form to a unit holder within two working days of the receipt of request from the unit holder.
- For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail instead of physical statement.
- The unitholder may request for an account statement by writing / calling us at any of the ISC and the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.
- The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically.

Pursuant to clause 14.4 of SEBI Master Circular, investors are requested to note the following regarding dispatch of account statements:

#### **A) Consolidated Account Statement (CAS) - for Unitholders who have registered their PAN / PEKRN with the Mutual Fund:**

Investors who hold demat account and have registered their PAN with the mutual fund:

For transactions in the schemes of Bandhan Mutual Fund, a Consolidated Account Statement, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within on or before fifteenth day of the succeeding month to the investors in whose folios transactions have taken place during that month.

Due to this regulatory change, AMC has now ceased sending account statement (physical / e-mail) to the investors after every financial transaction including systematic transactions.

The CAS shall be generated on a monthly basis. AMCs/ RTAs shall share the requisite information with the Depositories on monthly basis to enable generation of CAS. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be the PAN of the first holder and pattern of holding. Based

on the PANs provided by the AMCs/MF-RTAs, the Depositories shall match their PAN database to determine the common PANs and allocate the PANs among themselves for the purpose of sending CAS. For PANs which are common between depositories and AMCs, the Depositories shall send the CAS.

In case investors have multiple accounts across the two depositories, the depository having the demat account which has been opened earlier shall be the default depository which will consolidate details across depositories and MF investments and dispatch the CAS to the investor. However, option shall be given to the demat account holder by the default depository to choose the depository through which the investor wishes to receive the CAS.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send the account statement to the investor as specified under the regulations applicable to the depositories.

Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of Income Distribution cum Capital Withdrawal option, reinvestment of Income Distribution cum Capital Withdrawal option, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme.

Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before twenty first day of succeeding month.

Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

For Unit Holders who have provided an e-mail address to the Mutual Fund or in KYC records, the CAS will be sent by e-mail. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered in the Depository system.

Investors who do not wish to receive CAS sent by depositories have an option to indicate their negative consent. Such investors may contact the depositories to opt out.

Other investors:

The Consolidated Account Statement (CAS) for each calendar month shall be issued on or before fifteenth day of succeeding month to the investors who have provided

valid Permanent Account Number (PAN) / PAN Exempt KYC Registration Number (PEKRN).

Due to this regulatory change, AMC has now ceased sending physical account statement to the investors after every financial transaction including systematic transactions.

The CAS shall be generated on a monthly basis. The Consolidated Account Statement issued is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of Income Distribution cum Capital Withdrawal option, reinvestment of Income Distribution cum Capital Withdrawal option, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme.

Further, a consolidated account statement shall be issued every half yearly (September/March), on or before twenty first day of succeeding month.

Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

The CAS will be sent via email (instead of physical statement) where any of the folios consolidated has an email id or to the email id of the first unit holder as per KYC records.

**For Unitholders who have not registered their PAN / PEKRN with the Mutual**

For folios not included in the Consolidated Account Statement (CAS):

- The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number within five working days from the date of transaction.
- The AMC shall issue account statement to the investors on a monthly basis, pursuant to any financial transaction in such folios on or before tenth day of succeeding month. The account statement shall contain the details relating to all financial transactions made by an investor during the month, the holding as at the end of the month and shall also provide the total purchase value / cost of investment in each scheme.
- For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail instead of physical statement.
- The unitholder may request for an account statement by writing / calling us at any of the ISC and the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

Further, an account statement shall be sent by the AMC every half yearly (September/March), on or before twenty first day of succeeding month.

Such half-yearly account statement shall be issued to all investors, excluding those investors who do not have any holdings in Bandhan MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

**B) For all Unitholders**

In case of a specific request received from the unit holder, the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.