

RISK FACTORS

1. 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 fluctuate, the value of your investment in the scheme may go up or down.
- The NAV of the Scheme's units may be affected by change in the general market conditions, factors and forces affecting capital markets in particular, level of interest rates, various market related factors and trading volumes.
- 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. 5 Lakhs made by it towards setting up the Fund.
- The Scheme is not a guaranteed or assured return scheme

2. Common Scheme Specific Risk Factors

- a. The Trustees, AMC, Fund, their directors or their employees shall not be liable for any tax consequences that may arise in the event that the scheme is wound up for the reasons and in the manner provided under the Scheme Information Document & Statement of Additional Information.
- b. Redemption by the unit holder due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustees, AMC, Fund their directors or their employees shall not be liable for any tax consequences that may arise.
- c. The tax benefits described in the SAI & SID are as available under the present taxation laws and are available subject to relevant condition. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors and Unit Holders should be aware that the relevant fiscal rules or their interpretation may change. As in the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of the investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his/her/its own professional tax advisor.
- d. The Mutual Fund is not assuring any dividend nor is it assuring that it will make any dividend distributions. All dividend distributions are subject to the availability of distributable surplus and would depend on the performance of the scheme.
- e. Investments under the scheme may also be subject to the following risks:
 - I. Investment in equity:

Equity and equity related risk: Equity instruments carry both company specific and market risks and hence no assurance of returns can be made for these investments.
 - II. Investment in debt:
 - (a) Credit risk: Credit risk is risk resulting from uncertainty in counterparty's ability or willingness to meet its contractual obligations. This risk pertains to the risk of default

of payment of principal and interest. Government Securities have zero credit risk while other debt instruments are rated according to the issuer's ability to meet the obligations.

- (b) Liquidity Risk pertains to how saleable a security is in the market. If a particular security does not have a market at the time of sale, then the scheme may have to bear an impact depending on its exposure to that particular security.
- (c) Interest Rate risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. The values of investments will appreciate/depreciate if the interest rates fall/rise.
- (d) Reinvestment risk: This risk arises from uncertainty in the rate at which cash flows from an investment 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.

f. Risks associated with Investing in Foreign Securities

Subject to necessary approvals, the some of the schemes may invest in securities in overseas markets, which could be exposed to currency risk, sovereign risk, economic and political risks. Prices of ADR/GDR may not move in consonance with the domestic underlying stock due to currency movements and the prices could also be trading at a discount/premium to the underlying stocks

g. Risks associated with Investing in Derivatives

The Scheme would primarily use various derivative products in an attempt to protect the value of portfolio and enhance the unit holder interest. As and when the scheme trades in derivative market, there are risk factors and issues concerning the use of derivatives that the investors should understand. Derivative products are specialized instrument that require investment technique and risk analysis different from those associated with stocks. The use of derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivative requires 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. There is a possibility that loss may be sustained by the portfolio as a result of the failure of another party (usually referred as the "Counter party") to comply with the terms of the derivative contract. Other risks in using derivative include the risk of mispricing or improper valuation of derivative and the inability of derivative to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. The risk of loss associated with futures contracts is potentially unlimited due to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in an immediate and substantial loss or gain. There may be a cost attached to selling or buying futures or other derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares. The possible lack of a liquid secondary market for a futures contract or listed option may result in inability to close futures or listed option positions prior to their maturity date. 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. The risk associated with the use of derivatives are different from or

possibility greater than the risks associated with investing directly in securities and other traditional investments.

h. Risks associated with Investing in Securitized Debt

- **Liquidity risk:** There is no assurance that a deep secondary market will develop for the instrument. This could limit the ability of the investor to resell them.
- **Limited Recourse:** The instruments represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the buyer of the security against the Investors' Representative.
- **Delinquency and Credit Risk:** Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Monthly Investor Payouts to the Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Vehicle/ Asset. However many factors may affect, delay or prevent the repossession of such Vehicle/Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Vehicle/Asset may be sold may be lower than the amount due from that Obligor.
- **Risks due to possible prepayments:** Full prepayment of a contract may lead to an event in which investors may be exposed to changes in tenor and yield.
- **Bankruptcy of the Originator or Seller:** If the service provider becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that either the sale from each Originator was not a sale then an Investor could experience losses or delays in the payments due under the instrument.

Scheme-specific Risk Factors

EQUITY FUNDS:

Magnum Sector Funds Umbrella

Generally, sector funds are more aggressive, holding a relatively smaller number of stocks, all of which tend to be affected by the same factors.

Magnum Sector Funds Umbrella (MSFU) will be investing in primarily in equity & equity related instruments, derivatives, Government Securities and money market instruments (such as money market instrument, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of a large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemption (including suspending redemption) under certain circumstances as described in the Section on Investors' Rights and Services.

The Emerging Businesses Fund would be exposed to the following Scheme-specific Risk Factors

- i. Since investments are proposed to be made in the stocks of companies engaged in potentially emerging businesses, a failure of such businesses to take off could pose a risk.
- ii. Since a large part of the Emerging Businesses Fund portfolio would be invested in companies which are export dependant, a slowdown in the global economy could be a risk.
- iii. A sharp appreciation of the rupee in the short term may affect the export profitability of the companies adversely.
- iv. MSFU - Emerging Businesses Fund would be investing in equity & equity related instruments and money market instruments (such as money market instrument, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

Magnum Children's Benefit Plan

- (a) Redemption by the Magnum holder / Unit holder due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustees, AMC, Fund their directors or their employees shall not be liable for any tax consequences that may arise.
- (b) The Scheme has two options for premature repurchases. Premature repurchase in cases of donor investing through parents where the lock-in facility has been exercised, will be permitted only on a joint request from both the donor & the parent/legal guardian. Repurchase without the lock - in will be permitted on a request from parent/legal guardian. The other terms and conditions for repurchases are same under both options as detailed in the section on redemption and repurchases.
- (c) Magnum Children's Benefit Plan will be investing in debt instruments (including securitized debt), Government Securities and money market instruments (such term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also equity & equity related instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

Magnum Income Fund-1998

- (a) Magnum Income Fund-1998 (Magnum Income Fund) will be investing in debt instruments (including securitized debt), Government Securities and money market instruments (such as term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant.
- (b) The Mutual Fund is not assuring that it will make dividend distributions on a semi annual basis. All dividend distributions are subject to the availability of distributable surplus.

Magnum Taxgain Scheme-1993

Magnum Taxgain Scheme 1993 (Magnum Taxgain Scheme) will be investing in equity & equity related instruments, derivatives as also debt instruments, and money market instruments (such as call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant.

Magnum Income Plus Fund

- (a) The Trustees, AMC, Fund, their directors or their employees shall not be liable for any tax consequences that may arise in the event that the scheme is wound up for the reasons and in the manner provided under the Scheme Information Document & Statement of Additional Information.
- (b) Redemption by the Magnum holder due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustees, AMC, Fund their directors or their employees shall not be liable for any tax consequences that may arise
- (c) Magnum Income Plus Fund will be investing in debt instruments (including Securitised debt), Government Securities and money market instruments (such as term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also equity & equity related instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement. In view of the same; the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant.

Magnum Gilt Fund

- a. Magnum Gilt Fund is prone to interest rate risks like any other debt instruments. Changes in interest rates will affect the scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise.
- b. Magnum Gilt Fund will be investing in Government Securities only with the exception of investments in call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI.
- c. The Mutual Fund is not assuring any monthly or quarterly dividend nor is it assuring that it will make monthly or quarterly dividend distributions. All dividend distributions are subject to the investment performance of the scheme.

Magnum Index Fund

- A. An investor in an index fund is taking a view on the movement of the stock market in general, and particularly of the stocks that constitute the index. Performance of the S&P CNX Nifty Index will have a direct bearing on the performance of the scheme. The scheme does not

seek to protect the value of investment from a fall in the S&P CNX Nifty Index or its constituent stocks. Hence the investor is automatically assuming the risk that if the index falls, his investment is likely to depreciate to that extent. The view taken by the investors on the movements of the stock market and the Nifty is entirely their own and the AMC is not responsible for any loss arising out of the investors' decision to invest or repurchase based on their view of the market.

- B. The portfolio of the fund may underperform to the extent of the impact cost of any transaction by the fund in individual stocks. Other transaction costs and operating costs may also cause the fund to underperform.
- C. Any delay in the receipt of sale proceeds due to the settlement cycles of the stock exchanges, or delay in receipt of dividends from corporates can result in delay in reinvestment of these funds, causing some amount of underperformance. Any delay in receipt of information by the fund manager regarding the change in the composition of the index or corporate actions (dividends, fresh issues of capital, mergers, buyback, etc) related to individual securities in the index may also result in underperformance.
- D. The performance of the scheme may also be impacted by the Tracking Error of the scheme vis-à-vis the S&P CNX Nifty Index. The Tracking Error may arise due to the expenses that the scheme will incur on an ongoing basis, transaction costs involved in buying and selling of index shares, impact cost that may arise due to selling of stocks of the scheme at a loss to meet redemption requirements or on account of holding cash. The Tracking Error that may arise in this scheme is estimated to be in the range of 0.5% to 1.00% on an annualised basis.

Magnum Monthly Income Plan (Monthly Income is not assured and is subject to availability of distributable surplus)

- A. Magnum Monthly Income Plan will be investing in debt instruments (including securitized debt), Government Securities and money market instruments (such as term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also equity & equity related instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant.
- B. The Mutual Fund is not assuring that it will make monthly or quarterly or annual dividend distributions. All dividend distributions are subject to the availability of distributable surplus.

Magnum InstaCash Fund

- A. As in the case of any fund investing in debt, the NAV of the scheme will be sensitive to changes in interest rate. In case of an increase in interest rates, the market value of existing debt instruments may fall, leading to a fall in the NAV. The sensitivity of the NAVs of either of the Plans to interest rate movements cannot be entirely eliminated and investment in the either Plan is not guaranteed to protect the value of the investment completely from unfavourable changes in the interest rates.
- B. AMC's perception: The impact of a rise in interest rates will be reduced through good fund management practices. In anticipation of any rise in interest rates, the Scheme will attempt to move the funds in from long-term instruments into short-term debt & money market instruments where the impact on the NAV will be much lower. Also, if the interest rates at any point of time are expected to ease, the Scheme can move back into long-term debt to take advantage of appreciation in the market value of its investments.

- C. In an open ended fund, any disruption in the normal functioning of the markets for debt instruments or extreme illiquidity in any of the debt instruments may affect the ability of the fund manager to buy or sell freely in the market. In the event of inordinately large number of redemption requests or of a restructuring of the Scheme's portfolio, the time taken by the Fund for redemption may become significant. Please see para "Right to Limit Redemptions" in the Scheme Information Document.
- D. AMC's perception: Such situations may be extremely rare and temporary in nature. Although the debt market in India is not very liquid, there is always demand for debt instruments having a high rating & issued by good companies, at appropriate yields. At times, the fund may choose to hold such instruments till maturity and meet redemption needs through temporary borrowing within permissible limits. The fund will keep a sufficient amount of the funds in cash, call money and liquid money market instruments to take care of the normal redemption needs.

Magnum NRI Investment Fund

Magnum NRI Investment Fund will be investing in debt instruments (including Securitized debt and International securities), Government Securities and money market instruments (such as repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also equity & equity related instruments.

Magnum Multiplier Plus Scheme '93

Magnum Multiplier Plus Scheme '93 will be investing in equity & equity related instruments, derivatives as also debt instruments (including securitized debt), Government Securities and money market instruments (such as repos, reverse repos and any alternative to the call money market as may be directed by the RBI).

Magnum Balanced Fund

Magnum Balanced Fund will be investing in equity & equity related instruments as also debt instruments (including securitized debt), Government Securities and money market instruments (such as alternate to call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI).

Magnum Equity Fund

Magnum Equity Fund will be investing in primarily in equity & equity related instruments derivatives as also debt instruments (including securitized debt), Government Securities and money market instruments (such repos, reverse repos and any alternative to the call money market as may be directed by the RBI) and derivative instruments.

Magnum Global Fund

Magnum Global Fund will be investing in equity & equity related instruments, derivatives as also debt instruments (including securitized debt), money market instruments (such as call repos, reverse repos and any alternative to the call money market as may be directed by the RBI)

SBI Premier Liquid Fund (erstwhile Magnum Institutional Income Fund-Savings Plan)

SBI Premier Liquid Fund (erstwhile Magnum Institutional Income Fund-Savings Plan) will be investing in debt instruments (including Securitized debt), Government Securities and money market instruments (such as repos, reverse repos and any alternative to the call money market

as may be directed by the RBI). Trading volumes and settlement periods inherently restricts the liquidity of the scheme's investments.

Magnum Monthly Income Plan – Floater Plan (Monthly Income is not assured and is subject to availability of distributable surplus)

MMIP - Floater would be investing in debt and money market instruments (such as call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI) as also in equity & equity related instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI Arbitrage Opportunities Fund

SBI Arbitrage Opportunities Fund would be investing in equity & equity related instruments, including derivatives, debt and money market instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI Blue Chip Fund

SBI Blue Chip Fund would be investing in equity & equity related instruments, debt and money market instruments (such call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

Magnum COMMA Fund

Magnum COMMA Fund will be investing in a portfolio of stocks of companies engaged in the commodity business, fixed/ floating rate debt instruments, Government Securities and money market instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

Magnum MultiCap Fund

Magnum MultiCap Fund would be investing in equity & equity related instruments, debt and money market instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

Magnum MidCap Fund

Magnum MidCap Fund would be investing in equity & equity related instruments, debt and money market instruments (such as call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI PSU Fund

SBI PSU Fund would be investing in equity & equity related instruments, debt and money market instruments (such as CBLO or as defined by SEBI regulations, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI Dynamic Bond Fund

SBI Dynamic Bond Fund would be investing debt Instruments (including Securitized debt), Government Securities and Corporate Debt including Money Market Instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI GOLD EXCHANGE TRADED SCHEME

The NAV of the units is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of units under the scheme. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the Global market, Indian and Foreign exchange rates, Interest rates, Inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of golden jewellery in and out of India, etc.

- Counter party Risk: There is no Exchange for physical gold in India. The Mutual Fund may have to buy or sell gold from the open market, which may lead to counter party risks for the Mutual Fund for trading and settlement.
- Liquidity Risk: The Mutual Fund has to sell gold only to bullion bankers/traders who are authorized to buy gold. Though, there are adequate numbers of players (commercial or bullion bankers) to whom the Fund can sell gold. Fund may have to resort to distress sale of gold if there is no or low demand for gold to meet its cash needs of redemption or expenses.
- Currency Risk: The formula for determining NAV of the units is based on the imported (landed) value of gold. The landed value of gold is computed by multiplying international market price by US dollar value. The value of gold or NAV, therefore will depend upon the conversion value of US dollar into Indian rupee and attracts all the risks attached to such conversion.

- **Regulatory Risk:** Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Authorized Participant to arbitrage resulting into wider premium/ discount to NAV. Any changes in the regulations relating to import and export of gold or gold jewellery (including customs duty, sales tax and any such other statutory levies) may affect the ability of the scheme to buy/sell gold against the purchase and redemption requests received.
- **Asset Class Risk:** The returns from physical Gold in which the Scheme invests may under perform returns from the securities or other asset classes.
- **Physical gold:** There is a risk that part or all of the Scheme's gold could be lost, damaged or stolen. Access to the Scheme's gold could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the scheme and consequently on investment in units.
- As the scheme proposes to invest not less than 90% of the net assets in Gold, the Scheme is a passively managed scheme and provides exposure to Gold and Gold bullion and tracking its performance and yield as closely as possible. The Schemes' performance may be affected by a general price decline in the Gold prices. The Scheme invests in the physical Gold regardless of their investment merit. The Mutual Fund does not attempt to take defensive positions in declining markets.
- Tracking error may have an impact on the performance of the scheme. However the AMC will endeavour to keep the tracking error as low as possible.
- Investors may note that even though this is an open-ended scheme, they will have to buy or sell units of the scheme on the stock exchanges where these units are listed for liquidity at the market price, subject to the rules and regulations of the exchange.
- The market price of SBI GETS units, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the unit (or NAV), and (2) demand and supply of units in the market.
- Sizeable demand or supply of the units on exchange may lead to market price of the units to quote at premium or discount to NAV. Hence the price of SBI GETS is less likely to hold significant variance (large premium or discount) from the latest declared NAV all the time.
- The Fund may have to sell gold to meet recurring expenses. In such an event, irrespective of whether the price of gold goes up or not, the NAV of the Fund will go down due to such expenses.
- The NAV of the units is determined based on the formula for valuation of gold prescribed by SEBI whereas the actual price of gold in the market may be different from the value of gold arrived at based on the prescribed formula. This may lead to extreme conditions like NAV being far too different from the domestic market price of gold. In such extreme conditions, the Trustee reserves the right to delay or suspend the redemption of units.
- The units of SBI GETS will be issued only in Demat form through depositories. The records of the depository are final with respect to the number of units available to the credit of unit holder. Settlement of trades, repurchase of units by the mutual fund depends up on the confirmations to be received from depository on which the mutual fund has no control.
- Conversion of the underlying physical Gold to GETS may attract capital gains tax depending on acquisition cost and holding period. Repurchase of GETS the Fund or sale of GETS stock Exchange may attract capital gain tax depending upon the holding period of the units.
- SBI GETS is not an equity oriented Fund; therefore, tax benefit related to equity oriented Fund will not be available.

SBI Debt Fund Series (SDFS)

SBI Debt Fund Series (SDFS) will be investing in debt instruments, Government Securities and money market instruments (such as term/notice money market, repos and reverse repos). Trading volumes and settlement periods inherently restrict the liquidity of the scheme's investments. In the event of a restructuring of the scheme's investment portfolio, these periods may become significant.

SBI Infrastructure Fund – Series I

SBI Infrastructure Fund – Series I would be investing in equity & equity related instruments including derivatives, debt and money market instruments (such as call money market, term/notice money market, repos, reverse repos and any alternative to the call money market as may be directed by the RBI). The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI One India Fund

SBI One India Fund would be investing in equity & equity related instruments, debt and money market instruments. The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

SBI Short Horizon Debt Fund (SSHF)

SBI Short Horizon Debt Fund (SSHF) will be investing in debt instruments, Government Securities, securitized debt, debt derivatives and money market instruments. Trading volumes and settlement periods inherently restrict the liquidity of the scheme's investments. In the event of a restructuring of the scheme's investment portfolio, these periods may become significant.

REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

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

Investors are requested to refer detailed risk factors as provided in the Scheme Information Document