

## Asset Management Company:

SBI Funds Management Ltd.

(A Joint Venture between State Bank of India &amp; AMUNDI)



## KEY INFORMATION MEMORANDUM

# SBI

## NIFTY SMALLCAP 250 ETF

An open-ended Exchange Traded Fund replicating/  
tracking NIFTY Smallcap 250 Index

(Scrip code for NSE & BSE will be added after listing of units)

This product is suitable for investors who are seeking*:	Scheme Riskometer	Benchmark Riskometer: Nifty Smallcap 250 TRI
<ul style="list-style-type: none"> <li>Long term capital appreciation</li> <li>Investment in securities covered by Nifty Smallcap 250 Index</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p><b>RISKOMETER</b> The risk of the scheme is Very High</p>	<p><b>RISKOMETER</b> The risk of the benchmark is Very High</p>

The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Offer for Units of Rs. Rs. 10/- each for cash during the New Fund Offer and will be issued at a premium, if any, approximately equal to the difference between face value and allotment price and Continuous offer for Units at NAV based prices

New Fund Offer opens on: - 07/05/2026

New Fund Offer closes on: - 18/05/2026

Scheme re-opens for continuous Sale and Repurchase from Within 5 business days from the date of allotment

## Mutual Fund: SBI Mutual Fund

**Name of Asset Management Company:** SBI Funds Management Ltd. (CIN: U65990MH1992PLC065289)

**Trustee Company:** SBI Mutual Fund Trustee Company Pvt. Ltd. (CIN: U65991MH2003PTC138496)

**Corporate Office Address:** 9th Floor & Unit No. 1002, 1003 and 1004 of 10th Floor, Crescenzo, C-38 & 39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

**Registered Office Address:** 9th Floor, Crescenzo, C-38 & 39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

Visit us at [www.sbimf.com](http://www.sbimf.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. www.sbimf.com](http://www.sbimf.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.

### **SBI Nifty Smallcap 250 ETF**

The Scheme offered by SBI Mutual Fund is not sponsored, endorsed, sold or promoted by NSE INDICES LIMITED (formerly known as India Index Services & Products Limited (IISL)). NSE INDICES LIMITED does not make any representation or warranty, express or implied (including warranties of merchantability or fitness for particular purpose or use) and disclaims all liability to the owners of "the Scheme" or any member of the public regarding the advisability of investing in securities generally or in the "the Scheme" linked to NIFTY Smallcap 250 Index or particularly in the ability of the NIFTY Smallcap 250 to track general stock market performance in India. Please read the full Disclaimers in relation to the NIFTY Smallcap 250 Index in the Offer Document / Prospectus /Information Statement.

**Disclaimer from NSE:** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Draft Scheme Information Document. The investors are advised to refer to the Scheme Information Document for the full text of the 'Disclaimer Clause of NSE.

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This Key Information Memorandum is dated: April 30, 2026

<b>Investment objective</b>	<p>The investment objective of the scheme is to provide returns that correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</p> <p>However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</p> <p>This scheme doesn't assure or guarantee any returns.</p>													
<b>Asset Allocation Pattern of the scheme</b>	<table border="1" data-bbox="280 507 1419 732"> <thead> <tr> <th data-bbox="280 507 1086 583" rowspan="2">Instruments</th> <th colspan="2" data-bbox="1086 507 1419 583">Indicative allocations (% of total assets)</th> </tr> <tr> <th data-bbox="1086 583 1253 622">Minimum</th> <th data-bbox="1253 583 1419 622">Maximum</th> </tr> </thead> <tbody> <tr> <td data-bbox="280 622 1086 661">Securities covered by Nifty Smallcap 250 Index</td> <td data-bbox="1086 622 1253 661">95</td> <td data-bbox="1253 622 1419 661">100</td> </tr> <tr> <td data-bbox="280 661 1086 732">Government. Securities* including Triparty Repo, and units of liquid mutual fund</td> <td data-bbox="1086 661 1253 732">0</td> <td data-bbox="1253 661 1419 732">5</td> </tr> </tbody> </table> <p data-bbox="280 776 987 805">*Government securities includes G-Secs, SDLs, treasury bills.</p> <p data-bbox="280 844 1513 948">It may be noted that after the closure of the NFO Period/pending deployment of the funds of the Scheme, the Scheme may park the funds in Government securities including Triparty Repo, and units of liquid mutual fund until the full deployment is achieved.</p> <p data-bbox="280 989 1513 1161">The Scheme may take an exposure to equity derivatives of constituents of the underlying index for short duration when securities of the index are unavailable, insufficient or for rebalancing at the time of change in index or in case of corporate actions, as permitted subject to rebalancing within 7 calendar days (or as specified by SEBI from time to time). The exposure of scheme in derivative instruments for non hedging and rebalancing purpose shall be up to 5% of the net assets of the scheme.</p> <p data-bbox="280 1203 1513 1448">Pursuant to Paragraph 13.18.1 of SEBI Master Circular for mutual funds dated March 20, 2026, the cumulative gross exposure through equities, Government securities including Triparty Repo, and units of liquid mutual fund and equity derivatives (gross notional exposure) shall not exceed 100% of net assets of the scheme. However, pursuant to paragraph 13.18.6 (a) of Master Circular for Mutual Funds dated March 20, 2026, it has been mentioned that cash or cash equivalents like Government securities, T-Bills and repo on Government Securities with residual maturity of less than 91 days may be treated as not creating any exposure.</p> <p data-bbox="280 1490 1513 1953">         The Scheme shall not invest in repo &amp; reverse repo in corporate debt.          The scheme will not invest in ADR/ GDR/ Foreign Securities          The scheme will not invest in Securitized Debt.          The scheme shall not engage in short selling.          The Scheme shall not invest in Unrated debt and money market instruments (except G-Secs, T-Bills and other money market instruments).          The Scheme will not make any investment in debt instruments having structured obligations and credit enhancements.          The Scheme shall not invest in Credit default swaps.          The Scheme shall not invest in unlisted debt instruments.          The Scheme shall not invest in InvITS          The scheme shall not invest in bespoke or complex debt products          The scheme shall not engage in inter scheme transaction       </p> <p data-bbox="280 1995 1513 2091">The Scheme may engage in stock lending and borrowing upto 20% of net assets of the scheme with maximum single intermediary exposure restricted to 5% of the net assets or as permitted by SEBI from time to time.</p>			Instruments	Indicative allocations (% of total assets)		Minimum	Maximum	Securities covered by Nifty Smallcap 250 Index	95	100	Government. Securities* including Triparty Repo, and units of liquid mutual fund	0	5
Instruments	Indicative allocations (% of total assets)													
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## Key Information Memorandum

This investment in units of Liquid mutual fund is subject to prevailing regulatory limits of aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company which shall not exceed 5% of the net asset value of the mutual fund in accordance with Clause 13.14 of SEBI Master Circular for Mutual Funds dated March 20, 2026 and clause 3 of Sixth Schedule of SEBI MF Regulations, 2026.

The Investment Manager would monitor the tracking error & tracking difference of the Scheme on an ongoing basis and would seek to minimize the same to the maximum extent possible. Under normal circumstances, such tracking error is not expected to exceed 2% per annum. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error/difference relative to performance of the Underlying Index.

Apart from the investment restrictions prescribed under SEBI (MF) Regulations, the fund follows internal norms vis-à-vis limiting exposure to a particular scrip or sector, etc

The scheme shall be in conformity with clause 4.3 of SEBI Master Circular for mutual funds dated March 20, 2026 or any other such guidelines as recommended by SEBI from time to time.

The scheme shall be in conformity to applicable SEBI requirements pertaining to Passive Funds as mentioned in SEBI Master Circular for mutual funds dated March 20, 2026 or any other such guidelines as recommended by SEBI from time to time.

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

Sl. no	Type of Instrument	Percentage of exposure	Circular references
1	Equity Derivatives for non hedging	Upto 5 % of the net assets of the scheme	Paragraph 13.15 of the SEBI Master Circular dated March 20, 2026.
2	Securities Lending & borrowing	The Scheme shall adhere to the following limits should it engage in Stock Lending. 1. Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending. 2. 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).	Regulation 42(4) of SEBI Mutual Fund Regulations 2026 read with Paragraph 13.6 of the SEBI Master Circular dated March 20, 2026
3.	Units OF Mutual Fund	Scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter-scheme investments made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund	Clause 3 of Schedule 6 read with clause 13.14 of SEBI Master Circular dated March 20, 2026.

The scheme shall not invest in below instruments:

Sr. No.	Type of securities/instruments
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1	ADR/ GDR/ Foreign Securities
2	Repo and reverse repo in corporate debt
3	Securitized Debt
4	Credit Default Swaps transactions
5	Unrated debt and money market instruments (except G-Secs, T-Bills and other money market instruments)
6	debt instruments having structured obligations and credit enhancements
7	Securities with special features
8	InVITs
9	Bespoke or complex debt products
10	Unlisted Debt Instrument
11	Short Selling
12	Inter Scheme Transactions

#### Change in Asset Allocation

The above investment pattern is indicative and may be changed by the Fund Manager for a short-term period on defensive considerations in accordance with paragraph 1.9.1(b) (ii) of the SEBI master circular for Mutual Funds dated March 20, 2026, keeping in view market conditions, market opportunities, applicable SEBI (Mutual Funds) Regulations 2026, legislative amendments and other political and economic factors, the intention being at all times to seek to protect the interests of the Unit Holders. If the exposure falls outside the above-mentioned asset allocation pattern, the portfolio shall be rebalanced by AMC within 7 calendar days from the date of said deviation.

#### Portfolio Rebalancing:

In line with clause 14.5.5 of SEBI Master Circular for mutual funds dated March 20, 2026, in case of change in constituents of the index due to periodic review, the portfolio of Scheme shall be rebalanced within 7 calendar days.

#### Timelines for deployment of funds collected in NFO

Pursuant to paragraph 7.24 of SEBI Master Circular on Mutual Funds dated March 20, 2026; the fund manager shall aim to deploy the funds garnered during the NFO within 30 business days from the date of allotment of units.

In an exceptional case, if the fund manager is not able to deploy the funds within 30 business days as per the scheme's asset allocation, reasons in writing, including details of efforts made to deploy the funds, will be placed before the Investment Committee. The Investment Committee, after examining the root cause for delay in deployment, may extend the timeline by 30 business days.

There can be no assurance that the investment objective of the scheme will be achieved.

The Investment Manager would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Underlying Index.

For detailed asset allocation, please refer Scheme Information Document

#### Investment strategy

The Scheme will track Nifty Smallcap 250 Index and will use a "passive" or indexing approach to endeavour to achieve scheme's investment objective. Unlike other funds, the scheme will not try to "beat" the market it track and do not seek temporary defensive positions when market decline or appear overvalued. The AMC does not make any judgments about the investment merit of a particular stock or a particular industry

	<p>segment nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/ underperformance vis-à-vis a benchmark.</p> <p>Since the scheme is an exchange traded fund, the scheme will only invest in the securities constituting the underlying index. However, Due to corporate action in companies comprising of the index, the scheme may be allocated/allotted securities which are not part of the index. The scheme may hold upto 5% of their total assets in stocks not included in the corresponding Underlying Index. For example, the AMC may invest in stocks not included in the relevant Underlying Index in order to reflect various corporate actions (such as mergers) and other changes in the relevant Underlying Index (such as reconstitutions, additions, deletions and these holdings will be in anticipation and in the direction of impending changes in the underlying index).</p> <p>These investments which fall outside the underlying index shall be rebalanced within a period of 7 calendar days</p> <p><b>Derivative Strategies</b></p> <p>The Scheme may take exposure to derivatives for non-hedging purpose as permitted by regulations from time to time. Such exposure to derivative instruments will be in line with the investment objective and overall strategy of the scheme.</p> <p>Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies". The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.</p>
<p><b>Risk Profile of the Scheme</b></p>	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Scheme specific risk factors are summarized below:</p> <p><b>Equity and equity related risk:</b></p> <p>a) Equity and Equity related instruments are volatile in nature and are subject to price fluctuations on daily basis. The volatility in the value of the equity and equity related instruments is due to various micro and macro-economic factors affecting the securities markets. This may have adverse impact on individual securities /sector and consequently on the NAV of Scheme.</p> <p>b) The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities as in certain cases, settlement periods may be extended significantly by unforeseen circumstances. Similarly, the inability to sell securities held in the scheme portfolio may result, at times, in potential losses to the scheme, should there be a subsequent decline in the value of the securities held in the scheme portfolio.</p> <p>c) Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities.</p> <p><b>Risk associated with derivatives:</b></p> <p>a. The AMC, on behalf of the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance unit holders' interest. Investors should understand that derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Other risks include</p>

but are not limited to the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. There may be a cost attached to selling or buying futures or another 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.

- b. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable.
- c. No assurance can be given that the fund manager will be able to identify or execute such strategies. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.
- d. The derivatives will entail a counter-party risk to the extent of amount that can become due from the party.
- e. An exposure to derivatives can also limit the profits from a genuine investment transaction.
- f. Efficiency of a derivatives market depends on the development of a liquid and efficient market for underlying securities and also on the suitable and acceptable benchmarks.
- g. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments

**Market trading risk:** Investments in the scheme may be subject to the following market trading risks: Absence of a prior active market, lack of market liquidity, Units of the scheme may trade at prices other than NAV, Regulatory Risk, Right to Limit Redemptions, Redemption Risk, Asset Class Risk, Units to be held only through demat accounts.

**Tracking error risk:** The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as the fees and expenses of the respective scheme, corporate actions, cash balance, changes to the underlying index and regulatory policies which may affect AMC's ability to achieve close correlation with the underlying index of the scheme. The scheme's returns may therefore deviate from those of its underlying index. The tracking error i.e. the annualized standard deviation of the difference in daily returns between the underlying index and the NAV of the Scheme based on past one year rolling data shall not exceed 2%. In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMCs, the tracking error may exceed 2% and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

**Tracking difference risk:** The Fund Manager may not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as the fees and expenses of the scheme, corporate actions, cash balance, changes to the underlying index and regulatory policies which may affect AMC's ability to achieve close correlation with the underlying index of the scheme. The scheme's returns may therefore deviate from those of its underlying index. Tracking Difference is the Difference of returns between the Scheme and the Benchmark Index annualized over 1 year, 3 Year, 5 Year, 10 year and Scheme Since Inception period. It will be the endeavor of the fund manager to keep the tracking difference as low as possible. Tracking Difference shall be disclosed only if the scheme has completed 1 year period. The Tracking difference is to be disclosed on a monthly basis on [www.sbimf.com](http://www.sbimf.com) and AMFI website.

**Passive Investments:** As the scheme proposes to invest not less than 95% of the net assets in the securities of the benchmark Index, the Scheme will not be actively managed. The Scheme may be affected by a general decline in the Indian markets relating to its Underlying Index. The Scheme invests in the securities included in its underlying index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets.

**Risk pertaining to Nifty Smallcap 250 Index:** Nifty Smallcap 250 Index comprises of well diversified stocks. Equities are volatile in nature and are subject to price fluctuations on daily basis. The volatility in the value of the equity instruments is due to various micro and macroeconomic factors affecting the securities markets. This may have adverse impact on individual securities /sector and consequently on the NAV of Scheme.

**Risks pertaining to transaction in units through stock exchange Mechanism:**

**Lack of Market Liquidity:** The Scheme may not be able to immediately sell certain types of illiquid Securities. The purchase price and subsequent valuation of restricted and illiquid Securities may reflect a discount, which may be significant, from the market price of comparable Securities for which a liquid market exists.

**Risks associated with Securities Lending:** Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent in securities lending, including the risk of failure of the other party, in which case the securities might go in for auction. In the event of exceptional circumstances resulting in non-availability of securities in auction, such transactions would be financially closed out at appropriate rates as per exchange regulations. Besides, there will also be temporary illiquidity of the securities that are lent out and the Scheme(s) will not be able to sell such lent out securities until they are returned.

There are risks associated with Investment in Equities and equity related instruments like volatility, inability of the Scheme to make intended securities purchases and sale. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the scheme and there are also price fluctuations risks associated with the underlying Index

Risks associated with ETFs:

- The Scheme will be a passively managed ETF and may be affected by a general decline in the Indian markets relating to its Underlying
- Index. The Scheme invests in the securities included in its Underlying Index regardless of their investment merit. The AMC does not
- attempt to individually select stocks or to take defensive positions in declining markets.
- The scheme will be listed on NSE Limited, however, there can be no assurance that an active secondary market will develop or be
- maintained.
- Investment in ETFs is subject to tracking error. Factors such as the fees and expenses of the Scheme, corporate actions, cash balance,
- changes to the Underlying Index and regulatory policies may affect the AMC's ability to achieve close correlation with the Underlying Index of the Scheme. The AMC will endeavor to constantly minimize the tracking error and track the index as closely as possible.

**Risk associated with Partial Execution:** When Market Makers or large investors come directly to the AMC for creation/ redemption in creation unit size, there could be instances of corporate action such as merger/ demerger of companies or market volatility due to which certain stocks may hit the upper or lower circuit or may be unavailable for trade. While the endeavour is to completely replicate the constituents of the underlying index, it may not be possible at times in the above mentioned scenarios. This may have a bearing on processes such as, including but not limited to, the usual unit allotment timelines, price at which the particular stock may be allocated to the investor, refund timelines etc. and may impact the tracking error as well.

**Risks associated with investment in units of mutual fund:** Investment in Mutual Fund Units involves investment risks, including but not limited to risks such as liquidity risk, volatility risk, default risk including the possible loss of principal.

- **Liquidity risk:** 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 may limit redemptions (including suspending redemptions) under certain circumstances as specified under the Scheme Information Document.
- **Volatility risks:** There is the risk of volatility in markets due to external factors like liquidity flows, changes in the business environment, economic policy etc. The scheme will manage volatility risk through diversification across companies and sectors.
- **Default 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.

**Risk Factor in respect of investment in TREPs**

a. **Interest rate risk:** This risk arises from uncertainty in the rate at which cash flows from the securities may be reinvested. While the rate of interest for TREPs remains correlated to the repo rate, it also may vary based on inter-bank lending demand & supply. Hence, there remains a risk of rate at which TREPs will get re-invested.

b. **Settlement risk:** Since the settlement for TREPs happens through CCIL, the risk of default from counterparty is limited. However, in case a clearing member fails to honour their settlement obligations, the "Default Waterfall" mechanism is used to make complete the settlement process. As per the waterfall mechanism, 1st step. the defaulter's margins and the defaulter's contribution to the default fund have been appropriated; 2nd step: CCIL's contribution is used to meet the losses; 3rd step: Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non defaulting members.

Hence, the scheme is subject to the risk of loss to the extent of initial margin and default fund contribution being invoked in the event of failure of any settlement obligations.

**Risks associated with investing in State Development Loans (SDL)**

Market Liquidity risk with fixed rate SDL, even though the SDL market is relatively liquid when compared to other corporate bond instruments, on certain occasions, there could be difficulties in transacting in the market due to extreme volatility leading to constriction in market volumes. Also, the liquidity of the Scheme may suffer in case the relevant guidelines issued by state governments undergo any adverse changes. Interest Rate risk associated with SDL - while SDL generally carry relatively minimal credit risk since they are issued by the respective State Governments, they do carry price risk depending upon the general level of interest rates prevailing from time to time. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates decline, the prices of fixed income securities increase. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and the increase or decrease in the level of interest rates. The price-risk is, however, not unique to SDL, it exists for all fixed income

	<p>securities. Therefore, their prices tend to be influenced more by movement in interest rates in the financial system than by changes in the government's credit rating. By contrast, in the case of corporate or institutional fixed income Securities, such as bonds or debentures, prices are influenced by their respective credit standing as well as the general level of interest rates.</p> <p><b>Risks associated with investing in Government of India Securities:</b> Market Liquidity risk with fixed rate Government of India Securities even though the Government of India Securities market is more liquid compared to other debt instruments, on certain occasions, there could be difficulties in transacting in the market due to extreme volatility leading to constriction in market volumes. Also, the liquidity of the Scheme may suffer in case the relevant guidelines issued by Reserve Bank of India undergo any adverse changes. Interest Rate risk associated with Government of India Securities - while Government of India Securities generally carry relatively minimal credit risk since they are issued by the Government of India, they do carry price risk depending upon the general level of interest rates prevailing from time to time. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates decline, the prices of fixed income securities increase. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and the increase or decrease in the level of interest rates. The price-risk is not unique to Government of India Securities. It exists for all fixed income securities. Therefore, their prices tend to be influenced more by movement in interest rates in the financial system than by changes in the government's credit rating. By contrast, in the case of corporate or institutional fixed income Securities, such as bonds or debentures, prices are influenced by their respective credit standing as well as the general level of interest rates.</p> <p>For details on risk factors and risk mitigation measures, please refer SID.</p>
Plans /Options	NA
Applicable NAV (after the scheme opens for subscriptions and redemptions )	<p><b>(i) For Market Makers /Large Investor only :</b></p> <p><b>A. Subscription (Purchase)</b></p> <p>The number of Units of the Scheme that Investors can create in exchange of the Portfolio Deposit and Cash Component is on the basis of creation unit size of the Scheme. Units of the Scheme in less than Creation Unit size cannot be purchased directly with the Fund.</p> <p>The Fund may allow cash (through RTGS/transfer/Cheque) Purchases of Units of the Scheme in Creation Unit size by Large Investors/Market Makers. Purchase request for Creation Unit shall be made by such Investor to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio Securities on behalf of the Investor. The Portfolio Deposit and Cash Component will be exchanged for the Units of the relevant Scheme in Creation Unit size.</p> <p><b>B. Redemption (Sale)</b></p> <p>The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Large Investors/Market Makers. Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor. Accordingly, the sale proceeds of portfolio Securities, after adjusting necessary charges/costs, will be remitted to the Investor.</p> <p><b>(ii) For others (except Market Makers/ Large Investors):</b></p> <p>Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for redemption is received at the OPAT of SBI MF and is considered accepted on that day. An application is considered accepted on that day, subject to it being complete in all respects and received prior to the cut-off time on that Business Day.</p>

	<p>Investors / Unit holders to note that Cut-off time mentioned in this document are not applicable to transactions undertaken on a recognized Stock Exchange</p> <p>In terms of para 9.4.4 of SEBI Master Circulars for Mutual Funds dated March 20, 2026, transactions in units of the Scheme by Market Makers/ Large Investors/others, directly with the AMC, intra-day NAV, based on the executed price at which the securities representing the underlying index are purchased / sold, shall be applicable.</p>		
<b>Minimum Application Amount</b>	<b>Purchases</b>	<b>Additional Purchases</b>	<b>Redemptions</b>
	<p><b>During NFO Period:</b> Rs. 5,000 per application and in multiples of Re. 1 thereafter. Units will be allotted in whole figures and the balance amount will be refunded.</p> <p><b>On Continuous Basis:</b>  <b>Market Makers (MM):</b> MM can directly purchase in blocks from the fund in 'Creation Unit' Size on any business day, in cash or cash component as per the creation unit size of the fund.</p> <p><b>Large Investors*</b> : Minimum amount of Rs. 25 crores for transacting directly with the AMC. The executed value of the units should be greater than Rs. 25 crores and units should in multiples of creation unit size.</p> <p><b>On the Exchange -</b></p> <ul style="list-style-type: none"> <li>The units of the scheme can be purchase in minimum lot of 1 unit and in multiples thereof.</li> </ul>	<p><b>Directly with Fund:</b>  <b>Market Makers (MM):</b> MM can directly purchase in blocks from the fund in 'Creation Unit' Size on any business day, in cash and cash component as per the creation unit size of the fund.</p> <p><b>Large Investors*</b> : Minimum amount of Rs. 25 crores for transacting directly with the AMC. The executed value of the units should be greater than Rs. 25 crores and units should in multiples of creation unit size.</p> <p><b>On the Exchange -</b></p> <ul style="list-style-type: none"> <li>The units of the scheme can be purchase in minimum lot of 1 unit and in multiples thereof.</li> </ul>	<p><b>Directly with Fund:</b>  <b>Market Makers (MM):</b> MM can directly redeem in blocks from the fund in 'Creation Unit' Size on any business day, in cash or cash component as per the creation unit size of the fund.</p> <p><b>Large Investors*</b> : Minimum amount of Rs. 25 crores for transacting directly with the AMC. The executed value of the units should be greater than Rs. 25 crores and units should in multiples of creation unit size.</p> <p><b>On the Exchange -</b></p> <ul style="list-style-type: none"> <li>The units of the scheme can be redeemed in minimum lot of 1 unit and in multiples thereof.</li> </ul>
	<p>*Investors can directly transact with AMC for ETF units (subject to amount exceeding Rs. 25 Crores) in creation unit size and in multiples thereof.</p>		
<b>Creation Unit Size</b>	<p>Creation Unit is fixed number of units of the Scheme, which can be purchased/redeemed by Investor(s) directly with the Fund in exchange for cash.</p> <p>2,00,000 units and in multiples thereof (subject to change before launch of scheme)</p> <p>The Creation Unit Size may be changed by the AMC at its discretion and the notice of the same shall be published on AMC's website. The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.</p>		
<b>Despatch of Repurchase</b>	<p>Redemption: Within 3 working days of the receipt of the redemption request at the authorised centre of the SBI Mutual Fund.</p>		

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<b>(Redemption) request</b>	Further, in exceptional situations additional timelines in line with AMFI letter no. AMFI/35P/MEM - COR/74/2022-23 dated January 16, 2023 will be applicable for transfer of redemption or repurchase proceeds to the unitholders.
<b>Benchmark Index</b>	Nifty Smallcap 250 TRI
<b>Income Distribution cum Capital withdrawal (IDCW) Policy</b>	The Trustee reserves the right to declare Income Distribution cum Capital withdrawal (IDCW) under the IDCW option of the Scheme depending on the net distributable surplus available under the Scheme. The procedure and manner of payment of IDCW shall be in line with Chapter 12 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time. Investors are requested to note that amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price of the unit that represents realized gains.
<b>Name of the Fund Manager</b>	Mr. Viral Chhadva
<b>Name of the Trustee Company</b>	SBI Mutual Fund Trustee Company Private Limited
<b>Performance of the scheme</b>	This is a new scheme. This scheme does not have any performance track record.
<b>Additional Scheme Related Disclosure</b>	This is a new Scheme and therefore, the requirement of following additional disclosures shall not be applicable for the Scheme. 1. Scheme's Portfolio Holdings (Top 10 holdings by issuer <a href="https://www.sbimf.com/sbimf-top-holdings/711">and fund allocation towards various sectors</a> ) – <a href="https://www.sbimf.com/sbimf-top-holdings/711">Please refer to our website - https://www.sbimf.com/sbimf-top-holdings/711</a> 2. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme : <a href="https://www.sbimf.com/sbimf-top-holdings/711">https://www.sbimf.com/sbimf-top-holdings/711</a> 3. Portfolio Turnover Ratio – Not Applicable
<b>Expenses of the scheme</b>	<b>New Fund Offer Period :</b> These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The entire New Fund Offer expenses for the launch the Scheme will be borne by the AMC.
<b>Load Structure</b>	<b>Exit Load:</b> NIL
<b>Recurring Expenses</b>	All expenses of the scheme shall be clearly identified and paid from the scheme. The expenses charged to the scheme shall be subject to the Base Expense Limits, Brokerage Limits, Transaction Cost and Statutory Levies permissible under the SEBI (Mutual Funds) Regulations, 2026 and SEBI Master Circular for Mutual Funds as amended from time to time. Any expenditure in excess of the base limits specified in the Regulations shall be borne by the asset management company or the trustees or sponsors. Further, all the expenditures pertaining to launch of new fund offer till the date of allotment of mutual fund units to investors shall be borne by the asset management company or trustees or sponsor.  Total Expense Ratio (TER), representing the total of all expenses charged to the scheme as specified under Regulation 67(1), shall be computed as follow:  TER = (A) Base Expense Ratio (BER) + (B) Brokerage Cost + (C) Transaction Cost incurred for the purpose of execution of trade + (D) Statutory levies (including GST)  <b>(A) Base Expense Ratio (BSR) [Regulation 66(4),(5),(6) and (7)]:</b>

The AMC has estimated that upto 0.90% of the daily net assets of the scheme shall be charged to the scheme as expenses. For the actual current expenses being charged, the investor shall refer to the website of the mutual fund.

The Base Expenses are the recurring expenses for operating the scheme including the Investment and Advisory Fee charged by the Asset Management Company (AMC), Registrar and Transfer Agents' fees, Marketing and Selling costs etc., but excluding Statutory Levy applicable, if any, on the said expenses and Transaction Cost.

The Base Expenses that may be charged to the scheme under various heads specified in Regulations 66(4), 66(5) and 66(6) are illustrated in the table below:

Expense head	% of daily Net Assets
Investment and Advisory Fees	Upto 0.90%
Trustee Fees	
Marketing & Selling Expenses	
Brokerage Cost incurred towards execution of trades (over and above 0.06 per cent of trade value in case of cash market transactions and 0.02 per cent of trade value in case of derivatives transactions)	
Registrar and Transfer Agents' (RTA) Fees	
Audit Fees	
Custodian Fees	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and Income Distribution cum Capital Withdrawal payout / redemption cheques and warrants	
Costs of Statutory Advertisements	
Cost towards Investor Education & Awareness (Refer note: 1 below)	
Listing fees, in case of schemes listed on a recognised stock exchange	
Insurance premium paid by the fund	
Expenses towards storage and handling of underlying goods due to physical settlement of any commodity derivative contract	
Winding up costs for terminating a scheme	
Other Expenses <sup>^</sup>	
<b>Maximum Base Expense Ratio (BER) permissible under Regulation 66 (7) (b) (i)</b>	<b>Upto 0.90%</b>
Statutory levies (including GST) on all expenses excluding brokerage and transaction cost	Refer para (D) below
Statutory levies (including GST) on brokerage and transaction cost	Refer para (D) below

<sup>^</sup> Any other expenses which are directly attributable to the Scheme may be charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

The aforesaid expenses are fungible within the overall maximum limit prescribed under SEBI (Mutual Funds) Regulations. This means that mutual fund can charge expenses within overall limits, without any internal cap on the aforesaid expenses head.

**(B) Brokerage Cost [Regulation 66(9)]:**

A scheme may charge expense incurred towards brokerage, for the purpose of execution of trade, over and above the base expense ratio subject to a maximum of 0.06 percent of trade value in case of cash market transactions and 0.02 per cent of trade value in case of derivatives transactions. Expense charged

	<p>towards brokerage, over and above the specified limit, shall be part of the base expense ratio limit specified above.</p> <p><b>(C) Transaction Cost [Regulation 66(10)]:</b></p> <p>A scheme may charge transaction cost incurred for the purpose of execution of a trade. The Transaction cost shall mean regulatory levies and any other expenses charged by the stock exchanges, clearing corporation, and clearing house, as applicable. Such transaction costs shall not form part of the base expense ratio.</p> <p><b>(D) Statutory Levy</b></p> <p>A scheme may charge statutory levies applicable, if any, on the base expenses, brokerage costs and transaction costs incurred. As defined under Regulation (2)(1)(yy), a statutory levy means levy imposed by State Government and Central Government.</p> <p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1. For investor education and awareness initiative, the AMC or the Schemes of the Fund will annually set apart at least 0.01 percent of daily net asset of the Schemes of the Fund within the maximum limit of the Base Expense Ratio as specified under Regulation 66(7). Further, for Passive schemes and Overseas Fund of Funds schemes whose underlying indices are notified by SEBI / AMFI as per para 20.2 and 20.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026, AMC or the Schemes of the Fund will annually set apart 5% of the Base Expense Ratio charged to direct plans subject to maximum of 0.5 BPS of daily net asset of the Schemes towards investor education and awareness initiative.</li> <li>2. The Mutual Fund would disclose daily Total Expense Ratio (TER) of scheme on the mutual fund website and on the website of AMFI in a format prescribed by the SEBI. Any change in the BER in comparison to previous BER charged to the scheme/plan will be communicated to investors and the notice of such change in BER will be updated on the website, at least three working days prior to effecting such change, in the manner specified by SEBI from time to time. Investors can refer <a href="https://www.sbimf.com/en-us/disclosure/total-expense-ratio-of-mutual-fund-schemes">https://www.sbimf.com/en-us/disclosure/total-expense-ratio-of-mutual-fund-schemes</a> for Total Expense Ratio (TER) details.</li> <li>3. All scheme-related expenses, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the AMC, its associate, sponsor, trustee or any other entity through any route. However, certain expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses can be paid out of AMC's books at actuals or not exceeding 2 BPS of respective scheme AUM, whichever is lower. A list of such miscellaneous expenses has been provided by AMFI in consultation with the Board.</li> </ol> <p>Actual expenses for the previous financial year: N. A</p>
<p><b>Tax treatment for the Investors</b></p>	<p>Investors are advised to refer to the details in the Statement of Additional Information &amp; also independently refer to their tax advisor.</p>

<b>Daily Net Asset Value (NAV) Publication</b>	<p>The first NAV will be calculated and announced not later than 5 business days from the date of allotment in the NFO. Subsequently, the NAV of the Scheme shall be computed and declared on every business day. NAV will be disclosed in the manner as may be specified under SEBI (Mutual Funds) Regulations, 2026.</p> <p>The AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) and on website of the Mutual Fund (<a href="http://www.sbimf.com">www.sbimf.com</a>) by 11.00 p.m. on each business day.</p> <p>Further, the Mutual Fund shall send the latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.</p>	
<b>For Investor Grievances please Contact</b>	<b>Name &amp; address of Registrar</b> Computer Age Management Services Limited (SEBI Registration No.: INR000002813) Rayala Towers 158, Anna Salai Chennai 600002 Tel No.: (022 ) 28881101/36 Fax : (044) 30407101 Email : <a href="mailto:Eng_Sbimf@Camsonline.Com">Eng_Sbimf@Camsonline.Com</a> , Website: <a href="http://Www.Camsonline.Com">Www.Camsonline.Com</a>	<b>Name &amp; address of SBI Mutual Fund</b> Mr. C.A. Santosh (Customer Relations Officer) SBI Funds Management Ltd. 9th Floor & Unit No. 1002, 1003 and 1004 of 10th Floor, Crescenzo, C-38 & 39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Tel: 022- 61793537 Email: <a href="mailto:Customer.Delight@Sbimf.Com">Customer.Delight@Sbimf.Com</a>
<b>Unit holders' Information</b>	<p>Account Statement: Pursuant to Regulation 33 and 34 of the SEBI MF Regulation, 2026, the following shall be applicable with respect to account statement:</p> <p>As the Units of the Scheme are in demat, the holding statement issued by the Depository Participant would be deemed to be adequate compliance with requirements of SEBI regarding dispatch of statements of account.</p> <p>In terms of SEBI Circular No. IR/MRD/DP/31/2014 dated November 12, 2014 on Consolidated Account Statement, investors having Demat account has an option to receive consolidated account statement:</p> <ul style="list-style-type: none"> <li>Investors having MF investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository.</li> <li>Consolidation of account statement shall be done based on Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated monthly.</li> <li>If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within twelve (12) days from the month end and to investors that have opted for delivery via physical mode, within fifteen (15) days from the month end pursuant to SEBI Circular No. SEBI/HO/MRD/PoD1/CIR/P/2025/16 dated February 14, 2025. In case, there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis. The depositories shall dispatch the CAS to investors that have opted for e-CAS on or before the eighteenth (18th) day of April and October and to investors that have opted for delivery via physical mode by the twenty first (21st) day of April and October</li> </ul> <p>Annual Financial Results -- Before expiry of one month from the close of each half year i.e. on March 31 or September 30, the Fund shall host a soft copy of half – yearly unaudited financial results on the website of the Fund soft copy of half – yearly unaudited financial results on the website of the Fund i.e. <a href="https://www.sbimf.com/annual-financial-reports">https://www.sbimf.com/annual-financial-reports</a> and that of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a>, in a user-friendly, downloadable and machine readable format.</p> <p>Monthly/Fortnightly Disclosure of Schemes' Portfolio Statement - In line with clause 6.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the fund shall disclose the scheme's portfolio in the prescribed format along with the ISIN as on the last day of the month for all the Schemes of SBI Mutual Fund on its website <a href="http://www.sbimf.com">www.sbimf.com</a> and on the AMFI's website i.e. <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 calendar days from the close of each month in a user-friendly and downloadable spreadsheet format. For debt schemes, such disclosure, including the yield of the instrument, shall be disclosed on fortnightly basis within 5 calendar days of every fortnight. Further, the Statement of Scheme portfolio shall be emailed to</p>	

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	<p>those unitholders whose email addresses are registered with the Fund within the above prescribed timeline. The fund shall provide a feature wherein a link is provided to investors to their registered email to enable the investor to directly view/download only the portfolio of schemes subscribed by the said investor, along with the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark. Further, the AMC shall provide physical copy of the statement of scheme portfolio, without charging any cost, on receipt of a specific request from the unitholder.</p>
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This Key Information Memorandum is dated : April 30, 2026