This product is suitable for investors who are seeking:

- Long-term capital appreciation.
- Investment in Gold, gold bullion and gold related securities.

**Riskometer**

Investors understand that their principal will be at moderately high risk

**Benchmark of the Scheme**

Benchmark Riskometer

**Price of Gold**

The benchmark riskometer is at moderately high risk

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Continuous Offer of units at NAV related prices

<table>
<thead>
<tr>
<th>Mutual Fund</th>
<th>Trustee Company</th>
<th>Asset Management Company</th>
</tr>
</thead>
</table>
|                      |                                                      | (A joint venture between SBI and AMUNDI)
|                      |                                                      | CIN: U65990MH1992PTC065289                                    |
| **Corporate Office** | **Registered Office:** 9th Floor, Crescenzo, C– 38 & 39, G Block, Bandra-Kurla, Complex, Bandra (East), Mumbai- 400 051 | **Registered Office:** 9th Floor, Crescenzo, C– 38 & 39, G Block, Bandra-Kurla, Complex, Bandra (East), Mumbai- 400 051 |

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of SBI Mutual Fund, Tax and Legal issues and general information on www.sbimf.com.

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest OPAT of SBI MF or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated October 29, 2021.

Stock Exchange Disclaimer Clause:

“As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/99874-N dated February 12, 2009 permission to the Mutual Fund to use the Exchange’s name in this Scheme Information Document as on of the stock exchanges on which the Mutual Fund’s units are listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund’s units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

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

I. HIGHLIGHTS OF THE SCHEME .................................................................................. 3
II. INTRODUCTION........................................................................................................ 5
   A. RISK FACTORS .................................................................................................. 5
   B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME ...................... 9
   C. DEFINITIONS .................................................................................................... 13
   D. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY ....................... 18
III. INFORMATION ABOUT THE SCHEME .................................................................... 19
   A. TYPE OF THE SCHEME ................................................................................... 19
   B. INVESTMENT OBJECTIVE OF THE SCHEME .................................................. 19
   C. SCHEME ASSET ALLOCATION ....................................................................... 19
   D. INVESTMENT STRATEGY OF THE SCHEME ................................................... 19
   E. TYPE OF THE INSTRUMENTS IN WHICH SCHEME WILL INVEST ................. 19
   F. PORTFOLIO TURNOVER ............................................................................... 19
   G. FUNDAMENTAL ATTRIBUTES ...................................................................... 19
   H. CREATION & REDEMPTION OF UNITS .......................................................... 20
I. ROLE OF AUTHORIZED PARTICIPANTS DURING THE NFO AND ONGOING BASIS ...
   J. BENCHMARK OF THE SCHEME ...................................................................... 22
   K. FUND MANAGER OF THE SCHEME ............................................................... 22
   L. INVESTMENT RESTRICTIONS ....................................................................... 23
   M. PAST PERFORMANCE OF THE SCHEME ....................................................... 25
   N. Schemes Portfolio Holdings ............................................................................ 25
   O. SPECIAL PRODUCT FACILITY ...................................................................... 26
   P. INVESTMENTS OF AMC IN THE SCHEME ..................................................... 26
   Q. CUSTODIAN OF THE SCHEME ....................................................................... 26
   R. PROCEDURES FOLLOWED FOR INVESTMENT DECISIONS ......................... 27
   S. INVESTMENT IN REPO IN CORPORATE DEBT SECURITIES ....................... 27
IV. UNITS AND OFFER .................................................................................................... 31
   A. NEW FUND OFFER (NFO) .............................................................................. 31
   B. ONGOING OFFER DETAILS .......................................................................... 32
   C. PERIODIC DISCLOSURES .............................................................................. 41
   D. COMPUTATION OF NAV .............................................................................. 45
   E. PURCHASE PRICE ........................................................................................... 45
V. FEES AND EXPENSES ................................................................................................ 47
   A. NEW FUND OFFER (NFO) EXPENSES ........................................................... 47
   B. ANNUAL SCHEME RECURRING EXPENSES ............................................... 47
   C. LOAD STRUCTURE ......................................................................................... 49
VI. RIGHTS OF UNITHOLDERS .................................................................................... 51
   VII. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY ........................................... 52
### I. HIGHLIGHTS OF THE SCHEME

<table>
<thead>
<tr>
<th>Type of Scheme</th>
<th>An open ended Gold Exchange Traded Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Objective of the SBI-ETF Gold (erstwhile known as SBI Gold Exchange Traded Scheme)</td>
<td>The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold. However, the performance of the scheme may differ from that of the underlying asset due to tracking error.</td>
</tr>
<tr>
<td>Liquidity</td>
<td>The units of the Scheme can be traded on a stock exchange and therefore it provides the ability to buy and sell them quickly at the ruling market price to ensure higher liquidity. The scheme is listed on National Stock Exchange of India Limited.</td>
</tr>
<tr>
<td>Benchmark</td>
<td>The price of the Gold is the Benchmark. The price here refers to, the morning fixing (AM) of Gold by London Bullion Market association (LBMA).</td>
</tr>
<tr>
<td>Transparency / NAV Disclosure</td>
<td>NAV of the Scheme would be declared on every business day basis and would be a function of the closing value of the underlying Gold Price, taking into account recurring expenses, etc. NAVs will also be displayed on the website of the Mutual Fund. NAV will be disclosed in the manner as may be specified under SEBI (Mutual Funds) Regulations, 1996. NAV can also be viewed on <a href="http://www.sbimf.com">www.sbimf.com</a> and <a href="http://www.amfiindia.com">www.amfiindia.com</a>. 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>) by 11.00 p.m. The Mutual Fund shall disclose portfolio as on the last day of the month of the respective Scheme on its website viz. <a href="http://www.sbimf.com">www.sbimf.com</a> on or before the tenth day of the succeeding month in the prescribed format. In terms of SEBI notification dated May 30, 2018, a complete statement of the Scheme portfolio would also be sent by the Mutual Fund to all unit holders within 10 days from the close of each half year (i.e. March 31 &amp; September 30) in the manner as may be specified by the Board.</td>
</tr>
<tr>
<td>Load Structure</td>
<td>No Entry and Exit Load is applicable on Ongoing basis</td>
</tr>
<tr>
<td>Asset Allocation</td>
<td><strong>Asset Allocation</strong></td>
</tr>
<tr>
<td>Instruments</td>
<td>Min</td>
</tr>
<tr>
<td>Gold, gold bullion and gold related securities / instruments#</td>
<td>95%</td>
</tr>
<tr>
<td>Debt &amp; Money Market Instruments</td>
<td>0%</td>
</tr>
<tr>
<td># Gold related instruments that may be permitted by SEBI from time to time.</td>
<td></td>
</tr>
<tr>
<td>Plans/Options offered</td>
<td>Growth Option</td>
</tr>
</tbody>
</table>

a. The cumulative Investment by the scheme in gold deposit schemes (“GDS”) and GMS will not exceed 20%, or as prescribed by SEBI from time to time, of the total assets under management.
b. All other conditions applicable to investments in GDS of banks will also be applicable to investments by SBI - ETF Gold in GMS.
c. GMS will be designated as a gold related instrument.
<table>
<thead>
<tr>
<th>Minimum Application Amount in (Rs.)</th>
<th>Type of Investor and Transaction Detail</th>
<th>Sale of unit by Mutual Fund</th>
<th>Redemption of unit by Mutual Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Participants / Large Investor</td>
<td>In creation unit size</td>
<td>In creation unit size</td>
<td></td>
</tr>
<tr>
<td>Investor</td>
<td>Only through stock exchange</td>
<td>Only through stock exchange</td>
<td></td>
</tr>
</tbody>
</table>
II. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- The NAV of the SBI-ETF Gold 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.
- SBI-ETF Gold is only the name of the scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- State Bank of India, 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.
- SBI-ETF Gold scheme is not a guaranteed or assured return scheme

Scheme Specific Risk Factors:

Scheme investing in Gold

- 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 affect 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 in 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 95% 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-ETF Gold 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-ETF Gold 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-ETF Gold 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 SBI-ETF Gold may attract capital gains tax depending on acquisition cost and holding period. Repurchase of SBI-ETF Gold the Fund or sale of SBI-ETF Gold stock Exchange may attract capital gain tax depending upon the holding period of the units.
• SBI-ETF Gold is not an equity oriented Fund; therefore, tax benefit related to equity oriented Fund will not be available.

Scheme investing in Debt and Money Market Instruments

• SBI-ETF Gold will be investing in debt instruments, and money market instruments. Trading volumes and settlement periods inherently restrict the liquidity of the scheme’s investments.
• Different types of securities in which the scheme would invest carry different levels of risk. Accordingly, the scheme’s risk may increase or decrease depending upon the investment pattern. For e.g. corporate debt carry a higher amount of risk than money market instruments. Further even among corporate debts, instruments, which are AAA rated, are comparatively less risk than instruments, which are AA rated.
• 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 issuers’ ability to meet the obligations.
• Liquidity risk: 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.
• Interest Rate risk: Interest Rate risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. However, if the investments are held on till maturity of the investments, the value of the investments will not be subjected to this risk
• Reinvestment risk: This risk arises from uncertainty in the rate at which cash flows from 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.

Risks pertaining to transaction in units through Stock Exchange Mechanism

1. Absence of Prior Active Market: Although the Scheme is listed on NSE, there can be no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the Units of the Scheme would be infrequent.
2. Trading in Units may be Halted: Trading in the Units of the Schemes on NSE may be halted because of market conditions or for reasons that in view of NSE or SEBI, trading in the Units of the Schemes
are not advisable. In addition, trading of the Units of the Scheme are subject to trading halts caused by extraordinary market volatility and pursuant to NSE and SEBI 'circuit filter' rules. There can be no assurance that the requirements of NSE necessary to maintain the listing of the Units of the Schemes will continue to be met or will remain unchanged.

3. Lack of Market Liquidity: The Schemes 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.

4. Units of the Schemes May Trade at Prices Other than NAV: The Units of the Schemes may trade above or below their NAV. The NAV of the Schemes will fluctuate with changes in the market value of the holdings of the Schemes. The trading prices of the Units of the Schemes will fluctuate in accordance with changes in their NAV as well as market supply and demand for the Units of the Schemes. However, given that Units of the Schemes can be created and redeemed in Creation Units directly with the Fund, it is expected that large discounts or premiums to the NAV of Units of the Schemes will not sustain due to arbitrage opportunity available.

5. Regulatory Risk: Any changes in trading regulations by NSE or SEBI may affect the ability of market maker to arbitrage resulting into wider premium/discount to NAV.

6. Reinvestment Risk: This risk refers to the interest rate levels at which cash flows received from the Securities in the Schemes are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

7. Risk of Substantial Redemptions: Substantial Redemptions of Units within a limited period of time could require the Schemes to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Units being Redeemed and that of the outstanding Units of the Schemes. The risk of a substantial Redemption of the Units may be exacerbated where an investment is made in the Schemes as part of a structured product with a fixed life. Please also refer to the sections on ‘right to limit Redemptions’ and ‘suspension of Purchase / Redemption / switch of Units’ in the Statement of Additional Information. Regardless of the period of time in which Redemptions occur, the resulting reduction in the NAV of the Schemes could also make it more difficult for the Schemes to generate profits or recover losses. The Trustee, in the general interest of the Unit holders of the Schemes offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be Redeemed on any Working Day depending on the total “Saleable Underlying Stock” available with the Fund.

Risk factors associated with repo transactions in corporate debt securities:

Corporate Bond Repo transactions are currently done on OTC basis and settled on non guaranteed basis. Credit risks could arise if the counterparty does not return the security as contracted on due date. The liquidation of underlying bonds in case of counterparty default would depend on the liquidity of the bond and market conditions at that time. This risk is largely mitigated, as the choice of counterparties is largely restricted and also haircuts are applicable on the underlying bonds depending on credit ratings. Also operational risks are lower as such trades are settled on a DVP basis.

In the event of the scheme being unable to pay back the money to the counterparty as contracted in case of transactions as a borrower, the counterparty may dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to the Mutual Fund. Thus, the scheme may in remote cases suffer losses. This risk is normally mitigated by better cash flow planning to take care of such repayments.

Risk of investing in Gold Monetisation Scheme (GMS)

SBI - ETF Gold may, as permitted by SEBI, invest a part of its pool of physical gold assets in Gold Monetisation Scheme run by Banks. Under the GMS, SBI - ETF Gold will deposit its physical gold assets as principal with the Banks which offer such facility (“the issuer”). A situation could arise where the issuer is unable to return the principal physical gold to SBI ETF Gold upon maturity or in case of an early redemption. Such inability to return physical gold could arise on account of liquidity problems or general financial health of the issuer. A default by the issuer under a GMS may result in losses to the Unit holders. GMS being an unlisted and non-transferrable security can be Redeemed only with the issuer and hence, is subject to the risk of an issuer's inability to meet
principal and interest payments on the obligation (credit risk). Credit Risk means that the issuer of a Security may default on interest payments or even paying back the principal amount on maturity (i.e. the issuer may be unable to make timely principal and interest payments on the Security) which may result in losses to the Unitholders.

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

i) **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 closely 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.

ii) **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.

**Risk associated with Partial Execution :**

When APs 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.

**RISK CONTROL STRATEGIES:**

Investments in debt, money market instruments carry various risks such as inability to sell securities, trading volumes and settlement periods, market risk, interest rate risk, liquidity risk, default risk, reinvestment risk etc. Whilst such risks cannot be eliminated, they may be mitigated by diversification and hedging.

In order to mitigate the various risks, the portfolio of the Scheme will be constructed in accordance with the investment restriction specified under the Regulations which would help in mitigating certain risks relating to investments in securities market.

Further, the AMC has necessary framework in place for risk mitigation at an enterprise level. The Risk Management division is an independent division within the organization. Internal limits are defined and judiciously monitored. Risk indicators on various parameters are computed and are monitored on a regular basis. There is a Board level Committee, the Risk Management Committee of the Board, which enables a dedicated focus on risk factors and the relevant risk mitigates.

For risk control, the following may be noted:

**Liquidity risks:**

The liquidity of the Scheme’s investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. Liquidity Risk can be partly mitigated by diversification, staggering of maturities as well as internal risk controls that lean towards purchase of liquid securities.
**Interest Rate Risk:**
Changes in interest rates affect the prices of bonds. If interest rates rise the prices of bonds fall and vice versa. A well-diversified portfolio may help to mitigate this risk. Hence, while the interim NAV will fluctuate in response to changes in interest rates, the final NAV will be more stable.

**Credit Risks**
Credit risk shall be mitigated by investing in rated papers of the companies having the sound background, strong fundamentals, and quality of management and financial strength of the Company.

**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. To that extent the Volatility risk will be mitigated in the scheme.

**B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**
As per Circular number SEBI/IMD/CIR NO 10/22701/03 dated December 12, 2003, the above guidelines are not applicable for Exchange Traded Funds. As SBI-ETF Gold is an exchange traded fund, the same is not applicable.

**C. CREDIT EVALUATION POLICY & DUE DILIGENCE FOR CREDIT RISK**

(a) **CREDIT EVALUATION POLICY**
Credit Analysis is a bottom up approach starting with looking at each individual issuer, industry, terms and covenants of a particular issue, etc. Individual issuer level exposures are taken only after approval from investment committee, i.e. issuer becoming part of “Accepted Credit Universe”. A team of credit analyst will do a detailed analysis and prepare an initiation note to introduce an issuer to the universe.

For every issuer we focus on 4 Cs of credit
- Capacity
- Character
- Collateral
- Covenants

Key focus areas are
- Management Quality
- Financial Analysis
- Business Analysis
- Industry Analysis
- Regulatory Environment
- Feedback from Creditors
- Other Issues; auditor report and qualifications, etc

Regular management interaction at various levels, supported by plant visits, interaction with rating agencies is part of the process.

Once a credit limit is set, it is regularly monitored based on internal Tier classification.

**D. DUE DILIGENCE FOR CREDIT RISK**
While carrying out due diligence for credit risk, following parameters/attributes are analysed:

- **Management Quality** – It includes assessment of management quality, reviewing promoter background and track record, performance of group companies and possibility of group
support, internal control systems, succession plans & repayment track record including that of other companies in the group.

- **Financial Analysis** – It includes analysis of Balance sheet, Profit and Loss account, and cash flow statement. Ratio analysis for the past years including quarterly/half yearly results analysis wherever available. Different set of ratios are analysed for corporates, banks, NBFCs etc.

- **Business Analysis** – It includes understanding of competitive position and competitor analysis on key parameters, strategies for growth, technical and marketing skill set, manufacturing process, productivity details and future expansion plans.

- **Industry Analysis** – It includes assessment of current and estimated demand and supply scenario, Industry structure (fragmentation), End-user analysis of demand, Industry cycles & seasonal factors affecting the business, Entry barriers, threat of import and prospects of exports, Competition from global players, Outlook for key inputs and sensitivity.

- **Regulatory Environment** - It is tracked separately for different industries in terms of Government policies, Impact of changes in taxation policies, other regulatory provisions and impact of them.

E. SPECIAL CONSIDERATIONS, IF ANY:

(i) Termination of the scheme

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

(a) on the happening of any event which, in the opinion of the Trustees, requires the scheme to be wound up; or

(b) if 75% of the Unit holders of a scheme pass a resolution that the scheme be wound up; or

(c) if SEBI so directs in the interest of the unit holders.

Where a scheme is wound up under the above Regulation, the trustees shall give a notice disclosing the circumstances leading to the winding up of the scheme:

(a) to SEBI; and

(b) in two daily newspapers having circulation all over India & a vernacular newspaper circulating at the place where the mutual fund is formed.

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

(ii) Restrictions on Redemptions

In accordance with SEBI vide circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016, the provisions of restriction on redemption (including switch out) in Schemes of SBI Mutual Fund are as under:

1. Restrictions may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts the market liquidity or the efficient functioning of the market such as:

   i. **Liquidity Issues**: When markets at large become illiquid affecting almost all securities rather than any issuer specific security.

   ii. **Market failures, exchange closure**: When markets are affected by unexpected events which impact functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.

   iii. **Operational Issues**: When exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
2. Restrictions on redemption may be imposed for a specified period of time not exceeding 10 Business Days in any period of 90 days.

3. When restrictions on redemption is imposed, the following procedure will be applied:
   i. No redemption requests upto Rs. 2 Lacs shall be subject to such restriction.
   ii. Where redemption requests are above Rs.2 lakh, AMC shall redeem the first Rs.2 Lacs without such restrictions and remaining part over and above Rs.2 Lacs shall be subject to such restrictions.

Any restriction on Redemption of the units shall be made applicable only after specific approval of the Board of Directors of the Asset Management Company and Trustee Company. The approval from the AMC Board and the Trustee giving details of the circumstances and justification shall also be informed to SEBI immediately.

(iii) 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 SID & SAI.

(iv) 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.

(v) The tax benefits described in Statement of Additional Information (SAI) 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

(vi) The Mutual Fund is not assuring any returns nor is it assuring that it will make periodic distributions. All Income Distribution cum capital withdrawal (IDCW) distributions are subject to the investment performance of the scheme, availability of distributable profits and computed in accordance with SEBI (MF) Regulations.

(vii) No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this SID. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.

(viii) In addition to the investment management activity, SBI Funds Management Private Limited has also been granted a certificate of registration as a Portfolio Manager with Registration Code INP000000852.

Apart from this, SBI Funds Management Private Limited has received an ‘In-principle’ approval from SEBI for SBI Resurgent India Opportunities Fund (Offshore Fund) vide letter no. IMD/RK/53940/2005 dated November 16, 2005.

SBI Funds Management Private Limited is also acting as Investment Manager of SBI Alternative Equity Fund which is registered with SEBI vide SEBI Registration number: IN/AIF3/15-16/0177, as a category III Alternative Investment Fund and SBI Alternative Debt Fund which is registered with SEBI vide Registration number: IN/AIF2/18-19/0563 as a category II Alternative Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012.

SBI Funds Management Private Limited has also obtained approval for providing the management and advisory services to Category I foreign portfolio investors and Category II foreign portfolio investors through fund manager(s) managing the schemes of the SBI Mutual Fund as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time ("the Regulations"). While, undertaking the said Business Activity, the AMC shall ensure that (i) any conflict of interest with the activities of the Fund will be avoided; (ii) there exists a system to prohibit
access to insider information as envisaged under the Regulations; and (iii) Interest of the Unit holder(s) of the Scheme of the Mutual Fund are protected at all times.

SBI Funds Management Private Limited has received approval from Development Commissioner, Special Economic Zone, vide Letter of Approval dated March 19, 2021 for setting up branch office (IFSC unit) in GIFT city – multi-services – Special Economic Zone for providing Portfolio Management Services and Investment Management activities / services for pooled assets. International Financial Services Centres Authority (IFSCA) has granted certificate of registration dated May 04, 2021 to SBI Funds Management Private Limited to carry out the activities of Portfolio Management services through a branch office in International Financial Services Centres (IFSC) in India. The registration number of SBI Funds Management Private Limited is PM/2021-22/0002.

The AMC certifies that there would be no conflict of interest between the Asset Management activity and these other activities.

(ix) Investors should study the Scheme Information Document carefully in its entirety and should not construe the contents thereof as advice relating to legal, taxation, investment or any other matters. Investors are advised to consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem Units.
F. DEFINITIONS

Authorised Participant (AP): Authorised Participant means the entities/persons who are appointed by the AMC/Fund to give two way quotes for ETFs on the stock exchange.

Applicable NAV: Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for purchase or redemption is received at the designated investor service centre 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.

For Authorised Participants /Large Investor only:

For purchases:
1. In respect of valid applications received up to 3.00 p.m. on a Business Day at the official points of acceptance, where funds for the entire amount of subscription/purchase (including switch-ins) are credited to the bank account of the Scheme before the cut-off time on the same day i.e. available for utilization before the cut-off time on the same day - the closing NAV of the day shall be applicable.
2. In respect of valid applications received after 3.00 p.m. on a Business Day at the official points of acceptance, where funds for the entire amount of subscription/purchase (including switch-ins) are credited to the bank account of the Scheme either on the 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.
3. Irrespective of the time of receipt of application at the official points of acceptance, where funds for the entire amount of subscription/purchase (including switch-in) 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.

For Redemptions: In respect of valid applications received up to the cut-off time by the Mutual Fund, same day’s closing NAV shall be applicable. In respect of valid applications received after the cut off time by the Mutual Fund, the closing NAV of the next business day shall be applicable.

Note: An investor can buy/sell Units on a continuous basis on the NSE or any other stock exchange on which the Units are listed during the trading hours on all trading days like any other publicly traded stock at prices which may be close to the NAV of the Scheme. Therefore, the provisions of Cut-off timing for subscriptions/redemptions will not be applicable.

In line with SEBI circular dated July 30, 2021, transactions in units of the Scheme by Authorized Participants / Large Investors, 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.
Asset Management Company or AMC: SBI Funds Management Private Limited, the Asset Management Company, incorporated under the Companies Act, 1956 and authorized by SEBI to act as Investment Manager to the Schemes of SBI Mutual Fund.

Auditors: The statutory auditors to the scheme whose appointment is approved by the Trustees of SBI Mutual Fund.

Business Day: A day other than
(i) Saturday or Sunday; (ii) a day on which both the National Stock Exchange of India Limited and the BSE Limited are closed (iii) a day on which the Purchase/Redemption/Switching of Units is suspended (iv) a day on which banks in Mumbai and / RBI are closed for business/clearing (v) a day which is a public and /or bank holiday at any of the branches of SBIMF where the application is received (vi) a day on which normal business cannot be transacted due to storms, floods, natural calamities, bandhs, strikes or such other events as the AMC may specify from time to time (vii) Any other day when London Bullion Market Association (LBMA) is closed” as non business day.

The AMC reserves the right to declare any day as a Business day or otherwise at any of the OPAT OF SBIMF.

CDSL: Central Depository Services (India) Ltd.

Cash Component: Cash Component represents the difference between the applicable net asset value of Creation Unit and the market value of physical Gold. This difference will represent accrued interest, income earned by the Scheme, accrued annual charges including management fees and residual cash in the Scheme. In addition, the Cash Component will include transaction cost as charged by the Custodian/DP and other incidental expenses for creating units. The cash component will vary from time to time and will be decided and announced by the AMC.

Creation unit: Fixed number of “SBI-ETF Gold” unit (i.e. 1000 Units of SBI-ETF Gold) which is exchanged for a portfolio deposit consisting of physical gold kept in the custody and cash component in lieu of which SBI-ETF Gold are units are allotted to the authorized participants / Large Investors.

The Authorized Participant/ Large Investors will create /redeem units in Creation Unit Size only. Creation Unit Size means fixed number of SBI-ETF Gold Units which is equal to 1,000 units of SBI-ETF Gold.

Creation Date: The date on which SBI-ETF Gold units are created.

Custodian: The custodian to the scheme whose appointment is approved by the Trustee of SBI Mutual Fund.

Cut-off time: 3.00 p.m. (applicable only for fresh creation of units)

Date of Application: The date of receipt of a valid application complete in all respect for sale or repurchase of units of this scheme by the AMC at its various offices/branches or the designated centers of the Registrar.

Depository: Depository means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL).
Entry Load: A charge that the investor pays at the time of entry into the scheme. In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, No entry load will be charged with respect to applications for purchase/additional purchase/switch-in accepted by the Fund.

ETF: A fund whose units are listed on an exchange and can be bought/sold at prices quoted on the exchange or in creation size by handing over/receiving the portfolio deposit and the cash component at the applicable NAV...

Exit Load: A charge paid by the investor at the time of exit from the scheme.

Gold ETF: SBI-ETF Gold is a passively managed fund tracking Gold Prices. They are listed on a stock exchange and their underlying value is Gold.

Investors: Investors refers to all other categories of investors in the SID under the heading ‘Who can invest’ under the section Unit & Offer other than Authorized Participants/ Large Investors

Investment Management Agreement (IMA): The restated and amended IMA dated December 29, 2004 entered into between Trustee Company and the AMC i.e. SBI Funds Management Private Limited as amended from time to time.

LBMA: London Bullion Market Association

Large Investors (LI): For the purpose of Purchase and Redemption of units under scheme, Large Investors would mean investors who deal in creation unit size, other than Authorised Participants.

Unit Holder: Any eligible applicant who has been allotted and holds a valid unit in his/her/its name.

Money Market Instruments: Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Repos, triparty repo, Government securities having an unexpired maturity of less than 1 year, Call or notice money, Usance Bills and any other such short-term instruments as may be allowed under the SEBI Regulations prevailing from time to time.

NAV related price: The sale price and the repurchase price is calculated on the basis of NAV and are known as NAV related prices. The Repurchase Price is calculated by deducting exit load (if any) from the NAV

Net Asset Value / NAV: Net Asset Value of the Units of the Scheme calculated in the manner provided in this Scheme Information Document or as may be prescribed by the SEBI (Mutual Funds) Regulations, 1996 from time to time.

Non Resident Indian or NRI: A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term under Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000 as amended from time to time.

NSDL: National Securities Depository Ltd

NSE: National Stock Exchange of India Limited

Physical gold for creation of unit: Amount of Gold deposited with the Custodian in the account of SBIMF against which units will be created.

Premium: Any cost over and above the face value of SBI-ETF Gold unit.
Portfolio Deposit: These are LBMA Good Delivery physical gold bars imported by Bank of Nova Scotia authorized by RBI to deal in Gold and other securities. The value of gold and other instruments will be linked to the domestic prices of gold. Portfolio Deposit can change from time to time.

Scheme Information Document or SID: This document issued by SBI Funds Management (P) Ltd. / SBI Mutual Fund, containing the terms of offering Units of the SBI-ETF Gold ("the scheme") of SBI Mutual Fund as per the terms contained herein. Modifications to the SID, if any, shall be made by way of an addendum which will be attached to the SID. On issuance and attachment of addendum, the SID will be deemed to be an updated document.

Official Points Of Acceptance of Transaction (OPAT): means AMC Registered Office/ Branches, website of the Mutual Fund i.e. www.sbfim.com, AMC overseas point of acceptance or the designated centers of the Registrars.

RBI: Reserve Bank of India, established under Reserve Bank of India Act, 1934.

Repurchase Price: The price at which the units are repurchased at NAV related price subject to applicable exit load.

Registrars: The registrars and transfer agents to the scheme whose appointment is approved by the Trustees of SBI Mutual Fund. M/s Computer Age Management Services Ltd. (SEBI Registration Number: INR 0000002813) Rayala Towers, 158, Anna Salai, Chennai – 600002 (having Registered Office at New No. 10, old no. 178, M.G. R. Salai, Nungambakkam, Chennai – 600034), has been appointed as Registrars and Transfer Agents to the Scheme.

Sale Price: The price at which units are sold at Applicable NAV.

Trustee: SBI Mutual Fund Trustee Company Private Limited (SBIMFTCPL), a wholly owned subsidiary of SBI, incorporated under the provisions of the Companies Act, 1956. The registered office of SBIMFTCPL is situated at 9th Floor, C – 38 & 39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

SEBI: Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992.

SEBI Regulations: Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 for the time being in force and as amended from time to time, including by way of circulars or notifications issued by SEBI, the Government of India.

Sponsor / Settlor: State Bank of India, having its Corporate Office at State Bank Bhavan, Madame Cama Road, Mumbai - 400 021, which has made an initial contribution of Rs. 5 Lakhs towards the Trust Fund and has appointed the Trustee to supervise the activities of the Fund.

Mutual Fund: means SBI Mutual Fund (SBIMF); constituted as a Trust with SBI Mutual Fund Trustee Company Private Limited as the Trustee under the provisions of Indian Trusts Act, 1882, and registered with SEBI.

The Offer: The issue of Units of the Scheme as per the terms contained in this SID.

Tracking Error: Tracking error means the variance between daily returns of the underlying benchmark (gold prices in this case) and the NAV of the
scheme for any given period. NAV of the Scheme is dependant on valuation of gold. Gold will be valued as per the formula prescribed by SEBI circular / Guidelines. NAV so computed may vary from the price of Gold in the domestic market. Factors such as the fees and expenses of the Scheme, cash balance, changes to the Underlying assets and regulatory policies may affect AMC’s ability to achieve close correlation with the Underlying assets of the scheme. The Scheme’s returns may therefore deviate from those of its Underlying assets.

**Unit**

: One undivided unit issued under the scheme by SBI Mutual Fund.

**Unit Capital**

: The aggregate face value of the Units issued and outstanding under the scheme.

**Unit of SBI-ETF Gold**

: Single share of SBI-ETF Gold by SBIMF

Words and Expressions used in this Scheme Information Document and not defined shall have the same meaning as in the Regulations.
G. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

1) The Scheme Information Document of SBI-ETF Gold forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

2) All legal requirements connected with the launch of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

3) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the scheme.

4) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For SBI Funds Management Private Limited

Sd/-

Vinay M. Tonse
Managing Director & CEO

Place: Mumbai
Date: October 29, 2021
III. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

SBI-ETF Gold is an open ended Gold Exchange Traded Scheme

B. INVESTMENT OBJECTIVE OF THE SCHEME

The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold. However the performance of the scheme may differ from that of the underlying asset due to tracking error.

C. SCHEME ASSET ALLOCATION

<table>
<thead>
<tr>
<th>Asset Allocation</th>
<th>Min</th>
<th>Max</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold, gold bullion and gold related securities/instruments#</td>
<td>95%</td>
<td>100%</td>
<td>Low</td>
</tr>
<tr>
<td>Debt &amp; Money Market Instruments</td>
<td>0%</td>
<td>5%</td>
<td>Medium to High</td>
</tr>
</tbody>
</table>

# Gold related instruments that may be permitted by SEBI from time to time.

   a. The cumulative Investment by the scheme in gold deposit schemes (“GDS”) and GMS will not exceed 20%, or as prescribed by SEBI from time to time, of the total assets under management.
   b. All other conditions applicable to investments in GDS of banks will also be applicable to investments by SBI - ETF Gold in GMS.
   c. GMS will be designated as a gold related instrument

D. INVESTMENT STRATEGY OF THE SCHEME

The scheme would invest in gold and endeavor to track price of the gold. The scheme invests in gold and gold bullion as underlying asset regardless of investment merit. The scheme may buy or sell gold at different points of time during the trading session at the then prevailing prices which may not correspond to its closing price, disinvestments to meet redemptions, transactions cost and recurring expenses, execution of large buy/sell orders etc. This may cause some distortion, but the scheme will try to minimize the tracking error.

The Scheme may also invest in Debt & Money Market Instruments for meeting the liquidity requirements for honouring repurchases or redemptions as permitted in the regulations 44 (5)(b) of SEBI (Mutual Fund) Regulation.

E. TYPE OF THE INSTRUMENTS IN WHICH SCHEME WILL INVEST

   i. Gold, gold bullion and gold related securities/instruments
   ii. Debt & Money Market Instruments and repo in corporate debt

F. PORTFOLIO TURNOVER

Not Applicable

G. FUNDAMENTAL ATTRIBUTES

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

(i) Type of a scheme - An open ended gold exchange traded scheme
(ii) Investment Objective - The investment objective of the fund is to seek to provide returns that closely correspond to returns provided by price of gold through investment in physical Gold. However the performance of the scheme may differ from that of the underlying asset due to tracking error.
• Main Objective – Growth
• Investment pattern - The indicative portfolio break-up with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations as mentioned above.

(iii) Terms of Issue -

a. Liquidity provisions such as listing, sale, repurchase:

b. Aggregate fees and expenses charged to the scheme:
The fees and expenses proposed to be charged by the scheme is detailed in Section Fees and Expenses.

(iv) Any Safety Net or Guarantee provided

This Scheme does not provide any guaranteed or assured return to its Investors

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

i. A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

ii. The Unitholders are given an option for a period of at least 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

iii. Comments from SEBI are taken before making changes in Fundamental Attributes of the Scheme

H. CREATION & REDEMPTION OF UNITS

i) Directly with the Fund:

Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants & large Investors, provided the quantity of units to be purchased is in creation unit size and in multiples thereof. Authorised Participants/Large Investors may buy the units on any Business day of the scheme directly from the Mutual Fund at applicable NAV & transaction charges, by depositing gold and cash component as per the creation unit size of the fund.

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 instrument.

The custodian will allocate specific bars of gold representing the amount of gold (to the extent such amount is representable by whole gold bars) to the scheme’s allocated account. All gold bullion held in the scheme’s allocated account with the custodian must be of fineness (or purity) of 995 parts per 1000 (99.5%).AP/ large investor must provide the said documents to ensure good delivery (i) Master Airway Bill (ii) Packing List (iii) Indemnity from Counterparty (iv) Indemnity from Counterparty vaulting agent or any other documents as may be indicated by the AMC.

a) Creation Procedure

On any business day, Authorized Participants/ Large Investors may submit an application with the AMC. Applications must be placed by 3:00 p.m. By submitting the application for purchase of units, Authorized Participant/ Large Investor agree to deposit gold and the applicable cash component (if any) in scheme’s account. Authorized participant/ Large Investor has the option to deposit at least 1 kilogram of physical gold & in multiples of 1 kilogram thereof in order to create units of the scheme. The gold bars deposited
should bear the certificate issued by a refiner or manufacturer accredited by London Bullion Market Association as well as accompanied by the documents as indicated above.

AMC may at its own discretion, allow cash purchases by accepting cash from the Authorized participants/Large Investors. Units will be allotted on the basis of realisation. Purchase request for creation units shall be made by such investor to the AMC whereupon the AMC will arrange to buy gold. The AMC has the right to collect any cost incurred by the AMC in terms of the transaction charges, applicable statutory charges/ taxes & any other incidental charges.

**Delivery of required deposits**
An authorized participant/ large investor shall submit an application for the process of creation of units. By submitting the application the Authorized participant/ Large Investor agrees to deposit physical gold to the custodian by T+1 before 12 Noon. On having credited the scheme’s allocated account with the gold deposits in physical form, the custodian intimates the registrar the total number of units to be created. The creation of units will be at the NAV of the fund on T day. The registrar will then allocate the units in the proportion of the gold/amount received from the authorized participant and will credit the units to the Demat account of the respective authorized participant/ large Investor.

**a) Redemption Procedure**

The authorized participant/large investor can redeem the units of the Scheme directly with the Mutual Fund only in creation unit size in exchange of the Gold and Cash Component. The minimum number of units of the Scheme that authorized participant/large investor can redeem is 1000 units and in multiples thereafter. 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 instrument.

On any business day, an authorized participant/large investor may send a redemption request to the AMC. On verifying transfer of units in mutual fund’s demat account /units extinguishment through RRN, AMC advises custodian to deliver gold. The custodian will deliver the gold in physical form to the nearest Kilogram and the balance amount will be paid in cash, if applicable. The redemption of gold will be made only in physical form to the authorized participants/ Large Investors. The delivery of physical gold will be subject to Mumbai Jurisdiction. The redemption price will be based on the NAV of the same business day.

AMC may at its own discretion, allow cash redemptions by accepting units from Authorized participants/Large Investors and paying out redemption proceeds in cash. On verifying transfer of units in mutual fund’s demat account /units extinguishment through RRN, AMC will process redemption in cash. Redemption request for shall be made by such investor to the AMC whereupon the AMC will arrange to sell gold. The AMC has the right to collect any cost incurred by the AMC in terms of the transaction charges, applicable statutory charges/ taxes & any other incidental charges.

These redemption procedures allow authorized participants/ Large Investors to redeem in creation unit size and in multiples thereof. By placing a redemption order, an authorized participant/ Large Investor agrees to deliver the units to be redeemed to the AMC on the same business day of the redemption order.

**Despatch of redemption proceeds:** The AMC will endeavour to deliver physical gold of the specified quality and quantity only to the authorized participants/ Large Investor within 5 business days from the date of receipt of redemption request.

However, the AMC at its discretion may allow redemption of units of SBI-ETF Gold to investors other than authorized participants/large investors if there is insufficient liquidity in the secondary market.

**Redemption of units**
1. Minimum number of units to be redeemed by the AMC shall be in 1000 units plus in multiples of 1,000 units in case of “Authorised Participants/ Large Investors”.
2. Applications for redemption of SBI-ETF Gold units have to be submitted in the prescribed format duly completed and signed along with the delivery order receipt by the DP stating the number of SBI ETF – Gold units transferred to the scheme’s DP account/ extinguishment through RRN.
3. Application for redemption by non-individuals should be accompanied by certified copy (ies) of the board/governing body resolution authorizing officials to redeem units.
4. The application for redemption on a form prescribed by the AMC will have to be submitted at the designated place before the cut off time.
5. The expenses associated with taking physical delivery of gold will have to be borne by the authorized participant/Large Investors.

ii) **ON THE EXCHANGE**

An investor can buy/sell Units on a continuous basis on the NSE or any other stock exchange on which the Units are listed during the trading hours on all trading days like any other publicly traded stock at prices which may be close to the NAV of the Scheme. Therefore, the provisions of Cut-off timing for subscriptions/redemptions will not be applicable.

I. **ROLE OF AUTHORIZED PARTICIPANTS**

The role of AP is to assure liquidity for SBI-ETF Gold units in the stock exchanges where the units are listed. AP will offer buy and sell quotes in the market such that buy and sell orders get executed in the market subject to price compatibility. AP will deliver ETF units out of the creation units purchased during NFO, where AP has net delivery obligation in the market. If AP's net delivery obligation is more than the stock of ETF available with it, AP may place purchase request with the Fund house. If the AP has a net buy position (need to settle in cash), AP may redeem units with the Fund House for generating cash.

J. **BENCHMARK OF THE SCHEME**

As per SEBI circular April 21, 2006, since there are no indices catering to the gold sector or securities linked to gold, SBI-ETF Gold shall be benchmarked against the price of Gold.

K. **FUND MANAGER OF THE SCHEME**

<table>
<thead>
<tr>
<th>Name of the Fund Manager, Age &amp; tenure of managing the scheme</th>
<th>Educational Qualifications</th>
<th>Experience</th>
</tr>
</thead>
</table>
L. INVESTMENT RESTRICTIONS

In terms of SEBI (Mutual Funds) Regulations, a gold exchange traded scheme shall be subject to the following investment restrictions:

i) The funds of SBI-ETF Gold shall be invested only in gold, gold bullion and gold related securities/instruments in accordance with its investment objective, except to the extent necessary to meet the liquidity requirements for meeting repurchases or redemptions; and

ii) Pending deployment of funds of the Scheme, the AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the following conditions issued by SEBI vide its circular SEBI/IMD/CIR No. 1/9171 /07 dated April 16, 2007, SEBI/HO/IMD/DF4/CIR/P/2019/093 dated August 16, 2019 and SEBI/HO/IMD/DF2/CIR/P/2019/101 dated September 20, 2019, as may be amended from time to time:

i. “Short Term” for parking of funds shall be treated as a period not exceeding 91 days.
ii. Such short-term deposits shall be held in the name of the Scheme.

iii. The Scheme shall not park more than 15% of their net assets in the short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with the prior approval of the Trustee. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.

iv. The Scheme shall not park more than 10% of their net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.

v. The Trustee / AMC shall ensure that the funds of the Scheme are not parked in the short term deposits of a bank which has invested in the Scheme.

vi. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

vii. The Trustee / AMC shall also ensure that the bank in which a scheme has short term deposits do not invest in the scheme until the scheme has short term deposits with such bank.

The above provisions do not apply to term deposits placed as margins for trading in cash and derivative market
No term loans will be advanced by this scheme for any purpose as per SEBI regulation 44(3) of SEBI (Mutual Funds) Regulations 1996.

iii) The Scheme shall not make any investment in any fund of fund scheme.

iv) Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments.

v) Transfer of investments from one scheme to another scheme, including this scheme, under the Mutual Fund shall be allowed only if:

i) Such transfers are done at the prevailing market price for quoted securities on spot basis; explanation - “spot basis” shall have the same meaning as specified by the stock exchange for spot transactions, and

ii) The securities so transferred shall be in conformity with the investment objective of the relevant scheme to which such transfer has been made.

iii) For meeting liquidity requirement in a scheme in case of unanticipated redemption pressure

iv) for Duration/Issuer/Sector/Group rebalancing

vi) The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale.
vii) The scheme shall provide that the securities be purchased or transferred in the name of the Mutual Fund for the relevant scheme, wherever the investments are intended to be of a long-term nature.

viii) The assets of the scheme shall not in any manner be used in short selling or carry forward transactions.

ix) The investment limitations in the fund shall be subject to SEBI Guidelines/Circulars as amended from time to time.

x) The scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate interscheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.

xi) The securities shall be purchased or transferred in the name of the Mutual Fund for the scheme, wherever the investments are intended to be of a long-term nature.

xii) The scheme shall not make any investment in:

1) Any unlisted security of an associate or group company of the sponsor; or

2) Any security issued by way of private placement by an associate or group company of the sponsor; or

3) The listed securities of group companies of the sponsor which is in excess of 25% of the net assets.

xiii) The cumulative Investment by the scheme in gold deposit schemes (“GDS”) and GMS will not exceed 20%, or as prescribed by SEBI from time to time, of the total assets under management.

xiv) All other conditions applicable to investments in GDS of banks will also be applicable to investments by SBI - ETF Gold in GMS.

xv) The scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the Asset Management Company.

Provided that such limit shall not be applicable for investments in government securities, treasury bills, and triparty repo on Government securities or treasury bills:

Provided further that investments within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board:

Provided further that such limit shall not be applicable for investments in case of debt exchange traded funds or such other funds as may be specified by the Board from time to time.

xvi) A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time.
The mutual fund scheme shall comply with the norms under this clause within the time and in the manner as may be specified by SEBI.

The investment in unrated debt and money market instruments shall be as per the norms specified by SEBI from time to time.

Apart from the investment restrictions prescribed under SEBI (MF) Regulations, the mutual fund has no separate internal norms vis-à-vis limiting exposure in case of SBI-ETF Gold.

**M. PAST PERFORMANCE OF THE SCHEME**

i) **Performance of the Scheme:**

<table>
<thead>
<tr>
<th>Fund / Benchmark</th>
<th>Returns as on September 30, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Year</td>
</tr>
<tr>
<td>SBI-ETF Gold</td>
<td>-9.38</td>
</tr>
<tr>
<td>Price* of Gold</td>
<td>-9.03</td>
</tr>
</tbody>
</table>

*Price is the morning fixing (AM) of Gold by The Morning Fixing of Gold by London Bullion Market Association (LBMA).

Date of Inception – May 18, 2009

ii) **Financial Yearwise Performance of the Scheme:**

![Performance Graph]

**N. Schemes Portfolio Holdings as on September 30, 2021:**

i) Top 10 Holdings

<table>
<thead>
<tr>
<th>Issuer</th>
<th>% of Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOLD</td>
<td>98.27</td>
</tr>
</tbody>
</table>

ii) Sector Allocation

<table>
<thead>
<tr>
<th>Sector Name</th>
<th>% of Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRECIOUS METALS</td>
<td>98.27</td>
</tr>
</tbody>
</table>

iii) Investors can click on the following link to obtain Scheme’s latest monthly portfolio holding: https://www.sbimf.com/en-us/portfolios
O. SPECIAL PRODUCT FACILITY

The scheme will not offer any special product facility like Systematic Investment Plan, Systematic Withdrawal Plan, and Systematic Transfer Plan.

P. INVESTMENTS OF AMC IN THE SCHEME

The AMC may invest in the scheme as they deem appropriate. But the AMC shall not be entitled to charge any management fees on this investment in the scheme. Investments by the AMC will be in accordance with Regulation 25(17) of the SEBI (MF) Regulations, 1996 which states that:

"The asset management company shall not invest in any of its schemes unless full disclosure of its intention to invest has been made in the offer document, provided that the asset management company shall not be entitled to charge any fees on its investment in the scheme."

Q. CUSTODIAN OF THE SCHEME

SBI-SG Global Securities Services Pvt. Ltd.

SEBI Registration Number: IN/CUS/022 having Registered Office at B Wing Jeevan Seva Annexe Building Ground Floor S.V. Road Santacruz (West) Mumbai – 400054.

Role of Custodian

Role of SBI-SG Global Securities Services Pvt. Ltd.

The Custodian may select Sub custodians to perform any of its duties, including holding gold for in this case it has appointed Brinks India. By virtue of agreement entered into Asset Management Company (AMC) and Custodian, the Custodian may, with the prior written consent of the Trustees/AMC, entrust Gold held in the Account to a specified sub-custodian that is eligible to act as a custodian of Gold under applicable laws and regulations together with SEBI (Custodian) Regulations 1996 selected by Custodian with due care. The Custodian alone shall be fully liable for any fees, loss, damages, costs or charges of such Sub-Custodian. The Custodian shall continue to be liable and responsible to comply with the terms of the Agreement. The Trustees/AMC shall not recognize any sub-custodian and there shall be no privity of contract between the Trustee/AMC and the Sub-custodian. The Custodian shall be fully responsible for custody/losses/ damages of physical gold whether the Custodian appoints Sub-custodian or not. Custodian will maintain all ledgers (or other records) reflecting Property in physical possession of Custodian or held by any Sub-Custodian. In terms of the Agreement entered into with the custodian, the Custodian is liable for any loss, damage, cost, judgment, expense or any other liability including any physical loss, destruction or damage to the Property, except, for Losses arising from nuclear fission or fusion, radioactivity, war, terrorist event, invasion, insurrection, civil commotion, riot, strike, act of government or public authority, acts of God or a similar cause that is beyond the control of the Custodian ("Force Majeure"). In the event of such Force Majeure, the Custodian shall promptly inform the Trustee of the same; the disruption that such Force Majeure has caused to the services agreed to be provided by the Custodian under this Agreement and shall make immediate alternate arrangements so as to ensure that the services under the Agreement continue to be available to the Trustees. Following activities form part of the Custody operations: a) Account opening and KYC b) Processing of initial creation/subscription of units c) Processing of redemption of units d) Reporting e) Reconciliation f) Valuation of the Gold as per LBMA prices with RBI exchange rate AM fix h) Business Continuation Plan Account Opening and KYC: KYC, due diligence requirements as specified /lay down by the Reserve Bank of India and Bank's internal rules are followed with regard to the opening of the Mutual Fund (MF) account with Deutsche Bank.

Processing of Initial Creation/subscription of Units:

the designated Mutual Fund (SBI Mutual Fund) can invest in Gold and source gold from other agencies for the collections made by them. The custody division of Deutsche Bank will issue a pre-alert to the subcustodian (Vault) advising the Quantity and the bar numbers that are to be accepted in the Mutual Fund name. As at close of day, the vault will have to advise the closing stock held in custody for the Mutual Fund along with the distinctive bar numbers. With regard to subsequent subscription of units, the
Mutual Fund will advise Deutsche bank details of the Authorized Participants name, quantity and value date of the transaction. Cash component if any will be deposited with State bank of India or as per transfer instructions received from the Mutual Fund. Deutsche Bank will process the transaction and instruct the vault agent to accept the metal on behalf of the fund. The vault will confirm receipt of the metal and confirm good/bad delivery status as per prescribed norms and vault the metal in the Mutual Fund's account with them. Deutsche Bank will settle the purchase for the Mutual Fund and update the Mutual Fund's holding accordingly.

Processing of redemption of units:

Based on the Authorised Participant’s request to the Mutual Fund, Custodian will receive written instructions with regard to redemption of units along with the Authorised Participants name, quantity and value date for the transaction. On receipt of confirmation from the Mutual Fund, instructions will be issued by Custodian to release the Gold to the Authorised Participants. Custodian will settle the redemption trade for the Mutual Fund and update the Mutual Fund's holding accordingly. Reporting: This is broadly classified into the following categories: Client reporting: a) Holding report b) Daily transaction report (on month end) c) Fail trade report (as and when it happens) d) Pending deals report e) Asset valuation report f) Tax invoices as at month ends g) Statement of account Regulatory reporting: Data on purchase, subscription and redemption as and when it occurs coupled with the monthly, quarterly reporting as prescribed by SEBI. Presently there is no specific reporting to RBI. Reconciliation: The daily closing positions of ETF stocks is advised to the Mutual Fund.

Custody Charges: Mutual Funds are billed on a monthly basis for the custody charges based on the agreed fee structure. The billing is accompanied with a detailed annexure which gives day wise transaction charges and the holding position with respective valuations for each day.

Compliance: The Bank's Compliance Officer is responsible for the overall compliance of this business.

Physical Risk: The risk of loss through transportation, storage and delivery are insured by the Deutsche Bank as per their group policy.

Disaster recovery Plan: Existing operations are centralized in Mumbai. The back up for all financial transactions is taken on a daily basis by Deutsche Bank. Their staff can access the information to it.

R. PROCEDURES FOLLOWED FOR INVESTMENT DECISIONS

The process of approval of transactions is done by the investment team comprising of ED & Chief Investment Officer (CIO), Vice President (Investment Risk & Process Control) and all Fund Managers. The committee also invites the Compliance Officer and Head of Research in its meetings. The investment committee holds periodic meetings for a detailed review of investment strategy, portfolio holdings, review of research and dealing activities, analysis of scheme performances and also to ensure adherence to all internal guidelines and processes. The Investment Committee monitors and supervises the investment decisions made by the Investment team and also monitors the risk parameters in each scheme to ensure that the investment limits are properly observed. The risk origination for the investments is done based on the guidelines issued by SEBI and Board of Trustees. Concurrent auditors periodically check the limits and their reports are placed before the Audit Committee, which is comprised of the independent Directors and Trustees. The monitoring of decisions is taken through quarterly secondary and primary market report to the Directors. All the deals, both primary and secondary market are reported periodically to the investment committee and the Board of Trustees.

S. INVESTMENT IN REPO IN CORPORATE DEBT SECURITIES

In accordance with the applicable regulatory guidelines on repo transactions, the following broad guidelines shall be followed by the Fund for participating in repo in corporate debt securities:
1. The gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10% of the net assets of the concerned scheme.

2. The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives), repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme.

3. The Scheme shall participate in repo transactions only in AA and above rated corporate debt securities.

4. The Schemes shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of 6 months in terms of Regulation 44 (2) of SEBI (Mutual Funds) Regulations, 1996.

Further, the following conditions and norms shall apply to repo in corporate debt securities as approved by the Board of AMC & Trustee Company:

1. **Category of counterparty** - The schemes of SBI Mutual Fund would transact in corporate bond repo only with counterparties in the approved list applicable for secondary market transactions in Corporate and Money market securities.

2. **Credit Rating of the counterparty** - The schemes shall participate in corporate bond repo transactions with only those counterparties who have a credit rating of AA- and above and are part of the approved counterparty universe. Corporate bond repo transactions with counterparties rated below AA- would be with prior approval of the Board.

3. **Tenor of collateral** - The tenor of the repo would be capped at 3 months. This would apply to transactions where the schemes are either a lender or a borrower. The tenor of the collateral would be capped at 10 years. Prior approval of the investment committee of SBI Mutual Fund would be taken for any extension of the term of the repo or increase in the tenor of the collateral in compliance with the applicable SEBI guidelines.

4. **Applicable haircuts** - The applicable minimum haircut would be as per the extant RBI and SEBI guidelines. As per RBI circular RBI/2012-13/365 IDMD.PCD. 09/14.03.02/2012-13 dated 07/01/2013, all corporate bond repo transactions will be subject to a minimum haircut given as below. The minimum haircut will be applicable on the market value of the corporate debt securities prevailing on the day of trade of the 1st leg. The schemes may ask for a higher haircut (while lending) or give a higher haircut (while borrowing) depending on the prevailing market situation.

<table>
<thead>
<tr>
<th>Rating</th>
<th>AAA</th>
<th>AA+</th>
<th>AA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Haircut</td>
<td>7.50%</td>
<td>8.50%</td>
<td>10%</td>
</tr>
</tbody>
</table>

T. **HOW THE SCHEME IS DIFFERENT FROM OTHER EXISTING SCHEMES OF SBI MUTUAL FUND**

SBI ETF Gold is an open-ended Gold Exchange Traded Scheme. The investment objective of the Fund is to seek to provide returns that closely correspond to returns provided by the price of gold through investment in physical gold. However, the performance of the scheme may differ from that of the underlying asset due to tracking error.

Following are the details of other passively managed ETFs of SBI Mutual Fund:

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Investment objectives / strategies</th>
<th>Underlying Index</th>
<th>AUM as on September 30, 2021 (Rs. in crores)</th>
<th>Folio as on September 30, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBI-ETF SENSEX</td>
<td>The investment objective of the scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the S&amp;P BSE Sensex by holding S&amp;P BSE Sensex stocks in same proportion. However, the performance of Scheme may differ from that of the underlying index due to tracking error.</td>
<td>S&amp;P BSE SENSEX TRI</td>
<td>59,946.24</td>
<td>6,190</td>
</tr>
<tr>
<td>Scheme</td>
<td>Description</td>
<td>Index</td>
<td>Total Returns</td>
<td>Tracking Error</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
<td>-------</td>
<td>---------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Nifty Next 50</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty Next 50 Index TRI</td>
<td>953.56</td>
<td>15,550</td>
</tr>
<tr>
<td>BSE 100</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>S&amp;P BSE 100 TRI</td>
<td>6.30</td>
<td>899</td>
</tr>
<tr>
<td>Nifty 50</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty 50 TRI</td>
<td>119,873.08</td>
<td>42,818</td>
</tr>
<tr>
<td>Nifty 10 yr</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty 10 yr Benchmark G-Sec Index</td>
<td>2.55</td>
<td>480</td>
</tr>
<tr>
<td>SENSEX NEXT 50</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>S &amp; P BSE SENSEX Next 50 TRI</td>
<td>6.32</td>
<td>869</td>
</tr>
<tr>
<td>Quality</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty 200 Quality 30 TRI</td>
<td>29.73</td>
<td>3,771</td>
</tr>
<tr>
<td>IT</td>
<td>The investment objective of the scheme is to provide return that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</td>
<td>Nifty IT Index</td>
<td>1,079.50</td>
<td>3,316</td>
</tr>
<tr>
<td>Private Bank</td>
<td>The investment objective of the scheme is to provide return that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</td>
<td>Nifty Private Bank Index</td>
<td>4.02</td>
<td>1,442</td>
</tr>
<tr>
<td>Scheme</td>
<td>Investment Objective</td>
<td>Nifty Index</td>
<td>TRI</td>
<td>Value</td>
</tr>
<tr>
<td>------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>----------------------</td>
<td>-------</td>
<td>--------</td>
</tr>
<tr>
<td>SBI ETF Consumption</td>
<td>The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty India Consumption TRI</td>
<td>14.81</td>
<td>3,772</td>
</tr>
<tr>
<td>SBI-ETF Nifty Bank</td>
<td>The investment objective of the scheme is to provide returns that, closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error.</td>
<td>Nifty Bank TRI</td>
<td>3,827.88</td>
<td>14,397</td>
</tr>
</tbody>
</table>
## IV. UNITS AND OFFER

### A. NEW FUND OFFER (NFO)

Since the Scheme is opened for subscription on ongoing basis, therefore this section does not apply.

| New Fund Offer Period | NFO opened on: March 30, 2009  
|-----------------------|---------------------------------|
| New Fund Offer Price: | NFO closed on: April 28, 2009  
| Minimum Amount for Application in the NFO | Not applicable  
| Minimum Target amount | Not Applicable  
| Maximum Amount to be raised | No upper limit  
| Plans / Options offered | Growth Option  
| Allotment | The scheme is offered on an ongoing basis  
| Refund | Not Applicable  
| Who can invest | This is not a New Fund Offer  
| | This is not a new fund offer and the Scheme is opened for subscription on ongoing basis. Please refer to the Ongoing Offer details.  
| Where can you submit the filled up applications. | Application can be submitted at any Official Points of Acceptance. Please see the list of official point of acceptance given at the end of the SID.  
| How to Apply | Please refer ongoing offer details  
| Listing | The units of the Scheme are listed on the National Stock Exchange and/or may be listed any other stock exchange(s) as may be decided by the AMC., subsequent buying or selling by investors can be made from the secondary market on the NSE or any other Stock Exchange, if any.  
| | The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same. Not Applicable  
| Special Products / facilities available during the NFO | Not Available  
| Restrictions, if any, on the right to freely retain or dispose of units being offered. | Not Applicable  

# B. ONGOING OFFER DETAILS

<table>
<thead>
<tr>
<th>Ongoing Offer Period</th>
<th>The Scheme has been opened for ongoing subscription/redemption of Units from the date of listing. However, as the units are listed on NSE, all categories of investors may buy or sell units through stock exchanges.</th>
</tr>
</thead>
</table>
| Ongoing price for subscription (purchase)/switch-in (from other schemes/ plans of the mutual fund) by investors | **Directly with the Fund:**  
On going purchases directly from the Mutual Fund would be restricted to Authorized Participants / Large Investors provided the value of units to be purchased is in size of creation unit. Authorised Participants may buy the units on any business day for the scheme directly from the Mutual Fund at applicable NAV. |
| Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors | **On the Exchange:**  
The units of the Scheme are listed on NSE to provide liquidity through secondary market. All categories of investors may purchase the units through secondary market on any trading day. |
<p>| Cut off timing for subscriptions/ redemptions/ switches | In case of Authorized Participants / Large Investors, the redemption price would be based on Applicable NAV. In case of other categories of investors, the redemption price would be based on prevailing price on stock exchanges, where the units are listed |
| Where can the applications for purchase/redemption switches be submitted? | The Fund creates / redeems SBI-ETF Gold units in large blocks known as “Creation Unit”. The value of the “Creation Unit” is the basket of Underlying Gold called as the “Portfolio Deposit” and a “Cash Component” which will be exchanged for a fixed number of SBI-ETF Gold units. The Portfolio Deposit and the Cash Component, which defines the Creation unit are explained separately below. The Portfolio Deposit and Cash Component may change from time to time and will be announced by AMC/Fund through its website and other data providers. Creation and Redemption of units shall be as per applicable NAV. Applications for redemption of SBI-ETF Gold units have to be submitted in the prescribed format duly completed and signed alongwith the delivery order duly receipted by the DP stating the number of units transferred to the scheme’s DP account. Application for redemption by non-individuals should be accompanied by certified copy of the board/governing body resolution clearly authorizing the official concerned to redeem units and to receive/collect gold/cash after complying with operational procedure and formalities. The application for redemption in the prescribed form will have to be submitted at the designated OPAT of the fund before the cut off time. The expenses associated with taking physical delivery of gold will have to be borne by the authorized participant / investor. Note that ongoing purchases directly from the Mutual Fund is restricted to Authorized Participants / Large Investors. |
| Minimum amount for purchase/redemption | For submitting the applications for repurchase/ redemption please see the official points of acceptance given on last page. |
| <strong>Type of Investor</strong> and <strong>Transaction Detail</strong> | | |</p>
<table>
<thead>
<tr>
<th>Authorized Participants</th>
<th>In creation unit size</th>
<th>In creation unit size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor</td>
<td>Only through stock exchange</td>
<td>Only through stock exchange</td>
</tr>
</tbody>
</table>

**Minimum balance to be maintained and consequences of non maintenance.**

Not Applicable

**Special Products**

SIP, SWP, STP are not available

**Accounts Statements**

Pursuant to Regulation 36 of the SEBI Regulation, the following shall be applicable with respect to account statement:

The asset management company shall ensure that consolidated account statement for each calendar month is issued, on or before fifteenth day of succeeding month, detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all schemes of all mutual funds, to all the investors in whose folios transaction has taken place during that month:

Provided that the asset management company shall ensure that a consolidated account statement every half yearly (September/ March) is issued, on or before twenty first day of succeeding month, detailing holding at the end of the six month and commission paid to the distributor, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period.

- Provided further that the asset management company shall identify common investor across fund houses by their permanent account number for the purposes of sending consolidated account statement.

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.

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:

- Investors having MF investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository.

- Consolidation of account statement shall be done on the basis of 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 on a monthly basis.

- 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 fifteen days from the month end. In case, there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.

- In case an investor has multiple accounts across two depositories, the depository with whom the account has been opened earlier will be the default depository.
<table>
<thead>
<tr>
<th><strong>Income Distribution cum capital withdrawal (IDCW)</strong></th>
<th>No IDCW would be declared under the Scheme.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Redemption</strong></td>
<td>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</td>
</tr>
<tr>
<td><strong>Delay in payment of redemption / repurchase proceeds</strong></td>
<td>The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</td>
</tr>
</tbody>
</table>
| **Purchase / Sale of the units of Scheme on the Exchange** | Buying / Selling of units of the Scheme on the Exchange is just like buying / selling any other normal listed security. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker / sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in the case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or units to the investor in accordance with the time prescribed by the stock exchange regulation.  

If an investor has bought units, he/she should give standing instructions for ‘Delivery-In’ to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange’s clearing corporation.  

An investor who has sold units should instruct his/her Depository Participant (DP) to give ‘Delivery Out’ instructions to transfer the units from his/her beneficiary account to the Pool Account of his/her trading member through whom he/she have sold the units. The details of the pool a/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the Delivery Out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the cut-off time for the prescribed securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.  

There can be difference between the trading price of the units at the stock exchange & NAV. Units may trade at premium or discount to NAV on the stock exchange. Since units can also be bought/ sold directly from the fund, it is expected that large premium or discount to the NAV of units of the Schemes will not sustain due to arbitrage opportunity available. |
| **Transaction handling charges**                     | Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the Mutual Fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting authorized participant. |
| **Dematerialization**                                | a) The units of the Scheme will be available in the Dematerialized (electronic) mode.  

b) The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the DP’s name, |
| **Bank A/c Details** | As per the directives issued by SEBI it is mandatory for an investor to declare his/her bank account number. To safeguard the interest of Unitholders from loss or theft of their refund orders/redemption cheques, investors are requested to provide their bank details in the Application Form. The Bank Account details as mentioned with the Depository should be mentioned.

If depository account details furnished in the application form are invalid or not confirmed in the depository system, the application may be rejected. |
| **Restrictions, if any, on the right to freely retain or dispose off units being offered** | As the units of the Scheme will be issued in demat (electronic) form, the units will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.

**Right to Limit Fresh Subscription & Redemption**

In case the size of the Scheme increases to a level which in the opinion of the Trustees is not manageable, the Trustees reserve the right to stop fresh subscription of units and also redeem the units on pro-rata basis to investors in order to reduce the size to a manageable level.

The Trustees reserves the right at its sole discretion to withdraw/suspend the allotment/subscription of units in the Scheme temporarily or indefinitely, if it is viewed that increasing the size of the Scheme may prove detrimental to the Unit holders of the Scheme. An order to purchase the Units is not binding on and may be rejected by the AMC unless it has been confirmed in writing by the AMC and payment has been received for the same.

**Right to limit Redemption**

The Trustee, in the general interest of the Unit holders of the Scheme and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of units, which can be redeemed on any Business Day depending on the total ‘Saleable Underlying Stock’ available with the Fund.

In accordance with SEBI vide circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016, the provisions of restriction on redemption (including switch out) in Schemes of SBI Mutual Fund are as under:

Restrictions may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts the market liquidity or the efficient functioning of the market such as:

**Liquidity Issues:** When markets at large become illiquid affecting almost all securities rather than any issuer specific security.

**Market failures, exchange closure:** When markets are affected by unexpected events which impact functioning of exchanges or the regular course of transactions. Such unexpected events could also... |
be related to political, economic, military, monetary or other emergencies.

Operational Issues: When exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).

Restrictions on redemption may be imposed for a specified period of time not exceeding 10 Business Days in any period of 90 days.

When restrictions on redemption is imposed, the following procedure will be applied:
No redemption requests upto Rs. 2 Lacs shall be subject to such restriction.
Where redemption requests are above Rs.2 lakh, AMC shall redeem the first Rs.2 Lacs without such restrictions and remaining part over and above Rs.2 Lacs shall be subject to such restrictions.

Any restriction on Redemption of the units shall be made applicable only after specific approval of the Board of Directors of the Asset Management Company and Trustee Company. The approval from the AMC Board and the Trustee giving details of the circumstances and justification shall also be informed to SEBI immediately.

Who can invest
This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.

The following persons (subject, wherever relevant, to Purchase of Units being permitted under constitution and relevant state regulations) are eligible to subscribe to Units:

Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions. The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:

- Indian resident adult individuals, either singly or jointly (not exceeding three);
- Minor through parent / lawful guardian; (please see the note below)
- Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
- Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds;
- Partnership Firms constituted under the Partnership Act, 1932;
- A Hindu Undivided Family (HUF) through its Karta;
- Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;
- Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) on full repatriation basis or on non-repatriation basis

Prospective investors are advised to note that the SID / SAI / KIM does not constitute distribution, an offer to buy or sell or solicitation of an offer to buy or sell Units of the Fund in any jurisdiction in which such distribution, sale or offer is not authorized as per applicable law. Any investor by making investment in SBI Mutual Fund confirms that he is an eligible...
Investor to make such investment(s) and confirms that such investment(s) has been made in accordance with the applicable law:

- Army, Air Force, Navy and other para-military funds and eligible institutions;
- Scientific and Industrial Research Organisations;
- Provident / Pension / Gratuity and such other Funds as and when permitted to invest;
- International Multilateral Agencies approved by the Government of India / RBI; and
- The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws).
- A Mutual Fund through its schemes, including Fund of Funds schemes.
- Foreign Portfolio Investor registered with SEBI

Note: Following is the process for investments made in the name of a Minor through a Guardian:

- Payment for investment by means of Cheque, Demand Draft or any other mode shall be accepted from the bank account of the minor or from a joint account of the minor with the guardian only.
- Mutual Fund will send an intimation to Unit holders advising the minor (on attaining majority) to submit an application form along with prescribed documents to change the status of the account from ‘minor’ to ‘major’.
- All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account.
- No investments (lumpsum/SIP/switch in/STP in etc.) in the scheme would be allowed once the minor attains majority i.e. 18 years of age.

Notes:

1. Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) / Foreign Portfolio Investors (FPIs), have been granted a general permission by Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.

2. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be
submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorizing such purchases.

Applications not complying with the above are liable to be rejected.

3. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected.

Who cannot invest

It should be noted that the following entities cannot invest in the scheme:

1. Any individual who is a Foreign National, except for Non – Resident Indians and Persons of Indian Origin (who are not residents of United States of America or Canada), provided such Foreign National has procured all the relevant regulatory approvals applicable and has complied with all applicable laws, including but not limited to and pertaining to anti money laundering, know your customer (KYC), income tax, foreign exchange management (the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder), in the sole discretion and to the sole satisfaction of SBI Funds Management Private Limited.

SBI Funds Management Private Limited in its capacity as an asset manager to the SBI Mutual Fund reserves the right to amend/terminate this facility at any time, keeping in view business/operational exigencies.

2. Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs).

3. Residents of United States of America & Canada

The AMC / Trustee reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

Subject to the Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Unit holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit holders to accept such an application.

The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay.
| **Cost of trading on the Stock Exchange** | Investor will have to bear the cost of brokerage and other applicable statutory levies e.g. Securities Transaction Tax, etc. when the units are bought or sold on the stock exchange. |
| **Appointment of MF Utilities India Private Limited** | MF Utility (“MFU”) - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Accordingly, all financial and non-financial transactions pertaining to Schemes of SBI Mutual Fund can be done through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through the authorized Points of Service (“POS”) of MFUI with effect from the respective dates as published on MFUI website against the POS locations. The list of POS of MFUI is published on the website of MFUI at www.mfuindia.com as may be updated from time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance (“OPA”) of the AMC. Applicability of NAV shall be based on time stamping of application and realization of funds in the bank account of SBI Mutual Fund within the applicable cut-off timing. The uniform cut-off time as prescribed by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received by MFU (physical/online). However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms & conditions as stipulated by MFUI / Mutual Fund / the AMC from time to time and any law for the time being in force. Investors are requested to note that, MFUI will allot a Common Account Number (“CAN”), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. Investors can visit the website of MFUI (www.mfuindia.com) to download the relevant forms. The AMC reserves the right to change/modify/withdraw the features mentioned in the above facility from time to time. |
| **Appointment of MFCentral as Official Point of Acceptance** | Pursuant to SEBI circular no SEBI/HO/IMD/IMD- II DOF3/P/CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA inter-operable Platform for enhancing investors’ experience in Mutual Fund transactions / service requests, the Qualified RTA’s (QRTA’s), KFin Technologies Private Limited (KFinTech) and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A
digital platform for Mutual Fund investors. MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs of investors that significantly reduces the need for submission of physical documents by enabling various digital / phygital (involving both physical and digital processing) services to Mutual fund investors across fund houses subject to applicable Terms & Conditions of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using [https://mfcentral.com](https://mfcentral.com/) and a Mobile App in future.

With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, SBI Mutual Fund designates MFCentral as its Official Point of Acceptance (DISC – Designated Investor Service Centre).

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the DISC or collection centres of KFintech or CAMS.

<table>
<thead>
<tr>
<th>Aggregate Investment in the Scheme</th>
<th>Aggregate investment in the Scheme by following category as on September 30, 2021:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>Aggregate investment (cost)</td>
</tr>
<tr>
<td>AMC’s Board of Directors</td>
<td>Nil</td>
</tr>
<tr>
<td>Schemes Fund Manager</td>
<td>Nil</td>
</tr>
<tr>
<td>Other Key personnel</td>
<td>Nil</td>
</tr>
</tbody>
</table>
### C. PERIODIC DISCLOSURES

| Net Asset Value |  
| This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance. | NAV would be computed and declared on every business day under the scheme. NAV would be computed and disclosed in the manner as may be specified under SEBI (Mutual Funds) Regulations, 1996. NAV can also be viewed on www.sbimf.com and www.amfiindia.com. Further, the Mutual Fund shall send the latest available NAVs to the unitholders through SMS, upon receiving a specific request in this regard. The AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 11.00 p.m. |

| Half yearly Disclosures: Portfolio / Financial Results |  
| Half Yearly disclosure of Un-Audited Financials: | 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 i.e. www.sbimf.com and that of AMFI www.amfiindia.com. A notice advertisement communicating the investors that the financial results shall be hosted on the website shall be published in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the fund is situated. (ii) Half Yearly disclosure of Scheme’s Portfolio: In terms of SEBI notification dated May 29, 2018 read with SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 05, 2018, on half year basis (i.e. March 31 & September 30), the portfolio of the Scheme shall be disclosed as under: 1. The Fund shall disclose the scheme’s portfolio (alongwith the ISIN) in the prescribed format as on the last day of the half year for all the Schemes of SBI Mutual Fund on its website i.e. www.sbimf.com and on the AMFI's website i.e. www.amfiindia.com within 10 days from the close of the half-year. 2. A Statement of Scheme portfolio shall be emailed to those unitholders whose email addresses are registered with the Fund within 10 days from the close of each half year. 3. The AMC shall publish an advertisement every half year, in the all India edition of at least two daily newspapers, one each in English and Hindi; disclosing the hosting of the half yearly schemes portfolio statement on its website viz. www.sbimf.com and on the website of AMFI i.e. www.amfiindia.com and the modes through which a written request can be submitted by the unitholder for obtaining a physical or electronic copy of the statement of scheme portfolio. 4. 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. |

| Monthly Disclosure of Schemes’ Portfolio Statement | 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 www.sbimf.com and on the AMFI's website i.e. www.amfiindia.com within 10 days from the close of the month. Further, the Statement of Scheme portfolio shall be emailed to those unitholders whose email addresses are registered with the Fund within the above prescribed timeline. 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>| Annual Report | Scheme wise Annual Report or an abridged summary thereof shall be provided to all unitholders within four months from the date of closure of the relevant accounts year i.e. 31st March each year as follows: 1. The Scheme wise annual report / abridged summary thereof shall be hosted on website of the Fund i.e., <a href="http://www.sbimf.com">www.sbimf.com</a> and on the website of AMFI i.e. |</p>
<table>
<thead>
<tr>
<th>Associate Transactions</th>
<th>Please refer to Statement of Additional Information (SAI).</th>
</tr>
</thead>
</table>

- [www.amfiindia.com](http://www.amfiindia.com): The physical copy of the scheme-wise annual report or abridged summary shall be made available to the unitholders at the registered office of SBI Mutual Fund at all times.

2. The scheme annual report or an abridged summary thereof shall be emailed to those unitholders whose email addresses are registered with the Fund.

3. The AMC shall publish an advertisement on annual basis, in the 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 its website viz. [www.sbimf.com](http://www.sbimf.com) and on the website of AMFI i.e. [www.amfiindia.com](http://www.amfiindia.com) and the modes through which a written request can be submitted by the unitholder for obtaining a physical or electronic copy of the scheme-wise annual report or abridged summary.

4. The AMC shall provide physical copy of the abridged summary of the Annual report, without charging any cost, on receipt of a specific request from the unitholder.
Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

<table>
<thead>
<tr>
<th>Tax Rates</th>
<th>Resident Investors</th>
<th>Mutual Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax on Income Distribution cum capital withdrawal (IDCW)</td>
<td>Taxable at normal tax rates applicable to investor</td>
<td>Nil</td>
</tr>
<tr>
<td>Capital Gains:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Term</td>
<td>20%§</td>
<td>Nil</td>
</tr>
<tr>
<td>Short Term</td>
<td>Taxable at normal rates of tax applicable to the investor</td>
<td>Nil</td>
</tr>
</tbody>
</table>

§ Plus surcharge at applicable rates and Health & Education Cess @ 4%. The enhanced surcharge of 25% and 37% will not apply to in case of income by way of dividend or capital gains on securities covered u/s. 111A, 112A & 115AD & After providing indexation.

SBI Mutual Fund is registered with Securities and Exchange Board of India (SEBI) and is as such eligible for benefits u/s. 10(23D) of the Income-tax Act, 1961. Accordingly, the entire income of SBI Mutual Fund is exempt from income-tax. SBI Mutual Fund will receive all its income without deduction of tax at source as per provisions of Section 196 of the said Act.

Upon Redemption of the Units, Securities Transaction Tax ("STT") would be payable by the Unit Holders at the applicable rate(s). Investors are requested to note that the tax position prevailing at the time of investment may change in future due to statutory amendment(s). The Mutual Fund will pay/deduct taxes as per the applicable tax laws on the relevant date. Additional tax liability, if any, imposed on investors due to such changes in the tax structure, shall be borne solely by the investors and not by the AMC or Trustee.

Investors should consult their professional tax advisor before initiating such requests.

For further details on taxation please refer to the clause on Taxation in the SAI

Investor services

Details of Investor Relations Officer of the AMC:

Name: Mr. C A Santosh
(Investor Relations Officer)
Address: SBI Funds Management Pvt. Ltd., 9th Floor, Crescendo, C–38 & 39, G Block, Bandra-Kurla, Complex, Bandra (East), Mumbai- 400 051

Telephone number: 022 - 61793537
Fax: 022 - 67425687
e-mail: customer.delight@sbimf.com

Applicability of Stamp Duty

Pursuant to Notification issued by Department of Revenue, Ministry of Finance, Government of India, a stamp duty of 0.005% would be levied on applicable mutual fund transactions. Accordingly, pursuant to levy of stamp duty, the number of units allotted on applicable transactions (Purchase, Switch-in, , Reinvestment of Income Distribution cum capital withdrawal option (IDCW Re-investment) &
<table>
<thead>
<tr>
<th><strong>Systematic transactions viz. SIP / STP-in etc.) to the unit holders would be reduced to that extent</strong></th>
</tr>
</thead>
</table>
| **Product Labelling** | The Risk-o-meter shall have following six levels of risk:  
  i. Low Risk  
  ii. Low to Moderate Risk  
  iii. Moderate Risk  
  iv. Moderately High Risk  
  v. High Risk and  
  vi. Very High Risk  
  
  The evaluation of risk levels of a Scheme shall be done in accordance with SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 5, 2020, as amended from time to time.  
  
  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. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter alongwith portfolio disclosure shall be disclosed on the www.sbimf.com as well as AMFI website within 10 days from the close of each month. The risk level of the Scheme as on March 31 of every year, along with number of times the risk level has changed over the year shall be disclosed on www.sbimf.com and AMFI website. Risk-o-meter details shall also be disclosed in scheme wise Annual Reports and Abridged summary. |
D. COMPUTATION OF NAV

The Net Asset Value (NAV) of the Units of SBI-ETF Gold will be determined and published on all business days or as may be prescribed by the SEBI Regulations. The NAV under SBI-ETF Gold shall be calculated up to 4 decimals as follows or such other formula as may be prescribed by SEBI from time to time:

\[
\text{NAV} = \frac{\text{Market or Fair Value of Scheme’s investments + Current Assets} - \text{Current Liabilities and Provision}}{\text{No of Units outstanding under Scheme on the Valuation Date}}
\]

NAV Information: NAV will be disclosed in the manner as may be prescribed under SEBI (Mutual Funds) Regulations, 1996. NAV can also be viewed on www.sbimf.com and www.amfiindia.com. The NAV of the Scheme will be calculated and declared by the Fund on every Business Day by 11.00 p.m. The information on NAV including sale or purchase price of the units of SBI-ETF Gold may be obtained by the unitholders, on any business day from the office of the AMC / the office of the Registrar or any of the Investor Service Centres. Further, as per SEBI Regulations, the repurchase price shall not be lower than 95% of the NAV.

E. PURCHASE PRICE

Illustrative example:

- NAV for continuous offer

<table>
<thead>
<tr>
<th>Price of 1 gm gold (Assumed market on allotment date)</th>
<th>1</th>
<th>1300</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of 1 kg gold (i.e., 1 portfolio deposit or 1 creation unit)</td>
<td>2</td>
<td>1,300,000</td>
</tr>
<tr>
<td>Cash Component (say)</td>
<td>3</td>
<td>1,000</td>
</tr>
<tr>
<td>Net Assets</td>
<td>4= (2+3)</td>
<td>1,301,000</td>
</tr>
<tr>
<td>No. of units in creation unit</td>
<td>5</td>
<td>1000</td>
</tr>
<tr>
<td>NAV</td>
<td>6= (4/5)</td>
<td>1301</td>
</tr>
</tbody>
</table>

- Purchase from Stock Exchanges

An investor can buy units of the Scheme on a continuous basis on the Stock Exchange where the Scheme units are listed and traded like any other publicly traded securities at prices which may be close to the actual NAV of the Scheme. There is no load for investors transacting on the stock exchange. However, there would be cost of brokerage and other transactions costs payable to broker or sub-broker of the exchange.

Methodology for calculation of sale and re-purchase price of the units of mutual fund scheme:

Let’s assume that the NAV of a Mutual Fund Scheme on April 01, 2018 is Rs. 10/-. 

Purchase of mutual fund units:

The Purchase Price of the Units on an ongoing basis will be same as Applicable NAV.

Purchase Price = Applicable NAV

In the above example, purchase is done on April 01, 2018, when the Applicable NAV = Rs. 10/- Therefore, Purchase Price = Rs. 10/-

As per existing Regulations, no entry load is charged with respect to applications for purchase / additional purchase of mutual funds units.

Redemption/Re-purchase of mutual fund units
The Redemption Price of the Units will be calculated on the basis of the Applicable NAV subject to prevailing Exit Load, if any. In case of redemption, the amount payable to the investor shall be calculated as follows:

\[
\text{Redemption Price} = \text{Applicable NAV} \times (1 - \text{Exit Load})
\]

Say, in the above example the exit load applicable is:

a. For exit on or before 12 months from the date of allotment – 1.00%

b. For exit after 12 months from the date of allotment – Nil.

**Scenario 1: Redemption is done during applicability of exit load**

In case the investor requests for redemption on or before 12 months i.e. on or before March 31, 2019; say December 1, 2018, when the NAV of the scheme is Rs. 12/- and the exit load applicable is 1%, so the Redemption amount payable to investor shall be calculated as follows:

\[
\text{Redemption Price} = \text{Applicable NAV} \times (1 - \text{Exit Load})
= Rs. 12 \times (1 - 1\%) = Rs. 11.988/-
\]

**Scenario 2: Redemption is done when the exit load is NIL**

In case the investor requests for redemption after 12 months i.e. after March 31, 2019; say April 1, 2019, when the NAV of the scheme is Rs. 12/- and the exit load applicable is NIL, so the Redemption amount payable to investor shall be calculated as follows:

\[
\text{Redemption Price} = \text{Applicable NAV} \times (1 - \text{Exit Load})
= Rs. 12 \times (1 - 0) = Rs. 12/-
\]

The aforesaid example does not take into consideration any applicable statutory levies or taxes. Accordingly, the redemption amount payable to investor shall further reduce to the extent of applicable statutory levies or taxes.

**Note:** The aforesaid disclosure has been made pursuant to SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 05, 2018.
V. FEES AND EXPENSES

A. NEW FUND OFFER (NFO) EXPENSES

Not applicable.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents’ fee, marketing and selling costs etc. as given in the table below:

<table>
<thead>
<tr>
<th>Expense Head</th>
<th>% of daily Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Management and Advisory Fees</td>
<td>Upto 1.00%</td>
</tr>
<tr>
<td>Trustee fee</td>
<td></td>
</tr>
<tr>
<td>Audit fees</td>
<td></td>
</tr>
<tr>
<td>Custodian fees</td>
<td></td>
</tr>
<tr>
<td>RTA Fees</td>
<td></td>
</tr>
<tr>
<td>Marketing &amp; Selling expense incl. agent commission</td>
<td></td>
</tr>
<tr>
<td>Cost related to investor communications</td>
<td></td>
</tr>
<tr>
<td>Cost of fund transfer from location to location</td>
<td></td>
</tr>
<tr>
<td>Cost of providing account statements and Income Distribution cum capital withdrawal (IDCW)redemption cheques and warrants</td>
<td>Upto 1.00%</td>
</tr>
<tr>
<td>Costs of statutory Advertisements</td>
<td></td>
</tr>
<tr>
<td>Cost towards investor education &amp; awareness (at least 2 bps)</td>
<td></td>
</tr>
<tr>
<td>Brokerage &amp; transaction cost over and above 12 bps</td>
<td></td>
</tr>
<tr>
<td>Goods &amp; Service tax on expenses other than investment and advisory fees</td>
<td></td>
</tr>
<tr>
<td>Goods &amp; Service tax on brokerage and transaction cost</td>
<td></td>
</tr>
<tr>
<td>Listing fee</td>
<td></td>
</tr>
<tr>
<td>Other Expenses^</td>
<td></td>
</tr>
<tr>
<td>Maximum total expense ratio (TER) permissible under Regulation 52 (6)</td>
<td>Upto 1.00%</td>
</tr>
<tr>
<td>Additional expenses for gross new inflows from specified cities</td>
<td>Upto 0.30%</td>
</tr>
</tbody>
</table>

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

The AMC has estimated that upto 1.00% incurred towards different heads mentioned under regulations (2) and (4) of Regulation 52 of SEBI Regulations) of the daily net assets will be charged to the schemes as expenses. The maximum annual recurring expenses that can be charged to the Scheme, excluding issue or redemption expenses, whether initially borne by the mutual fund or by the asset management company, but including the investment management and advisory fee shall be within the limits stated in Regulations 52 read with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012. The AMC may charge the investment and advisory fees within the limits of total expenses prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulation.

In addition to expenses as permissible under Regulation 52 (6), the AMC may charge the following to the concerned scheme of the Fund under Regulation 52 (6A):

The Goods & service tax on investment management and advisory fees would be charged in addition to above limit.

Investors are requested to note that brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions. Further, In terms of SEBI circular CIR/IMD/DF/24/2012 dated November 19, 2012, it is hereby clarified that the brokerage and transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions.
transactions. Any payment towards brokerage and transaction costs incurred for the execution of trades, over and above the said 0.12 percent for cash market transactions 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. Goods & Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the Regulations.

In terms of Regulation 52 (6A) (b), expenses not exceeding of 0.30 per cent of daily net assets will be charged, if the new inflows from such cities as specified from time to time are at least –

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

Provided that if inflows from such 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 utilised for distribution expenses incurred for bringing inflows from such cities:

Provided further that amount incurred as expense on account of inflows from such 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.

The Mutual Fund would update the current expense ratios on the website atleast three working days prior to the effective date of the change. Investors can refer https://www.sbimf.com/en-us/disclosure/total-expense-ratio-of-mutual-fund-schemes for Total Expense Ratio (TER) details.

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

For investor education and awareness initiative, the AMC or the Schemes of the Fund will annually set apart at least 0.02 percent of daily net asset of the Schemes of the Fund within the maximum limit of the total expense ratio as per SEBI Regulations.

The AMC will sell gold held by the scheme on an as-needed basis to pay the scheme’s expenses. As a result, the amount of gold to be sold will vary from time to time depending on the level of the scheme’s expenses and the market price of gold.

Impact on Scheme Expenses

Each time the scheme’s gold is sold to pay the scheme’s expenses, the amount of gold represented by

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
</tr>
<tr>
<td>Units</td>
<td>10,00,000</td>
<td>10,00,000</td>
<td>10,00,000</td>
<td>10,00,000</td>
<td>10,00,000</td>
</tr>
<tr>
<td>Grams</td>
<td>10,00,000</td>
<td>9,96,000</td>
<td>9,92,016</td>
<td>9,88,048</td>
<td>9,84,096</td>
</tr>
<tr>
<td>Grams/unit</td>
<td>1.00</td>
<td>1.00</td>
<td>0.99</td>
<td>0.99</td>
<td>0.98</td>
</tr>
<tr>
<td>NAV</td>
<td>1,30,00,00,000</td>
<td>1,29,48,00,000</td>
<td>1,28,96,20,800</td>
<td>1,28,44,62,317</td>
<td>1,27,93,24,468</td>
</tr>
<tr>
<td>NAV per unit</td>
<td>1,300</td>
<td>1,295</td>
<td>1,290</td>
<td>1,284</td>
<td>1,279</td>
</tr>
<tr>
<td>Annual Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary operating expenses</td>
<td>52,00,000</td>
<td>51,79,200</td>
<td>51,58,483</td>
<td>51,37,849</td>
<td>51,17,298</td>
</tr>
<tr>
<td>Expenses as a % NAV (say)</td>
<td>0.40</td>
<td>0.40</td>
<td>0.40</td>
<td>0.40</td>
<td>0.40</td>
</tr>
<tr>
<td>Grams of Gold sold</td>
<td>4,000</td>
<td>3,984</td>
<td>3,968</td>
<td>3,952</td>
<td>3,936</td>
</tr>
</tbody>
</table>
each outstanding unit will be reduced. The following table demonstrates the impact of the scheme’s anticipated ordinary operating expenses on the NAV of the scheme over a five-year period base on the following assumptions.

The above calculations are solely for the purpose of understanding of how the expenses will be recovered.

C. Illustration of impact of expense ratio on schemes returns:

<table>
<thead>
<tr>
<th>Opening NAV (INR Rs) (a)</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme’s gross return for the year</td>
<td>10%</td>
</tr>
<tr>
<td>Closing NAV before charging expenses (b)</td>
<td>110</td>
</tr>
<tr>
<td>Total expense charged (INR) (c)</td>
<td>1.5</td>
</tr>
<tr>
<td>NAV after charging expenses (b-c)</td>
<td>108.5</td>
</tr>
<tr>
<td>Net return to the investor</td>
<td>8.50%</td>
</tr>
</tbody>
</table>

Above illustration is a simplified calculation to show the impact of the expense charged on the performance to the scheme. In the above illustration total expense charged to the scheme has been mentioned in INR. As per the SEBI regulation, expense to the scheme is charged on daily basis on the daily net assets and as per the percentage limits specified in the SEBI regulations.

D. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.svimf.com) or may call at (toll free no.) or your distributor.

<table>
<thead>
<tr>
<th>Nature of expense</th>
<th>Charge (% of NAV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry Load</td>
<td>Not Applicable, In terms of SEBI circular no. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009 has notified that w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund.</td>
</tr>
<tr>
<td>Exit Load</td>
<td>Nil.</td>
</tr>
</tbody>
</table>

The upfront commission on investment, if any, shall be paid to the ARN Holder directly by the investor, based on the investor’s assessment of various factors including service rendered by the ARN Holder.

For any change in load structure AMC will issue an addendum and display it on the website/Branches.

Any imposition or enhancement in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on , Reinvestment of Income Distribution cum capital withdrawal option (IDCW Re-investment) for existing as well as prospective investors. At the time of changing the load structure, the mutual fund may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

1) The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.

2) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
3) The introduction of the exit load along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.

4) The AMC shall be required to issue an addendum and display the same on its website immediately.

5) Any other measures which the mutual funds may feel necessary.

In accordance with SEBI Regulations, the repurchase price shall not be lower than 95% of the NAV. The investor is requested to check the prevailing load structure of the Scheme before investing.
VI. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.
VII. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Against Sponsor:

a. The Reserve Bank of India imposed penalty of Rs. 4 million on State Bank of India on March 01, 2018, in exercise of the power conferred under Section 47 A (1) (b) read with Section 46 (4) (i) of the Banking Regulation Act, 1949. The penalty was imposed for non-compliance with the directions issued by RBI on Detection and Impounding of Counterfeit Notes. The penalty was paid to RBI on 17/03/2018. Bank has put in place an SOP regarding detection, impounding and reporting of counterfeit currency notes.

b. The Reserve Bank of India imposed penalty of Rs. 1.00 crore on the Bank on 01.02.2019 under Sections 46 and 47 A of Banking Regulation Act 1949 for non-monitoring of end-use of funds in respect of M/s Siddhi Vinayak Logistics. RBI had previously issued a Show Cause Notice (SCN) in this regard on 09-05-2018 to which the Bank had replied on 24-05-2018. A personal hearing was conducted on 03-08-2018. After examining the facts of the case, RBI has observed violations of certain regulatory guidelines by the Bank in conduct of the borrowal account. The penalty was paid to RBI on 14.02.2019.

c. The Reserve Bank of India imposed penalty of Rs. 1.00 crore on the Bank on 25.02.2019 under Sections 46 and 47 A of Banking Regulation Act 1949 for absence of complete and independent reconciliation of logs generated from SWIFT. RBI had previously issued a Show Cause Notice (SCN) regarding time-bound implementation and strengthening of SWIFT related operational controls on 23-08-2018 to which the Bank had replied on 10-09-2018. A personal hearing was conducted on 12-12-2018. After examining the facts of the case, RBI has observed violation of certain direction contained in Circular dated 20-02-2018. The penalty was paid to RBI on 12.03.2019.

d. The Reserve Bank of India imposed a penalty of Rs. 700 lacs on the Bank on 15-07-2019 under the provisions of Section 4 7 A (1) (c) read with sections 46 (4) (i) and 51 (1) of the Banking Regulation Act, 1949. RBI had previously issued a Show Cause Notice (SCN) in this regard on 10-10-2018 and Bank had replied on 30-10-2018. A personal hearing was conducted on 15-04-2019. After examining the facts of the case, RBI has observed non-compliance with the directions issued by RBI on (i) Income Recognition and Asset Classification (IRAC) norms, (ii) code of conduct for opening and operating current accounts and reporting of data on Central Repository of Information on Large Credits (CRILC) and (iii) fraud risk management and classification and reporting of frauds. This has resulted in levy of a penalty of Rs. 700 lacs.

e. The Reserve Bank of India in exercise of the powers conferred under Section 47A (1) (c) read with Section 46 (4) (i) and 51(1) of the Banking Regulation Act, 1949 has imposed a penalty of Rs. 50 lacs on 31-07-2019 on the Bank for delay in reporting of fraud in the account of M/s Kingfisher Airlines Limited by Bank and State Bank of Mysore.
f. The Reserve Bank of India imposed penalty on various currency chests of State Bank of India. The circle wise summary of penalties imposed on currency chests for last three FY are as follows:

<table>
<thead>
<tr>
<th>CIRCLE</th>
<th>FY 17-18</th>
<th>FY 18-19</th>
<th>FY 2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHMEDABAD</td>
<td>5.18</td>
<td>10.80</td>
<td>5.23</td>
</tr>
<tr>
<td>AMARAVATI</td>
<td>3.98</td>
<td>3.40</td>
<td>0</td>
</tr>
<tr>
<td>BENGALURU</td>
<td>1.80</td>
<td>10.99</td>
<td>0</td>
</tr>
<tr>
<td>BHOPAL</td>
<td>12.13</td>
<td>6.06</td>
<td>1.96</td>
</tr>
<tr>
<td>BHUBANESWAR</td>
<td>6.07</td>
<td>0.08</td>
<td>0.99</td>
</tr>
<tr>
<td>CHENNAI</td>
<td>1.51</td>
<td>2.72</td>
<td>0</td>
</tr>
<tr>
<td>CHANDIGARH</td>
<td>15.10</td>
<td>4.36</td>
<td>0</td>
</tr>
<tr>
<td>GUWAHATI</td>
<td>5.54</td>
<td>24.88</td>
<td>0</td>
</tr>
<tr>
<td>HYDERABAD</td>
<td>5.82</td>
<td>2.98</td>
<td>0</td>
</tr>
<tr>
<td>JAIPUR</td>
<td>2.06</td>
<td>7.57</td>
<td>10.49</td>
</tr>
<tr>
<td>KOLKATA</td>
<td>9.60</td>
<td>0.37</td>
<td>0</td>
</tr>
<tr>
<td>LUCKNOW</td>
<td>8.85</td>
<td>5.25</td>
<td>0.04</td>
</tr>
<tr>
<td>MAHARASHTRA</td>
<td>5.93</td>
<td>2.81</td>
<td>0</td>
</tr>
<tr>
<td>MUMBAI METRO</td>
<td>0.28</td>
<td>0.92</td>
<td>1.1</td>
</tr>
<tr>
<td>NEW DELHI</td>
<td>5.20</td>
<td>7.47</td>
<td>0</td>
</tr>
<tr>
<td>PATNA</td>
<td>7.58</td>
<td>0.00</td>
<td>0</td>
</tr>
<tr>
<td>THIRUVANANTHAPURAM</td>
<td>0.76</td>
<td>0.71</td>
<td>0</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>97.37</strong></td>
<td><strong>91.37</strong></td>
<td><strong>19.81</strong></td>
</tr>
</tbody>
</table>

(Amount in millions)

g. In respect of Overseas Regulators, details of penalties imposed are furnished below:

- **Hong Kong branch**
  As per section 71 A(2A) of Banking Ordinance of Hong Kong Monetary Authority (HKMA), Authorised Institutions (AI) are required to inform within the prescribed time limit of 14 days, regarding any person/s becoming or ceasing to be “Specified Persons” which includes Controllers, directors, Chief Executives, Alternate Chief Executives, Executive Officers or relevant individuals. Afresh letter mentioning the date of cessation as 28.09.2018 was sent to HKMA on 19.10.2018 resulting in a delay of 7 days in reporting. The branch has been cautioned by HKMA against recurrence of similar contraventions and no monetary penalty has been imposed.

- **Muscat Branch**
  i. In December 2016, Central of Oman imposed penalty of Omani Riyal 8000 (equivalent of USD 20,800) for deficiencies observed in the AML programme and security of electronic banking system. The penalty amount was paid by the branch on 29.12.2016.

- **Bank SBI Botswana**
  i. Bank Botswana, the banking regulator of Botswana imposed a penalty of BWP 123,200 (INR 755,740) on State Bank of India’s subsidiary, SBI Botswana for non-submission of daily liquidity schedules to the Regulator from 17.12.2015 to 04.01.2016. The penalty was paid on 30.03.2016.  
  ii. The regulator also imposed penalty of BWP 47,712 (INR 283,505) on SBI Botswana for wrong reporting of deposit figures to the Regulator from 01.02.2016 to 03.02.2016. The penalty was paid on 30.03.2016.

- **Commercial Indo Bank LLC, Moscow**
  i. The Central Bank of Russian Federation (CBR) has issued a penalty of RUB 4,521,529 (INR 51,09,328) on Commercial Indo Bank LLC (CIBL), Moscow on 14.06.2018 for shortfall / insufficient contribution in keeping mandatory reserves with CBR for liabilities in foreign currency for the period from May 2017 to April 2018. The penalty was paid on 12.07.2018.
ii. The Department of Financial Monitoring and Currency Control of Bank of Russia (CBR) has issued a penalty of RUB 300,000 (INR 3,27,000) on CIBL on 31.08.2018, for breach of Anti-Money Laundering legislations in Russia. The penalty was paid on 28.09.2018.

iii. The Department of Financial Monitoring and Currency Control of Bank of Russia (CBR) has issued a penalty of RUB 60,043 (INR 65,447) on CIBL on 21.09.2018, for breaching CBR guidelines on obligatory reserves of the credit organizations from 08.08.2018 to 04.09.2018. The penalty was paid on 18.10.2018.

iv. The Central Bank of Russian Federation (CBR), following a remote supervision of activity of Commercial India Bank LLC (CIBL), has identified some typographical errors in the periodical transaction-related data uploaded to CBR as violations of the country’s AML/CFT regulations and levied a penalty of RUB 30,000 (INR 30,300) on 28.12.2018. The penalty was paid on 25.01.2019.

v. The Federal Tax Service of Russia levied penalty of RUB 60,000 (INR 60,600) on 01.02.2017 and RUB 40,000 (INR 40,400) on 02.06.2017 on CIBL for non-submission of data on opening/closing of client deposit accounts in due time. The penalty was paid on 01.02.2017 & 02.06.2017 respectively.

vi. The Federal Tax Service of Russia levied penalty of RUB 20,000 (INR 20,200) on 28.03.2018 and 12.04.2018 respectively on CIBL for non-submission of information on clients' deposit accounts and transferring data thereof by electronic means, in accordance with legislation of the Russian Federation in electronic form within three days counting from the day of motivate inquiry of Tax authorities. The penalty was paid on 09.04.2018 & 26.07.2018 respectively.

vii. The Central Bank of Russian Federation (CBR) imposed penalty of RUB 30000 (INR 32400) on 16.01.2019 for incorrect reporting for three months as violation of the revised guidelines of the Regulator on Reporting of securities. The penalty was paid on 12.02.2019.

viii. The Federal Tax Service of Russia imposed penalty of RUB 20,000 (INR 21,600 approx) on 10.01.2019 and 15.01.2019 respectively for non-submission of client account statement through automated system to tax authorities in due time. CIBL has introduced manual monitoring of the system and has filed an appeal for waiver of the penalty.

ix. The Central Bank of Russian Federation (CBR) imposed penalty of RUB 1,000,000 (INR 10,76,000 approx.) on 25.02.2019 for infringement of the CBT Regulations pertaining to Rules of accounting of securities operations and about the order of determining incomes, charges and other comprehensive income in respect of some Euro Bonds under loss category, in the reports submitted by CBIL to CBR as of 01.01.2019.

x. The Federal Tax Service of Russia levied penalty of RUB 10,000 (INR 10,975) in January 2019 for non-submission of a client account statement through automated system on 14.12.2017 on CIBL. Due to malfunctioning of a software installed by CIBL, the required statement was not submitted automatically by the subsidiary and the non-submission was not detected by CBIL due to lack of monitoring.

xi. The Central Bank of Russia (CBR) imposed a penalty of RUB 1000,000 (INR 1082500) on CIBL on 16-08-2019 for violation of certain items in Art 3 and Art 6 of Federal Law No. 353-FZ observed in granting of a term loan to a natural person. The loan was a consumer loan and CIBL has not reported the sanction of loan in the relevant regulatory report to CRB.

xii. The Central Bank of Russia (CBR) imposed a penalty of RUB 36,829 (INR 39,867) on CIBL on 20-08-2019 for shortfall of RUB 3.31 million, in the obligatory reserves kept by CIBL with CBR from 10.07.2019 to 06.08.2019.

xiii. The Central Bank of Russia issued a penalty of RUB 8,637,000 (INR 81.40 lacs appx) in December 2020 for errors in AML related regulatory reporting detected in CBR inspection done in June to August 2020.

• Retail Banking Branch, Bahrain

i. The Central Bank of Bahrain (CBB) imposed penalty of BHD 50,000 (Approx. INR 93 lacs) on RBB Bahrain on 03.12.2018 during a USD Parity Inspection for violating the stipulated 0.378 cap (for selling the USD for not more than BD 0.3780).

ii. As per Central Bank of Bahrain (CBB) guidelines, Banks have been advised to settle all failed ATM transactions on a daily basis and to conduct awareness campaigns for the customers. The penalty of BHD 7000 (approx. INR 13.02 lacs) was imposed on the Branch for holding unclaimed cash relating to 15 failed ATM transactions, for a long period. The transactions were effected during the period July 2013 to November 2017, aggregating to BHD 1570. On verifying its book, the branch found that 14 out of 15 transactions, cited by CBB had
already been settled by debit to ATM settlement account, on receiving claims from other banks. The only pending claim amounting to BHD 19 pertaining to a customer of Ahli United Bank was paid alongwith interest to the Bank on 29.04.2018.

- Bank SBI Indonesia
  i. The Otoritas Jasa Keuangan (OJK) (Financial Services Authority of Indonesia) has imposed a penalty of IDR 9,450,000.00 (approx. INR 43,942.00) on Bank SBI Indonesia on 27-02-2020 for error in input of data in Financial Information Service System (SLIK) for the period April-June 2018.
  ii. The Otoritas Jasa Keuangan (OJK) (Financial Services Authority of Indonesia) has imposed a penalty IDR 3,100,000.00 (approx. INR 14,415.00) on 27-02-2020 on Bank SBI Indonesia for adjustment / correction of Monthly General Bank Report (LBU) and in SLIK.
  iii. The Otoritas Jasa Keuangan (OJK) (Financial Services Authority of Indonesia) fined the Bank for late reporting to the regulator, the extension of tenure of an existing Director. As per the Bank Indonesia Regulations, the appointment of the members of Board of Commissioners (BOC) and members of the Board of Directors must be reported by banks to OJK not later than 10 working days after the date of effective appointment. Due to Covid-19 crisis, the official from parent bank (SBI), identified for the post of Director Finance and IT could not reach Indonesia within the timeline of 6 months from the date of clearing the Fit and Proper Test of OJK. Bank therefore requested OJK, vide their letter dated 01.07.2020 to extend the period of validity of the test and also informed OJK that the tenure of the present Director has been extended by two months, duly obtaining shareholder’s The reappointment of the Director on 11.06.2020 was reported to OJK on 01.07.2020. as against the regulatory deadline of 24.06.2020 (7 days delay) OJK considered this as late reporting of reappointment and imposed the penalty of IDR 7 million (INR 36000 approx) vide their letter dated 05.08.2020.
  iv. OJK imposed a penalty of IDR 3.05 mio (INR 15,000 apprx) in October 2020 on account of errors found in regulatory reporting in their annual inspection at the Bank


Alleged irregularity committed in respect of forex remittances made by Ashok Marg Branch (e-SBT) between the period March 2009 and August 2010 amounting Rs. 243,45,30,781/ remitted by BCCI to Cricket South Africa.

Enforcement Directorate held that the remittances do not represent Current Account transactions and required prior approval from RBI and held the Bank guilty of violation of FEMA 1999.

Special Director of Enforcement (WR) Mumbai passed an order dated 31-05-2018 holding the Bank guilty of the charge alleged and has imposed penalty of Rs. 700 lacs.

There are no any monetary penalties imposed and/ or action taken by any financial regulatory body or governmental authority, against the AMC and/ or the Board of Trustees /Trustee Company.;

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Against Sponsor:

State Bank of India (SBI) had received a Show Cause Notice (SCN) under Rule 4 (1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of “Non-compliance of Regulation 7B of SEBI (Mutual Funds) Regulations, 1996 from Adjudicating Officer (AO) of SEBI
vide his notice dated 12th March 2020. SEBI called upon the SBI to show cause as to why an inquiry should not be held against SBI in terms of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) rules, 1995 and penalty should not be imposed on SBI for non-compliance of Regulation 7B of SEBI in respect of UTIAMCL and UTITCPL.

Reply to SCN had been filed by SBI vide letter dated 24th March 2020. Officials of SBI appeared for personal hearing before Adjudicating Officer (AO) and a written submission was made vide their letter dated 10th July 2020 praying the AO of SEBI not to initiate any action including penalty against SBI.

It has been brought to the notice of AO in their submissions that SBI was unable to comply with the Regulation 7B with in specified time despite the efforts made by SBI including taking approval from DIPAM regarding divestment of its holding, meetings with sponsors, Institutional Investors etc. due to the processes involved in obtaining necessary approvals from various stakeholders.

It has been further brought to the notice of the AO, the specified order of Whole Time Member of SEBI dated 6th December 2019 wherein SBI has been provided time till December 31, 2020 to comply with Regulation 7B and UTIAMCL has initiated the process to divest SBI’s stake in both UTIAMCL and UTITCPL and SBI will become compliant of the said regulation well before the revised timeline of 31st December.

AO passed an order on 14th August 2020 imposing a penalty of Rs.10 lacs on SBI for non-compliance with Regulation 7B of SEBI Mutual Funds Regulations and has given time of 45 days from the date of receipt of the order for payment of the penalty.

The Bank had filed an appeal before Securities Appellate Tribunal (SAT) on September 15, 2020 and the matter was heard on December 23, 2020. SAT vide its order dated January 07, 2021, has decided and ordered that appeal is partly allowed by substituting the monetary penalty of Rs. 10 lakhs imposed on the Bank with that of a warning.

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Some ordinary routine litigations incidental to the business of the AMC are pending in various forums.

Apart from this, following are the details of Penalties, pending litigation or proceedings, findings of inspection or investigations for which action may have been taken or initiated by any regulatory authority against the AMC - SBI Funds Management Private limited (SBIFMPL) in a capacity of Investment Manager to the SBI Mutual Fund:

a) SEBI has initiated an investigation for the transactions in the shares of M/S Polaris Software Lab Limited, made during the period April 01, 2002 to May 31, 2002 by SBI Mutual Fund, having suspected SBI Mutual Fund of indulging in insider trading on account of proposed merger of M/s Orbi Tech Solutions with M/s Polaris Software Lab Limited, i.e. ‘unpublished price sensitive information’ about Polaris under the SEBI (Insider Trading Regulation) Regulation, 1992. SBIMF has denied having violated of any insider trading regulation or SEBI Act. SEBI had issued a show cause notice on June 20, 2007 and SBIMF has replied to SEBI on June 30, 2008. Since then, there has been no further communication on the matter from SEBI till date.

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.

Not Applicable
Settlement order in the matter of M/s. Padmini Technologies Limited (“PTL”):

SEBI had initiated an investigation into certain transactions in the shares of M/s. Padmini Technologies Limited (“PTL”), during the period 2000-2001, which included an inquiry into the investments made by SBI Mutual Fund in the shares of PTL. The Central Bureau of Investigation had also investigated about various aspects of transactions in the shares of PTL which included investments by various schemes of SBI Mutual Fund during the period. A case was subsequently filed in the Sessions Court at Mumbai in 2006 against some ex-employees of the Company. SBI Funds Management Private Limited (“SBIFMPL”), SBI Mutual Fund Trustee Company Pvt. Ltd. and SBI Mutual Fund are not parties to this case. The internal investigations conducted by the Chairman, Board of Trustees, SBI Mutual Fund, however, had ruled out any questionable intentions of SBI Mutual Fund in the matter.

Further, a show cause notice dated January 29, 2010 (“2010 SCN”) was received from SEBI in the matter and SBI Mutual Fund has replied to the show cause notice countering the allegations made by SEBI. SBI Mutual Fund had also made an application to SEBI to settle the matter through the consent process, i.e. on a no-fault basis, without accepting or denying guilt. The said consent proposal has not been accepted by SEBI vide its letter dated March 22, 2013. A fresh Show Cause Notice dated May 28, 2013 (“2013 SCN”) has been issued enclosing a copy of an enquiry report conducted again by a Designated Authority, recommending a prohibition on SBI Mutual Fund from launching any new mutual fund schemes for a period of 12 months. In terms of the opportunity made available in the 2013 SCN to avail the consent process, SBI Mutual Fund had filed a consent application which was returned by SEBI stating that the consent application by SBIFMPL shall not be reconsidered by SEBI.

Pursuant to Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (“Settlement Regulations”), the Fund house had filed the consent application on March 14, 2017, without admission or denial of guilt, in full and final settlement of all proceedings.

In this connection, SBIFMPL has paid full settlement charges and agreed to undertake certain non-monetary settlement terms. SEBI vide its settlement order dated September 28, 2018 has disposed the pending proceedings in the underlying matter of PTL.

SEBI Order dated April 13, 2020 in respect of the Show Cause Notice issued in the matter of Manappuram Finance Limited:

The Securities and Exchange Board of India (SEBI) has instituted adjudication proceedings in respect of Manappuram Finance Limited (MFL) and has issued a show cause notice dated May 29, 2019 (SCN), under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officers) Rules, 1995 and Rule 4(1) of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005, inter alia, to SBI Funds Management Private Limited (SBIFM), as one of the noticees for the alleged violation of Sections 12A(d) and 12A(e) of the SEBI Act, 1992 read with Regulations 3(i), 3A and 4 of the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Regulation 12(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015. It has, inter alia, been alleged in the SCN that SBIFM traded in the scrip of MFL when in possession of unpublished price sensitive information. In terms of the SCN, SEBI had called upon, inter alia, SBIFM to show cause as to why an inquiry be not held against it in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 and Rule 4 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 read with Section 15-I of the SEBI Act, 1992, and penalty be not imposed in terms of the provisions of Section 15G(i) of the SEBI Act, 1992. SBIFM had submitted its reply to the SCN on August 07, 2019. Thereafter, pursuant to an opportunity of personal hearing granted to SBIFM by the Hon’ble Adjudicating Officer, SEBI (AO), the authorized representatives of SBIFM appeared before the AO on November 14, 2019 and made due submissions in the matter. Subsequently, SBIFM has also filed written submissions in the matter to SEBI on November 27, 2019. SEBI vide its order dated April 13, 2020 has disposed of the SCN in the matter without any penalty.
Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

For and on behalf of the Board of Directors,
SBI Funds Management Private Limited
(the Asset Management Company for SBI Mutual Fund)

Sd/-

Place: Mumbai
Date: October 29, 2021

Name : Vinay M Tonse
Designation : Managing Director & CEO