

DSP

MUTUAL FUND

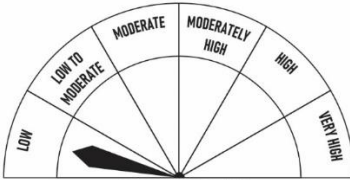
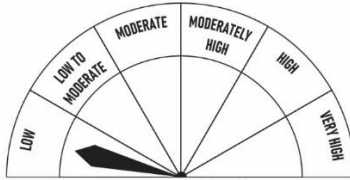
SCHEME INFORMATION DOCUMENT

SECTION I

DSP BSE LIQUID RATE ETF

Scrip Code	BSE	544159
	NSE	LIQUIDADD

(An open ended scheme replicating/ tracking BSE Liquid Rate Index. A relatively low interest rate risk and relatively low credit risk)

This product is suitable for investors who are seeking*	Scheme Riskometer	Benchmark Riskometer BSE Liquid Rate Index
<ul style="list-style-type: none"> Current income with high degree of liquidity Investment in Tri-Party REPO, Repo in Government Securities, Reverse Repo and similar other overnight instruments <p>* Investors should consult their financial advisers if in doubt about whether the Scheme is suitable for them.</p>	 <p>RISKOMETER</p> <p>INVESTORS UNDERSTAND THAT THEIR PRINCIPAL WILL BE AT LOW RISK</p>	 <p>RISKOMETER</p> <p>INVESTORS UNDERSTAND THAT THEIR PRINCIPAL WILL BE AT LOW RISK</p>

(For latest Riskometers, investors may refer on the website of the Fund viz. www.dspim.com)

Potential Risk Class Matrix: The potential risk class matrix of DSP BSE Liquid Rate ETF based on interest rate risk and credit risk is as follows:

Potential Risk Class			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	A-I	-	-
Moderate (Class II)	-	-	-
Relatively High (Class III)	-	-	-

Continuous Offer for Units at NAV based prices

Name of Mutual Fund	:	DSP Mutual Fund
Name of Asset Management Company	:	DSP Asset Managers Private Limited
CIN of Asset Management Company	:	U65990MH2021PTC362316
Name of Trustee Company	:	DSP Trustee Private Limited
CIN of Trustee Company	:	U65991MH1996PTC100444
Addresses of the entities	:	Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021

Website of the entities : www.dspim.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 circulars issued thereunder 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 / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of DSP Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on www.dspim.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 Investor Service Centre or log on to our website.

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 26, 2024.

BSE Disclaimer:

BSE Limited ("the Exchange") has given vide its letter LO/IPO/BS/MF/IP/89/2023-24 dated February 07, 2024 permission to DSP Mutual Fund to use the Exchange's name in this SID as one of the Stock Exchanges on which this Mutual Fund's Unit are proposed to be listed. The Exchange has scrutinized this SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to DSP Mutual Fund. The Exchange does not in any manner: i) warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or ii) warrant that this scheme's unit will be listed or will continue to be listed on the Exchange; or iii) take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund; and it should not for any reason be deemed or construed that this SID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of DSP BSE Liquid Rate ETF of this 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 for any other reason whatsoever.

NSE Disclaimer:

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/5649 dated January 31, 2024 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling 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.

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Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	Name of the scheme	DSP BSE Liquid Rate ETF
II.	Category of the Scheme	Exchange Traded Funds (ETFs)
III.	Scheme type	An open ended scheme replicating/tracking BSE Liquid Rate Index. A relatively low interest rate risk and relatively low credit risk.
IV.	Scheme code	DSPM/O/O/DET/24/02/0073
V.	Investment objective	<p>The Scheme seeks to provide returns before expenses that correspond to the returns of BSE Liquid Rate Index, subject to tracking errors.</p> <p>There is no assurance that the investment objective of the Scheme will be achieved.</p>
VI.	Liquidity/listing details	<p><u>Liquidity Details:</u></p> <p>On the Exchange</p> <p>The units are listed on Stock Exchange to provide liquidity through secondary market. The units of the Scheme can be bought / sold on all trading days on the National Stock Exchange of India Limited or BSE Limited or any other stock exchange where the Scheme is listed.</p> <p>The price of the Units in the secondary market on the Stock Exchange(s) will depend on demand and supply at that point of time. The AMC will appoint Market Maker(s) to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market.</p> <p>Directly with the Mutual Fund</p> <p>The Scheme offers units for subscription / redemption directly with the Mutual Fund in creation unit size to Market Makers / and Large Investors, at NAV based prices on all Business Days during an ongoing offer period.</p> <p>Further, in terms of clause 3.6.2.2 of SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 (SEBI Master Circular), investors can also directly approach AMC for redemption of units for transaction of more than Rs. 25 Crore subject to creation of unit size</p> <p>Investors can also directly approach AMC for redemption of units for transaction of upto Rs. 25 crore without any exit load if:</p> <ol style="list-style-type: none"> Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days. <p>The above instances shall be tracked by the AMC on an ongoing basis and in case if any of the above mentioned scenario arises the same shall be disclosed on the website of the AMC i.e. http://www.dspim.com.</p>

		<p>In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.</p> <p><u>Listing details:</u></p> <p>The units of DSP BSE Liquid Rate ETF are listed on National Stock Exchange of India Limited and BSE Ltd.</p>
VII.	Benchmark (Total Return Index)	<ul style="list-style-type: none"> • Benchmark of the Scheme - BSE Liquid Rate Index • Justification - As the Scheme will invest in Tri-Party Repos, BSE Liquid Rate Index is a suitable benchmark for the scheme. • Second Tier benchmark- Not applicable
VIII.	NAV disclosure	<p>The NAVs of the Scheme will be calculated by the Mutual Fund on each Business Day and will be made available by 11.00 p.m on each business day.</p> <p>The information on NAVs of the Scheme may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centres at various locations. The NAV of the Scheme will also be updated on the AMFI website www.amfiindia.com and on www.dspim.com.</p> <p>Indicative NAV (iNAV):</p> <p>The AMC shall also calculate indicative NAV and will be updated during the market hours on its website www.dspim.com. Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors.</p> <p>Indicative NAV shall be disclosed on Stock exchange(s), where the units are listed, on continuous basis at least four times a day i.e. opening and closing iNAV and at least two times during the intervening period with minimum time lag of 90 minutes between the two disclosures or any such other time as may have prescribed by SEBI from time to time.</p> <p>For transactions by Market Makers / large investors directly with the AMCs, intra-day NAV based on the executed price at which the securities representing the underlying index are purchased / sold will be applicable.</p> <p>Further Details in Section II.</p>
IX.	Applicable timelines	<p>Timeline for</p> <ul style="list-style-type: none"> • Dispatch of redemption proceeds - As per SEBI (MF) Regulations, the Mutual Fund shall dispatch the redemption proceeds within 3 Working Days from the date of acceptance of redemption request. <p>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with clause 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.</p>

X.	Plans and Options	<p>There are no plans under the Scheme. The scheme offers only Growth Option.</p> <p>The Trustees/ AMC reserves the right to introduce further Plan/ Options as and when deemed fit, subject to the SEBI (MF) Regulations.</p>
XI.	Load Structure	<p>Exit Load : For Creation Unit Size: No Exit load will be levied on redemptions made by Market Makers / Large Investors directly with the Fund in Creation Unit Size.</p> <p>For other than Creation Unit Size: Nil</p> <p>The Units of DSP BSE Liquid Rate ETF in other than Creation Unit Size cannot be directly redeemed with the Fund. These Units can be redeemed (sold) on a continuous basis on the Stock Exchange(s) during the trading hours on all trading days. The Trustee / AMC reserve the right to change / modify the exit load on a future date on prospective basis.</p>
XII.	Minimum Application Amount/switch in	<ul style="list-style-type: none"> • During NFO: This point does not apply, as the ongoing offer of the Scheme has commenced after the NFO, and the Units are available for continuous subscription and redemption. • On continuous basis: On Continuous basis - Directly with Fund: <ul style="list-style-type: none"> a) Market Makers: Market Makers can directly purchase / redeem in blocks from the fund in “Creation unit size” on any business day. b) Large Investors: Large investors can directly purchase/redeem in blocks from the Fund in creation of unit size on any business day however, with effect from May 01, 2023, Large Investors can directly purchase / redeem in blocks from the fund in “Creation unit size” subject to the value of such transaction is greater than threshold of INR 25 Cr. (Twenty-Five crores) and such other threshold as prescribed by SEBI from time to time. <p>On the Exchange : The units of the Scheme can be purchased and sold in minimum lot of 1 unit and in multiples thereof.</p>
XIII.	Minimum Additional Purchase Amount	<p>Directly with Fund:</p> <ul style="list-style-type: none"> c) Market Makers: Market Makers can directly purchase / redeem in blocks from the fund in “Creation unit size” on any business day. d) Large Investors: Large investors can directly purchase/redeem in blocks from the Fund in creation of unit size on any business day however, with effect from May 01, 2023, Large Investors can directly purchase / redeem in blocks from the fund in “Creation unit size” subject to the value

		<p>of such transaction is greater than threshold of INR 25 Cr. (Twenty-Five crores) and such other threshold as prescribed by SEBI from time to time.</p> <p>On the Exchange :</p> <p>The units of the Scheme can be purchased and sold in minimum lot of 1 unit and in multiples thereof.</p>
XIV.	Minimum Redemption/switch out amount	<p>a) Market Makers:</p> <p>Market Makers can directly purchase / redeem in blocks from the fund in “Creation unit size” on any business day.</p> <p>b) Large Investors:</p> <p>Large investors can directly purchase/redeem in blocks from the Fund in creation of unit size on any business day however, with effect from May 01, 2023, Large Investors can directly purchase / redeem in blocks from the fund in “Creation unit size” subject to the value of such transaction is greater than threshold of INR 25 Cr. (Twenty-Five crores) and such other threshold as prescribed by SEBI from time to time.</p> <p>On the Exchange :</p> <p>The units of the Scheme can be purchased and sold in minimum lot of 1 unit and in multiples thereof.</p>
XV.	New Fund Offer Period This is the period during which a new scheme sells its units to the investors.	This point does not apply, as the ongoing offer of the Scheme has commenced after the NFO, and the Units are available for continuous subscription and redemption.
XVI.	New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	This point does not apply, as the ongoing offer of the Scheme has commenced after the NFO, and the Units are available for continuous subscription and redemption.
XVII.	Segregated portfolio/side pocketing disclosure	The Scheme is not enabled for Segregated portfolio.
XVIII	Swing pricing disclosure	Swing pricing framework is not applicable.
XIX.	Stock lending/short selling	The Scheme shall not engage in Stock lending/short selling.
XX.	How to Apply and other details	<p>Investors can only buy and sell units of ETF from the secondary market of BSE and NSE just like buying and selling of equity shares on the exchange. Investors except Market Makers for more than Rs. 25 crores can directly approach the Fund House for buying and selling of units.</p> <p>Please refer further details in section II.</p>
XXII.	Investor services	<p><u>Contact details for general service requests:</u></p> <p>Investors may contact any of the AMC's Investor Service Centers or call on Toll Free number 1800-208-4499 or 1800-200-4499 for any queries.</p>

		<p>E-mail: service@dspim.com</p> <p><u>Contact details for complaint resolution:</u></p> <p>Mr. Prakash Pujari Investor Relations Officer DSP Asset Managers Private Limited, Natraj, Office Premises No. 302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri (East), Mumbai - 400069, Tel.: 022 - 67178000</p> <p>Stock Exchange Transactions: For grievances related to stock exchange transactions, contact either the stockbroker or the investor grievances cell of the respective stock exchange.</p> <p>MFU Customer Care: For transactions related to MFU, Investors may contact the customer care of MFU on 1800-266-1415 (business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfuindia.com.</p>
XXIII	Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)	Not applicable.
XXIV	Special product/facility available during the NFO and on ongoing basis	Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) Systematic Withdrawal Plan (SWP) are not available under this Scheme.
XXV.	Weblink	<p>Link for TER for last 6 months and Daily TER- https://www.dspim.com/mandatory-disclosures/ter</p> <p>Link for scheme factsheet- https://www.dspim.com/downloads?category=Information%20Documents&sub_category=Factsheets</p>

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching 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.
- (iii) 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.
- (iv) 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.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct
- (vi) The AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.
- (vii) 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.
- (viii) The Trustees have ensured that the DSP BSE Liquid Rate ETF approved by them is a new product offered by DSP Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Date: June 26, 2024
Place: Mumbai

Name : Pritesh Majmudar (Dr.)
Designation : Head - Legal & Compliance

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, it is anticipated that the asset allocation of the Scheme shall be as follows:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Tri-Party REPOs, Repo in Government Securities, Reverse Repos and any other similar overnight instruments as may be provided by RBI and approved by SEBI	95%	100%
Cash and Cash Equivalents@	0%	5%

@ As per SEBI letter no. SEBI/HO/ IMD-II/DOF3/ OW/P/ 2021/ 31487 / 1 dated November 03, 2021, Cash and Cash Equivalents will include following securities having residual maturity of less than 91 Days:

1. TREPS,
2. Treasury Bills,
3. Government securities, and
4. Repo on Government Securities and any other securities as may be allowed under the regulations prevailing from time to time subject to the regulatory approval, if any.

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

Sl. no	Type of Instrument	Percentage exposure	of	Circular references
1.	Securities Lending and borrowing	Nil	-	
2.	Derivatives	Nil	-	
3.	Securitized Debt	Nil	-	
4.	Debt Instruments with SO / CE rating	Nil	-	
5.	Overseas Securities	Nil	-	
6.	ReITS and InVITS	Nil	-	
7.	Debt Instruments with special features (AT1 and AT2 Bonds)	Nil	-	
8.	Tri-party repos (including Reverse repo in T-bills /G-sec)	Upto 100%	-	
9.	Other / own mutual funds	Nil	-	
10.	Repo/ reverse repo transactions in corporate debt securities	Nil	-	
11.	Credit Default Swap transactions	Nil	-	
12.	Short Selling	Nil	-	
13.	Unrated debt instruments	Nil	-	
14.	Short term deposits	Nil	-	

Cumulative gross exposure:

The cumulative gross exposure through Debt (i.e Money Market securities (with maturity not exceeding 91 days), repo transactions and other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the scheme. Cash and cash equivalents as per SEBI letter no. SEBI/HO/ IMD-II/DOF3/ OW/P/

2021/ 31487 / 1 dated November 03, 2021 which includes T-bills, Government Securities, Repo on Government Securities and any other securities as may be allowed under the regulations prevailing from time to time subject to the regulatory approval, if any, having residual maturity of less than 91 Days, shall not be considered for the purpose of calculating gross exposure limit.

As per clause 4.5.2 of SEBI Master Circular, Liquid Funds and Overnight Funds shall not park funds pending deployment in short term deposits of scheduled commercial banks.

The Scheme shall replicate duration of Index, in line with clause 3.5 and 3.6 of SEBI Master Circular, subject to maximum permissible deviation of +/- 10%.

Portfolio rebalancing:

Rebalancing of deviation due to short term defensive consideration:

Any alteration in the investment pattern will be for a short term on defensive considerations in line with clause 1.14.1.2 of SEBI Master Circular. The intention being at all times to protect the interests of the Unit Holders and the Scheme shall rebalance the portfolio within 7 calendar days.

It may be noted that no prior intimation/indication will be given to investors when the composition/asset allocation pattern under the Scheme undergoes changes within the permitted band as indicated above.

Portfolio rebalancing in case of passive breach:

In line with clause 3.5.3.11 of SEBI Master Circular, in case of change in constituents of the index due to periodic review, the portfolio of Scheme shall be rebalanced within 7 calendar days.

Further, any transactions undertaken in the portfolio of Index Schemes in order to meet the redemption and subscription obligations shall be done while ensuring that post such transactions replication of the portfolio with the index is maintained at all points of time.

CHANGE IN INVESTMENT PATTERN

The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Since the scheme is an exchange traded fund, it will endeavor to replicate the index.

In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 days.

B. WHERE WILL THE SCHEME INVEST?

- Tri-Party REPOs, Repo in Government Securities, Reverse Repos and any other similar overnight instruments as may be provided by RBI and approved by SEBI.
- Cash and Cash Equivalents will include following securities having residual maturity of less than 91 Days:
 1. TREPS,
 2. Treasury Bills,
 3. Government securities, and
 4. Repo on Government Securities and any other securities as may be allowed under the regulations prevailing from time to time subject to the regulatory approval, if any.

The portfolio of the Scheme shall adhere to the following conditions:

The Scheme will make investment in/purchase money market securities with maturity of upto 91 days only. In case of securities with put and call options (daily or otherwise), the residual maturity shall not be greater than 91 days.

Explanation:

In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity.

In case the principal is to be repaid in more than one payout, then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.

In case the maturity of the security falls on a non-business day, then the settlement of securities will take place on the next business day

Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only be permitted in the Scheme.

The securities mentioned in, “Where will the Scheme(s) invest?”, could be listed, to be listed, unlisted, privately placed, secured, unsecured, rated or unrated (subject to the rating or equivalency requirements discussed above) and of any maturity. The securities may be acquired through secondary market operations, primary issues/offerings, other public offers, Private Placement and negotiated deals amongst other mechanisms.

For detailed definition and applicable regulations/guidelines for each instrument please refer Section II.

C. WHAT ARE THE INVESTMENT STRATEGIES?

The Scheme will track its Underlying Index and will use a “passive” or indexing approach to endeavor to achieve scheme’s investment objective. All investments of the Scheme would be in Tri-Party REPO, Repo in Government Securities, Reverse Repos and similar other overnight instruments and other Money Market Instruments (with maturity not exceeding 91 days).

RISK CONTROL

Investments made by the Scheme would be in accordance with the investment objective of the Scheme and provisions of SEBI Regulations. Since the investing requires disciplined risk management, the AMC has adequate safeguards for controlling risk in the portfolio construction process. The risk control process involves reducing risk through portfolio diversification wherever possible, taking care however not to dilute the returns in the process. It is the belief of the AMC that the diversification would help to achieve desired level of consistency in returns.

PORTFOLIO TURNOVER

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. The scheme being a passively managed open-ended exchange traded fund, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Hence, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. Generally, turnover will depend upon the extent of purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in the Index. The Scheme has no specific target relating to portfolio turnover. The effect of higher portfolio turnover could be higher brokerage and transaction costs.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Benchmark: BSE Liquid Rate Index

Justification for Benchmark-

BSE Liquid Rate Index is designed to measure the returns from a daily rolling deposit at the Tri-Party Repo (TREP) rate.

The aforesaid Index is calculated in Indian rupees using the TREP rate for transactions maturing on the following business day and with settlement T+0. Rates used are provided by Clearing Corporation of India Ltd (CCIL). The index represents the performance of a daily rolling deposit and does not undergo a rebalancing.

As the Scheme will invest in Tri-Party Repos, BSE Liquid Rate Index is a suitable benchmark for the scheme.

E. WHO MANAGES THE SCHEME?

Name of the Fund Manager	Age	Tenure	Educational Qualifications	Brief Experience	Other Scheme managed
Mr. Anil Ghelani	44 years	3 Months (managing the Scheme from March 2024)	Chartered Financial Analyst (CFA Institute USA) Chartered Accountant (ICAI India) B. Com. (H. R. College University of Mumbai)	Over 26 years of experience as under: From April 01, 2023 to till date - DSPAM - Head of Passive Investments & Products From April 16, 2018 to March 2023 - DSPIM - Head of Passive Investments & Products. From January 2013 to April 2018, DSP Pension Fund Managers Pvt. Ltd. - Business Head & Chief Investment Officer From December 2014 to April 15, 2018 - DSPIM - Senior Vice President, Products & Passive Investments From January 2006 - December 2012 - DSPIM - Head of Risk & Quantitative Analysis (RQA) From July 2003 to December 2005 - DSPIM - AVP - Fund Administration From February 2003 to July 2003 - IL&FS Asset Management Company - Asst. Manager - Fund Operations From February 2000 to January 2003 - S. R. Batliboi (member firm of Ernst & Young) - CA articleship till Jan 2002 Executive from Feb 2002 From August 1998 to June 2000 - V. C. Shah & Co., Chartered Accountants - CA articleship	DSP NIFTY 1D Rate Liquid ETF, DSP Nifty 50 Equal Weight ETF, DSP Nifty 50 Equal Weight Index Fund DSP Nifty 50 Index Fund, DSP Nifty Bank ETF, DSP Nifty IT ETF, DSP Nifty Midcap 150 Quality 50 ETF, DSP Nifty Midcap 150 Quality 50 Index Fund, DSP Nifty Next 50 Index Fund, DSP Nifty Private Bank ETF, DSP Nifty PSU Bank ETF, DSP Quant Fund, DSP BSE Sensex ETF, DSP Gold ETF Fund of Fund, DSP Nifty Smallcap250 Quality 50 Index Fund, DSP Nifty Healthcare ETF, DSP Nifty 50 ETF, DSP Nifty Bank Index Fund.
Mr. Diipesh Shah	45 years	3 Months (managing the Scheme from March 2024)	B Com , ACA, Candidate of the CFA Program, CFA Institute USA, Level I Cleared	Over 22 years of experience as under: From April 2023 till date - DSPAM - Fund Manager - ETF and Passive Investments. From November 2020 to March 2023 - DSPIM - Fund Manager - ETF and Passive Investments. From September 2019 to October, 2020 - DSPIM - Dealer - ETF and Passive Investments.	DSP NIFTY 1D Rate Liquid ETF, DSP Nifty 50 Equal Weight ETF, DSP Nifty 50 Equal Weight Index Fund, DSP Nifty 50 Index Fund, DSP Nifty Bank ETF, DSP Nifty IT ETF,

Name of the Fund Manager	Age	Tenure	Educational Qualifications	Brief Experience	Other Scheme managed
				<p>From August 2018 to September, 2019 - JM Financial Institutional Broking Limited as Institutional Equity Sales Trading.</p> <p>From June 2014 to July 2018 - Centrum Boking Limited as Institutional Equity Sales Trading.</p> <p>From September 2013 to June 2014 - JM Financial Institutional Broking Limited as Institutional Equity Sales Trading.</p> <p>From January 2011 to August 2013 - IDFC Securities Limited as Institutional Equity Sales Trading</p> <p>From July 2010 to September 2010 - Kotak Securities Limited as Institutional Equity Sales Trading</p>	<p>DSP Nifty Midcap 150 Quality 50 ETF, DSP Nifty Midcap 150 Quality 50 Index Fund, DSP Nifty Next 50 Index Fund, DSP Nifty Private Bank ETF, DSP Nifty PSU Bank ETF, DSP Quant Fund, DSP BSE Sensex ETF, DSP Gold ETF Fund of Fund, DSP Nifty Smallcap250 Quality 50 Index Fund, DSP Nifty Healthcare ETF, DSP Nifty 50 ETF, DSP Nifty Bank Index Fund.</p>

F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

List of existing ETFs:

1. DSP NIFTY 1D Rate Liquid ETF
2. DSP Nifty 50 Equal Weight ETF
3. DSP Nifty Midcap 150 Quality 50 ETF
4. DSP Silver ETF
5. DSP Nifty Bank ETF
6. DSP Gold ETF
7. DSP Nifty PSU Bank ETF
8. DSP Nifty Private Bank ETF
9. DSP Nifty IT ETF
10. DSP BSE Sensex ETF
11. DSP Nifty Healthcare ETF
12. DSP Nifty 50 ETF

For details please refer: <https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/scheme-comparison>

G. HOW HAS THE SCHEME PERFORMED

- a. Compounded Annualised Returns as of May 31, 2024

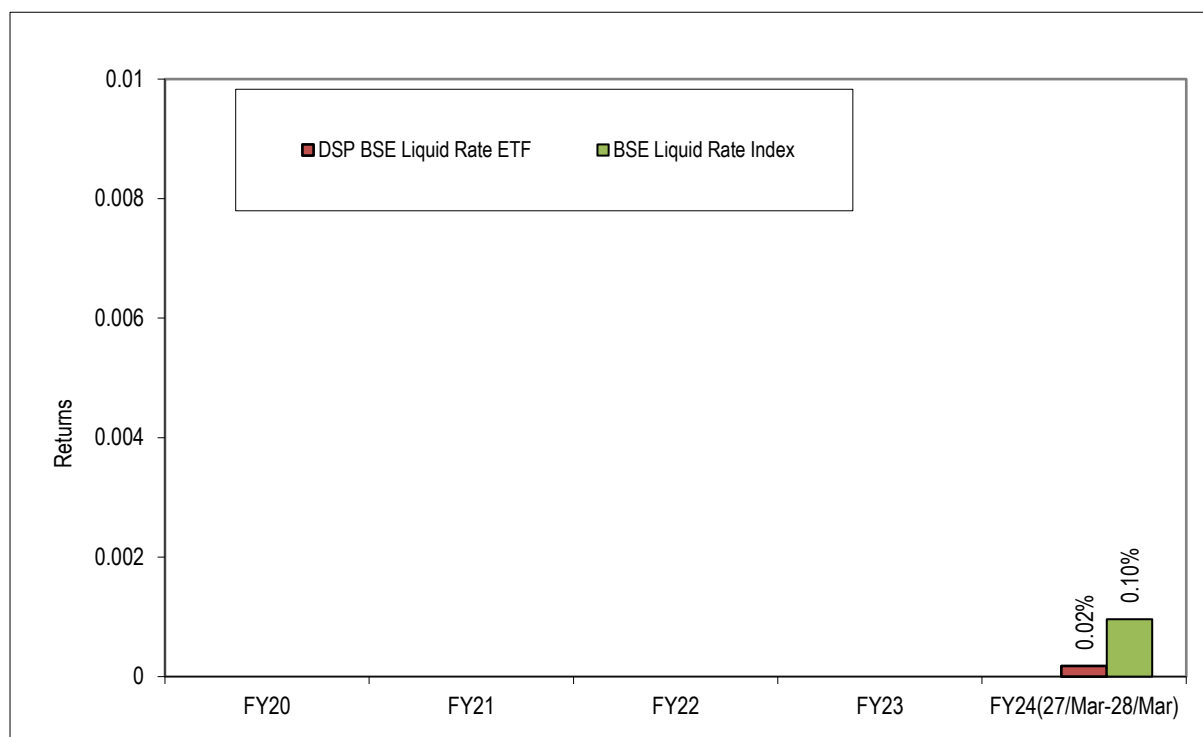
As per SEBI guidelines, if the scheme is in existence for less than one year, absolute return shall be provided. Below are the details of absolute returns of scheme as on May 31, 2024:

Period	DSP BSE Liquid Rate ETF	BSE Liquid Rate Index
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Since inception	1.11%	1.21%
Nav/ Index value	1,012.3449	1,557.03
Date of allotment	27-Mar-24	

Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.

b. Absolute Returns



Returns are computed from the Date of Allotment/ 1st April, as the case may be, to 31st March of the respective financial year.

H. ADDITIONAL SCHEME RELATED DISCLOSURES

- Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors)- Website link- <https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sector-allocation>
- Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme- Website Link- <https://www.dspim.com/invest/mutual-fund-schemes/exchange-traded-funds/bse-liquid-rate-etf/dsplr-direct-growth>
- Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly- <https://www.dspim.com/mandatory-disclosures/portfolio-disclosures>
- Portfolio Turnover Rate- Not applicable
- Aggregate investment in the Scheme by: (Details are as on May 31, 2024)

Sr. No.	Category of Persons	Net Value	Market Value (in Rs.)
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	Concerned scheme's Fund Manager(s)	Units	NAV per unit	
1.	Anil Ghelani	-	-	-
2.	Diipesh Shah	-	-	-

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

vi. Investments of AMC in the Scheme

In terms of sub-regulation 16(A) in Regulation 25 of SEBI (Mutual Funds) Regulations, 1996 read along with clause 6.9 of SEBI Master Circular and AMFI Best Practice Guidelines Circular No.100 /2022-23 on 'Alignment of interest of AMCs with the Unitholders of the Mutual Fund schemes', the AMC shall invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by the SEBI from time to time. However, as per the said guidelines, ETFs are exempted from the purview of the aforesaid regulations and guidelines.

Part III- OTHER DETAILS

A. COMPUTATION OF NAV

The NAV of the Units of a Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date.

NAV of Units under each Scheme may be calculated by either of the following methods shown below:

$$\text{NAV Per Unit (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme}}$$

The numerical illustration of the above method is provided below.

Market or Fair Value of Scheme's investments (Rs.) = 11,42,53,650.00

Current Assets (Rs.) = 10,00,000.00

Current Liabilities and Provisions (Rs.) = 5,00,000.00

No. of Units outstanding under the Scheme = 1,00,00,000

$$\text{NAV Per Unit (Rs.)} = \frac{11,42,53,650.00 + 10,00,000.00 - 5,00,000.00}{1,00,00,000} = 11.4754$$

N.B.: The aforesaid provisions pertaining to "Calculation of NAV" shall apply in respect of each individual Scheme and/or plan as the case may be. The NAV per Unit above is rounded off to four decimals.

The NAV will be calculated as of the close of every Business Day.

NAVs will be rounded off to four decimal places. The valuation of the Schemes' assets and calculation of the Schemes' NAVs shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

While determining the price of the units, the mutual fund shall ensure that the repurchase price of Scheme is not be lower than 95% Net Asset Value as provided under SEBI (MF) Regulations. For other

details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

Ongoing price for subscription (purchase)/ by investors:

For Subscription of units directly with the Mutual Fund:

Ongoing purchases directly from the Mutual Fund would be restricted to Market Makers and Large Investors, provided the value of units to be purchased is in Creation Unit size and in multiples of 1(One) Unit thereof. Market Makers / Large Investors may buy the units on any Business Day of the Scheme directly from the Mutual Fund at Intra Day NAV:

- in exchange of the Portfolio Deposit, Cash Component and any other applicable transaction charges; or
- by depositing basket of securities comprising **BSE Liquid Rate ETF** along with the cash component and applicable transaction charges.

The Creation Unit size will be 2500 units.

No kind of credit facility would be extended during creation of units. The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.

• **For Subscription through Stock Exchange(s):**

All categories of investors may purchase the Units of the Scheme through the Stock Exchange(s) on which the units of the Scheme are listed, on any trading day in round lot of one (1) Unit and multiples thereof at the prevailing listed price. The transactions (trading) in the Stock Exchange(s) shall be subject to the Regulations, Bye laws and Rules applicable to the Stock Exchanges and its clearing house respectively. The trading members shall be responsible for delivering the units to the demat account of the investors on successful completion of settlement. Investors are advised to contact their trading members to understand the various cut-off times to meet their fund pay-in obligations for ensuring successful settlement of their transactions.

Note:

Market Maker/Large Investor for subscription/redemption of **DSP BSE Liquid Rate ETF** Units directly with the Fund in "Creation Unit Size" will have to reimburse transaction handling charges incurred by the Fund/AMC. Transaction handling charges include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges, corporate action charges and such other charges that the mutual fund may have to incur in the course of cash subscription/redemption or accepting the Portfolio Deposit or for giving a portfolio of securities as consideration for a redemption request.

The AMC will appoint Market Makers to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote in the market. 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 Form the Depository Participants (DP"s) name, DP ID Number and the beneficiary account number of the applicant.

Procedure for creation of DSP BSE Liquid Rate ETF units in Creation Unit size:

- The Fund/AMC allows cash/exchange of Portfolio Deposit for Purchase of Units of the Scheme in Creation Unit size by Large Investors/Market Makers.

Purchase request for Creation Unit shall be made by such Investor to the Fund/AMC where upon the Fund/AMC will arrange to buy the underlying portfolio Securities. The Portfolio Deposit and/or Cash Component will be exchanged for units of the Scheme in Creation Unit size.

- Creation of Units in exchange of Portfolio Deposit: The requisite Securities constituting the Portfolio Deposit have to be transferred to the Fund's Depository Participant account while the Cash Component has to be paid to the Fund's bank account. On confirmation of the same by the Custodian/AMC, the AMC will create and transfer the equivalent number of Units of the Scheme into the Investor's Depository Participant account and pay/ recover the Cash Component and transaction handling charges, if any.
- Creation of Units in Cash: For subscription of **DSP BSE Liquid Rate ETF** Units in Creation Unit Size will be made by payment of requisite Cash, as determined by the AMC equivalent to the cost incurred towards the purchase of predefined basket of securities that represent the underlying index (i.e. portfolio deposit), Cash Component and transaction handling charges, if any, only by means of payment instruction of Real Time Gross Settlement (RTGS) / National Electronic Funds Transfer (NEFT) or Funds Transfer Letter of a bank where the Scheme has a collection account.
- The Creation Unit will be subject to transaction handling charges incurred by the Fund/AMC. Such transaction handling charges shall be recoverable from the transacting Market Maker or Large Investor.
- The Portfolio Deposit and/or Cash Component for units of the Scheme may change from time to time on account of change in underlying index constituents, corporate actions, percentage of cash maintained in the fund, etc.
- The investors are requested to note that the Units of the Scheme will be credited into the Investor's Depository Participant account only on receipt of Cash Component and transaction handling charges, if any.

"Creation Unit size" is fixed number of units of the Scheme, which is exchanged for a pre-defined basket of securities underlying the designated index called the Portfolio Deposit and/or a Cash Component equal to the value of 2500 units of the Scheme. Each Creation Unit size consists of 2500 units of **DSP BSE Liquid Rate ETF**.

Ongoing price for redemption (sale) by investors:

For Redemption of units directly with the Mutual Fund: (Market Makers & Large Investors)

Mutual Fund will repurchase units from Market Makers / Large Investors on any Business Day in Creation Unit size at applicable intra-day NAV, based on the executed price at which the securities representing the underlying index are purchased/sold, subject to applicable exit load; if any. Currently there is no Exit Load. However, transaction charges payable to Custodian/Depository Participants, and other incidental charges relating to conversion of units into basket of securities may be deducted from redemption proceeds.

b. For Redemption of units directly with the Mutual Fund: (Other than Market Makers) in exceptional circumstances:

- Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or
- No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or
- Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days.

Such instances shall be tracked by the AMC on an ongoing basis and in case any of the above mentioned scenario arises, the same shall be disclosed on the website of the Mutual Fund.

In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.

c. For Redemption through Stock Exchange(s):

All categories of investors may sell the Units of the Scheme through the Stock Exchange(s) on which the units of the Scheme are listed, on any trading day in round lot of one (1) Unit and multiples thereof.

Note: The transaction handling charges which include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges and such other charges that the mutual fund/AMC may have to incur in the course of cash subscription/ redemption or accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request, shall be recoverable from the transacting Market Maker or Large Investor. As required under the Regulations, while determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 95 per cent of the Net Asset Value.

Procedure for Redemption in Creation Unit size

The requisite number of Units of the Scheme equivalent to the Creation Unit has to be transferred to the Fund's Depository Participant account and the Cash Component to be paid to the Fund's bank account.

On confirmation of the same by the AMC, the AMC will transfer the Portfolio Deposit to the Investor's Depository Participant account and pay/recover the Cash Component and transaction handling charges, if any.

The Fund may allow cash Redemption of the Units of the Scheme in Creation Unit size by Large Investors/ Market Maker.

Such Investors shall make Redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell underlying portfolio Securities on behalf of the Investor. Accordingly, the sale proceeds of portfolio Securities, after adjusting the Cash Component and transaction handling charges will be remitted to the Investor.

Note:

The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.

Transaction handling charges include brokerage, Securities transaction tax, regulatory charges if any, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of cash subscription/redemption or 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 Market Maker or Large Investor.

The Portfolio Deposit and / or Cash Component for **DSP BSE Liquid Rate ETF** may change from time to time.

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 securities.

AMCs shall facilitate in-kind creation and redemption of units of Scheme by MMs on a best effort basis.

The procedure relating to purchase and sale of units by different types of investors/participants in the Scheme is tabulated for easy reference:

Type of investor and transaction details	Sale of Units By Mutual Fund	Redemption of units by Unit holders
During Continuous Offer: Market Makers/ Large Investor	Any Business Day in Creation Unit* Size and in multiple thereof. Only through stock exchange(s)	Any Business Day in Creation Unit* Size and in multiple thereof. Only through stock exchange(s).
Other Investors		

Role of Market Maker	Gives two way quotes in the secondary market. Stands as a seller for a buy order.	Gives two-way quotes in the secondary market. Stands as a buyer against a sell order.
Role of large investor	Only an investor - no other role in the scheme operations.	

B. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid, marketing and advertising, registrar expenses, printing and stationery, bank charges etc. The NFO expenses of floating the Scheme were borne by the AMC.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses incurred for operating the Scheme. These expenses include and are not limited to Investment Management and Advisory Fee charged by the AMC, Registrar's fee, Marketing and selling costs etc., as given in the **Table 2** which summarizes estimated annualized recurring expenses as a % of daily net assets of the Scheme.

The AMC has estimated that upto 1.00% of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Operating & recurring expenses under regulation 52 (6) & 52 (6A):

The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the Scheme shall be subject to the following limits, defined under Regulation 52 of SEBI MF regulations:

Table 1: Limit as prescribed under regulation 52 of SEBI MF regulations for exchange traded fund:

Particulars	As a % of daily net assets as per Regulation 52(6) (b)	Additional TER as per Regulation 52 (6A) (b)^
On total assets	1.00%	0.30%

Notes to Table 1:

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

- a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
 - i. 30 per cent of gross new inflows from retail investors* in the concerned Scheme, or;
 - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from “retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

GST on investment and advisory fees:

- a) AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- b) GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).

Others:

In accordance with clause 10.1.12 (a) of SEBI Master Circular, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

Provided that the expenses that are very small in value but high in volume (as provided by AMFI in consultation with SEBI) may be paid out of AMC’s books. Such expenses can be paid out of AMC’s books at actuals or not exceeding 2 bps of the Scheme AUM, whichever is lower.

Further with regards to the cost of borrowings in terms of Regulation 44(2), the same shall be adjusted against the portfolio yield of the Scheme and borrowing costs in excess of portfolio yield, if any, shall be borne by the AMC.

C. Disclosure relating to changes in TER:

In accordance with clause 10.1.8 of SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website www.dspim.com. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER charged to any scheme/plan shall be communicated to investors of the scheme/plan through notice via email or SMS at least three working days prior to effecting such change.

The notices of change in base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

Sr No.	Expense Heads	% p.a. of daily net assets (Estimated p.a.)
(i)	Investment Management and Advisory Fees	Upto 1.00%
(ii)	Audit Fee/Fees and expenses of trustees*	
(iii)	Custodial fees	
(iv)	Registrar & Transfer Agent (RTA) Fees including cost of providing account statements / redemption cheques/ warrants	
(v)	Marketing & Selling expense including agent commission and statutory Advertisements	
(vi)	Cost related to investor communications	
(vii)	Cost of fund transfer from location to location	
(viii)	Cost towards investor education & awareness (at least 0.01%)	
(ix)	Brokerage & transaction cost pertaining to distribution of units	
(x)	Goods & Services Tax on expenses other than investment and advisory fees	
(xi)	Goods & Services Tax on brokerage and transaction cost	
(xii)	Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively.	
(a)	Maximum total expense ratio (TER) permissible under Regulation 52 (6) (b)	Upto 1.00%
(c)	Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)	Up to 0.30%

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

A. Illustrative example for estimating expenses for a scheme with corpus of 100 crores:

The AMC in good faith has estimated and summarized in the below table for each Scheme, the expenses on a corpus size of Rs. 100 crores. The actual total expenses may be more or less than as specified in the table below. The below expenses are subject to inter-se change and may increase/decrease as per actuals, and/or any change in the Regulations.

Table 2: The estimated total expenses as a % of daily net assets of the Scheme are as follows:

*The Trusteeship fees as per the provisions of the Trust Deed are subject to a maximum of 0.02% of the average net Trust Funds per annum. It has been decided by the Trustee to charge the Trusteeship Fees in proportion to the net assets of each of the Scheme of the Mutual Fund. The Trustee reserves the right to change the method of allocation of Trusteeship fees for the Scheme, from time to time.

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

The purpose of the above table is to assist the investor in understanding the various costs & expenses that the investor in the Scheme will bear directly or indirectly.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

B. Illustration of impact of expense ratio on scheme's returns:

Particulars	NAV p.u. in Rs.	%
(A) Opening NAV at the beginning of the year	100.00	
(B) Annual income accrued to the scheme	15	15%
(C) Annual expense charged by the scheme	1.75	1.75%
(D) Closing NAV at the end of the year (D=A+B-C)	113.25	

(E) Net annual return to investors (E=D-A)	13.25	13.25%
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Link for TER disclosure: <https://www.dspim.com/mandatory-disclosures/ter>

D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor 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.dspim.com) or may call at (toll free no. 1800 208 4499 or 1800 200 4499) or your distributor.

Type of Load	Load chargeable (as %age of NAV)
Exit	Nil

The units of the scheme are compulsorily traded in dematerialized form, and hence, there shall be no entry/exit load for the units purchased or sold through stock exchanges. However, the investor shall have to bear costs in form of bid/ask spread or brokerage or such other cost as charged by his broker for transacting in units of the scheme through secondary market

Investors may note that the Trustee has the right to modify the existing load structure, subject to a maximum as prescribed under the SEBI (MF) Regulations. Any imposition or enhancement in the load shall be applicable on prospective investments only. At the time of changing the load structure, the AMC shall consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

- (i) Addendum detailing the changes will be attached to the SID and Key Information Memorandum (KIM). The addendum shall be circulated to all the distributors/brokers so that the same can be attached to SID and KIM already in stock.
- (ii) Arrangements will be made to display the addendum to the SID in the form of a notice in all the ISCs/offices of the AMC/Registrar and on the website of the DSP Mutual Fund.
- (iii) 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 will also be disclosed in the statement of accounts issued after the introduction of such load.

Investors are advised to contact any of the Investor Service Centers or the AMC to know the latest position on Exit Load structure prior to investing in the Scheme.

E. COMPLIANCE WITH POTENTIAL RISK CLASS MATRIX NORMS:

In line with clause 17.5 of SEBI Master Circular, the PRC of the Scheme based on interest rate risk and credit risk of the Scheme is being classified.

Further, the investors are requested to note following in accordance with the SEBI Circular read along with the clarification issued by AMFI:

- (i) when PRC cell classification is changed into a cell with either a higher interest rate risk or credit risk, mutual funds shall intimate to all unit holders about the change in the PRC value post completion of the fundamental attribute change (FAC) process. This shall be in addition to the intimation to unit holders about the proposed FAC and the 30-day exit period, prior to the change.
- (ii) the change in the PRC value due to investment actions, price changes, rating changes, etc. shall be determined as part of the day-end post trade compliance check and if the day end PRC value is higher than the maximum risk specified for either of the risks, it shall be rebalanced within a period specified in the Scheme Information Document of the Scheme. Such rebalancing shall be monitored by the Investment Management Committee of the AMC. However, the rule relating to maximum residual maturity of the instrument as per clause

17.5.4 of SEBI Master Circular shall be part of pre-trade checks. Further, only a permanent change in the PRC positioning of a scheme into a higher risk cell will be regarded as a FAC.

At all points of time, positioning of the Debt ETF Scheme in the Potential Risk Class (PRC) matrix shall be in the same cell as that of positioning of the index in the PRC matrix.

F. INTRODUCTION TO EXCHANGE TRADED FUNDS

An ETF is a passively managed product that provides exposure to an index or a basket of securities with the objective of generating returns as close to the index as possible. The key benefit of an ETF over traditional open-ended index funds is liquidity and availability of real-time market price on stock exchange. They can be bought and sold on the exchange at prices that are usually close to the actual intra-day NAV of the Scheme. ETFs provide investors a fund that closely tracks the performance of an index with the ability to buy/sell on an intra-day basis. ETFs are structured in a manner which allows creating new units (called creation units) and redeem outstanding units directly with the fund, thereby ensuring that ETFs trade close to their actual NAVs.

ETFs are usually passively managed funds wherein subscription/redemption of units works on the concept of exchange with underlying securities. In other words, large investors/institutions can purchase units by depositing the underlying securities with the mutual fund/AMC and can redeem by receiving the underlying shares in exchange of units. Units can also be bought and sold directly on the exchange. ETFs have all the benefits of indexing such as diversification, low cost and transparency. As ETFs are listed on the exchange, costs of distribution are much lower and the reach is wider. These savings in cost are passed on to the investors in the form of lower costs. Furthermore, exchange traded mechanism helps reduce minimal collection, disbursement and other processing charges.

Tracking Error of ETFs is likely to be low as compared to a normal index fund. Due to the Creation/Redemption of units through the in-kind mechanism the mutual fund can keep lesser funds in cash. Also, time lag between buying/selling units and the underlying shares is much lower.

Benefits of ETFs

- a. Can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
- b. Can be bought / sold anytime during market hours at prices that are expected to be close to actual NAV of the Scheme. Thus, investor invests at nearly the real-time prices as opposed to end of day prices.
- c. Ability to put limit orders.
- d. Protects long-term investors from the inflows and outflows of short-term investors. This is because the fund does not bear extra transaction cost when buying/selling due to frequent subscriptions and redemptions.
- e. Flexible as it can be used as a tool for gaining instant exposure to the equity markets, equitising cash, for arbitraging between the cash and futures market.

Market for ETFs:

ETFs being passive in nature can be useful for various kinds of investors. It could be for experienced investors who recognize the impact of cost on their eventual investment outcomes or relatively inexperienced / newer investors who are considering starting to invest but are not sure how, and therefore need a simple instrument that gives them access to the broad market or to specific sectors they believe in. Over the past few years, there has been a good growth in the number of investors as well as the assets under management for ETFs. The primary categories of ETFs in India are: Nifty 50 and Sensex based ETFs, Government Disinvestment mandates like CPSE, Bharat 22 and Bharat Bond, Banking Sector ETFs, and Gold ETFs. There are also few fixed income, smart beta, sectoral and thematic ETFs, tracking specified indices. Given the ETF market globally has grown significantly over the past few years, there is a strong case that the size and breadth of the ETF market has a potential go up in India in years to come.

G. Tracking error & Tracking Difference Risk

Tracking error:

Tracking Error is defined as the standard deviation of the difference between daily returns of the index and the NAV of the Scheme.

Thus Tracking Error is the extent to which the NAV of the Scheme moves in a manner inconsistent with the movements of the Scheme's benchmark index on any given day or over any given period of time due to any cause or reason whatsoever including but not limited to expenditure incurred by the Scheme, Income Distribution cum Capital Withdrawal payouts if any, whole cash not invested at all times as it may keep a portion of funds in cash to meet redemption etc.

Tracking Difference:

Tracking Difference is defined as the annualized difference of daily returns between the index and the NAV of the ETF Schemes.

Tracking difference of the Scheme shall be disclosed on the website of the AMC i.e. www.dspim.com and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

Annualized tracking difference averaged over one year period for Debt ETF scheme shall not exceed 1.25%. In case the average annualized tracking difference over one year period for Debt ETF scheme is higher than 1.25%, the same shall be brought to the notice of the Board of Trustees with corrective actions taken by the AMC, if any.

SECTION II

I. Introduction

A. Definitions/interpretation

DEFINITIONS

Business Day/Working Day	A day other than: (1) Saturday and Sunday; (2) a day on which the National Stock Exchange / BSE is closed (3) a day on which the Sale and Redemption of Units are suspended The AMC reserves the right to declare any day as a non-business day at any of its locations at its sole discretion.
Creation Date	The date on which DSP BSE Liquid Rate ETF Units are created
Creation Unit Size	Creation Unit is a fixed number of Units of the Scheme, which can be Purchased from/ Redeemed directly with the Fund. For purchase: Minimum 2,500 Units and in multiples of 1(one) unit thereafter For redemption: 2,500 Units and in multiples of 1(One) unit thereafter The Creation Unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.
Custodian	Citibank N. A., acting as custodian to the Schemes, or any other Custodian who is approved by the Trustee.
DSP/LRETF/Scheme	DSP BSE Liquid Rate ETF
Scheme Information Document/SID	This document issued by DSP Mutual Fund, offering Units of DSP BSE Liquid Rate ETF
Scheme	DSP BSE Liquid Rate ETF

For common definitions please refer - <https://www.dspim.com/media/pages/mandatory-disclosures/disclosures-under-offer-documents/definitions-interpretation/51831953a5-1719475535/common-definitions-for-offer-documents.pdf>

ABBREVIATIONS & INTERPRETATIONS

In this SID the following abbreviations have been used:

AMC:	Asset Management Company	LTV:	Loan to Value Ratio
AMFI :	Association of Mutual Funds in India	MBS:	Mortgaged Backed Securities
AML:	Anti-Money Laundering	MFSS:	Mutual Fund Service System
ABS:	Asset Backed Securities	MFU:	MF Utilities India Private Limited
AOP:	Association of Person	NAV:	Net Asset Value
BSE:	BSE Limited	NEFT:	National Electronic Funds Transfer
BSE StAR MF:	BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds	NFO:	New Fund Offer
CAS:	Consolidated Account Statement	NRI:	Non-Resident Indian
CAMS:	Computer Age Management Services Limited	NRE:	Non Resident External
CDSL:	Central Depository Services (India) Limited	NRO:	Non Resident Ordinary

DFI:	Development Financial Institutions	NSE / National Stock Exchange:	National Stock Exchange of India Limited
DP:	Depository Participant	NSDL:	National Securities Depository Limited
ECS:	Electronic Clearing System	OTC:	Over the Counter
EFT:	Electronic Funds Transfer	OTM:	One Time Mandate
ETF:	Exchange Traded Fund	POA:	Power of Attorney
FPI:	Foreign Portfolio Investor	PIO:	Person of Indian Origin
FRA:	Forward Rate Agreement	PMLA:	Prevention of Money Laundering Act, 2002
FIRC:	Foreign Inward Remittance Certificate	POS:	Points of Service
FOF:	Fund of Funds	PSU:	Public Sector Undertaking
FPI:	Foreign Portfolio Investor	RBI:	Reserve Bank of India
FATCA:	Foreign Account Tax Compliance Act	RTGS:	Real Time Gross Settlement
HUF:	Hindu Undivided Family	SEBI:	Securities and Exchange Board of India
IMA:	Investment Management Agreement	SI:	Standing Instructions
IRS:	Interest Rate Swap	STT:	Securities Transaction Tax
ISC:	Investor Service Centre	SCSB:	Self Certified Syndicate Bank
IDCW Transfer Plan	Transfer of Income Distribution cum Capital Withdrawal Plan	SLR:	Statutory Liquidity Ratio
IDCW	Income Distribution cum Capital Withdrawal	UBO:	Ultimate Beneficial Ownership
GST:	Goods and Services Tax	TRI:	Total Return variant of the Index
KYC:	Know Your Customer	TREPs	TRI-PARTY REPO
PRC:	Potential Risk Class		

INTERPRETATION

For all purposes of this SID, except as otherwise expressly provided or unless the context otherwise requires:

- The Terms defined in this SID include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to “US\$” refer to United States Dollars and “Rs. INR” refer to Indian Rupees. A “Crore” means “ten million” and a “Lakh” means a “hundred thousand”.

References to times of day (i.e. a.m. or p.m.) are to Indian Standard Time (IST) and references to a day are to a calendar day including non-Business Day.

B. Risk factors

Scheme Specific Risk Factors

Risk of Substantial Redemptions in ETFs:

- The Scheme(s) at times may receive large number or large value of direct redemption requests as per the provision of the SID.
- The liquidity of underlying investments may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances beyond the influence of the AMC. The inability of the Scheme to sell intended securities due to liquidity & settlement problems, could cause delay for processing the large number of direct redemptions. 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 investments in passive schemes:

i. Passive Investments:

As the scheme proposes to invest not less than 95% of the net assets in the securities of the benchmark Index, the Scheme will not be actively managed. The Scheme may be affected by a general decline in the Indian markets relating to its Underlying Index. The Scheme invests in the securities included in its underlying index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets. The value of the Scheme's investments, may be affected generally by factors affecting equity markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.

The scheme will be investing only in the securities included in the underlying index and will be exposed to additional concentration risk in cases where the underlying index has concentration towards any specific sector, theme or market capitalization. The AMC will not have any option to reduce the concentration risk by diversifying the investments.

ii. Tracking Error and Tracking Difference Risk:

The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the underlying index due to certain factors such as the fees and expenses of the respective scheme, corporate actions, cash balance, changes to the underlying index and regulatory policies which may affect AMC's ability to achieve close correlation with the underlying index of the scheme. The scheme's returns may therefore deviate from those of its underlying index. **"Tracking Error" is defined as the standard deviation of the difference between daily returns of the underlying index and the NAV of the respective scheme. "Tracking Difference" is the annualized difference of daily returns between the Index and the NAV of the scheme (difference between fund return and the index return).** Tracking Error and Tracking difference may arise including but not limited to the following reasons:

- i. Expenditure incurred by the fund.
- ii. The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses. The fund may not be invested at all time as it may keep a portion of the funds in cash to meet redemptions or for corporate actions.
- iii. Securities trading may halt temporarily due to circuit filters.
- iv. Corporate actions such as debenture or warrant conversion, rights, merger, change in constituents etc.
- v. Rounding off of quantity of shares in underlying index.
- vi. Dividend payout.
- vii. Disinvestments to meet redemptions, recurring expenses, IDCW payouts etc.
- viii. Execution of large buys / sell orders
- ix. Transaction cost (including taxes and insurance premium) and recurring expenses
- x. Realization of Unit holders funds
- xi. Index providers may either exclude or include new scrips in their periodic review of the scrips that comprise the underlying index. In such an event, the Fund will try to reallocate its portfolio but the available investment/reinvestment opportunity may not permit absolute mirroring immediately.

SEBI Regulations (if any) may impose restrictions on the investment and/or divestment activities of the Scheme. Such restrictions are typically outside the control of the AMC and may cause or exacerbate the Tracking Error.

It will be the endeavor of the fund manager to keep the tracking error as low as possible. However, in case of events like, dividend received from underlying securities, rights issue from underlying securities, and market volatility during rebalancing of the portfolio following the rebalancing of the underlying index, etc. or in abnormal market circumstances may result in tracking error. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Index.

Risks pertaining to transacting in listed units of scheme /ETFs:

- i. **Absence of Prior Active Market:** Although the Scheme is listed on Stock Exchange, 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.
- ii. **Trading in Units may be Halted:** Trading in the Units of the Schemes on Stock Exchange may be halted because of market conditions or for reasons that in view of Stock Exchange 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 Stock Exchange and SEBI circuit filter rules. There can be no assurance that the requirements of Stock Exchange necessary to maintain the listing of the Units of the Schemes will continue to be met or will remain unchanged.
- iii. **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.
- iv. **Other Risk related to listed units:** The units will be issued only in dematerialized 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 during the liquidity window depend upon the confirmations to be received from depository (ies) on which the mutual fund has no control.

Investors may note that the scheme would only repurchase units from the Market Makers & Large Investors in eligible Creation Unit Size. Thus unit holdings less than the eligible Creation Unit Size can only be sold through the secondary market on the exchanges

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE or any other recognised stock exchange(s), on any Business Day will depend upon the modalities of processing viz. collection of application form, order processing/settlement, etc. upon which the Fund has no control. However, units of the Scheme can only be subscribed in demat mode. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

Any changes in trading regulations by Stock Exchange or SEBI may affect the ability of market maker to arbitrage resulting into wider premium/discount to NAV.

Risk Factors associated with investments in Cash and Cash Equivalents:

- **Price-Risk or Interest-Rate Risk:** Cash and cash equivalents run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. However, Cash and

cash equivalents in this scheme are intended to be held till maturity. For such securities held till maturity, there will not be any interest rate risk at the end of the tenure.

- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation Yield-to-Maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer.
- **Reinvestment Risk:** Investments in cash and cash equivalents may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Pre-payment Risk:** Certain cash and cash equivalents give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

Risk factors associated with investment in Tri-Party Repo:

The mutual fund is a member of securities segment and Triparty Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. 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. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/ default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund

Market Risk

The NAV of the Scheme will react to the securities market movements. The Investor may lose money over short or long periods due to fluctuation in the Scheme's NAV in response to factors such as economic, political, social instability or diplomatic developments, changes in interest rates and perceived trends in stock prices, market movements and over longer periods during market downturns. Investments may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on Income Distribution cum Capital Withdrawal or interest payments, limitations on the removal of funds or other assets of the Scheme. In case of any event beyond the control of the manager if an asset becomes illiquid it is possible that the Scheme may not be able to immediately sell certain types of illiquid Securities. The purchase price and subsequent valuation of restricted and illiquid Securities may reflect a discount, which may be significant, from the market price of comparable Securities for which a liquid market exists. The scheme envisages to invest in highly liquid securities and thus we believe this risk is minimal to the scheme

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

Asset Class Risk:

The returns from the types of Securities in which the Scheme invests may underperform returns of

general Securities markets or different asset classes. Different types of Securities tend to go through cycles of out-performance and under-performance in comparison of Securities markets.

Calculation of NAV:

From time to time, materiality thresholds may apply in so far as it relates to errors in the calculation of NAV in accordance with SEBI Regulations. Unit holders should note that the AMC may not pay the Unit holders or the Scheme the amount of any difference in circumstances where any such materiality thresholds provided under SEBI Regulations are not exceeded. Therefore such differences may lead to a different economic result than if such amounts were paid and such errors, which are deemed to be immaterial, will not lead to a reissued and corrected NAV.

As a result, Investors/ Unit holders who have Subscribed for or Redeemed Units of the Scheme on a day on which the materiality thresholds had been applied, the Investors / Unit holders may receive a different economic result than they would have received had the error in calculation of the NAV not happened.

Risk of Changes in Borrowing Rates

The Scheme may borrow funds on a temporary basis within the limits set forth under the SEBI Regulations. The Scheme may choose to only borrow from the Custodian of the Scheme, and the borrowing rate imposed by the Custodian of the Scheme may change due to market conditions. As a consequence thereof, the borrowing rates imposed by the Custodian may not be the most competitive. The cost that would be allocated to the scheme would be as per the SEBI circular & guidelines issued from time to time.

RISK MITIGATION STRATEGIES

Tracking error & Tracking Difference Risk:

The Investment Manager would monitor the tracking error and tracking difference of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. The investment manager will endeavor to maintain low cash levels to minimize tracking error and tracking difference

Risk associated with Cash and Cash Equivalent: The scheme will invest in securities as per the intended allocation and thus this risk are low as compared to other risk mentioned above. The AMC will endeavor to minimize the Liquidity Risk, Interest Rate Risk, Reinvestment Risk.

Transaction in listed units: The AMC with help of market makers will monitor and ensure liquidity on the exchanges for trading the units of the ETF.

II. Information about the scheme:

A. Where will the scheme invest

Subject to the Regulations and the disclosures as made under the section “How the Scheme will allocate its Assets”, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Repos & Reverse Repos - Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds.
2. TREPS - TREPs is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available upto 1 year. Central Government securities including T-bills are eligible securities that can be used as collateral for borrowing through TREPs.
3. Treasury Bills - Treasury bills (T-bills) are short-term government securities issued at a discount to their face value and mature within one year. They do not pay periodic interest but provide returns by maturing at their full face value, with the difference between the purchase price and the maturity value representing the investor's earnings. T-bills are considered low-risk investments due to government backing.
4. Government Securities - Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Government Securities Act, 2006, as amended or re-enacted from time to time.
5. The portfolio of the Scheme shall adhere to the following conditions:
The Scheme will make investment in/purchase money market securities with maturity of upto 91 days only. In case of securities with put and call options (daily or otherwise), the residual maturity shall not be greater than 91 days.

Explanation:

In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity.

In case the principal is to be repaid in more than one payout, then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.

In case the maturity of the security falls on a non-business day, then the settlement of securities will take place on the next business day

Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only be permitted in the Scheme.

The securities mentioned in, “Where will the Scheme(s) invest?”, could be listed, to be listed, unlisted, privately placed, secured, unsecured, rated or unrated (subject to the rating or equivalency requirements discussed above) and of any maturity. The securities may be acquired through secondary market operations, primary issues/offerings, other public offers, Private Placement and negotiated deals amongst other mechanisms.

Applicable guidelines/other details where the scheme will invest:

Inter scheme asset transfer

Transfer of investments from one Scheme to another Scheme in the Mutual Fund shall be allowed as per guidelines prescribed under clause 12.30 of the SEBI Master Circular and amendments made from time to time. Further, clause 9.11 of the SEBI Master Circular, has prescribed the methodology for determination of price to be considered for inter-scheme transfers.

Overview of Money Market in India

Money market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. Money market assets are liquid and actively traded segment of fixed income markets.

Treasury bills are issued by the Government of India through regular weekly auctions, while Cash Management Bills are issued on an ad-hoc basis. They are mostly subscribed by banks, state governments, mutual funds and other entities. As on 31 May 2024, total outstanding treasury bills are Rs. 9,03,004 crore*.

Certificate of Deposits are issued by scheduled banks for their short-term funding needs. They are normally available for up to 365 days tenor. Certificate of deposits issued by public sector banks are normally rated A1+ (highest short-term rating) by various rating agencies. As on 31 May 2024, outstanding Certificate of Deposits are Rs. 3,69,209 crore*. Certificate of deposits currently trade at a spread of around 61 basis points** over comparable treasury bills as on 31 May 2024, for a one-year tenor.

Commercial Papers are issued by corporate entities for their short-term cash requirements. Commercial Papers are normally rated A1+ (highest short-term rating). As on 31 May 2024, total outstanding Commercial Papers are Rs. 4,03,970 crore*. Commercial papers trade at around 91 basis points** over comparable treasury bills as on 31 May 2024, for a one-year tenor.

Call Money, TREPS and CROMS are mainly used by the borrowers to borrow a large sum of money on an over-night basis. While Call Money is an unsecured mode of borrowing, TREPS and CROMS are secured borrowing backed by collaterals approved by the Clearing Corporation of India.

*Source: Reserve Bank of India Bulletin, Weekly Statistical Supplement, June 7, 2024.

B. What are the investment restrictions?

As per the Trust Deed read with the SEBI (MF) Regulations, the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with the investment objective, asset allocation and where will the Scheme invest, described earlier, as well as the SEBI (MF) Regulations, including Schedule VII thereof, as amended from time to time.

Subject to the asset allocation table of this document, the following investment restrictions are presently applicable:

1. Transfer of investments from one Scheme to another Scheme in the Mutual Fund shall be allowed as per guidelines prescribed under clause 12.30 of SEBI Master Circular and amendments made from time to time. Clause 9.11 of SEBI Master Circular has prescribed the methodology for determination of price to be considered for inter-scheme transfers.
2. 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. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the RBI in this regard.
3. The Mutual Fund shall get the securities purchased/transferred in the name of the Mutual Fund on account of the Scheme, wherever the instruments are intended to be of a long term nature.
4. The Scheme shall not make any investment in:
 - a. any unlisted security of any associate or group company of the Sponsors; or
 - b. any security issued by way of private placement by an associate or group company of the Sponsors; or
 - c. the listed securities of group companies of the Sponsors, which is in excess of 25% of the net assets.

5. Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose and the Mutual Fund shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of payment of interest or Income Distribution cum Capital Withdrawals to Unit Holders, provided that the Mutual Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of such borrowing shall not exceed a period of six months.
6. If any company invests more than 5 percent of the NAV of any of the Scheme, investment made by that Scheme or any other Scheme of the Mutual Fund in that company or its subsidiaries will be disclosed in accordance with the SEBI (MF) Regulations.
7. As per clause 12.24 of SEBI Master Circular,

The cumulative gross exposure through Debt (i.e Money Market securities (with maturity not exceeding 91 days), repo transactions 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 However, the following shall not be considered while calculating the gross exposure:

 - a) Security-wise hedged position and
 - b) Exposure in cash or cash equivalents with residual maturity of less than 91 days.
8. No sponsor of a mutual fund, its associate or group company including the asset management company of the fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, have -
 - a. 10% or more of the share-holding or voting rights in the asset management company or the trustee company of any other mutual fund; or
 - b. representation on the board of the asset management company or the trustee company of any other mutual fund.
9. The Scheme shall not make any investment in any fund of funds Scheme.
10. The Scheme shall not make any investment in our Own Mutual Fund Schemes or Other Mutual fund schemes
11. The Scheme shall not invest in ADR/GDR/overseas securities.
12. The Scheme will not invest in Securitized Debt.
13. The Scheme will not invest in Repo in corporate debt and corporate reverse repo.
14. The Scheme will not invest in unrated debt instruments.
15. The Scheme shall not engage in Short selling and Securities lending and borrowing.
16. The Scheme will not invest in Credit Default Swaps.
17. The Scheme will not invest in Debt instruments having Structured Obligations / Credit Enhancements.
18. The Scheme will not invest in securities having special features as per clause 12.2 of SEBI Master Circular.
19. The Scheme shall replicate duration of Index, in line with clause 3.5 and 3.6 of SEBI Master Circular, subject to maximum permissible deviation of +/- 10%.
20. The Scheme will comply with any other Regulation applicable to the investments of mutual funds from time to time.

These investment limitations/parameters as expressed (linked to the Net Asset/Net Asset

Value/capital) shall, in the ordinary course, apply as at the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any Scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Mutual Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, the AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unit Holders.

Tracking error:

Tracking Error is defined as the standard deviation of the difference between daily returns of the index and the NAV of the Scheme.

Thus Tracking Error is the extent to which the NAV of the Scheme moves in a manner inconsistent with the movements of the Scheme's benchmark index on any given day or over any given period of time due to any cause or reason whatsoever including but not limited to expenditure incurred by the Scheme, Income Distribution cum Capital Withdrawal payouts if any, whole cash not invested at all times as it may keep a portion of funds in cash to meet redemption etc.

Tracking Difference:

Tracking Difference is defined as the annualized difference of daily returns between the index and the NAV of the ETF Schemes.

Tracking difference of the Scheme shall be disclosed on the website of the AMC i.e. www.dspim.com and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

Annualized tracking difference averaged over one year period for Debt ETF scheme shall not exceed 1.25%. In case the average annualized tracking difference over one year period for Debt ETF scheme is higher than 1.25%, the same shall be brought to the notice of the Board of Trustees with corrective actions taken by the AMC, if any.

Apart from the Investment Restrictions prescribed under the SEBI (MF) Regulations, there are internal risk parameters for limiting exposure to a particular security, country or sector. Such parameters are prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The Trustee / AMC may alter the above stated limitations from time to time, and also to the extent the SEBI (MF) Regulations change, so as to permit the Scheme to make their investments in the full spectrum of permitted investments in order to achieve their investment objective.

All investment restrictions shall be applicable at the time of making investments.

C. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023:

(i) Type of a scheme

An open ended scheme replicating/ tracking BSE Liquid Rate Index. A relatively low interest rate risk and relatively low credit risk.

(ii) Investment Objective

- Main Objective - Please refer "Highlights/summary of the scheme"

- Investment pattern - Please refer “How will the Scheme allocate its assets?”

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption. Please refer, “Highlights/summary of the scheme”
- Aggregate fees and expenses charged to the Scheme. Please refer “Annual scheme recurring expenses”
- Any safety net or guarantee provided - Not applicable.

In accordance with Regulation 18(15A) read with 25(26) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal
- 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

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

D. Index methodology

ABOUT THE INDEX

BSE Liquid Rate Index is designed to measure the returns from a daily rolling deposit at the Tri-Party Repo (TREP) rate.

The aforesaid Index is calculated in Indian rupees using the TREP rate for transactions maturing on the following business day and with settlement T+0. Rates used are provided by Clearing Corporation of India Ltd (CCIL). The index represents the performance of a daily rolling deposit and does not undergo a rebalancing.

As the Scheme will invest in Tri-Party Repos, BSE Liquid Rate Index is a suitable benchmark for the scheme.

A detailed review of the Scheme and the performance of the Scheme vis-à-vis the benchmark will be placed before the board of directors of AMC and Trustee on a quarterly basis.

In terms of clause 1.8 of SEBI Master Circular, the board of directors of the AMC and Trustees may review the benchmark selection from time to time, and make suitable changes as to use of the benchmark or select an additional or replacement benchmark, or related to composition of the benchmark, whenever it deems necessary after recording an adequate justification for carrying out such change. However, change of benchmark and/or selecting additional benchmarks would be done in compliance with the relevant guidelines of SEBI in this regard.

The Fund Manager will bring to the notice of the board of directors of the AMC, specific factors if any, which are impacting the performance of the Scheme. The board of directors of the AMC on consideration of all relevant factors may, if necessary, give appropriate directions to the AMC. Similarly, the performance of the Scheme will be submitted to the Trustees. The Fund Manager / Chief Investment Officer will explain to the Trustees, the details on the Scheme’s performance vis- à-vis the benchmark returns.

BSE Liquid Rate Index Calculation

The index is calculated by applying the return implied by the TREP rate to the previous day's index level.

$$IndexTRt = (1 + [T + 1, T] \cdot 365 \cdot rt) \times IndexTRt-1$$

where: $IndexTRt$ = Index Value on current index calculation day t

$IndexTRt-1$ = Index Value on previous index calculation day $t - 1$

$[T + 1,]$ = Number of days between next index calculation day $t + 1$ and current index calculation day t

rt = Weighted Average TREP Rate published by CCIL on current index calculation day t for T+0 settlement type with $[T + 1, T]$ days to maturity

Note: $IndexTRt$ calculated on current day is the face value of the rolling deposit maturing on following business day

Reconstitution: Not Applicable

Constituent Weightage and Impact Cost: Not Applicable

E. Principles of incentive structure for market makers -

AMC does not intend to provide any performance based incentive to its Market Maker. However, performance based incentives structure as and when provided to Market Makers shall be charged to the Scheme within the maximum permissible limit of TER and the appropriately disclosure in this regard shall be made.

F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 13.6.2 of SEBI master circular for mutual funds dated May 19, 2023

Not applicable

G. Other Scheme Specific Disclosures:

Listing and transfer of units	<p><u>Listing of units:</u></p> <p>The Units of the scheme are listed on National Stock Exchange of India Limited and BSE Ltd and/or any recognised stock exchanges as may be decided by AMC from time to time. The Units of the Scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange(s). The AMC will appoint Market Makers to provide liquidity in secondary market on an ongoing basis. The Market Maker(s) would offer daily two-way quote (buy and sell quotes) in the market.</p> <p><u>Transfer of units</u></p> <p>In accordance with clause 14.4.4 of SEBI Master circular, units of all DSP BSE Liquid Rate ETF which that are held in demat form, will be transferable and will be subject to the transmission facility in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time.</p> <p>If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the transfer may be effected in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018, provided the transferee is otherwise eligible to hold the Units.</p> <p>Pledge of Units for Loans</p>
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	<p>Units can be pledged by the Unit Holders as security for raising loans, subject to any rules/restrictions that the Trustee may prescribe from time to time.</p> <p>Since the units shall be held in demat form, the rules of the respective DP will be applicable for pledge of the Units. Units held in demat form can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system.</p>
Dematerialization of units	<p>The Units of the Scheme are available only in dematerialized (electronic) form. Investors intending to invest in Units of the ETF will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units directly from the fund in Creation Unit Size. In case the demat details are not mentioned in the application or the mentioned details are incorrect / incomplete/illegible/ambiguous, such applications will be rejected.</p> <p>The Units of the Scheme will be issued, traded and settled compulsorily in dematerialized (electronic) form.</p>
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	Not Applicable
Maximum Amount to be raised (if any)	Not Applicable
Dividend Policy (IDCW)	Not Applicable
Allotment (Detailed procedure)	<ul style="list-style-type: none"> • All cases where clear funds have not been identified or received for whatsoever reasons, including technical clearing reasons, will not be considered for allotment and the amount will be refunded to the investor in due course. The AMC will not entertain any claims of allotment or compensation in such cases. • For investors who have given demat account details, the Units will be credited to the investor's demat account after due verification and confirmation from NSDL/CDSL of the demat account details. • Allotment to NRIs/FPIs will be subject to RBI approval, if required. Subject to the SEBI (MF) Regulations, the Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in the Trustee's sole discretion. As the Stock Exchange(s) do not allow trading of fractional units, Units will be allotted only in integers by rounding off the Units allotted to the lower integer and the balance amount will be refunded to the investor. • The Units issued by the AMC shall be credited by the Registrar to the investors' beneficiary account with the DP as per information provided in the application form and information of allotment will be accordingly sent by the Registrar.

	<ul style="list-style-type: none"> • The Mutual Fund reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by him/her/it for purchase of Units. <p>Allotment confirmation:</p> <p>As the units of the Scheme will be issued, traded and settled compulsorily in dematerialized (electronic) form, the statement provided by the Depository Participant will be equivalent to the account statement.</p> <p>Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.</p>
Refund	<p>If application is rejected, refunds will be completed within 5 Business Days from the transaction date for all cases where the remitter details are available. If the Mutual Fund refunds the amount after 5 Business Days, interest as specified by SEBI (currently, 15% per annum) shall be paid by the AMC. Refunds will be made through electronic modes such as RTGS, NEFT, Direct Credits & Cheques as applicable.</p>
<p>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.)</p>	<p>The following persons (subject to, wherever relevant, purchase of units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for subscription to the Units of the Scheme:</p> <ul style="list-style-type: none"> • Resident Adult Individuals either singly or jointly (not exceeding three) • Minors through parent/legal guardian • Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions) • Religious, Charitable and Private Trusts, under the provisions of 11(5) of Income Tax Act, 1961 read with Rule 17C of Income Tax Rules, 1962 (subject to receipt of necessary approvals as "Public Securities", where required) • Trustee of private trusts authorised to invest in mutual fund Scheme under the Trust Deed • Partnership Firms • Karta of Hindu Undivided Family (HUF) • Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions • NRIs/Persons of Indian Origin residing abroad on full repatriation basis (subject to RBI approval, if any) or on non-repatriation basis • Foreign Portfolio Investors (FPI) as defined in Regulation 2(1) (h) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 • Army, Air Force, Navy and other para-military funds • Scientific and Industrial Research Organisations • International Multilateral Agencies approved by the Government of India • Non-Government Provident/Pension/Gratuity funds as and when permitted to invest • Mutual Funds registered under the SEBI (Mutual Funds) Regulations, 1996 • Others who are permitted to invest in the Scheme as per their respective constitutions

	<ul style="list-style-type: none"> • The scheme of the Mutual Fund, subject to the conditions and limits prescribed in SEBI (MF) Regulations and/or by the Trustee, AMC or Sponsors (The AMC shall not charge any fees on such investments). • The AMC (No fees shall be charged on such investments). <p>Applicability and provisions of Foreign Account Compliance Act (FATCA)</p> <p>For further details relating to FATCA, investors are requested to refer SAI which is available on the website viz. www.dspim.com</p>
Who cannot invest	<p><u>Non-acceptance of subscriptions from U.S. Persons and Residents of Canada in the Scheme</u></p> <p>United States Person (U.S. Person), corporations and other entities organized under the applicable laws of the U.S. and Residents of Canada as defined under the applicable laws of Canada should not invest in units of any of the Schemes of the Fund and should note the following:</p> <ul style="list-style-type: none"> • No fresh purchases (including Systematic Investment Plans and Systematic Transfer Plans) /additional purchases/switches in any Schemes of the Fund would be allowed. However, existing Unit Holder(s) will be allowed to redeem their units from the Schemes of the Fund. If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Scheme of the Fund. <p>However, lump sum subscription and switch transactions requests received from U.S. persons who are Non-resident Indians (NRIs) /Persons of Indian origin (PIO) and at the time of such investment, are present in India and submit a physical transaction request along with such documents as may be prescribed by the AMC/ Trustee Company from time to time shall be accepted.</p> <p>The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC/ Trustee Company. The investor shall be responsible for complying with all the applicable laws for such investments. The AMC reserves the right to reject the transaction request or redeem with applicable exit load and TDS or reverse allotted units, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard.</p> <ul style="list-style-type: none"> • For transaction from Stock Exchange platform, while transferring units from the broker account to investor account, if the investor has U.S./Canadian address then the transactions would be rejected. • In case the AMC/Fund subsequently identifies that the subscription amount is received from U.S. Person(s) or Resident(s) of Canada, in that case the AMC/Fund at its discretion shall redeem all the units held by such person from the Scheme of the Fund at applicable Net Asset Value.

<p>How to Apply and other details</p>	<ul style="list-style-type: none"> • Investors intending to trade in Units of the Scheme, will be required to provide demat account details in the application form, as mentioned under ‘Dematerialisation’. • Please refer to the SAI and Application form for further details and the instructions. • Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or can be downloaded from our website www.dspim.com <p>The application form duly filled and signed by the Market Makers/Large Investors should be submitted at the Head Office of AMC. In case it is submitted at any AMC Branches, such branch shall facilitate in processing the transaction through the Head Office.</p> <ul style="list-style-type: none"> • Stock brokers registered with recognized stock exchange and empaneled with the AMC shall also be considered as ‘official point of Acceptance of Transaction’. • It is mandatory for every applicant to provide the name of the bank, branch, address, account type and account number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected.
<p>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.</p>	<p>Not applicable</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>In the event of an order being received from any regulatory authority/body, directing attachment of the Units of any investor, redemption of Units will be restricted in due compliance of such order.</p> <p>Suspension/Restriction on Redemption of Units of the Scheme</p> <p>Subject to the approval of the Boards of the AMC and of the Trustee and subject also to necessary communication of the same to SEBI, the redemption of / switch-out of Units of Scheme(s) of the Fund, may be temporarily suspended/ restricted. In accordance with clause 1.12 of the SEBI Master Circular and subject to prevailing regulations, restriction on/suspension of redemptions / switch-out of Units of the Scheme(s) of the Fund, may be imposed when there are circumstances leading to systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:</p> <ol style="list-style-type: none"> a) Liquidity issues: when market at large becomes illiquid affecting almost all securities rather than any issuer specific security; b) Market failures, exchange closures: when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies;

	<p>c) Operational issues: when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).</p> <p>Restriction on / suspension of redemption of Units of the Scheme(s) may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.</p> <p>When restriction on / suspension of redemption of Units of the Scheme(s) is imposed, the following procedure shall be applied:</p> <ol style="list-style-type: none"> i. No redemption / switch-out requests upto Rs. 2 lakhs shall be subject to such restriction. ii. Where redemption / switch-out requests are above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without such restriction and remaining part over and above Rs. 2 lakhs shall be subject to such restriction. 								
<p>Cut off timing for subscriptions/ redemptions/ switches</p>	<p>Cut-off timing for Subscriptions/ Redemptions</p> <p>Investors / Unit holders to note that the below mentioned Cut-off time are not applicable to transactions undertaken on a recognised stock exchange and are only applicable to transactions undertaken at the Official Points of Acceptance.</p> <p>Cut off timing for Subscriptions:</p> <table border="1" data-bbox="703 1003 1533 1809"> <thead> <tr> <th data-bbox="703 1003 1193 1037">Particulars</th> <th data-bbox="1193 1003 1533 1037">Applicable NAV</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1037 1193 1283"> <p>1. Where the application is received up to cut-off time of 1.30 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase are available for utilization before the cut-off time.</p> </td> <td data-bbox="1193 1037 1533 1283"> <p>NAV at the close of the day immediately preceding the day of receipt of application shall be applicable.</p> </td> </tr> <tr> <td data-bbox="703 1283 1193 1563"> <p>2. Where the application is received at the official point(s) of acceptance on a Business Day, irrespective of the time of receipt of subscription/purchase application, and the funds are not available for utilization before the cut-off time of 1:30 p.m. on the same Business Day.</p> </td> <td data-bbox="1193 1283 1533 1563"> <p>NAV at the close of the day immediately preceding the Business Day on which the funds are available for utilization shall be applicable.</p> </td> </tr> <tr> <td data-bbox="703 1563 1193 1809"> <p>3. where the application is received after 1.30 p.m. on a day at the Official Point(s) of Acceptance and the entire funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise</p> </td> <td data-bbox="1193 1563 1533 1809"> <p>Closing NAV of the day immediately preceding the next Working Day</p> </td> </tr> </tbody> </table> <p>For allotment of Units in respect of Purchase, it shall be ensured that Application is received before the applicable Cut-off time.</p>	Particulars	Applicable NAV	<p>1. Where the application is received up to cut-off time of 1.30 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase are available for utilization before the cut-off time.</p>	<p>NAV at the close of the day immediately preceding the day of receipt of application shall be applicable.</p>	<p>2. Where the application is received at the official point(s) of acceptance on a Business Day, irrespective of the time of receipt of subscription/purchase application, and the funds are not available for utilization before the cut-off time of 1:30 p.m. on the same Business Day.</p>	<p>NAV at the close of the day immediately preceding the Business Day on which the funds are available for utilization shall be applicable.</p>	<p>3. where the application is received after 1.30 p.m. on a day at the Official Point(s) of Acceptance and the entire funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise</p>	<p>Closing NAV of the day immediately preceding the next Working Day</p>
Particulars	Applicable NAV								
<p>1. Where the application is received up to cut-off time of 1.30 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase are available for utilization before the cut-off time.</p>	<p>NAV at the close of the day immediately preceding the day of receipt of application shall be applicable.</p>								
<p>2. Where the application is received at the official point(s) of acceptance on a Business Day, irrespective of the time of receipt of subscription/purchase application, and the funds are not available for utilization before the cut-off time of 1:30 p.m. on the same Business Day.</p>	<p>NAV at the close of the day immediately preceding the Business Day on which the funds are available for utilization shall be applicable.</p>								
<p>3. where the application is received after 1.30 p.m. on a day at the Official Point(s) of Acceptance and the entire funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise</p>	<p>Closing NAV of the day immediately preceding the next Working Day</p>								

	<ol style="list-style-type: none"> 1. Funds for the entire amount of Subscription /Purchase as per the application are credited to the bank account of the respective liquid Scheme before the Cut-off time. 2. The funds are available for utilization before the Cut-off time without availing any credit facility whether intra-day or otherwise, by the respective liquid Scheme. <p>The above provisions of Cut-off timings for Subscriptions are applicable for Purchase of Units directly with the Fund. However, DSP BSE Liquid Rate ETF, being an Exchange Traded Fund (ETF), the above provisions will not be applicable for Purchase of Units on the stock exchanges in which case the timings of the stock exchanges will be applicable.</p> <p>Cut off timing for Redemptions:</p> <ol style="list-style-type: none"> 1. In respect of valid applications received upto 3.00 pm by the Fund, the closing NAV of the day immediately preceding the next Working Day. 2. In respect of valid applications received after 3.00 pm by the Fund, closing NAV of the next Working Day shall be applicable. <p>As the Units issued under the Scheme are listed, the provisions of the Cut-off time are not applicable for transactions on the stock exchange.</p> <p>Pursuant to clause 3.6.2.3(b) of SEBI Master Circular, the requirement of “cut-off” timing for NAV applicability as prescribed by SEBI from time to time shall not be applicable for direct transaction with AMCs in ETFs by Market Makers and other eligible investors.</p>
<p>Minimum amount for purchase/redemption/switches</p>	<p>On an Ongoing basis the transaction requests (applicable for Market Makers/Large Investors) can be submitted at the head office of the AMC. In case the applications are received at any of the branch offices of the AMC, such branch office shall facilitate in sending the transaction requests to the head office of the AMC.</p> <p>Minimum Application Amount (subscription/redemption/switches):</p> <p>On The Exchange:</p> <p>Investors can subscribe (buy) and redeem (sell) Units on a continuous basis on the NSE/BSE on which the Units are listed. Subscriptions made through Stock Exchanges will be made by specifying the number of Units to be subscribed and not the amount to be invested. On the Stock Exchange(s), the Units of the Scheme can be purchased/sold in minimum lot of 1 (one) Unit and in multiples thereof.</p> <p>Directly from the Fund:</p> <p>The Scheme offers for subscriptions/redemptions only for Market Makers and Large Investors in ‘Creation Unit Size’ on all Business Days at a price determined on the intra-day NAV based on the executed price at which the securities representing the underlying index are purchased/sold.</p>

	<p>Additionally, the difference in the value of portfolio and cost of purchase/sale of Portfolio Deposit on the Exchange for creation/redemption of Units including the Cash Component and transaction handling charges, corporate action charges, if any, will have to be borne by the Market Maker/Large Investor.</p> <p>The Fund creates/redeems Units in large size known as “Creation Unit Size”. Each “Creation Unit” consists of 2500 Units. The value of the “Creation Unit” is the “Portfolio Deposit” and a “Cash Component” which will be exchanged for 2500 Units and/or subscribed in cash equal to the value of said predefined units of the Scheme.</p> <p>The Portfolio Deposit and Cash Component for the Scheme may change from time to time.</p> <p>The subscription/redemption of Units in Creation Unit Size will be allowed both by means of exchange of Portfolio Deposit and by cash.</p> <p>The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.</p>
Accounts Statements	<p>Under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996, the AMC/ RTA is required to send consolidated account statement for each calendar month to all the investors in whose folio transaction has taken place during the month. Further, SEBI vide its circular ref. no. CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts.</p>
Dividend/ IDCW	<p>The Scheme does not offer any Plans/ IDCW Options for investment. The AMC/Trustee reserves the right to introduce Plan(s)/Option(s) as may be deemed appropriate at a later date.</p>
Redemption	<p>The Redemption or repurchase proceeds shall be dispatched to Unit Holders within three Working Days from the date of acceptance of redemption or repurchase.</p> <p>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with Clause 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.</p>
Bank Mandate	<p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar/AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p> <p>Investor/s or /Unit Holder/s are requested to note that any one of the following documents shall be submitted by the investor/s or /Unit Holder/s, in case the cheque provided along with fresh subscription/new folio creation does not belong to the bank mandate specified in the application form:</p> <p>a. Original cancelled cheque having the First Holder Name printed on the cheque [or]</p>

	<p>b. Original bank statement reflecting the First Holder Name, Bank Account Number and Bank Name as specified in the application [or]</p> <p>c. Photocopy of the bank statement / bank pass book duly attested by the bank manager and bank seal preferably with designation and employee number [or]</p> <p>d. Photocopy of the bank statement / passbook / cancelled cheque copy duly attested by the AMC/ RTA branch officials after verification of original bank statement / passbook / cheque shown by the investor or their representative [or]</p> <p>e. Confirmation by the bank manager with seal, on the bank's letter head with name, designation and employee number confirming the investor details and bank mandate information.</p> <p>Where such additional documents are not provided for the verification of bank account for redemption or IDCW payment, the AMC reserves the right to capture the bank account used towards subscription payment for the purpose of redemption and IDCW payments.</p> <p>For more details on Multiple Bank Accounts Registration Facility, Bank Account Details, Change of Bank, please refer SAI.</p>
<p>Delay in payment of redemption / repurchase proceeds/dividend</p>	<p>As per SEBI (MF) Regulations, the Mutual Fund shall transfer the redemption proceeds within 3 Working Days from the date of redemption / repurchase.</p> <p>In the event of delay/failure to transfer the redemption/repurchase proceeds within the aforesaid 3 Working Days, the AMC will be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (currently @ 15% per annum).</p> <p>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with clause 14.1.3 of SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.</p>
<p>Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount</p>	<p>The treatment of unclaimed redemption and IDCW amounts shall be in terms of clause 14.3 of SEBI Master Circular.</p> <p>For further details, please refer SAI.</p>
<p>Disclosure w.r.t investment by minors</p>	<p>Note: For Investments 'On behalf of Minor': Where the investment is on behalf of minor by the guardian, please note the following important points.</p> <p>a. The minor shall be the sole and only first holder in the account. Nomination facility is not available for applications/ folios on behalf of a minor. Joint holders' details and nomination details, even if mentioned and signed will not be considered.</p> <p>b. Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian.</p> <p>c. Details like minor's date of birth, Guardian's relation with Minor, Guardian name, PAN, KYC are mandatory, along with supporting documents. Photo copy of the document evidencing the date of birth of minor like</p> <ol style="list-style-type: none"> i) Birth certificate of the minor, or ii) School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or iii) Passport of the minor, or iv) any other suitable proof should be attached with the application form.

	<p>d. Where the guardian is not a natural guardian (father or mother) and is a court appointed legal guardian, suitable supporting documentary evidence should be provided.</p> <p>e. If the mandatory details and/or documents are not provided, the application is liable to be rejected without any information to the applicant.</p> <p>f. Payment towards subscription/investment through any mode in units of the schemes of Fund shall be accepted from the bank account of the minor, bank account of the parent or legal guardian of the minor, or from a joint bank account of the minor with parent or legal guardian.</p> <p>g. All redemption proceeds shall be credited only in the verified bank account of the minor or a joint bank account of the minor with the parent or legal guardian after completing all KYC formalities.</p> <p>A minor Unit Holder, on becoming major, may inform the Registrar about attaining majority, and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card, KYC details and such other details as may be asked by AMC from time to time to enable the Registrar to update records and allow the minor turned major to operate the account in his own right.</p> <p>Further, all other requirement for investments by minor and process of transmission shall be followed in line with clause 17.6 of SEBI Master Circular read with SEBI Circular dated May 12, 2023 as amended from time to time.</p>
Trading in Units through Stock Exchange Mechanism	<p>The facility of transacting through the stock exchange mechanism enables investors to buy and sell the Units of the Scheme(s) through the stock brokers registered with the BSE and/or NSE in accordance with the guidelines issued by SEBI and operating guidelines and directives issued by NSE and/or BSE or such other recognized stock exchange in this regard and agreed with the Asset Management Company/Registrar and Transfer Agent. The investor shall be serviced directly by such stock brokers/ Depository Participant. The Mutual Fund will not be in a position to accept any request for transactions or service requests in respect of Units bought under this facility in demat mode.</p> <p>Transactions conducted through the Stock Exchange mechanism shall be governed by the SEBI (Mutual Funds) Regulations 1996 and operating guidelines and directives issued by NSE, BSE or such other recognized exchange in this regard.</p> <p>Further, in line with clause 16.2.12 of SEBI Master Circular as amended from time to time, investors can directly buy/redeem Units of the Scheme(s) through stock exchange platform.</p>
Payment details	<p>The CTS enabled cheque or demand draft should be drawn in favour of the 'Scheme Name', as the case may be, and should be crossed Account Payee Only.</p> <p>Applications not specifying Schemes/Plans/Options and/or accompanied by cheque/demand drafts/account to account transfer instructions favouring Schemes/Plans/Options other than those specified in the application form are liable to be rejected.</p> <p>Further, where the Scheme name as written on the application form and on the payment instrument differs, the proceeds may, at the discretion of the AMC be allotted in the Scheme as mentioned on the application form.</p>

KYC Requirements	<p>Investor are requested to take note that it is mandatory to complete the KYC requirements (including updation of Permanent Account Number) for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests are liable to be rejected, if the unit holders have not completed the KYC requirements.</p> <p>Notwithstanding in the above cases, the AMC reserves the right to ask for any requisite documents before processing of financial and non-financial transactions or freeze the folios as appropriate.</p> <p>Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA- KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records.</p>
Nomination	<p>Since the units of the scheme will be issued in electronic form in the depository account of the unit holder, the nomination registered with the Depository will be applicable to the units of the scheme.</p>
Process for change of address	<p>As units would be in demat mode, the procedure for change in address would be as determined by the depository participant.</p> <p>Investors who wish to change their address have to get their new address updated in their KYC records. Investor will have to submit a KYC Change Request Form in case of individual investors and KYC form in case of non individual investors along with proof of address and submit to any of the AMC Offices or CAMS Investor Service Centers. Based on the new address updated in the KYC records, the same will be updated in the investor folio.</p>
Non acceptance of third party payment	<p>In case of subscriptions, the Mutual Fund shall verify the bank account from which the funds have been paid for the subscription. In case it is identified that the funds have not come from the investor's bank account, the subscription will be rejected. Please refer SAI for Details.</p>
Requirement of Minimum Investors in the Scheme	<p>Being an open-ended Exchange Traded Fund, the guidelines issued by SEBI vide clause 6.11 of SEBI Master circular regarding Minimum Number of Investors in Scheme and that no single investor should account for more than 25% of the corpus of the scheme shall not be applicable to this Scheme.</p>
Pledge of Units For Loans	<p>Units can be pledged by the Unit Holders as security for raising loans, subject to any rules/restrictions that the Trustee may prescribe from time to time.</p> <p>Since the units shall be held in demat form, the rules of the respective DP will be applicable for pledge of the Units. Units held in demat form can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system.</p>

III. Other Details

- A. **Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund - Not Applicable**

B. Periodic Disclosures

<p>Half yearly Disclosures Portfolio (This is a list of securities where the corpus of each Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures)</p>	<p>In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website and website of AMC on or before the 10th day of succeeding month.</p> <p>The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.</p> <p>The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a unitholder.</p> <p>Refer to AMC website (link- https://www.dspim.com/mandatory-disclosures/portfolio-disclosures), AMFI website (link- https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure) for further details.</p>
<p>Fortnightly Portfolio Disclosure</p>	<p>The fortnightly portfolio of the Scheme shall be available in a user-friendly and downloadable format on the website viz. www.dspim.com on or before the fifth day of succeeding fortnight. In case of unit holders whose email addresses are registered with the Fund, the AMC shall send fortnightly portfolio via email within 5 days from the end of each fortnight. The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a unitholder.</p> <p>Refer to AMC website (link- https://www.dspim.com/mandatory-disclosures/portfolio-disclosures), AMFI website (link- https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure) for further details.</p>
<p>Half Yearly Financial Results</p>	<p>The Fund shall, before the expiry of one month from the close of each half year, (i.e. March 31 and September 30) shall display the unaudited financial results on www.dspim.com and the advertisement in this regards will be published by the Fund in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Fund is situated.</p> <p>Refer to AMC website (link- https://www.dspim.com/mandatory-disclosures/fund-financials), AMFI website (link- https://www.amfiindia.com/research-information/other-data/accounts-data) for further details.</p>
<p>Annual Report</p>	<p>Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website www.dspim.com and on the website of AMFI www.amfiindia.com. Annual Report or Abridged Summary will also be sent by way of e-mail to the investors who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.</p> <p>In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unit holders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the</p>

	<p>scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.</p> <p>Unit holders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unit holders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com</p> <p>The advertisement in this reference will be published by the Fund in all India editions of at least two daily newspapers, one each in English and Hindi. Investors are requested to register their e-mail addresses with Mutual Fund.</p> <p>Refer to AMC website (link- https://www.dspim.com/mandatory-disclosures/annual-reports), AMFI website (link- https://www.amfiindia.com/research-information/other-data/accounts-data) for further details.</p>
<p>Performance disclosure</p>	<p>In accordance with clause 5.9 of the SEBI Master Circular, the AMC shall disclose the performance of all schemes on the website of AMFI on a daily basis. The disclosure shall include other scheme AUM and previous day NAV.</p> <p>Refer to AMFI website (link- https://www.amfiindia.com/research-information/other-data/mf-scheme-performance-details) for further details.</p>
<p>Risk-o-meter</p>	<p>In accordance with clause 5.16.1 of the SEBI Master Circular, AMC, based on internal assessment, shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:</p> <p>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed.</p> <p>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed. The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark.</p> <p>Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- https://www.dspim.com/mandatory-disclosures/portfolio-disclosures) (For AMFI- refer link- https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation) . Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure) (for AMFI - refer Link https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation) .</p> <p>Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.</p>

<p>Compliance with Potential Risk Class Matrix norms</p>	<p>In line with clause 17.5 of the SEBI Master Circular, the PRC of the Scheme based on interest rate risk and credit risk of the Scheme is being classified.</p> <p>Further, the investors are requested to note following in accordance with the SEBI Master Circular read along with the clarification issued by AMFI:</p> <p>(i) when PRC cell classification is changed into a cell with either a higher interest rate risk or credit risk, mutual funds shall intimate to all unit holders about the change in the PRC value post completion of the fundamental attribute change (FAC) process. This shall be in addition to the intimation to unit holders about the proposed FAC and the 30-day exit period, prior to the change.</p> <p>(ii) the change in the PRC value due to investment actions, price changes, rating changes, etc. shall be determined as part of the day-end post trade compliance check and if the day end PRC value is higher than the maximum risk specified for either of the risks, it shall be rebalanced within a period specified in the Scheme Information Document of the Scheme. Such rebalancing shall be monitored by the Investment Management Committee of the AMC. However, the rule relating to maximum residual maturity of the instrument as per clause 19 of the SEBI Master circular shall be part of pre-trade checks. Further, only a permanent change in the PRC positioning of a scheme into a higher risk cell will be regarded as a FAC.</p>
<p>Dashboard</p>	<p>In accordance with clause 5.8.4 of the SEBI Master Circular, the AMC has developed a dashboard on the website wherein the investor can access information relating to scheme's AUM, investment objective, expense ratios, portfolio details and past performance of each scheme.</p> <p>Refer to AMC website (link- https://www.dspim.com/mandatory-disclosures/dashboard) for further details.</p>
<p>Tracking Error & Tracking Difference</p>	<p>Tracking Error: Tracking Error of the Scheme based on past one year rolling data, shall be disclosed on a daily basis, on the website of AMC i.e. www.dspim.com and AMFI.</p> <p>Tracking Difference: Tracking Difference shall be disclosed on the website of the AMC (i.e. www.dspim.com) and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.</p> <p>Refer to AMC website (link- https://www.dspim.com/invest/mutual-fund-schemes/exchange-traded-funds/bse-liquid-rate-etf/dsplr-direct-growth), AMFI website (link- https://www.amfiindia.com/research-information/other-data/tracking_errordata) for further details.</p>
<p>Issuer/Group/Sector Disclosure</p>	<p>The Scheme shall disclose the following on monthly basis:</p> <ol style="list-style-type: none"> i. Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme ii. Name and exposure to top 7 groups as a percentage of NAV of the scheme. iii. Name and exposure to top 4 sectors as a percentage of NAV of the scheme.

	Any change in constituents of the index, if any, shall be disclosed on the AMC website i.e. www.dspim.com on the day of change. Refer to AMC website (link- https://www.dspim.com/invest/mutual-fund-schemes/exchange-traded-funds/bse-liquid-rate-etf/dsplr-direct-growth) for further details.
Scheme Summary Document	The AMC has provided on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, etc. Scheme summary document is uploaded on the websites of AMC, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML). Website link- https://www.dspim.com/mandatory-disclosures/scheme-summary-document AMFI link - Research and Information - Scheme Details Best Mutual Funds India (amfiindia.com)
Constituents and Methodology of the Index	Updated constituents of the indices and methodology for the Scheme is available on the website of AMC (i.e. www.dspim.com) under Mandatory Disclosure section.
Special Consideration	Investor are requested to read special consideration section in SAI.

C. Transparency/NAV Disclosure

The Mutual Fund shall declare the NAV of the Scheme on every Business Day, on AMFI's website (www.amfiindia.com), by 11.00 p.m. and website of the AMC (www.dspim.com). The information on NAVs of the Scheme may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centres at various locations.

Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. NAV will be calculated and declared on every Business Day, except in special circumstances described under 'Suspension of Sale and Redemption of Units' in the SAI.

In case of delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs of the Scheme are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons for the delay and explaining when the Fund would be able to publish the NAVs.

Indicative NAV (iNAV):

The AMC shall also calculate indicative NAV and will be updated during the market hours on its website www.dspim.com. Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors.

Indicative NAV shall be disclosed on Stock exchange(s), where the units are listed, on continuous basis at least four times a day i.e. opening and closing iNAV and at least two times during the intervening period with minimum time lag of 90 minutes between the two disclosures or any such other time as may have prescribed by SEBI from time to time.

For transactions by Market Makers / large investors directly with the AMCs, intra-day NAV based on the executed price at which the securities representing the underlying index are purchased / sold will be applicable.

D. Transaction charges and stamp duty

Transaction Charges - AMC has discontinued the payment of transaction charges to distributors effective May 01, 2023. Accordingly, no transaction charges shall be deducted from the investment

amount given by the investor, for transactions / applications received through the distributors (i.e. in Regular Plan) and full investment amount will be invested in the Scheme.

Stamp Duty - Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.

For more details, investors are requested to refer SAI.

E. Associate Transactions

Please refer to SAI.

F. Taxation

The information provided is as per the provisions of the Income-tax Act, 1961 (“the Act”), as amended by the Finance Act, 2024. The information is provided for general information only. It does not purport to be a complete analysis of all relevant tax considerations; nor does it purport to be a complete description of all potential tax costs, tax incidence and risks for the investors. In view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Schemes. It is assumed that units of mutual fund are held as capital asset by the investors.

§Specified Mutual Funds

Particulars	Resident Investors		NRI/PIOs & Other Non-resident Investors other than FPI		FPI Investors		Mutual Fund
	Tax Rates	TDS Rates	Tax Rates	TDS Rates	Tax Rates	TDS Rates	Tax / TDS Rates
Tax on Income Distributed by Mutual Funds	Taxable at normal rates of tax applicable to the assessee	10% (under section 194K)	i.In respect of non-resident non-corporate Taxable at normal rates of tax applicable to the assessee (other than units purchased in foreign currency) ii.In respect of non-resident (not being company) or foreign corporates - 20%(for units purchased in foreign currency)	20% (u/s 196A) or as per applicable DTAA whichever is lower	20% (u/s 115AD)	20% (u/s 196D) or as per applicable DTAA whichever is lower	NIL (u/s 10(23D))
Capital Gains							
Long Term:							

Listed Units of a Specified Mutual Fund acquired prior to 1 April 2023	20% with indexation, (u/s 112)	NIL	20% with indexation, (u/s 112)	20% with indexation (u/s 195)	10% (u/s 115AD)	NIL	NIL (u/s 10(23D))
Unlisted Units of a Specified Mutual Fund acquired prior to 1 April 2023	20% with indexation, (u/s 112)	NIL	10% without indexation and no exchange fluctuation(u/s 112)	10% without indexation & exchange fluctuation (u/s 112)	10% (u/s 115AD)	NIL	NIL (u/s 10(23D))
Short Term:							
Units of a Specified Mutual Fund	Taxable at normal rates of tax applicable to the assessee	NIL	In respect of non-resident non-corporate Taxable at normal rates of tax applicable to the assessee. In respect of non-resident corporates - 40%.	30% for non-resident non corporates, 40% for non-resident corporates (u/s 195)	30% (u/s 115AD)	NIL	NIL (u/s 10(23D))

⁵"Specified Mutual Fund" means a Mutual Fund by whatever name called, where not more than 35 per cent of its total proceeds is invested in the equity shares of domestic companies. Finance Act 2023 has inserted Section 50AA in the Act. As per the said section, with effect from 1 April 2023, gains/losses from units of Specified Mutual Fund would be deemed to be short term capital gain/losses irrespective of period of holding i.e. the definition of holding for more than 36 months to be considered as long term capital asset shall not be applicable in case of such Funds. This is applicable for all such units which are acquired on or after Apr 1, 2023. For units which were acquired prior to that, rates applicable to long term capital gains shall be applicable if the units are held for a period of 36 months or more as on the date of redemption.

Additional

Notes:

Income of Mutual Fund is exempt from tax as per section 10(23D) of the Act.

Based on the investment objectives of the scheme, the scheme will potentially be classified as "Specified Mutual Fund" for the purpose of taxation. Accordingly, the rates covered above are as applicable to Specified Mutual Funds.

These rates should also be applicable to units acquired in case of consolidation of options under any scheme of a mutual fund (in the absence of any specific exemption provision in the Act)

The above rates are subject to surcharge as applicable (refer table below for rates) and Health and Education cess at the rate of 4% on income tax and surcharge.

Particulars	Income > 50 lakhs and upto 1 crores(in Rs)	Income > 1 cr and upto 2 cr(in Rs)	Income > 2 cr and upto 5 cr(in Rs)	Income > 5 cr and upto 10 cr(in Rs)	Income exceeding 10 cr(in Rs)
Resident and Non Resident	10%	15%	15%	15%	15%

Individuals / HUFs / BOIs / AOPs and Artificial juridical persons - Long Term Capital Gains (units acquired prior to 1 April 2023)					
Non Resident Individuals / HUFs / BOIs / AOPs and Artificial juridical persons - Short Term Capital Gains and Income Distribution	10%	15%	25%	25% [‡]	25% [‡]
Firms, Local authorities	-	12%	12%	12%	12%
Co-operative societies		7%	7%	7%	12%
Domestic Company		7%	7%	7%	12%
** (New regime under section 115BAA)	-	10%	10%	10%	10%
FII/ FPI, Foreign company	-	2%	2%	2%	5%
Please note surcharge is not applicable in case of TDS deducted on income distributed to resident investors under section 194K					

[‡] Finance Act, 2023 has amended surcharge rates for individuals and HUFs or association of persons [other than a cooperative society], or body of individuals, whether incorporated or not, or an artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 who opt for the new tax regime under section 115BAC. As per the amended section, the maximum rate of surcharge shall be 25% for income computed under section 115BAC of the Income tax Act, 1961 (new tax regime) instead of 37% under normal provisions (Old tax regime). The new tax regime would be the default tax regime from FY 2023-24 onwards.

** In case company opts for new regime of taxation, then the surcharge would be applicable at the rate of 10% irrespective of the taxable income.

The Finance Act 2021 introduced special provisions for higher rate of TDS in case of non-filers of Income tax return (referred to as “specified person”). Specified person does not include a non-resident who does not have permanent establishment in India. Finance Act 2023, with effect from 1st April, 2023, amended the said proviso to also exclude a person who is not required to furnish the return of income for the assessment year relevant to the said previous year and is notified by the Central Government in the Official Gazette in this behalf.

Any person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB (hereafter referred to as deductee), shall furnish his Permanent Account Number to the person responsible for deducting such tax (hereafter referred to as deductor), failing which tax shall be deducted at the higher of the following rates, namely:

- (i) at the rate specified in the relevant provision of this Act; or

- (ii) at the rate or rates in force; or
 - (iii) at the rate of twenty per cent.
- (i) name, e-mail id, contact number;
 - (ii) address in the country or specified territory outside India of which the non-resident is a resident;
 - (iii) a certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate;
 - (iv) Tax Identification Number of the non-resident in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the non-resident is identified by the Government of that country or the specified territory of which he claims to be a resident.

In case of investments by NRIs in closed ended funds during NFO, at the time of redemption of units, TDS will be deducted at the applicable rate. However, in respect of those Unit Holders who have acquired the units on the Stock Exchange post listing of units, the Unit Holders would need to provide a certificate from a Chartered Accountant certifying the details of acquisition of units to the Fund within two days of maturity of the Scheme, so as to enable the Fund to deduct TDS at the applicable rates. In the event of such details not being provided, the Fund would deduct TDS on the redemption proceeds at the highest rate of TDS applicable.

For detailed tax implications, please refer to 'SECTION VIII - TAX & LEGAL & GENERAL INFORMATION' provided in 'Statement of Additional Information ('SAI')'.

G. Rights of Unitholders- Please refer to SAI for details.

H. List of official points of acceptance: Website Link- <https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/list-of-investor-service-centers-iscs-official-points-of-official-points-of-acceptance-collecting-banker-details>

I. 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

Investors are requested to refer AMC website. (Link- <https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/penalties-pending-litigation-or-proceedings-findings-of-inspections-or-investigations>).

Undertaking from Trustees

The Trustees have ensured that DSP S&P BSE Liquid Rate ETF, approved by them, is a new product offered by DSP Mutual Fund and is not a minor modification of any existing scheme/fund/product. DSP S&P BSE Liquid Rate ETF has been approved by the Trustees on January 30, 2024

Notwithstanding anything contained in this SID, the provisions of the SEBI (MF) Regulations, 1996 and the guidelines there under shall be applicable.

**For DSP Trustee Pvt. Ltd.
Trustee: DSP Mutual Fund**

Sd/-
Shitin D. Desai
Director

Place: Mumbai
Date: June 26, 2024