

**Key Information Memorandum cum Application Form  
of Further Fund Offer 5 (FFO 5)**

**CPSE ETF**

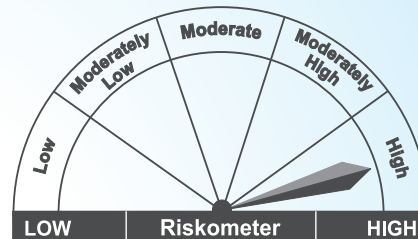
An Open-ended Index Exchange Traded Scheme

**Product labels**

**This product is suitable for investors who are seeking\*:**

- Long-term capital appreciation
- Investment in Securities covered by the Nifty CPSE Index.

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



Investors understand that their principal will be at High risk

**TRUSTEE**

**Corporate Office**

**Reliance Capital Trustee Co. Limited,**

CIN : U65910MH1995PLC220528

Reliance Centre, 7th Floor South Wing, Off Western Express Highway,  
Santacruz (East), Mumbai - 400 055.

Tel No. - 022- 33031000, Fax No. - 022- 33037662

E-mail : customer\_care@reliancecapital.com

'Touchbase' [Customer Helpline] 18602660111 (local charges applicable)

Overseas callers need to dial 91-22-68334800 (charges applicable).

Website: www.reliancecapital.com

**INVESTMENT MANAGER**

**Corporate Office**

**Reliance Nippon Life Asset Management Limited,**

CIN : L65910MH1995PLC220793

Reliance Centre, 7th Floor South Wing, Off Western Express Highway,  
Santacruz (East), Mumbai - 400 055.

Tel No. - 022- 33031000, Fax No. - 022- 33037662

**REGISTRAR**

**Karvy Fintech Private Limited**

Karvy Selenium Tower B, Plot number 31 & 32,  
Financial District, Nanakramguda, Serilingampally Mandal,  
Hyderabad, Telengana - 500032, India

**CUSTODIAN**

**Deutsche Bank A.G.**

Deutsche Bank House, Hazarimal Somani Marg Fort,  
Mumbai 400 001, India

**AUDITORS TO THE SCHEMES**

**Haribhakti & Co. LLP**

**Chartered Accountants**

705, Leela Business Park, Andheri Kurla Road, Andheri (E),  
Mumbai - 400 059, India

**Offer of Units of ₹ 10/- each (i.e. face value) for cash (on allotment, the value of each Unit would be approximately 1/100th of the value of Nifty CPSE Index) to be issued at a premium, if any, approximately equal to the difference between face value and FFO 5 Allotment Price during the Further Fund Offer 5 ("FFO 5") and at NAV based prices thereafter.**

For Anchor Investor		For Non Anchor Investor	
FFO 5 Period Opens on	July 18, 2019	FFO 5 Period Opens on	July 19, 2019
FFO 5 Period Closes on	July 18, 2019	FFO 5 Period Closes on	July 19, 2019

**The Ongoing Offer Period for the Scheme commenced on April 04, 2014**

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

**The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM. This KIM is dated July 15, 2019.**

<b>Investment Objective</b>	<p>The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty CPSE Index, by investing in the Securities which are constituents of the Nifty CPSE Index in the same proportion as in the Index.</p> <p>However the performance of the Scheme may differ from that of underlying index due to tracking error. There can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>				
<b>Investment Strategy</b>	<p>The AMC uses a "passive" or indexing approach to try and achieve Scheme's investment objective. The Scheme will invest atleast 95% of its total assets in the stocks of its underlying index in the same proportion as in the index</p>				
<b>How the Scheme is different from existing Open-ended Index Exchange Traded Scheme offered by the AMC</b>	<p><b>Name of the scheme</b></p>	<p><b>Investment Objective</b></p>	<p><b>Asset Allocation Pattern*</b></p>	<p><b>AUM and No. of Folios as on June 30, 2019</b></p>	<p><b>Differentiation</b></p>
<p><b>Reliance ETF Nifty BeES</b></p>	<p>To provide investment returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty 50 Index.</p>	<p>(i) Securities covered by Nifty 50 Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 1,260.79 Crs Folios – 38179</p>	<p>Reliance ETF Nifty BeES is an open-ended exchange listed index scheme which invests in Securities constituting the Nifty 50 Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF Junior BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the returns of Securities as represented by Nifty Next 50 Index.</p>	<p>(i) Securities covered by Nifty Next 50 Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 1,169.14 Crs Folios – 28864</p>	<p>Reliance ETF Junior BeES is an open-ended exchange listed index scheme which invests in Securities constituting Nifty Next 50 Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF Bank BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty Bank Index.</p>	<p>(i) Securities covered by the Nifty Bank Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 7,058.20 Crs Folios – 6867</p>	<p>Reliance ETF Bank BeES is an open-ended exchange listed index scheme which invests in Securities constituting Nifty Bank Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF PSU Bank BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty PSU Bank Index.</p>	<p>(i) Securities covered by the Nifty PSU Bank Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 160.52 Crs Folios – 2416</p>	<p>Reliance ETF PSU Bank BeES is an open-ended exchange listed index scheme which invests in Securities constituting Nifty PSU Bank Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF Shariah BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty50 Shariah Index by investing in Securities which are constituents of Nifty50 Shariah Index in the same proportion as in the index. Investors to note that Reliance ETF Shariah BeES is not a Shariah compliant scheme.</p>	<p>(i) Securities covered by the Nifty50 Shariah Index – 95% - 100%</p> <p>(ii) Cash – 0% - 5%</p>	<p>₹ 2.60 Crs Folios – 507</p>	<p>Reliance ETF Shariah BeES is an open-ended exchange listed index scheme which invests in Securities constituting Nifty50 Shariah Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF Infra BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty Infrastructure Index by investing in the Securities in the same proportion as in the index.</p>	<p>(i) Securities covered by the Nifty Infrastructure Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 12.97 Crs Folios – 1896</p>	<p>Reliance ETF Infra BeES is an open-ended exchange listed index scheme which invests in Securities constituting Nifty Infrastructure Index in the same proportion as in the index.</p>	
<p><b>Reliance ETF Hang Seng BeES</b></p>	<p>To provide returns that, before expenses, closely correspond to the total returns of Securities as represented by Hang Seng Index of Hang Seng Data Services Limited., by investing in the Securities in the same proportion as in the index.</p>	<p>(i) Securities constituting Hang Seng Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents, mutual fund schemes/overseas exchange traded funds based on Hang Seng Index - 0% - 5%</p>	<p>₹ 7.45 Crs Folios – 1051</p>	<p>Reliance ETF Hang Seng BeES is an open-ended exchange listed index scheme which invests in Securities constituting Hang Seng Index in the same proportion as in the index.</p>	
<p><b>CPSE ETF</b></p>	<p>The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty CPSE Index, by investing in the Securities which are constituents of the Nifty CPSE Index in the same proportion as in the Index.</p>	<p>(i) Securities constituting Nifty CPSE Index – 95% - 100%</p> <p>(ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash &amp; cash equivalents - 0% - 5%</p>	<p>₹ 9,682.07 Crs Folios – 162835</p>	<p>CPSE ETF is an open-ended exchange listed index scheme which invests in Securities constituting Nifty CPSE Index in the same proportion as in the index.</p>	

<b>Reliance ETF Nifty 100</b>	To provide investment returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty 100 Index, subject to tracking errors	(i) Securities constituting Nifty 100 Index – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days.- 0% - 5%	₹ 7.16 Crs Folios – 1,081	Reliance ETF Nifty 100 is an open-ended exchange listed index scheme which invests in Securities constituting Nifty 100 Index in the same proportion as in the index.
<b>Reliance ETF Consumption</b>	To provide investment returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty India Consumption Index, subject to tracking errors.	(i) Securities constituting Nifty India Consumption Index – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days and liquid schemes of Mutual Fund.- 0% - 5%	₹ 11.37 Crs Folios – 1026	Reliance ETF Consumption is an open-ended exchange listed index scheme which invests in Securities constituting Nifty India Consumption Index in the same proportion as in the index.
<b>Reliance ETF Dividend Opportunities</b>	To provide investment returns that, before expenses, closely correspond to the total returns of the securities as represented by the Nifty Dividend Opportunities 50 Index, subject to tracking errors	(i) Securities constituting Nifty Dividend Opportunities 50 Index – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days and liquid schemes of Mutual Fund.- 0% - 5%	₹ 2.02 Crs Folios – 499	Reliance ETF Dividend Opportunities is an open-ended exchange listed index scheme which invests in Securities constituting Nifty Dividend Opportunities 50 Index in the same proportion as in the index.
<b>Reliance ETF NV20</b>	To provide investment returns closely correspond to the total returns of the securities as represented by the Nifty50 value20 Index, subject to tracking errors.	(i) Securities constituting Nifty50 value20 Index – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days.- 0% - 5%	₹ 29.98 Crs Folios – 1600	Reliance ETF NV20 is an open-ended exchange listed index scheme which invests in Securities constituting Nifty50value20 Index in the same proportion as in the index.
<b>Reliance ETF Sensex</b>	To provide investment returns that, before expenses, closely correspond to the total returns of the securities as represented by the S&P BSE Sensex Index, subject to tracking errors.	(i) Securities constituting S&P BSE Sensex – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days.- 0% - 5%	₹ 20.13 Crs Folios – 157	Reliance ETF Sensex is an open-ended exchange listed index scheme which invests in Securities constituting S&P BSE Sensex in the same proportion as in the index.
<b>Reliance ETF Nifty Midcap 150</b>	To provide investment returns closely correspond to the total returns of the securities as represented by the Nifty Midcap 150 Index, subject to tracking errors.	(i) Securities constituting Nifty Midcap 150 Index – 95% - 100% (ii) Money Market instruments including Tri-Party Repo (with maturity not exceeding 91 days.- 0% - 5%	₹ 120.08 Crs Folios – 856	Reliance ETF NiftyMidcap 150 is an open-ended exchange listed index scheme which invests in Securities constituting Nifty Midcap 150 Index in the same proportion as in the index.
<b>Reliance ETF Long Term Gilt</b>	To provide investment returns closely correspond to the total returns of the securities as represented by the Nifty 8-13 yr Gsec Index, subject to tracking errors.	(i) Securities constituting Nifty 8-13 yr Gsec Index – 95% - 100% (ii) *Money Market Instruments (with maturity not exceeding 91 days).- 0% - 5%  *Money Market Instruments include commercial papers, commercial bills, treasury bills, and Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, Tri-Party Repos and any other like instruments as specified by the Reserve Bank of India from time to time.	₹ 1,002.12 Crs Folios – 364	Reliance ETF Long Term Gilt is an open-ended exchange listed index scheme which invests in Securities constituting Nifty 8-13 yr Gsec Index in the same proportion as in the index.
<b>Reliance ETF Gold BeES</b>	To provide investment returns that, before expenses, closely correspond to the total returns provided by Domestic prices of Gold through physical gold.	(i) Physical Gold and Gold Related Instruments* – 95% - 100% (ii) Money Market Instruments (with maturity not exceeding 91 days),including Tri-Party Repo, cash & cash equivalents, Securitised Debts*.- 0% - 5%  *Gold related instruments that may be permitted by SEBI from time to time.  *Investments in securitised debts can be made by the Scheme upto 5% of the net assets.	₹ 2,438.62 Crs Folios – 145389	Reliance ETF Gold BeES is an open-ended exchange listed scheme which invests in physical gold and gold related instrument.
<b>Reliance ETF Liquid BeES</b>	To provide current income, commensurate with relatively low risk while providing a high level of liquidity, primarily through a portfolio of treasury bills, Government Securities, Call Money, Collateralised Lending & Borrowing Obligation ("Tri-Party Repo") /similar instruments, Repos and Reverse Repos, and other Money Market Instruments.	(i) Treasury Bills & Government Securities,Call Money, Tri-Party Repos, Repos and Reverse Repos – 65% - 100% (ii) Other Money Market Instruments.- 0% - 35%	₹ 2,237.39 Crs Folios – 269458	Reliance ETF Liquid BeES is an open-ended exchange listed scheme which invests in Government Securities, treasury bills, Call Money, Tri-Party Repo/similar instruments, Repos and Reverse Repos and other Money Market Instruments.

**Asset Allocation Pattern of the Scheme**

Instruments	Indicative allocations (% of net assets)		Risk Profile
	Minimum	Maximum	
Securities covered by Nifty CPSE Index	95%	100%	Medium to High
Money Market Instruments (with maturity not exceeding 91 days), including Tri-Party Repo, cash & cash equivalents.	0%	5%	Low to Medium

The above stated percentages are indicative and not absolute.

The Scheme will not invest in securitized debt, ADR, GDR, foreign Securities, nor will it engage in short selling and Repo in corporate debt.

As the Nifty CPSE Index is an Equity index, the constituents of the index do not include debt Securities.

Cash and cash equivalents will include Cash Component of the Portfolio Deposit received for Subscription and payable on Redemptions, Dividend received by the Scheme which is pending deployment, etc.

The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible. Under normal circumstances, the AMC shall endeavor that the Tracking Error of the Scheme shall not exceed 2% per annum. There can be no assurance or guarantee that the Scheme will achieve any particular level of Tracking Error relative to performance of the underlying Index.

	<p>For the time duration of change in the index constituents, the Scheme may have to invest in Derivatives to maintain the respective weightages for the companies, constituting the index. Other than for purposes of portfolio rebalancing, the Scheme will not invest in Derivatives. These investments would be for a short period of time. The notional exposure of the Scheme in Derivative instruments shall be restricted to 10% of the net assets of the Scheme. The combined exposure of equity shares, debt Securities and gross notional exposure of Derivatives instruments shall not exceed 100% of the net assets of the Scheme.</p> <p>Subject to the SEBI Regulations as applicable from time to time, the Scheme may, if the Trustees permit, participate in securities lending. The maximum exposure of the Scheme to a single intermediary in the stock lending programme at any point of time would be limited to 5% of the market value of its equity portfolio or up to such limits as may be specified by SEBI. The Scheme will not lend more than 20% of its corpus.</p> <p><b>Change in Asset Allocation Pattern</b></p> <p>Subject to the SEBI Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. In the event that the asset allocation of the Scheme should deviate from the ranges as noted in the asset allocation table above, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table above within a period of 7 days (30 days in case of corporate actions) from the date of said deviation. Such changes in the asset allocation will be for short term and defensive considerations.</p> <p>Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations, as detailed in Section II (F) 'Fundamental Attributes' of the Supplement.</p>
<p><b>Risk Profile of the Scheme</b></p>	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. The Scheme is further subjected to risks which are briefly enumerated below:</p> <p><b>(i) Portfolio Concentration Risk</b></p> <p>To the extent that the Scheme may concentrate its investments in the Securities of companies of certain sectors, the Scheme will therefore be subject to the risks associated with such concentration. In addition, to the extent the Scheme may invest in small capitalization and/or newly-established companies, the Scheme may be exposed to higher levels of volatility and risk than would generally be the case in a more diverse fund portfolio of equity Securities. Such risks may impact the Scheme to the extent that it invests in particular sectors even in cases where the investment objective is more generic.</p> <p><b>(ii) Risk Associated with Investing in Equities</b></p> <ul style="list-style-type: none"> <li>• The Scheme is intended for long-term Investors who can accept the risks associated with investing primarily in Equity and Equity Related Securities. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis.</li> <li>• Equity and Equity Related Securities are subordinate in the right of payment (e.g., they will rank behind in a bankruptcy, etc.) to other corporate Securities, including debt Securities.</li> <li>• The portfolio price volatility and associated risks could be greater for investments in smaller, lesser-known companies as compared to investments in more mature or better-known firms.</li> <li>• The Scheme may concentrate its investments in the Securities of companies of certain sectors and will therefore be subject to the risks associated with such concentration.</li> <li>• The Scheme may invest in convertible Securities which have a similar risk and performance profile to the underlying equity shares when they are or are close to convertible.</li> <li>• If the Fund Manager does not receive sufficient advance notice of a voluntary corporate action by the issuer of the Security, such as an offer to purchase new shares, or to tender existing shares, of that Security at a certain price, the Fund Manager may not be able to elect to participate in that corporate action.</li> </ul> <p><b>(iii) Risks Associated with Investing in Indian Markets</b></p> <p>Investing in Indian markets may be affected by political, social, and economic developments affecting India, which may include changes in exchange rates and controls, interest rates, government policies, diplomatic conditions, hostile relations with neighbouring countries, taxation policies including the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on Dividend or interest payments, limitation on removal of funds or assets of the Scheme and ethnic, religious and racial disaffections or conflict.</p> <p><b>(iv) Risk relating to receiving underlying CPSE Securities from the GOI</b></p> <p>In the event the Scheme does not receive the underlying CPSE Securities from the GOI pursuant to the FFO 5, for any reason whatsoever, including on account of GOI terminating the agreement with the AMC (for sale of the underlying CPSE Securities to the Scheme) for breach of any terms under such agreement, the Scheme will not allot FFO 5 Units to the Investor and would refund the Subscription amount to the Investor in accordance with the provisions under the Supplement. In the event the Scheme has already allotted FFO 5 Units to the Investor in anticipation of receipt of the underlying CPSE Securities from the GOI, the AMC would cancel the FFO 5 Units allotted to the Investor and refund the Subscription amount to the Investor in accordance with the provisions under the Supplement.</p> <p><b>(v) Risk relating to CPSE Securities</b></p> <p>Since the CPSE companies are substantially owned by the GOI, the agenda of the GOI may at times be focused on the social good and therefore may not always be aimed at profit maximization for the Unit holder. The interests of the GOI may be different from the interests of Unit holders and as a result, the GOI may take actions with respect to the CPSE sector that may not be in the best interests of Unit holders. There can be no assurance that such incidents would not result in a fall in price of the underlying securities constituting the Nifty CPSE Index and correspondingly the NAV of the Scheme.</p> <p><b>(vi) Risk of Investment Strategy</b></p> <p>As the Scheme would be primarily investing in the stock of CPSE companies, any government policy which will have an impact on central public sector enterprises, including any change in the disinvestment policy of the government, could impact the performance of the Scheme.</p> <p><b>(vii) Risks relating to the proposed discount (if any) on the FFO 5 Reference Market Price</b></p> <p>Investors should note that the FFO 5 Reference Market Price for each of the constituents of the Nifty CPSE Index would be determined based on the average of the full day volume weighted average price (VWAP) of the constituents of the Nifty CPSE Index on the NSE during the Non Anchor Investor FFO 5 Period. This price could be different from the closing market price for each of the constituents of the Nifty CPSE Index on the FFO 5 Allotment Date. Since the AMC would be applying the discount offered by the GOI to the FFO 5 of the Scheme on the FFO 5 Reference Market Price, the discounted price for each of the constituents may or may not be lower than the closing market price for each of the constituents on the FFO 5 Allotment Date. Hence, the discounted price at which the Scheme would purchase shares of each of the constituents of the Nifty CPSE Index from the GOI from the FFO 5 Proceeds might not amount to a discount against the closing market price of the constituents on the FFO 5 Allotment Date. In the event an index constituent is purchased fully or partially from open market to meet the Maximum Amount to be Raised as stated in Section III – Further Fund Offer 5 of the Supplement, no discount will be offered on such purchase of index constituents from open market.</p> <p><b>(viii) Tracking Error Risk</b></p> <p>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 Scheme, corporate actions, cash balance, smaller Creation Unit size in case of Tap Structure (details of which are provided in Section III (B) (Tap Structure) of the SID (as amended from time to time), changes to the underlying index and regulatory restrictions, which may result in Tracking Error with the underlying index of the Scheme. The Scheme's returns may therefore deviate from 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 Scheme. The Fund Manager would monitor the Tracking Error of the Scheme on an ongoing basis and would seek to minimize the Tracking Error to the maximum extent possible. Under normal circumstances, the AMC shall endeavor that the Tracking Error of the Scheme shall not exceed 2% per annum. There can be no assurance or guarantee that the Scheme will achieve any particular level of Tracking Error relative to performance of the underlying Index.</p>

	<p><b>(ix) Passive Investments</b> The Scheme is not actively managed. Since the Scheme is linked to index, it may be affected by a general decline in the Indian markets relating to its underlying index. The Scheme as per its investment objective invests in Securities which are constituents of 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.</p> <p><b>(x) Risk Factors relating to Portfolio Rebalancing</b> In the event that the asset allocation of the Scheme deviates from the ranges as provided in the asset allocation table in the Supplement and/or the SID, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table within a period of 7 days from the date of said deviation. However, if market conditions do not permit the Fund Manager to rebalance the portfolio of the Scheme within the stipulated period of 7 days then the AMC would notify the Board of the Trustee Company and the Investment Committee of the AMC with appropriate justifications.</p> <p><b>(xi) Risk Factors in case of Corporate Actions</b> In case the Scheme invests in stocks of companies outside the Index due to corporate actions, then the Fund Manager will rebalance the portfolio of the Scheme to the position indicated in the asset allocation table within a period of 30 days from the date of said deviation. However, if market conditions do not permit exiting the corporate action within this stipulated period of 30 days then the AMC would notify the Board of the Trustee Company and the Investment Committee of the AMC with appropriate justifications.</p> <p><b>(xii) Units of the Scheme may trade at prices other than NAV</b> The Units of the Scheme may trade above or below its NAV. The NAV of the Scheme will fluctuate with changes in the market value of the holdings of the Scheme. The trading prices of the Units of the Scheme will fluctuate in accordance with changes in its NAV as well as market supply and demand for the Units of the Scheme. However, given that Units of the Scheme can be created and Redeemed in Creation Units directly with the Mutual Fund, it is expected that large discounts or premiums to the NAV of Units of the Scheme will not sustain due to arbitrage opportunity available.</p> <p><b>(xiii) Market Risk</b> The Scheme's NAV will react to the securities market movements.</p> <p><b>(xiv) Risk of Substantial Redemptions</b> Substantial Redemptions of Units within a limited period of time could require the Scheme to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Units being Redeemed and that of the outstanding Units of the Scheme.</p> <p><b>(xv) Volatility Risk</b> The equity markets and Derivative markets are volatile and the value of, Derivative contracts and other instruments correlated with the equity markets may fluctuate dramatically from day to day. This volatility may cause the value of investment in the Scheme to decrease.</p> <table border="1" data-bbox="378 793 1511 1228"> <thead> <tr> <th data-bbox="378 793 943 825">Risk</th> <th data-bbox="943 793 1511 825">Risk mitigation strategy</th> </tr> </thead> <tbody> <tr> <td data-bbox="378 825 943 1062"> <b>Market Risk</b> The Scheme is vulnerable to movements in the prices of securities invested by the Scheme, which could have a material bearing on the overall returns from the Scheme. The value of the Scheme's investments, may be affected generally by factors affecting securities 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 including equity and debt markets. </td> <td data-bbox="943 825 1511 1062"> Market risk is a risk which is inherent to an equity scheme. With the Scheme following a passive investment strategy, the Scheme will invest in Securities in accordance with the weightage in the underlying Nifty CPSE Index and will typically not seek to take any active risk relative to such index. As a passive scheme is designed to track an index, the Scheme aims to track Nifty CPSE Index, and aims to purchase Securities of the constituent companies as per the composition and weightages provided in the Nifty CPSE Index. Therefore, the specific market risk associated with the Nifty CPSE Index is inherent to this Scheme. Investors should however note the section on Tracking Error Risk set out below. </td> </tr> <tr> <td data-bbox="378 1062 943 1136"> <b>Liquidity Risk</b> The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests. </td> <td data-bbox="943 1062 1511 1136"> The underlying index will have constituents which have high level of liquidity. Hence liquidity issues in the Scheme related to underlying constituents is not envisaged. </td> </tr> <tr> <td data-bbox="378 1136 943 1228"> <b>Tracking Error Risk</b> The performance of the Scheme may not be commensurate with the performance of Nifty CPSE Index on any given day or over any given period. </td> <td data-bbox="943 1136 1511 1228"> The objective of the Scheme is that the NAV should closely track the performance of Nifty CPSE Index over the same period subject to tracking error. The Scheme would endeavor to maintain a low tracking error by actively aligning the portfolio in line with the index. </td> </tr> </tbody> </table> <p><b>Investors are requested to read the detailed sections on 'Standard Risk Factors' and the 'Scheme Specific Risk Factors' applicable to the Scheme provided in the Supplement &amp; the SID carefully before making investments in the Scheme.</b></p>	Risk	Risk mitigation strategy	<b>Market Risk</b> The Scheme is vulnerable to movements in the prices of securities invested by the Scheme, which could have a material bearing on the overall returns from the Scheme. The value of the Scheme's investments, may be affected generally by factors affecting securities 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 including equity and debt markets.	Market risk is a risk which is inherent to an equity scheme. With the Scheme following a passive investment strategy, the Scheme will invest in Securities in accordance with the weightage in the underlying Nifty CPSE Index and will typically not seek to take any active risk relative to such index. As a passive scheme is designed to track an index, the Scheme aims to track Nifty CPSE Index, and aims to purchase Securities of the constituent companies as per the composition and weightages provided in the Nifty CPSE Index. Therefore, the specific market risk associated with the Nifty CPSE Index is inherent to this Scheme. Investors should however note the section on Tracking Error Risk set out below.	<b>Liquidity Risk</b> The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests.	The underlying index will have constituents which have high level of liquidity. Hence liquidity issues in the Scheme related to underlying constituents is not envisaged.	<b>Tracking Error Risk</b> The performance of the Scheme may not be commensurate with the performance of Nifty CPSE Index on any given day or over any given period.	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<b>Plans and Options</b>	The Scheme offers only Growth Option. Unit holders to note that the Trustee may at their absolute discretion reserve the right to declare a Dividend from time to time (which will be paid out to the Unit holders) in accordance with the Dividend Policy set out in the Supplement & the SID.								
<b>Applicable NAV for Subscriptions / Redemptions (after the Scheme opens for repurchase and sale)</b>	<p><b>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.</b></p> <p>The Cut-off time for receipt of valid application for Subscriptions and Redemptions is 3.00 p.m. However, as the Scheme is an Exchange Traded Fund, the Subscriptions and Redemptions of Units would be based on the Portfolio Deposit and Cash Component as defined by the Mutual Fund for that respective Working Day.</p>								
<b>Further Fund Offer 5 Price</b>	<p>The FFO 5 Units being offered will have a face value of ₹ 10/- each and will be issued at a premium equivalent to the difference between FFO 5 Allotment Price and the face value of ₹ 10/- each. The FFO 5 Allotment Price would be approximately equal to 1/100th of Nifty CPSE Index and would be calculated post considering discount offered by GOI pursuant to FFO 5 of the Scheme for buying underlying Nifty CPSE Index shares out of the FFO 5 Proceeds.</p> <p>Please refer to Section III(A) – Allotment of the Supplement, for details on calculation of FFO 5 Allotment Price.</p>								
<b>Category of Investors (only during the FFO 5 period)</b>	<ul style="list-style-type: none"> <li>• Retail Individual Investors</li> <li>• Qualified Institutional Buyers or QIB</li> <li>• Non Institutional Investors</li> <li>• Anchor Investors</li> </ul>								
<b>Minimum Amount for Application in the FFO 5</b>	<p><b>For Non Anchor Investors</b> Retail Individual Investors can invest in the FFO 5 of the Scheme with a minimum investment amount of ₹ 5,000/- (Rupees Five Thousand only) and in multiples of ₹ 1/- thereafter. Non Institutional Investors / Qualified Institutional Buyers (other than Anchor Investors) can invest in the FFO 5 of the Scheme with a minimum investment amount of ₹ 2,00,001/- (Rupees Two Lakhs and One only) and in multiples of ₹ 1/- (Rupee One) thereafter.</p> <p><b>For Anchor Investor</b> Investors can invest in the FFO 5 of the Scheme with a minimum investment amount of ₹10 Crores (Rupees Ten Crores Only) and in multiples of ₹ 1/- thereafter.</p>								

<b>Application Size for Determining Investor Category</b>	<p><b>For Anchor Investors</b> The application amount must be atleast ₹ 10 Crores. Please refer to sections 'Allotment' and 'Illustration on Proportionate Amount to be Considered for Investing in FFO 5 of the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount Available for Respective Investor Categories' in this Section III (A) of the Supplement for details of the manner in which FFO 5 Units would be allotted in the event that the Subscriptions received from all Anchor Investors exceeds 30% (Thirty percent) of the Maximum Amount to be Raised.</p> <p><b>For Retail Individual Investors</b> The application amount by the Retail Individual Investor should not exceed ₹ 2,00,000 (Rupees Two Lakhs). If the application amount is over ₹ 2,00,000 (Rupees Two Lakhs), the same would be considered for allocation under the Non-Institutional portion. Please refer to sections 'Allotment' and 'Illustration on Proportionate Amount to be considered for investing in FFO 5 of the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount Available for Respective Investor Categories' in this Section III (A) of the Supplement for details of the manner in which FFO 5 Units would be allotted in the event that the Subscriptions received from all Retail Individual Investors and Qualified Institutional Buyers (Retirement Funds) exceeds 70% of the Maximum Amount to be Raised.</p> <p><b>For Non-Institutional Investors and QIBs (except Anchor Investors)</b> The application amount by a Non-Institutional Investor or a QIB (except an Anchor Investor) must exceed ₹ 2,00,000 (Rupees Two Lakhs). Please refer to sections 'Allotment' and 'Illustration on Proportionate Amount to be Considered for Investing in FFO 5 of the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount Available for Respective Investor Categories' in this Section III (A) of the Supplement for details of the manner in which FFO 5 Units would be allotted in the event that the Subscriptions received from all Non-Institutional Investors and QIBs (except Anchor Investors) exceeds the amount available for allocation to this category post allocation to Anchor Investors, Retail Individual Investors and Qualified Institutional Buyers (Retirement Funds).</p>																								
<b>Purchase of underlying Index constituents</b>	<p>Post closure of the FFO 5, the Scheme will purchase the underlying Index constituents fully or partially from the Seller, on behalf of the investors. In case of partial purchase of the underlying Index constituents from the Seller, the Scheme shall purchase the remaining portion of the underlying index constituents from the open market, on behalf of the investors.</p>																								
<b>Benchmark Index</b>	<p>Nifty CPSE TRI</p> <p><b>About the Index</b> Nifty CPSE Index is constructed in order to facilitate Government of India's initiative to dis-invest some of its stake in selected CPSEs. The Government opted for ETF route for disinvestment. The ETF shall track the performance of the Nifty CPSE Index. The index values are to be calculated on free float market capitalization methodology. The index has base date of 01-Jan-2009 and base value of 1000. Weights of index constituent shall be re-aligned (i.e. capped at 20%) on a quarterly basis after the expiry of the F&amp;O contracts in March, June, September and December.</p> <p><b>Selection Criteria's for the Nifty CPSE Index:</b> The CPSEs selected meet below mentioned parameters: 1. Included in the list of CPSEs published by the Department of Public Enterprise 2. Listed at National Stock Exchange of India Ltd. (NSE) 3. Having more than 51.5% government holding (stake via Govt. of India or President of India) under promoter category. 4. Companies having average free float market capitalization of more than 1,000 Cr. for six month period ending August 2018 are selected. 5. Companies which are IRDA dividend norms compliant shall be considered eligible to be included in the index</p> <p><b>Index Composition as on June 28, 2019 is as below:</b></p> <table border="1" data-bbox="380 1010 1511 1438"> <thead> <tr> <th>COMPANY NAME</th> <th>WEIGHTAGE (%)</th> </tr> </thead> <tbody> <tr> <td>NTPC Ltd.</td> <td>20.70%</td> </tr> <tr> <td>Coal India Ltd.</td> <td>19.67%</td> </tr> <tr> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>19.33%</td> </tr> <tr> <td>Indian Oil Corporation Ltd.</td> <td>16.96%</td> </tr> <tr> <td>REC Ltd.</td> <td>6.80%</td> </tr> <tr> <td>Power Finance Corporation Ltd.</td> <td>6.45%</td> </tr> <tr> <td>Bharat Electronics Ltd.</td> <td>4.99%</td> </tr> <tr> <td>Oil India Ltd.</td> <td>2.49%</td> </tr> <tr> <td>NBCC (India) Ltd.</td> <td>1.53%</td> </tr> <tr> <td>NLC India Ltd.</td> <td>0.61%</td> </tr> <tr> <td>SJVN Ltd.</td> <td>0.48%</td> </tr> </tbody> </table>	COMPANY NAME	WEIGHTAGE (%)	NTPC Ltd.	20.70%	Coal India Ltd.	19.67%	Oil & Natural Gas Corporation Ltd.	19.33%	Indian Oil Corporation Ltd.	16.96%	REC Ltd.	6.80%	Power Finance Corporation Ltd.	6.45%	Bharat Electronics Ltd.	4.99%	Oil India Ltd.	2.49%	NBCC (India) Ltd.	1.53%	NLC India Ltd.	0.61%	SJVN Ltd.	0.48%
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<b>Dividend Policy</b>	<p>In accordance with the SEBI Regulations on the procedure for declaration of Dividend, the Trustees may declare Dividend to the Unit holders under the Scheme subject to the availability of distributable surplus, and the actual distribution of Dividend, the frequency of distribution, the quantum of Dividend and the record date will be entirely at the discretion of the Trustees. Such Dividend will be payable to the Unit holders whose names appear on the register of Unit holders on the record date, as fixed by the Trustees for the Scheme. The Dividend declared, if any, shall be paid net of tax deducted at source, wherever applicable, to the Unit holders within 30 days from the declaration of Dividend, if any.</p> <p>The Scheme will follow the requirements stipulated in the listing agreement for declaration of dividend.</p> <p>The Trustees reserve the right to declare Dividends on a regular basis. The Fund does not guarantee or assure declaration or payment of Dividends. Such declaration of Dividend, if any, is subject to Scheme's performance and the availability of distributable surplus in the Scheme at the time of declaration of such Dividend.</p> <p><b>Effect of Dividend</b> If the Fund declares Dividend, the NAV of the Scheme will stand reduced by the amount of Dividend and dividend distribution tax (if applicable) paid. All the Dividend payments shall be in accordance and compliance with SEBI Regulations and Exchange regulations, as applicable from time to time.</p> <p><b>Procedure for distribution of Dividend</b> The Dividend proceeds may be paid by way of cheques, Dividend warrants / direct credit / NEFT / RTGS / ECS or any other manner to the Unit holder's bank account as specified in the Registrar's / Depository's records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. Please refer to the Statement of Additional Information for details on unclaimed Redemptions and Dividends.</p>																								
<b>Dematerialization</b>	<p>The Units of the Scheme will be available in dematerialized form. This helps in consolidating with other portfolio holdings.</p>																								

<b>Allotment pursuant to the FFO 5</b>	<p>Subject to (i) the achievement of the minimum target amount of ₹ 100 Crores during the FFO 5 Period; (ii) receipt of duly completed Application Forms; (iii) realization of the specified minimum Subscription amount from the Investor, and (iv) provisions set out in the paragraph on 'Rejection of the application' below, and (v) in case of Anchor Investors receipt of balance Subscription amount, allotment of FFO 5 Units applied for will be made within five business days from the date of closure of the Non Anchor Investor FFO 5 Period for all valid applications received during the FFO 5 Period. Investors to note that in case of over Subscriptions, allotment will be made on a proportionate basis as set out in the Supplement. Please refer to the Section on 'Illustration on Proportionate Amount to be Considered for Investing in FFO 5 of the Scheme from Different Investor Categories in Case their Total Application Amount Exceeds the Maximum Amount available for Respective Investor Categories' below for further details in this regard. Investors to also note that, in the event the Scheme does not receive the underlying CPSE Securities from the GOI for any reason whatsoever, the AMC/ Fund reserves the right to cancel the FFO 5 Units allotted to the Investor, reverse the transaction of crediting FFO 5 Units in the Unit holder's account and refund the Subscription amount received from the Investor in accordance with the provisions set out in the Supplement.</p> <p><b>Please note that any FFO 5 Units allotted to Anchor Investors during the FFO 5 period shall be locked-in for a period of 30 days from the FFO 5 Allotment Date.</b></p>
<b>Listing</b>	<p>The Mutual Fund had obtained an in-principal approval of NSE and BSE for listing the Units of the Scheme post NFO. The units of the Scheme are listed on NSE and BSE.</p> <p>The Mutual Fund would get the FFO 5 Units which are offered pursuant to the Supplement, listed on NSE and BSE on or before August 02, 2019. The trading will be as per the normal settlement cycle. The AMC reserves the right to list the FFO 5 Units on any other recognized stock exchange.</p>
<b>Special Products/ facilities available during the FFO 5</b>	<p>Investors can also Subscribe for FFO 5 Units of the Scheme during the FFO 5 Period by availing the NSE Mutual Fund (NMF-II) and the BSE Star MF platform/facilities provided by the NSE and BSE respectively for placing orders for Purchase of FFO 5 Units of the Scheme. Further the same shall also be available on NSE Mutual Fund (NMF-II) platform of NSE. Further, investors may also subscribe to the FFO 5 Units by availing the e-ETF facility under web based NSE e-IPO platform and the BSE iBBS Platform for MF through a registered trading member with a valid ARN number.</p> <p>The Scheme does not offer systematic investment plan, systematic transfer plan or systematic withdrawal plan.</p> <p><b>Switch into the Scheme</b> Investors who hold units in any of the schemes of Reliance Mutual Fund except Reliance Japan Equity Fund and Reliance US Equity Opportunities Fund may switch all or part of their holdings to the Scheme during the FFO 5 Period subject to the provisions in the SID of the respective transferor scheme. Switch-in requests are subject to the minimum application amount criteria specified for different investors category in the Supplement. All Switch requests during the FFO 5 Period will be processed based on the applicable NAV of the transferor scheme as on the date of receipt/ processing of application, however, the Switch-in requests under the Scheme (Transferee Scheme) during the FFO 5 Period will be processed on the date of the allotment of the FFO 5 Units. If the Unit Holder has specified both the amount (in Rs.) and the number of Units, switch-out of units from the transferor scheme will be carried out based on the number of units specified by the Unit Holder. Unit holders to note that in the event, the mode/ pattern of holding in the transferor scheme is different from the Demat account which is being used in the CPSE ETF FFO 5 purchase, the application will be liable for rejection.</p> <p><b>Auto Switch Facility:</b> This Scheme will offer an auto switch facility from all Liquid and Debt Schemes of Reliance Mutual Fund to CPSE ETF during the FFO 5. However, RNAM reserves the right to extend or limit the said facility on such terms and conditions as may be decided from time to time.</p> <p><b>Alternative Means of Transactions - Online Transactions</b> Facility of online transactions is available on the official website of Reliance Mutual Fund i.e. www.reliancefund.com. Consequent to this, the said website is declared to be an "official point of acceptance" for applications for subscriptions, redemptions, switches and other facilities. The Uniform Cut-off time as prescribed by SEBI and as mentioned in the Scheme Information Documents of respective schemes shall be applicable for applications received on the website. However, investors should note that transactions on the website shall be subject to the eligibility of the investors, any terms and conditions as stipulated by Reliance Mutual Fund/RNAM from time to time and any law for the time being in force.</p> <p><b>Appointment of MF Utilities India Private Limited (MFUI)</b> MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Accordingly, during the FFO 5 Period, investor can submit application for purchase of FFO 5 Units of the Scheme through MFU online (as and when this facility is available) or through authorized Points of Service (POS) published on MFUI website. Investors, please note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms &amp; conditions as stipulated by MFUI / Mutual Fund / the AMC from time to time and any law for the time being in force.</p> <p>Investors are requested to note that, MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFUI and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. Investors can visit the website of MFUI (www.mfuidia.com) to download the relevant forms.</p> <p>The AMC reserves the right to change/modify/withdraw the features mentioned in the above facility from time to time.</p>
<b>Minimum Target Amount</b>	<p>The Scheme seeks to collect a minimum target amount of ₹ 100 Crores during the FFO 5 Period.</p> <p>This is the minimum amount required to be collected from the FFO 5 and if this is not collected during the FFO 5 Period, then in accordance with the SEBI Regulations, all the Investors who have invested through FFO 5 would be refunded the amount invested without any return as mentioned in the section on 'Refund' in the Supplement. In addition to the above, refund of the Subscription amount to Investors whose applications are invalid for any reason whatsoever, will commence after the allotment process is completed, the AMC shall not incur any liability whatsoever, in this regard, for interest or any other sum.</p>
<b>Anchor Investor Portion</b>	<p>The portion not exceeding 30% (Thirty percent) of the Maximum Amount to be Raised (if any) as stated in Section III – Further Fund Offer 5 of the Supplement, shall be available for allocation to Anchor Investors on a proportionate basis.</p> <p>Please note that in case of under-Subscription in this category, the under subscribed portion will be available for spill-over from the Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion at the discretion of the AMC. If even after the spill-over from the Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion, the Anchor Investor Portion remains under subscribed, then the balance shall be met by spillover from the Qualified Institutional Buyers (other than Retirement Funds) and Non Institutional Investor Portion.</p>
<b>Anchor Investor Subscription Amount</b>	<p>Anchor Investors shall pay a margin of at least 25% (Twenty Five percent) of the Subscription amount during the Anchor Investor FFO 5 Period, with the balance to be paid on or before the closure of the Non Anchor Investor FFO 5 Period. If the Anchor Investor does not pay the balance amount by the closure of the Non Anchor Investor FFO 5 Period, then the margin amount paid by the Anchor Investor shall be forfeited and credited to the FFO 5 Proceeds of the Scheme.</p> <p>The Anchor Investor will not be able to withdraw / modify its application once submitted to the AMC</p> <p><b>Please note that any FFO 5 Units allotted to Anchor Investors during the FFO 5 period shall be locked-in for a period of 30 days from the FFO 5 Allotment Date.</b></p>

<b>Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion</b>	<p>Atleast 70% (Seventy percent) of the Maximum Amount to be Raised (if any) as stated in Section III – Further Fund Offer 5 plus any under subscribed portion of Anchor Investor, shall be available for allocation to Retail Individual Investors and Qualified Institutional Buyers (Retirement Funds) on a proportionate basis in the manner set out in the Supplement at the discretion of the AMC.</p> <p>Please note that in case of under subscription in this category, the undersubscribed portion of this category (which includes any under-subscription of the Anchor Investor Portion), will be available for allocation to Qualified Institutional Buyers (other than Retirement Funds) and Non Institutional Investor Portion at the discretion of the AMC.</p>																																						
<b>Qualified Institutional Buyers (other than Retirement Funds) and Non Institutional Investor Portion</b>	<p>Upto 100% (One Hundred percent) of the residuary portion available (if any) from Maximum Amount to be Raised (if any) following any under-subscription of the Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion (which includes any under-subscription of the Anchor Investor Portion) as stated in Section III – Further Fund Offer 5 of the Supplement, shall be available for allocation to Qualified Institutional Buyers (other than Retirement Funds) and Non Institutional Investors on a proportionate basis in the manner set out in the Supplement at the discretion of the AMC.</p> <p><b>Please note that allocation will be made to this category only to the extent of any under subscription in the Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion which would also include any under subscription of Anchor Investor portion. If Retail Individual Investor and Qualified Institutional Buyers (Retirement Funds) Portion is oversubscribed, then no allocation will be made to Qualified Institutional Buyers (other than Retirement Funds) and Non Institutional Investors.</b></p> <p><b>Please note that under-subscription in this category if any, will be allowed to be met by any spill-over from the Anchor Investor Portion.</b></p>																																						
<b>Maximum Amount to be Raised (if any)</b>	<p>An "Initial Amount" of ₹ 8,000 crores plus an "Additional Amount" (if any) - The AMC, on the instruction of the Seller/ The Government of India, shall notify the "Additional Amount" (if any) to the investors vide public notification/ addendum post closure of Non Anchor Investor FFO 5 Period ("Initial Amount" and "Additional Amount" shall be collectively referred as "Maximum Amount to be Raised").</p>																																						
<b>Units Offered at Premium/ Discount</b>	<p>As the Units of the Scheme can be bought / sold directly from the Mutual Fund, this mechanism provides efficient arbitrage between the traded prices and the NAV, thereby reducing the incidence of the Units of the Scheme being traded at premium / discounts to NAV.</p> <p>In the FFO 5, each FFO 5 Unit of the Scheme being offered will have a face value of ₹ 10/- (Rupees Ten) each and will be issued at a premium, if any, approximately equal to the difference between the face value and the FFO 5 Allotment Price. The FFO 5 Allotment Price would be approximately equal to 1/100th of Nifty CPSE Index and would be calculated post adjusting discount offered by GOI to FFO 5 of the Scheme for buying the underlying Nifty CPSE Index shares out of the FFO 5 Proceeds.</p> <p>Please refer to Section III (A) of the Supplement – Allotment, for details on calculation of FFO 5 Allotment Price.</p>																																						
<b>Discount Offered by GOI to FFO 5 of the Scheme</b>	<p>A discount of 3% (Three percent) on the "FFO 5 Reference Market Price" of the underlying Nifty CPSE Index shares shall be offered to FFO 5 of the Scheme by GOI. The DIPAM, through its letter F.No.9/5/2009-DD-II (Pt.XIII) dated July 08, 2019 conveyed the approval granted by the Alternate Mechanism (AM) for the discount of 3% (Three percent) to be offered to the FFO 5 of the Scheme for buying the underlying Nifty CPSE Index shares from GOI. The purchase from GOI would be out of the FFO 5 Proceeds received by the Scheme towards Subscription of its FFO 5 Units by all categories of Investors. Investors should note that the above mentioned discount on the 'FFO 5 Reference Market Price' may not be a discount to the closing market price of the underlying shares of Nifty CPSE Index on the FFO 5 Allotment Date. Post closure of FFO 5, the Scheme will purchase the underlying Index constituents from GOI. In the event an index constituent is purchased fully or partially from open market to meet the Maximum Amount to be Raised as stated in Section III – Further Fund Offer 5 of the Supplement, no discount will be offered on such purchase of index constituents from open market.</p> <p><b>Please note that this discount offered by GOI will only be applicable to the investors investing in the Scheme through the FFO 5.</b></p>																																						
<b>Name of the Fund Manager</b>	<p>Vishal Jain. He has been managing CPSE ETF Scheme since November 06, 2018.</p>																																						
<b>Name of the Trustee Company</b>	<p>Reliance Capital Trustee Company Limited</p>																																						
<b>Performance of the Scheme</b>	<p><b>(a) Absolute Returns for each financial year for last 5 years</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>CPSE ETF</th> <th>Nifty CPSE TRI**</th> </tr> </thead> <tbody> <tr> <td>FY 14-15</td> <td>39.21%</td> <td>22.53%</td> </tr> <tr> <td>FY 15-16</td> <td>-18.86%</td> <td>-19.11%</td> </tr> <tr> <td>FY 16-17</td> <td>43.62%</td> <td>44.13%</td> </tr> <tr> <td>FY 17-18</td> <td>-0.81%</td> <td>-0.77%</td> </tr> <tr> <td>FY 18-19</td> <td>-2.48%</td> <td>-2.24%</td> </tr> </tbody> </table> <p><b>(b) Compounded Annualised Returns (%) as on June 30, 2019</b></p> <table border="1"> <thead> <tr> <th>Period</th> <th>CPSE ETF</th> <th>Nifty CPSE Index</th> <th>Nifty CPSE Total Returns Index**</th> </tr> </thead> <tbody> <tr> <td>Returns for the last 1 year</td> <td>10.67</td> <td>6.46</td> <td>10.95</td> </tr> <tr> <td>Returns for the last 3 year</td> <td>10.80</td> <td>6.34</td> <td>10.99</td> </tr> <tr> <td>Returns for the last 5 years</td> <td>1.52</td> <td>-2.25</td> <td>1.57</td> </tr> <tr> <td>Returns Since Inception</td> <td>9.81</td> <td>3.40</td> <td>7.24</td> </tr> </tbody> </table> <p>Returns since inception are calculated from the date of allotment i.e. March 28, 2014. Dividends (if any) are assumed to be reinvested at the prevailing NAV. Distribution taxes (if any) are excluded while calculating the returns. After payment of Dividend, NAV will fall to the extent of the payout and statutory levy (if applicable). Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.</p> <p>Note : **TRI - Total Returns Index reflects the returns on the index arising from (a) constituent stock price movements and (b) dividend receipts from constituent index stocks.</p>	Year	CPSE ETF	Nifty CPSE TRI**	FY 14-15	39.21%	22.53%	FY 15-16	-18.86%	-19.11%	FY 16-17	43.62%	44.13%	FY 17-18	-0.81%	-0.77%	FY 18-19	-2.48%	-2.24%	Period	CPSE ETF	Nifty CPSE Index	Nifty CPSE Total Returns Index**	Returns for the last 1 year	10.67	6.46	10.95	Returns for the last 3 year	10.80	6.34	10.99	Returns for the last 5 years	1.52	-2.25	1.57	Returns Since Inception	9.81	3.40	7.24
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<p><b>(i) Load Structure</b></p>	<p><b>Entry Load : Nil</b> <b>Exit Load : Nil</b></p> <p>Load amounts are variable and are subject to change from time to time and the Investor is requested to check the prevailing Load structure of the Scheme before investing.</p> <p>For the current applicable structure, please refer to the website of the Mutual Fund, <a href="http://www.reliancemutual.com">www.reliancemutual.com</a> or call at 1860-266-0111 (local charges applicable), and Investors outside India can call at 91-22-68334800 (charges applicable) or your Distributor.</p> <p>There is no Entry Load / Exit Load for Subscription / Redemption of the Units of the Scheme in Creation Unit Size. However, during the process of creation / Redemption there will be transaction costs, other incidental expenses and equalization of Dividend and this will form part of the Cash Component. Further, there is no Entry / Exit Load on Units of the Scheme bought or sold through the secondary market, i.e. on the NSE and BSE. However, an Investor would be paying cost in the form of a bid and ask spread and brokerage, as charged by his broker for buying / selling Units of the Scheme, any other statutory charges which may be applicable from time to time.</p> <p>Any change in the Load structure shall apply on a prospective basis and in no case the same would affect the existing Investors adversely. The Investor is requested to check the prevailing Load structure of the Scheme before investing. For any change in Load structure, AMC will issue the notice and display it on the AMC Website / Investor Service Centres.</p> <p>The Mutual Fund may charge Load within the stipulated limit of 7% and without any discrimination in favor of any specific group of Unit holders. The AMC will ensure that the Redemption Price will not be lower than 93% of the NAV and difference between the Redemption Price and Purchase Price will not exceed 7% calculated on the Purchase Price.</p> <p>No entry or exit load will be levied on transactions with Authorized Participants and Large Investors during FFO 5 or continuous offer.</p> <p>Investor other than APs/Large investors can directly approach AMC and no exit load shall be charged for redemption of units if</p> <p>a) Traded price of the ETF units is at discount of more than 3% to the NAV for continuous 30 days, or</p> <p>b) Discount of bid price to NAV over a period of 7 consecutive days is greater than 3%, or</p> <p>c) No quotes are available on exchange for 3 consecutive trading days, or</p> <p>d) 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> <p>In such a scenario, for valid applications received up to 3 p.m. the Mutual Fund shall process the redemption request on the basis of the closing NAV of the day of receipt of application.</p>																																				
<p><b>(ii) Transaction Charges</b></p>	<p>Investors to note that the AMC/ Mutual Fund may deduct transaction charges, details of which are provided in Section IV (C) (Transaction Charges) of the Supplement, from the Subscription amount. The amount so deducted shall be paid to the empanelled AMFI registered Distributor / agent of the Investor (in case the empanelled AMFI registered Distributor / agent has "opted in" to receive the transaction charge for this type of product) and the balance shall be invested in the Scheme.</p>																																				
<p><b>(iii) Recurring expenses</b></p>	<p>These are the expected fees and expenses for operating the Scheme. These expenses include investment management and advisory fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given below.</p> <p>Annual scheme recurring expenses are fees and expenses for operating the Scheme. Illustrated in the table below are examples of recurring expenses chargeable to the Scheme. These are aimed to assist the Investor to understand the composition of various costs and expenses that an Investor of the Scheme will bear directly or indirectly and are permitted under Regulation 52 of the SEBI Regulations. The AMC would update the current expense ratios on the website of the mutual fund at least three working days prior to the effective date of the change. Further Actual Expense ratio will be disclosed at the following link <a href="https://www.reliancemutual.com/investor-services/downloads/total-expense-ratio-of-mutualfund-schemes">https://www.reliancemutual.com/investor-services/downloads/total-expense-ratio-of-mutualfund-schemes</a></p> <p>Estimated Expense Structure:</p> <p>The AMC has estimated the fees and expenses for the Scheme, on an annual basis, expressed as a percentage of daily net assets as follows:</p> <table border="1" data-bbox="378 1115 1513 1570"> <thead> <tr> <th>Expense Description: Expense Head</th> <th>% of daily Net Assets</th> </tr> </thead> <tbody> <tr><td>Investment management and advisory fees</td><td></td></tr> <tr><td>Trustee fee</td><td></td></tr> <tr><td>Audit fees</td><td></td></tr> <tr><td>Custodian fees</td><td></td></tr> <tr><td>RTA Fees</td><td></td></tr> <tr><td>Listing &amp; licensing fees</td><td></td></tr> <tr><td>Marketing and selling expense</td><td></td></tr> <tr><td>Cost related to investor communications</td><td></td></tr> <tr><td>Cost of fund transfer from location to location</td><td></td></tr> <tr><td>Cost of providing account statements and Dividend / Redemption cheques and warrants</td><td>0.0095%</td></tr> <tr><td>Costs of statutory advertisements</td><td></td></tr> <tr><td>Cost towards investor education &amp; awareness (at least 2 bps)</td><td></td></tr> <tr><td>Brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively</td><td></td></tr> <tr><td>Goods &amp; Service tax on expenses other than investment and advisory fees</td><td></td></tr> <tr><td>Goods &amp; Service tax on brokerage and transaction cost paid for execution of trades*</td><td></td></tr> <tr><td>Other Expenses**</td><td></td></tr> <tr><td><b>Maximum total expense ratio (TER)</b></td><td><b>0.0095%</b></td></tr> </tbody> </table> <p>The Scheme shall not incur any distribution expenses and no commission shall be paid by this Scheme.</p> <p>*To the extent incurred on the brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively.</p> <p>** As permitted under Regulation 52 of the SEBI Regulations.</p> <p>Investors should note that the actual annual recurring expenses of the Scheme will be variable in nature and will be subject to changes over time but within the limit prescribed above. For details on the latest actual current expenses charged to the Scheme, the Investor should refer to the website of the Mutual Fund on <a href="http://www.reliancemutual.com">www.reliancemutual.com</a></p> <p>The above expenses are fungible within the overall maximum limit prescribed under SEBI (Mutual Funds) Regulations, 1996, which means there will be no internal sub-limits on expenses and AMC is free to allocate them within the overall TER.</p> <p>AMC/ Mutual Fund will set apart 0.02% on daily net assets for investor education and awareness initiatives from the maximum recurring expenses provided above</p> <p>Goods &amp; Service tax on investment management and advisory fees, to the Scheme will be, in addition to the maximum annual recurring expenses that may be charged to the Scheme.</p> <p>As permitted under Regulation 52(6A) of SEBI Regulations, brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, over and above 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions may be charged to the Scheme within the maximum limit of the Total Expense Ratio (TER). Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the Trustee or Sponsor.</p> <p>Subject to the SEBI Regulations and the Offer Document, expenses over and above the prescribed ceiling will be borne by the AMC, Trustees or the Sponsor.</p> <p>The Trustee/ AMC reserves the right to change the expenses of the Scheme as capped above as and when it is allowed by SEBI to charge higher expenses under the Scheme.</p> <p>The Investor should refer to the website of the Fund for the actual fees charged.</p> <p><b>Actual expenses (annualised) for the previous financial year i.e. 2018-19 as a percentage of daily net assets was 0.035% (Exclusive of Goods &amp; Service tax on Investment Management and Advisory Fees)</b></p>	Expense Description: Expense Head	% of daily Net Assets	Investment management and advisory fees		Trustee fee		Audit fees		Custodian fees		RTA Fees		Listing & licensing fees		Marketing and selling expense		Cost related to investor communications		Cost of fund transfer from location to location		Cost of providing account statements and Dividend / Redemption cheques and warrants	0.0095%	Costs of statutory advertisements		Cost towards investor education & awareness (at least 2 bps)		Brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively		Goods & Service tax on expenses other than investment and advisory fees		Goods & Service tax on brokerage and transaction cost paid for execution of trades*		Other Expenses**		<b>Maximum total expense ratio (TER)</b>	<b>0.0095%</b>
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<b>Waiver of Load for Direct Applications</b>	As per SEBI Regulations, no Entry Load shall be charged for existing/prospective Investors of the Scheme.																																																								
<b>Tax Treatment for the Unit holders</b>	Investors are advised to refer to the details in the Statement of Additional Information (SAI) and also independently refer to their own tax advisor.																																																								
<b>Daily Net Asset Value (NAV) Publication</b>	The NAV of the Scheme shall be calculated and announced on all Working Days. The AMC shall update the NAVs on the website of the Mutual Fund ( <a href="http://www.reliancecmutual.com">www.reliancecmutual.com</a> / <a href="http://www.reliancecmf.com">www.reliancecmf.com</a> ) and on the website of AMFI ( <a href="http://www.amfiindia.com">www.amfiindia.com</a> ) by 9.00 p.m. on every Working Day. Further, AMC shall extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.																																																								
<b>Computation of NAV</b>	<p>The Net Asset Value (NAV) of the Units will be determined daily or as prescribed by the Regulations. The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time.</p> $\text{NAV} = (\text{Market or fair value of the Scheme's investments} + \text{current assets} - \text{current liabilities and provision (including accrued expenses)}) / \text{No. of Units outstanding under Scheme on the valuation date}$ <p>Example: If the applicable NAV is Rs. 10.00, sales/entry load if any is 2 per cent and the exit/repurchase load is 2 percent then the sales price will be Rs. 10.20 and the repurchase price will be Rs. 9.80.</p>																																																								
<b>For Investor Grievances please contact</b>	<p><b>Karvy Fintech Private Limited</b> : Karvy Selenium Tower B, Plot number 31 &amp; 32, Fincial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India</p> <p><b>Reliance Mutual Fund</b>: Reliance Centre, 7th Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055. Tel No. - 022-3303 1000, Fax No. - 022-3303 7662, Email - <a href="mailto:customer_care@reliancecmutual.com">customer_care@reliancecmutual.com</a></p>																																																								
<b>Unitholders' Information:</b>	<p>Accounts statement / transaction alert (on each transaction), Annual financial results and Half yearly portfolio disclosure shall be provided to investors by post or published or in such other manner as per SEBI Regulations.</p> <p><b>Employee Unique Identification Number (EUIDN)</b> would assist in tackling the problem of misselling even if the employee/relationship manager/sales person leave the employment of the distributor.</p> <p><b>For further details on the Scheme, investors are advised to refer to the Supplement, the Scheme Information Document and Statement Of Additional Information.</b></p>																																																								
<b>Portfolio Turnover Ratio of the Scheme</b>	<p>Portfolio turnover is the term used by the Fund for measuring the amount of trading that occurs in a Scheme's portfolio during a specified period of time. The Scheme is an open ended Scheme. It is therefore expected that there would be a number of Subscriptions and Redemptions on a daily basis. There may be frequent transaction to buy and sell the Securities resulting in increase in transaction cost. At the same time frequent transactions may increase the profits and which can offset the increase in cost. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. However, the Fund Manager will endeavour to optimize the portfolio turnover to minimize risk and maximize gains while keeping in mind the cost associate with such transaction.</p> <p>Portfolio Turnover Ratio of the Scheme is 3.32 as on June 28, 2019</p>																																																								
<b>Portfolio of the Scheme</b>	<p>The Scheme's top 10 portfolio holdings by issuer and sector allocation as of June 30, 2019 :</p> <p><b>Top 10 Portfolio Holdings:</b></p> <table border="1"> <thead> <tr> <th>No.</th> <th>Company Name</th> <th>Sector</th> <th>Weightage (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>NTPC Ltd.</td> <td>Energy</td> <td>20.68</td> </tr> <tr> <td>2</td> <td>Coal India Ltd.</td> <td>Metals</td> <td>19.65</td> </tr> <tr> <td>3</td> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>Energy</td> <td>19.31</td> </tr> <tr> <td>4</td> <td>Indian Oil Corporation Ltd.</td> <td>Energy</td> <td>16.94</td> </tr> <tr> <td>5</td> <td>REC Ltd.</td> <td>Financial Services</td> <td>6.79</td> </tr> <tr> <td>6</td> <td>Power Finance Corporation Ltd.</td> <td>Financial Services</td> <td>6.45</td> </tr> <tr> <td>7</td> <td>Bharat Electronics Ltd.</td> <td>Industrial Manufacturing</td> <td>4.99</td> </tr> <tr> <td>8</td> <td>Oil India Ltd.</td> <td>Energy</td> <td>2.48</td> </tr> <tr> <td>9</td> <td>NBCC (INDIA) Ltd.</td> <td>Construction</td> <td>1.52</td> </tr> <tr> <td>10</td> <td>NLC India Ltd.</td> <td>Energy</td> <td>0.60</td> </tr> </tbody> </table> <p><b>Sector Allocations:</b></p> <table border="1"> <thead> <tr> <th>Sector</th> <th>% Allocation</th> </tr> </thead> <tbody> <tr> <td>Energy</td> <td>60.49%</td> </tr> <tr> <td>Metals</td> <td>19.65%</td> </tr> <tr> <td>Financial Services</td> <td>13.24%</td> </tr> <tr> <td>Industrial Manufacturing</td> <td>4.99%</td> </tr> <tr> <td>Construction</td> <td>1.52%</td> </tr> </tbody> </table> <p>Link to obtain schemes latest monthly portfolio holding - <a href="https://www.reliancecmutual.com/investor-services/downloads/factsheets/">https://www.reliancecmutual.com/investor-services/downloads/factsheets/</a></p>	No.	Company Name	Sector	Weightage (%)	1	NTPC Ltd.	Energy	20.68	2	Coal India Ltd.	Metals	19.65	3	Oil & Natural Gas Corporation Ltd.	Energy	19.31	4	Indian Oil Corporation Ltd.	Energy	16.94	5	REC Ltd.	Financial Services	6.79	6	Power Finance Corporation Ltd.	Financial Services	6.45	7	Bharat Electronics Ltd.	Industrial Manufacturing	4.99	8	Oil India Ltd.	Energy	2.48	9	NBCC (INDIA) Ltd.	Construction	1.52	10	NLC India Ltd.	Energy	0.60	Sector	% Allocation	Energy	60.49%	Metals	19.65%	Financial Services	13.24%	Industrial Manufacturing	4.99%	Construction	1.52%
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<b>No. of folios &amp; Assets under Management as on June 30, 2019</b>	<p><b>No. of Folios: 162835</b></p> <p><b>Assets Under Management: ₹ 9,682.07 Crores</b></p>																																																								
<b>Aggregate Investments in the scheme by Board of Directors / Fund Managers / Other Key Managerial Persons as on June 30, 2019</b>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Aggregate Investments (Rs. in lakhs)</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>Nil</td> </tr> <tr> <td>Fund Managers</td> <td>2.54</td> </tr> <tr> <td>Other Key Managerial Persons</td> <td>24.94</td> </tr> </tbody> </table> <p><b>Note:</b> Investment by Executive Director-cum-CEO is included in the aggregate investments by Other Key Managerial Persons.</p>	Particulars	Aggregate Investments (Rs. in lakhs)	Board of Directors	Nil	Fund Managers	2.54	Other Key Managerial Persons	24.94																																																
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### Disclaimers by NSE

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/231070-F dated February 20, 2014 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. The NSE has also vide its communication dated July 10, 2019 permitted the Mutual Fund to use the above disclaimer in this Supplement.

### Disclaimers by BSE

BSE Ltd. ("BSE") has given vide its letter DCS/IPO/NP/IP/693/2013-14 dated February 21, 2014 permission to the Mutual Fund to use BSE's name in the SID as one of the stock exchanges on which this Scheme's Units are proposed to be listed. BSE has scrutinized the SID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. BSE does not in any manner:-

1. Warrant, certify or endorse the correctness or completeness of any of the contents of the SID; or
2. Warrant that this Scheme's Unit will be listed or will continue to be listed on the BSE; or
3. 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 the SID has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any Unit of the Scheme of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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. The BSE has also vide its communication dated July 10, 2019 permitted the Mutual Fund to use the above disclaimer in this Supplement.

### Disclaimer by Index Provider

Performance of the Nifty CPSE Index will have a direct bearing on the performance of the Scheme. In the event that Nifty CPSE Index is dissolved or is withdrawn by the index provider NSE Indices Limited (formerly known as India Index Services & Products Limited ("IISL")) or in case the License Agreement executed with index provider for licensing of Nifty CPSE Index is terminated, subject to necessary approvals, including prior written approval from the The Department of Investment and Public Asset Management(DIPAM), the Trustee reserves a right to modify the Scheme so as to track a different and suitable index and the procedure stipulated in the SEBI Regulations shall be complied with.

- a. The product i.e. the Scheme is not sponsored, endorsed, sold or promoted by NSE Indices Limited. NSE Indices Limited does not make any representation or warranty, express or implied to the owners of the product or any member of the public regarding the advisability of investing in Securities generally or in the product particularly or the ability of Nifty CPSE Index to track general stock market performance in India. The relationship of NSE Indices Limited to Reliance Nippon Life Asset Management Limited (RNAM) is only in respect of the licensing of certain trademarks and trade-names of their index, which is determined, composed and calculated by NSE Indices Limited without regard to RNAM or any product. NSE Indices Limited does not have any obligation to take the needs of RNAM or the Unit holders of the product into consideration in determining, composing or calculating Nifty CPSE Index. NSE Indices Limited is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the product to be issued or in the determination or calculation of the equation by which the product are to be converted into cash. NSE Indices Limited has no obligation or liability in connection with the administration or marketing or trading of the product.
- b. "NSE Indices Limited does not guarantee the accuracy and/or the completeness of the Nifty CPSE Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. NSE Indices Limited makes no warranty, express or implied, as to the results to be obtained by the RNAM, Unit holders of the product or any other persons or entity from the use of the Nifty CPSE Index or any data included therein. NSE Indices Limited makes no express or implied warranties and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE Indices Limited expressly disclaims any and all liability for any damages or losses arising out of or related to the product, including any and all direct, special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages."

An investor, by subscribing or purchasing an interest in the product(s), will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it. The offer and sale of the Units has not been registered pursuant to an effective registration statement under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or approved or disapproved by the United States Securities and Exchange Commission or the securities or regulatory agency of any state in the United States. The offer and sale of the Units is made in reliance upon the exemption from registration contained in Regulation S of the U.S. Securities Act ("Regulation S"), and the regulations promulgated thereunder relating to limited offering transactions. Units will be offered to non-U.S. persons (as that term is defined in Regulation S) and will not be offered for sale in the United States or its territories or possessions.

The Scheme will not be registered as an "investment company" under the United States Investment Company Act of 1940, as amended (the "U.S. Investment Company Act") and Reliance Nippon Life Asset Management Limited will not be registered as an "Investment Adviser" under the United States Investment Advisers Act of 1940, as amended. Accordingly, Investors who acquire Units will not be entitled to the protections afforded by such acts. Please refer to the Section II(C) (Special Considerations) for further details in this regard.

Units may not be acquired by or for the benefit of U.S. Persons, employee benefit plans to which Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA") applies, certain other plans (such as individual retirement accounts and Keogh plans) that, although not subject to ERISA, are subject to certain similar rules of the United States Internal Revenue Code of 1986, as amended (the "Code") and entities whose assets are treated as "plan assets" of any such plans or accounts under ERISA, or any entities that hold the assets of such plans, accounts or entities (collectively, "Prohibited Purchasers"). An attempted purchase of Units by such persons may be ineffective and may result in mandatory Redemption, repurchase or transfer. By purchasing Units, whether during the FFO 5 Period or by secondary market purchase, an Investor will be deemed to have represented to the Scheme and the Mutual Fund that it is not a Prohibited Purchaser.