MUTUAL FUNDS Sahi Hai

Groww
MUTUAL FUND

Investment Manager : Groww Asset Management Ltd. (formerly known as Indiabulls Asset Management Co. Ltd.) **(CIN -** U65991HR2008PLC095063)
Corporate Office : 1202A -12A Floor, One World Centre, Lower Parel, Mumbai - 400 013, Maharashtra **Tel:** +91 22 69744435
Registered Office : Plot No. 422, Udyog Vihar, Phase-IV, Gurgaon, Haryana - 122 016, **Tel:** (0124) - 6681199

Notice cum addendum no. 29/2023

Notice cum Addendum to the Scheme Information Document (SID), Key Information Memorandum (KIM) of the below mentioned Schemes of Groww Mutual Fund (formerly known as Indiabulls Mutual Fund)

NOTICE is hereby given that Groww Trustee Limited (formerly known as Indiabulls Trustee Company Limited), Trustee to Groww Mutual Fund (Formerly known as Indiabulls Mutual Fund) ("the Fund") in their meeting held on June 30, 2023 has decided to merge Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund) (Merging Scheme) and Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) ("Merging Scheme") with Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ("Surviving Scheme"). Further, SEBI, has also issued its no objection to the said merger vide its email dated September 01, 2023.

Merger of Scheme is considered as a change in the fundamental attributes for the Scheme's is in accordance with paragraph 2.2.1 of Master Circular dated May 19, 2023 issued by SEBI necessitating compliance with the requirements as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations").

As per Regulation 18(15A) of the MF Regulations, change in fundamental attributes can be carried out only after the unit holders of the Scheme have been informed of the change via written communication and an option to exit the Scheme within a period of 30 days at the prevailing NAV without any exit load is provided to them. These changes will be effective from the closure of business hours on October 26, 2023 ("Effective Date"). Existing Unit holders for the units of Merging schemes and Surviving scheme held by them as on September 22, 2023 will be eligible for the exit without any exit load by redeeming the units.

In addition to the conditions specified under regulation 18(15A), the Trustees have also taken into consideration the comments of SEBI, prior to effecting a change in fundamental attributes of the Scheme(s). For further details with respect to the merger please refer to the points mentioned below:

1. **Name of Scheme (s):**

   Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund) ('Merging Scheme') & Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) (Merging Scheme) collectively known as ('Merging Scheme(s)')

   Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ('Surviving Scheme')

2. **Proposal**

   It is proposed to merge Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund) and Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) ("Merging Schemes") with Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ("Surviving Scheme").

3. **Rationale for merger:**

   The AUM of Groww NIFTY50 ETF is small, has limited liquidity and high cost for the investor. Groww Arbitrage Fund, on similar lines, has inadequate arbitrage opportunities given its small size. The merger will help investors of the Merging Schemes to continue their investments in a well-balanced, diversified portfolio of large cap stocks.

   The merger as envisaged above will not result in emergence of any new scheme as the Merging Schemes will be merged in the Surviving Scheme. Post-merger, the investments under the Surviving Scheme will be in accordance with the investment objective and asset allocation of the Surviving Scheme and the investments under the merging Scheme shall be in accordance with the investment objective and allocation of the Surviving Scheme.

4. **Consequences of Merger:**

   Consequent to aforesaid merger, there will be no change in the name or other attributes of the Surviving Scheme except for the one mentioned in the above table. The investment objective, asset allocation, investment pattern, annual scheme recurring expenses and all other provisions as contained in the Scheme Information Document of the Surviving Scheme will remain unchanged post the merger except as mentioned above. Thus, no new scheme will come into existence as a result of the aforesaid merger.

   - On the effective date of the merger of schemes, the unit holders of Merging Scheme as at the close of business hours, who has provided their consent for merger, will be allotted units under the corresponding option of the Surviving Scheme at the last available applicable Net Asset Value ("NAV") on the effective date. Provided that, where units are held without distributor code in the Option /Plan of the Merging Scheme, such Unit holders will be allotted corresponding units in the Direct Option / Plan of the respective Surviving Scheme. In case of any pledge / lien / other encumbrance marked on any units in the Merging Options, the same shall be marked on the corresponding number of units allotted in the respective Surviving scheme.
   - A fresh account statement reflecting the new units allotted under the Surviving Scheme, will be sent by the Fund to the Unit holders of the Merging Scheme. Upon allotment of units in the Surviving Scheme, all provisions under the Surviving Scheme will apply. However, the period of holding for the purpose of exit load, if any, will be computed from the date of allotment of corresponding original units in the Surviving Scheme.

5. **Exit Period**

   Accordingly, existing Unit holders of the Merging Scheme and Surviving Scheme as on September 22, 2023 (record date) till 3.00 p.m. i.e. date of publication of this notice-cum-addendum (including those whose valid purchase / switch in applications have been received by the Fund upto cut-off time) are provided an option to exit, at the prevailing NAV without exit load, if any, from September 27, 2023 to October 26, 2023 (upto 3:00 p.m. on October 26, 2023 (both days inclusive)), if they are not agreeable for the merger.

6. **Effective date of merger**

   The effective date of the merger shall be October 27, 2023

7. **Basis of allotment of new units by way of a numerical illustration purpose only:**

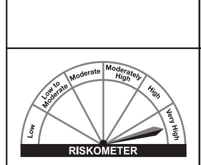
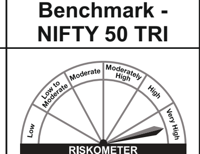
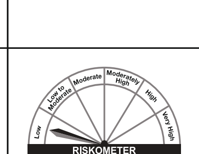
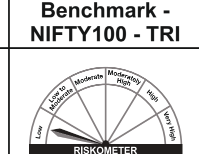
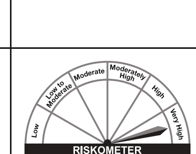
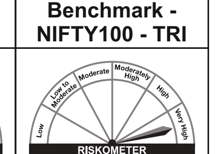
	Particulars	Regular Growth	Direct Growth*
Groww Nifty 50 Exchange Traded Fund (Merging Scheme)	No. of Units (a1)	100	100
	NAV per unit as on May 31, 2023 (b)	20	20
	Net Asset value (c1) =(a1*b1)	20*100 = 2,000	20*100 = 2,000
Groww Arbitrage Fund (Merging Scheme)	No. of Units (a2)	100	100
	NAV per unit as on May 31, 2023 (b)	20	20
	Net Asset value (c2) =(a2*b2)	20*100 = 2,000	20*100 = 2,000
Groww Large Cap Fund (Surviving Scheme)	NAV per unit as on May 31, 2023 (d)	50	50
	No. of Units (c/d)	4000/50 = 80	4000/50 = 80

***Note:** Investors are requested to note that the NAV of the direct plan may be different than that of the regular plan but for ease of understanding of new allotment of units in the surviving scheme, the NAV of both the plans is taken as Rs.20/-.

8. **The comparison between merging scheme(s) features and surviving scheme features is as follows:**

Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund ('Merging Scheme')	Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) ('Merging Scheme')	Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ('Surviving Scheme') (Effective from closure of business hours on October 26, 2023)
8.1 Name of Scheme		
Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund ('Merging Scheme')	Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) ('Merging Scheme')	Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ('Surviving Scheme')
8.2 Category of Scheme		
Other ETFs	Arbitrage Fund	Large Cap Fund
8.3. Type of Scheme:		
An open ended scheme tracking Nifty 50 Index	An open ended scheme investing in arbitrage opportunities.	Large Cap Fund- An open ended equity scheme predominantly investing in large cap stocks)
8.4. Product Labelling:		
This product is suitable for investors who are seeking* • Long term capital appreciation • Investment in securities covered by Nifty 50 Index • Very High Risk	This product is suitable for investors who are seeking* • To generate reasonable returns over short to medium term. • Investment predominantly in arbitrage opportunities in the cash and derivative segments of the equity markets and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. • Low Risk	This product is suitable for investors who are seeking* • Capital appreciation over long-term. • A portfolio that is invested predominantly in equity and equity-related securities of blue-chip large-cap companies. • Very High Risk

8.5. Risk-o-meter & Benchmark Risk-o-meter

Risk-o-meter	Benchmark Risk-o-meter	Risk-o-meter	Benchmark Risk-o-meter	Risk-o-meter	Benchmark Risk-o-meter
	Benchmark - NIFTY 50 TRI		Benchmark - NIFTY100 - TRI		Benchmark - NIFTY100 - TRI
					
Scheme Risk-o-meter is at Very High Risk	Benchmark Risk-o-meter is at Very High Risk	Scheme Risk-o-meter is at Low Risk	Benchmark Risk-o-meter is at Low Risk	Scheme Risk-o-meter is at Very High Risk	Benchmark Risk-o-meter is at Very High Risk

*Investors should consult their financial advisers in if doubt about whether the product is suitable for them.	*Investors should consult their financial advisers in if doubt about whether the product is suitable for them.	*Investors should consult their financial advisers in if doubt about whether the product is suitable for them.
8.6. Potential Risk Class Matrix		
NA		

8. **The comparison between merging scheme(s) features and surviving scheme features is as follows:** *(Contd.)*

Groww NIFTY50 Exchange Traded Fund (formerly known as Indiabulls NIFTY50 Exchange Traded Fund ('Merging Scheme')	Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) ('Merging Scheme')	Groww Large Cap Fund (formerly known as Indiabulls Blue Chip Fund) ('Surviving Scheme') (Effective from closure of business hours on October 26, 2023)
8.7. Investment Objective:		
The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.	To generate income by predominantly investing in arbitrage opportunities in the cash and derivative segments of the equity markets and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. However, there is no assurance or guarantee that the investment objective of the scheme will be realized.	The primary investment objective of the Scheme is to seek to provide long-term capital appreciation from a portfolio that is invested predominantly in equity and equity-related securities of blue-chip large-cap companies. However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme is not providing any assured or guaranteed returns.

8.8. Asset Allocation Pattern

Groww NIFTY50 Exchange Traded Fund:

Instrument	Indicative Allocation (% of Net Assets)		Risk Profile
	Min	Max	
Securities covered by Nifty 50 Index	95	100	High
Money Market Instruments*/Debt Securities including CBLO and Units of Liquid Mutual Fund	0	5	Low to Medium

* Money Market Instruments will include Commercial Paper, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Repos, short term bank deposits, short-term Government securities and any other such short-term instruments as may be allowed under the regulations prevailing from time to time having residual maturity up to 91 days.

The exposure of Scheme in derivative instruments shall be restricted to 100% of the net assets of the Scheme.

The cumulative gross exposure through Equities, Money Market Instruments including CBLO, units of Liquid mutual funds and derivatives (gross notional exposure) shall not exceed 100%.

- The scheme will not make any investment in ADR/ GDR/ Foreign Securities/ Securitised Debt.
- The Scheme shall not invest in repo in corporate debt.
- The Scheme shall not engage in short selling
- The Scheme shall not invest in unrated debt instrument.

If permitted by SEBI under Regulations / guidelines, the Scheme may also engage in securities lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Securities lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the Borrower on expiry of the stipulated period. The Investment Manager will apply the following limits, should it desire to engage in Securities lending:

- Not more than 50% of the net assets of the Scheme can generally be deployed in securities lending; and
- Not more than 5% of the net assets of the Scheme can generally be deployed in securities lending to any single counter party.

The Scheme, in general, will hold all the securities that comprise of underlying Index in the same proportion as the index. Expectation is that, over a period of time, the tracking error of the Scheme relative to the performance of the Underlying Index will be relatively low.

The Investment Manager would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Underlying Index. In case of change in constituents of the index due to periodic review, the portfolio of equity ETF/ Index Funds be rebalanced within 7 calendar days. Any transactions undertaken in the Scheme portfolio 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.

Pending deployment of the funds as per the investment objective of the Scheme, the funds of the Scheme may be parked in short term deposits of the scheduled commercial banks, subject to the guidelines and limits specified by SEBI from time to time.

Subject to limits prescribed by SEBI, the maturity profile of the Scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager.

Groww Arbitrage Fund:

Instrument	Indicative Allocation (% of Net Assets)		Risk Profile
	Min	Max	
Equity and equity related securities*	65	100	Medium to High
Equity Derivatives*	65	100	Medium to High
Debt & Money market securities / instruments	0	35	Low

*The asset allocation to the extent of 65% to 100% in Equity and Equity Derivatives is on account of arbitrage strategy pursued by the fund from the hedging perspective and not the exposure.

In the event of adequate arbitrage opportunities not being available in the equity and derivative markets, then 100% of the portfolio will be invested in short term debt and money market instruments. The rebalancing of the portfolio in accordance with the asset allocation pattern indicated above shall be done within a period of 30 days and will be ensured that the portfolio adheres to the investment objective of scheme. Following is the hypothetical example of a typical trade showcasing the arbitrage opportunity,

Arbitrage Opportunity - Available

Particulars	Price	Brokerage & other charges	Net Price
Buy - Stock A	100.00	0.14	100.14
Sell - Future A	101.00	0.03	100.97
Spread			0.83

Arbitrage Opportunity - Not Available

Particulars	Price	Brokerage & other charges	Net Price
Buy Stock B	100.00	0.14	100.14
Sell Future B	100.20	0.03	100.17
Spread			0.03

Due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term purpose only, for defensive considerations and the intention being at all times to protect the interests of Unit Holders. Further, in the event of adequate arbitrage opportunities not being available in the equity and derivative markets, 100% of the portfolio may be invested in short term debt and money market instruments (including units of liquid schemes of mutual funds). The portfolio in all cases will be rebalanced in accordance with the normal asset allocation table stated above within 30 days. In cases where the rebalancing is not carried out within 30 days, the reasons for not carrying out the rebalancing within the aforesaid period will be placed before the Trustees and Investment Committee for its consideration. Defensive circumstances are when the arbitrage opportunities in the market place are negligible or returns are lower than alternative investment opportunities as per the allocation pattern.

- The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time. Investments in Derivatives shall strictly be in accordance with paragraph 12.25 of Master circular dated May 19, 2023.
- Total of investments in Equity, debt securities, money market instruments and gross notional exposure in derivatives shall not exceed 100% of the net assets of the Scheme.
- In accordance with paragraph 12.19 of Master circular dated May 19, 2023, the Scheme may invest in ADR/GDR/Foreign Securities upto 10% of its net assets subject to the eligible investment amount. Investment in Foreign Securities shall be subject to the investment restrictions specified by SEBI/RBI from time to time.
- The scheme shall not be investing in Securitized Debt Instruments.
- The Scheme may also engage in securities lending/ borrowing. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines.

  The Investment Manager will apply the following limits, should it desire to engage in Securities lending:

  Not more than 20% of the net assets of the Scheme can generally be deployed in securities lending; and

  Not more than 5% of the net assets of the Scheme can generally be deployed in securities lending to any single counter party.
- The Scheme proposes to engage in short selling against the borrowed securities as per Securities Lending & Borrowing (SLB) scheme as defined under the framework of 'Securities Lending Scheme, 1997' of SEBI specified vide Circular No. SMD/ POLICY/SL/ CIR-09/97 dated May 7, 1997. The Scheme does not propose to engage in naked short selling.

The Scheme does not propose to engage in repo/ reverse repo in corporate debt securities, credit default swaps or make investments in equity linked debentures.

Groww Large Cap Fund:

Instrument	Indicative Allocation (% of Net Assets)		Risk Profile
	Min	Max	
Equity and equity related securities - Large-Cap Companies *	80	100	High
Equity and equity related securities - Other Companies*	0	20	Low to Medium
Debt & Money market securities /instruments	0	20	Low to Medium

*The Scheme may invest upto a maximum of 50% of its net assets in Derivatives

For the purposes of this scheme Blue Chip Large Cap Company is the1st -100th company in terms of full market capitalization as per paragraph 2.7 of SEBI Master Circular for Mutual Funds dated May 19, 2023.

- The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time. Investments in Derivatives shall strictly be in accordance with paragraph 12.25 of Master circular dated May 19, 2023. Total of investments in Equity, debt securities, money market instruments and gross notional exposure in derivatives shall not exceed 100% of the net assets of the scheme.
- The scheme shall not be investing in foreign equity and equity related securities.
- The scheme shall not be investing in Securitized Debt Instruments.
- If permitted by SEBI under Regulations/ guidelines, the Scheme may also engage in securities lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Securities lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the Borrower on expiry of the stipulated period.

  The Investment Manager will apply the following limits, should it desire to engage in Securities lending:

  Not more than 20% of the net assets of the Scheme can generally be deployed in securities lending; and

Not more than 5% of the net assets of the Scheme can generally be deployed in securities lending to any single counter party.

8.9. WHAT ARE THE INVESTMENT STRATEGIES:

Groww NIFTY50 Exchange Traded Fund	Groww Arbitrage Fund	Groww Large Cap Fund
The Groww Nifty50 Exchange Traded Fund (formerly known as INDIABULLS NIFTY50 EXCHANGE TRADED FUND) will be managed passively with investments in stocks in a proportion that match as close as possible to the weights of these stocks in Nifty 50 Index. The AMC uses a "passive" or indexing approach to try and achieve the Scheme's investment objective. Unlike other Funds, the Scheme does not try to "beat" the markets it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. The AMC does not make any judgments about the	The fund manager will evaluate the mismatch between the price of a stock in the futures market and in the spot market on a market neutral basis. If the price of a stock in the futures market is higher than in the spot market, after adjusting for cost of carry and taxes the scheme shall buy the stock in the spot market and sell the same stock in equal quantity in the futures market simultaneously. The Scheme will endeavor to build similar market neutral positions that offer an arbitrage potential for e.g. buying the basket of index constituents in the cash segment and selling the	Under normal market conditions, the Scheme would invest predominantly in a diversified portfolio constituting equity and equity related instruments of companies that the Fund Manager believes have sustainable business models, and potential for capital appreciation. Foreign Instrument as may be permitted by SEBI/RBI from time to time. The corpus of the Scheme will be invested predominantly in blue chip – large cap stocks and/ or in exchange traded derivatives on the S&P CNX Nifty Index or such blue chip stocks. 0-20% of the net assets will be invested in

(Contd.-2)

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8. **The comparison between merging scheme(s) features and surviving scheme features is as follows:** *(Contd.)*

8.9. WHAT ARE THE INVESTMENT STRATEGIES: *(Contd.)*

investment merit of a particular stock or a particular industry segment or the underlying nor will it attempt to apply any economic, financial or market analysis. Indexing eliminates active management risks with regard to over/ under performance vis-à-vis a benchmark.

Since the scheme is an exchange traded fund, the scheme will only invest in the security constituting the underlying index. However, Due to corporate action in companies comprising of the index, the scheme may be allocated/allotted securities which are not part of the index. The scheme may hold upto 5% of their total assets in stocks not included in the corresponding Underlying Index. For example, the AMC may invest in stocks not included in the relevant Underlying Index in order to reflect various corporate actions (such as mergers) and other changes in the relevant Underlying Index (such as reconstitutions, additions, deletions and these holdings will be in anticipation and in the direction of impending changes in the underlying index). These investments which fall outside the underlying index due to corporate action shall be rebalanced within a period of 7 business days.

index futures, Buying ADR/GDR and selling the corresponding stock future etc. The Scheme would also look to avail of opportunities between one futures contract and another.

The arbitrage strategies the Fund may adopt could be as under. The list is not exhaustive and the Fund could use similar strategies and any other strategies as available in the markets:

Index/ Stock spot - Index/ Stock Futures

The pricing of the futures is derived from underlying Index spot or the underlying stock. It is the cost of carry that binds the value of the futures to the underlying portfolio. When the two go out of sync, there are opportunities.

The cost of carry links the futures price to the price of the underlying asset. The price of the futures at any given instance should typically be more than the level of the spot price at that point. Theoretically, the fair value of the futures is equal to the spot price of the underlying plus the cost of carry i.e. the interest rate prevailing for an equivalent credit risk. Cash and carry trades at times provide higher than the prevailing interest rates. There is an opportunity to exploit by selling the overpriced futures and buying the underlying portfolio. It may also happen that the Index / Stock Future may be at a discount. In such cases, the Scheme may buy the future and sell the stock after borrowing the same. The Scheme shall enter into a combination of these transactions simultaneously.

If the Scheme has to unwind the positions prior to the expiry on account of redemptions or any other reason, the returns would depend on the spread between the spot and futures price at which the position is unwound. If the price differential between the spot and futures position of the subsequent month maturity is attractive near the expiry date, then the scheme may rollover the futures position and continue with the position in the spot market.

Buying spot and selling future:

Where the stock of a company is trading in the spot market at Rs 1000 while the futures trades at Rs. 1020/- in the futures market then fund may buy the stock at spot and sell in the futures market thereby earning Rs. 20.

Buying the stock in cash market and selling the futures results in a hedge where the fund portfolio has locked in a spread and is not affected by the price movements in the spot and futures markets. The arbitrage position can be continued till expiry of the futures contracts. The futures contracts are settled based on the last half an hour's weighted average trade of the cash market. There is a convergence between the cash market and the futures market on expiry and this convergence results in the portfolio being able to generate the arbitrage return locked in earlier. However, the position may even be closed earlier in the event of the price differential being realized before expiry or better opportunities being available in other stocks / indexes. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of capital.

Buying spot and selling Forward contract

A forward contract is similar to a future contract, only difference being forward contract is custom made between buyer and seller, while futures are a standard contract traded on the exchange. In this transaction buyer and the seller agree upon the delivery of a specified quality and quantity of underlying asset at a predetermined rate on a specified future date.

Please note that investments in forward contracts will be made by the Scheme as and when permitted under the Regulations.

Please note that the above examples are based on assumptions and are used only for illustrative purposes.

Corporate Action / Event Driven Strategies

a. **IDCW Arbitrage**
   At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.
b. **Buy-Back / Open Offer Arbitrage**
   When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.
c. **Merger**
   When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

Derivative Strategies

A derivative is a financial instrument whose value depends on other, more basic, underlying variables likes stock or commodity, any kind of economical index. A derivative is essentially a contract whose payoff depends on the behaviour of some benchmark. The derivatives shall be marked-to-market by the Investment Manager at all times. Transactions in derivatives include a wide range of instruments, including, but not limited to futures, options, swaps, and interest rate swaps,

securities other than blue chip large caps. A very small portion of the fund will be kept liquid. The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest. Large Cap companies shall consist of investment universe which are within 1st-100th company in terms of full market capitalization. The fund shall adopt the list of stocks prepared by AMFI based on SEBI defined parameters. AMFI is mandated to update such list once in 6 months. The fund shall rebalance the portfolio (if required) in line with updated list, within a period of one month.

The investment environment, valuation parameters and other investment criteria will determine the allocation and the investment style. The Fund Manager would follow a top down approach to shortlist stocks for portfolio construction. Under the top down process the Fund Manager would look at the global and Indian economy and the domestic policy environment and stock valuations. This would result in identification of themes which have a potential to outperform. The final stock selection process would be a bottoms-up process wherein stocks from the short listed themes would be picked up based on valuations.

Under normal market conditions and depending on the Fund Manager's views, the assets of the Scheme would be invested across stocks that represent a broad range of sectors of the economy in order to ensure adequate portfolio diversification.

Corporate Action / Event Driven Strategies

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Derivative Strategies

A derivative is a financial instrument whose value depends on other, more basic, underlying variables likes stock or commodity, any kind of economical index. A derivative is essentially a contract whose payoff depends on the behaviour of some benchmark. The derivatives shall be marked-to-market by the Investment Manager at all times. Transactions in derivatives include a wide range of instruments, including, but not limited to futures, options, swaps, and interest rate swaps, forward rate agreements and any other instrument as may be permitted by SEBI/RBI from time to time.

Derivatives may be used for hedging and portfolio balancing purposes or such other purpose as may be permitted by SEBI/RBI from time to time, to seek to optimise performance in the Scheme and will be subject to applicable Regulations of SEBI/RBI from time to time. Trading is permitted only in exchange-traded derivatives. Derivative markets in India are now fairly liquid with daily average volumes to the tune of Rs. 90000 – 100000 crore as compared to cash market volumes of Rs. 10000- 15000 crore

Futures

Futures are contracts to buy or sell an asset on or before a future date at a price specified today. Futures can be cash settled or delivery settled. Currently, the transaction is netted at the end of the contract and the difference settled between the investor & the clearing house. Payoffs in futures are linear with reference to the underlying and the risk is basically directional. Buyers and sellers of futures carry equal risk.

In India, three futures of 1 month, 2 months, and 3 months are presently traded on BSE & NSE. These futures expire on the last working Thursday of the respective months. The futures are cash settled and there is no delivery of the underlying stock. The Profitability of the Index / Stock Future as compared to underlying individual securities / security will inter-alia depend on

- Carrying Cost
- Interest accrued on surplus funds
- Transaction Costs
- Cost associated with rolling over of the futures trade, if applicable
- Liquidity in the markets etc

Index Futures

Stock index futures are instruments designed to give exposure to the equity markets indices. The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) have trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index, short term interest rates and market expectations. Index futures are cash

8.9. WHAT ARE THE INVESTMENT STRATEGIES: *(Contd.)*

forward rate agreements and any other instrument as may be permitted by SEBI/RBI from time to time.

Derivatives may be used for hedging and portfolio balancing purposes or such other purpose as may be permitted by SEBI/RBI from time to time, to seek to optimise performance in the Scheme and will be subject to applicable Regulations of SEBI/RBI from time to time. Trading is permitted only in exchange-traded derivatives. Derivative markets in India are now fairly liquid with daily average volumes to the tune of Rs. 90000 – 100000 crore as compared to cash market volumes of Rs. 10000- 15000 crore.

***Under extant SEBI Guidelines a Mutual Fund cannot write options. If and when SEBI permits writing options, Investment Manager shall utilize the same to enhance investor interest.**

Futures

Futures are contracts to buy or sell an asset on or before a future date at a price specified today. Futures can be cash settled or delivery settled. Currently, the transaction is netted at the end of the contract and the difference settled between the investor & the clearing house. Payoffs in futures are linear with reference to the underlying and the risk is basically directional. Buyers and sellers of futures carry equal risk.

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If a Scheme buys 100 futures contracts, each contract value is 50 times the futures index price. On purchase date, Spot index: 5400, Future price: 5425. If the exchange imposes a margin of 10%, the Investment Manager will be required to provide Rs.2,712,500 (i.e. 10% * 5425* 100 * 50) by way of eligible securities and/or and cash. The balance 90% can be parked in cash equivalents. If on the date of expiry - the S&P CNX Nifty Index closes at 5525, the net impact will be a profit of Rs. 500,000 for the Scheme ((5525–5425) * 100 * 50) plus the interest earned on the 90%deployed in cash equivalents. The profit or loss for the Scheme will be the difference between the closing price (which can be higher or lower than the purchase price) and the purchase price.

Strategies that employ index futures and their objectives:

(a) The fund has an existing equity portion invested in a basket of stocks. In case the fund manager has a view that the equity markets are headed downwards, the fund can then hedge the exposure to equity either fully or partially by initiating short positions in the Index futures.
(b) A similar position in the long direction can also be initiated by the fund to hedge its position of cash and permissible equivalents. Considering that Derivative market is more liquid than Cash market, fund manager can also use it to take exposure to equities and then build the cash market positions over time.

The extent to which this can be done is determined by guidelines issued by SEBI from time to time.

Risk associated with this strategy:

1. Lack of opportunities available in the market
2. Inability of the derivatives to correlate perfectly with underlying indices
3. Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Stock Futures

A futures contract on a stock gives its owner the right and obligation to buy or sell stocks. Single stock futures traded on the BSE & NSE are cash settled, there is no delivery of the underlying stocks on the expiration date. A purchase or sale of futures on a security gives the trader essentially the same price exposure as a purchase or sale of the security itself.

The Scheme buys shares of XYZ Ltd. Its current price is Rs. 1000. The Scheme sells one month futures on the shares of XYZ Ltd at Rs 1050. If the price of the stock declines, the Mutual Fund will suffer losses on the stock position held and profit on futures

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The Scheme buys shares of XYZ Ltd. Its current price is Rs. 1000. The Scheme sells one month futures on the shares of XYZ Ltd at Rs 1050. If the price of the stock declines, the Mutual Fund will suffer losses on the stock position held and profit on futures position. The price of stock on the expiry date is Rs 950. The price of the futures on the stock declines to Rs 950. There is a loss of Rs. 50 per share on the on the holding of the stock. This is offset by profit of Rs 100 on the short position in stock futures. Basically, Fund locks in a profit of Rs. 50, if both the positions are held till expiry.

Strategies that employ Stock specific futures and their objectives:

Individual stock futures are also available in the Indian Equity Markets. Stock futures trade either at a premium or at discount to the spot prices; the level of premium generally reflects the cost of carry. Stock specific issues may have a bearing on futures as speculators may find futures as a cost-effective way of executing their view on the stock. However such executions usually increase the premium/discount to the spot significantly, thereby giving rise to arbitrage opportunities for a fund.

(d) Selling spot and buying future :

In case the fund holds the stock of a company at say Rs. 500 while in the futures market it trades at a discount to the spot price say at Rs. 480 then the fund may sell the stock and buy the futures. On the date of expiry of the stock future, the fund may reverse the transactions (i.e. Buying at Spot & Selling futures) and earn a risk-free Rs.20/- (4% absolute) on its holdings. As this can be without any dilution of the view of the fund on the underlying stock the fund can still benefit from any movement of the price in the northward direction, i.e. if on the date of expiry of the futures, if the stock trades at Rs. 530 which would be the price of the futures too, the fund will have a benefit of Rs. 30 /- whereby the fund gets the 6% upside movement together with the 4% benefit on the arbitrage, and thus getting a total return of 10%

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

(Contd.-3)

8. The comparison between merging scheme(s) features and surviving scheme features is as follows: *(Contd.)*

8.9. WHAT ARE THE INVESTMENT STRATEGIES: *(Contd.)*

position. The price of stock on the expiry date is Rs 950. The price of the futures on the stock declines to Rs 950. There is a loss of Rs. 50 per share on the on the holding of the stock. This is offset by profit of Rs 100 on the short position in stock futures. Basically, Fund locks in a profit of Rs. 50, if both the positions are held till expiry.

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Individual stock futures are also available in the Indian Equity Markets. Stock futures trade either at a premium or at discount to the spot prices; the level of premium generally reflects the cost of carry. Stock specific issues may have a bearing on futures as speculators may find futures as a cost-effective way of executing their view on the stock. However such executions usually increase the premium/discount to the spot significantly, thereby giving rise to arbitrage opportunities for a fund.

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- Lack of opportunities available in the market
- Risk of mispricing or improper valuation
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

(b) Buying spot and selling future:

Where the stock of a company is trading in the spot market at Rs 1000 while the futures trades at Rs. 1020/- in the futures market then fund may buy the stock at spot and sell in the futures market thereby earning Rs. 20. In case of adequacy of cash with the fund, this strategy may be used to enhance returns of the Scheme which was otherwise sitting on cash.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation

Inability of the derivatives to correlate perfectly with underlying security

- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

(c) Buying stock future:

Where the scheme wants to initiate a long position in a stock whose spot price is at say, Rs.1000 and futures is at Rs. 980, then the fund may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Options:

An option gives the owner the right but not the obligation to buy or sell the underlying asset at particular price and for a specified period of time. The option will be exercised if the outcome is favourable to the owner. A call option gives the owner a right but not the obligation to buy the underlying asset at a predetermined price on a pre-specified date. A put option gives the owner the right but the not the obligation to sell a security at a predetermined price on a pre-specified date. For an option buyer, Risk is limited (or known) to premium paid on call or put options. . If options are sold, the risk is unlimited (or unknown). The risk of the unknown can be mitigated by staying covered, using covered calls or bull/bear spread, to name a few strategies.

Mainly there are two type of options; American and European. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, till recently, Index options were

(e) Buying spot and selling future:

Where the stock of a company is trading in the spot market at Rs 1000 while the futures trades at Rs. 1020/- in the futures market then fund may buy the stock at spot and sell in the futures market thereby earning Rs. 20. In case of adequacy of cash with the fund, this strategy may be used to enhance returns of the Scheme which was otherwise sitting on cash.

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An option gives the owner the right but not the obligation to buy or sell the underlying asset at particular price and for a specified period of time. The option will be exercised if the outcome is favourable to the owner. A call option gives the owner a right but not the obligation to buy the underlying asset at a predetermined price on a pre-specified date. A put option gives the owner the right but the not the obligation to sell a security at a predetermined price on a pre-specified date. For an option buyer, Risk is limited (or known) to premium paid on call or put options. . If options are sold, the risk is unlimited (or unknown). The risk of the unknown can be mitigated by staying covered, using covered calls or bull/bear spread, to name a few strategies.

Mainly there are two type of options; American and European. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, till recently, Index options were European and Stock options were American. However off-late, Exchanges have shifted options on individual stocks from American to European. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price. Thus options can be used to earn less volatile returns, earn the premium or use for hedging purposes etc.

Strategies that use Options and the objectives of such strategies:

Illustrations of strategies using Options

Call Option (Buy): The fund buys a call option at the strike price of say Rs.1000 and pays a premium of say Rs. 50, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than Rs. 1050 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 1000, the fund will not exercise the option and it loses the premium of Rs 50. The maximum loss in such a strategy is limited to the option premium, while upside potential is theoretically unlimited

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Put Option (Buy): The fund buys a Put Option at Rs 1000 with the underlying security trading at Rs. 1000 by paying a premium of say Rs. 50. If the stock price goes down to Rs. 900, the fund would protect its downside and would only have to bear the premium of Rs 50 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs.1100 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upsides in the underlying security held by the Fund.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security.
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

8.9. WHAT ARE THE INVESTMENT STRATEGIES: *(Contd.)*

European and Stock options were American. However off-late, Exchanges have shifted options on individual stocks from American to European. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price. Thus options can be used to earn less volatile returns, earn the premium or use for hedging purposes etc.

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a) **Call Option (Buy):** The fund buys a call option at the strike price of say Rs.1000 and pays a premium of say Rs. 50, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than Rs. 1050 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 1000, the fund will not exercise the option and it loses the premium of Rs 50. The maximum loss in such a strategy is limited to the option premium, while upside potential is theoretically unlimited.

Risk associated with this strategy:

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- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

b) **Put Option (Buy):** The fund buys a Put Option at Rs 1000 with the underlying security trading at Rs. 1000 by paying a premium of say Rs. 50. If the stock price goes down to Rs. 900, the fund would protect its downside and would only have to bear the premium of Rs 50 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs.1100 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upside in the underlying security held by the Fund.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

The above option positions can be initiated in both index based options as well as stock specific options.

Risk associated with this strategy:

- Lack of opportunities available in the market
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- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Any Notifications, Guidelines and circulars introduced by SEBI on derivatives from time to time shall automatically apply and forms part of the Scheme Information Documents

Portfolio Turnover

Portfolio turnover is the aggregate volume of purchases and sales as a percentage of the corpus of the Scheme during a specified period of time. The portfolio turnover in the Scheme will be a function of inflows, outflows as well as market opportunities available to the Fund Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolios. It will be the endeavor of the Fund Manager to keep the portfolio turnover rates as low as possible. Active asset allocation would impact portfolio turnover. There may be trading opportunities that present themselves from time to time, where in the opinion of the fund manager, there is an opportunity to enhance the total returns of the portfolio. The fund manager will endeavor to balance the increased cost on account of higher portfolio turnover, if any, with benefits likely to be derived from such an approach.

Borrowing & Lending by the Fund

The Scheme may borrow monies to meet temporary liquidity requirements for the purpose of repurchase or redemption of Units or the payment of interest or IDCW to the Unit holders. However, such borrowing shall be restricted to 20% of the net assets of the Scheme and for a maximum period of six months. The limit of 20% may be revised by the Fund and to the extent the Regulations may permit.

The Fund may raise such borrowings, secured or unsecured, from any person or entity as it may deem fit, including Sponsor or Shareholders of any of their associate / group / affiliate entities or banks, after approval by the Trustee, at market related rates.

Stock Lending by the Fund

Stock Lending involves lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio. The Trustee

The above option positions can be initiated in both index based options as well as stock specific options.

Risk associated with this strategy:

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The Fund may raise such borrowings, secured or unsecured, from any person or entity as it may deem fit, including Sponsor or Shareholders of any of their associate / group / affiliate entities or banks, after approval by the Trustee, at market related rates.

Stock Lending by the Fund

Stock Lending involves lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio. The Trustee may permit the Fund to engage in Stock Lending only if permitted under and in line with the prevailing securities lending Regulations. The Fund can temporarily lend, through an approved intermediary, securities held by the Scheme to reputed counterparties, for a fee, subject to internal norms, if any. This would enable generating better returns on those securities, which are otherwise bought with the intention of holding the same for a longer period of time. The securities lent will be returned by the borrower on the expiry of the stipulated period or the lender can call the same back before its expiry.

The AMC will follow regulatory restrictions as may be prescribed in carrying on the activities of Stock lending. Such lent stock, while they are on-lending, will not be available for sale, and this can result in temporary illiquidity.

The Fund Manager may engage in Stock Lending as per following limits:

- Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending.
- Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

(Contd.-4)

8. The comparison between merging scheme(s) features and surviving scheme features is as follows: *(Contd.)*

8.9. WHAT ARE THE INVESTMENT STRATEGIES: *(Contd.)*

	may permit the Fund to engage in Stock Lending only if permitted under and in line with the prevailing securities lending Regulations. The Fund can temporarily lend, through an approved intermediary, securities held by the Scheme to reputed counterparties, for a fee, subject to internal norms, if any. This would enable generating better returns on those securities, which are otherwise bought with the intention of holding the same for a longer period of time. The securities lent will be returned by the borrower on the expiry of the stipulated period or the lender can call the same back before its expiry. The AMC will follow regulatory restrictions as may be prescribed in carrying on the activities of Stock lending. Such lent stock, while they are on-lending, will not be available for sale, and this can result in temporary illiquidity. The Fund Manager may engage in Stock Lending as per following limits: • Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending. • Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.	

8.10. Benchmark

Nifty 50 TRI	NIFTY 50 Arbitrage Index	NIFTY100 - TRI

8.11 Name of the Fund Manager

Equity Segment - Mr. Anupam Tiwari Debt Segment - Mr. Karan Singh	Equity Segment Mr. Anupam Tiwari Debt Segment shall be Co- Managed by: Mr. Kaustubh Sule & Mr. Karan Singh	Mr. Anupam Tiwari

8.12. Exit Load under the Scheme

Nil	• 0.25% if redeemed/ switched out within one month from the date of allotment. • Nil - if redeemed/ switched out after one month from the date of allotment.	• 1% if redeemed/switched out within 7 days from the date of allotment, • Nil - if redeemed/switched out after 7 days from the date of allotment

8.13. Plans / Options under the Scheme

Nil	Plans: Groww Arbitrage Fund - Direct Plan, Groww Arbitrage Fund - Regular Plan Options: • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund) - Direct Plan- Monthly IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Direct Plan- Quarterly IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Direct Plan- IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Direct Plan- Half Yearly IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Regular Plan- Monthly IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Regular Plan- Quarterly IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Regular Plan- IDCW Option (Payout & Reinvestment) • Groww Arbitrage Fund (formerly known as Indiabulls Arbitrage Fund)- Regular Plan- Half Yearly IDCW Option (Payout & Reinvestment)	Plans: Groww Large Cap Fund - Direct Plan Groww Large Cap Fund - Regular Plan Options: • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Direct Plan- - IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Direct Plan Monthly IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Direct Plan- Quarterly IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Direct Plan- Half Yearly IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Regular Plan- - IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Regular Plan- Monthly IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Regular Plan- Quarterly IDCW Option (Payout & Reinvestment) • Groww Large Cap Fund (formerly known as Indiabulls Bluechip Fund)- Regular Plan- Half Yearly IDCW Option (Payout & Reinvestment)

8.14. Total Expense Ratio (TER) as per SID

Maximum total expense ratio (TER) permissible under Regulation 52 Upto 1.00%	**Maximum total expense ratio (TER) permissible under Regulation 52** Upto 2.25%	**Maximum total expense ratio (TER) permissible under Regulation 52** Upto 2.25%

Total Expense Ratio (TER) as per actual charged as on August 31, 2023

Regular Plan - NA Direct Plan 0.52%	Direct Plan: 0.44% Regular Plan: 1.14%	Regular Plan : 2.25% Direct Plan : 1.01%

8.15. Number of folios along with AUM as on August 31, 2023

No. of folios : 2877 AUM : Rs 3,30,44,414.58	No. of folios : 361 AUM : 2,47,72,539.5	No. of folios : 19697 AUM : 95,18,44,037.7

8.16 - Unclaimed IDCW and Redemption*

Groww NIFTY 50 Exchange Traded Fund

Unclaimed IDCW (Rs.)	Unclaimed Redemption (Rs.)
-	-
-	-
-	-

Groww Arbitrage Fund

Unclaimed IDCW (Rs.)	Unclaimed Redemption (Rs.)
-	-
-	-
-	-

Groww Large Cap Fund

Plan/ Option	Unclaimed IDCW (Rs.)	Unclaimed Redemption (Rs.)
Groww Large Cap Fund Direct Plan - Growth Option	-	6,836.62
Groww Large Cap Fund Regular Plan – Growth Option	-	1,22,999.39
Groww Large Cap Fund Existing Plan IDCW	3,320.27	-

8.16 - Unclaimed IDCW and Redemption* *(Contd.)*

Groww NIFTY 50 Exchange Traded Fund	Groww Arbitrage Fund	Groww Large Cap Fund

Unclaimed IDCW and Redemption In view of the decision to transfer the balance remaining unclaimed on account of IDCW in the accounts from Merging Schemes are set out in the details of the unclaimed IDCW and redemption amounts in Merging Scheme & Surviving Scheme as on August 31, 2023.

* IDCW - Income Distribution cum Capital Withdrawal

* Includes Total Expense Ratio permissible under regulation 52(6)(c), Additional expenses under Regulation 52(6A)(c) and Additional expenses for gross new inflows from specified cities under Regulation 52(6A)(b) (wherever applicable) and includes GST on Investment Management fees. All other features of the Scheme except those mentioned above will remain unchanged.

The relevant sections of SID/ KIM of relevant scheme(s) shall stand modified in accordance with the above.

* The request for reissue/ revalidation of instruments towards unclaimed redemption / IDCW should be made by the unit holder to the registrar to the schemes of Groww Mutual Fund, or to the nearest branch of the AMC.

8.17 Segregated Portfolio

NIL	NIL	NIL

9.17- Percentage of total exposure to securities classified as below investment grade or default and total illiquid assets in the Merging Scheme and the Surviving Scheme: Amount of illiquid assets - NIL and percentage of illiquid assets - Nil as on August 31, 2023.

8.18 - Swing Pricing Framework

NA

Swing pricing refers to a process for adjusting a fund's Net Asset Value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e. flows into or out of a scheme) to the investors associated with that activity. This would help to ensure fairness of treatment to all the investors i.e. whether entering, exiting or remaining invested in mutual fund schemes, particularly during market dislocation.

Accordingly, mandatory full swing during market dislocation times shall apply as under:

1. The Swing Framework shall apply in case of scenarios related to net outflows from the schemes.
2. SEBI will determine 'market dislocation' either based on AMFI's recommendation or suo-moto.
3. Once market dislocation is declared, SEBI will notify that swing pricing will be applicable for a specified period.
4. Thereafter, mandatory swing pricing will apply for Applicable Schemes which :
   a. have 'High' or 'Very High' risk on the risk-o-meter (as of the most recent period at the time of declaration of market dislocation) ;AND
   b. classify themselves in the cells A-III, B-II, B-III, C-I, C-II and C-III of Potential Risk Class (PRC) Matrix.
5. Swing factor as per below matrix shall be made applicable to the above mentioned schemes and the NAV will be adjusted for the swing factor.

Swing factor

Max Credit Risk of scheme → / Max Interest Rate Risk (CRV* <10) of the scheme↓	Class A (CRV* >=12)	Class B (CRV* >=10)	Class C (CRV* <10)
Class I: (Macaulay duration <=1 year)	-	-	C-I:1.5%
Class II: (Macaulay duration <=3 years)	-	B-II:1.25%	C-II:1.75%
Class III: Any Macaulay duration *CRV - Credit Risk Value	A-III : 1%	B-II:1.25%	C-II:1.75%

When the Swing Framework is triggered and swing factor is made applicable, both the incoming (unit holders who submit purchase / switch-in requests) and outgoing investors (unit holders who submit redemption / switch out requests) shall get NAV adjusted downwards for swing factor.

Swing pricing shall be made applicable to all unitholders at PAN level with an exemption for redemptions upto Rs. 2 lacs for each scheme.

Risk-O-meter	PRC	Computed NAV (Rs.)	Swing Factor Applied	Swing NAV (Rs.)
High / Very High	A-III	15.0000	1.00%	14.8500
	B-II	15.0000	1.25%	14.8125
	B-III	15.0000	1.50%	14.7750
	C-I	15.0000	1.50%	14.7750
	C-II	15.0000	1.75%	14.7375
	C-III	15.0000	2.00%	14.7000

Periodic Disclosures: Disclosures pertaining to NAV adjusted for swing factor shall be made by the AMC in the prescribed format in the Scheme Information Document and in scheme wise Annual Reports and Abridged summary thereof and on the website in case swing pricing framework has been made applicable for a mutual fund scheme.

NA

Impact of the Merger with respect to allocation of units to the unitholders of the Merging Scheme:

On the effective date of the merger of schemes, the Merging Scheme will cease to exist and the unit holders of Merging Scheme as at the close of business hours will be allotted units under the corresponding option of the Surviving Scheme at the last available applicable Net Asset Value ("NAV") on the effective date.

Plan/option wise allocation of units will be as follows:

Holding in Plan and option under the Merging Scheme	ISIN	Allocation in Plan and option under the Surviving Scheme	ISIN
Groww Arbitrage Fund - Direct Plan - Monthly IDCW (D- Payout)	INF666M01AX6	Groww Large Cap Fund -Direct Plan - Monthly IDCW Option (D- Payout)	INF666M01CM5
Groww Arbitrage Fund - Direct Plan - Monthly IDCW (R- Reinvestment)	INF666M01AY4	Groww Large Cap Fund -Direct Plan - Monthly IDCW Option (R- Reinvestment)	INF666M01CN3
Groww Arbitrage Fund - Direct Plan - Growth Option	INF666M01AW8	Groww Large Cap Fund -Direct Plan - Growth Option	INF666M01600
Groww Arbitrage Fund - Direct Plan - Half Yearly IDCW option (D- Payout)	INF666M01CE2	Groww Large Cap Fund-Direct Plan - Half Yearly IDCW option (D- Payout)	INF666M01CQ6
Groww Arbitrage Fund - Direct Plan - Half Yearly IDCW option (R- Reinvestment)	INF666M01CF9	Groww Large Cap Fund -Direct Plan - Half Yearly IDCW option (R- Reinvestment)	INF666M01CR4
Groww Arbitrage Fund - Direct Plan - Quarterly IDCW Option (D- Payout)	INF666M01CA0	Groww Large Cap Fund -Direct Plan - Quarterly IDCW Option (D- Payout)	INF666M01CO1

(Contd.-5)

MUTUAL FUNDS Sahi Hai

Groww MUTUAL FUND

Investment Manager : Groww Asset Management Ltd. (formerly known as Indiabulls Asset Management Co. Ltd.) **(CIN -** U65991HR2008PLC095063)
Corporate Office : 1202A -12A Floor, One World Centre, Lower Parel, Mumbai - 400 013, Maharashtra **Tel:** +91 22 69744435
Registered Office : Plot No. 422, Udyog Vihar, Phase-IV, Gurgaon, Haryana - 122 016, **Tel:** (0124) - 6681199

Impact of the Merger with respect to allocation of units to the unitholders of the Merging Scheme: *(Contd.)*

Holding in Plan and option under the Merging Scheme	ISIN	Allocation in Plan and option under the Surviving Scheme	ISIN
Groww Arbitrage Fund - Direct Plan - Quarterly IDCW Option (R- Reinvestment)	INF666M01CB8	Groww Large Cap Fund -Direct Plan - Quarterly IDCW Option (R- Reinvestment)	INF666M01CP8
Groww Arbitrage Fund - Direct Plan - Yearly IDCW Option (D- Payout)	INF666M01CC6	Groww Large Cap Fund -Direct Plan - IDCW Option (Payout)	INF666M01626
Groww Arbitrage Fund - Direct Plan - Yearly IDCW Option (R- Reinvestment)	INF666M01CD4	Groww Large Cap Fund-Direct Plan - IDCW Option (Reinvestment)	INF666M01618
Groww Arbitrage Fund - Regular Plan - Monthly IDCW (D- Payout)	INF666M01BB0	Groww Large Cap Fund - Regular Plan - Monthly IDCW Option (D- Payout)	INF666M01CS2
Groww Arbitrage Fund - Regular Plan - Monthly IDCW (R- Reinvestment)	INF666M01BC8	Groww Large Cap Fund - Regular Plan - Monthly IDCW Option (R- Reinvestment)	INF666M01CT0
Groww Arbitrage Fund - Regular Plan - Growth Option	INF666M01BA2	Groww Large Cap Fund - Regular Plan - Growth Option	INF666M01162
Groww Arbitrage Fund - Regular Plan - Half Yearly IDCW option (D- Payout)	INF666M01CK9	Groww Large Cap Fund - Regular Plan - Half Yearly IDCW option (D- Payout)	INF666M01CW4
Groww Arbitrage Fund - Regular Plan - Half Yearly IDCW option (R- Reinvestment)	INF666M01CL7	Groww Large Cap Fund - Regular Plan - Half Yearly IDCW option (R- Reinvestment)	INF666M01CX2
Groww Arbitrage Fund - Regular Plan - Quarterly IDCW Option (D- Payout)	INF666M01CG7	Groww Large Cap Fund - Regular Plan - Quarterly IDCW Option (D- Payout)	INF666M01CU8
Groww Arbitrage Fund - Regular Plan - Quarterly IDCW Option (R- Reinvestment)	INF666M01CH5	Groww Large Cap Fund - Regular Plan - Quarterly IDCW Option (R- Reinvestment)	INF666M01CV6
Groww Arbitrage Fund - Regular Plan - Yearly IDCW Option (D- Payout)	INF666M01CI3	Groww Large Cap Fund - Regular Plan - DCW Option (Payout)	INF666M01188
Groww Arbitrage Fund - Regular Plan - Yearly IDCW Option (R- Reinvestment)	INF666M01CJ1	Groww Large Cap Fund - Regular Plan - IDCW Option (Reinvestment)	INF666M01170
Groww NIFTY50 Exchange Traded Fund - Growth Option	INF666M01FS5	Groww Large Cap Fund - Direct Plan - Growth Option	INF666M01600

Exit Option to Unit holders:

(i) In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations") and paragraph 17.10 of Master Circular dated May 19, 2023, all the existing unit holders under the merging schemes and unitholders of Surviving scheme, if applicable, are given an option to exit the scheme at the applicable Net Asset Value without any exit load on such redemption. As per Circular No. in accordance with paragraph 2.2.1 of Master Circular dated May 19, 2023, issued by SEBI, merger of schemes is also considered as a change in fundamental attributes of the concerned schemes necessitating compliance with the requirements as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations").

(ii) Accordingly, please note that unitholders of Merging Schemes and Surviving scheme, if applicable who do not opt for redemption on or before **September 22, 2023** (record date) till 3.00 p.m. i.e. date of publication of this notice-cum-addendum (including those whose valid purchase / switch in applications have been received by the Fund upto cut-off time) shall be deemed to have consented to the changes specified herein above and shall continue to hold units in the Surviving Scheme.

(iii) The Exit Option can be exercised during the Exit Option Period ie from **September 27, 2023 to October 26, 2023** (upto 3:00 p.m. on October 26, 2023 (both days inclusive). In case the unitholders, who have been given an exit option without any exit load, disagree with the aforesaid changes, they may redeem all or part of the units of the scheme held by them by exercising the Exit Option, without any Exit Option Period. Unitholders need to submit redemption/switch request online or through a physical application form at any official point of acceptance/investor service centre of Groww AMC or the Registrar and Transfer Agents of the Funds viz. KFin Technologies Ltd. or the depository participant (DP) (incase of units held in demat mode). The above information is also available website of Groww Mutual Fund viz., www.growwmf.in. The redemption warrant/cheque will be mailed, or the amount of redemption will be credited to the unitholders bank account (as registered in the records of the Registrar) within 3 (three) working days from the date receipt of redemption request.

(iv) Unit holders can also submit the normal redemption form for this purpose. The redemption/switch requests shall be processed at applicable NAV as per time stamping provisions contained in the SID of the Scheme. Unitholders should ensure that any changes in address or pay-out bank details if required by them, are updated with Groww Mutual Fund's records at least 10 (Ten) working days before exercising the Exit Option. Unit holders holding units in dematerialized form may approach their DP for such changes.

(v) Procedure for the same is given below: by submitting a redemption / switch-out request at any of the Official Points of Acceptance of the Fund including online transacting facilities on stock exchange platforms/ mfu etc. For list of Official Points of Acceptance, please refer Scheme Information Document or visit our website www.growwmf.in and the "Procedure for redemption of Groww Nifty 50 ETF Units" is as mentioned below:

Redemption Through Depository Participant (DP) - In case an investor desires to redeem during the exit option, the redemption request can be placed through Depository Participants by submitting a redemption request.

Redemption through AMC - Investors needs to submit a unit transfer request to Depository Participant (DP) by giving Delivery Instruction Slip (DIS). Post this a redemption application request needs to be submitted to Investor Service Centres of Groww Mutual Fund (Please refer website www.growwmf.in for Investor service centre address details).

Units to be Transferred to: Groww Nifty 50 ETF Account

Demat Account Number (Client ID / DP ID) - DP Id - In300126, Client Id - 11272541

(vi) Unit holders should procure a release of their pledges/ vacate the lien prior to applying for redemption/ switch-out during the Exit Option Period. In case units have been frozen / locked pursuant to an order of a government authority or a court, such exit option can be executed only after the freeze / lock order is vacated / revoked within the Exit Option Period specified above.

(vii) Investors who have registered for Systematic Investment facilities such as SIP/STP/SWP in the Merging Scheme, decide to continue their investments ie do not opt for Exit Option, then such SIP/STP/SWP registrations will continue to be processed under the respective Plan/Option of the surviving scheme from the effective date and no fresh registration shall be required. Further investors who have registered for Systematic investment facilities in the Scheme and who do not wish to continue their future investment facilities must apply for cancellation of registrations.

(viii) **It may be noted that the offer to exit is purely optional and not compulsory. If the Unit holder has no objection to the aforesaid change, no action is required to be taken and it would be deemed that such Unit holder has consented to the aforesaid change.** However, we at Groww Mutual Fund would like the Unitholders to continue their investments with us to help them achieve their financial goals.

(ix) The expenses related to the proposed changes and other consequential changes as outlined above will not be charged to the unit holders of the Scheme of Groww Mutual Fund.

For further details on both Merging and Surviving Schemes, Unitholders are requested to refer Scheme Information Document and Key Information Memorandum which is available on our website www.growwmf.com.

Tax Consequences:

For unit holders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of Groww MF and Scheme Information Document of the scheme of Groww MF would be applicable. As per section 47(xviii) of Income Tax Act, 1961 (the Act), any transfer of units held by the investor in the consolidating scheme of the mutual fund in consideration of allotment of units in the consolidated scheme, shall not to be regarded as a taxable transfer, provided that the consolidation is of two or more schemes of an equity oriented fund or two or more schemes of a fund other than equity oriented fund. Further, as per section 49(2AD) of the Act, the cost of acquisition of units in the consolidated scheme shall be deemed to be the cost of acquisition of the units in the consolidating scheme. Also, as per section 2(42A) of the Act, the period of holding of the units in the consolidated scheme shall include the period of holding of the units in the consolidating scheme. 'Consolidating scheme' has been defined under section 47(xviii) of the Act as the scheme of a Mutual Fund which merges under the process of consolidation of the schemes of mutual fund in accordance with the SEBI (Mutual Funds) Regulations, 1996. 'Consolidated scheme' has been defined as the scheme with which the consolidating scheme merges or which is formed as a result of such merger. Redemption / switch-out of units from the Scheme may entail capital gain/loss in the hands of the unitholder. In case of NRI investors, TDS shall be deducted from the redemption proceeds in accordance with the prevailing income tax laws. The redemption / switch-out of units from the Scheme are liable for deduction of Securities Transaction Tax (STT), wherever applicable; however, such STT shall be borne by AMC and will not be borne by the investor. *In view of the individual nature of tax consequences, Unitholders are advised to consult their professional tax advisors for tax advice.*

Unit holders who require any further information may contact:

Address: **Groww Asset Management Ltd.**
Corporate Office: 1202A - 12A Floor, One World Centre, Lower Parel, Mumbai - 400 013, Maharashtra.
Tele-+91 22 69744435 • **Email:** support@growwmf.in.

Unit holders under the Scheme are being sent a communication in this regard, through an appropriate mode of communication (post, courier, email, etc.). For any further assistance/clarification, Unit holders may contact any of our Investor Service Centres.

Note: This Notice cum addendum forms an integral part of the SID & KIM of above mentioned Schemes of Groww Mutual Fund. All other terms and conditions as mentioned in the SID & KIM of all the above mentioned Scheme shall remain unchanged.

For **Groww Asset Management Ltd.** (formerly known as Indiabulls Asset Management Company Limited)
Investment Manager to Groww Mutual Fund (formerly known as Indiabulls Mutual Fund)

Sd/-
Authorised Signatory

Place : Mumbai
Date : September 21, 2023