KEY INFORMATION MEMORANDUM

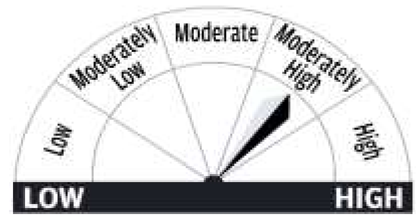
BNP PARIBAS DUAL ADVANTAGE FUND - SERIES I

(A 3 Year close ended income scheme with no assured returns)

This product is suitable for investors who are seeking*:

- Regular income and capital appreciation over a period of 3 years.
- Investments primarily in debt and money market instruments for regular returns & in premium of exchange traded options and/or equity instruments for capital appreciation.

Riskometer for the Scheme



Investors understand that their principal will be at moderately high risk

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

Sponsor	:	**BNP Paribas Investment Partners Asia Limited** Registered Office: 30/F, Three Exchange Square, 8 Connaught Place, Central, Hong Kong.
Name of Mutual Fund (Mutual Fund)	:	**BNP Paribas Mutual Fund**
Name of Asset Management Company (AMC)	:	**BNP Paribas Asset Management India Private Limited** (CIN: U65991MH2003PTC142972)
Name of Trustee Company (Trustee)	:	**BNP Paribas Trustee India Private Limited** (CIN: U65991MH2003PTC142971)
Addresses of the entities	:	BNP Paribas House, 1, North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. India
Website of the entity	:	**www.bnpparibasmf.in**

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

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.

As required, a copy of the Scheme Information Document (SID) has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter no NSE/LIST/209600-5 dated July 9, 2013 permission to the Mutual Fund to use the Exchange's name in this SID as the stock exchange on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this SID 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 the NSE should not in any way be deemed or construed that the SID 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 SID; 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.

This KIM is dated June 30, 2016.

<table>
<tr><td>Investment Objective</td><td>The investment objective of the scheme is to seek to generate income by investing in a portfolio of debt and money market securities maturing on or before the maturity of the scheme and capital appreciation by investing in premium of exchange traded options and /or equity instruments.

However, there can be no assurance that the investment objective of the Scheme launched hereunder will be realized. The Scheme launched hereunder does not guarantee/indicate any returns.</td></tr>
<tr><td>Inception /Allotment date</td><td>November 06, 2013</td></tr>
<tr><td>Asset Allocation Pattern & Investment Strategies</td><td>Under normal circumstances, the asset allocation under the scheme shall be as follows:
<table>
<tr><th rowspan="2">Instruments</th><th colspan="2">Indicative allocations (% of total assets)</th><th>Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th><th>High/Medium/Low</th></tr>
<tr><td>Debt Instruments including Money Market Securities*</td><td>75</td><td>100</td><td>Low-Medium</td></tr>
<tr><td>Premium of exchange traded options and/or equity instruments^</td><td>0</td><td>25</td><td>High</td></tr>
</table>
*The Scheme will endeavor to invest in debt instruments of tenor closely matching the tenor of each Plan to maximize returns for investors and minimize reinvestment risk. However, on a temporary basis, allocation could be made to Money Market Instruments pending final deployment and based on the availability & attractiveness of matching maturity assets. Money Market Instruments may also be used for temporary deployment pending equity allocation and towards the end of the scheme tenor for deploying cash against maturing assets. Debt Securities may include securitized debt instruments up to 30% of the net assets. The scheme can invest up to 30% of debt net assets in debt derivatives.

^ In case of an option strategy the Option Premium shall be used for the purpose of exposure to derivative instruments which shall be restricted to call options. In case of deployment of option premium in call options, upon maturity of the in the money call options before the maturity of the Scheme, the gains may be deployed in Debt and Money Market Instruments. In such a scenario the allocation to premium of exchange traded options and/or equity instruments may be nil and the total corpus can be deployed in debt and money market securities as the Scheme nears maturity. The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme. Moreover, this upper limit of 20% investments in options premium, if any, shall be applicable only at the time of investment. If due to market actions the value of options appreciates/depreciates resulting in breach of the limit of 20%, the fund manager may or may not rebalance the portfolio and may run with the ongoing exposure. However, if the fund manager sells the option before maturity, the reinvestment will be subject to maximum 20% limit on option premium.

The cumulative gross exposure through debt instruments, money market instruments, premium of exchange traded options and/or equity instruments and derivative positions will not exceed 100% of the net assets of the scheme. It may be noted that cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. The Scheme does not intend to invest in foreign securities and ADR/GDR. The Scheme will not engage in securities lending and short selling.

According to SEBI circulars (reference no. SEBI/IMD/CIR No. 1/ 91171/07 dated April 16, 2007, SEBI/IMD/CIR No. 8/107311/07 dated October 26, 2007 and SEBI/IMD/CIR No. 7/129592/08 dated June 23, 2008), pending deployment of funds of the scheme in securities in terms of investment objective of the scheme, the Mutual Fund may invest the funds of the scheme in short term deposits of scheduled commercial banks subject to restrictions laid down under the SEBI Regulations from time to time.

It may be noted that AMC has to adhere to the asset allocation pattern indicated in the Scheme Information Document under normal circumstances.</td></tr>
</table>

	Investment strategies: **Investment in fixed income securities** The Scheme will largely follow passive investment strategy for the fixed income component of the Scheme. To achieve the investment objective of the Scheme, an appropriate percentage (as specified in this Scheme Information Document) of the corpus will be invested in fixed income securities with maturities in line with the maturity of the Scheme. The portfolio may be rebalanced in case suitable opportunities arise while keeping the maturity of the securities in line with the maturity of the scheme **Option Strategy and Equity related strategy** The Scheme may use option strategy, cash equities strategy or a combination of both. For Option Strategy, the Scheme may expect to achieve a market linked appreciation by investing in premium of exchange traded index options. The Fund Manager may adopt different strategies considering the market scenario, and opportunities. Risk of investing in Index Call options If the Equity Index Call options expire in the money, but not enough to compensate the premium paid, the returns of the Option strategy could be less than the returns of the underlying equity market on maturity. In such case even if the equity market has a positive return during the tenure of the Scheme, the Scheme may not provide positive returns in line with the market. Further, if the options expire out of money, the scheme will face a loss to the extent of the premium paid for options. There is also a possibility of the Equity Index Call options expiring prior to the maturity of the scheme. In such a case, the returns of the Equity Index Call option portion of the scheme on maturity may not coincide with the returns of the underlying equity market on maturity. Further in case of series of shorter term Equity Index Call Options, since short dated options would be purchased at different times and at costs prevailing at the time of such purchase, the returns generated by such a strategy could be different from returns of the underlying equity market on maturity and from the returns generated from a buy and hold Equity Index Call Options strategy up to the maturity of the scheme. In case of using equity strategy the Scheme will follow a bottom-up approach for stock-picking and choose companies across sectors and the Scheme will primarily focus on companies that have demonstrated characteristics such as market leadership, strong financials and quality management, and have the potential to create wealth for their shareholders by delivering steady performance through the ups and downs of the market. The focus would be to build a diversified portfolio of both value and growth companies, all companies selected will be analysed taking into account the business fundamentals, the company's financial strength, industry structure, management quality, future earnings expectations and sensitivity of earnings.
Where will the scheme invest?	Subject to SEBI Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities: 1. Debt & money market instruments including bonds, debentures, treasury bills, commercial paper of public sector undertakings and private sector corporate entities, reverse repurchase agreements in government securities and treasury bills (the scheme presently doesn't intend to invest in reverse repurchase agreement in corporate debt securities), certificate of deposit of scheduled commercial banks and development financial institutions, government securities, securitised debt, units of mutual funds etc. as may be permitted by SEBI / RBI. 2. Debt securities of the Government of India, state and local governments, government agencies, statutory bodies, public sector undertakings, scheduled commercial banks, non-banking finance companies, development financial institutions, corporate entities & trusts. 3. Debt derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other

derivative instruments permitted by SEBI/RBI.
4. Premium of exchange traded options and/or equity instruments including convertible bonds and debentures, rights and warrants, options, futures and other equity related derivatives.
5. Any other like instruments as may be permitted by RBI / SEBI from time to time.

In terms of SEBI circular having reference no. SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007, pending deployment of funds of the Scheme in securities in terms of the investment objective of the scheme, the Mutual Fund can invest the funds of the scheme in short term deposits of scheduled commercial banks, after complying with the provisions of aforesaid circular.

The securities mentioned above and such other securities that the scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated and of any maturity. The securities may be acquired through initial public offerings (IPOs), secondary market operations and private placement, rights offers or negotiated deals.

Credit evaluation policy for the investments in debt securities

Credit quality analysed on the assumption that instruments will be held to maturity. The credit evaluation is guided by the credit policy of the AMC in which the external credit rating and the size of the company play an integral role.

List of sectors where the scheme will not be investing

The scheme shall not invest in debt instruments issued by companies in the real estate, gems & jewellery, micro finance institutions and airlines. Depending up on the changes in the investment environment, the AMC may consider other sectors / companies for applying such restrictions from time to time. For the purpose of identifying sector, AMFI sector definitions shall be referred to.

Type of instruments in which the scheme propose to invest
As stated above.

Intended portfolio allocation

The floors and ceilings within a range of 5% of the intended allocation (%) against each sub asset class/credit rating shall be as follows:

Credit Rating / Instruments	**AAA**	**AA**	**A**	**Not applicable**
CDs / Treasury Bills/	-	-	-	-
CPs	-	-	-	-
NCDs	25-30%	45-30%	-	-
CBLO/ units of liquid funds	-	-	-	-

In addition to the above fixed income allocation , the scheme would also have investments in premium of exchange traded options and/or equity instruments in the range of 0-25% in line with the details mentioned as a part of the Asset Allocation Pattern of this document.

Notes:
1. Securities with rating A and AA shall include A+ and A- & AA+ and AA- respectively. Similarly, securities with A1 shall include A1+.
2. There can be positive variation in the range in investment towards higher credit rating in the same instrument.
3. In case of non availability of and taking into account the risk-reward analysis of CPs, NCDs; the scheme may invest in units of liquid funds, CBLOs and CDs having highest credit rating (i.e. A1+ or equivalent) or government securities or treasury bills. Such deviation may continue, if suitable NCDs/CPs of desired credit quality are not available.
4. At the time of building up the portfolio post NFO and towards the maturity of the scheme, there

	may be a higher allocation to cash and cash equivalent (including units of liquid funds and T-Bills). 5. All investment shall be made based on the rating prevalent at the time of investment. However, in case of an instrument having dual ratings, the most conservative publicly available rating would be considered. 6. In the event of any deviations from the floor and ceiling of credit ratings specified for any instrument, other than by reason of downgrade or default, the AMC will seek to rebalance within 30 days from the date of the said deviation. 7. Further, the above allocation may vary during the tenure of the Plan. Some of these instances are: (i) coupon inflow; (ii) the instrument is called or bought back by the issuer (iii) in anticipation of any adverse credit event (iv) cash flow/cash balance of less than Rs 5 Cr etc. In case of such deviations, the Plans may invest in Bank CDs (A1+ or equivalents) / CBLOs/ Reverse Repos (Repo including repo in corporate bonds) /G-sec/ T-Bills / Liquid schemes. Such deviation may continue till maturity, if suitable instruments of desired credit quality are not available. Incase where cash is generated in the above instances and is deployed in short term deposits, such deployment will only be for temporary parking in line with SEBI regulations. 8. There will not be any variation between the intended portfolio allocation and the final portfolio allocation except as stated in points 2, 3, 4, 6 & 7 above.
Risk Profile of the Scheme	Mutual Fund units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific risk factors are summarized below: **<u>Scheme Specific Risk Factors</u>:** **1. Market Risk:** All mutual funds and securities investments are subject to market risk and there can be no assurance / guarantee that the scheme's objectives will be achieved. The securities that the scheme invests in would be exposed to price changes on a day-to-day basis. These price changes may occur due to instrument-specific factors as well as general macroeconomic conditions. **2. Risks associated with investing in Fixed Income Securities:** **a) Credit and Counterparty risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security or honor its contractual obligations). Counterparty risk refers to the counterparty's inability to honor its commitments (payment, delivery, repayment, etc.) and to risk of default. This risk relates to the quality of the counterparty on which the scheme has exposures. Losses can occur in particular for the settlement/delivery of financial instruments or the conclusion of financial derivatives contracts. **b) Liquidity Risk:** The liquidity of the scheme's investment is inherently restricted by trading volumes in the securities in which the scheme invests. A lower level of liquidity affecting an individual security or derivative or an entire market at the same time, may have an adverse bearing on the value of the scheme's assets. More importantly, this may affect the scheme's ability to sell particular securities and derivatives quickly enough to minimise impact cost, as and when necessary to meet requirements of liquidity or to sell securities in response to triggers such as a specific economic/corporate event. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of a few or all of the investments and may affect the liquidity of the investments of the scheme. The scheme may be unable to implement purchase or sale decisions when the markets turn illiquid, missing some investment opportunities or limiting ability to face redemptions. The lack of liquidity could also lead to the risk that the sale price of a security could be substantially lower than the fair value of the security. **Treatment and disposal of illiquid securities/NPAs at the time of maturity/ closure of the scheme:** Such securities will be valued in good faith in accordance with the Valuation Policy. Further SEBI regulations / provisions (vide SEBI Circular - MFD/CIR/05/432/2002 dated June 20, 2002)

shall apply for such securities. Accordingly any amount realized by the mutual fund after the winding up of the schemes from such NPAs and illiquid securities, if substantial and realized within two years shall be distributed back to the investors. . In case the amount is not substantial or it is realized after two years, it may be transferred to the Investor Education Fund maintained as specified in SEBI circular MFD/CIR/9/120/2000 dated November 24, 2000. The decision as to the determination of substantial amount shall be taken by the trustees of mutual fund after considering the relevant factors.

c) **Interest Rate Risk & Reinvestment Risk:** The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc. The value of debt and fixed income securities held by the scheme generally will vary inversely with the changes in prevailing interest rates. Further, securities of any issuer that has higher duration could be more risky in terms of price movements relative to those with lower duration. The investments made by the scheme are subject to reinvestment risk. This risk refers to the interest rate levels at which cash flows received from the securities in the scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed. There have been times in the past, when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct further transactions. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are not invested and no return is earned thereon.

d) **Concentration Risk:** The scheme may pursue only a limited degree of diversification. It may invest a greater proportion of assets in the securities of very few issuers (within the limits permitted by regulation) or be concentrated on a few market sectors. This could have implications for the performance of the scheme. The scheme may be more sensitive to economic, business, political or other changes and this may lead to sizeable fluctuation in the Net Asset Value of the scheme.

3. Risks associated with investing in securitised debt:

The Scheme may invest in domestic securitized debt such as asset backed securities (ABS) or mortgage backed securities (MBS). ABS means securitized debts wherein the underlying assets are receivables arising from personal loans, automobile loans, etc. MBS means securitized debts wherein the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature. ABS / MBS instruments reflect the undivided interest in the underlying of assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided. Securitized debt may suffer credit losses in the event of the delinquencies and credit losses in the underlying pool exceeding the credit enhancement provided. As compared to the normal corporate or sovereign debt, securitized debt is normally exposed to a higher level of reinvestment risk. Please refer SID for more details.

4. Risks associated with investing in equities:

The risks associated with investments in equities and similar instruments include significant fluctuations in prices. The impact of fluctuations is likely to be accentuated for short-term investments. The risk that the performance of one or more companies declines or stagnates may have a negative impact on the performance of the Scheme as a whole at any given time.

Stock markets are volatile and can decline significantly in response to political, regulatory, economic, market and stock-specific developments etc. Different parts of the market can react differently to these developments. The stock-specific volatility may also change over a period of time as the characteristic of the stock undergoes a change in terms of market-cap category.

5. Risk associated with derivatives:

The scheme may use various derivative instruments and techniques, permitted within SEBI

Regulations from time to time only for portfolio balancing and hedging purpose, which may increase the volatility of scheme's performance. Usage of derivatives will expose the Scheme to certain risks inherent to such derivatives.

Derivative products are specialized instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will always be able to execute such strategies profitably.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

6. Other Risks:

1. **Risk associated with inflation:** Over time, yields of short-term investments may not keep pace with inflation, leading to a reduction in an investment's purchasing power.
2. **Legal Risk:** The scheme may be affected by the actions of government and regulatory bodies. Legislation could be imposed retrospectively or may be issued in the form of internal regulations which the public may not be aware of. Legislation (including legislation relating to tax) or regulation may be introduced which inhibits the scheme from pursuing their strategies or which renders an existing strategy less profitable than anticipated. Such actions may take any form, for example nationalization of any institution or restrictions on investment strategies in any given market sector or changing requirements and imposed without prior warning by any regulator.
3. **Risk associated with listing of units:** Listing of the units of the scheme does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained. Consequently, the scheme may quote below its face value / NAV.
4. **Taxation Risk:** The value of an investment may be affected by the application of tax laws, including withholding tax, or changes in government or economic or monetary policy from time to time. As such, no guarantee can be given that the financial objectives will actually be achieved. The tax information described in this Scheme Information Document is as available under the prevailing taxation laws and could be changed at any moment by regulation. Further, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the scheme will endure indefinitely.
5. **Operational Risk:** Operational risk addresses the risk of trading and back office or administration issues that may result in a loss to the Scheme. This could be the result of oversight, ineffective securities processing procedures, computer systems problems or human error
6. **Valuation Risk:** This risk relates to the fact that markets, in specific situations and due to lack of volumes of transactions, do not enable an accurate assessment of the fair value of invested assets. In such cases, valuation risk represents the possibility that, when a financial instrument matures or is sold in the market, the amount received is less than anticipated, incurring a loss to the portfolio and therefore impacting negatively the NAV of the scheme.

Risk Control Measures:

Since investing requires disciplined risk management, the AMC would endeavour to incorporate adequate safeguards for controlling risks in the portfolio construction process. A credit evaluation of each investment opportunity will be undertaken to manage credit risk. The AMC will utilise ratings of recognised rating agencies as an input in the decision making process. The fund manager shall follow the asset allocation pattern in SID under normal circumstances and residual cash may be invested in the collateralised borrowing & lending obligations (CBLO) / repo market, units of liquid funds. There can however, be no guarantee against liquidity risk within the scheme.

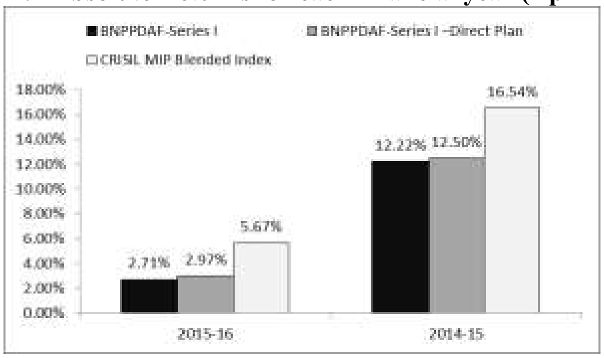
The AMC may also implement certain internal control procedures / risk & exposure limits etc. for controlling risks which may be varied from time to time.

	The scheme may utilise derivative instruments for hedging & portfolio balancing purposes. All Interest Rate Swaps will be undertaken with approved counter parties under pre approved International Swaps and Derivatives Association (ISDA) agreements. The scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI/RBI for the purpose of hedging and portfolio rebalancing. The above risk control measures shall be implemented by the AMC on best effort basis however; there can be no guarantee that such measures can completely mitigate the risks involved in scheme.
Options	The scheme offers following two plans: • BNP Paribas Dual Advantage Fund - Series I • BNP Paribas Dual Advantage Fund - Series I – Direct Plan Each plan has the following options: • Growth option • Dividend option The Dividend option offers only dividend payout facility. There shall be a single portfolio under the scheme.
Applicable NAV (after the scheme opens for repurchase and sale)	Units cannot be subscribed after the closure of NFO and will be redeemed only at the time of maturity at the applicable NAV. However, the Units can be traded on the Stock Exchange post listing. Since the Scheme is close-ended, switch-out facility is not available subsequent to NFO period. This provision would be applicable to intra-scheme switches also.
Minimum Application Amount/ Number of Units	Purchase - Not applicable; as units cannot be subscribed after the closure of NFO Additional Purchase- Not applicable Repurchase - Not applicable
Despatch of Repurchase (Redemption) Request	As the scheme is closed ended, investors will not be able to redeem their units during the tenor of the scheme and there will be redemption by the fund only on the maturity of the scheme. The maturity proceeds shall be dispatched to the unit holders within 10 working days from the date of maturity of the scheme. However, under normal circumstances, the Mutual Fund will endeavour to despatch the maturity proceeds within 3 Business Days from the date of maturity of the scheme.
Benchmark Index	CRISIL MIP Blended Index
Dividend Policy	Dividend declaration shall be in line with provisions mentioned in SEBI Circular IMD/Cir. No. 1/64057/06 dated April 4, 2006 read with further clarifications issued from time to time. Dividend shall be paid, subject to availability of distributable surplus in the scheme. The Trustees reserves the right to declare dividend in addition to the frequency specified.
Name of the Fund Manager	Mr. Puneet Pal (Debt portfolio) & Mr. Shreyash Devalkar (Equity portfolio). Both Fund managers have been jointly managing this Scheme since inception of the Scheme.
Name of the Trustee Company	BNP Paribas Trustee India Private Limited
Performance of the Scheme	**I. Compounded annualised returns (%) of Growth Option as at May 31, 2016:**

Particulars	Since Inception	Last 5 Years	Last 3 Years	Last 1 Year*
BNPPDAF-Series I	8.11	NA	NA	4.09
BNPPDAF-Series I –Direct Plan	8.38	NA	NA	4.35
CRISIL MIP Blended Index	11.02	NA	NA	7.15

Inception Date: November 06, 2013; *Absolute Returns

II. Absolute Returns for each financial year (Apr-Mar):



Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments. Since inception returns are calculated on ₹ 10/- invested at inception. The returns are calculated for the growth option considering the movement of the NAV during the period. Performance of dividend option under the scheme for the investors would be net of distribution tax, if any. Returns do not take into account load and taxes, if any.

Other Disclosures

I. Aggregate investment in the scheme as on May 31, 2016 by:

1. **AMC's Board of Directors:** Nil
2. **Scheme's Fund Manager:** Nil
3. **Other Key managerial personnel (excluding 1 and 2 above):** Nil

II. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) as on May 31, 2016:

1) Top 10 Holdings By Issuer

Security name	As % of net assets
Rural Electrification Corporation Ltd	12.39%
Power Finance Corporation Ltd	8.87%
Cholamandalam Investment & Finance Co Ltd	8.87%
Power Grid Corporation of India Ltd	8.85%
Shriram Transport Finance Co Ltd	8.69%
Sundaram BNP Paribas Home Finance Ltd	8.33%
Tata Capital Financial Services Ltd	7.09%
ICICI Bank Ltd-CD	5.09%
IDFC Bank Ltd	2.65%
HDFC Bank Ltd (equity)	1.98%

Investment in Top 10 scrips constitutes 72.81% (of net assets) of the portfolio as on May 31, 2016

2) Fund Allocation towards various Sectors

Industry / Sector*	As % of net assets
Finance	55.37%
Banks	13.59%
Power	9.61%
Software	3.26%
Consumer Non Durables	1.71%
Petroleum Products	1.34%
Pharmaceuticals	1.25%
Auto	1.19%
Construction Project	0.82%
Cement	0.64%
Telecom - Services	0.59%
Oil	0.39%
Non - Ferrous Metals	0.37%
Minerals/Mining	0.34%

**Industry Classification as recommended by AMFI.*

Scheme's Portfolio turnover ratio is 0.01 times as on May 31, 2016.

To view the Scheme's latest monthly portfolio holding, please visit our website at

	http://bnpparibasmf.in/Downloads/index.aspx
Sector level and Group Level exposure restriction	Sector level exposure limits: The Mutual Fund/AMC shall ensure that total exposure of the Scheme in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, TBills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 25% of the net assets of the scheme; Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 5% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only; Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the Scheme. Group level exposure limits: The total exposure of the Scheme in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees. *For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.* Further, in accordance with SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016, the Scheme shall not be required to sell their investments to comply with the aforesaid restrictions. However, if the scheme sells its investments then the fresh investments shall be subject to the said restrictions.
Expenses of the Scheme	**Load Structure** New Fund Offer Period - entry load& exit load: nil Continuous Offer - entry load & exit load – not applicable. **Recurring expenses** (i) On the first Rs. 100 crore of the daily net assets 2.25%; (ii) On the next Rs. 300 crore of the daily net assets 2.00%; (iii) On the next Rs. 300 crore of the daily net assets 1.75%; (iv) On the balance of the assets 1.50% Following expenses may be charged over and above the limits mentioned above. 1. Additional expenses under regulation 52 (6A) (c) at 0.20% 2. Additional expenses for gross new inflows from specified cities at 0.30% 3. Service tax on investment and advisory service fees ('AMC Fees) The total fungible expense charged to the scheme shall be the maximum limit of TER as prescribed under regulation 52 and additional expenses prescribed under 52 (6A) (c) i.e. upto 2.45% of the daily net assets of the scheme. For the actual current expenses being charged, the investor should refer to the SID or the website of the mutual fund www.bnpparibasmf.in **Actual expenses for the financial year 2015-16:** **Total recurring expense as a % to daily net assets :** Distributor Plan: 2.77%; Direct Plan: 2.54%

An Illustration of impact of expense ratio on Scheme's returns:

If an investor A invests in a regular plan of a Scheme with an expense of 2% p.a. and an investor B invests in Direct Plan of the same scheme with an expense of 1% p.a. Assuming the gross return of this fund is 10% for that given year, investor A will make a return of 8% (post expense) for that year, whereas investor B will make 9% return for same period.
Also, please take a look at below illustration which shows impact of different expense ratio assumed on initial investment of Rs. 10,000 invested over period of 10 years with an average annualized gain of 10% p.a.

Value at End of Year	Assuming 10% p.a. gain (without any expense ratio)	Assuming 10% p.a. gain				
		with an average expense of 0.5% p.a.	with an average expense of 1.00% p.a.	with an average expense of 1.50% p.a.	with an average expense of 2.00% p.a.	with an average expense of 2.50% p.a.
0*	10000.00	10000.00	10000.00	10000.00	10000.00	10000.00
1	11000.00	10950.00	10900.00	10850.00	10800.00	10750.00
2	12100.00	11990.25	11881.00	11772.25	11664.00	11556.25
3	13310.00	13129.32	12950.29	12772.89	12597.12	12422.97
4	14641.00	14376.61	14115.82	13858.59	13604.89	13354.69
5	16105.10	15742.39	15386.24	15036.57	14693.28	14356.29
6	17715.61	17237.91	16771.00	16314.68	15868.74	15433.02
7	19487.17	18875.52	18280.39	17701.42	17138.24	16590.49
8	21435.89	20668.69	19925.63	19206.04	18509.30	17834.78
9	23579.48	22632.22	21718.93	20838.56	19990.05	19172.39
10	25937.42	24782.28	23673.64	22609.83	21589.25	20610.32

**initial investment amount*

Investors are requested to note that NAV declaration made by AMC/Mutual Fund on every business day is net of expenses, and consequently scheme performance disclosures made by Mutual Fund, which are based on NAV values of the scheme are also net of expenses but does not consider impact of load and taxes, if any.

Waiver of load for direct applications

In accordance with the requirements specified by the SEBI circular no. SEBI / IMD/CIR No. 4 / 168230/ 09 dated June 30, 2009 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund. Hence provision for waiver of load for direct application is not applicable.

Transaction charges

Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, the AMC/the Fund shall deduct transaction charges as per the following details from the subscription amount. The amount so deducted shall be paid to the distributor/agent of the investor (in case they have "opted in") and the balance shall be invested. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the distributors shall have an option either to opt in or opt out of levying transaction charge based on type of the product.

1. First time investor in Mutual Fund (across all the Mutual Funds): Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above shall be deducted.
2. Existing investor in Mutual Funds (across all the Mutual Funds): Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above shall be deducted.
3. Transaction charges shall not be deducted for:
   (i) Purchases /subscriptions for an amount less than Rs. 10,000/-
   (ii) Transaction other than purchases/ subscriptions relating to new inflows such as Switch.
   (iii) Purchases/subscriptions made directly with the Fund (i.e. not through any distributor/agent).
   (iv) Transaction through stock exchange mechanism
4. The statement of account shall reflect the net investment as gross subscription less transaction charge and the number of units allotted against the net investment.
5. As per SEBI circular no. SEBI/ IMD/ CIR No. 4/ 168230/09 dated June 30, 2009, the upfront commission to distributors shall be paid by the investor directly to the distributor by a separate cheque based on the investor's assessment of various factors including service rendered by the distributor.

Tax treatment for the investors (Unitholders)	Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.
Daily Net Asset Value (NAV) Publication	The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9.00 p.m. and also on their website www.bnpparibasmf.in. In case of any delay, the reasons for such delay shall be explained to AMFI and number of such instances shall be reported to SEBI on bi- monthly basis. If the NAVs are not available before the commencement of the following day due to any reason, the Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund shall be able to publish the NAVs. The NAV shall be calculated for all business days and shall be provided for publishing to at least two daily newspapers having circulation all over India. Since the scheme is proposed to be listed on a recognized stock exchange, the closing price shall also be available on that stock exchange but the closing price may vary from the published NAV of the scheme on any business day. **The Mutual Fund/AMC and its empanelled brokers/distributors has not given and shall not give any indicative portfolio and indicative yield in any communication or in any manner whatsoever. Investors are advised not to rely on any such communication regarding indicative yield/portfolio with regard to the Scheme.**
For Investor Grievances please contact	**Name and Address of Registrar:** Sundaram BNP Paribas Fund Services Limited Unit: BNP Paribas Mutual Fund, Central Processing Center, No. 23, Cathedral Garden Road, Nungambakkam, Chennai-600 034. SEBI Registration Number: INR000004066 **Name, address, telephone number, fax number, e-mail id of investor relations officer:** **Mr. Allwyn Monteiro** BNP Paribas Asset Management India Private Limited 1, North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. Phone: 91 - 22- 33704214/4242 Fax: 91 - 22- 3370 4294 E-mail: customer.care@bnpparibasmf.in, allwyn.monteiro@bnpparibasmf.in
Unitholders' Information	AMC shall send confirmation regarding allotment of units specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of closure of the new fund offer period and / or from date of receipt of the request from the unit holder. The AMC shall issue a Consolidated Account Statement (CAS) for each calendar month on or before the tenth day of the succeeding month detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all the schemes of all mutual funds in whose folios transaction has taken place during that month. CAS is a statement reflecting holdings / transactions across all the mutual funds by the investor. CAS shall not be issued to the investor who has not updated their Permanent Account Number (PAN) in their respective folios. The unit holders shall ensure that the PAN details are updated in all their folio(s). The AMC shall also publish complete statement of scheme portfolio within one month from the close of each half year (that is on 31st March and on 30th September) in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated. **Monthly Portfolio Disclosures:** The monthly portfolio of the scheme (alongwith ISIN) shall also be made available on the website of Mutual Fund (www.bnpparibasmf.in) on or before tenth day of the succeeding month. The same can be located on website at http://bnpparibasmf.in/Downloads/index.aspx **Annual Report or abridged summary thereof:** SEBI Circular No. Cir/IMD/DF/16/2011 dated September 8, 2011 shall be complied with in order to

	bring cost effectiveness in printing and dispatching the annual reports or abridged summary thereof. For more details, Investors are requested to refer the Scheme Information Document (SID).
Listing	The units of the Scheme are listed on National Stock Exchange of India Ltd. and available for trading through the stock exchange.
Delisting	The units of a mutual fund scheme may be delisted from a recognised stock exchange in accordance with the guidelines as may be specified by the SEBI from time to time.
Dematerialization	The Unit holders are given an option to hold the units by way of an account statement or in Dematerialized (‘demat’) form. Unit holders opting to hold the units in demat form must provide their demat Account details in the specified section of the application form. The Unit holder intending to hold the units in demat form are required to have a beneficiary account with the Depository Participant (DP) (registered with NSDL / CDSL) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP. The AMC intends to register with NSDL & CDSL. In case Unit holders do not provide their demat Account details, an Account Statement shall be sent to them. Such investors will not be able to trade on the stock exchange till the holdings are converted in to demat form.
Conversion of mutual fund units represented by Statement of Accounts (SoA) into dematerialised form	In case, a unit holder intends to convert units from physical form represented by SoA to Demat form, the request to convert the units into demat form shall be directly submitted to their depository participants (DP) and not to the AMC or the Registrar and Transfer Agent (RTA) of the Fund. The AMC shall issue units in dematerialized form to a unit holder within two working days of the receipt of valid documents from the respective DP. The credit of the converted units will be reflected in the transaction statement provided by the DP to its client. The facility of converting the units in dematerialized form is available subject to such processes, operating guidelines and terms & conditions as may be prescribed by the DPs and the Depositories from time to time.

In accordance with the requirements specified by the SEBI circular no. SEBI/ IMD/ CIR No. 4/ 168230/09 dated June 30, 2009 no entry load will be charged for purchase/additional purchase/ switch-in accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor’s assessment of various factors including service rendered by the ARN Holder. The exit load charged, if any shall be credited to the scheme. Presently, the Scheme does not intend to charge any exit load.

Notwithstanding anything contained in the Key Information Memorandum, the provisions of SEBI (Mutual Funds) Regulations, 1996 and Guidelines thereunder shall be applicable. Further, investors may ascertain about any further changes from the Mutual Fund/Investor Service Centres / Distributors or Brokers.