

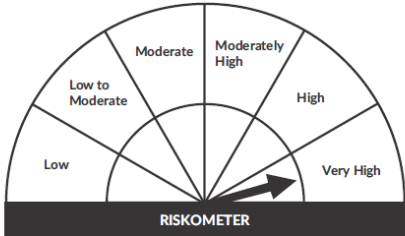
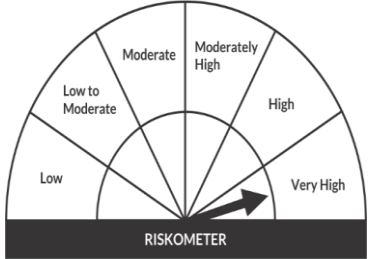
## SCHEME INFORMATION DOCUMENT

### Axis Retirement Savings Fund

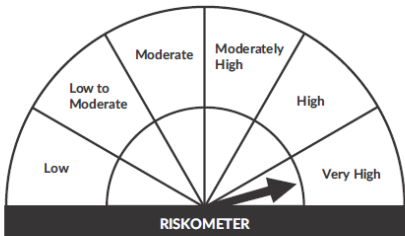

(An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)).

Continuous offer for Units at NAV based prices

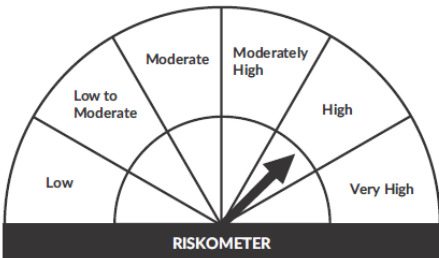
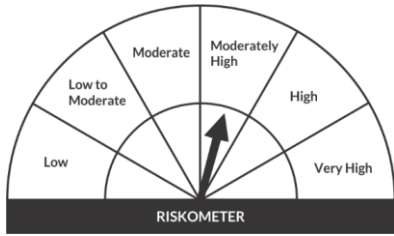
#### Axis Retirement Savings Fund - Aggressive Plan

<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Capital appreciation over long term</li> <li>Investments primarily in equity and equity related instruments.</li> </ul>	<p>Product Riskometer</p>  <p style="text-align: center; font-size: small;">Investors understand that their principal will be at very high risk</p>	<p>Benchmark Riskometer</p>  <p style="text-align: center; font-size: small;">CRISIL Hybrid 25+75 - Aggressive Index</p>
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#### Axis Retirement Savings Fund - Dynamic Plan

<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Capital appreciation and income generation over long term.</li> <li>Investment in equity and equity related instruments as well as debt and money market instruments while managing risk through active asset allocation.</li> </ul>	<p>Product Riskometer</p>  <p style="text-align: center; font-size: small;">Investors understand that their principal will be at very high risk</p>	<p>Benchmark Riskometer</p>  <p style="text-align: center; font-size: small;">CRISIL Hybrid 35+65 - Aggressive Index</p>
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#### Axis Retirement Savings Fund - Conservative Plan

<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Capital appreciation &amp; income generation over long term.</li> <li>Investments in debt and money market instruments as well as equity and equity related instruments.</li> </ul>	<p>Product Riskometer</p>  <p style="text-align: center; font-size: small;">Investors understand that their principal will be at high risk</p>	<p>Benchmark Riskometer</p>  <p style="text-align: center; font-size: small;">CRISIL Hybrid 75+25 - Conservative Index</p>
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**\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.**

Name of Mutual Fund	: Axis Mutual Fund
Name of Asset Management Company	: Axis Asset Management Company Ltd.
Name of Trustee Company	: Axis Mutual Fund Trustee Ltd.
Addresses, Website of the entities	: Axis House, 1 <sup>st</sup> Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 www.axismf.com
Name of Sponsor	: Axis Bank Ltd.

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on [www.axismf.com](http://www.axismf.com).

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

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

This Scheme Information Document is dated October 31, 2023.

**TABLE OF CONTENTS**

HIGHLIGHTS/SUMMARY OF THE SCHEME .....	4
I. INTRODUCTION .....	7
A. RISK FACTORS .....	7
B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME .....	15
C. SPECIAL CONSIDERATIONS, if any .....	15
D. DEFINITIONS .....	17
E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY .....	20
II. INFORMATION ABOUT THE SCHEME .....	21
A. TYPE OF THE SCHEME .....	21
B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME? .....	21
C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS? .....	21
D. WHERE WILL THE SCHEME INVEST? .....	33
E. WHAT ARE THE INVESTMENT STRATEGIES? .....	41
F. FUNDAMENTAL ATTRIBUTES .....	60
G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE? .....	62
H. WHO MANAGES THE SCHEME? .....	62
I. WHAT ARE THE INVESTMENT RESTRICTIONS? .....	66
J. CREATION OF SEGREGATED PORTFOLIO .....	70
K. INVESTMENT BY THE AMC IN THE SCHEME .....	78
L. HOW HAS THE SCHEME PERFORMED? .....	78
M. ADDITIONAL SCHEME RELATED DISCLOSURES .....	82
III. UNITS AND OFFER .....	58
A. NEW FUND OFFER (NFO) .....	58
B. ONGOING OFFER DETAILS .....	98
C. PERIODIC DISCLOSURES .....	130
D. COMPUTATION OF NAV .....	139
IV. FEES AND EXPENSES .....	140
A. NEW FUND OFFER (NFO) EXPENSES .....	140
B. ANNUAL SCHEME RECURRING EXPENSES .....	140
C. LOAD STRUCTURE .....	144
D. WAIVER OF LOAD FOR DIRECT APPLICATIONS .....	146
V. RIGHTS OF UNITHOLDERS .....	147
VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY .....	148

## **HIGHLIGHTS/SUMMARY OF THE SCHEME**

### **Scheme Code**

Axis Retirement Savings Fund - Aggressive Plan	AXIS/O/S/RET/19/07/0037
Axis Retirement Savings Fund - Conservative Plan	AXIS/O/S/RET/19/07/0038
Axis Retirement Savings Fund - Dynamic Plan	AXIS/O/S/RET/19/07/0039

### **Investment objective**

The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.

However, there can be no assurance that the investment objective of the Scheme will be achieved.

Investment objectives of Investment Plans under the Scheme are as given below:

### **Investment Plan(s)**

#### **Axis Retirement Savings Fund - Aggressive Plan**

To generate capital appreciation by predominantly investing in equity and equity related instruments.

The Investment Plan may also invest in debt and money market instruments, units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

#### **Axis Retirement Savings Fund - Dynamic Plan**

The Investment Plan has a dual objective of generating capital appreciation by investing in equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

#### **Axis Retirement Savings Fund - Conservative Plan**

To generate regular income through investments predominantly in debt and money market instruments and to generate long term capital appreciation by investing certain portion of the portfolio in equity and equity related securities.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

Each of the Investment Plan(s) will be managed as separate portfolios.

### **Liquidity**

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days (subject to completion of lock-in period) on an ongoing basis. Under normal circumstances the AMC shall dispatch the redemption proceeds within 3 working days from date of receipt of request from the Unit holder. The AMC shall adhere to guidelines published by AMFI /SEBI for exceptional

circumstances under which the scheme is unable to transfer redemption or repurchase proceeds within prescribed timelines.

However, in case of compulsory lock-in option, units will be locked till the retirement age or 5 years from the date of allotment, whichever is earlier.

### **Lock-in Period**

Units purchased cannot be assigned/transferred/pledged/redeemed/switched-out until completion of 5 years from the date of allotment of Units of the Investment Plan(s) under the Scheme or till retirement age of Unit holder (i.e. completion of 58 years), whichever is earlier. However, investors applying/holding units in physical/ demat form can switch-in within the Investment Plan(s) under the Scheme during the lock-in period. For the purpose of calculation of lock-in period in such cases, the date of initial/first investment in Axis Retirement Savings Fund will be considered and not the date of switch from one Investment Plan to another Investment Plan.

Investors are requested to note that on exercise of switch option between Investment Plan(s) and Plans/Options within the Investment Plan(s), the amount which is switched-out shall be treated as redemption and shall be subject to Income-tax provisions as applicable on such redemption. This may result in capital gain / capital loss to the investors, entailing tax consequences. For Income tax purposes, holding period shall be calculated from the date of investment in respective Investment Plan(s) and not the date of original investment in the Scheme. Hence, investors should consult their financial and tax advisors in this regard.

The AMC/Trustee reserves the right to change the Lock-in Period prospectively in accordance with the guidelines issued by SEBI from time to time. The same may affect the interest of Unit holders and will tantamount to change in the fundamental attributes of the Scheme.

### **Benchmark**

<b>Plan Name</b>	<b>Benchmark</b>
Axis Retirement Savings Fund - Aggressive Plan	CRISIL Hybrid 25+75 - Aggressive Index
Axis Retirement Savings Fund - Dynamic Plan	CRISIL Hybrid 35+65 - Aggressive Index
Axis Retirement Savings Fund - Conservative Plan	CRISIL Hybrid 75+25 - Conservative Index

### **Investment Plan(s), Plan(s) and Option(s)**

Investors are offered the following Investment Plan(s) to invest in the Scheme:

- Axis Retirement Savings Fund - Aggressive Plan
- Axis Retirement Savings Fund - Dynamic Plan
- Axis Retirement Savings Fund - Conservative Plan

Each Investment Plan offers Regular Plan and Direct Plan.

### **Direct Plan**

Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.

### **Regular Plan**

Regular Plan is available for investors who purchase/ subscribe Units in a scheme through a Distributor.

### **Options under each Plan(s)**

- Growth
- Income Distribution cum Capital Withdrawal (IDCW) (IDCW Payout)

### **Eligible investors / modes for applying**

All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Scheme are eligible to subscribe under Direct Plan. Investments under Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund {except Platform(s) where investors' applications for subscription of units are routed through Distributors}.

**Load Structure**

**Entry Load:** Not Applicable

**Exit Load:** Nil

Para 10.4 of Master Circular for Mutual Funds has decided that there shall be no Entry Load for all Mutual Fund schemes.

For more details on Load Structure, please refer paragraph 'Load Structure'.

**Minimum Application Amount**

Rs. 100 and in multiples of Re. 1/- thereafter

**Minimum Additional Purchase Amount**

Rs. 100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio and at the time of first investment in a plan.

**Transparency/NAV Disclosure**

The AMC will calculate and disclose the NAVs on all Business Days. The AMC shall update the NAVs on website of the Association of Mutual Funds in India - AMFI ([www.amfiindia.com](http://www.amfiindia.com)) before 11.00 p.m. on every Business Day and shall also update the NAVs on the website of AMC ([www.axismf.com](http://www.axismf.com)). If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of Axis Retirement Savings Fund - Aggressive Plan & Axis Retirement Savings Fund - Dynamic Plan (alongwith ISIN) as on the last day of the month/ half year on the website of the Mutual Fund and AMFI within 10 days from the close of each month/ half year (i.e. 31st March and 30th September) respectively in a user-friendly and downloadable spreadsheet format. Further, the AMC will disclose the portfolio of Axis Retirement Savings Fund - Conservative Plan (alongwith ISIN) on the fortnightly/ half year basis on the website of the Mutual Fund and AMFI within 5 days of every fortnight and within 10 days of close of each half year (i.e. 31st March and 30th September) respectively in a user-friendly and downloadable spreadsheet format. Also AMC shall publish an advertisement, in an all India edition of one national English daily newspaper and in one Hindi newspaper, every half year disclosing the hosting of the half-yearly statement of its schemes portfolio on the website of the Mutual Fund and AMFI and the modes through which unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolios.

The AMC will also provide a dashboard, in a comparable, downloadable (spreadsheet) and machine readable format, providing performance and key disclosures like Scheme's AUM, investment objective, expense ratios, portfolio details, scheme's past performance etc. on its website.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on its website and on the website of AMFI along with a link.

## **I. INTRODUCTION**

### **A. RISK FACTORS**

#### **i. Standard Risk Factors:**

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Retirement Savings Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Retirement Savings Fund is not a guaranteed or assured return scheme.

#### **ii. Scheme Specific Risk Factors**

##### **Risks associated with investments in equities**

- Equity and equity related instruments are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/ policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors / unitholders, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

##### **Risks associated with investments in Fixed Income Securities**

**Interest-Rate Risk:** Fixed income securities such as government bonds, corporate bonds, money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

**Re-investment Risk:** Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

**Basis Risk:** The underlying benchmark of a floating rate security or a swap might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.

**Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

**Liquidity Risk:** The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

**Liquidity Risk on account of unlisted securities:** The liquidity and valuation of the Schemes' investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

**Credit Risk:** This is the risk associated with the issuer of a debenture/bond or a Money Market Instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

**Settlement Risk:** Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

#### **Risk associated with Securitized Debt**

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.



- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is.

The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABS. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

#### **Risks associated with investments in Derivatives**

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.

- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor / unitholder. Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- 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.

The following are certain additional risks involved with use of fixed income derivatives:

**Interest rate risk:** Derivatives carry the risk of adverse changes in the price due to change in interest rates.

**Liquidity risk:** - This occurs where the derivatives cannot be transacted due to limited trading volumes and/or the transaction is completed with a severe price impact.

**Counter party Risk :** This occurs when a counterparty fails to abide by its contractual obligations and therefore, the Scheme are compelled to negotiate with another counter party, at the then prevailing (possibly unfavourable) market price. For exchange traded derivatives, the risk is

mitigated as the exchange provides the guaranteed settlement but one takes the performance risk on the exchange.

**Basis Risk** : Basis Risk associated with imperfect hedging using Interest Rate Futures (IRF): The imperfect correlation between the prices of securities in the portfolio and the IRF contract used to hedge part of the portfolio leads to basis risk. Thus, the loss on the portfolio may not exactly match the gain from the hedge position entered using the IRF.

### **Risks Associated with Interest Rate Futures**

Although hedging with interest rate futures allows investors to reduce interest rate risk, it generally cannot completely eliminate risk. All hedges generally contain some residual, or basis, risk. Moreover, hedging also introduces some other risks. Some of those risks are credit risk, marking to market risk, and managerial risk.

Basis risk:

The risk that remains after an investor hedges his portfolio is called basis risk. An investor who hedges his portfolio with interest rate futures bears basis risk because, when interest rates change, the change in the price of the futures contract does not perfectly offset the change in the price of the asset being hedged. Fixed income asset prices can change for reasons other than changes in interest rates. As a result, the basis risk in a hedge will be relatively high when factors other than interest rates are an important source of the changes in the price of the asset being hedged.

For example, an asset's price will fall if the issuer's credit rating falls or if the asset is relatively illiquid and a large amount is sold. Since these factors would not affect the prices of interest rate futures, such as Treasury bond futures, interest rate futures cannot offset price changes caused by such factors. In fact, that is why Treasury bond futures proved to be a less effective hedging instrument for the corporate bond than for the Treasury bond portfolio.

Credit risk:

Individuals do not have to be concerned about the opposite party defaulting on a futures contract because every futures exchange has a clearing organization that is a party to every futures contract in order to guarantee the integrity of the contract. That is, the clearing house is the seller in every contract bought and the buyer in every contract sold. But the risk remains that an investor will end up with an un-hedged open futures position if there is a default on the asset being hedged.

For example, suppose an investor in corporate bonds hedges his portfolio against changes in interest rates by selling interest rate futures. If interest rates fall, the prices of the bond and futures will rise. Since futures were sold, the investor would suffer losses on the futures, but those losses would be offset by the gains on the bonds. If the bond issuer defaults, though, the investor would have the losses on his futures position but no gains to offset the losses.

### **Risks associated with Covered Call Strategy**

Writing call options are highly specialized activities and entail higher than ordinary investment risks. In such investment strategy, the profits from call option writing is capped at the option premium, however the downside depends upon the increase in value of the underlying equity shares. This downside risk is reduced by writing covered call options.

The Scheme may write covered call option only in case it has adequate number of underlying equity shares as per regulatory requirement. This would lead to setting aside a portion of investment in underlying equity shares. If covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately if the view changes to sell and exit the stock. The covered call options need to be unwound before the stock positions can be liquidated. This may lead to a loss of opportunity, or can cause exit issues if the strike price at which the call option contracts have been written become illiquid. Hence, the

scheme may not be able to sell the underlying equity shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity.

The writing of covered call option would lead to loss of opportunity due to appreciation in value of the underlying equity shares. Hence, when the appreciation in equity share price is more than the option premium received the scheme would be at a loss.

The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of Scheme to buy any options.

#### **Risk Factors Associated with Investments in REITs and InvITS:**

- **Price-Risk or Interest-Rate Risk:** REITs & InvITS run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. REITs & InvITS are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. As these products are new to the market they are likely to be exposed to liquidity risk.
- **Reinvestment Risk:** Investments in REITs & InvITS may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Risk of lower than expected distributions:** The distributions by the REIT or InvIT will be based on the net cash flows available for distribution. The amount of cash available for distribution principally depends upon the amount of cash that the REIT/ InvITS receives as dividends or the interest and principal payments from portfolio assets.

The above are some of the common risks associated with investments in REITs & InvITS. There can be no assurance that investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

#### **Risks associated with Repo transactions in Corporate Bonds**

The Scheme may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honour the repurchase agreement. However, in repo transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk is further mitigated through over-collateralization (the value of the collateral being more than the repo amount).

#### **Risks associated with segregated portfolio**

1. Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
2. Security comprises of segregated portfolio may not realise any value.
3. Listing of units of segregated portfolio on recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

#### **Risks associated with transaction in Units through stock exchange(s)**

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

**Risks associated with Short Selling & Securities Lending**

Securities Lending is lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

Short-selling is the sale of shares or securities that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock/security he shorted and returns the stock/security to the lender to close out the loan. The inherent risks are Counterparty risk and liquidity risk of the stock/security being borrowed. The security being short sold might be illiquid or become illiquid and covering of the security might occur at a much higher price level than anticipated, leading to losses.

**Risks associated with investing in foreign securities**

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Scheme may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

**Risk Factor associated with investing in Tier I and Tier II Bonds:**

**Tier I and Tier II Bonds are unsecured and the RBI prescribes certain restrictions in relation to the terms of these Bonds:**

Tier I and Tier II bonds are unsecured in nature. The claims of the Bondholders shall (i) be subordinated to the claims of all depositors and general creditors of the Bank; (ii) neither be secured nor covered by any guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis-a-vis creditors of the Bank; (iii) Unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under the Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bondholders shall be pari passu with claims of holders of such subsequent debentures/bond issuances of the Bank; (iv) rank pari passu without preference amongst themselves and other subordinated debt eligible for inclusion in Tier 1 / Tier 2 Capital as the case may be. The Bonds are not redeemable at the option of the Bondholders or without the prior consent of RBI.

The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments issued in terms of Basel III Guidelines including in compliance with the requirements of Annex 5 thereof and are subject to certain loss absorbency features as described in bond

prospectus and required of Tier 1 / Tier 2 instruments at the Point of Non Viability as provided for in Annex 16 of the aforesaid Basel III Guidelines as amended from time to time.

The Bonds are essentially non-equity regulatory instruments, forming part of a Bank's capital, governed by Reserve Bank of India (RBI) guidelines and issued under the issuance and listing framework given under Chapter VI of the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 ("NCRPS Regulations"). These instruments have certain unique features which, inter-alia, grant the issuer (i.e. banks, in consultation with RBI) a discretion in terms of writing down the principal/ interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions of the issuer might result in potential loss to investors. Payment of coupon on the Bonds is subject to the terms of Information Memorandum, including Coupon Discretion, Dividend Stopper Clause, Loss Absorption as contained in the Information Memorandum. The Bonds are subject to loss absorption features as per the guidelines prescribed by RBI.

**There may be no active market for the Bonds on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the Bonds may fail to develop and may accordingly be adversely affected:**

There is no assurance that a trading market for the Bonds will exist and no assurance as to the liquidity of any trading market. Although an application will be made to list the Bonds on the NSE and/or BSE, there can be no assurance that an active market for the Bonds will develop, and if such a market were to develop, there is no obligation on the issuer to maintain such a market. The liquidity and market prices of the Bonds can be expected to vary with changes in market and economic conditions, financial condition and prospects and other factors that generally influence market price of such instruments. Such fluctuations may significantly affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which one purchases these Bonds.

**Issuer is not required to and will not create or maintain a Debenture Redemption Reserve (DRR) for the Bonds issued under this Disclosure Document:**

As per the Companies (Share Capital and Debentures) Rules, 2014, as amended, no Debenture Redemption Reserve is required to be created by Banking Companies issuing debentures.

**There is no assurance that the Tier I / Tier II bonds will not be downgraded:**

The Rating agencies, which rate the Bonds, have a slightly different rating methodology for Tier I and Tier II bonds. In the event of deterioration of the financial health of the Issuer or due to other reasons, the rating of the Bonds may be downgraded whilst the ratings of other bonds issued by the issuer may remain constant. In such a scenario, for Tier I and Tier II Bond holders may incur losses on their investment.

**Risks associated with Investment in Gold Exchange Traded Funds**

**Market Risk**

The NAV of gold ETFs is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of gold ETFs. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the global market, Indian and foreign exchange rates, interest rates, inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of gold jewellery in and out of India, etc.

**Counter party Risk**

India does not have an Exchange for trading physical gold. Therefore, the underlying gold ETF may have to buy or sell gold from the open market, which may lead to counter party risks for trading and settlement.

**Liquidity Risk**

The underlying gold ETF has to sell gold only to bullion bankers/traders who are authorized to buy gold. Though there are adequate number of players (commercial or bullion bankers) to whom the underlying gold ETF can sell gold, it may have to resort to distress sale of gold if there is no or low demand for gold to meet its cash needs of redemption or expenses.

**Risk Factor associated with debt instruments backed by equity shares as collateral:**

The Scheme may invest in debt instruments backed by equity shares as collateral. The profile of these issuers tend to be relatively weak and there may be a pledge of shares of a related party to enhance credit quality. In such securities there is the risk of sharp price volatility of underlying securities which may lead to erosion in value of collateral which may affect the ability of the fund to enforce collateral and recover capital and interest obligations. The liquidity of the underlying shares may be low leading to a lower recovery in case of high impact cost of liquidation of the collateral.

**B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme/Plan(s) shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days' notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund at the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

**C. SPECIAL CONSIDERATIONS, if any**

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- The Scheme related documents i.e. SID/ KIM/ SAI or the units of the Fund are not registered in any jurisdiction including the United States of America nor in any provincial/ territorial jurisdiction in Canada. The distribution of the Scheme related document in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of the Scheme related documents are required to inform themselves about, and to observe any such restrictions. No persons receiving a copy of this Scheme related documents or any accompanying application form in such jurisdiction may treat these Scheme related documents or such application form as constituting an invitation to them to subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, the Scheme related documents do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation as per applicable law.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information

Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.

- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in Statement of Additional Information.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, 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. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates or group companies make substantial investment, either directly or indirectly in the Scheme, redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their units.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme's portfolio. In view of this, the AMC / Trustee has the right to limit redemptions under certain circumstances - please refer to the paragraph "Suspension/Restriction on redemption of Units of the Scheme".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s)/redemptions / allotment of units.



**D. DEFINITIONS**

"AMC"/ "Asset Management Company"/ "Investment Manager"	Axis Asset Management Company Ltd., incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or switching of Units based on the time of the Business Day on which the application is time stamped.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> <li>(i) Saturday and Sunday;</li> <li>(ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing;</li> <li>(iii) A day on which the National Stock Exchange of India Ltd. and/or BSE Ltd., Mumbai are closed;</li> <li>(iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received;</li> <li>(v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC;</li> <li>(vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.</li> </ul> <p>Further, the day(s) on which the money markets and/or debt markets are closed / not accessible, may not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian) of Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"IDCW"	Income distributed by the Mutual Fund on the Units
"IDCW Sweep option" / "DSO"	Facility given to the Unit holders to automatically invest the IDCW by eligible source scheme into eligible target scheme of the Mutual Fund
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Equity Related Instruments"	Includes debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any such other instrument as may be specified by the Board from time to time.
"Exit Load"	Load on Redemption / Switch out of Units.
"Foreign Portfolio Investor" / "FPI"	A person who satisfies the eligibility criteria prescribed under regulation 4 of SEBI (Foreign Portfolio Investors) Regulations, 2014 and has been registered under Chapter II of these regulations, which shall be deemed to be an intermediary in terms of the provisions of the Act.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually

	agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Gilts" / "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities Act, 2006 as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Ltd. and Axis Asset Management Company Ltd., as amended from time to time.
"Investor Service Centres" / "ISCs"	Offices of Axis Asset Management Company Ltd. or such other centres / offices as may be designated by the AMC from time to time.
"Infrastructure Investment Trust" / "InvIT"	InvIT shall have the meaning assigned in clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.
"Load"	In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV. Presently, entry load cannot be charged by mutual fund schemes.
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" / "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" / "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Overseas Citizen of India" / "OCI"	Means a person registered as an Overseas Citizen of India Cardholder by the Central Government under section 7A of The Citizenship Act, 1955.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999 as may be amended from time to time..
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" / "Registrar"	KFin Technologies Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption" /	Redemption of Units of the Scheme as permitted.

"Repurchase"	
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Real Estate Investment Trust" or "REIT"	REIT shall have the meaning assigned in clause (zm) of sub-regulation 1 of regulation 2 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014.
"Statement of Additional Information"/"SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale" / "Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Retirement Savings Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of the Scheme (including Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations"/"Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Sponsor"	Axis Bank Ltd.
"Switch"	Redemption of a unit in any scheme (including the options therein) of the Mutual Fund against purchase of a unit in another scheme (including the options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Systematic Withdrawal Plan" / "SWP"	Facility given to the Unit holders to withdraw a specified sum of money monthly/quarterly/half yearly/annually from his investment in the Scheme.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Transfer of Income Distribution cum Capital Withdrawal plan" / "IDCW Transfer Plan"	Facility given to the Unit holders to automatically invest the Income Distribution cum Capital Withdrawal by eligible source scheme into eligible target scheme of the Mutual Fund.
"Tri Party Repos"	Tri-party repo means a repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.
" Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Ltd. and Axis Mutual Fund Trustee Ltd. thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" / "Trustee Company"	Axis Mutual Fund Trustee Ltd. incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the Axis Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" / "Investor"	A person holding Units in the Scheme.

**INTERPRETATION**

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

- all references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- all references to "dollars" or "\$" refer to United States Dollars and "Rs" refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- all references to timings relate to Indian Standard Time (IST).
- References to a day are to a calendar day including a non-Business Day.

**E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

**Place: Mumbai**  
**Date: October 31,2023**

**Signed : Sd/-**  
**Name : Darshan Kapadia**  
**Designation : Compliance Officer**

## **II. INFORMATION ABOUT THE SCHEME**

### **A. TYPE OF THE SCHEME**

An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier).

### **B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?**

#### **Investment objective**

The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.

However, there can be no assurance that the investment objective of the Scheme will be achieved.

Investment objectives of Investment Plans under the Scheme are as given below:

#### **Investment Plan(s)**

##### **Axis Retirement Savings Fund - Aggressive Plan**

To generate capital appreciation by predominantly investing in equity and equity related instruments.

The Investment Plan may also invest in debt and money market instruments, units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

##### **Axis Retirement Savings Fund - Dynamic Plan**

The Investment Plan has a dual objective of generating capital appreciation by investing in equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

##### **Axis Retirement Savings Fund - Conservative Plan**

To generate regular income through investments predominantly in debt and money market instruments and to generate long term capital appreciation by investing certain portion of the portfolio in equity and equity related securities.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

Each of the Investment Plan(s) will be managed as separate portfolios.

### **C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?**

#### **Axis Retirement Savings Fund - Aggressive Plan**

Under normal circumstances the asset allocation will be:

<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>		<b>Risk Profile</b>
	<b>Minimum</b>	<b>Maximum</b>	<b>High/Moderate/Low</b>
Equity and Equity related instruments	65	80	High
Debt & Money Market Instruments	0	35	Low to Moderate
Gold ETF	0	10	Moderate
Units issued by REITs & InvITs	0	10	Moderate to High

### Axis Retirement Savings Fund - Dynamic Plan

Under normal circumstances the asset allocation will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	High/Moderate/Low
Equity and Equity related instruments	65	100	High
Debt & Money Market Instruments	0	35	Low to Moderate
Gold ETF	0	10	Moderate
Units issued by REITs & InvITs	0	10	Moderate to High

### Axis Retirement Savings Fund - Conservative Plan

Under normal circumstances the asset allocation will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	High/Moderate/Low
Equity and Equity related instruments	20	40	High
Debt & Money Market Instruments	40	80	Low to Moderate
Gold ETF	0	10	Moderate
Units issued by REITs & InvITs	0	10	Moderate to High

### Derivatives

Investment in derivatives instruments shall be to the extent of 50% in Aggressive Plan, 45% in Dynamic Plan and 40% in Conservative Plan of the Net Assets of the respective Plans 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. Derivative instruments include Interest Rate Swaps, Interest Rate Forwards, Interest Rate Futures, Forward Rate Agreements, stock options, Index options, Stock & Index futures/stock futures and any such other derivative instruments permitted by SEBI/RBI from time to time.

The cumulative gross exposure through equity, debt, units issued by Gold ETFs, units issued by REITs & InvITs and derivative position should not exceed 100% of the net assets of the Scheme in accordance with Para 12.24 of SEBI Master Circular dated May 19, 2023 as amended from time to time. Further, in accordance with SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2017/109 dated September 27, 2017 imperfect hedging using interest rate futures may be considered to be exempted from the gross exposure, upto maximum of 20% of the net assets of the Scheme subject to conditions specified in the circular.

### Securitized debt

Investment in Securitized debt (excluding foreign securitized debt), if undertaken, would not exceed 35% of the net assets of the Scheme.

### Investment in Foreign Securities

The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity and debt securities subject to SEBI (MF) Regulations. Such Investment shall not exceed 10% of the net assets of the Scheme.

### Repo in Corporate debt securities

The Scheme may undertake repo transactions in corporate debt securities in accordance with the directions issued by RBI and SEBI from time to time. Such investment shall be made subject to the

guidelines which may be prescribed by the Board of Directors of the Asset Management Company and Trustee Company.

### **Stock Lending by the Fund**

The Scheme shall adhere to the following limits should it engage in Stock Lending:

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party (as may be applicable).

### **Short Selling by the Fund**

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

### **Other Limits**

The investment by the Scheme in the following instruments shall not exceed 10% of the debt portfolio of the scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the scheme:

- a. Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and
- b. Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.

These limits shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations 2008.

### **Investment in Short Term Deposits**

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

The Scheme shall not invest in Credit Default Swaps.

The Scheme retains the flexibility to invest across all the securities in the equity, debt, Money Markets Instruments, units of Gold ETF, Units issued by REITs & InvITs and mutual fund units.

Subject to the SEBI MF Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. The Scheme may actively deviate from the stated asset allocation pattern outlined in the SID during extenuating circumstances which may include substantial subscription/redemption, adverse market conditions etc. These instances may be beyond the control of the fund manager & the AMC and hence may require such deviations. Such changes in the investment pattern will be transitional in nature and will be undertaken as defensive considerations only in accordance with Para 2.9 of Master circular for Mutual Fund dated May 19, 2023 and as amended from time to time. Defensive considerations may be determined by the fund manager and. In case of deviations on account of exogenous factors, the fund manager will endeavor to rebalance the Scheme within 30 calendar days from the date of such deviation. The intention being at all times to seek to protect the interests of the Unit holders.

In case of passive deviation from the asset allocation pattern, the AMC shall follow process specified in Para 2.9 of Master circular for Mutual Fund dated May 19, 2023 as amended from time to time. In line with the circular, in the event of deviation from the mandated asset allocation mentioned in the SID due to passive breaches, the portfolio would be rebalanced within 30 business days from the date of deviation. Where the portfolio is not rebalanced within mandated timelines, justification in

writing including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. In case the portfolio of the Scheme is not rebalanced within aforementioned mandated plus extended timelines AMC shall adhere to the requirements as laid down in the aforesaid SEBI circular. However, at all times, the portfolio will adhere to the overall investment objective of the scheme.

Axis Retirement Savings Fund, An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier), is a different scheme offered by the Fund and is not a minor modification of any other existing scheme/product of the Fund. Differentiation is as follows:



Differentiation with existing schemes of Axis Mutual Fund are as follows:  
Data as on September 30, 2023 (in INR crores)

Name of the existing scheme	Asset Allocation Pattern (Under normal circumstances)				Primary Investment Objective & Investment Strategy	Differentiation	AUM	No. of Folios
Axis Children's Gift Fund	<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>		<b>Risk Profile (Low/Moderate/ High)</b>	<b>Primary Investment Objective:</b> To generate income by investing in debt & money market instruments along with long-term capital appreciation through investments in equity & equity related instruments. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.	An open ended fund, for investment for children, having a lock-in of 5 years or till the child attains age of majority (whichever is earlier)	760.02	42,171
		Minimum	Maximum					
	Debt* and money market instruments#	25	60	Low to Moderate				
	Equity and Equity related instruments#	40	75	High				
Units issued by REITs & InvITs	0	10	Moderate to High	<b>Investment Strategy:</b> The scheme intends to generate income by investing in debt & money market instruments along with long-term capital appreciation through investments in equity & equity related instruments. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.				
					<b>Fixed Income Strategy:</b> The Scheme proposes to invest in a diversified portfolio of high quality debt and money market instruments to generate regular income. The fund manager will			

		<p>allocate the assets of the scheme taking into consideration the prevailing interest rate scenario &amp; the liquidity of the different instruments.</p> <p><b>Equity related Strategy:</b> The equity allocation will be managed actively. The focus would be to build a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time.</p> <p>The portfolios will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). the universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalisation spectrum.</p> <p><b>Cash-Futures Arbitrage:</b> The fund would look for market opportunities between the spot and the futures market. The cash-futures arbitrage strategy can be</p>			
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		<p>employed when the price of the futures exceeds the price of the underlying stock. The fund would first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return.</p> <p>Buying the stock in cash market and selling the futures results into a hedge where the fund have locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the fund to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of capital.</p> <p>The fund may also enter into reverse arbitrage strategies, i.e., if futures were quoting at a discount, futures would be bought and shares would be sold to lock in an arbitrage profit.</p>			
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<b>Axis Retirement Savings Fund - Aggressive Plan</b>	<b>Axis Retirement Savings Fund - Aggressive Plan</b>			<p><b>Primary Investment Objective:</b></p> <p>The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.</p> <p>However, there can be no assurance that the investment objective of the Scheme will be achieved.</p> <p>Investment objectives of Investment Plans under the Scheme are as given below:</p> <p><b>Investment Plan(s)</b>  <b>Axis Retirement Savings Fund - Aggressive Plan</b>            To generate capital appreciation by predominantly investing in equity and equity related instruments.</p> <p>The Investment Plan may also invest in debt and money market instruments, units of Gold ETF or units of REITs &amp; InvITs for income generation / wealth creation.</p> <p><b>Investment Strategy (Brief)</b></p> <p><b>Axis Retirement Savings Fund - Aggressive Plan</b>            The Investment Plan aims to generate long term capital appreciation by investing</p>	An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)	706.72	25,811																								
	<table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative Allocation (% of net assets)</th> <th>Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> <th>High/Moderate/Low</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments</td> <td>65</td> <td>80</td> <td>High</td> </tr> <tr> <td>Debt &amp; Money Market Instruments</td> <td>0</td> <td>35</td> <td>Low Moderate</td> </tr> <tr> <td>Gold ETF</td> <td>0</td> <td>10</td> <td>Moderate</td> </tr> <tr> <td>Units issued by REITs &amp; InvITs</td> <td>0</td> <td>10</td> <td>Moderate to High</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)					Risk Profile	Minimum	Maximum	High/Moderate/Low	Equity and Equity related instruments	65	80	High	Debt & Money Market Instruments	0	35	Low Moderate	Gold ETF	0	10	Moderate	Units issued by REITs & InvITs	0	10	Moderate to High				
	Instruments		Indicative Allocation (% of net assets)					Risk Profile																							
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Units issued by REITs & InvITs	0	10	Moderate to High																												

		primarily in equity and equity related securities, along with regular income through investments in debt and money market instruments. Within equities and fixed income, the portfolio would be actively managed to optimize returns within the respective asset class. Investment Plan may also invest in other asset classes like units of Gold ETFs or units REITs & InvITs.						
<b>Axis Retirement Savings Fund - Dynamic Plan</b>	<b>Axis Retirement Savings Fund - Dynamic Plan</b>			<b>Primary Investment Objective:</b>  The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.  However, there can be no assurance that the investment objective of the Scheme will be achieved.  Investment objectives of Investment Plans under the Scheme are as given below:  <b>Investment Plan(s)</b>  <b>Axis Retirement Savings Fund - Dynamic Plan</b> The Investment Plan has a dual objective of generating capital appreciation by investing in	An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)	290.56	9,121	
	<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>						<b>Risk Profile</b> <b>High/Moderate/Low</b>
		<b>Minimum</b>	<b>Maximum</b>					
	Equity and Equity related instruments	65	100					High
	Debt & Money Market Instruments	0	35					Low Moderate
	Gold ETF	0	10					Moderate
Units issued by REITs & InvITs	0	10	Moderate to High					

		<p>equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation.</p> <p>The Investment Plan may also invest in units of Gold ETF or units of REITs &amp; InvITs for income generation / wealth creation.</p> <p><b>Investment Strategy (Brief)</b></p> <p><b>Axis Retirement Savings Fund - Dynamic Plan</b></p> <p>The Investment Plan has a dual objective of generating capital appreciation by investing in equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation. In order to achieve this process, the scheme will follow a top-down and bottom-up strategy. The top-down process will lead to the active ongoing asset allocation decision between equity and debt and the bottom up process would lead to construction of the portfolio using specific securities.</p> <p>The AMC has built a proprietary in-house quantitative model to determine the top-down dynamic</p>			
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		<p>asset allocation for the fund. The AMC has built a proprietary in-house quantitative approach to guide the asset allocation decision. The quantitative approach looks at equity markets across three parameters – momentum, volatility and valuations – to decide the appropriate allocation to the same. The allocation to debt is the residual number that is arrived at after deciding the equity allocation. The asset allocation decision is reviewed on an ongoing basis and is dynamically linked to movements in market variables.</p>																									
<b>Axis Retirement Savings Fund - Conservative Plan</b>	<p><b>Axis Retirement Savings Fund - Conservative Plan</b></p> <table border="1" data-bbox="352 862 968 1425"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative Allocation (% of net assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments</td> <td>20</td> <td>40</td> <td>High</td> </tr> <tr> <td>Debt &amp; Money Market Instruments</td> <td>40</td> <td>80</td> <td>Low to Moderate</td> </tr> <tr> <td>Gold ETF</td> <td>0</td> <td>10</td> <td>Moderate</td> </tr> <tr> <td>Units issued by REITs &amp; InvITs</td> <td>0</td> <td>10</td> <td>Moderate to High</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	Equity and Equity related instruments	20	40	High	Debt & Money Market Instruments	40	80	Low to Moderate	Gold ETF	0	10	Moderate	Units issued by REITs & InvITs	0	10	Moderate to High	<p><b>Primary Investment Objective:</b></p> <p>The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.</p> <p>However, there can be no assurance that the investment objective of the Scheme will be achieved.</p> <p>Investment objectives of Investment Plans under the Scheme are as given below:</p> <p><b>Investment Plan(s)</b></p>	<p>An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)</p>	<p>75.95</p>	<p>2,634</p>
Instruments	Indicative Allocation (% of net assets)		Risk Profile																								
	Minimum	Maximum																									
Equity and Equity related instruments	20	40	High																								
Debt & Money Market Instruments	40	80	Low to Moderate																								
Gold ETF	0	10	Moderate																								
Units issued by REITs & InvITs	0	10	Moderate to High																								

		<p><b>Axis Retirement Savings Fund - Conservative Plan</b>          To generate regular income through investments predominantly in debt and money market instruments and to generate long term capital appreciation by investing certain portion of the portfolio in equity and equity related securities.</p> <p>The Investment Plan may also invest in units of Gold ETF or units of REITs &amp; InvITs for income generation / wealth creation. Each of the Investment Plan(s) will be managed as separate portfolios.</p> <p><b>Investment Strategy (Brief)</b></p> <p><b>Axis Retirement Savings Fund - Conservative Plan</b>          The Investment Plan seeks to generate regular income through investments in debt and money market instruments, along with capital appreciation through equity and equity related instruments. Within equities and fixed income, the portfolio would be actively managed to optimize returns within the respective asset class. The Investment Plan may also invest in other asset classes like units of Gold ETFs or units of REITs &amp; InvITs.</p>			
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#### **D. WHERE WILL THE SCHEME INVEST?**

The corpus of the Scheme, subject to the enabling provisions of asset allocation pattern, will be invested in securities/ instruments which will include but not limited to:

##### **Equity and Equity Related Instruments**

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
4. Foreign Equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.
5. Equity Derivatives:

##### **Futures**

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. Currently, the futures are settled in cash, The final settlement price is the closing price of the underlying stock(s)/index.

##### **Options**

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option - The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

## **Debt Instruments & Money Market Instruments**

### **Certificate of Deposit (CD)**

Certificate of Deposit is a negotiable money market instrument issued by scheduled commercial banks and select all-India Financial Institutions that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the Banks is between 7 days to one year, whereas, in case of FIs, maturity is one year to 3 years from the date of issue.

### **Commercial Paper (CP)**

Commercial Paper is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

### **Treasury Bill (T-Bills)**

Treasury Bills are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days. The Scheme may also invest in Cash Management Bill (CMB) issued by the Government of India to meet their short term borrowing requirements. CMB are generally issued for maturities of less than 91 days.

### **Commercial Usance Bills**

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting, usance bills and commercial bills.

### **Repos**

Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds. Presently in India, corporate debt securities, Government Securities, State Government Securities and T-Bills are eligible for Repo/Reverse Repo.

Tri-party repo means a repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.

The Scheme may undertake repo or reverse repo transactions in accordance with the directions issued by RBI and SEBI from time to time. Such investment shall be made subject to the guidelines which may be prescribed by the Board of Directors of the Asset Management Company and Trustee Company.

**Securities created and issued by the Central and State Governments** as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

## **Non -Convertible Debentures and Bonds**

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements. The Scheme may also invest in the non convertible part of convertible debt securities. These instruments may have fixed or floating rate coupon.

### **Real Estate Investment Trust (REITs) & Infrastructure Investment Trust (InvIT)**

REIT/ InvITs is a trust which holds real estate or infrastructure assets respectively which is managed by an investment manager. The unitholders in the trust have proportional interest in the underlying holdings of the trust.

### **Securitized Assets**

Securitization is a structured finance process which involves pooling and repackaging of cash flow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

### **Pass through Certificate (PTC)**

(Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

#### **1. How the risk profile of securitized debt fits into the risk appetite of the Scheme**

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

#### **2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc**

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
  - Outlook for the economy (domestic and global)
  - Outlook for the industry
  - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

### **3. Risk mitigation strategies for investments with each kind of originator**

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

### **4. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments**

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

<b>Characteristics/Type of Pool</b>	<b>Mortgage Loan</b>	<b>Commercial Vehicle and Construction Equipment</b>	<b>CAR</b>	<b>2 wheelers</b>	<b>Micro Finance Pools *</b>	<b>Personal Loans *</b>	<b>Single Sell Downs</b>	<b>Others</b>
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash ,guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

\* Currently, the Scheme will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

Note 2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

#### **5. Minimum retention period of the debt by originator prior to securitization**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Scheme will invest in securitized debt that are compliant with the laws and regulations.

#### **6. Minimum retention percentage by originator of debts to be securitized**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debts that are compliant with the laws and regulations.

#### **7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund**

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the Asset Management Company and IRC shall review the same at regular interval.

#### **8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt**

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

#### **Debt derivative instruments**

**Interest Rate Swap** - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

**Forward Rate Agreement** - A Forward Rate Agreement (FRA) is a financial contract between two parties to exchange interest payments for a 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date, cash payments based on contract (fixed) and the settlement rate, are made by the parties to one another. The settlement rate is the agreed bench-mark/ reference rate prevailing on the settlement date.

#### **Interest Rate Futures**

A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price)

by the buyer and seller. The contracts are traded on a futures exchange. An Interest Rate Future is a futures contract with an interest bearing instrument as the underlying asset.

### **Characteristics of Interest Rate Futures**

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

### **Gold ETF**

Gold Exchange Traded Fund launched by Mutual Funds registered with SEBI.

### **Foreign Securities**

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per Para 12.29 of Master Circular for Mutual Funds as amended from time to time, mutual funds can make overseas investments (other than overseas ETF) subject to a maximum of US \$ 1 billion and in overseas ETF subject to a maximum \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated Para 12.29 of Master Circular for Mutual Funds as amended from time to time, would be adhered to by the AMC for investment in foreign securities.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions.

The Fund Manager reserves the right to invest in such securities as maybe permitted from time to time and which are in line with the investment objectives of the scheme.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

### **Short Term Deposits**

Pending deployment of funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI.

### **Units of Mutual Fund schemes**

The scheme may invest in units of debt and liquid mutual fund schemes of Axis AMC or in the Scheme of other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations. Provided that such investment will be within the limits specified under SEBI (MF) Regulations and will be done for cash management purposes.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals etc. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations. All such investments shall be made with the prior approval of the Board of AMC and Trustees

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.



## **E. WHAT ARE THE INVESTMENT STRATEGIES?**

Subject to the Asset Allocation pattern, the investment strategies of the Scheme shall be as under:

### **Axis Retirement Savings Fund - Aggressive Plan**

The Investment Plan aims to generate long term capital appreciation by investing primarily in equity and equity related instruments, along with regular income through investments in debt and money market instruments. Within equities and fixed income, the portfolio would be actively managed to optimize returns within the respective asset class. Investment Plan may also invest in other asset classes like units of Gold ETF or units REITs & InvTs.

### **Axis Retirement Savings Fund - Dynamic Plan**

The Investment Plan has a dual objective of generating capital appreciation by investing in equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation. In order to achieve this process, the scheme will follow a top-down and bottom-up strategy. The top-down process will lead to the active ongoing asset allocation decision between equity and debt and the bottom up process would lead to construction of the portfolio using specific securities.

The AMC has built a proprietary in-house quantitative model to determine the top-down dynamic asset allocation for the fund. The AMC has built a proprietary in-house quantitative approach to guide the asset allocation decision. The quantitative approach looks at equity markets across three parameters – momentum, volatility and valuations – to decide the appropriate allocation to the same. The allocation to debt is the residual number that is arrived at after deciding the equity allocation. The asset allocation decision is reviewed on an ongoing basis and is dynamically linked to movements in market variables.

### **Explanation of the dynamic asset allocation process**

The AMC has built a proprietary in-house quantitative approach for dynamic asset allocation. The quantitative approach looks at equity markets across the following 3 parameters to decide the appropriate allocation to equity:

- 1) Valuation
- 2) Volatility
- 3) Trend

The allocation to debt is the residual number that is arrived at after deciding the equity allocation. The asset allocation decision is reviewed on an ongoing basis and is dynamically linked to movements in market variables.

Specifics of the model

- 1) Valuation is represented by the trailing PE of Nifty 50
- 2) Volatility is represented by the 30 day standard deviation of Nifty 50

**Hi** : >17%  
**Low** : <= 17%

- 3) Trend is represented by 2 variables – i) difference between the 90 day and 15 day moving average of the Nifty 50, and ii) rate of change of the 90 day moving average of the Nifty 50

Assume: R = rate of change of the 90 day moving average  
15DMA = 15 day moving average of the Nifty 50  
90DMA = 90 day moving average of the Nifty 50

- Hi :** 15DMA > 90DMA and R > 0%  
**Mid :** 15DMA > 90DMA and R <= 0% OR 15DMA <= 90DMA and R >1%  
**Low :** 15DMA <= 90DMA and R <= 1%

The model is run on a 40 trading-day basis and all the parameters are considered for finalizing the equity allocation. Once the allocation is fixed, it is not changed for 40-trading days till the model is run again.

### **Equity Allocations recommended by the model**

The gross equity exposure will be maintained between 65% to 100% while the net equity exposure is to be maintained between 30% to 100%. The difference between these exposure will be carried out using derivatives. The model has a matrix approach for considering the allocation across the different variables as follows:

Volatility	Trend	PE<15	PE 15-18	PE 18-21	PE 21-24	PE>24
Low	Hi	90-100%	90-100%	75-100%	50-75%	30-50%
	Mid	90-100%	65-85%	40-60%	30-35%	30-35%
	Low	50-85%	30-60%	30-35%	30-35%	30-35%
Hi	Hi	90-100%	75-100%	50-75%	30-50%	30-35%
	Mid	80-95%	55-70%	30-45%	30-35%	30-35%
	Lo	50-75%	30-50%	30-35%	30-35%	30-35%

### **Fixed Income Allocations recommended by the model**

The exposure to debt & money market instruments including cash & cash equivalent will be maintained between 0% to 35%. The model has a matrix approach for considering the allocation across the different variables as follows:

Volatility	Trend	PE<15	PE 15-18	PE 18-21	PE 21-24	PE>24
Low	Hi	0-10%	0-10%	0-25%	0-35%	0-35%
	Mid	0-10%	0-35%	0-35%	0-35%	0-35%
	Low	0-35%	0-35%	0-35%	0-35%	0-35%
Hi	Hi	0-10%	0-25%	0-35%	0-35%	0-35%
	Mid	0-20%	0-35%	0-35%	0-35%	0-35%
	Lo	0-35%	0-35%	0-35%	0-35%	0-35%

Once the allocation has been decided, the equity and fixed income portfolios will be constructed on a bottom-up basis.

**Illustration with some of the possible scenarios is as given below:**

#### **Scenario 1:**

Assuming, Volatility is "low", Trend is "Mid" and Trailing PE of Nifty 50 Index is in the range of 18-21, then as per our quantitative model (matrix given above), the net equity allocation comes out to be in the range of 40-60%.

The net exposure can be achieved with a combination of gross exposure and hedges. For example to achieve a 50% net exposure, the scheme can run a 70% exposure in gross equity while

maintaining a 20% hedge. The extent of hedging and the instrument to be used is based on market conditions and cost of the hedge.

**Scenario 2:**

Assuming, Volatility is "Hi", Trend is "Hi" and Trailing PE of Nifty 50 Index is in the range of 15-18, then as per our quantitative model (matrix given above), the net equity allocation comes out to be in the range of 75-100%.

The higher net exposure can be achieved with a combination of gross exposure and hedges. For example to achieve a 75% net exposure, the scheme can run a 80% exposure in gross equity while maintaining a 5% hedge. Alternatively, the same can be achieved by maintaining 75% gross exposure and not having any hedges. The extent of hedging and the instrument to be used is based on market conditions and cost of the hedge.

**Equity and Equity Related Instruments:**

The equity allocation will be based on the outcome of the allocation model given above. Once, the allocation is fixed, then the focus would be to build a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time. The portfolio will be built utilizing a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalization spectrum. The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity markets.

The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

- i. Quality Risk - Risk of investing in unsustainable / weak companies.
- ii. Price Risk - Risk of overpaying for a company
- iii. Liquidity Risk - High Impact cost of entry and exit
- iv. Volatility Risk - Volatility in price due to company or portfolio specific factors
- v. Event Risk - Price risk due to a company / sector specific or market event

**Fixed Income:**

The Scheme proposes to invest in a diversified portfolio of high quality debt and money market instruments to generate regular income. The fund manager will allocate the assets of the scheme taking into consideration the prevailing interest rate scenario & the liquidity of the different instruments. The portfolio duration and credit exposures will be decided based on a thorough research of the general macroeconomic condition, political and fiscal environment, systemic liquidity, inflationary expectations, corporate performance and other economic considerations. The fund manager will keep in mind the yield structure of different asset classes (e.g. the sovereign yield curve and the corporate bond yield curve) as well as the kinks within a particular yield curve (e.g. the different points of the sovereign yield curve) while making investment decisions.

**Equity Derivatives**

The gross equity exposure will be maintained between 65% to 100% while the net equity exposure is to be maintained between 30% to 100%. The difference between these exposure will be carried out using derivatives and fixed income securities including money market instruments will be in the range of 0% to 35%.

The scheme will vary its investment in equity and equity related instruments depending upon the quantitative model.

### **Cash-Futures Arbitrage:**

The fund would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock. The fund would first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return. Buying the stock in cash market and selling the futures results into a hedge where the fund have locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the fund to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks.

### **Axis Retirement Savings Fund - Conservative Plan**

The Investment Plan seeks to generate regular income through investments in debt and money market instruments, along with capital appreciation through equity and equity related instruments.

Within equities and fixed income, the portfolio would be actively managed to optimize returns within the respective asset class. The Investment Plan may also invest in other asset classes like units of Gold ETFs or units of REITs & InvITs.

### **Derivatives Strategy**

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include earning option premium/ hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity;
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction;
- The prices which are seen on the screen need not be the same at which execution will take place.

- In case of option writing, the downside of the strategy could be more than the option premium earned.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors". Exchange traded derivatives Contracts in stocks and indices in India are currently cash settled at the time of maturity.

Derivatives allowed for mutual funds are only exchange traded and not OTC.

Concepts and Examples of derivatives which may be used by the fund manager:

### **Futures**

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

#### Illustration with Index Futures

In case the Nifty 50 near month future contract is trading at say, Rs. 17,500, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 17,500 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 17,000 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 500.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depends upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

<b>Particulars</b>	<b>Index Future</b>	<b>Actual Purchase of Stocks</b>
Index at the beginning of the month	17,500	17,500
Price of 1 month future	17,650	
A. Execution cost: Carry and other index future costs	150	
B. Brokerage cost: Assumed at 0.2% of Index Future	35.30	43.75
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 17650 \times 85\% \times 30 \text{ days} / 365)$	98.65	0
Total Cost (A+B-C)	87	38.75

Some strategies that employ stock /index futures and their objectives:

#### **(a) Arbitrage**

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

Risk: On the date of expiry, when the arbitrage is to be unwound, it is not necessary for the stock price and its future contract to coincide. There could be a discrepancy in their prices even a minute before the market closes. Thus, there is a possibility that the arbitrage strategy gets unwound at different prices.

**(b) Buying/ Selling Stock future:**

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis-a-vis a fall in stock price of Rs. 8.

Risk: There is risk of not being able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme. 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. The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets. Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.

**(c) Hedging:**

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

Risk: This may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

**(d) Alpha Strategy:**

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Risk: Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

**Option Contracts (Stock and Index)**

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

**Options Risk / Return Pay-off Table**

	<b>Stock / Index Options</b>	<b>Buy Call</b>	<b>Sell Call</b>	<b>Buy Put</b>	<b>Sell Put</b>
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive
3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of following two types - Call and Put:

**Call Option:** A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

**Put Option:** A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Risk: The options buyer's risk is limited to the premium paid. However the gains of an options writer are limited to the premiums earned. The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price. The Scheme bears a risk that it may not be

able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.

### **Index Options / Stock Options**

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold visa- a- vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in totality to that for a stock option.

### **Call Option**

Suppose an investor buys a Call option on 1 lot of Nifty 50 (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 17,500
- Strike Price (x): 17,550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium  $[50 \times 100] = 5,000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

#### Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty 50 Index moves up to 17,600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 17,600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain:  $Rs.200 - Rs.100 = Rs.100$  per unit
- Total gain on 1 lot of Nifty (50 units) =  $Rs. 5,000 (50 \times 100)$

In this case the premium of Rs.200 has an intrinsic value of Rs.100 per unit and the remaining Rs.100 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 17,700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is 'in The Money'.

His gains are as follows:

- Nifty Spot: 17,700
- Premium paid: Rs.100
- Exercise Price: 17,550
- Receivable on exercise:  $17,700 - 17,550 = 150$
- Total Gain:  $Rs. 2,500 \{(150 - 100) \times 50\}$



In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 17,550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs. 5,000 (Loss is capped to the extent of Premium Paid)  
(Rs 100 Premium paid\*Lot Size: 50 units).

### **Put Option**

Suppose an investor buys a Put option on 1 lot of Nifty 50.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 17,500
- Strike Price (x): 17,450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium  $[50*30] = \text{Rs. } 1,500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty 50 Index moves down to 17,400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 17,400
- Premium paid: Rs.30
- Net Gain:  $\text{Rs.}80 - \text{Rs.}30 = \text{Rs.}50$  per unit
- Total gain on 1 lot of Nifty (50 units) =  $\text{Rs. } 2,500$   $(50*50)$

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 17,400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 17,400
- Premium paid: Rs.30
- Exercise Price: 17,450
- Gain on exercise:  $17,450 - 17,400 = 50$
- Total Gain:  $\text{Rs. } 1,000$   $\{(50-30)*50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty 50 index stays over the strike price which is 17,450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot:  $>17,450$

- Net Loss Rs.1,500 (Loss is capped to the extent of Premium Paid)  
(Rs 30 Premium paid\*Lot Size: 50 units).

### **Covered Call Strategy**

The covered call strategy is a strategy where a fund manager writes call options against an equivalent long position in an underlying stock thereby giving up a part of the upside from the long position. The strategy allows the fund manager to earn premium income from the option writing in addition being able to capture the remaining part of the upside.

Assumptions:

Current price of stock A: Rs. 27.87 per share

1 contract = 100 shares

Total no of contracts: 10

Strike price: Rs. 30/- per share

Premium: Rs. 0.35 per share

Suppose, on May 6, 2022, the writer of the call owns 1,000 shares of Company A, which is currently trading at Rs. 27.87 per share. The writer of the call writes 10 call option contracts for company A with a strike price of Rs. 30 per share that expires in January 2023. The writer receives premium of 0.35 per share for the calls, which equals Rs. 35.00 per contract for a total of Rs. 350.00.

Total premium = (Rs. 0.35 per share) \* (100 shares per contract) \* (10 contracts) = Rs. 350.

The following can be the scenarios reflecting risks and benefits at the end of the option expiry:

Case 1 - Stock falls below current price of Rs. 27.87 per share: The option expires worthless. Hence the loss from the stock position gets reduced to the extent of the premium income.

Case 2 - Stock goes up above current price but remains below Rs. 30 per share (strike price): The option expires worthless. Hence the income from the gains in the stock price gets further boosted to the extent of the premium income.

Case 3 - Stock goes above Rs. 30 per share: Option position goes out of the money for the writer but the losses from the option position are matched by the gains from the underlying stock position above Rs. 30 per share. Hence the return from the position is equal to the return from stock upto the strike price of Rs. 30 per share and the premium income from the option.

### **Benefits of using Covered Call Strategy in Mutual Funds:**

The covered call strategy can be followed by the Fund Manager in order to hedge risk thereby resulting in better risk adjusted returns of the Scheme. The strategy offers the following benefits:

a) Hedge against market risk - Since the fund manager sells a call option on a stock already owned by the mutual fund scheme, the downside from fall in the stock price would be lower to the extent of the premium earned from the call option.

b) Generating additional returns in the form of option premium in a range bound market. Thus, a covered call strategy involves gains for unit holders in case the strategy plays out in the right direction.

Risk associated with covered calls

The risk associated with covered calls is the loss of upside, i.e. if the shares are assigned (called away), the option seller forgoes any share price appreciation above the option strike price. Please refer risk factors section on detail derivatives risk factors.

**Fixed Income Derivative Instruments:**

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of circular no. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999- 2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Scheme will use Derivative instruments for the purpose of hedging and portfolio balancing. The Scheme may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI Regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr MIBOR based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Scheme and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

**Using Overnight Indexed Swaps**

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre-determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio, the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

**Swap**

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month

MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the “benchmark rate” (MIBOR), which is fixed by the NSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties.

The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2022 to December 1, 2022. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2022 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2022 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2022, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

### **Forward Rate Agreement**

Assume that on June 30, 2022, the 30 day Commercial Paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2022. If the interest rates are likely to remain stable or decline after July 31, 2022, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2022:

He can receive 1 X 2 FRA on June 30, 2022 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2022 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

### **Interest Rate Futures**

Assume that the Scheme holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the Scheme. The fund manager decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the Scheme .

**12<sup>th</sup> October 2020**

- A government security 6.88% 2020, is trading at INR 98.00 at a yield of 7.19%.
- December 2020 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

### 25<sup>th</sup> November 2020

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2020 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2020 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

### Directional Trading

As there is an inverse relationship between interest rate movement and underlying bond prices, the futures price also moves in tandem with the underlying bond prices. If one has a strong view that interest rates will rise in the near future and wants to benefit from rise in interest rates; one can do so by taking short position in IRF contracts.

Example: A trader expects long-term interest rate to rise. He decides to sell Interest Rate Futures contracts as he shall benefit from falling future prices.

Expectation	Position
Interest Rates going up	Short Futures
Interest Rates going down	Long Futures

- Trade Date- 1st December 2022
- Futures Delivery date – 1st January 2023
- Current Futures Price- Rs. 97.50
- Futures Bond Yield- 8.21%
- Trader sell 250 contracts of the January 2023- 10 Year futures contract on NSE on 1st December 2022 at Rs. 97.50

Assuming the price moves to Rs. 97.15 on December 9, 2022, net MTM gain would be Rs. 1,75,000 ( $250 \times 2000 \times 97.50 - 97.15$ ) (I)

### Closing out the Position

- 10th December 2022 - Futures market Price – Rs. 96.70
- Trader buys 250 contracts of January 2016 at Rs. 96.70 and squares off his position
- Therefore total profit for trader  $250 \times 2000 \times (97.15 - 96.70)$  is Rs.2,25,000 (II)
- Total Profit on the trade = INR 4,00,000 (I & II)

### Hedging

Holders of the GOI securities are exposed to the risk of rising interest rates, which in turn results in the reduction in the value of their portfolio. So in order to protect against a fall in the value of their portfolio due to falling bond prices, they can take short position in IRF contracts.

Example:

Date: 01-December 2022

Spot price of GOI Security: Rs 105.05

Futures price of IRF Contract: Rs 105.12

On 01-December 2022 XYZ bought 2000 GOI securities from spot market at Rs 105.07. He anticipates that the interest rate will rise in near future. Therefore to hedge the exposure in underlying market he may sell January 2023 Interest Rate Futures contracts at Rs 105.12

On 16-January 2023 due to increase in interest rate:

Spot price of GOI Security: Rs 104.24

Futures Price of IRF Contract: Rs 104.28

Loss in underlying market will be  $(104.24 - 105.05) * 2000 = \text{Rs } 1620$

Profit in the Futures market will be  $(104.28 - 105.12) * 2000 = \text{Rs } 1680$

### **Imperfect Hedging**

The Scheme may use Interest Rate Future for imperfect hedging in accordance with the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time. In such cases, the Underlying being hedged and the IRF contract has a 90-day correlation of closing prices of more than 90%. In case of correlation breaking at any time the derivative position would be counted as an exposure. SEBI allows maximum of 20% imperfect hedging.

For example, assume a portfolio comprising the following structure:

<b>Security</b>	<b>Amount (crs)</b>	<b>Price</b>
IGB 7.17%	100	97.5
IGB 6.79%	50	94.07
IGB 8.33%	25	103.05
Cash	25	
<b>Total</b>	<b>200</b>	

Assuming the fund manager intends to hedge the portfolio using IRF and uses contracts on IGB 6.79% 2027 as it is most liquid.

Maximum imperfect hedging allowed, based on SEBI limit of 20% for the above fund is  $200 * 20\% = 40$  crs

Maximum perfect hedging using 6.79% 2027 is 100 crs (as amount of 6.79% 2027 in the fund is 100 crs)

Total hedge the fund can do = 100 crs + 40 crs = 140 crs

Assuming the 90-day historical correlation between the instruments in the portfolio are as follows

<b>90 day historical</b>	<b>IGB 7.17% 2028</b>	<b>IGB 6.79% 2027</b>	<b>IGB 8.33% 2026</b>
IGB 7.17% 2028	1	0.95	0.80
IGB 6.79% 2027	0.95	1	0.75
IGB 8.33% 2026	0.80	0.75	1

Given that we are using IRF on 7,17% 2028, we can hedge 7.17% 2028 using IRFs as correlation is more than 90% up to 40 crs (based on the 20% limit of imperfect hedging).

Since one contract of IRF has a notional of Rs. 2 lakhs, in this example the fund manager sells Rs. 140 crores/2 lakhs = 7000 contracts, to hedge his position.

Hence after hedging the fund is as shown below:

<b>Security</b>	<b>Amount</b>	<b>Price (Rs)</b>	<b>Comments</b>
IGB 7.17% 2028	100	97.5	100% hedged – Perfect
IGB 6.79% 2027	50	94.07	40% hedged – Imperfect

IGB 8.33% 2026	25	103.05	Unhedged
Cash	25		Unhedged
IGB 7.17% 2028	140	97.45	
Total	200		

At maturity of the Interest Rate Futures

Case 1: bonds close higher than at the time the hedge was entered into

Security	Amount (crs)	Price hedging(Rs) before	Price maturity on of hedge (Rs)	Gain	Net Gain (lakhs)
IGB 7.17% 2028	100	97.5	97.6	0.1	10.00
IGB 6.79% 2027	50	94.07	94.22	0.15	7.50
IGB 8.33% 2026	25	103.05	103.10	0.05	1.25
Cash	25				-
<b>Without IRF</b>					<b>18.75</b>
IGB 7.17% 2028	140	97.45	100.6	-0.15	(21.00)
<b>Total With IRF</b>	<b>200</b>				<b>(2.25)</b>

Case 2: bonds close lower than at the time the hedge was entered into

Security	Amount (crs)	Price hedging before	Price maturity on of hedge (Rs)	Gain	Net Gain (lakhs)
IGB 7.17% 2028	100	97.5	97.4	-0.1	(10.00)
IGB 6.79% 2027	50	94.07	93.95	-0.12	(6.00)
IGB 8.33% 2026	25	103.05	103.00	-0.05	(1.25)
Cash	25				-
<b>Without IRF</b>					<b>(17.25)</b>
IGB 7.17% 2028	140	97.45	97.4	0.05	7.00
<b>Total With IRF</b>	<b>200</b>				<b>(10.25)</b>

As can be seen in the cases above, in case yields move higher, IRFs help in reducing the loss to the fund.

### Arbitrage

Arbitrage is the price difference between the bonds prices in underlying bond market and IRF contract without any view about the interest rate movement. One can earn the risk-less profit from realizing arbitrage opportunity and entering into the IRF contract.

Example:

On 18th December 2015 buy 6.35% GOI '20 at the current market price of Rs. 97.2485

Step 1 - Short the futures at the current futures price of Rs. 100.00 (9.00% Yield)

Step 2 - Fund the bond by borrowing up to the delivery period (assuming borrowing rate is 8.00%)

Step 3 - On 10th January 2016, give a notice of delivery to the exchange

Assuming the futures settlement price of Rs. 100.00, the invoice price would be

$$= 100 * 0.9780$$

$$= \text{Rs. } 97.8000$$

Under the strategy, the trader has earned a return of

$$= (97.800 - 97.2485) / 97.2485 * 365 / 23$$

$$= 9.00 \% \text{ (implied repo rate)}$$

(Note: For simplicity accrued interest is not considered for calculation)  
Against its funding cost of 8.00% (borrowing rate), thereby earning risk free arbitrage.

### **Risk Control**

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations. The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments (other than G-Secs) proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer. The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. The Scheme will also use derivatives and other hedging instruments, as may be permitted by RBI, from time to time, in order to protect the value of the portfolio. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of SEBI regulations. AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and "soft" warning alerts at appropriate levels for pre-emptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyses the same and acts in a preventive manner.

### **Risk control measures with respect to investment Equity and Equity related instruments**

**Concentration Risk:** Concentration risk represents the probability of loss arising from heavy exposure to a particular group of sectors or securities.

Mitigation: The scheme will try to mitigate this risk by diversifying the investment into the large number of companies and keep stock-specific concentration risk relatively low.

**Market Risk:** Equity and Equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors.

Mitigation - Market risk is a risk which is inherent to an equity scheme. The scheme will try to reduce the market risk by undertaking active portfolio management as per the investment objective.

**Liquidity risk:** The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods

Mitigation- As such the liquidity of stocks that the scheme invests into could be relatively low. The scheme will try to maintain a proper asset-liability match to ensure redemption / Maturity payments are made on time.

### **Risk control measures with respect to Debt & Money Market Instruments**

**Market Risk / Interest Rate Risk:** Changes in interest rates may affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. The price movement up and down in fixed income securities will lead to possible movements in the NAV.



Mitigation - In a rising interest rates scenario the scheme may increase its investment in money market securities whereas if the interest rates are expected to fall the allocation to debt securities with longer maturity may be increased thereby mitigating risk to that extent.

**Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM).

Mitigation- The scheme may invest in government securities, corporate bonds and money market instruments. While the liquidity risk for government securities, money market instruments and short maturity corporate bonds may be low, it may be high in case of Medium to long maturity corporate bonds.

**Credit risk or default risk:** It 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). Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

Mitigation- Apart from the basic examination, management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken to review its ability to undergo stress on cash flows and asset quality. A detailed evaluation of accounting policies, off-balance sheet exposures, notes, auditors' comments and disclosure standards will also be made to assess the overall financial risk of the potential borrower. In case of securitized debt instruments, the Scheme will ensure that these instruments are sufficiently backed by assets.

#### **Risk control with respect to investment in REITs & InvITs**

**Market Risk:** REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. The NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, Real Estate and Infrastructure sectors, settlement periods and transfer procedures.

Mitigation: The scheme will undertake active portfolio management as per the investment objective to reduce the market risk.

**Reinvestment Risk:** Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

Mitigation: The reinvestment risk will be limited as the proceeds are not expected to be a large portion of the portfolio value. The Investment Manager also relies on their own research as well as third party research. The analysis will focus, amongst others, on the predictability and strength of cash flows, value of assets, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, etc.

**Concentration Risk:** Securities / Instruments of REITs and InvITs run concentration risk as currently there are only 3 issuers in India for investment in REITs and InvITs.

Mitigation- The scheme will undertake to diversify its allocation in REITs and InvITs which are held as a part of the overall diversified portfolio.

**Interest Rate Risk:** Securities / Instruments of REITs and InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.

Mitigation - In a rising interest rates scenario the Fund Manager may choose to invest in money market securities / debt securities with shorter maturity / floating rate bonds instead of REITs and InvITs thereby mitigating risk to that extent.

#### **Risk control with respect to derivatives**

As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives since derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The Scheme may invest in derivative for the purpose of hedging, portfolio balancing and other purposes as may be permitted under the Regulations.

Mitigation- Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID. All equity derivatives trade will be done only on the exchange with guaranteed settlement.

#### **Risk control with respect to investment in Foreign Securities**

Since the assets may be invested in securities denominated in foreign currency, the INR equivalent of the net assets, distributions and income may be adversely affected by changes / fluctuations in the value of the foreign currencies relative to the INR.

Mitigation - The scheme shall have the option to enter into permissible instruments (subject to applicable regulations by SEBI/RBI) for the purposes of hedging against the foreign exchange fluctuations.

#### **Portfolio Turnover**

The Scheme being an open-ended Scheme, it is expected that there would be a number of Subscriptions and Redemptions (subject to completion of lock-in period) on a daily basis. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will result in increase in portfolio turnover. Fund Manager will seek to maximize the returns by taking advantage of swift moves in the market and can further increase the turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover.

#### **Debt and Money Markets in India**

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are

banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, consists of G-Sec outstanding of Rs. 80,59,921.302cr as on Feb 28, 2022 (State Govt securities - Rs 38,31,895.100 cr, (as on Feb'21) Source: CCIL), is the oldest and the largest component (50% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Tri Party Repo
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing on September 30, 2023 on some of the instruments and further illustrates this point.

<b>Instrument</b>	<b>Current Yield range (%)</b>
Tri-party Repo	6.75
Repo	6.75
3M T-bill	6.85-90
1Y T-bill	7.08-7.13
10Y G-sec	7.35-40
3m PSU Bank CD	7.10-15
3m Manufacturing co. CP	7.15-20
1Y PSU Bank CD	7.45-50
1Y NBFC CP	7.85-95
1Y Manufacturing co. CP	7.75
5Y AAA Institutional Bond	7.75
10Y AAA Institutional Bond	7.65

Source: Bloomberg

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

### **Risk Control**

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness. The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments (other than G-Secs) proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer. The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. The Scheme will also use derivatives and other hedging instruments, as may be permitted by RBI, from time to time, in order to protect the value of the portfolio. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of SEBI regulations. AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and “soft” warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same and acts in a preventive manner.

### **F. FUNDAMENTAL ATTRIBUTES**

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

#### **(i) Type of a Scheme**

An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)

#### **(ii) Investment Objective**

**Main Objective:**

The investment objective of the Investment Plan(s) under the Scheme is to provide long-term capital appreciation / income by investing in a mix of equity, debt and other instruments to help investors meet their retirement goals.

However, there can be no assurance that the investment objective of the Scheme will be achieved.

Investment objectives of Investment Plans under the Scheme are as given below:

**Investment Plan(s)****Axis Retirement Savings Fund - Aggressive Plan**

To generate capital appreciation by predominantly investing in equity and equity related instruments.

The Investment Plan may also invest in debt and money market instruments, units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

**Axis Retirement Savings Fund - Dynamic Plan**

The Investment Plan has a dual objective of generating capital appreciation by investing in equity and equity related securities as well as generating income by investing in debt and money market securities, while attempting to manage risk from the market through active asset allocation.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

**Axis Retirement Savings Fund - Conservative Plan**

To generate regular income through investments predominantly in debt and money market instruments and to generate long term capital appreciation by investing certain portion of the portfolio in equity and equity related securities.

The Investment Plan may also invest in units of Gold ETF or units of REITs & InvITs for income generation / wealth creation.

Each of the Investment Plan(s) will be managed as separate portfolios.

**Investment Pattern:** Please refer to sub - section C '**How will the Scheme Allocate its Assets?**' under the section II '**INFORMATION ABOUT THE SCHEME**'.

**(iii) Terms of Issue**

- Liquidity provisions such as listing, repurchase, redemption.
- Aggregate fees and expenses charged to the scheme (please refer to section IV '**FEES and EXPENSES**').
- Any safety net or guarantee provided (Not applicable for the Scheme).

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Para 1.14 of Master Circular for Mutual Funds dated May 19, 2023 as amended from time to time, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comment on the proposal
- a written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well

as in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and

- the unitholders are given an option to exit at the prevailing Net Asset Value without any exit load for a period of atleast 30 days

## G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Plan Name	Benchmark
Axis Retirement Savings Fund - Aggressive Plan	NIFTY 50 Hybrid Composite Debt 70:30 Index
Axis Retirement Savings Fund - Dynamic Plan	CRISIL Hybrid 35+65 - Aggressive Index
Axis Retirement Savings Fund - Conservative Plan	NIFTY 50 Hybrid Short Duration Debt 25:75 Index

### Justification of benchmark:

#### Axis Retirement Savings Fund - Aggressive Plan

The Scheme performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 70:30 Index. The Index tracks the performance of an equity-oriented hybrid portfolio having a blend of the Nifty 50 TRI Index (70%) and NIFTY Composite Debt Index (30%). As such its asset allocation comes closest to the Scheme's asset allocation and is the most appropriate benchmark available for the scheme.

#### Axis Retirement Savings Fund - Dynamic Plan

The Scheme performance would be benchmarked against NIFTY 50 Hybrid Composite Debt 65:35 Index. NIFTY50 Hybrid Composite Debt 65:35 Index seeks to track the performance of portfolio having a blend of the 65% Equity and 35% Debt. NIFTY50 Hybrid Composite Debt 65:35 Index being the most appropriate of the available benchmarks reflecting the investible universe of the Scheme, is being used as a benchmark.

#### Axis Retirement Savings Fund - Conservative Plan

The Scheme performance would be benchmarked against NIF CRISIL Hybrid 75+25 - Conservative Index. The index seeks to track the performance of a debt-oriented hybrid portfolio having a blend of the Nifty 50 TRI Index (25%) and NIFTY Short Duration Debt Index (75%). As such its asset allocation comes closest to the Scheme's asset allocation and is the most appropriate benchmark available for the scheme.

The Trustee/AMC reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to SEBI guidelines and other prevalent guidelines.

## H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Age and Qualification	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management	Tenure as Fund Manager of the Scheme
Mr. R. Sivakumar	46 years Bachelor of Technology, IIT, Madras, PGDM, IIM, Ahmedabad	<ul style="list-style-type: none"> <li>• Total number of years of experience: 24 years, his last 10 years' experience are as follows: <ul style="list-style-type: none"> <li>· Head – Fixed Income &amp; Products, Axis Asset</li> </ul> </li> </ul>	Axis Equity Hybrid Fund (along with Aditya Pagaria, R Sivakumar and Jayesh Sundar), Axis Balanced Advantage Fund (along with R Sivakumar, Hardik Shah and Jayesh Sundar), Axis	More than 3 years

		<p>Management Company Ltd. (September 02, 2010 – till date)</p> <ul style="list-style-type: none"> <li>Fund Manager – PMS, Axis Asset Management Co. Ltd. (August 2009 till September 01 2010)</li> <li>Chief Operating Officer, Fortis Investment Management (India) Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Pvt. Ltd. (Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.) (April 2004 – July 2009)</li> <li>Fund Manager – Fixed Income, Sundaram Asset Management Company Ltd. (January 2001 – March 2004)</li> </ul>	<p>Equity Saver Fund (along with Hitesh Das, Hardik Shah and Jayesh Sundar), Axis Retirement Savings Fund - Aggressive Plan, Dynamic Plan &amp; Conservative Plan (Nitin Arora and Vinayak Jayanath), Axis Multi Asset Allocation Fund (Ashish Naik, Pratik Tibrewal and Jayesh Sundar), Axis Dynamic Bond Fund and Axis All Seasons Debt Fund of Funds (along with Devang Shah)</p>	
Mr. Vinayak Jayanath	<p>31 years</p> <p>B.Com (Banking and Insurance), MBA Capital Markets</p>	<ul style="list-style-type: none"> <li>Total number of years of experience: 6 years, his last 6 years' experience are as follows: <ul style="list-style-type: none"> <li>Equity Research Analyst – Barclays Securities India Pvt. Ltd. (January 2012 – June 2015)</li> <li>Equity Research Analyst – Credit Suisse Securities (India) Pvt. Ltd. (July 2011 – December 2012)</li> <li>Equity Research</li> </ul> </li> </ul>	<p>nt Axis Global Innovation Fund of Fund, Axis Global Equity Alpha FoF, Axis Greater China Equity Fund of Fund, Axis NASDAQ 100 Fund of Fund, Axis Quant Fund (along with Ashish Naik and Karthik Kumar), Axis Special Situations Fund (along with Ashish Naik), Axis Retirement Savings Fund - Aggressive Plan, Dynamic Plan and Conservative Plan (along with Nitin Arora and R Sivakumar), Axis</p>	<p>Less than 1 year</p>

		<p>Analyst – Ebusinessware (India) Pvt. Ltd. (February 2011 – June 2011)</p> <ul style="list-style-type: none"> <li>• Risk Analyst – Yes Bank (May 2010 – February 2011)</li> </ul>	<p>Value Fund ( along with Nitin Arora), Axis Focused 25 Fund and Axis ESG Equity Fund (Along with Shreyash Devalkar and Hitesh Das), Axis Bluechip Fund (along with Shreyash Devalkar), Axis Growth Opportunities Fund, Axis Flexi Cap Fund (along with Shreyash Devalkar and Hitesh Das), Axis Small Cap Fund ( along with Shreyash Devalkar and Mayank Hyanki) , Axis Mid cap Fund ( along with Shreyash Devalkar and Nitin Arora)</p>	
Mr. Nitin Arora	<p>Age: 38 years</p> <p>Qualifications: MSc in Finance and Investments</p>	<p>Total number of years of experience: 12 years, his last 10 years' experience are as follows:</p> <p>Axis Asset Management Company Limited (February 2, 2018 - till date)</p> <ul style="list-style-type: none"> <li>• Aviva Life Insurance Company India Limited (June 20, 2016 – January 31, 2018)</li> <li>• Emkay Global Financial Services Limited (March 1, 2013 - May 31, 2016)</li> <li>• Nirmal Bang Institutional Equities Limited (January 3, 2011 - February 28, 2013)</li> <li>• Bloomberg UTV Limited (February 2, 2009 – December 31, 2010)</li> </ul>	<p>Axis Retirement Savings Fund - Aggressive Plan, Dynamic Plan and Conservative Plan ( along with R Sivakumar and Vinayak Jayanath), Axis Value Fund ( along with Vinayak Jayanath), Axis Multicap fund (along Shreyash Devalkar, Sachin Jain and Hitesh Das), Axis Mid cap Fund (along with Shreyash Devalkar and Vinayak Jayanath)</p>	Less than 1 year





## **I. WHAT ARE THE INVESTMENT RESTRICTIONS?**

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company.
2. All investments by the Scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights. Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 7B.
4. The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the SEBI Act, 1992. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Trustee and the Board of Directors of AMC.

Such limit shall not be applicable for investment in Government Securities, treasury bills and triparty repo on Government securities or treasury bills.

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

5. A mutual fund scheme shall not invest more than:
  - a. 10% of its NAV in debt and money market securities rated AAA; or
  - b. 8% of its NAV in debt and money market securities rated AA; or
  - c. 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of MF Regulation.

6. The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities, and other money market instruments and derivative products such as Interest Rate Swaps, Interest Rate Futures, etc. which are used by mutual fund for hedging.

Provided that the Scheme may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the Scheme subject to such conditions as may be specified by the Board from time to time:

Provided further that the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by the Board:

Provided further that the norms for investments by the Scheme in unrated debt instruments shall be as specified by the Board from time to time.

Further the investments by the Scheme shall be in compliance with SEBI circular no. and as amended by SEBI from time to time.

7. The investment by the Scheme in the following instruments shall not exceed 10% of the debt portfolio of the scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the scheme:
- Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and
  - Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.

These limits shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations 2008.

8. Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.
9. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
10. The Scheme shall not make any investment in:
- any unlisted security of an associate or group company of the sponsor; or
  - any security issued by way of private placement by an associate or group company of the sponsor; or
  - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
11. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
12. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
- such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
  - the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

Further, inter scheme transfers shall be in accordance with the guidelines issued by Para 12.30 of Master Circular of Mutual Fund as amended from time to time as amended from time to time.

13. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board:

Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

14. The Scheme shall not make any investment in any fund of funds scheme.
15. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by Para 7.5 and 7.6 of SEBI Master Circular for Mutual Funds:

**i. Position limit for the Mutual Fund in equity index options contracts**

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

**ii. Position limit for the Mutual Fund in equity index futures contracts:**

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

**iii. Additional position limit for hedging**

In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, Treasury Bills and similar instruments.

**iv. Position limit for Mutual Fund for stock based derivative contracts**

The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

**v. Position limit for each scheme of a Mutual Fund**

The scheme-wise position limit / disclosure requirements shall be:

- i. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)

**or**

5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).

- ii. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- iii. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

16. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

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

- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme. Further Trustees/ AMC's shall also ensure that the bank in which the Scheme has STD do not invest in the said scheme until the Scheme has STD with such bank.
- vi. The AMC will not charge any investment management and advisory fees for funds parked in short term deposits of scheduled commercial banks.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

17. The Scheme shall not advance any loans.

18. The Scheme shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Scheme shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

19. Para 12.24 of SEBI Master Circular dated May 19, 2023 as amended from time to time, as amended from time to time has prescribed the following investment restrictions w.r.t. investment in derivatives:

<b>S. No.</b>	<b>Particulars</b>
1	The cumulative gross exposure through debt, derivative positions (including fixed income derivatives), repo transactions in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the Scheme.. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2	The Scheme shall not write options or purchase instruments with embedded written options except call options under a covered call strategy as specified in SEBI circular dated January 16, 2019 as amended from time to time.
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
4	Exposure due to hedging positions may not be included in the above mentioned limits subject to the following: <ol style="list-style-type: none"> <li>a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.</li> <li>b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.</li> <li>c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.</li> <li>d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.</li> </ol>

5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1" data-bbox="326 373 1325 506"> <thead> <tr> <th data-bbox="326 373 586 407">Position</th> <th data-bbox="586 373 1325 407">Exposure</th> </tr> </thead> <tbody> <tr> <td data-bbox="326 407 586 441">Long Future</td> <td data-bbox="586 407 1325 441">Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td data-bbox="326 441 586 474">Short Future</td> <td data-bbox="586 441 1325 474">Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td data-bbox="326 474 586 506">Option bought</td> <td data-bbox="586 474 1325 506">Option Premium Paid * Lot Size * Number of Contracts.</td> </tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	<p>a) Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.</p> <p>(b) In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable</p>								

20. Para 7.5 and 7.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023 have prescribed the following additional investment restrictions w.r.t. investment in derivatives:

- i. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.

- ii. To reduce interest rate risk in a debt portfolio, mutual funds may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{(\text{Portfolio Modified Duration} * \text{Market Value of the Portfolio})}{(\text{Futures Modified Duration} * \text{Futures Prices} / \text{PAR})}$$

- iii. In case the IRF used for hedging the interest rate risk has different underlying security(s) than the existing position being hedged, it would result in imperfect hedging.
- iv. Imperfect hedging using IRFs may be considered to be exempted from the gross exposure, upto maximum of 20% of the net assets of the scheme, subject to the following:

- a. Exposure to IRFs is created only for hedging the interest rate risk based on the weighted average modified duration of the bond portfolio or part of the portfolio.
- b. Mutual Funds are permitted to resort to imperfect hedging, without it being considered under the gross exposure limits, if and only if, the correlation between the portfolio or part of the portfolio (excluding the hedged portions, if any) and the IRF is atleast 0.9 at the time of initiation of hedge. In case of any subsequent deviation from the correlation criteria, the same may be rebalanced within 5 working days and if not rebalanced within the timeline, the derivative positions created for hedging shall be considered under the gross exposure computed in terms of Para 3 of SEBI circular dated August 18, 2010. The correlation should be calculated for a period of last 90 days.

Explanation: If the fund manager intends to do imperfect hedging upto 15% of the portfolio using IRFs on weighted average modified duration basis, either of the following conditions need to be complied with:

- (i) The correlation for past 90 days between the portfolio and the IRF is at least 0.9 or
  - (ii) The correlation for past 90 days between the part of the portfolio (excluding the hedged portions, if any) i.e. at least 15% of the net asset of the scheme (including one or more securities) and the IRF is at least 0.9.
- c. At no point of time, the net modified duration of part of the portfolio being hedged should be negative.
  - d. The portion of imperfect hedging in excess of 20% of the net assets of the scheme should be considered as creating exposure and shall be included in the computation of gross exposure in terms of Para 3 of SEBI circular dated August 18, 2010.
  - v. The basic characteristics of the scheme should not be affected by hedging the portfolio or part of the portfolio (including one or more securities) based on the weighted average modified duration.

Explanation: In case of long term bond fund, after hedging the portfolio based on the modified duration of the portfolio, the net modified duration should not be less than the minimum modified duration of the portfolio as required to consider the fund as a long term bond fund.

- vi. The interest rate hedging of the portfolio should be in the interest of the investors.
21. The Scheme may write call options only under a covered call strategy for constituent stocks of NIFTY 50 and BSE SENSEX subject to the following:
- (i) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
  - (ii) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.
  - (iii) At all points of time the Mutual Fund scheme shall comply with the provisions at paragraph (i) and (ii) above. In case of any passive breach of the requirement at paragraph (i), the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.
  - (iv) In case the Scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (i) and (ii) above while selling the securities.
  - (v) In no case, the scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
  - (vi) The premium received shall be within the requirements prescribed in terms of paragraph 5 of SEBI circular dated August 18, 2010 i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
  - (vii) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of paragraph 3 of SEBI Circular no. Cir/IMD/DF/11/2010 dated August 18, 2010.
22. The Scheme shall participate in repos in corporate debt securities as per the guidelines issued by SEBI and/ or RBI from time to time and the guidelines framed by the Board of Directors of Trustee Company and the Asset Management Company, from time to time.

At present the following conditions and norms shall apply to repo in corporate debt securities:

- (i) The gross exposure of the Scheme to repo transactions in corporate debt securities shall not be more than 10% of the net assets of the Scheme.
- (ii) The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt and derivatives shall not exceed 100% of the net assets of the Scheme.

- (iii) The Scheme shall participate in repo transactions only in AA and above rated corporate debt securities.
- (iv) The Scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.
- (v) The Trustee and the Asset Management Company have framed guidelines interalia considering the following aspects:
  - i. Category of counterparty
  - ii. Credit rating of counterparty
  - iii. Tenor of collateral
  - iv. Applicable haircuts
- (vi) Counterparty selection & credit rating  
 The counterparty must be an acceptable counterparty for debt transactions. The Mutual Fund follows a counterparty empanelment process for fixed income transactions and the same shall be used for selection of counterparties for corporate bond repos. All repo transactions in corporate bonds will be governed by a repo agreement as specified by FIMMDA and / or other specified authorities.
- (vii) Collateral tenor & quality  
 The exposure limit/investment restrictions prescribed under the Seventh Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate bonds. The Scheme shall further follow guidelines framed by Trustee and the AMC from time to time.
- (viii) Applicable haircuts  
 Currently mutual funds are permitted to carry out repo transactions in government securities without any haircuts. The Reserve Bank of India has notified a minimum haircut based on rating of the corporate bond and other securities. In addition, the Fixed Income and Money Market Dealers Association (FIMMDA) would maintain a rating-haircut matrix on an ongoing basis. The Scheme shall further follow guidelines framed by Trustee and the AMC from time to time.

The haircuts seek to protect the lender of funds from the event of the counterparty failing to honor the repurchase leg of the repo. In such a circumstance, the Fund would suffer a loss if the value of the collateral depreciates by more than the haircut. The fall in the value of the collateral could be on account of higher yields and/ or deterioration of credit quality.

As the typical tenor of repos is short (typically overnight), the haircuts represent a relatively high degree of safety in relation to the interest rate risk on the collateral. The risk of collateral depreciation based on historical volatility is given in the table below:

Bond Tenor (yrs)	1	3	5	10
Price Volatility (%) (annualized)	0.6	1.2	1.7	3.4
Repo Tenor	Number of standard deviations needed to lose 10%			
1 day	258	136	94	48
7 days	98	52	36	18

In the above table, the price volatility of a 10-year bond is about 3.4% annualized. That is a 10% price move represents nearly a 3-sigma event on an annualized basis. For overnight tenors, this represents a 48-sigma event (for comparison a 6-sigma event occurs about once in a million observations).

It is apparent that the haircuts stipulated by RBI are more than sufficient to mitigate interest rate risk. Credit event risk remains (the collateral could default during the tenor of the repo).



This risk is to be mitigated by ensuring that the collateral is acceptable from a credit point of view.

23. The mutual fund under all its schemes shall not own more than 10% of units issued by a single issuer of REIT and InvIT.
24. The Scheme shall not invest –
  - i. more than 10% of its NAV in the units of REIT and InvIT; and
  - ii. more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer.

Additional Investment Restrictions applicable to Axis Retirement Savings Fund – Conservative Plan

25. The total exposure in a particular sector (excluding investments in Bank CDs, CBLO, Government Securities, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme.

Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% 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 20% of the net assets of the scheme.

Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

26. In terms of requirement of Para 12.2 of Master Circular for Mutual Funds and as amended from time to time prescribing norms for investments in debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (Additional Tier I bonds and Tier 2 bonds issued under Basel III framework are some instruments which may have above referred special features), the following limit shall be applicable:
  - a) No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer.
  - b) The scheme shall not invest –
    - i. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
    - ii. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer. The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer.
27. The total exposure in a particular 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 Trustees.

For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (MF) Regulations and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

Further, limit for investment in debt and money market instruments of group companies of both the sponsor and AMC shall not exceed 10% of the net assets of the Scheme. Such investment limit can be extended to 15% with the prior approval of the Board of Trustees.

The exposure limit/ investment restrictions prescribed under the Seventh Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate bonds.

The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

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

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

### **CREATION OF SEGREGATED PORTFOLIO**

Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

In this regard, the term 'segregated portfolio' shall mean a portfolio comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme. The term 'main portfolio' shall mean the scheme portfolio excluding the segregated portfolio. The term 'total portfolio' shall mean the scheme portfolio including the securities affected by the credit event.

#### **Credit Event**

##### **A) For rated debt or money market instruments**

- 1) Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
  - a. Downgrade of a debt or money market instrument to 'below investment grade', or
  - b. Subsequent downgrades of the said instruments from 'below investment grade', or
  - c. Similar such downgrades of a loan rating
- 2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
- 3) Creation of segregated portfolio is optional and is at the discretion of Axis Asset Management Company Ltd. ('**Axis AMC**'/'**the AMC**')

##### **B) For unrated debt or money market instruments**

Segregated portfolio of unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount by the issuer. Credit event in this case shall be 'actual default' by the issuer of such instruments and shall be considered for creation of segregated portfolio.

##### **C) For debt instruments having special features**

In case, of the Scheme having investments in debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption referred in SEBI circular March 10, 2021, the trigger date shall be considered as follows:

- If the said instrument is to be written off or converted to equity pursuant to any proposal, the date of said proposal may be treated as the trigger date.
- If the said instruments are written off or converted to equity without proposal, the date of write off or conversion of debt instrument to equity may be treated as the trigger date.

### **Process for Creation of Segregated Portfolio**

- 1) On the date of credit event, the AMC shall decide on creation of segregated portfolio. Once AMC decides to segregate portfolio, it shall:
  - a. seek approval of trustees prior to creation of the segregated portfolio.
  - b. immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. Axis Mutual Fund shall disclose that the segregation shall be subject to Trustee approval. Additionally, the said press release shall be prominently disclosed on the website of the AMC.
  - c. ensure that till the time the Trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the Scheme shall be suspended for processing with respect to creation of units and payment on redemptions.
- 2) Once Trustee approval is received by the AMC:
  - a. Segregated portfolio shall be effective from the day of credit event
  - b. AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information will also be submitted to SEBI.
  - c. An e-mail or SMS shall be sent to all unit holders of the Scheme.
  - d. The NAV of both segregated and main portfolios shall be disclosed from the day of the credit event.
  - e. All existing investors in the Scheme as on the day of the credit event shall be allotted equal number of units in the segregated portfolio as held in the main portfolio.
  - f. No redemption and subscription shall be allowed in the segregated portfolio. AMC shall enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests
- 3) If the trustees do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same.

### **Valuation**

Notwithstanding the decision to segregate the debt and money market instrument, the valuation shall take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and circular(s) issued thereunder.

Further, for valuation of debt instruments having special features referred in SEBI circular March 10, 2021, the financial stress of the issuer and the capabilities of issuer to repay the dues/borrowings shall be reflected in the valuation of the securities from the trigger date onwards.

### **Processing of Subscription and Redemption Proceeds**

All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:

- i. Upon trustees' approval to create a segregated portfolio -
  - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.

- Investors subscribing to the Scheme will be allotted units only in the main portfolio based on its NAV.
- ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

### **Disclosure**

In order to enable the existing as well as the prospective investors to take informed decision, the following shall be adhered to:

- a. A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b. Adequate disclosure of the segregated portfolio shall be made in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the Scheme.
- c. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d. The information regarding number of segregated portfolios created in the Scheme shall appear prominently under the name of the Scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e. The Scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The Scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the Scheme performance.
- f. The disclosures at paragraph (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

### **TER for the Segregated Portfolio**

- 1) Axis AMC shall not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- 2) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.
- 3) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- 4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

### **Monitoring by Trustees**

In order to ensure timely recovery of investments of the segregated portfolio, Trustees shall ensure that:

- a. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
- b. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
- c. The Trustees shall monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

In order to avoid mis-use of segregated portfolio, Trustees shall ensure to have a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the Scheme.

### Illustration of segregated portfolio

The below table shows how a security affected by a credit event will be segregated and its impact on investors:

Portfolio Date July 22, 2019

Downgrade July 22, 2019

Event Date

Mr. X is holding 1,000 units of the scheme for an amount of Rs. 11,31,993.87 (1,000 \* 1,131.9939)

#### Portfolio before downgrade event

Security	Rating	Type of the security	Quantity	Market Price Per Unit (Rs.)	Market Value (Rs.)	% of Net Assets
9.60% A Ltd.	CRISIL AAA	NCD	5,000	103.2232	5,16,116.00	45.59%
8.80% B Ltd.	CRISIL AA+	NCD	2,000	99.4678	1,98,935.60	17.57%
9.80% C Ltd.	ICRA A1+	CP	1,200	98.3421	1,18,010.52	10.43%
<b>7.70% D Ltd.</b>	<b>CRISIL AA+</b>	<b>NCD</b>	2,000	<b>99.0000</b>	1,98,000.00	17.49%
8.80% E Ltd.	CRISIL AA	NCD	500	101.2211	50,610.55	4.47%
Cash & cash equivalents					50,321.20	4.45%
Net Assets					11,31,993.87	100.00%
Unit capital (no of units)					1000.000	
NAV (In Rs.)					1131.9939	

Security downgraded	7.70% D Ltd.	from AA+ to D
Valuation Marked down by	75.00%	Valuation agencies shall be providing the valuation price post consideration of standard haircut matrix.

Total Portfolio as on July 22, 2019

Security	Rating	Type of the security	Quantity	Market Price Per Unit (Rs.)	Market Value (Rs.)	% of Net Assets
9.60% A Ltd.	CRISIL AAA	NCD	5,000	103.2232	5,16,116.00	52.45%
8.80% B Ltd.	CRISIL AA+	NCD	2,000	99.4678	1,98,935.60	20.22%
9.80% C Ltd.	ICRA A1+	CP	1,200	98.3421	1,18,010.52	11.99%
<b>7.70% D Ltd.</b>	<b>CRISIL D</b>	<b>NCD</b>	2,000	<b>25.0000</b>	50,000.00	5.08%
8.80% E Ltd.	CRISIL AA	NCD	500	101.2211	50,610.55	5.14%
Cash & cash equivalents					50,321.20	5.11%
Net Assets					9,83,993.87	100.00%
Unit capital (no of units)					1000.000	
NAV (In Rs.)					983.9939	

**Main Portfolio as on July 22, 2019**

Security	Rating	Type of the security	Quantity	Market Price Per Unit (Rs.)	Market Value (Rs.)	% of Net Assets
9.60% A Ltd.	CRISIL AAA	NCD	5,000	103.2232	5,16,116.00	55.26%
8.80% B Ltd.	CRISIL AA+	NCD	2,000	99.4678	1,98,935.60	21.30%
9.80% C Ltd.	ICRA A1+	CP	1,200	98.3421	1,18,010.52	12.64%
8.80% E Ltd.	CRISIL AA	NCD	500	101.2211	50,610.55	5.42%
Cash & cash equivalents					50,321.20	5.39%
Net Assets					9,33,993.87	100.00%
Unit capital (no of units)					1000.000	
NAV (In Rs.)					933.9939	

**Segregated Portfolio as on July 22, 2019**

Security	Rating	Type of the security	Quantity	Market Price Per Unit (Rs.)	Market Value (Rs.)	% of Net Assets
7.70% D Ltd.	CRISIL D	NCD	2,000	25.0000	50,000.00	100.00%
Net Assets					50,000.00	100.00%
Unit capital (no of units)					1000.000	
NAV (In Rs.)					50.0000	

0.0000

Net impact on value of holding of Mr. X after creation of segregation portfolio

	Main Portfolio	Segregated Portfolio	Total Value
No. of Units	1,000	1,000	
NAV (in Rs.)	933.9939	50.0000	
Total Value (in Rs.)	9,33,993.87	50,000.00	9,83,993.87

**J. INVESTMENTS BY THE AMC IN THE SCHEME**

Subject to the applicable Regulations, the AMC may invest either directly or indirectly, in the Scheme during Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investments in the Scheme.

Further, in terms of requirement of the Regulations, the AMC shall invest such amounts in Scheme, based on the risks associated with the Scheme, as may be specified by the SEBI from time to time.

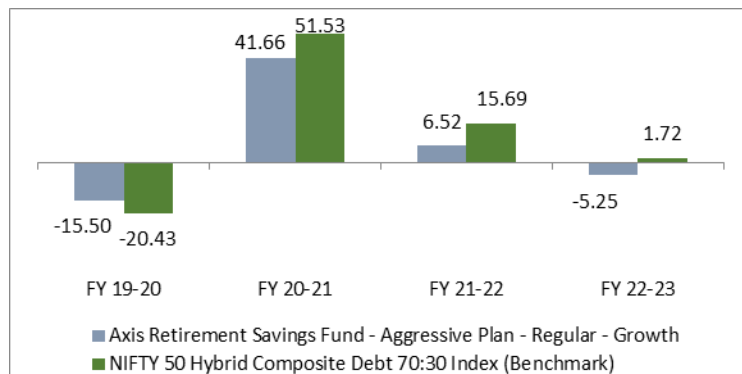
**K. HOW HAS THE SCHEME PERFORMED?**

Performance of Axis Retirement Savings Fund – Aggressive Plan – Regular Plan - Growth Option as at September 30, 2023 is as follows:

Period	Axis Retirement Savings Fund - Aggressive Plan - Regular Plan	CRISIL Hybrid 25+75 - Aggressive

	<b>Growth Option</b>	<b>Index</b>
1 Year returns	8.28%	14.07%
3 Year returns	12.09%	18.65%
Since Inception (December 20, 2019)	8.84%	14.38%

### Absolute returns for the last 4 financial years

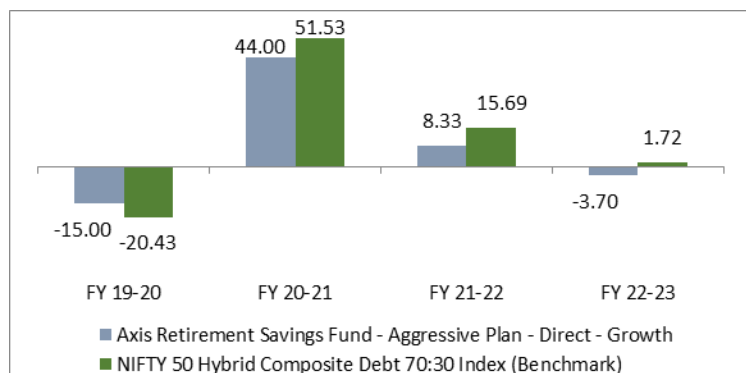


Performance of the Axis Retirement Savings Fund – Aggressive Plan – Direct Plan - Growth Option as at September 30, 2023 is as follows:

<b>Period</b>	<b>Axis Retirement Savings Fund - Aggressive Plan - Direct Plan - Growth Option</b>	<b>CRISIL Hybrid 25+75 - Aggressive Index</b>
1 Year returns	9.92%	14.07%
3 Year returns	13.92%	18.65%
Since Inception ( December 20, 2019)	10.66%	14.38%

**Absolute Returns for**

**the last 4 Financial Years**



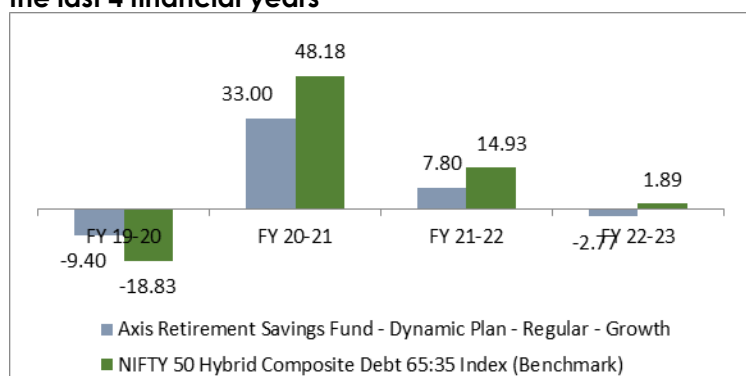
**^Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAVs.

Performance of Axis Retirement Savings Fund – Dynamic Plan – Regular Plan - Growth Option as at September 30, 2023 is as follows:

Period	Axis Retirement Savings Fund - Dynamic Regular Plan - Growth Option	CRISIL Hybrid 35+65 - Aggressive Index
1 Year returns	6.88%	13.25%
3 Years returns	13.32%	16.78%
Since Inception (December 20, 2019)	9.99%	13.46%

**Absolute returns for**

**the last 4 financial years**



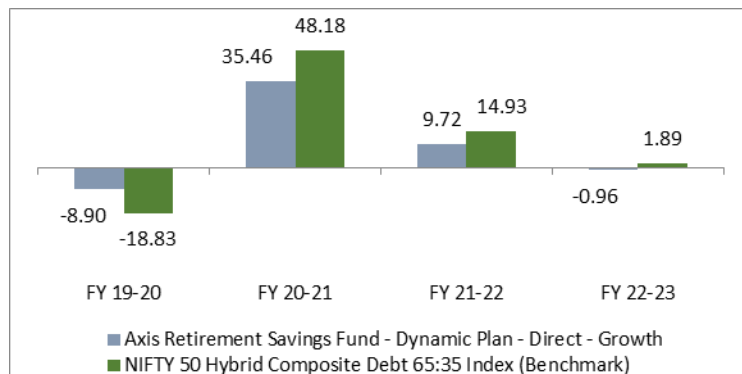
Performance of the Axis Retirement Savings Fund – Dynamic Plan – Direct Plan - Growth Option as at September 30, 2023 is as follows:

Period	Axis Retirement Savings Fund - Dynamic Plan - Direct - Growth Option	CRISIL Hybrid 35+65 - Aggressive Index
1 Year returns	6.88%	13.25%
3 Years returns	13.32%	16.78%
Since Inception (December 20, 2019)	9.99%	13.46%



	<b>Direct Plan - Aggressive Growth Option</b>	<b>Aggressive Index</b>
1 Year returns	8.75%	13.25%
3 Year returns	15.36%	16.78%
Since Inception ( December 20, 2019)	11.97%	13.46%

**Absolute Returns for the last 4 Financial Years:**



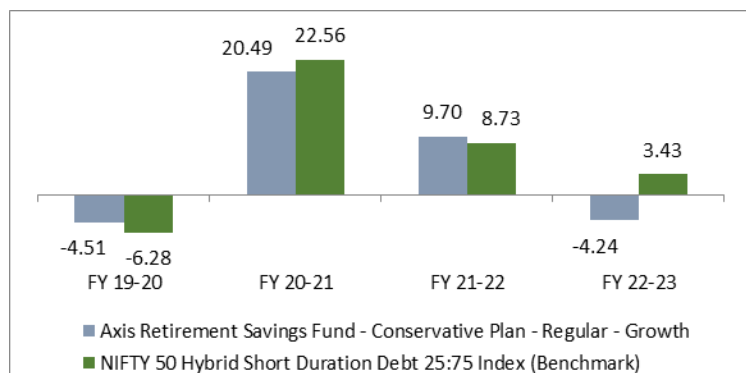
**^Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAVs.

Performance of Axis Retirement Savings Fund – Conservative Plan – Regular Plan - Growth Option as at September 30, 2023 is as follows:

<b>Period</b>	<b>Axis Retirement Savings Fund - Conservative Plan - Regular Plan - Growth Option</b>	<b>CRISIL Hybrid 75+25 - Conservative Index</b>
1 Year returns	8.00%	9.87%
3 Year returns	8.26%	9.39%
Since Inception (December 20, 2019)	7.56%	9.28%

**returns for the last 4 financial years**

**Absolute**

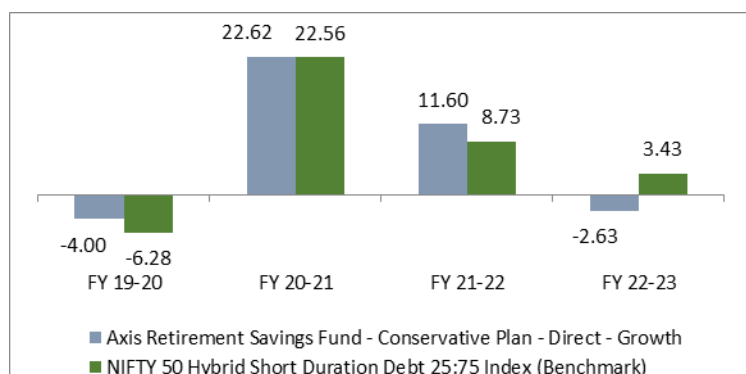


Performance of the Axis Retirement Savings Fund – Conservative Plan – Direct Plan - Growth Option as at September 30, 2023 is as follows:

Period	Axis Retirement Savings Fund - Conservative Plan - Direct Plan - Growth Option	CRISIL Hybrid 75+25 - Conservative Index
1 Year returns	9.76%	9.87%
3 Year returns	10.11%	9.39%
Since Inception ( December 20, 2019)	9.41%	9.28%

**Absolute Returns for**

#### the last 4 Financial Years



**^Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAVs.

## L. ADDITIONAL SCHEME RELATED DISCLOSURES

### a. Scheme's portfolio holdings as on September 30, 2023

- **Axis Retirement Savings Fund – Aggressive Plan**

1. Top 10 holdings by Issuer:

**Equity Instruments:**

<b>Issuer Name</b>	<b>% of Net Assets</b>
Tata Consultancy Services Limited	5.60%
Bajaj Finance Limited	5.30%
Avenue Supermarts Limited	4.60%
HDFC Bank Limited	3.31%
Torrent Power Limited	3.22%
Pidilite Industries Limited	3.14%
ICICI Bank Limited	2.94%
PI Industries Limited	2.82%
Astral Limited	2.69%
Sundaram Finance Limited	2.66%

**Debt Instruments:**

<b>Issuer Name</b>	<b>% of Net Assets</b>
Government of India	13.32%
Bank of Baroda	1.75%
National Highways Auth of Ind	1.46%
REC Limited	1.41%
Axis Long Duration Fund - Direct Plan - Growth Option	0.67%

**2. Fund allocation towards various Sectors**

<b>Sector Allocation</b>	<b>% of Net Assets</b>
Financial Services	24.21%
Government Of India	13.31%
Information Technology	10.83%
Chemicals	8.74%
Consumer Services	8.29%
Capital Goods	7.46%
Automobile And Auto Components	6.28%
Power	4.13%
Construction	3.00%
Healthcare	2.72%
Fast Moving Consumer Goods	2.00%
Others	1.96%
Consumer Durables	1.94%
Oil Gas & Consumable Fuels	1.81%
Cash & Cash Equivalent	1.23%
Realty	1.05%
Telecommunication	1.04%

^TREPS/Repo/Mutual Fund units.

- **Axis Retirement Savings Fund – Dynamic Plan**

1. Top 10 holdings by Issuer:

**Equity Instruments:**

<b>Issuer Name</b>	<b>% of Net Assets</b>
Bajaj Finance Limited	8.55%
ICICI Bank Limited	6.04%
Avenue Supermarts Limited	4.82%
Tata Consultancy Services Limited	4.25%
Nestle India Limited	4.01%
HDFC Bank Limited	3.65%
Torrent Power Limited	3.10%
Infosys Limited	2.93%
Pidilite Industries Limited	2.92%
Info Edge (India) Limited	2.72%

**Debt Instruments:**

<b>Issuer Name</b>	<b>% of Net Assets</b>
Government of India	4.08%
Bank of Baroda	3.37%
Axis Long Duration Fund - Direct Plan - Growth Option	1.26%

2. Fund allocation towards various Sectors

<b>Sector Allocation</b>	<b>% of Net Assets</b>
Financial Services	29.56%
Consumer Services	9.66%
Automobile And Auto Components	9.49%
Information Technology	8.15%
Healthcare	6.84%
Fast Moving Consumer Goods	5.11%
Capital Goods	4.70%
Consumer Durables	4.27%
Power	4.08%
Government Of India	4.08%
Chemicals	2.92%
Construction	2.32%
Cash & Cash Equivalent	2.28%
Oil Gas & Consumable Fuels	1.59%

Others	1.54%
Realty	1.35%
Telecommunication	0.94%
Construction Materials	0.61%
Textiles	0.51%

^TREPS/Repo/Mutual Fund units.

- **Axis Retirement Savings Fund – Conservative Plan**

1. Top 10 holdings by Issuer:

**Equity Instruments:**

Issuer Name`	% of Net Assets
Bajaj Finance Limited	8.55%
ICICI Bank Limited	6.04%
Avenue Supermarts Limited	4.82%
Tata Consultancy Services Limited	4.25%
Nestle India Limited	4.01%
HDFC Bank Limited	3.65%
Torrent Power Limited	3.10%
Infosys Limited	2.93%
Pidilite Industries Limited	2.92%
Info Edge (India) Limited	2.72%

**Debt Instruments:**

Issuer Name`	% of Net Assets
Government of India	4.08%
Bank of Baroda	3.37%
Axis Long Duration Fund - Direct Plan - Growth Option	1.26%

**2. Fund allocation towards various Sectors**

Sector Allocation	% of Net Assets
Government Of India	27.73%
Financial Services	26.49%
Information Technology	10.29%
Automobile And Auto Components	8.95%
Healthcare	5.96%
Others	5.74%
Fast Moving Consumer Goods	4.29%
Oil Gas & Consumable Fuels	3.09%
Consumer Durables	3.02%
Cash & Cash Equivalent	2.55%
Power	1.40%
Chemicals	0.31%
Consumer Services	0.18%

^TREPS/Repo/Mutual Fund units.

**Website link for Portfolio Holding**

Please visit [www.axismf.com](http://www.axismf.com) to obtain Scheme's latest portfolio holding statement.

**b. Portfolio Turnover**

- Portfolio turnover ratio for for the since inception period ended September 30, 2023:

Axis Retirement Savings Fund - Aggressive Plan	0.35
Axis Retirement Savings Fund - Conservative Plan	0.14
Axis Retirement Savings Fund - Dynamic Plan	0.42

**c. Aggregate investment in the Scheme of certain categories of persons:**

- Axis Retirement Savings Fund – Aggressive Plan**

Sr. No.	Category of Persons	Net Asset Value of Units held as on September 30, 2023
i	AMC's Board of Directors	Nil
ii	Concerned scheme's Fund Manager(s)	Nil
iii	Other key managerial personnel	Nil

- Axis Retirement Savings Fund – Dynamic Plan**

Sr. No.	Category of Persons	Net Asset Value of Units held as on September 30, 2023
i	AMC's Board of Directors	0.00
ii	Concerned scheme's Fund Manager(s)	0.00
iii	Other key managerial personnel	21,86,788.87

- Axis Retirement Savings Fund – Conservative Plan**

Sr. No.	Category of Persons	Net Asset Value of Units held as on September 30, 2023
i	AMC's Board of Directors	Nil
ii	Concerned scheme's Fund Manager(s)	Nil
iii	Other key managerial personnel	Nil

### III. **UNITS AND OFFER**

This section provides details you need to know for investing in the Scheme.

#### A. **NEW FUND OFFER (NFO)**

<p>New Fund Offer Period This is the period during which a new scheme sells its units to the investors.</p>	<p>The New Fund Offer opened on November 29, 2019 and closed on December 13, 2019. The units under the Scheme were allotted on December 20, 2019.</p>
<p>New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.</p>	<p>Not applicable</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Not applicable</p>
<p>Minimum Target amount</p>	<p>Not applicable</p>
<p>Maximum Amount to be raised (if any)</p>	<p>Not Applicable</p>
<p>Plans / Options offered</p>	<p>Investors are offered the following Investment Plan(s) to invest in the Scheme:</p> <ul style="list-style-type: none"> <li>• Axis Retirement Savings Fund - Aggressive Plan</li> <li>• Axis Retirement Savings Fund - Dynamic Plan</li> <li>• Axis Retirement Savings Fund - Conservative Plan</li> </ul> <p>Each Plan offers Regular Plan and Direct Plan.</p> <p><b>Direct Plan</b> Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.</p> <p><b>Regular Plan</b> Regular Plan is available for all type of investors investing through a Distributor.</p> <p><b>Options under each Plan(s)</b></p> <ul style="list-style-type: none"> <li>- Growth</li> <li>- Income Distribution cum Capital Withdrawal (IDCW) (IDCW Payout)</li> </ul> <p><b>a. Growth Option</b> Income Distribution cum Capital Withdrawal will not be undertaken under this option. The income attributable to Units under this option will continue to remain invested in the Scheme and will be reflected in the NAV of Units under this option.</p>

**b. IDCW Option**

Under this option, distribution will be declared (subject to deduction of tax at source, if any) at specified frequencies at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. The amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.

On payment of IDCW, the NAV of the Unit under IDCW option will fall to the extent of the IDCW payout and applicable statutory levies, if any.

It must be distinctly understood that the actual declaration of IDCW and frequency thereof is at the sole discretion of the Board of Directors of Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of distribution nor that it will be paid regularly. The Trustee reserves the right to declare IDCW at any other frequency in addition to the frequencies mentioned above.

If IDCW payable under IDCW Payout option is equal to or less than Rs. 500/- then the IDCW would be compulsorily reinvested in the option of the Scheme.

**IDCW Payout Facility**

Under this facility, amount declared, if any, will be paid (subject to deduction of applicable statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.

The Investors should indicate the option for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/facility, the following default option/facility will be considered:

**Default Plans**

**Treatment of applications under Direct/ Regular Plans**

The investor must clearly specify his choice of plan. Investors subscribing under Direct Plan of a Scheme will have to indicate "Direct Plan" against the Scheme name in the application form e.g. "Axis Retirement Savings Fund – Direct Plan". Investors should also indicate "Direct" in the ARN column of the application form.

The investors may refer to the following table for applicability of Direct Plan/ Regular Plan under different scenario :-

<b>Scenario</b>	<b>Broker Code mentioned by the investor</b>	<b>Plan mentioned by the investor</b>	<b>Default Plan to be captured</b>
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan



	8	Mentioned	Not Mentioned	Regular Plan
	<p><i>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</i></p> <p>Default Plan: Dynamic Plan Default Option: Growth</p> <p><b>Default Plan – Redemption application</b> Where Units under a Scheme are held under both Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from default plan as mentioned under the Plan and Option para above. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</p>			
IDCW Policy	<p>Under the IDCW option, the Trustee will have the discretion to declare the IDCW, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of IDCW and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of IDCW nor that it will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of IDCW or may provide for additional frequency for declaration of IDCW.</p> <p><b>IDCW Distribution Procedure</b> In accordance with Chapter 11 of Master Circular for Mutual Funds the procedure for distribution would be as under:</p> <ol style="list-style-type: none"> <li>1. Quantum of IDCW and the record date will be fixed by the Trustee. IDCW so decided shall be paid, subject to availability of distributable surplus.</li> <li>2. Within one calendar day of the decision by the Trustees, AMC shall issue notice to the public communicating the decision including the record date. The record date shall be 2 working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier.</li> <li>3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving IDCW.</li> <li>4. The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).</li> <li>5. The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date.</li> </ol>			

	<p>6. Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever will be issued by Mutual Fund.</p> <p>However, the requirement of giving notice shall not be applicable for IDCW options having frequency up to one month.</p>
Allotment	Not applicable
Refund	Not applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of unit of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Unit(s) of the Scheme:</p> <ol style="list-style-type: none"> <li>1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Minor (as the first and the sole holder only) through a natural guardian (i.e. father or mother, as the case may be) or a court appointed legal guardian. There shall not be any joint holding with minor investments;</li> <li>3. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) / Overseas Citizen of India (OCI) residing abroad on repatriation basis or on non-repatriation basis;</li> <li>4. Such other category of person(s) permitted to make investments and as may be specified by the AMC / Trustee from time to time.</li> </ol> <p>Note: Following is the process for investments made in the name of a Minor through a Guardian: -</p> <ul style="list-style-type: none"> <li>• • Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. Mutual Fund will send an intimation to Unit holders advising the minor (on attaining majority) to submit an application form along with prescribed documents to change the status of the account from 'minor' to 'major'.</li> <li>• All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account.</li> </ul> <p>No investments (lumpsum/SIP/ switch in/ STP in etc.) in the scheme would be allowed once the minor attains majority i.e. 18 years of age</p> <p><b>Email ID &amp; Mobile Number</b> Investors should provide their own email address and mobile number to enable Axis AMC for speed and ease of communication in a convenient and cost-effective manner, and to help prevent fraudulent transactions.</p> <p><b>Ultimate Beneficial Ownership details</b> SEBI vide its circular no. CIR/MIRSD/2/2013 dated January 24, 2013 further read with AMFI Best practices guidelines circular no. 62/2015-16 dated September 18, 2015 and other applicable regulations has prescribed</p>

guidelines, for identification of Beneficial Ownership to be followed by the intermediaries. A 'Beneficial owner' is defined as a natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a legal person or arrangement. In this regard, all categories of investors (including all new / existing investors / unitholders) (except individuals, companies listed on a stock exchange or majority-owned subsidiary of such companies) are mandatorily required to provide beneficial ownership details for all investments. Failing which, fund reserves the right to reject applications / subscription requests/additional subscription requests (including switches) / restrict further investments or seek additional information from investors who have not provided the requisite information on beneficial ownership. In the event of change in beneficial ownership, investors are requested to immediately update the details with the Fund/Registrar.

**Foreign Account Tax Compliance Act and Common Reporting Standards requirements**

As a part of various ongoing tax and regulatory developments around the globe [e.g. information exchange laws such as Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS')], financial institutions like Axis Mutual Fund ('Axis MF' or 'the Fund') are being cast with additional investor and counterparty account related due diligence requirements.

The Central Board of Direct Taxes (CBDT) has notified Rules 114F to 114H, as part of the Income-tax Rules, 1962, which Rules require Indian financial institutions such as the Banks, Mutual Funds, etc. to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all our investors and counterparties. According to the FATCA-CRS Rules, financial institutions in India are required to report tax information about account holders that are tax resident of U.S. and other foreign countries, to the CBDT/ Indian Government which will, in turn, relay that information to the US Internal Revenue Service (IRS) and governments of other foreign countries.

These developments have resulted in compliance and reporting obligations on Financial Institutions like Axis MF. In relevant cases, information will have to be reported to tax authorities/appointed agencies. In this respect, Axis MF would rely on the relevant information provided by its Registrar and would also use its discretion. Towards compliance, the Fund may also be required to provide information to any institutions such as withholding agents for the purpose of ensuring appropriate withholding from the account or any proceeds in relation thereto. As may be required by domestic or overseas regulators/ tax authorities, we may also be constrained to withhold and pay out any sums from your account or close or suspend your account(s). Axis MF may also have to comply with other similar laws as and when applicable.

Prospective investors and Unit holders will therefore be required to comply with the request of the Fund to furnish such information / documentation / declarations as and when deemed necessary by the Investment Manager in accordance with Applicable Laws. In case prospective investor / Unit

holder fails to furnish the relevant information / documentation / declarations in accordance with Applicable Laws, the Fund reserves the right to reject the application or redeem the Units held directly or beneficially and may also require reporting of such accounts and/or levy of withholding tax on payments made to the Unit holders / investor and/or take any other action/s in accordance with Applicable Laws. FATCA-CRS provisions are relevant not only at on-boarding stage of Unit holders but also throughout the life cycle of investment with the Fund. Unit holders therefore should intimate to the Fund/the Investment Manager, any change in their status with respect to any FATCA-CRS related information / documentation / declarations provided by them previously, including but not limited to any declarations provided in respect of residency of the Unit holders for tax purposes promptly, i.e. within 30 days. Further, if the Fund and/or the Investment Manager is required by Applicable Laws, to provide information regarding the Fund and/or the unit holders / investors to any regulatory authority and/or the Fund Investments and/or income therefrom, and the Fund and/or the Investment Manager complies with such request in good faith, whether or not it was in fact enforceable, they shall not be liable to the Unit holders / investors or to any other party as a result of such compliance or in connection with such compliance.

Prospective investors / Unit holders should consult their own advisors to understand the implications of FATCA-CRS provisions/requirements. Please note that Axis MF will be unable to provide advice to any investor or counterparty about their tax status or FATCA/CRS classification relevant to their account. It is the responsibility of the investor or counterparty to ensure that they record their correct tax status / FATCA/ CRS classification. Investor/ counterparty may seek advice from their tax advisor in this regard. The onus to provide accurate, adequate and timely inputs in this regard would be that of the investor or counterparty. Any changes in earlier information provided must be intimated within 30 days of such change.

Investors are requested to provide all the necessary information / declarations to facilitate compliance, considering India's commitment to implement CRS and FATCA under the relevant international treaties.

**Implementation of KYC requirements**

SEBI vide circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011 had mandated (i) Standard KYC form with uniform KYC guidelines and supporting documents to be used by SEBI registered intermediaries and (ii) Centralized KYC registration through KYC Registration Agencies (KRAs) registered with SEBI, w.e.f. January 1, 2012, to bring about uniform KYC process in the securities market, based on SEBI prescribed norms and the KYC details are shared with all SEBI registered intermediaries by the KRAs.

Subsequently, SEBI, vide its circular no. MIRSD/Cir-5/2012 dated April 13, 2012 advised various intermediaries to upload KYC data of its existing customers into the KRA system. While uploading KYC data into the KRA system, intermediaries were also required to highlight such 'Missing/Not Available' KYC information of a customer, which was either not required or not taken previously, but was mandatory as per uniform KYC guidelines issued by SEBI.

In accordance with AMFI best practices guidelines circular no. 62/2015-16 dated September 18, 2015, it is mandatory for all new/existing investors to provide additional KYC information such as Income details, Occupation, association with politically exposed person, net worth etc. as mentioned in the application form. Subscription requests, without providing these details, are liable to be rejected. No subscriptions (whether fresh or additional) and switches pertaining to 'KYC on-hold' cases are accepted, unless the investor / unitholder also submits relevant KYC missing / updated information, which is appropriately updated on the KRA - KYC.

Further, it is mandatory for existing customers to complete In-Person Verification process and provide the missing KYC information failing which their applications / transaction requests for additional subscription (including switches) is liable to be rejected.

**Central KYC Process**

Central Registry of Securitisation and Asset Reconstruction and Security interest of India ('CERSAI') has been authorised by Government of India to act as Central KYC Records Registry under Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 ('PMLA Rules').

SEBI vide its circular no. CIR/MIRSD/66/2016 dated July 21, 2016 and circular no. CIR/MIRSD/120/2016 dated November 10, 2016 has prescribed that the Mutual Fund/ AMC should capture KYC information for sharing with CKYCR as per the KYC template prescribed by CERSAI for uniform and smooth implementation of CKYC norms for onboarding of new investors in Mutual Funds.

In accordance with the aforesaid SEBI circulars and AMFI best practice guidelines for implementation of CKYC norms with effect from February 1, 2017:

- a) Individual investors who have never done KYC process under KRA regime i.e. a new investor who is new to KRA system and whose KYC is not registered or verified in the KRA system shall be required to provide KYC details in the CKYC Form to the Mutual Fund/ AMC.
- b) Individual investor who fills old KRA KYC Form, should provide additional / missing information using Supplementary KYC Form or fill CKYC Form. The said form is available on Axis Mutual Fund website [www.axismf.com](http://www.axismf.com).
- c) Details of investors shall be uploaded on the system of CKYCR and a 14 digit unique KYC Identification Number ('KIN') will be generated for such customer.
- d) New investors, who have completed CKYC process & have obtained KIN may quote their KIN in the application form instead of submitting CKYC Form/ Supplementary KYC Form.
- e) AMC/ Mutual Fund shall use the KIN of the investor to download the KYC information from CKYCR system and update its records.
- f) If the PAN of investor is not updated on CKYCR system, the investor should submit self-certified copy of PAN card to the Mutual Fund/ AMC.

The AMC reserves the right to reject transaction application in case the

	<p>investor(s) fails to submit information and/or documentation as mentioned above. In the event of non-compliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s).</p> <p><b>Submission of Aadhar Number</b></p> <p>Pursuant to requirement under Prevention of Money Laundering (Maintenance of Records) Rules, 2005 as amended from time to time, proof of possession of Aadhar can be accepted as a valid document for proof of address or proof of identity of investors, provided the investor redact or blackout his Aadhar number while submitting the applications for investments.</p> <p>The aforesaid guidelines will be subject to change as per the directives issued by the concerned regulatory/ government authority from time to time.</p> <p>For further details refer to SAI.</p>
Who cannot invest	<ol style="list-style-type: none"> <li>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</li> <li>2. Pursuant to RBI A.P. (DIR Series) circular no. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.</li> <li>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</li> <li>4. U.S. Persons and Residents of Canada as defined under the applicable laws of U.S. and Canada except the following:             <ol style="list-style-type: none"> <li>a) subscriptions received by way of lump sum / switches / systematic transactions received from Non-resident Indians (NRIs) /Persons of Indian origin (PIO) who at the time of such investment, are present in India and</li> <li>b) FPIs</li> </ol> </li> <li>5. Such other persons as may be specified by AMC from time to time.</li> </ol> <p>These investors need to submit a physical transaction request along with such documents as may be prescribed by Axis Asset Management Company Ltd. ('AMC')/Axis Mutual Fund Trustee Ltd. ('the Trustee')/Axis Mutual Fund ('the Fund') from time to time.</p> <p>The AMC reserves the right to put the transaction requests on hold/reject the transaction request/reverse allotted units, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard.</p> <p>Axis Mutual Fund Trustee Ltd./ the AMC reserve the right to change/ modify the above provisions at a later date.</p>
Where can you submit the filled up applications.	Not applicable
How to Apply	Application form and Key Information Memorandum may be

	obtained from the Official Points of Acceptance(OPAs) of AMC or downloaded from the website of AMC viz. <a href="http://www.axismf.com">www.axismf.com</a> . For further details, kindly refer SAI
Listing	The Scheme is an open ended scheme under which sale and repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the units as and when considered necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not applicable
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p><b>Pledge of Units</b></p> <p>The Unit under the Scheme (subject to completion of Lock in Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other person. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other person concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. IDCW declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p><b>Lien on Units</b></p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Unit allotted will be created and such Unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a Unit holder redeems Unit soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Unit purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the</p>

	<p>Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p><b>Suspension/Restriction on Redemption of Units of the Scheme</b>  Subject to the approval of the Boards of the AMC and of the Trustee and subject also to necessary communication of the same to SEBI, the redemption of / switch-out of Units of Scheme, may be temporarily suspended/ restricted. In accordance with SEBI circular no. Para 1.12 of Master Circular for Mutual Funds and subject to prevailing regulations, restriction on/suspension of redemptions / switch-out of Units of the Scheme, may be imposed when there are circumstances leading to systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:</p> <p><b>a) Liquidity issues:</b> when market at large becomes illiquid affecting almost all securities rather than any issuer specific security;</p> <p><b>b) Market failures, exchange closures:</b> when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies;</p> <p><b>c) Operational issues:</b> when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).</p> <p>Restriction on / suspension of redemption of Units of the Scheme may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.</p> <p>When restriction on / suspension of redemption of Units of the Scheme is imposed, the following procedure shall be applied</p> <ol style="list-style-type: none"> <li>i. No redemption / switch-out requests upto Rs. 2 lakhs shall be subject to such restriction.</li> <li>ii. Where redemption / switch-out requests are above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without such restriction and remaining part over and above Rs. 2 lakhs shall be subject to such restriction.</li> </ol> <p>In addition to the above, the AMC / Trustee may restrict / suspend redemptions / switch-out of Units of the Scheme pursuant to direction/ approval of SEBI.</p> <p>In case of any of the above eventualities, the general time limits for processing requests for redemption of Units will not be applicable.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
Third Party Payment Avoidance and additional	Please refer SAI for details.



documents / declaration required	
Cash Investments in mutual funds	<p>In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI has permitted receipt of cash transactions for fresh purchases/ additional purchases to the extent of Rs. 50,000/- per investor, per mutual fund, per financial year subject to:</p> <ul style="list-style-type: none"> <li>i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and</li> <li>ii. sufficient systems and procedures in place.</li> </ul> <p>However, payment towards redemptions, IDCW, etc. with respect to aforementioned investments shall be paid only through banking channel.</p> <p>The Fund/ AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.</p>

**B. ONGOING OFFER DETAILS**

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from December 27, 2019.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the Applicable NAV.</p> <p>Para 10.4 of Master Circular for Mutual Funds has decided that there shall be no Entry Load for all Mutual Fund schemes Hence, no entry load is levied for subscription transactions by the Scheme.</p> <p>Methodology of calculating subscription price:  Subscription Price = Applicable NAV*(1+Entry Load, if any)  Example: If the Applicable NAV is Rs. 10, Entry Load is NIL then the subscription price will be:  = Rs. 10* (1+NIL)  = Rs. 10</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any.</p> <p>Methodology of calculating repurchase price:  Redemption Price = Applicable NAV*(1-Exit Load, if any)  Example: If the Applicable NAV is Rs. 10, Exit Load is Nil then redemption price will be:  = Rs. 10* (1-0)  = Rs. 10</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the SEBI Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 95% of the Applicable NAV. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for subscriptions/redemptions/switches</p>	<p><b>Subscriptions/Purchases including Switch - ins:</b></p> <p>The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of units of the Scheme and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> <li>where the application is received upto 3.00 pm on a Business day and</li> </ol>

<p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>funds are available for utilization before the cut-off time – the closing NAV of the Business day shall be applicable;</p> <ol style="list-style-type: none"> <li>2. where the application is received after 3.00 pm on a Business day and funds are available for utilization on the same day or before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable;</li> <li>3. irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time - the closing NAV of Business day on which the funds are available for utilization shall be applicable.</li> </ol> <p>For determining the applicable NAV for allotment of units in respect of purchase / switch in the Scheme, it shall be ensured that:</p> <ol style="list-style-type: none"> <li>i. Application is received before the applicable cut-off time</li> <li>ii. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cutoff time.</li> <li>iii. The funds are available for utilization before the cut-off time.</li> </ol> <p>The aforesaid provisions shall also be applicable to systematic transactions like Systematic Investment Plan, Systematic Transfer Plan, etc offered by scheme.</p> <p><b>Redemptions including Switch - outs:</b> The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of units:</p> <ol style="list-style-type: none"> <li>a. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and</li> <li>b. an application received after 3.00 pm – closing NAV of the next Business Day.</li> </ol> <p>The above mentioned cut off timing shall also be applicable to transactions through the online trading platform.</p> <p>In case of Transaction through Stock Exchange Infrastructure, the Date of Acceptance will be reckoned as per the date &amp; time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
<p>Where can the applications for purchase/redemption switches be submitted?</p>	<p>Refer Back Cover Page</p>
<p>Minimum amount for purchase/redemption/switches</p>	<p><b>Minimum amount for Purchase/Switch in</b> Rs. 100 and in multiples of Re. 1/- thereafter</p> <p><b>Minimum Additional Purchase/Switch in Amount</b> Rs.100 and in multiples of Re. 1/- thereafter</p> <p><b>Minimum Redemption Amount/Switch Out</b> There will be no minimum redemption criterion. The Redemption / Switch-</p>

	<p>out would be permitted to the extent of credit balance in the Unit holder's account of the Plan(s) / Option(s) of the Scheme (subject to release of pledge / lien or other encumbrances). The Redemption / Switch-out request can be made by specifying the rupee amount or by specifying the number of Units of the respective Plan(s) / Option(s) to be redeemed. In case a Redemption / Switch-out request received is for both, a specified rupee amount and a specified number of Units of the respective Plan(s)/ Option(s), the specified number of Units will be considered the definitive request. In case the value / number of available units held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the amount / number of units specified in the redemption / switch-out request, then the transaction shall be treated as an all units redemption and the entire balance of available Units in the folio / account of the Unit holder shall be redeemed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units which can be fractional units also. Depository participants of registered Depositories can process only redemption request of units held in demat mode.</p> <p>The AMC/ Trustee reserves the right to change/ modify the terms of minimum redemption amount/switch-out.</p>															
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>The minimum balance to be maintained at all point of times in the Scheme shall be Rs. 500/-.</p> <p>In the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed, by the Mutual Fund at its discretion without any notice to the Unit holder(s).</p>															
<p>Special Products available</p>	<p><b>SYSTEMATIC INVESTMENT PLAN (SIP)</b></p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup> of a month. Minimum amount and minimum installments for daily, weekly, monthly and yearly frequency under SIP Facility is as follows:</p> <table border="1" data-bbox="488 1350 1442 1583"> <thead> <tr> <th>Frequency under SIP Facility</th> <th>Minimum Installments</th> <th>Minimum SIP amount</th> </tr> </thead> <tbody> <tr> <td>Daily</td> <td>6 Installments</td> <td>Rs. 100/- and in multiple of Re. 1/-</td> </tr> <tr> <td>Weekly</td> <td>6 Installments</td> <td>Rs. 100/- and in multiple of Re. 1/-</td> </tr> <tr> <td>Monthly</td> <td>6 Installments</td> <td>Rs. 1,000/- and in multiple of Re. 1/-</td> </tr> <tr> <td>Yearly</td> <td>3 Installments</td> <td>Rs. 12,000/- and in multiple of Re. 1/-</td> </tr> </tbody> </table> <p>If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>In case of SIP investments, where the entire installment amount is not available in bank account, the SIP for that month would be rejected. Allocation to a particular scheme or pro - rata allocation to schemes will not be carried out. Postdated cheques will not be accepted.</p>	Frequency under SIP Facility	Minimum Installments	Minimum SIP amount	Daily	6 Installments	Rs. 100/- and in multiple of Re. 1/-	Weekly	6 Installments	Rs. 100/- and in multiple of Re. 1/-	Monthly	6 Installments	Rs. 1,000/- and in multiple of Re. 1/-	Yearly	3 Installments	Rs. 12,000/- and in multiple of Re. 1/-
Frequency under SIP Facility	Minimum Installments	Minimum SIP amount														
Daily	6 Installments	Rs. 100/- and in multiple of Re. 1/-														
Weekly	6 Installments	Rs. 100/- and in multiple of Re. 1/-														
Monthly	6 Installments	Rs. 1,000/- and in multiple of Re. 1/-														
Yearly	3 Installments	Rs. 12,000/- and in multiple of Re. 1/-														

**i. SIP through National Automated Clearing House (NACH) Platform /Direct Debit**

Investors / Unit holders may also enroll for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP Direct Debit Facility, an Investor must fill up the Application Form for SIP Direct Debit facility.

In case of SIP with payment mode as Direct Debit/Standing instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the debit mandate is provided. The Facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks through whom such facility will be available to the investors.

The unit holders can also make payment of SIP instalments through NACH facility. NACH is a centralized system, launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple NACH mandates. This facility will enable the unit holders of the Fund to make SIP investments through NACH by filling up the SIP Registration cum mandate form. A Unique number will be allotted to every mandate registered under NACH called as Unique Mandate Reference Number ("UMRN") which can be used for SIP transactions. The NACH facility shall be available subject to terms and conditions contained in the SIP registration Mandate Form and as prescribed by NPCI from time to time.

All SIP cheques/payment instructions should be of the same amount and same date (excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.

Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 20 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP, the SIP is deemed as discontinued.

Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Non-business day, the immediate next Business Day will be considered for this purpose.

An extension of an existing SIP will be treated as a new SIP on the date of

such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.

The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.

For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.

The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.

**Systematic Investment Plan (SIP) Switch Facility:**

Unit holders having registered SIP in the specified scheme(s) of the Fund can use SIP Switch Facility to terminate SIP in the existing scheme and initiate SIP in another specified scheme.

SIP Switch Facility shall be available to unit holders under all open ended schemes of the Fund except for Axis Liquid Fund, Axis Overnight Fund, Axis Axis Children's Gift Fund and Exchange Traded Funds.

The terms and conditions of SIP Switch Facility are as below:

1. SIP Switch Facility can be availed by unit holders only after completion of minimum installments specified for SIP registration in the Switch-out (existing) scheme.
2. SIP Switch Facility will be considered as termination of SIP in Switch-out scheme and subscription of SIP in Switch-in scheme.
3. SIP in Switch-in scheme will be subject to the terms of offering specified in the SID of Switch-in scheme.
4. SIP registration end date should ensure compliance of minimum SIP installments prescribed in Switch-in scheme.
5. SIP Switch Facility is available for changing SIP investment mandate from one scheme to another specified scheme or for changing SIP investment mandate between plans and options offered under the Scheme. Further, the amount of installment, date and frequency of SIP and SIP end date of Switch-out scheme shall remain same under Switch-in scheme.
6. The allotment of units of Switch-in scheme shall be in the same folio.
7. SIP Switch Facility is not available for SIP subscribed with post-dated cheques.
8. Investors will have the option of changing the distributor code from direct to regular/ regular to direct.
9. Unit holder must submit request for SIP Switch at least 21 days before the SIP due date.

**Multiple SIPs Registration Mandate**

Unitholder can enroll multiple SIPs in different schemes by submitting one single application form/ payment instruction. All other terms and conditions applicable to SIP Facility shall be applicable for the Facility.

The facility is available under all schemes offering SIP. All other terms and conditions applicable to SIP Facility shall be applicable for Multiple SIP registration facility.

**Systematic Investment Plan (SIP) Top-Up Facility**

The Facility enables unitholders to increase the SIP installment amount at pre-defined intervals by a fixed amount or anytime by a specified amount as per the request (in case of 'As & When frequency').

The terms and conditions of the Facility are as follows:

1. Top-Up Amount: The minimum amount of Top-Up shall be Rs. 500/- and in multiple of Re. 1/- for all schemes. In case of discrepancy in the Top-Up amount, SIP will be registered without Top-Up Facility.
2. Top-Up facility is available for SIP registered with Monthly frequency only.
3. Top-Up Frequency: Top-Up frequency is available only on 'Half Yearly', 'Yearly' and 'As & When frequency'. In case the Top-Up frequency is not specified / is not legible, the default frequency will be 'Yearly', provided Top-Up amount is mentioned clearly.
4. The Facility shall be available for SIP Investments through Electronic Debit arrangement/ NACH (National Automated Clearing House) or as may be specified by AMC.
5. The Facility can be availed by filling up prescribed form at time of SIP Facility enrolment. Existing SIPs cannot be converted into the Facility.
6. The application form for availing the Facility should be submitted 21 days before the first SIP installment date.
7. The gap between SIP registration and first Top-Up request under 'As & When' frequency and two instructions under 'As & When' frequency should be at least 3 months.
8. The Facility shall continue till the end date of the SIP. The Facility can be discontinued only by cancelling the SIP.

All other terms and conditions applicable to SIP Facility shall be applicable for the Facility.

**Systematic Investment Plan (SIP) Pause facility:**

Investors shall have an option to temporarily pause the SIP installments for a specified period of time. Upon expiry of the specified period, the SIP installments would re-start automatically.

The terms and conditions of SIP Pause facility are as follows:

1. Under this Facility, investor has an option to temporarily pause their registered Monthly SIP facility for a period of six months by submitting prescribed application form at any of the Official Points of Acceptance of Axis Mutual Fund or by submitting application in other modes made available by AMC.
2. The SIP Pause facility can be availed by investor only two times during the entire tenure of SIP.
3. The valid application to avail the Facility should be submitted to AMC at least 10 calendar days prior to the next Monthly SIP installment date (i.e. excluding the request date and the next SIP installment date). Investor cannot cancel the SIP Pause facility once requested.
4. The SIP Pause facility is only available under Monthly frequency. SIP

pause facility is available only for investors with instalment amounts equal to or greater than SIP's greater than Rs. 1,000/-. SIP Pause facility can only be availed by investors who has completed 6 valid SIP installments.

5. The SIP shall restart automatically from the immediate next eligible installment after the completion of specified pause period.
6. This facility is not available for the SIPs sourced/registered through MF Utilities India Pvt. Ltd. ("MFUI"), Stock Exchange Platforms of NSE & BSE and Channel partner platforms, as for such SIPs, the SIP mandates are registered by respective entities or for SIPs which are registered by investors as Standing Instructions with their Banks.
7. In case of multiple SIPs registered in a scheme, SIP Pause facility will be made applicable only for those SIP instalments whose SIP date, frequency, amount and Plan is specified clearly in the form.

AMC/Fund reserves the right to amend the terms and conditions of the SIP Pause facility and/or withdraw the said facility.

### **SYSTEMATIC TRANSFER PLAN (STP)**

Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in one scheme of the Fund and providing a standing instruction to transfer sums at following intervals into any other scheme (as may be permitted by the Scheme Information Document of the respective schemes) of the Fund.

<b>STP Frequency</b>	<b>Cycle Date</b>	<b>Minimum Amount* (in Rs.)</b>	<b>Minimum Installment</b>
Daily	Monday To Friday	1,000/-	6
Weekly	Monday To Friday	1,000/-	6
Fortnightly	Alternate Wednesday	1,000/-	6
Monthly	1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup>	1,000/-	6
Quarterly	1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup>	3,000/-	2

In case Day of Transfer has not been indicated under Daily and Weekly frequencies, Wednesday shall be treated as Default day. Further, in case of Monthly and Quarterly Frequency, if the STP date and Frequency has not been indicated, Monthly frequency shall be treated as Default frequency and 10<sup>th</sup> shall be treated as Default Date.

In case none of the frequencies have been selected then Monthly frequency shall be treated as Default frequency and 10<sup>th</sup> shall be treated as Default Date.

Investors could also opt for STP from an existing account by quoting their account / folio number. A minimum period of 7 working days shall be required for registration under STP. Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme in which such investments/withdrawals are sought from the Scheme.

The requests for discontinuation of STP shall be subject to an advance notice of 15 days before the next due date for STP and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.



The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.

Further, in case where the balance amount in a folio is less than the STP amount, the entire amount will be transferred to the transferee scheme.

For further details/clarifications investors may contact the distributor(s) or the ISCs of the AMC.

**AUTO SWITCH FACILITY**

Under Auto Switch facility investments of the investors will get switched automatically from one Investment Plan to other Investment Plan based on their age and pre-defined target retirement age.

For availing Auto Switch facility, date of birth of the investor is mandatory. Target retirement age should be minimum 5 years from the date of investment. In case of target retirement age is not specified by investor in the application form, 58 years of age will be considered as default retirement age.

By availing this facility, an investor's investments will be switched automatically to the Conservative Plan 3 years before his/her target retirement age.

Example1: If an investor has availed the Auto Switch facility and is invested in the Aggressive Plan at 25 years of age and his/her target retirement age is 50, then his/her investments will automatically be switched from Aggressive Plan to Conservative Plan as he turns 47 (i.e. 3 years before target retirement age).

Example2: If an investor has availed the Auto Switch facility and is invested in the Dynamic Plan at 50 years of age with a target retirement age of 75 years, then as he/she turns 72, his/her investments will be switched from Dynamic Plan to Conservative Plan (i.e. 3 years before target retirement age).

The Auto Switch facility will be processed on the 10th of the month subsequent to the investor attaining the relevant age required under the respective Investment Plans.

All the future investments in the existing Investment Plan will be invested in next Investment Plan post the Auto switch date.

Investor who has opted for the facility may choose to opt out of this facility by submitting application at least 10 working days prior to the scheduled auto switch date. This facility will not be available for units held in demat mode.

**Auto Convert to Auto Encashment Facility**

Post target retirement (by default age 58), the investor can opt for Auto

AEP facility at a predefined withdrawal rate/amount. This facility can be clubbed with Auto Switch facility.

**Auto STP Facility**

Post target retirement (by default age 58), the investor can opt for Auto STP facility at a predefined withdrawal rate/amount into any of open ended schemes of Axis Mutual Fund. This facility can be clubbed with Auto Switch facility.

**AUTOMATIC ENCASHMENT PLAN FACILITY ('AEP facility')**

AEP facility enables unitholders to redeem fixed percentage of investment amount at fixed frequency i.e. monthly frequency.

The terms and conditions of AEP facility are as under:

1. Investors investing in the scheme can avail AEP facility by providing standing instruction to redeem fixed percentage of the investment amount at a fixed frequency i.e. monthly frequency.
2. AEP facility is available to Unitholders under Growth Option of the Scheme. Unitholders have option to select following fixed percentage for redemption at the fixed frequency:

<b>Name of the Scheme</b>	<b>Fixed percentage of investment amount</b>
Axis Retirement Savings Fund - Aggressive Plan	0.7% per month
Axis Retirement Savings Fund - Dynamic Plan	0.7% per month
Axis Retirement Savings Fund - Conservative Plan	0.7% per month

3. The fixed percentage of investment amount under AEP facility will be calculated based on the investment amount. The units equal to said amount will be redeemed on 25<sup>th</sup> of each month (or next business day if that day is not a business day) subject to applicable exit load and taxes; if any.
4. AEP facility is available only for subscription transaction by way of lump sum investment or switch in to the specified scheme(s). Investment transactions in the Scheme(s) through SIP or STP (in) facilities will not be eligible for AEP facility.
5. No Special Products viz STP (out), SWP, etc will be registered for investments under AEP facility.
6. AEP facility is available for only unencumbered units held in physical mode (non-demat mode).
7. Redemption of units received under the Scheme will be done on First-in-First out basis.
8. If redemption payable under AEP facility is less than Rs. 500/- then no redemption will be effected and the amount shall remain invested in the Scheme. Consequently, no pay out will be made for the said month.
9. Units under AEP facility offered under aforesaid Scheme will be allotted in a separate folio for existing investors under the Scheme.
10. AEP facility shall be activated/ deactivated subject to an advance notice of 10 business day. No modification is allowed after registration of request for AEP facility.

AMC/Trustee reserves the right to change / modify the terms & conditions at any point of time.

**CAPITAL APPRECIATION SYSTEMATIC TRANSFER PLAN (CAPSTP)**

Under this facility, the investors can opt for the Systematic Transfer Plan by investing a lump sum amount in one scheme of the Fund and providing a standing instruction to transfer capital appreciation at regular intervals – Weekly, Monthly and Quarterly into any other scheme (as maybe permitted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund.

The capital appreciation, if any, will be calculated from the enrolment date of the CapSTP under the folio, till the first transfer date. Subsequent capital appreciation, if any, will be the capital appreciation between the previous CapSTP date (where CapSTP has been processed and paid) and the next CapSTP date

There are three options available under CapSTP viz. Weekly, Monthly and Quarterly option, the details of which are given below:

CapSTP Frequency	Cycle Date	Minimum Amount* (Rs.)	Minimum Installment
Weekly	Monday To Friday	500/-	6
Monthly	1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup>	500/-	6
Quarterly	1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup>	1,000/-	2

The provision of 'Minimum Redemption Amount' as specified in the Scheme Information Document(s) of the respective designated Transferor Schemes and 'Minimum Application Amount' specified in the Scheme Information Document(s) of the respective designated Transferee Schemes will not be applicable for CapSTP.

Unit holders are required to fill in either the number of installments or the enrolment period in the enrolment Form, failing which the Form is liable to be rejected.

In case, the Enrolment Period has been filled, but the CapSTP Date and/or Frequency (Monthly/ Quarterly) has not been indicated, Monthly frequency shall be treated as Default frequency and 10<sup>th</sup> shall be treated as Default Date. In case of weekly frequency, Wednesday shall be treated as Default day.

In case none of the frequency is selected then Monthly frequency shall be treated as Default frequency and 10<sup>th</sup> shall be treated as Default Date.

The application for CapSTP enrolment – Monthly & Quarterly frequency should be submitted at least 7 working days and not more than 90 days before the desired commencement date.

In respect of CapSTP, the Load Structure prevalent at the time of enrolment shall govern the investors during the tenure of the CapSTP.

A minimum period of 7 working days shall be required for registration under CapSTP. Units will be allotted/redeemed at the applicable NAV (of the respective date(s)) of the Scheme from/to which such withdrawals/investments are being made.

The AMC reserves the right to introduce CapSTPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.

The requests for discontinuation of CapSTP shall be subject to an advance notice of 15 days before the next due date for CapSTP.

CapSTP will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder. Further, in case where the balance amount in a folio is less than the CapSTP amount, the entire amount will be transferred to the transferee scheme.

**FLEX - SYSTEMATIC INVESTMENT PLAN/ SYSTEMATIC TRANSFER PLAN ("FLEX SIP"/ "FLEX STP")**

Terms and conditions of Flex SIP/STP are as follows;

1. **Flex Systematic Investment Plan ("Flex SIP")** is a facility wherein an investor can opt to invest variable amount linked to the value of his investments in any of the existing open ended scheme(s) of Axis Mutual Fund ("Investee scheme"), on pre-determined date. This facility allows investors to take advantage of market movements by investing higher when the markets are low and vice-versa.
2. **Flex Systematic Transfer Plan ("Flex STP")** is a facility wherein an investor under any of the existing open ended scheme(s) of Axis Mutual Fund can opt to transfer variable amount linked to value of his investments, on predetermined date from designated open-ended Scheme(s) of Axis Mutual Fund ("Transferor Scheme") to the Growth Option of designated open-ended Scheme(s) ("Transferee Scheme").
3. A single Flex SIP/STP Enrolment Form can be filled for investment/transfer into one Scheme/Plan/Option only.
4. In case of valid enrolment forms received, indicating choice of option other than the growth option in the Investee / Transferee Scheme, it will be deemed as the growth option in the Investee / Transferee Scheme and processed accordingly.
5. In case of Flex STP, unit holders' details and mode of holding (single, jointly, anyone or survivor) in the Transferee Scheme will be as per the existing folio number of the Transferor Scheme. Units will be allotted under the same folio number. Unitholders' name should match with the details in the existing folio number, failing which the enrolment form is liable to be rejected.
6. The minimum number of installments for enrollment and Amount under **Flex STP:**

Frequency under Flex-STP Facility	Minimum Installments	Minimum Flex-STP amount* (Rs.)
Monthly (1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup> )	6	Rs. 1,000/- and in multiple of Rs. 1/-

Quarterly (1 <sup>st</sup> , 7 <sup>th</sup> , 10 <sup>th</sup> , 15 <sup>th</sup> or 25 <sup>th</sup> )	2	Rs. 3,000/- and in multiple of Rs. 1/-
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7. The minimum number of installments for enrollment and Amount under **Flex SIP**:

Frequency under Flex-SIP Facility	Minimum Installments	Minimum Flex-SIP amount (Rs.)
Monthly	12 Installments for all schemes	Rs. 1,000/- and in multiple of Rs. 1/-
Yearly	3 Installments for all schemes	Rs. 12,000/- and in multiple of Rs. 1/-

There is no maximum duration for Flex SIP/ STP enrolment.

8. **Calculation of Flex STP**

Under the Flex STP – (as per the Frequency) unit holders will be eligible to transfer fixed amount to be transferred per installment **OR** the amount as determined by the following formula whichever is **higher**:

Fixed installment amount or (number of installments including the current installment X fixed amount to be transferred per installment) – market value of the investments through Flex STP in the Transfree Scheme on the date of transfer whichever is **Higher**

In case of Flex STP, if the amount (as specified by the formula) to be transferred under STP is not available in the Transferor Scheme in the unit holder's account, the residual amount will be transferred to the Transferee Scheme and Flex STP will be closed.

**Calculation of Flex SIP**

Under the Flex SIP – (as per the Frequency) unit holders will be eligible to invest fixed amount to be invested per installment **OR** the amount as determined by the following formula whichever is **higher**:

Fixed installment amount or (number of installments including the current installment X fixed amount to be invested per installment) – market value of the investments through Flex SIP\* in the Investee Scheme whichever is **Higher**

\*The installment value of FLEX SIP will be determined on the basis of NAV on 10<sup>th</sup> day (T-10) before the installment date. If T-10<sup>th</sup> day falls on a Non-Business day, then valuation will be done on T-11<sup>th</sup> day.

In case of Flex SIP, the required amount is not available in the designated bank account and the debit instruction fails then Flex SIP will be stopped.

9. If the NAV falls continuously throughout the Flex STP period, number of installments may be less than those mentioned on application form.

10. The first Flex SIP/STP instalment will be processed for the fixed instalment amount specified by the unit holder at the time of enrolment. From the second Flex SIP/STP instalment onwards, the investment/ transfer amount shall be computed as per formula stated above.

11. In case the date of investment/ transfer falls on a Non-Business Day,

	<p>the immediate next Business Day will be considered for the purpose of determining the applicable NAV.</p> <p>12. Once the Flex SIP/ STP have been stopped the unit holder needs to provide a new request to start Flex SIP/ STP.</p> <p>13. The redemption/ switch-out of units allotted in the Investee/ Transferee Scheme shall be processed on First in First out (FIFO) basis. If there are other financial transaction (purchase, redemption or switch) processed in the Investee/ Transferee scheme during the tenure of Flex SIP/ STP, the Flex SIP / STP will be processed as normal SIP / STP for the rest of the instalments for a fixed amount.</p> <p>14. In respect of Flex SIP / STP enrollments made in any of the existing open ended Scheme(s), the Load Structure prevalent at the time of enrollment shall be applicable to the investors during the tenure of the Flex SIP / STP. Load structure for investments through Flex SIP / STP to the Schemes eligible for this facility:</p> <p>a. Exit Load of the Transferor Scheme(s) The amount transferred under the Flex STP from the Transferor Scheme to the Transferee Scheme shall be affected by switching units of Transferor Scheme at applicable NAV, after payment of exit load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV.</p> <p>b. Exit Load of the Investee /Transferee Scheme(s) Applicable Exit Load, if any, in the Investee / Transferee Schemes Plan /Option as on the date of enrollment will also be levied. For Scheme load structure please refer to SID/ KIM or contact the nearest Investor Service Centre (ISC) of Axis Mutual Fund or visit our website <a href="http://www.axismf.com">www.axismf.com</a>.</p> <p>15. Flex STP will be automatically terminated if all units are liquidated or withdrawn from the Transferor Scheme or pledged or upon receipt of intimation of death of the unit holder.</p> <p>16. The provision of 'Minimum Redemption Amount' as specified in the Scheme Information Document(s) of the respective designated Transferor Scheme(s) and 'Minimum Application Amount' specified in the Scheme Information Document(s) of the respective designated Transferee Scheme(s) will not be applicable for Flex SIP/ STP.</p> <p>17. The request for Flex SIP/ STP should be submitted at least 25 calendar days before the first SIP and at least 7 calendar days before STP date.</p> <p>18. Unit holders have a right to discontinue the Flex SIP/ STP facility at any time by sending a written request to the ISC. On receipt of such request, the Flex SIP / STP facility will be terminated within 20 working days.</p> <p>19. All other terms &amp; conditions of Systematic Investment Plan and Systematic Transfer Plan are applicable to Flex SIP and STP respectively.</p> <p><b>Illustration: Calculation of Flex STP</b> Flex SIP/ STP that transfers Rs. 3,000/- every month from the Debt Fund to an Equity Fund.</p> <table border="1" data-bbox="488 1734 1419 1869"> <tr> <td><b>Transferor Scheme:</b></td> <td><i>Axis Regular Saver Fund</i></td> </tr> <tr> <td><b>Transferee Scheme:</b></td> <td><i>Axis Bluechip Fund – Growth Option</i></td> </tr> <tr> <td><b>Date &amp; Frequency of Flex STP:</b></td> <td><i>10<sup>th</sup> date – Monthly Interval</i></td> </tr> </table>	<b>Transferor Scheme:</b>	<i>Axis Regular Saver Fund</i>	<b>Transferee Scheme:</b>	<i>Axis Bluechip Fund – Growth Option</i>	<b>Date &amp; Frequency of Flex STP:</b>	<i>10<sup>th</sup> date – Monthly Interval</i>
<b>Transferor Scheme:</b>	<i>Axis Regular Saver Fund</i>						
<b>Transferee Scheme:</b>	<i>Axis Bluechip Fund – Growth Option</i>						
<b>Date &amp; Frequency of Flex STP:</b>	<i>10<sup>th</sup> date – Monthly Interval</i>						

<b>Amount of Transfer per Installment</b>	Rs 3,000/-
<b>Number of Installments:</b>	12
<b>Enrolment Period:</b>	January – December 2013

Calculation of Flex STP instalment amount on the date of the fourth instalment i.e. April 10, 2013

- i. Total units allotted up to the date of last installment i.e. March 10, 2013 is assumed as 822.73;
- ii. NAV of Axis Bluechip Fund – Growth Option on April 10, 2013 is assumed as Rs. 9/- per unit;
- iii. Hence the market value of the investment in the Investee / Transferee Scheme on the date of investment/ transfer is Rs. 7,404.55[822.73X 9].

The installment amount will be calculated as follows:

- a) Fixed amount specified at the time of enrolment:  
Rs.3,000/-

Or

- b) As determined by the formula:  
 $(3,000 \times 4) - 7,404.55 = \text{Rs. } 4,595/-$

**1) or b) Whichever is Higher.**

Hence, on April 10, 2013, **the installment amount to be transferred** to the Transferee Scheme will be **Rs. 4,595/-**

**Illustration: Calculation of Flex SIP**

<b>Investee Scheme:</b>	Axis Bluechip Fund – Growth Option
<b>Date &amp; Frequency of Flex SIP:</b>	10 <sup>th</sup> date – Monthly Interval
<b>Amount per Installment</b>	Rs 3,000/-
<b>Number of Installments:</b>	12
<b>Enrolment Period:</b>	January – December 2013

Calculation of Flex SIP instalment amount for the 4<sup>th</sup> instalment i.e. April 10, 2013

- i. Total units allotted up to the date of last installment i.e. March 10, 2013 is assumed as 822.73;
- ii. NAV of Axis Bluechip Fund – Growth Option on T-10<sup>th</sup> day\* is assumed as Rs. 9/- per unit;
- iii. Hence the market value of the investment in the Investee Scheme on T-10<sup>th</sup> day is Rs. 7,404.55[822.73X 9].

The installment amount will be calculated as follows:

- a. Fixed amount specified at the time of enrolment: Rs.  
3,000/-

Or

- b. As determined by the formula:  
 $(3,000 \times 4) - 7,404.55 = \text{Rs. } 4,595/-$

**2) or b) Whichever is Higher.**

Hence, on April 10, 2013, **the installment amount to be invested** to the Investee Scheme will be **Rs. 4,595/-**

\*The installment value of Flex SIP will be determined on the basis of NAV on 10<sup>th</sup> day (T-10) before the installment date. In the above example T-10<sup>th</sup> day will be 31<sup>st</sup> March 2013

Investors are advised to read the SID/ KIM of the Transferee Scheme and Statement of Additional Information (SAI) carefully before investing. The

SID/ KIM of the respective Scheme are available with the ISCs of Axis Mutual Fund, brokers/distributors and also displayed on the Axis Mutual Fund website i.e. [www.axismf.com](http://www.axismf.com)

**SYSTEMATIC WITHDRAWAL PLAN (SWP)**

Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.

The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.

Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated by a Unitholder by giving 15 days written intimation/notice and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.

There are four options available under SWP viz. Monthly option, quarterly option, Half Yearly and Yearly option. The details of which are given below:

	<b>Monthly Option</b>	<b>Quarterly Option</b>	<b>Half Yearly Option</b>	<b>Yearly Option</b>
Minimum value of SWP	Rs. 1,000/-			
Additional amount in multiples of	Re.1			
Dates of SWP Installment	1/5/10/15/25*			
Minimum No of SWP	Six	Four	Four	Two

\* In the event that such a day is a holiday, the withdrawals would be affected on the next business day.

Exit Load, if any, is applicable to SWP.

The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.

Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.

**TRANSFER OF INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL PLAN (IDCW TRANSFER PLAN)**

The terms and conditions of Transfer of Income Distribution cum Capital Withdrawal plan (IDCW - TP) are as follows:

- 1) IDCW - TP is a facility wherein unit holder(s) of eligible scheme(s) [hereinafter referred to as "Source Scheme(s)"] of Axis Mutual Fund



	<p>can opt to automatically invest the IDCW (as reduced by the amount of applicable statutory levy) declared by the Source Scheme into other eligible Scheme(s) [hereinafter referred to as "Target Scheme(s)"] of Axis Mutual Fund.</p> <ol style="list-style-type: none"> <li>2) The facility is available under all the open ended schemes of Axis Mutual Fund except Exchange Traded Funds (ETFs).</li> <li>3) IDCW - TP facility is available to unit holder(s) only under the IDCW Plan / Option of the Source Scheme(s).</li> <li>4) The enrolment for IDCW - TP facility should be for all units under the respective IDCW Plan / Option of the Source Scheme. Instructions for part IDCW Transfer and part IDCW Payout will not be accepted. The IDCW amount will be invested in the Target Scheme under the same folio. Accordingly, the unit holder(s) details and mode of holding in the Target Scheme will be same as in the Source Scheme.</li> <li>5) The enrolment to avail of IDCW - TP facility has to be specified for each Scheme/Plan/Option separately and not at the folio level.</li> <li>6) Under IDCW - TP, IDCW declared (as reduced by the amount of applicable statutory levy and deductions) in the Source scheme (subject to minimum of Rs.1,000/-) will be automatically invested into the Target Scheme, as opted by the unit holder, on the immediate next Business Day after the Record Date at the applicable NAV of the Target Scheme, subject to applicable load as specified under paragraph 9 below and accordingly equivalent units will be allotted in the Target Scheme, subject to the terms and conditions of the respective Target Scheme.</li> <li>7) The provision for 'Minimum Application Amount' specified in the respective Target Scheme's Scheme Information Document (SID) will not be applicable under IDCW - TP. E.g. the minimum application amount for new investors in Axis Bluechip Fund - Growth Plan is Rs. 5,000/-. However in case of IDCW - TP, a Unit Holder can avail of the facility irrespective of the amount of IDCW (subject to a minimum of Rs. 1,000/-).</li> <li>8) The Minimum amount of IDCW eligible for transfer under IDCW - TP is Rs. 1,000/- (Rupees One Thousand Only). In case the IDCW - TP is being less than eligible amount, then the IDCW will be re-invested in source scheme/ payout as per the existing option.</li> <li>9) Load Structure: The IDCW amount to be invested under the IDCW - TP from the Source Scheme to the Target Scheme shall be invested by subscribing to the units of the Target Scheme at applicable NAV, subject to payment of Entry/Exit Load as under: <ul style="list-style-type: none"> <li><b>Entry Load</b> (Target Scheme) Direct Applications &amp; Applications routed through any distributor/agent/broker: Nil</li> <li><b>Exit Load</b> (Source Scheme): Nil</li> <li><b>Exit Load</b> (Target Scheme): As per the relevant SID(s)</li> </ul> <p>The Trustee/AMC reserves the right to change the load structure under the IDCW - TP Facility at any time in future on a prospective basis.</p> </li> <li>10) The Account Statement will be issued by mail or by email (if opted by the unit holder) to the unit holder as per regulations. In case of</li> </ol>
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	<p>specific request received from unitholders, the Mutual Fund shall endeavour to provide the account statement to the unitholders after every transaction of IDCW Transfer.</p> <p>11) Unitholders who wish to enroll for IDCW - TP facility are required to fill IDCW - TP Enrolment Form available with the ISCs, distributors/agents and also displayed on the website <a href="http://www.axismf.com">www.axismf.com</a>. The IDCW - TP Enrolment Form should be completed in English in Block Letters only. The IDCW - TP Enrolment Form complete in all aspects should be submitted at any of the Investor Services centre (ISCs) of Axis Mutual Fund.</p> <p>12) The request for enrolment for IDCW - TP must be submitted at least 10 days prior to the Record Date for the IDCW. In case of the condition not being met, the enrolment would be considered valid from the immediately succeeding Record Date of the IDCW, provided the difference between the date of receipt of a valid application for enrolment under IDCW - TP and the next Record Date for IDCW is not less than 10 days.</p> <p>13) Unitholder(s) are advised to read the SID of Target Scheme(s) carefully before investing. The SID / KIM of the Scheme(s) are available with the ISCs of Axis Mutual Fund, brokers / distributors and also displayed on the Axis Mutual Fund website i.e. – <a href="http://www.axismf.com">www.axismf.com</a></p> <p>14) Unit holders will have the right to discontinue the IDCW - TP facility at any time by sending a written request to the ISC. Notice of such discontinuance should be received at least 10 days prior to the IDCW Record Date. On receipt of such request, the IDCW - TP facility will be terminated. At the time of discontinuation of IDCW - TP facility, the Unit holders should indicate their choice of option i.e. IDCW reinvestment or IDCW payout. In the event the Unitholder does not indicate his choice of IDCW option, the IDCW, if any, will be reinvested (compulsory payout if IDCW reinvestment option is not available) in the Source Scheme. Once the request for IDCW - TP is registered, then it shall remain in force unless it is terminated as aforesaid.</p> <p>15) The Trustee/AMC reserves the right to change/modify the terms and conditions of the IDCW - TP.</p> <p>16) The Trustee reserves the right to change/ modify the terms and conditions of the IDCW - TP at a later date on a prospective basis.</p> <p><b>SWITCHING OPTIONS</b></p> <p><b>(a) Inter – Scheme Switching option</b></p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the switch must comply with</p>
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the Redemption rules of the switch out scheme and the Subscription rules of the Switch in Scheme.

**(b) Intra –Scheme Switching option**

Unit holders under the Scheme have the option to Switch their Units holding from one plan/option to another plan/option (i.e. Regular to Direct or Growth to IDCW and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.

Switching shall be subject to the applicable “Cut off time and Applicable NAV” stated elsewhere in the Scheme Information Document. In case of “Switch” transactions from one scheme to another, the allocation shall be in line with Redemption payouts.

**PURCHASE / REDEMPTION OF UNITS THROUGH STOCK EXCHANGE INFRASTRUCTURE**

Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange (“BSE”), National Stock Exchange (“NSE”) with NSDL and CDSL as depositories for such units of the mutual fund.

NSE has introduced Mutual Fund Service System (“MFSS”) Platform and BSE has introduced BSE StAR MF Platform.

The following are the salient features of the MFSS / BSE StAR MF Platform:

1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors.
2. The Investors will be eligible to purchase/redeem units of the Scheme.
3. The facility can be availed by both, investors under Direct Plan offered by the schemes and investors investing through Distributors under the Regular Plan offered by the schemes

**4. List of additional Official Point of Acceptance**

The following shall be the additional Official Point of Acceptance of Transactions for the Scheme:

All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Distributor and also registered with BSE &/or NSE as Participants (“AMFI registered stock exchange brokers”) will be eligible to offer this facility to investors and shall be treated as official point of acceptance.

Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Further, the Depository Participants of registered Depositories are permitted to process only redemption request of units held in demat form.

Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI circular no. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing

	<p>members and Depository participants as well.</p> <p>5. The units of the Scheme are not listed on BSE &amp; NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on MFSS / BSE STAR MF Platform will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.</p> <p>6. Investors will be able to purchase/redeem units in the Scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Ltd. (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>In case of transaction through distributors using BSE Star/ MFSS, the distributor shall not handle payout and pay in of funds as well as units on behalf of investor. The pay in in such cases will be directly received by recognised clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.</p> <p>7. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>8. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. for units held in demat mode investors should approach the respective Depository Participant(s) and OPAT of AMC for units held in physical mode.</p> <p>9. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>10. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p> <p><b>Transaction through Stock Exchange infrastructure using services Distributor/ SEBI Registered Investment Advisor</b></p> <p>SEBI circular no. CIR/MRD/DSA/32/2013 dated October 4, 2013 and circular no. CIR/MRD/DSA/33/2014 dated December 9, 2014, has permitted Mutual Fund Distributors ("MF Distributors") and SEBI circular no. SEBI/HO/MRD/DSA/CIR/P/2016/113 dated October 19, 2016 permitted SEBI Registered Investment Advisors ("RIAs") to use recognized Stock</p>
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Exchange infrastructure to purchase/redeem units directly from Mutual Fund/AMC on behalf of their clients.

MF Distributor registered with AMFI or RIAs, will be eligible to use NMF-II platform of NSE (in addition to other intermediaries) and / or of BSE StAR MF platform of BSE to purchase and redeem units of schemes of the Fund.

In addition to the guidelines specified for transacting through MFSS/BSE StAR MF Platform above, following guidelines shall be applicable for transactions executed through MF Distributors/ RIAs on NMF-II / BSE StAR MF Platform:

1. MF distributors/RIAs shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.
2. Transactions only in physical (non-demat) transactions will be permitted through NMF-II / BSE StAR MF Platform.

The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

#### **TRANSACTION ON FAX**

In order to facilitate quick processing of transaction and / or instruction of investment of investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an investor / Unit holder by facsimile (Fax Submission) and the investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the investor and may act thereon as if same has been duly given by the investor. In all cases the investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.

#### **ONLINE TRANSACTIONS**

Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC website / Mobile application / Whatsapp. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance or any other mode allowed by Reserve Bank of India from time to time. The AMC will have right to modify the procedure of transaction processing and where appropriate give notice to investors for changes in the terms of the Facility.

Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.

For details of the facility, investors are requested to refer to the website of the AMC.

**TRANSACTION FACILITY ON ELECTRONIC PLATFORMS/ WHATSAPP**

Investors will be allowed to transact in the Scheme using WhatsApp Facility. The facility will be available to existing Resident Individual investors.

To avail this facility, investor will have to initiate message / request through WhatsApp to "+91-7506771113" through their registered mobile number. The investor transaction / service requests will be enabled after appropriate verification of the investor.

The transactions / services through this facility shall be subject to such limits, operating guidelines and terms & conditions as may be prescribed by Axis MF from time to time.

Online modes (including WhatsApp Facility) and other various digital platforms offered by Axis Mutual Fund shall be treated as Official Point of Acceptance. The uniform cut - off timing as prescribed by SEBI from time to time and mentioned in the SID and KIM of the Scheme shall be applicable for transactions received through these platforms.

**TRANSACTIONS THROUGH ELECTRONIC PLATFORM(S) OF KFIN TECHNOLOGIES. LTD.**

Investors will be allowed to transact through <https://mfs.kfintech.com/mfs/>, an electronic platform provided by M/s. KFin Technologies Ltd., Registrar & Transfer Agent, in Schemes of Axis Mutual Fund ('Fund') (except Exchange Traded Funds). The facility will also be available through mobile application of KFin Technologies Ltd.

The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in SID and KIM of the Scheme will be applicable for transactions received through the above electronic platform and the time of receipt of transaction recorded on the server(s) of KFin Technologies Ltd. will be reckoned as the time for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme, wherever applicable.

The facility is subject to operating guidelines, terms and conditions as may be prescribed by KFin Technologies Ltd. or as may be specified by Axis Asset Management Company Ltd. from time to time. For operating guidelines and terms and conditions , investors are requested to visit <https://mfs.kfintech.com/mfs/>.

Time of receipt of transaction recorded on the server(s) of KFin Technologies Ltd. will continue to be reckoned for electronic transactions received through AMC website/ Distributor website/ applications etc

subject to credit of funds to bank account of scheme, wherever applicable.

**ONLINE SCHEDULE TRANSACTION FACILITY ('THE OST FACILITY'/ 'THE FACILITY'):**

The OST facility shall enable Unitholders to schedule subscription / redemption / switch transaction(s) on specified date for specified amount/ units by giving online instruction.

The terms and conditions of the OST facility shall be as under:

1. The Facility is available to the existing Unitholders of open ended schemes of Axis Mutual Fund (except Exchange Traded Funds), subject to completion of lock-in, if any.
2. The Facility is available only to Individual (including sole proprietor) Unitholders for units held in / subscription in physical mode.
3. The Facility for subscription transaction would be available to unitholders after completion of OTM Mandate equivalent mandate registration process and as per limits specified therein.
4. Under the Facility the transaction can be scheduled to be executed on a specified date which shall be within 30 calendar days from the date of the instruction. Such specified date shall be a business day. In case the scheduled transaction date falls on a non-business day, the transaction will be executed on the immediately following business day.
5. The Facility shall be available on online transaction platform(s) viz website of Axis AMC i.e. [www.axismf.com](http://www.axismf.com). Axis AMC may extend the Facility to other transaction platforms from time to time, at its discretion.
6. The scheduled transaction may be cancelled by giving suitable instruction atleast One calendar day prior to the scheduled transaction date.
7. The triggered transaction on the scheduled date shall be considered as time stamped and will be executed on the specified date at the applicable NAV of the relevant scheme. In case the specified date happens to be a non-business day in debt schemes but is a business day in equity schemes, switch-out from equity schemes will be processed on the specified date, while the switch-in to debt/liquid schemes will be processed on the next business day.
8. The scheduled transaction(s) shall be subjected to exit load, minimum subscription/additional subscription application and other terms and conditions of the relevant scheme as per SID applicable on the specified date.
9. The scheduled transaction shall be liable to be rejected if sufficient amount is not available for subscription or sufficient number of units / amount is not available for redemption.
10. Redemption transactions will not be executed in case units are pledged or where lien is marked on units, at the time of online instruction / on specified date;
11. Unitholders availing of this facility shall acquaint themselves with the features of the Scheme, including any modification / amendments carried out before the specified date.

The Facility is an additional facility provided to the Unitholders to plan their

transactions in schemes using online platforms.

Axis AMC / Trustee reserves the right to change/ modify the terms and conditions or to make operational rules for operation of the Facility from time to time.

**APPLICATION VIA ELECTRONIC MODE:**

Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Ltd., Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities:

- a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.
- b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.
- c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.
- d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.
- e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.
- f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.
- g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.

The AMC reserves the right to discontinue the facility (ies) at any point of time.

**Distributors offer goal based financial planning (facility) to their clients. In order to encourage Investors to plan for their investments based on life goals (e.g. child's education, retirement, wealth creation, etc), the Asset Management Company would assist in providing such facilities.**

Since such facilities are aimed at helping Investors achieving their



	<p>financial goals, certain features offered by Axis Mutual Fund may not be offered/available under such goal based investment folios. Under a folio, no additional purchase, switch and part redemption would be allowed. Requests for changes in goals/goal details will not be accepted. Under normal circumstances, there is no restriction on the right of the investor to transact directly with the mutual fund.</p> <p>Multiple goals based investments can be applied for under one application form and a single cheque in the name of 'Axis Mutual Fund First Investor name' or 'Axis Mutual Fund Permanent Account Number' would have to be provided by the Investor. Transaction charge would be charged at application form level.</p> <p>In case there is a broker code change/the investor is desirous of being a direct investor with the mutual fund, the investment will cease to be a part of the facility. Investors may note that investments under such facilities would be based on advice from the distributor and the Asset Management Company acts purely in capacity as a facilitator for such transactions. The distributor(s) may choose to modify/change or discontinue the above stated facility. In such a case the investors may continue their investment with the AMC/any other distributor.</p> <p>For further details/clarifications investors may contact the distributor(s) or the ISCs of the AMC.</p>
<p>Accounts Statements</p>	<ul style="list-style-type: none"> <li>• On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request/allotment will be sent to the Unit Holders registered e-mail address and/or mobile number.</li> <li>• In case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.</li> <li>• For those unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail.</li> <li>• Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</li> <li>• The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. In case of specific request received from the Unit Holders, the AMC/Fund will provide the Account Statement to the Investors within 5 business days from the receipt of such request.</li> </ul> <p><b>Consolidated Account Statement (CAS)</b>  CAS is an account statement detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all schemes of all mutual funds. CAS issued to investors</p>

shall also provide the total purchase value/cost of investment in each scheme.

Further, CAS issued for the half-year (September/ March) shall also provide

- a. The amount of actual commission paid by AMC/Mutual Fund to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme.
- b. The Scheme's average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Further, whenever distributable surplus is distributed, a clear segregation between income distribution (appreciation on NAV) and capital distribution (Equalization Reserve) shall be suitably disclosed in the CAS.

The word transaction will include purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan.

**a) For Unitholders not holding Demat Account:**

CAS for each calendar month shall be issued, on or before 15<sup>th</sup> day of succeeding month by the AMC.

The AMC shall ensure that a CAS for every half yearly (September/ March) is issued, on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period.

The AMC shall identify common investors across fund houses by their Permanent Account Number (PAN) for the purposes of sending CAS. In the event the account has more than one registered holder, the first named Unit Holder shall receive the Account Statement.

The AMC will send statement of accounts by e-mail where the Investor has provided the e-mail id. Additionally, the AMC may at its discretion send Account Statements individually to the investors.

**b) For Unitholders holding Demat Account:**

SEBI vide its circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 read with other applicable circulars issued by SEBI from time to time, to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single CAS for investors having mutual fund investments and holding demat accounts.

In view of the aforesaid requirement, for investors who hold demat account, for transactions in the schemes of Axis Mutual Fund, a CAS, based on PAN of the holders, will be sent by Depositories to investors holding demat account, for each calendar month within 15<sup>th</sup> day of the

succeeding month to the investors in whose folios transactions have taken place during that month.

CAS will be sent by Depositories every half yearly (September/March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan (including transaction charges paid to the distributor) and transaction in dematerialized securities across demat accounts of the investors and holding at the end of the month.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories. Investors whose folio(s)/ demat account(s) are not updated with PAN shall not receive CAS.

Consolidation of account statement is done on the basis of PAN. Investors are therefore requested to ensure that their folio(s)/ demat account(s) are updated with PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.

For Unit Holders who have provided an e-mail address to the Mutual Fund or in KYC records, the CAS is sent by e-mail. However, where an investor does not wish to receive CAS through email, option is given to the investor to receive the CAS in physical form at the address registered in the Depository system.

Investors who do not wish to receive CAS sent by depositories have an option to indicate their negative consent. Such investors may contact the depositories to opt out. Investors who do not hold demat account continue to receive CAS sent by RTA/AMC, based on the PAN, covering transactions across all mutual funds as per the current practice.

In case an investor has multiple accounts across two depositories; the depository with whom the account has been opened earlier will be the default depository.

The dispatches of CAS by the depositories constitute compliance by the AMC/ the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations. However, the AMC reserves the right to furnish the account statement in addition to the CAS, if deemed fit in the interest of investor(s).

Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

For folios not included in the CAS (due to non-availability of PAN), the AMC shall issue monthly account statement to such Unit holder(s), for any financial transaction undertaken during the month on or before 15<sup>th</sup> of succeeding month by mail or email.

For folios not eligible to receive CAS (due to non-availability of PAN), the AMC shall issue an account statement detailing holding across all schemes at the end of every six months (i.e. September/March), on or before 21<sup>st</sup> day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail/e-mail.

**Option to hold units in dematerialised (demat) form**

Investors shall have an option to receive allotment of Mutual Fund units in their demat account while subscribing to the Scheme in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.

Where units are held by investor in dematerialized form, the demat statement issued by the Depository Participant would be deemed adequate compliance with the requirements in respect of dispatch of statements of account.

In case investors desire to convert their existing physical units (represented by statement of account) into dematerialized form or vice versa, the request for conversion of units held in physical form into Demat (electronic) form or vice versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants. In case the units are desired to be held by investor in dematerialized form, the KYC performed by Depository Participant shall be considered compliance of the applicable SEBI norms.

Further, demat option shall also be available for SIP transactions. Units will be allotted based on the applicable NAV as per Scheme Information Document and will be credited to investors Demat Account on weekly basis on realization of funds.

Units held in Demat form are freely transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favour of transferees who are capable of holding units and having a Demat Account. The delivery instructions for transfer of units will have to be lodged with the Depository Participant in requisite form as may be required from time to time and transfer will be affected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.

For details, Investors may contact any of the Investor Service Centres of the AMC.

	<p><b>Transferability of units:</b> Units unless otherwise restricted or prohibited shall be freely transferable by act of parties or by operation of law. The asset management company shall on production of instrument of transfer together with the relevant unit certificates, register the transfer and return the unit certificates to the transferee within timelines prescribed by SEBI from time to time.</p>
<p>Income Distribution cum Capital Withdrawal (IDCW)</p>	<p>The warrants/cheque/demand draft shall be dispatched to the Unit holders within 7 working days from the record date. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The IDCW proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner / any other mode allowed by Reserve Bank of India from time to time if sufficient banking account details are available with the Mutual Fund for the Investor.</p> <p>In case of specific request for IDCW by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the IDCW will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
<p>Redemption</p>	<p><b>How to Redeem</b> A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p><b>Procedure for payment of redemption.</b> <b>1. Resident Investors</b> Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> <li>If investor had provided IFSC code in the application form, by default redemption proceeds shall be credited to Investor's account through RTGS/NEFT, etc or any other mode allowed by Reserve Bank of India from time to time.</li> <li>If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund would have an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit.</li> <li>Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the</li> </ol>

	<p>Registrar).</p> <p>The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p><b>2. Non-Resident Investors/PIO/OCI</b> For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p><b>(i) Repatriation basis</b> When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India, the proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p><b>(ii) Non-Repatriation basis</b> When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p><b>(iii) FPIs</b> For FPIs , the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or</p>
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credit the amount to the Foreign Currency account or Non-resident Rupee account of the FPIs maintained in accordance with the approval granted to it by the RBI.

The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FPIs . The Fund may make other arrangements for effecting payment of redemption proceeds in future.

Further, based on the list provided by the Depositories (NSDL/ CDSL) giving the details of the demat account holders and the number of Units held by them in electronic form on the Record date fixed for redemption of Units on the Maturity date, the Registrars and Transfer Agent will pay the redemption proceeds by forwarding a cheque or directly crediting the bank account linked to the demat account depending on the mode of receipt of redemption proceeds chosen by the Unit holders.

**Effect of Redemptions**

The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.

The normal processing time may not be applicable in situations where requisite details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.

AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.

**Signature mismatches**

If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.

**Important Note:** All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.

**Unclaimed Redemptions and Dividends**

The unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments and such other instruments/securities as maybe permitted from time to time. The

	<p>investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, after a period of three years, this amount can be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>Further, according to circular no. SEBI/HO/IMD/DF2/CIR/P/ 2016/37 dated February 25, 2016 as amended from time to time the unclaimed Redemption and dividend amounts may be deployed in separate plan of Liquid scheme/Money market mutual fund scheme floated by Mutual Funds specifically for deployment of the unclaimed Redemption and dividend amounts.</p>
<p>Delay in payment of redemption / repurchase proceeds</p>	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 3 Working Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>
<p>Facility to transact in units of the Schemes through MF Utility portal &amp; MFUI Points of Services pursuant to appointment of MF Utilities India Pvt. Ltd.</p>	<p>AMC has entered into an Agreement with MF Utilities India Pvt. Ltd. ("MFUI"), a "Category II – Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Accordingly, investors are requested to note that in addition to the existing official points of acceptance ("OPA") for accepting transactions in the units of the schemes of the Axis Mutual Fund as disclosed in the SID, <a href="http://www.mfuonline.com">www.mfuonline.com</a> i.e. online transaction portal of MFU and the authorized Points of Service ("POS") designated by MFUI shall also be the OPA with effect from the dates as may be specified by MFUI on its website/AMC by issuance of necessary communication.</p> <p>All financial and non-financial transactions pertaining to Schemes of Axis Mutual Fund can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> or physically through the POS of MFUI with effect from the respective dates as published on MFUI website against the respective POS locations. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a>. This will be updated from time to time.</p> <p>The uniform cut-off time as prescribed SEBI (Mutual Funds) Regulations 1996, circulars issued by SEBI and as mentioned in the SID / KIM of the</p>



	<p>Scheme shall be applicable for applications received on the portal of MFUI i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a>. However, investors should note that transactions on the MFUI portal shall be subject to the terms &amp; conditions (including those relating to eligibility of investors) as stipulated by MFUI / Axis Mutual Fund / the AMC from time to time and in accordance to the laws applicable.</p> <p>MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU.</p>
<p>MF Central as Official Point of Acceptance</p>	<p>Investors are requested to note that pursuant to SEBI circular no SEBI/HO/IMD/IMD- II DOF3/P/CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the QRTA's, Kfin Technologies Limited and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors.</p> <p>MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable T&amp;Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <a href="https://mfcentral.com/">https://mfcentral.com/</a> and a Mobile App in future.</p> <p>With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, Axis Mutual Fund designates MFCentral as its Official point of acceptance (OPA) w.e.f. 23<sup>rd</sup> September 2021.</p> <p>Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service centres or collection centres of KFin Technologies Ltd. or CAMS.</p>

### C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The NAVs will be calculated and disclosed on all the Business Days. The AMC shall update the NAVs on the website Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 11.00 p.m. on every Business Day and shall also update the NAVs on the website of AMC (<a href="http://www.axismf.com">www.axismf.com</a>) for a given business day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Monthly and Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The AMC will disclose the portfolio of Axis Retirement Savings Fund - Aggressive Plan &amp; Axis Retirement Savings Fund - Dynamic Plan (alongwith ISIN) as on the last day of the month / half year on the website of the Mutual Fund and AMFI within 10 days from the close of each month/ half year (i.e. 31st March and 30th September) respectively in a user-friendly and downloadable spreadsheet format. Further, the AMC will disclose the portfolio of Axis Retirement Savings Fund - Conservative Plan (alongwith ISIN) on the fortnightly/ half year basis on the website of the Mutual Fund and AMFI within 5 days of every fortnight and within 10 days of close of each half year (i.e. 31st March and 30th September) respectively in a user-friendly and downloadable spreadsheet format. Also AMC shall publish an advertisement in an all India edition of one national English daily newspaper and one Hindi newspaper, every half year, disclosing the hosting of the half-yearly statement of its schemes' portfolio on the website of the Mutual Fund and AMFI and the modes through which unitholder(s) can submit a request for a physical or electronic copy of the statement of scheme portfolio.</p> <p>The AMC will also provide a dashboard, in a comparable, downloadable (spreadsheet) and machine readable format, providing performance and key disclosures like Scheme's AUM, investment objective, expense ratios, portfolio details, scheme's past performance etc. on website.</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on the website of the AMC and AMFI.</p> <p>The mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, 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.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>
<p>Annual Report</p>	<p>The Scheme annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required)) to all Unit holders</p>

	<p>not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the Mutual Fund (<a href="http://www.axismf.com">www.axismf.com</a>) and on the website of Association of Mutual Funds in India (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p> <p>Unitholders whose email addresses are not registered with the Mutual Fund may 'opt-in' to receive a physical copy of the annual report or an abridged summary thereof.</p> <p>Further, AMC shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on a specific request received from a unitholder.</p> <p>AMC shall also publish an advertisement every year, in an all India edition of one national English daily newspaper and in one Hindi newspaper, disclosing the hosting of the scheme wise annual report on the website of the Mutual Fund and AMFI and the modes through which a unitholder can submit a request for a physical or electronic copy of the annual report or abridged summary thereof.</p>								
Risk-o-meter	<p>The AMC shall review Risk-o-meters on a monthly basis based on evaluation of risk level of Scheme's month end portfolio. Changes in Risk-o-meter, if any, shall be communicated by way of Notice cum Addendum. Investors may also refer to the website/portfolio disclosure for the latest Risk-o-meter of the Scheme.</p>								
Scheme Summary Documents	<p>The AMC has provided on its website Scheme Summary Document which is a standalone scheme document for all the Schemes which contains all the details of the Scheme viz. Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc.</p>								
Associate Transactions	<p>Please refer to Statement of Additional Information (SAI).</p>								
<p>Taxation</p> <p><b>Rates applicable for the FY 23-24.</b> The information is provided for general information only. However, in view of the individual</p>	<p><b>EQUITY ORIENTED FUND</b></p> <table border="1" data-bbox="407 1394 1401 1734"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Taxability in the hands of Individuals / Non-corporates / Corporates</th> </tr> <tr> <th>Resident</th> <th>Non-Resident</th> </tr> </thead> <tbody> <tr> <td><b>Tax on distributed income</b></td> <td>Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)</td> <td>Taxed in the hands of unitholders at the rate of 20% u/s 115A/ 115AD of the Act (plus applicable surcharge and health and education cess)</td> </tr> </tbody> </table>	Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates		Resident	Non-Resident	<b>Tax on distributed income</b>	Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)	Taxed in the hands of unitholders at the rate of 20% u/s 115A/ 115AD of the Act (plus applicable surcharge and health and education cess)
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nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	<b>Long Term Capital Gains:</b> (Held for a period of more than 12 Months)	10% (plus applicable surcharge and health and education cess) without indexation (Refer Note 5)	10% (plus applicable surcharge and health and education cess) without indexation (Refer Note 5)												
	<b>Short Term Capital Gains</b> (Held for a period of 12 months or less)	15% (plus applicable surcharge and health and education cess)	15% (plus applicable surcharge and health and education cess)												
<p><b>Notes –</b></p> <ol style="list-style-type: none"> <li>1. Axis Mutual Fund is a Mutual Fund registered with the Securities &amp; Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of section 10(23D) of the Act.</li> <li>2. Surcharge at the following rate to be levied in case of individual / HUF / non-corporate non-firm unit holders for equity oriented mutual fund:</li> </ol> <table border="1" data-bbox="467 945 1372 1877"> <thead> <tr> <th><b>Income</b></th> <th><b>Individual /HUF / non-corporate non-firm unit holders</b></th> </tr> </thead> <tbody> <tr> <td>(a) Above Rs 50 lakh upto 1 crore (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)</td> <td>10%</td> </tr> <tr> <td>(b) Above Rs 1 crore upto Rs 2 crores (including dividend income and capital gains income under section 111A and 112A of the Act)</td> <td>15%</td> </tr> <tr> <td>(c) Above Rs 2 crores upto Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]</td> <td>25%</td> </tr> <tr> <td>(d) Above Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]</td> <td>37%*</td> </tr> <tr> <td>(e) Above Rs 2 crores [including dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]] but not covered in point (c) and (d) above</td> <td>15%</td> </tr> </tbody> </table>				<b>Income</b>	<b>Individual /HUF / non-corporate non-firm unit holders</b>	(a) Above Rs 50 lakh upto 1 crore (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	10%	(b) Above Rs 1 crore upto Rs 2 crores (including dividend income and capital gains income under section 111A and 112A of the Act)	15%	(c) Above Rs 2 crores upto Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	25%	(d) Above Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	37%*	(e) Above Rs 2 crores [including dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]] but not covered in point (c) and (d) above	15%
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\*Surcharge rate shall not exceed 25% in case of individual and HUF opting for new tax regime under section 115BAC of the Act.

3. Surcharge rates for Companies/ firm

<b>Total Income</b>	<b>Rate of Surcharge for Domestic companies*</b>	<b>Rate of Surcharge for Foreign Companies</b>
Above Rs 1 crore upto Rs 10 crores	7%	2%
Above Rs 10 crores	12%	5%

\*Surcharge rate shall be 10% in case resident companies opting taxation under section 115BAA and section 115BAB of the Act on any income earned.

In case of firm with total income exceeding Rs 1 crore, surcharge rate shall be 12%.

4. Health and Education cess at 4% on aggregate of base tax and surcharge.
5. As per section 112A of the Act, long-term capital gains, exceeding Rs 1,00,000, arising from transfer of equity oriented mutual funds, shall be chargeable at the rate of 10% (plus applicable surcharge and health and education cess).
6. The Scheme will attract securities transaction tax (STT) at 0.001% on the redemption value.
7. Withholding of Taxation by Mutual Fund will as per applicable withholding tax rate.
8. All the above non-resident investors may also claim the tax treaty benefits available, if any.

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

**Rates applicable for the FY 23-24**

This document covers taxation of mutual funds which are not covered under the definition of Equity Oriented mutual funds & specified mutual funds. Meaning thereby, it intends to explain taxation of funds investing more than 35% & less than 65% of its total proceeds in the equity shares of domestic companies.

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

**Taxation of other than specified mutual funds & other than Equity-Oriented Mutual Funds**



Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates	
	Resident	Non-Resident
<b>Tax on distributed income (dividend income)</b>	Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)	Taxed in the hands of unitholders at the rate of 20% u/s 115A/ 115AD of the Act (plus applicable surcharge and health and education cess)
<b>Long Term Capital Gains</b> (Held for a period of more than 36 Months)		
-Listed funds	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)
-Unlisted funds	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)	10% without foreign currency and indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)
(Held for a period of 36 months or less)	30% (Refer Note 5) (plus applicable surcharge and health and education cess)	30% (Refer Note 5) (40% in case of Foreign companies) (plus applicable surcharge and health and education cess)

Note –

1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of section 10(23D) of the Act.
2. Surcharge at the following rate to be levied in case of individual / HUF/ non-corporate non-firm unit holders:

and other implications arising out of his or her participation in the schemes.

<b>Income</b>	<b>Individual/ HUF / non-corporate non-firm unit holders</b>
(a) Above Rs 50 lakh upto Rs 1 crore (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	10%
(b) Above Rs 1 crore upto Rs 2 crores (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	15%
(c) Above Rs 2 crores upto Rs 5 crores [ excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	25%
(d) Above Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	37%*
(e) Above Rs 2 crores [including dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]] but not covered in point (c) and (d) above	15%

\*Surcharge rate shall not exceed 25% in case of individual and HUF opting for new tax regime under section 115BAC of the Act.

3. Surcharge rates for Companies

<b>Total Income</b>	<b>Rate of Surcharge for Domestic companies*</b>	<b>Rate of Surcharge for Foreign Companies</b>
Above Rs 1 crore upto Rs 10 crores	7%	2%
Above Rs 10 crores	12%	5%

\*Surcharge rate shall be 10% in case resident companies opting taxation under section 115BAA and section 115BAB on any income earned.

In case of firm with total income exceeding Rs.1 crore, surcharge rate shall be 12%.

4. Health and Education cess @ 4% on aggregate of base tax and surcharge.

5. Assuming investor falls into highest tax bracket

6. Withholding of Taxation by Mutual Fund will as per applicable withholding tax rate.

7. All the above non-resident investors may also claim the tax treaty benefits available, if any.

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

**Taxation**
**Rates applicable for the FY 23-24**

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers

**Taxation of Specified Mutual Fund other than Equity-Oriented Mutual Funds**

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers

Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates	
	Resident	Non-Resident
<b>Tax on distributed income (dividend income)</b>	Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)	Taxed in the hands of unitholders at the rate of 20% u/s 115A/ 115AD of the Act (plus applicable surcharge and health and education cess)
Capital Gains on Specified Mutual Funds irrespective of period of holding (Refer Note 6)	30% (Refer Note 5) (plus applicable surcharge and health and education cess)	30% (Refer Note 5) (40% in case of Foreign companies) (plus applicable surcharge and health and education cess)

with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Note –

1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of section 10(23D) of the Act.

2. Surcharge at the following rate to be levied in case of individual / HUF/ non-corporate non-firm unit holders:

Income	Individual/ HUF / non-corporate non-firm unit holders
(a) Above Rs 50 lakh upto Rs 1 crore (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	10%
(b) Above Rs 1 crore upto Rs 2 crores (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	15%



(c) Above Rs 2 crores upto Rs 5 crores [ excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	25%
(d) Above Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	37%*
(e) Above Rs 2 crores [including dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]] but not covered in point (c) and (d) above	15%



\*Surcharge rate shall not exceed 25% in case of individual and HUF opting for new tax regime under section 115BAC of the Act.

3. Surcharge rates for Companies

Total Income	Rate of Surcharge for Domestic companies*	Rate of Surcharge for Foreign Companies
Above Rs 1 crore upto Rs 10 crores	7%	2%
Above Rs 10 crores	12%	5%

\*Surcharge rate shall be 10% in case resident companies opting taxation under section 115BAA and section 115BAB on any income earned.

In case of firm with total income exceeding Rs.1 crore, surcharge rate shall be 12%.

4. Health and Education cess @ 4% on aggregate of base tax and surcharge.

5. Assuming investor falls into highest tax bracket

6. Gains arising on transfer, redemption or maturity of specified mutual funds acquired on or after 1 April 2023 will deemed to be 'short-term capital gains' (regardless of the period of holding).

Specified mutual fund means a mutual fund by whatever name called, where not more than 35% of its total proceeds is invested in the equity shares of domestic companies.

Accordingly, gains arising on transfer, redemption or maturity of specified mutual funds which were acquired before 1 April 2023 and are held for a period of more than 36 months shall continue to be taxable at the following rates.

Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates	
	Resident	Non-Resident
-Listed funds	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health and education cess)
-Unlisted funds	20% with indexation benefit in respect of cost of acquisition (plus applicable surcharge and health	10% without foreign currency and indexation benefit in respect of cost of acquisition (plus applicable surcharge

	and education cess)	and health and education cess)
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7. Withholding of Taxation by Mutual Fund will as per applicable withholding tax rate.

8. All the above non-resident investors may also claim the tax treaty benefits available, if any.

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

Stamp Duty	<p>Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, stamp duty @0.005% of the transaction value would be levied on applicable mutual fund transactions.</p> <p>Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including IDCW reinvestment) to the unitholders would be reduced to that extent.</p>
Investor services	<p>Investors can lodge any service request or complaints or enquire about NAVs, Unit Holdings, IDCW, etc by calling the Investor line of the AMC at contact number 8108622211 from 9.00 am to 6.00 pm (Monday to Saturday) or email – <a href="mailto:customerservice@axismf.com">customerservice@axismf.com</a>. The service representatives may require personal information of the Investor for verification of his / her identity in order to protect confidentiality of information. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p>Any complaints should be addressed to Mr. C P Shivkumar Nair who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis Asset Management Company Ltd.          "Axis House", 1st Floor, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025          Phone no.:022 - 4325 4123          Email – <a href="mailto:customerservice@axismf.com">customerservice@axismf.com</a></p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>

#### **D. COMPUTATION OF NAV**

The Net Asset Value (NAV) per Unit under the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation day. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's Investments} + \text{Current Assets including Accrued Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the IDCW Option under each of the Plans will be different after the declaration of the first IDCW.

The NAVs will be calculated and disclosed on all the Business Days.

#### **IV. FEES AND EXPENSES**

This section outlines the expenses that will be charged to the Scheme.

##### **A. NEW FUND OFFER (NFO) EXPENSES**

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

In accordance with the provisions of SEBI circular no. SEBI/IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, the Scheme, being an open-ended scheme, the NFO expenses has been borne by the AMC/Sponsor.

##### **B. ANNUAL SCHEME RECURRING EXPENSES**

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

The AMC has estimated that the following expenses will be charged to the Scheme as permitted under Regulation 52 of SEBI (MF) Regulations. For the actual current expenses being charged, the investor should refer to the website of the AMC.

<b>Expense Head</b>	<b>% of daily Net Assets - Aggressive Plan &amp; Dynamic Plan</b>	<b>% of daily Net Assets - Conservative Plan</b>
Investment Management and Advisory fees	Upto 2.25%	Upto 2.00%
Trustee fees		
Audit fees		
Custodian fees		
RTA fees		
Marketing & Selling expense incl. agent commission		
Cost related to investor communications		
Cost of fund transfer from location to location		
Cost of providing account statements and dividend redemption cheques and warrants		
Costs of statutory Advertisements		
Cost towards investor education & awareness (at least 2 bps)		
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.		
Goods & Service Tax (GST) on expenses other than investment and advisory fees		
GST on brokerage and transaction cost		
Other Expenses*		
<b>Maximum total expense ratio (TER) permissible under Regulation 52(6)(c)</b>	<b>Upto 2.25%</b>	<b>Upto 2.00%</b>
Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)	Upto 0.30%	Upto 0.30%

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

All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in other than Direct Plan.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid/ charged under Direct Plan.

The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations can be apportioned under various expense heads/ sub heads without any sub limit, as permitted under the applicable regulations. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

<b>Assets under management Slab (In Rs. crore)</b>	<b>Aggressive Plan &amp; Dynamic Plan</b>	<b>Conservative Plan</b>
On the first Rs. 500 crores of the daily net assets	2.25%	2.00%
On the next Rs. 250 crores of the daily net assets	2.00%	1.75%
On the next Rs. 1250 crores of the daily net assets	1.75%	1.50%
On the next Rs. 3000 crores of the daily net assets	1.60%	1.35%
On the next Rs. 5000 crores of the daily net assets	1.50%	1.25%
On the next Rs. 40,000 crores of the daily net assets	Total expense ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof.	Total expense ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof.
On the balance of the assets	1.05%	0.80%

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations and amendments thereto.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

**Expenses charged to the Scheme:**

- A. In addition to the limits as specified in Regulation 52(6) of SEBI (MF) Regulations 1996 or the Total Recurring Expenses (Total Expense Limit) as specified above, the following costs or expenses may be charged to the Scheme namely-

**Additional expenses for gross new inflows from specified cities**

- a) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by SEBI/AMFI from time to time are at least -
- i. 30 per cent of gross new inflows in the Scheme, or;

- ii. 15 per cent of the average assets under management (year to date) of the Scheme, whichever is higher:

^Note: Pursuant to SEBI letter dated February 24, 2023 read with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

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

Provided further that, expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.

Provided further that, additional TER can be charged based on inflows only from retail investors in terms of Para 10.1 of SEBI master circular for Mutual Fund dated May 19, 2023 and amended from time to time.. For this purpose inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".

- b) GST payable on investment and advisory service fees ('AMC fees') charged by Axis Asset Management Company Ltd.;

Brokerage and transaction cost incurred for the purpose of execution shall be charged to the schemes as provided under Regulation 52 (6A) (a) upto 12 bps and 5 bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage & transaction costs, over and above the said 12 bps and 5 bps for cash market transactions and derivatives transactions respectively within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the Regulations.

- B. Within the Total Expense Limit chargeable to the scheme, following will be charged to the Scheme:

- a) GST on other than investment and advisory fees, if any, ( ) shall be borne by the Scheme
- b) Investor education and awareness initiative fees of at least 2 basis points on daily net assets of the Scheme.

- C. AMC fees charged by Axis AMC to the scheme will be within the Total Expense Limit as prescribed by SEBI Regulations, as amended from time to time.

Expenses over and above the prescribed limit shall be charged / borne in accordance with the Regulations prevailing from time to time.

The mutual fund would update the current expense ratios on its website ([www.axismf.com](http://www.axismf.com)) atleast three working days prior to the effective date of the change. Investors can refer 'Total Expense Ratio

of Mutual Fund Schemes' section on <https://www.axismf.com/total-expense-ratio> for Total Expense Ratio (TER) details.

### Illustration of impact of expense ratio on scheme's returns

For any scheme, NAV is computed on a daily basis factoring in all the assets as well as liabilities of the Scheme (including expenses charged). Expenses charged to the Scheme bring down its NAV and hence the investor's net returns on a corresponding basis.

Illustration:

Illustration for Regular Plan:

<b>Particulars</b>	<b>Amount (in Rs.)</b>	<b>No of units</b>	<b>NAV per unit (in Rs.)</b>
Invested on March 31, 2022 (A)	10,000	1,000	10.00
Value of above investment as on March 31, 2023 (gross of all expenses) (B)	11,500	1,000	11.50
Total Expenses charged during the year @2%* p.a. (assumed) (C)	200		0.20
Value of above investment as on March 31, 2023 (net of all expenses) (D) = (B-C)	11,300	1,000	11.30
Returns (%) (gross of all applicable expenses) (E) = ((B/A)-1)	15.0%		
Returns (%) (net of all applicable expenses) (F) = ((D/A)-1)	13.0%		

\*Expenses are computed on daily average assets of the scheme.

Effect of STT on transactions in mutual funds is not factored into this illustration.

Illustration for Direct Plan:

<b>Particulars</b>	<b>Amount (in Rs.)</b>	<b>No of units</b>	<b>NAV per unit (in Rs.)</b>
Invested on March 31, 2022 (A)	10,000	1,000	10.00
Value of above investment as on March 31, 2023 (gross of all expenses) (B)	11,500	1,000	11.50
Total Expenses charged during the year @0.5% p.a.* (assumed) (C)	54		0.05
Value of above investment as on March 31, 2023 (net of all expenses) (D) = (B-C)	11,446	1,000	11.45
Returns (%) (gross of all applicable expenses) (E) = ((B/A)-1)	15.0%		
Returns (%) (net of all applicable expenses) (F) = ((D/A)-1)	14.5%		

\*Expenses are computed on daily average assets of the scheme.  
Effect of STT on transactions in mutual funds is not factored into this illustration.

Please Note:

- The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Scheme. The Total Expenses considered in the illustration is an hypothetical number and the actual expense may vary from the same. The Illustration should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year. The expenses of the Direct Plan under the Scheme may vary with that of the Regular Plan under the Scheme.
- Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.

Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor.

### **C. LOAD STRUCTURE**

Load is an amount which is paid by the investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC ([www.axismf.com](http://www.axismf.com)) or may call at contact number 8108622211 from 8.00 am to 8.00 pm (Monday to Friday) and 9.00 am to 6.00 pm (on Saturday and Sunday) or can contact his distributor.

Para 10.4 of Master Circular for Mutual Funds has decided that there shall be no Entry Load for all Mutual Fund schemes

<b>Type of Load</b>	<b>Load chargeable (as %age of NAV)</b>
Entry Load	Not applicable
Exit Load	Nil

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

Para 10.4 of Master Circular for Mutual Funds has decided that there shall be no Entry Load for all Mutual Fund schemes

For any change in Load structure, AMC will issue an addendum and display it on the website/ Investor Service Centres.



Under the Scheme, the AMC/ Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/ Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 95% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers office.
3. The introduction of the Exit Load alongwith the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load
4. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
5. Any other measure which the Mutual Fund may consider necessary.

The Trustee/AMC reserves the right to change the load structure subject to the limits prescribed under the Regulations. Any change in load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

### **Transaction Charges**

In terms of Para 10.5 of Master Circular of Mutual Funds dated May 19, 2023, as amended from time to time, Transaction Charge per subscription of Rs. 10,000/- and above shall be charged from the investors and shall be payable to the distributors/ brokers (who have opted in for charging the transaction charge) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP). The transaction charge (based on the type of the product), if any shall be deducted by AMC from the subscription amount and paid to the distributor; and the balance shall be invested and accordingly units allotted. The statement of account shall clearly state the net investment as gross subscription less transaction charge. The charge is, subject to the following:

- For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of Rs. 10,000/- and above
- Transaction charge for SIP shall be applicable only if the total commitment through SIP amounts to Rs. 10,000/- and above. In such cases the transaction charge would be recovered in maximum 4 successful installments.
- There shall be no transaction charge on subscription below Rs. 10,000/-.
- There shall be no transaction charges on direct investments.
- There shall be no transaction charges for transaction other than purchases / subscriptions relating to new inflows such as Switches, etc.
- Transactions carried out through the Stock Exchange platforms for mutual funds shall not be subject to transaction charges.

The requirement of minimum application amount shall not be applicable if the investment amount falls below the minimum amount required due to deduction of transaction charges from the subscription amount.

The Transaction Charge as mentioned above shall be deducted by the AMC from the subscription amount of the Unit Holder and paid to the distributor and the balance shall be invested in the Scheme. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

**D. WAIVER OF LOAD FOR DIRECT APPLICATIONS**

Not applicable

**V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

**VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

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

**Not Applicable**

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.
  - a. RBI vide letter dated January 07, 2021 issued Show Cause Notice (SCN) stating the Bank failed to put in place mandatory additional method of authentication (2 factor authentication) for the cases involving Straight Through Processing (STP) between Bank and Co-operative banks, which led to processing of 47 unauthorized transactions aggregating Rs.3.72 crores in respect of three Co-operative banks.
  - b. RBI vide letter dated 18.01.2021 issued Show Cause Notice to the Bank stating non-compliance to directions issued by Cyber Security and Information Technology Examination (CSITE) Cell of Department of Supervision, RBI in the matter of fraud perpetrated by the employees of M/s. Eikon India Pvt. Ltd. (Vendor) (developer of FASTag application).
  - c. RBI vide letter dated 21.01.2021 issued Show Cause Notice to the Bank stating the non-compliances observed and reported in Risk Assessment Reports of FY 2017, 2018 & 2019.
  - d. The Reserve Bank of India (RBI) has imposed, by an order dated July 28, 2021, a monetary penalty of ₹5.00 crore (Rupees Five crore only) on Axis Bank Limited (the bank) for contravention of / non-compliance with certain provisions of directions issued by RBI on 'Strengthening the Controls of Payment Ecosystem between Sponsor Banks and SCBs/UCBs as a Corporate Customer' dated May 9, 2019, 'Cyber Security Framework in Banks' dated June 2, 2016, 'Reserve Bank of India (Financial Services provided by Banks) Directions, 2016' dated May 26, 2016 (Updated as on September 25, 2017), 'Financial Inclusion- Access to Banking Services – Basic Savings Bank Deposit Account' dated August 10, 2012 and 'Frauds – Classification and Reporting' dated July 02, 2012.
  - e. The RBI has issued a show cause notice on the Bank under Section 35, 35A, 46 and 47A of Banking Regulation Act 1949, stating violation of RBI guidelines, directions etc. Scrutiny was carried out by the RBI in February and March 2020. The Bank submitted its response on 31.05.2021. RBI has imposed, by a letter dated 1.09. 2021, a monetary penalty of ₹25 lakhs (Rupees Twenty five lakh only) on Axis Bank Limited (the bank) for contravention of/non-compliance with certain provisions of directions issued by RBI contained in the Reserve Bank of India – (Know Your Customer (KYC)) Direction, 2016.
  - f. RBI has issued a Show Cause Notice dated 10.08.2021 to Axis Bank for Contravention / Non-compliance with RBI directions observed during statutory inspection with reference

- to financial position as on 31.03.2021. Axis Bank has submitted response on 31.08.2021 and to the follow up queries of RBI dated 07.09.2021 vide e-mail dated 14.09.2021.
- g. SEBI vide its letter dated 24.03.2022 has imposed penalty of Rs. 5 Lakh, wherein the Bank had acted as a lead manager in 22 public issuances of debt from August 2016 to August 2019. Of these 22 issuances, the Bank had acquired securities in 9 public issues. However, the Bank did not report these 9 transactions to SEBI in accordance with the Regulation.
  - h. RBI vide its letter dated 08.04.2022 has imposed, by an order dated 07.04.2022, a monetary penalty of ₹93 Lakh on the Bank for non-compliance with certain directions issued by RBI on 'Loans and Advances – Statutory and Other Restrictions', 'Reserve Bank of India (Financial Services provided by Banks) Directions, 2016', 'Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016', and 'Levy of penal charges on non-maintenance of minimum balances in savings bank accounts'.
  - i. IRDAI vide their letter dated 02.09.2022 sent a Show Cause notice to the Bank for making undue profits/gains from purchase and sale of equity shares of Max Life Insurance Company Ltd (MLIC) with its Promoters. Bank has been advised to show cause as to why appropriate proceedings should not be initiated against Axis Bank Ltd. (a Corporate Agent Registered with IRDAI). Bank has been advised to submit response within 21 days. Bank is in the process of submitting response.
  - j. Competition Commission of India (CCI) has vide letter dated August 17, 2023 imposed a penalty amounting to ₹.40 lakhs on Axis Bank Ltd. in relating to its investment in CSC e-Governance ("CSC"). The penalty imposed is on account of not notifying the CCI or taking their approval for the investment made in CSC e-Governance. The CCI had issued a show cause notice to the Bank in Sep' 2022..
  - k. Axis Bank (a Corporate Agent for distribution of Mutual Funds) has received a letter from IRDAI (the Authority) dated Oct 13, 2022 levying a penalty of Rs 2 crs on the charges for not complying with the directions of the Authority in the transaction of acquisition of shares of Max Life Insurance Company Ltd (MLIC) and for making undue profits/ gains from purchase and sale of equity shares of MLIC. Bank has penalty amounting to Rs. 20000000.
  - l. The Reserve Bank of India (RBI) vide letter dated June 23, 2023, has imposed a monetary penalty of ₹30.00 Lakh (Rupees Thirty lakh only) on Axis Bank Ltd. (the bank) for non-compliance with certain provisions of the RBI directions on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Credit Card Accounts'. This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of section 47 A (1) (c) read with section 46 (4) (i) of the Banking Regulation Act, 1949.
  - m. The RBI vide its letter dated June 12, 2023 has issued a Show Cause Notice to the Bank. This is with reference to non-compliance with the Reserve Bank directions observed during the statutory inspection with reference to financial position as on March 31, 2022, review of opening of current accounts of M/S. Sintex Industries Ltd. and a Complaint related to freezing of customer accounts.
3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.
- SEBI has issued an *ad interim ex parte* order-cum-show-cause notice dated February 28, 2023 ("**Interim Order**") against Viresh Joshi, former chief dealer and fund manager at Axis Asset Management Company Limited ("**Company**") and 20 other noticees (collectively "**Noticees**"). Vide the Interim Order, SEBI has held that the Noticees had *prima facie* indulged in front running

of the trades of Axis Mutual Fund during the period from September 1, 2021 to March 31, 2022 in violation of sections 12A(a), 12A(b), 12A(c) and 12A(e) of SEBI Act, 1992 ("**SEBI Act**") and regulations 3(a), 3(b), 3(c), 3(d), 4(1) and 4(2)(q) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

Pursuant to sections 11, 11(4) and 11B(1) of SEBI Act read with section 19 of SEBI Act, SEBI vide its Interim Order has inter alia (i) barred the Noticees from buying, selling, dealing or associating themselves with the securities market, either directly or indirectly, in any manner whatsoever; and (ii) ordered for impoundment of INR 30,55,89,668.96 jointly and severally from the Noticees, being the prima facie total wrongful gain made from the front running activities by the Noticees.

It is pertinent to note that none of Axis Mutual Fund, Axis Mutual Fund Trustee Limited, the Company and their existing officers/ employees have been named as noticees in the Interim Order, nor any directions have been passed against them by SEBI in such Interim Order.

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

**Nil**

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

**Nil**

The Scheme under this Scheme Information Document was approved by the Trustee Company on April 16, 2019. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

**Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.**

**for and on behalf of**

**Axis Asset Management Company Ltd.**

**Sd/-**

**Gop Kumar Bhaskaran**

**Managing Director & Chief Executive Officer**

**Date: October 31, 2023**

## OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTION

### AXIS AMC OFFICE ADDRESSES

**AHMEDABAD** Axis Asset Management Company Limited, Mithakali Law Garden Road, Ellisbridge, 3rd Floor, 302, Megha House, Opp. Kotak Bank, Ahmedabad - 380 006. **AGRA:** Axis Asset Management Company Limited, Shop No. G-7, Ground Floor, Block-19/4, Sanjay Place, Agra - 282 002. **Aurangabad** - Axis Asset Management Company Limited. Shop no. C-30, 2nd Floor, Motiwala trade center, Nirala Bazaar, Aurangabad - 431001. **Anand** - Axis Asset Management Company Limited. 203, 2nd Floor, K Rose Building, Next to Dena Parivar Society, Anand Vidhyanagar Road, Anand-388001. **BANGALORE** Axis Asset Management Co.Ltd. Ground Floor, G-03 & G-03A, Prestige Meridian-1, No. 29, M.G. Road, Bangalore - 560 001 **Jayanagar - Bangalore** Axis Asset Management Company Limited. Door No.8, Old No.152, First floor, 27th Cross,6th Block, Opposite Ayyappa Swamy Temple, Jayanagar, Bangalore - 560082. **Belgaum:** Axis Asset Management Company Limited. 2nd Floor, Shree Krishna Tower, Above ICICI Bank, RPD Cross, Belgaum - 590006. **Bharuch** Axis Asset Management Company Limited 201, 2nd Floor, Nexus Business Hub, Above Dhiraj & Sons, Maktampur Road, Bharuch, Gujarat - 392001. **BHOPAL** Axis Asset Management Co FM-8 Mansarovar Complex, Khasra No. 27/1/2, NH-12, Bhopal , MP. **Bhavnagar** - Axis Asset Management Company Limited. S-3, 2nd Floor, Gangotri Plaza,Opp. Dakshinamurti School, Waghawadi Road,Bhavnagar,364002 **BHUBANESHWAR** - Axis Asset Management Company Limited. Premises No-5, Ground Floor, Narula Complex, Janpath, Kharavela Nagar, Bhubaneswar, Odisha, Pin - 751001. **Bhuj** - Axis Asset Management Company Limited, Turning Point, 206, 2nd Floor, Near Laxmi Bakery, Opp. V D High School, Bhuj-Kutch, Gujarat - 370001. **Bilaspur** Axis Asset Management Company Limited. 1st Floor, Shriji Plaza, Sonchhatra Compound, Near Shiv Talkies Square, Bilaspur, Chhattisgarh - 495001, India. **BORIVALI** Axis Asset Management Co. Ltd, Office No. 201, 2 Floor, REIS Magos, Ramdas Sutrale Marg, Off. Chandavarkar Road, Borivali (West), Mumbai, Maharashtra - 400092. **CHANDIGARH** Axis Asset Management Co.Ltd. 2<sup>nd</sup> Floor, SCO No 2471, Sector 22C, Chandigarh - 160022. **Chhattisgarh** Axis Asset Management Company Limited, 36/5 1st Block, Ground Floor, Nehru Nagar East, Bhilai, Chhattisgarh-490 020. **CHENNAI** Axis Asset Management Co. Ltd. 1st Floor , Door no. 168 Anna Salai , Opp. To Spencer Plaza , Chennai , Tamil Nadu - 600 002. **COIMBATORE** Axis Asset Management Company Limited, 1st Floor, Shylaja Complex, 575 DB Road, R. S. Puram, Near Head Post Office, Coimbatore - 641 002. **DEHRADUN** Axis Asset Management Co. Ltd., 59/3 First Floor, Rajpur Road, Above IDBI Bank, Dehradun - 248001. **Durgapur** - Axis Asset Management Company Limited 2/2 2nd Floor, Suhatta Mall, City Center, Durgapur-713216 **FORT** Axis Asset Management Company Limited, 1st Floor, City Ice Building, 298, Perin Nariman Street, Fort, Mumbai - 400 001. **Gandhinagar** - Axis Asset Management Company Limited, Office No. 102, 1st Floor, Shalin Centrum, Plot No. 2, Sector 11, Gandhinagar, Gujarat - 382011. **Gwalior** - Axis Asset Management Company Limited 3rd Floor, Orion Tower, Plot No. 11, City Centre, Gwalior - 474008 **GUWAHATI** Axis Asset Management Co. Ltd 2C 2<sup>nd</sup> Floor, "Dihang Arcade", ABC, G.S. Road Opp Dona Planet Guwahati 781005. **HYDERABAD** Axis Asset Management Company Ltd, 2nd Floor, Nerella House, Panjagutta, Hyderabad - 500 082. **HUBLI** Axis Asset Management Company Limited. CTS No 479/1 CTS Ward no 1, Ground Floor, SVB City Centre, Club Road, Hubli-580020. **INDORE** Axis Asset Management Company Limited. 104/104A/105, 1st Floor, Mangalam Pearl, 633/B, New Palasia, Indore- 452010 M.P **JAIPUR** Axis Asset Management Company Ltd, 305, 3 Floor, Green House, Near Ahinsa Circle, Ashok Marg, C Scheme, Jaipur - 302001.Rajasthan. **JAMNAGAR** - Axis Asset Management Company Limited. Shop no 114-B, 1st floor Madhav square Building, Lal Bungalow, Limda Lane Corner, Jamnagar 361005. **JAMMU** - Axis Asset Management Company Limited Hall No. 112A, 1st Floor, North Block, Bahu Plaza, Jammu-180011. **JALANDHAR** Axis Asset Management Co. Ltd , SCO 5-6, 1st Floor, Puda Complex, Opp Suvidha Center, Ladowali Road, Jalandhar - 144 001 **Jamshedpur** - Axis Asset Management Company Limited 1 G, Shanti Hari Abasan, Ground Floor, Inner Circle Road, Bistupur,Jamshedpur-831001 **Jodhpur** - Axis Asset Management Company Limited. Office No. 201, 2nd Floor PRM Plaza, Plot No. 947 10th D Road, Sardarpura. Jodhpur - 342003 **KANPUR** Axis Asset Management August

Company Limited, 305-306, 3rd Floor, Civil Lines, Kan Chamber, Kanpur – 208001. **KOCHI** Axis Asset Management Company Limited, 1st Floor, Nappady Building, Opp: Kerala Water Authority, Pump House, Kathrikadav-Kaloor-Kadavantra Road, Kaloor P.O, Ernakulam - 682017 **KOLKATA** Axis Asset Management Company Ltd, Ground Floor, Kanak Building,41, Chowringhee Road Kolkata - 700071. **Kolhapur** - Axis Asset Management Company Limited. Office No. S-4, 2nd Floor, Omkar Plaza, Rajarampuri, Kolhapur – 416008. **LUCKNOW** Axis Asset Management Co. Ltd, Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow - 226001. **LUDHIANA** Axis Asset Management Co. Limited, SCO 29, Ground Floor, Feroze Gandhi Market, Ludhiana-141001 **Madurai** - Axis Asset Management Company Limited SEV Towers, 2 nd floor, 280, Good Shed Street, Madurai – 625001 **Mangalore** - Axis Asset Management Company Limited C-5, 1st Floor, Essel Towers, Bunts hostel Circle, Mangalore – 575003 **MYSORE** - Axis Asset Management Company Limited, CH-16 4th Main 5th Cross Prashanth Plaza, Saraswathi Puram, Land Mark - Safe Wheels and Spice Trip Near JSS Women's, College, Mysore -570009. **Meerut** – Axis Asset Management Company Limited. 143/1 & 145/1, Ground Floor, Ganpati Plaza Mangal Pandey Nagar, Meerut , Uttar Pradesh-250004 **Moradabad** - Axis Asset Management Company Limited. 2nd Floor, Krishna Complex Near Hotel Rajmahal, Civil Lines Moradabad-Uttar Pradesh -244001 **MUMBAI** Axis Asset Management Company Limited Axis House, First Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025. **Mehsana** Axis Asset Management Company Limited, Shop No.3, 1st Floor, Sigma Oasis, Mehsana-Ahmedabad Highway, Near Rajkamal Petrol Pump, Mehsana, Gujarat-384 002. **NAGPUR** Axis Asset Management Company Ltd. 1st Floor, "The Edge", 12, Shankar Nagar, WHC Road, Nagpur-440010 **NASIK** Axis Asset Management Company Limited, 1st Floor, Sharada Niketan, Tilakwadi, Opp. Hotel City Pride, Sharanpur Road, Nasik – 422002 **NEW DELHI** Axis Asset Management Company Ltd. 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi - 110001. **PANAJI** Axis Asset Management Company Limited Ground Floor, Shop No. G-7, Edcon Towers, Menezes Braganza Road, Panjim, Goa - 403001. **PUNE** Axis Asset Management Company Ltd. Unit No. 102 & 102-A/B, 1st Floor, Signature Building, Bhandarkar Road, CTS No. 853, Plot No. 195, Bhamburda, Shivajinagar, Pune - 411005. **PANIPAT** Axis Asset Management Company Limited, Shop- 20, Ground Floor, BMK Market, Behind Hotel HIVE, G.T. Road, Panipat- 132113, Haryana. **Pimpri-Pune** Axis Asset Management Company Limited. Shop No. D-6, Ground Floor, Empire Estate, Chinchwad,Pimpri, Pune, Maharashtra – 411019 **PATNA** Axis Asset Management Company Limited, 2nd Floor, Panchsheel House, 23 Telegraph Colony, Near Income Tax Golambar, Kidwaipuri, Patna-800001, Bihar **Ranchi** - Axis Asset Management Company Limited Office No 201 (A),2nd Floor, Satya Ganga Arcade, Lalji Hirji Road, Ranchi-834001 **RAIPUR** Axis Asset Management Company Ltd ,Office No. T -10, 3rd Floor, Raheja Towers, Fafadih , Chowk Jail Road, Raipur, Chhattisgarh - 492001. **RAJKOT** Axis Asset Management Company Limited, 202, 2nd Floor, Orbit Enclave, Beside Ramkrishna Ashram, Dr. Yagnik Road, Rajkot, Gujarat - 360001. **Siliguri** - Axis Asset Management Company Limited Office No B-1/1-2-3, Upper Ground Floor, Shelcon Plaza, Sevoke Road,Siliguri-734001 **Solapur** – Axis Asset Management Company Limited. Office No S-2, 2nd Floor, Kanale Plaza, 82 Railway Lines, Dufferin Chowk, Solapur – 413001. **SURAT** Axis Asset Management Co. Limited. Office No. HG-28, Higher Ground Floor, International Trade Centre, Majura Gate Crossing, Ring Road, Surat – 395002. **Thane** Axis Asset Management Company Ltd, Manjula Arcade, 2nd Floor, Gokhale Road, Naupada, Thane (West) - 400 602. **Tirupati** Axis Asset Management Company Limited PRS Chowdary Towers,1st Floor, No. 18-2-299/A, Korlagunta Road, Ashok Nagar, Leela Mahal Centre, Tirupati – 517501. **Udaipur** Axis Asset Management Company Limited 2nd Floor, 2B, 2C & 2D, Near Lake City, Ward No. 51, Mahavir Colony, Ashok Nagar, Main Road, Udaipur, Rajasthan – 313001. **Vadodara** Axis Asset Management Company Limited 3rd Floor, 306, Emerald Complex, Race Course, Near Bird Circle, Old Padra Road, Vadodara - 390 007. **Amritsar** Axis Asset Management Co. Ltd SCO-25, First floor, District shopping Centre, B-Block, Ranjit Avenue, Amritsar – 143001. **Varanasi** Axis Asset Management Company Ltd. 7th Floor, Arihant Complex, D-64/127 C-H, Sagra, Varanasi, Uttar Pradesh - 221010. **Vapi** – Axis Asset Management Company Limited F-110 1st Floor Saga Casa Building, Daman Road, Chala Vapi-396191 **Vijayawada** Axis Asset Management Company Limited. 40-1-129,2nd Floor, Centurion Plaza, M.G. Road, Near Benz Circle, Vijayawada-520010 **Visakhapatnam** Axis Asset Management Company Limited, Navaratna Jewel



Square, 2nd Floor, S-7, Beside Jyothi Book Depot, Dwaraka Nagar, Visakhapatnam - 530016.  
**Trivandrum** Axis Asset Management Company Limited. TC-14/2072(1), 2nd Floor, Thrishna complex, Punnen Road, Jacobs Junction, Palayam, Trivandrum - 695034

### **KFIN TECHNOLOGIES LIMITED INVESTOR SERVICE CENTERS**

**Bangalore** - KFin Technologies Ltd.,No 35,Puttanna Road,Basavanagudi,Bangalore 560004 **Belgaum** - KFin Technologies Ltd.,Premises No.101, CTS NO.1893,Shree Guru Darshani Tower,Anandwadi, Hindwadi,Belgaum 590011 **Bellary** - KFin Technologies Ltd.,Shree Gayathri Towers #4,1st Floor K.H.B.Colony,Gopalaswamy Mudaliar Road,Gandhi Nagar-Bellary 583103 **Davangere** - KFin Technologies Ltd.,D.No 162/6 , 1st Floor, 3rd Main,P J Extension,Davangere taluk, Davangere Manda,Davangere 577002 **Dharwad** - KFin Technologies Ltd.,ADINATH COMPLEX,BESIDE KAMAL AUTOMOBILES, BHOovi GALLI,OPP OLD LAXMI TALKIES, P B ROAD,Dharwad 580001 **Gulbarga** - KFin Technologies Ltd.,H NO 2-231,KRISHNA COMPLEX, 2ND FLOOR Opp.,Opp. Municipal corporation Office,Jagat, Station Main Road, KALABURAGI,Gulbarga 585105 **Hassan** - KFin Technologies Ltd.,SAS NO: 490, HEMADRI ARCADE,2ND MAIN ROAD,SALGAME ROAD NEAR BRAHMINS BOYS HOSTEL,Hassan 573201 **Hubli** - KFin Technologies Ltd.,R R MAHALAXMI MANSION,ABOVE INDUSIND BANK, 2ND FLOOR,DESAI CROSS, PINTO ROAD,Hubballi 580029 **Mangalore** - KFin Technologies Limited, Shop no – 305, Marian Paradise Plaza, 3rd Floor, Bunts Hostel Road, Mangalore - 575003 **Margao** - KFin Technologies Ltd., Shop No. 21, Osia Mall, 1 Floor, Near KTC Bus Stand, SGDPA Market Complex, Margao -403601. Tele No. : 0832-2731823 **Mysore** - KFin Technologies Ltd., NO 2924, 2ND FLOOR, 1ST MAIN, 5TH CROSS, SARASWATHI PURAM, MYSORE 570009 **Panjim** - KFin Technologies Ltd.,H. No: T-9, T-10, Affran plaza,3rd Floor,Near Don Bosco High School, Panjim 403001 **Shimoga** - KFin Technologies Ltd.,JAYARAMA NILAYA,2ND CORSS,MISSION COMPOUND, Shimoga 577201 **Ahmedabad** - KFin Technologies Ltd.,Office No. 401, on 4th Floor,ABC-I, Off. C.G. Road,-,Ahmedabad 380009 **Anand** - KFin Technologies Ltd.,B-42 Vaibhav Commercial Center,Nr Tvs Down Town Show Room ,Grid Char Rasta ,Anand 380001 **Baroda** - KFIN Technologies Pvt Limited, 1st Floor 125 Kanha Capital, Opp. Express Hotel, R C Dutt Road, Alkapuri Vadodara – 390007 **Bharuch** - KFin Technologies Ltd.,123 Nexus business Hub, Near Gangotri Hotel, B/s Rajeshwari Petroleum, Makampur Road, Bharuch 392001 **Bhavnagar** - KFin Technologies Ltd.,303 STERLING POINT ,WAGHAWADI ROAD ,-,Bhavnagar 364001 **Gandhidham** - KFin Technologies Ltd.,Shop # 12 Shree Ambica Arcade Plot # 300,Ward 12. Opp. CG High School ,Near HDFC Bank,Gandhidham 370201 **Gandhinagar** - KFin Technologies Ltd.,123 First Floor,Megh Malhar Complex,Opp. Vijay Petrol Pump Sector - 11, Gandhinagar 382011 **Jamnagar** - KFin Technologies Ltd.,131 Madhav Piazza, ,Opp Sbi Bank,Nr Lal Bungalow, Jamnagar 361008 **Junagadh** - KFin Technologies Ltd. Shop, No. 201, 2nd Floor, V-ARCADE, Complex, Near Vanzari Chowk, M.G. Road, Junagadh,362001 **Mehsana** - KFin Technologies Ltd.,FF-21 Someshwar Shopping Mall ,Modhera Char Rasta ,-,Mehsana 384002 **Nadiad** - KFin Technologies Ltd.,311-3rd Floor City Center ,Near Paras Circle,-,Nadiad 387001 **Navsari** - KFin Technologies Ltd.,103 1ST FLOORE LANDMARK MALL,NEAR SAYAJI LIBRARY ,Navsari Gujarat, Navsari 396445 **Rajkot** - KFin Technologies Ltd.,302 Metro Plaza ,Near Moti Tanki Chowk,Rajkot, Rajkot Gujarat 360001 **Surat** - KFin Technologies Ltd.,Office no: -516 5th Floor Empire State building ,Near Udhna Darwaja, Ring Road, Surat 395002 **Valsad** - KFin Technologies Ltd.,406 Dreamland Arcade,Opp Jade Blue,Tithal Road, Valsad 396001 **Vapi** - KFin Technologies Ltd.,A-8 FIRST FLOOR SOLITAIRE BUSINESS CENTRE,OPP DCB BANK GIDC CHAR RASTA,SILVASSA ROAD, Vapi 396191 **Chennai** - KFin Technologies Private Limited, 9th Floor, Capital Towers, 180, Kodambakkam High Road, Nungambakkam | Chennai – 600034 **Alleppy** - KFin Technologies Ltd.,1st Floor Jp Towers,Mullackal,Ksrtc Bus Stand,Alleppy 688011 **Alleppy** - KFin Technologies Ltd.,1st Floor Jp Towers,Mullackal,Ksrtc Bus Stand,Alleppy 688011 **Calicut** - KFin Technologies Ltd.,Second Floor,Manimuriyil Centre, Bank Road,,Kasaba Village,Calicut 673001 **Kochi** - KFIN Technologies Limited Door No:61/2784 Second floor Sreelakshmi Tower Chittoor Road, Ravipuram Ernakulam-Kerala-682015 Tel No- 0484-4025059 **Kannur** - KFin Technologies Ltd.,2ND FLOOR,GLOBAL VILLAGE,BANK ROAD,Kannur 670001 **Kollam** - KFin Technologies Ltd.,GROUND FLOOR NARAYANAN SHOPPING COMPLEX,KAUSTHUBHSREE BLOCK,Kadapakada,Kollam 691008 **Kottayam** - KFin Technologies Ltd.,1St Floor Csiascension Square,Railway Station Road,Collectorate P

O,Kottayam 686002 **Malappuram** - KFin Technologies Ltd.,2nd Floor,Peekays Arcade,Down Hill,Malappuram 676505 **Palghat** - KFin Technologies Ltd.,No: 20 & 21 ,Metro Complex H.P.O.Road Palakkad,H.P.O.Road,Palakkad 678001 **Tiruvalla** - KFin Technologies Ltd.,2Nd Floor Erinjery Complex,Ramanchira,Opp Axis Bank,Thiruvalla 689107 **Trichur/Thrissur** - KFin Technologies Ltd.,4TH FLOOR, CROWN TOWER,SHAKTHAN NAGAR,OPP. HEAD POST OFFICE,Thrissur 680001 **Trivandrum** - KFin Technologies Ltd.,MARVEL TOWER, 1ST FLOOR,URA-42 STATUE,(UPPALAM ROAD RESIDENCE ASSOCIATION) ,Trivandrum 695010 **Coimbatore** - KFin Technologies Ltd.,3rd Floor Jaya Enclave,1057 Avinashi Road,-,Coimbatore 641018 **Dindigul** - KFin Technologies Ltd.,NO 59B New Pensioner street,Palani Road,,Opp Gomathi Lodge,Dindigul 624001 **Erode** - KFin Technologies Ltd.,Address No 38/1 Ground Floor,Sathy Road,(VCTV Main Road),Sorna Krishna Complex,Erode 638003 **Karur** - KFin Technologies Ltd.,No 88/11, BB plaza,NRMP street,K S Mess Back side,Karur 639002 **Madurai** - KFin Technologies Ltd.,No. G-16/17,AR Plaza, 1st floor,North Veli Street,Madurai 625001 **Nagercoil** - KFin Technologies Ltd.,HNO 45 ,1st Floor,East Car Street ,Nagercoil 629001 **Pollachi** - KFin Technologies Ltd.,1st floor,MKG complex,Opp to Gowri Shankar Hotel,-,Pollachi 642001 **Pondicherry** - KFin Technologies Ltd.,No 122(10b),Muthumariamman koil street,-,Pondicherry 605001 **Salem** -KFin Technologies Ltd., No.6 NS Complex, Omalur main road, Salem 636009 **Thanjavur** - KFin Technologies Ltd.,No 1, Basement,Nallaiyah Complex,Srinivasam pillai road,Thanjavur 613001 **Tirunelveli** - KFin Technologies Ltd.,55/18 Jeney Building, 2<sup>nd</sup> Floor, S N Road,Near Aravind Eye Hospital,Tirunelveli 627001 **Tirupur** - KFin Technologies Ltd.,No 669A,Kamaraj Road,,Near old collector office,,Tirupur 641604 **Trichy** - KFin Technologies Ltd.,No 23C/1 E V R road, Near Vekkaliamman Kalyana Mandapam,Putthur,-,Trichy 620017 **Tuticorin** - KFin Technologies Ltd.,4 - B A34 - A37,Mangalmal Mani Nagar,Opp. Rajaji Park Palayamkottai Road,Tuticorin 628003 **Vellore** - KFin Technologies Ltd.,No 2/19,1st floor,Vellore city centre,Anna salai,Vellore 632001 **Agartala** - KFin Technologies Ltd.,OLS RMS CHOWMUHANI,MANTRI BARI ROAD1ST FLOOR NEAR TRAFFIC POINT,TRIPURA WEST,Agartala 799001 **Guwahati** - KFin Technologies Ltd., Ganapati Enclave, 4th Floor, Opposite Bora Service, Ullubari, Guwahati, Assam - 781007. **Shillong** - KFin Technologies Ltd.,Annex Mani Bhawan ,Lower Thana Road ,Near R K M Lp School ,Shillong 793001 **Silchar** - KFin Technologies Ltd.,N.N. Dutta Road,Chowchakra Complex,Premtala,Silchar 788001 **Ananthapur** - KFin Technologies Ltd.,Plot No: 12-313,,Balaji Towers, Suryanagar,Ananthapur Village,Anantapur 515001 **Eluru** - KFin Technologies Ltd.,DNO-23A-7-72/73K K S PLAZA MUNUKUTLA VARI STREET,OPP ANDHRA HOSPITALS,R R PETA,Eluru 534002 **Guntur** - KFin Technologies Ltd.,2nd Shatter, 1st Floor,Hno. 6-14-48, 14/2 Lane,,Arundal Pet,Guntur 522002 **Hyderabad** - KFin Technologies Ltd.,No:303, Vamsee Estates,Opp: Bigbazaar,Ameerpet,Hyderabad 500016 **Karimnagar** - KFin Technologies Ltd.,2nd ShutterHNo. 7-2-607 Sri Matha ,Complex Mankammathota -,Karimnagar 505001 **Kurnool** - KFin Technologies Ltd.,Shop No:47,2nd Floor,S komda Shopping mall,Kurnool 518001 **Nanded** - KFin Technologies Ltd.,Shop No.4 ,Santakripa Market G G Road,Opp.Bank Of India,Nanded 431601 **Nellore** - KFin Technologies Ltd.,D No:16-5-66 Ramarao Complex, No:2 Shop No:305,3rd Floor ,Nagula Mitta Rodad,Opp Bank of baroda,Nellore 524001 **Rajahmundry** - KFin Technologies Ltd., No. 46-23-10/A, Tirumala Arcade, 2nd Floor, Ganuga Veedhi, Danavaipeta, Rajahmundry East, Godavari Dist., AP - 533103. **Solapur** - KFin Technologies Ltd.,Block No 06,Vaman Nagar Opp D-Mart,Jule Solapur,Solapur 413004 **Tirupathi** - KFin Technologies Ltd., Shop No:18-1-421/f1, CITY Center, K.T. Road, Airtel Backside office. Tirupathi - 517501 **Vijayanagaram** - KFin Technologies Ltd.,D No : 20-20-29, 1st Floor,Surya Nagar, Kalavapuvvu Meda,Near Ayodhya Stadium, Dharmapuri Road,Vizianagaram 535002 **Vijayawada** - KFin Technologies Ltd.,HNo26-23, 1<sup>st</sup> Floor, Sundarammastreet, GandhiNagar, Krishna,Vijayawada 520010 **Visakhapatnam** - KFin Technologies Ltd.,DNO : 48-10-40, GROUND FLOOR, SURYA RATNA ARCADE, SRINAGAR, OPP ROADTO LALITHA JEWELLER SHOWROOM,BESIDE TAJ HOTEL LADGE,Visakhapatnam 530016 **Warangal** - KFin Technologies Ltd.,Shop No22 , ,Ground Floor Warangal City Center,15-1-237,Mulugu Road Junction,Warangal 506002 **Khammam** - KFin Technologies Ltd.,11-4-3/3 Shop No. S-9,1st floor,Srivenkata Sairam Arcade,Old CPI Office Near PriyaDarshini CollegeNehru Nagar ,KHAMMAM 507002 **Hyderabad(Gachibowli)** - KFinTech Pvt.Ltd,Selenium Plot No: 31 & 32,Tower B Survey No.115/22 115/24 115/25,Financial District Gachibowli Nanakramguda Serilingampally Mandal,Hyderabad,500032 **Akola** KFin Technologies Limited Shop No 25, Ground Floor Yamuna Tarang Complex, Murtizapur Road N.H. No- 6, Opp Radhakrishna Talkies Akola 444001, Maharashtra

Tel No- 07542451874 **Amaravathi** - KFin Technologies Ltd.,Shop No. 21 2nd Floor,Gulshan Tower,Near Panchsheel Talkies Jaistambh Square,Amaravathi 444601 **Aurangabad** - KFin Technologies Ltd.,Shop no B 38,Motiwala Trade Center,Nirala Bazar,Aurangabad 431001 **Bhopal** - KFin Technologies Ltd.,Gurukripa Plaza, Plot No. 48A,Opposite City Hospital, zone-2,M P nagar,Bhopal 462011 **Dhule** - KFin Technologies Ltd.,Ground Floor Ideal Laundry Lane No 4,Khol Galli Near Muthoot Finance,Opp Bhavasar General Store,Dhule 424001 **Indore** - KFin Technologies Ltd.,101,Diamond Trade centre,-,Indore 452001 **Jabalpur** - KFin Technologies Ltd., 2nd Floor, 290/1 (615-New), Near Bhavartal Garden, Jabalpur - 482001. **Jalgaon** - KFin Technologies Ltd.,3rd floor,22 Yashodhah, Ring Road,Jalgaon 425001 **Nagpur** - KFin Technologies Ltd.,Plot No. 2, Block No. B / 1 & 2 , Shree Apratment,Khare Town, Mata Mandir Road,Dharampeth,Nagpur 440010 **Nasik** - KFin Technologies Ltd.,S-9 Second Floor,Suyojit Sankul,Sharanpur Road,Nasik 422002 **Ratlam** - KFin Technologies Ltd.,1 Nagpal Bhawan Free Ganj Road ,Do Batti ,Near Nokia Care ,Ratlam 457001 **Sagar** - KFin Technologies Ltd.,Il floor Above shiva kanch mandir.,5 civil lines,Sagar,Sagar 470002 **Ujjain** - KFin Technologies Ltd.,Heritage Shop No. 227,87 Vishvavidhyalaya Marg,Station Road,Near ICICI bank Above Vishal Megha Mart,Ujjain 456001 **Asansol** - KFin Technologies Ltd.,112/N G. T. ROAD BHANGA PACHIL,G.T Road Asansol Pin: 713 303; ,Paschim Bardhaman West Bengal,Asansol 713303 **Balasore** - KFin Technologies Ltd.,1-B. 1st Floor, Kalinga Hotel Lane,Baleshwar,Baleshwar Sadar,Balasore 756001 **Bankura** - KFin Technologies Ltd.,Plot nos- 80/1/ANATUNCHATI MAHALLA 3rd floor,Ward no-24 Opposite P.C Chandra,Bankura town,Bankura 722101 **Berhampur (Or)** - KFin Technologies Ltd., Opp Divya Nandan Kalyan Mandap,3rd Lane Dharam Nagar,Near Lohiya Motor,Berhampur (Or) 760001 **Bhilai** - KFin Technologies Ltd.,Office No.2, 1st Floor,Plot No. 9/6,Nehru Nagar [East],Bhilai 490020 **Bhubaneswar** - KFin Technologies Ltd.,A/181 Back Side Of Shivam Honda Show Room,Saheed Nagar,-,Bhubaneswar 751007 **Bilaspur** - KFin Technologies Ltd.,Shop.No.306,3rd Floor,ANANDAM PLAZA,Vyapar Vihar Main Road,Bilaspur 495001 **Bokaro** - KFin Technologies Ltd.,CITY CENTRE, PLOT NO. HE-07,SECTOR-IV,BOKARO STEEL CITY,Bokaro 827004 **Burdwan** - KFin Technologies Ltd.,Anima Bhavan 1st Floor Holding No.-42,Sreepally G. T. Road,West Bengal,Burdwan 713103 **Chinsura** - KFin Technologies Ltd.,No : 96,PO: CHINSURAH,DOCTORS LANE,Chinsurah 712101 **Cuttack** - KFin Technologies Ltd.,SHOP NO-45,2ND FLOOR,,NETAJI SUBAS BOSE ARCADE,,(BIG BAZAR BUILDING) ADJUSENT TO RELIANCE TRENDS,,DARGHA BAZAR,Cuttack 753001 **Dhanbad** - KFin Technologies Ltd.,208 New Market 2Nd Floor,Bank More,-,Dhanbad 826001 **Durgapur** - KFin Technologies Ltd.,MWAV-16 BENGAL AMBUJA,2ND FLOOR CITY CENTRE,Distt. BURDWAN Durgapur-16 ,Durgapur 713216 **Gaya** - KFin Technologies Ltd.,Property No. 711045129, Ground FloorHotel Skylark,Swaraipuri Road,-,Gaya 823001 **Jalpaiguri** - KFin Technologies Ltd.,D B C Road Opp Nirala Hotel,Opp Nirala Hotel,Opp Nirala Hotel,Jalpaiguri 735101 **Jamshedpur** - KFin Technologies Ltd.,Madhukunj, 3rd Floor ,Q Road, Sakchi,Bistupur, East Singhbhum,Jamshedpur 831001 **Kharagpur** - KFin Technologies Ltd.,Holding No 254/220, SBI BUILDING,Malancha Road, Ward No.16, PO: Kharagpur, PS: Kharagpur,Dist: Paschim Medinipur,Kharagpur 721304 **Kolkata** - KFin Technologies Ltd.,Apeejay House ( Beside Park Hotel ),C Block3rd Floor,15 Park Street ,Kolkata 700016 **Malda** - KFin Technologies Ltd.,RAM KRISHNA PALLY; GROUND FLOOR,ENGLISH BAZAR,-,Malda 732101 **Patna** - KFin Technologies Ltd.,3A 3Rd Floor Anand Tower,Exhibition Road,Opp Ici Bank,Patna 800001 **Raipur** - KFin Technologies Ltd.,OFFICE NO S-13 SECOND FLOOR REHEJA TOWER,FAFADIH CHOWK,JAIL ROAD,Raipur 492001 **Ranchi** - KFin Technologies Limited Room no 103, 1st Floor, Commerce Tower, Beside Mahabir Tower, Main Road, Ranchi – 834001.**Rourkela** - KFin Technologies Ltd.,2nd Floor, Main Road,UDIT NAGAR,SUNDARGARH,Rourekla 769012 **Sambalpur** - KFin Technologies Ltd.,First Floor; Shop No. 219,SAHEJ PLAZA,Golebazar; Sambalpur,Sambalpur 768001 **Siliguri** - KFin Technologies Ltd.,Nanak Complex, 2nd Floor,Sevoke Road,-,Siliguri 734001 **Dalhousie** - KFin Technologies Ltd.,2Nd Floor Room no-226,R N Mukherjee Road,,Kolkata,700 001 **Agra** - KFin Technologies Ltd.,House No. 17/2/4, 2nd Floor,Deepak Wasan Plaza,Behind Hotel Holiday INN,Sanjay Place,Agra 282002 **Aligarh** - KFin Technologies Ltd.,Sebti Complex Centre Point,Sebti Complex Centre Point,-,Aligarh 202001 **Allahabad** - KFin Technologies Ltd.,Meena Bazar,2nd Floor 10 S.P. Marg Civil Lines,Subhash Chauraha, Prayagraj,Allahabad 211001 **Ambala** - KFin Technologies Ltd.,6349, 2nd Floor,Nicholson Road,Adjacent Kos Hospitalambala Cant,Ambala 133001 **Azamgarh** - KFin Technologies Ltd Shop no. 18 Gr. Floor, Nagarpalika, Infront of Tresery office, Azamgarh, UP-276001. **Bareilly** - KFin

Technologies Ltd.,1ST FLOORREAR SIDEA -SQUARE BUILDING,54-CIVIL LINES,Ayub Khan Chauraha,Bareilly 243001 **Begusarai** - KFin Technologies Limited, Sri Ram Market, Kali Asthan Chowk, Matihani Road, Begusarai, Bihar - 851101 **Bhagalpur** - KFin Technologies Ltd.,2Nd Floor,Chandralok ComplexGhantaghar,Radha Rani Sinha Road,Bhagalpur 812001 **Darbhanga** - KFin Technologies Limited, "H No-185, Ward No-13, National Statistical office Campus, Kathalbari, Bhandar Chowk, Darbhanga, Bihar – 846004 **Dehradun** – KFin Technologies Ltd., Shop No-809/799, Street No-2 A, Rajendra Nagar, Near Sheesha, Lounge Kaulagarh Road, Dehradun-248001 **Deoria** - KFin Technologies Ltd.,K. K. Plaza,Above Apurwa Sweets,Civil Lines Road,Deoria 274001 **Faridabad** - KFin Technologies Ltd.,A-2B 2nd Floor,Neelam Bata Road Peer ki Mazar,Nehru Groundnit,Faridabad 121001 **Ghaziabad** - KFin Technologies Ltd.,FF - 31, Konark Building,Rajnagar,-,Ghaziabad 201001 **Ghazipur** - KFin Technologies Ltd.,House No. 148/19,Mahua Bagh,-,Ghazipur 233001 **Gonda** - KFin Technologies Ltd.,H No 782,Shiv Sadan,ITI Road,Near Raghukul Vidyapeeth,Civil lines,Gonda 271001 **Gorakhpur** - KFin Technologies Ltd.,Above V.I.P. House adjacent,A.D. Girls College,Bank Road,Gorakpur 273001 **Gurgaon** - KFin Technologies Ltd.,No: 212A, 2nd Floor, Vipul Agora,M. G. Road,-,Gurgaon 122001 **Gwalior** - KFin Technologies Ltd.,City Centre,Near Axis Bank,-,Gwalior 474011 **Haldwani** - KFin Technologies Ltd.,Shoop No 5,KMVN Shoping Complex,-,Haldwani 263139 **Haridwar** - KFin Technologies Ltd.,Shop No. - 17,Bhatia Complex,Near Jamuna Palace,Haridwar 249410 **Hissar** - KFin Technologies Ltd.,Shop No. 20, Ground Floor,R D City Centre,Railway Road,Hissar 125001 **Jaunpur** - KFin Technologies Ltd.,R N Complex 1-1-9-G,R. N. Complex, Opposite Pathak Honda,Above Oriental Bank of Commerce,Jaunpur 222002 **Jhansi** - KFin Technologies Ltd.,1st Floor, Puja Tower,Near 48 Chambers,ELITE Crossing,Jhansi 284001 **Kanpur** - KFin Technologies Ltd.,15/46 B Ground Floor,Opp : Muir Mills,Civil Lines,Kanpur 208001 **Korba** - KFin Technologies Ltd.,Nidhi Biz Complex,Plot No 5, Near Patidar Bhawan,T. P. Nagar,Korba 495677 **Lucknow** - KFin Technologies Ltd.,1st Floor,A. A. Complex,5 Park Road Hazratganj Thaper House,Lucknow 226001 **Mandi** - "KFin Technologies Ltd., House No. 99/11, 3rd Floor,Opposite GSS Boy School,School Bazar,Mandi 175001" **Mathura** - KFin Technologies Ltd.,Shop No. 9, Ground Floor, Vihari Lal Plaza,Opposite Brijwasi Centrum,Near New Bus Stand,Mathura 281001 **Meerut** - KFin Technologies Ltd., Shop No:- 111, First Floor, Shivam Plaza, Near Canara Bank, Opposite Eves Petrol, Pump, Meerut - 250001, Uttar Pradesh, India **Mirzapur** - KFin Technologies Ltd.,House No. 404,Ward No. 8,Dankeenganj, Mirzapur,Mirzapur 231001 **Moradabad** - KFin Technologies Ltd.,Chadha Complex,G. M. D. Road,Near Tadi Khana Chowk,Moradabad 244001 **Morena** - KFin Technologies Ltd.,House No. HIG 959,Near Court,Front of Dr. Lal Lab,Old Housing Board Colony,Morena 476001 **Muzaffarpur** - KFin Technologies Ltd.,First Floor Saroj Complex ,Diwam Road,Near Kalyani Chowk,Muzaffarpur 842001 **Noida** - KFin Technologies Ltd.,F-21,2nd Floor,Near Kalyan Jewelers,Sector-18,Noida 201301 **Panipat** – KFin Technologies Ltd., Shop No. 20, 1st Floor BMK Market, Behind HIVE Hotel, G.T. Road, Panipat-132103, Haryana **Renukoot** - KFin Technologies Ltd.,C/o Mallick Medical Store,Bangali Katra Main Road,Dist. Sonbhadra (U.P.),Renukoot 231217 **Rewa** - KFin Technologies Ltd.,Shop No. 2, Shree Sai Anmol Complex,Ground Floor,Opp Teerth Memorial Hospital,Rewa 486001 **Rohtak** – KFin Technologies Limited, Office No:- 61, First Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 **Roorkee** - KFin Technologies Ltd, Near Shri Dwarkadhish Dharm Shala, Ramnagar, Roorkee 247667 **Saharanpur** - KFin Technologies Ltd.,18 Mission Market,Court Road,-,Saharanpur 247001 **Satna** - KFin Technologies Ltd.,Jainam Market,Purana Power House Chauraha,Panni Lal Chowk,Satna 485001 **Shimla** - KFin Technologies Ltd.,1st Floor,Hills View Complex,Near Tara Hall,Shimla 171001 **Shivpuri** - KFin Technologies Ltd.,A. B. Road,In Front of Sawarkar Park,Near Hotel Vanasthali,Shivpuri 473551 **Sitapur** - KFin Technologies Ltd.,12/12 Surya Complex,Station Road ,Uttar Pradesh,Sitapur 261001 **Solan** - KFin Technologies Ltd.,Disha Complex, 1St Floor,Above Axis Bank,Rajgarh Road,Solan 173212 **Sonepat** - KFin Technologies Ltd.,2nd floor,DP Tower, Model Town,Near Subhash Chowk,Sonepat 131001 **Sultanpur** - KFin Technologies Ltd.,1st Floor, Ramashanker Market,Civil Line,-,Sultanpur 228001 **Varanasi** - KFin Technologies Ltd, D.64 / 52, G – 4 Arihant Complex , Second Floor ,Madhopur, Shivpurva Sagra ,Near Petrol Pump Varanasi -221010 Uttar Pradesh. **Yamuna Nagar** - KFin Technologies Ltd.,B-V, 185/A, 2nd Floor, Jagadri Road,,Near DAV Girls College, (UCO Bank Building) Pyara Chowk,-,Yamuna Nagar 135001 **Kolhapur** - KFin Technologies Ltd.,605/1/4 E Ward Shahupuri 2Nd Lane,Laxmi Niwas,Near Sultane Chambers,Kolhapur 416001 **Mumbai Fort Branch** - KFin

Technologies Ltd., 6/8 Ground Floor, Crossely House, Near BSE (Bombay Stock Exchange), Next Union Bank, Fort, Mumbai - 400 001 **Pune** - KFin Technologies Ltd.,Office # 207-210, second floor,Kamla Arcade, JM Road. Opposite Balgandharva,Shivaji Nagar,Pune 411005 **Vashi** - KFin Technologies Ltd.,Vashi Plaza,Shop no. 324,C Wing, 1ST Floor,Sector 17,Vashi Mumbai,400705 **Vile Parle** - KFin Technologies Ltd.,Shop No.1 Ground Floor,,Dipti Jyothi Co-operative Housing Society,,Near MTNL office P M Road,,Vile Parle East,400057 **Borivali** - KFin Technologies Ltd.,Gomati SmutiGround Floor,Jambli Gully,Near Railway Station ,Borivali Mumbai,400 092 **Thane** - KFin Technologies Ltd.,Room No. 302 3rd FloorGanga Prasad,Near RBL Bank Ltd,Ram Maruti Cross RoadNaupada Thane West ,Mumbai,400602 **Ajmer** - KFin Technologies Ltd.,302 3rd Floor,Ajmer Auto Building,Opposite City Power House,Jaipur Road; Ajmer 305001 **Alwar** - KFin Technologies Ltd.,Office Number 137, First Floor,Jaipur Complex,Road No-2,Alwar 301001 **Amritsar** - KFin Technologies Ltd.,SCO 5 ,2nd Floor, District Shopping Complex,Ranjit Avenue,Amritsar 143001 **Bhatinda** - KFin Technologies Ltd.,MCB -Z-3-01043, 2 floor, GONIANA ROAD,OPPORITE NIPPON INDIA MF GT ROAD,NEAR HANUMAN CHOWK,Bhatinda 151001 **Bhilwara** - KFin Technologies Ltd.,Office No. 14 B, Prem Bhawan,Pur Road, Gandhi Nagar,Near CanaraBank,Bhilwara 311001 **Bikaner** - KFin Technologies Ltd., H.No. 10, Himtasar House, Museum circle, Civil line, Bikaner, Rajasthan – 334001. **Chandigarh** - KFin Technologies Ltd.,First floor, SCO 2469-70,Sec. 22-C,-,Chandigarh 160022**Ferozpur** - KFin Technologies Ltd.,The Mall Road Chawla Bulding Ist Floor,Opp. Centrail Jail,Near Hanuman Mandir,Ferozepur 152002 **Hoshiarpur** - KFin Technologies Ltd.,Unit # SF-6,The Mall Complex,2nd Floor , Opposite Kapila Hospital,Sutheri Road,Hoshiarpur 146001 **Jaipur** - KFin Technologies Ltd.,Office no 101, 1st Floor,Okay Plus Tower, Next to Kalyan Jewellers, Government Hostel Circle, Ajmer Road,Jaipur 302001 **Jalandhar** - KFin Technologies Ltd.,Office No 7, 3rd Floor, City Square building,E-H197 Civil Line,Next to Kalyan Jewellers, Jalandhar 144001 **Jammu** - KFin Technologies Ltd.,304, A-1, 03rd Floor ,North Block, Bahu Plaza, Jammu -180004. **Jodhpur** - KFin Technologies Ltd.,Shop No. 6, GANG TOWER, G Floor,OPPOSITE ARORA MOTER SERVICE CENTRE,NEAR BOMBAY MOTER CIRCLE,Jodhpur 342003 **Karnal** – KFin Technologies Ltd, 3 Randhir Colony, Near Doctor J.C.Bathla Hospital, Karnal, Haryana – 132 001 **Kota** - KFin Technologies Ltd.,D-8, SHRI RAM COMPLEX,OPPOSITE MULTI PURPOSE SCHOOL,GUMANPUR,Kota 324007 **Ludhiana** - KFin Technologies Ltd.,SCO 122, Second floor, Above Hdfc Mutual fun, Feroze Gandhi Market,Ludhiana 141001 **Moga** - KFin Technologies Ltd.,1St FloorDutt Road,Mandir Wali Gali,Civil Lines Barat Ghar ,Moga 142001 **New Delhi** - KFin Technologies Ltd.,305 New Delhi House ,27 Barakhamba Road ,-,New Delhi 110001 **Pathankot** - KFin Technologies Ltd.,2nd Floor Sahni Arcade Complex,Adj.Indra colony Gate Railway Road,Pathankot,Pathankot 145001 **Patiala** - KFin Technologies Ltd.,B- 17/423,Lower Mall Patiala,Opp Modi College,Patiala 147001 **Sikar** - KFin Technologies Ltd.,First FloorSuper Tower ,Behind Ram Mandir Near Taparya Bagichi ,-,Sikar 332001**Sri Ganganagar** - KFin Technologies Ltd.,Address Shop No. 5, Opposite Bihani Petrol Pump,NH - 15,near Baba Ramdev Mandir,Sri Ganganagar 335001 **Udaipur** - KFin Technologies Ltd.,Shop No. 202, 2nd Floor business centre,1C Madhuvan,Opp G P O Chetak Circle ,Udaipur 313001

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund) Axis House, 1st Floor, C-2 Wadia International, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund) Axis House, 1st Floor, C-2 Wadia International, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Kfin Technologies Ltd., Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 is the collection centre of transactions / request for electronic transactions received from specified banks, financial institutions, distribution channel etc. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/ sale/switch of units.

Website of the AMC ([www.axismf.com](http://www.axismf.com)) / Mobile Application/ Whatsapp facility / various digital platforms /apps or virtual channels etc. made available by Axis Mutual Fund shall be treated as an Official Point of Acceptance.

In addition to the existing Official Points of Acceptance ("OPA") for accepting transactions in the units of the schemes of the Axis Mutual Fund as disclosed in the SID, <http://www.mfuindia.com/MFUPOS> i.e. online transaction portal of MFU and the authorized Points of Service ("POS") designated by MUI shall also be the OPA.

TEL 022 4325 5100 FAX 022 4325 5199 TOLL FREE 1800 221322 and additional contact number 8108622211 (Chargeable) EMAIL [customerservice@axismf.com](mailto:customerservice@axismf.com) WEB [www.axismf.com](http://www.axismf.com)

**Statutory Details:** Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to Rs. 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC) **Risk Factors:** Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme.

**Mutual Fund Investments are subject to market risks, read all scheme related documents carefully**

## Corrigendum

Investors are requested to take note of the revised information with respect to data / information updated in the Scheme Information Document (SID) of Axis Retirement Savings Fund dated October 31, 2023 given below:

### 1. HIGHLIGHTS / SUMMARY OF THE SCHEME & Minimum amount for purchase/redemption/switches

#### Axis Retirement Savings Fund - Aggressive Plan, Conservative Plan & Dynamic Plan

Sr. No.	Particulars	Page No.	Published as	To be read as
1.	Minimum Application Amount /in Multiples of Re. 1/- thereafter	6, 99	100/1	5,000/1
2.	Minimum Additional Purchase Amount / in Multiples of Re. 1/- thereafter	6, 99	100/1	1000/1

### 2. Axis Retirement Savings Fund - Conservative Plan

Top 10 holdings by Issuer to be read as (as on September 30, 2023) (Page no. 85)

#### Equity Instruments:

Axis Retirement Savings Fund - Conservative Plan	% of Net Asset
Maruti Suzuki India Limited	4.47%
Tata Consultancy Services Limited	3.72%
Bajaj Auto Limited	3.36%
Reliance Industries Limited	3.09%
Asian Paints Limited	3.02%
Nestle India Limited	2.96%
Infosys Limited	2.42%
Tech Mahindra Limited	2.33%
Apollo Hospitals Enterprise Limited	2.03%
Sun Pharmaceutical Industries Limited	1.98%

#### Debt Instruments:

Issuer Name	% of Net Asset
Government of India	27.73%
Bank of Baroda	9.84%
REC Limited	9.01%
Power Finance Corporation Limited	5.55%

The relevant sections of SID shall stand modified in accordance with the above changes. All other terms and conditions of the said SID of the Fund will remain unchanged.

**Statutory Details:** Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to Rs. 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC). **Risk Factors:** The sponsor is not liable or responsible for any loss or shortfall resulting from the operation of the schemes.

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**