
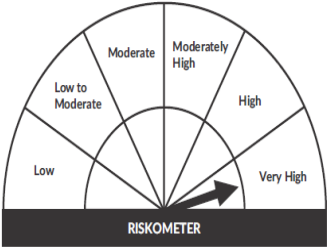


SCHEME INFORMATION DOCUMENT

AXIS SILVER ETF

An open ended scheme replicating/tracking domestic price of Silver.

Continuous Offer of Units in Creation Unit Size at NAV based prices

<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> Capital appreciation over medium to long term. Investment in Silver is in order to generate returns replicating the performance of physical silver in domestic prices, subject to tracking error. 	<p style="text-align: center;">Product Riskometer</p>  <p style="text-align: center; font-size: small;">Investors understand that their principal will be at very high risk</p>	<p style="text-align: center;">Benchmark</p>  <p style="text-align: center; font-size: small;">Domestic Price of Physical Silver (based on LBMA Silver daily spot AM fixing price)</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 Limited
Name of Trustee Company	: Axis Mutual Fund Trustee Ltd.
Addresses, Website of the entities	: Axis House, 1 st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 www.axismf.com
Name of Sponsor	: Axis Bank Limited

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, investor 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 investor 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.

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 onto www.axismf.com.

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.

Please refer to the NSE disclaimer overleaf.

DISCLAIMER

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange India Ltd. (hereinafter referred to as NSE). NSE has given vide its letter – NSE/ List /5395 dated December 27, 2021 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund's Units are listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund's Units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any Units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

TABLE OF CONTENTS

HIGHLIGHTS/SUMMARY OF THE SCHEME	4
I. INTRODUCTION	6
A. RISK FACTORS	6
B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME	11
C. SPECIAL CONSIDERATIONS, if any	11
D. DEFINITIONS	12
E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY	17
II. INFORMATION ABOUT THE SCHEME	18
A. TYPE OF SCHEME	18
B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?	18
C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?	18
D. WHERE WILL THE SCHEME INVEST?	31
E. WHAT ARE THE INVESTMENT STRATEGIES?	32
F. HOW DOES AXIS SILVER ETF WORK?	34
G. FUNDAMENTAL ATTRIBUTES	39
H. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?	40
I. WHO MANAGES THE SCHEME?	40
J. WHAT ARE THE INVESTMENT RESTRICTIONS?	41
K. CREATION OF SEGREGATED PORTFOLIO	43
L. HOW HAS THE SCHEME PERFORMED?	47
M. INVESTMENTS BY THE AMC	47
N. ADDITIONAL SCHEME RELATED DISCLOSURES	47
III. UNITS AND OFFER	48
A. NEW FUND OFFER (NFO)	48
B. ONGOING OFFER DETAILS	57
C. PERIODIC DISCLOSURES	66
D. COMPUTATION OF NAV	69
IV. FEES AND EXPENSES	71
A. NEW FUND OFFER (NFO) EXPENSES	71
B. ANNUAL SCHEME RECURRING EXPENSES	71
D. LOAD STRUCTURE	73
E. WAIVER OF LOAD FOR DIRECT APPLICATIONS	75
V. RIGHTS OF UNITHOLDERS	76
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	77

HIGHLIGHTS/SUMMARY OF THE SCHEME

Scheme code: AXIS/O/O/OET/22/07/0065

NSE Symbol: AXISILVER

Investment Objective

To generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.

However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.

Liquidity

On the exchange:

The Units of the Scheme is listed on National Stock Exchange of India Ltd. (NSE) and/or any other recognized stock exchanges as may be decided by AMC from time to time. The Units of the scheme may be bought or sold on all trading days at prevailing listed price on such Stock Exchange(s). The AMC 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

Directly with the Mutual Fund:

The Scheme offers units for subscription / redemption directly with the Mutual Fund in Creation Unit Size/ above a specified threshold to Authorized Participants / Market Makers and Large Investors, at NAV based prices on all Business Days during an ongoing offer period.

The AMC shall appoint Authorized Participants (AP) who will provide a two -way quote in the secondary market in order to provide liquidity in the market.

Dematerialization

The units of the Scheme will be available in dematerialized form. Investors intending to invest in units of the Scheme are required to have a beneficiary account with the Depository Participant (DP) (registered with NSDL / CDSL as may be indicated by the Fund at the time of launch) and will be required to indicate in the application form the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP at the time of purchasing units directly from the Fund on an ongoing basis in the Creation Unit Size/ above a specified threshold.

The units of the Scheme will be issued, traded and settled compulsorily in dematerialized form.

Transfer of Units

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 DP 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.

Payment of Redemption Proceeds

Under normal circumstances the AMC shall dispatch the Redemption proceeds (cash) within three (3) working Days from the date of receipt of request from the unit holder. However, only Authorised participants/Market makers and Large Investors can directly subscribe/redeem from the AMC in 'Creation Unit' Size/ above a specified threshold. 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.

Benchmark

Domestic Price of Physical Silver (based on LBMA Silver daily spot AM fixing price).

Transparency/ NAV Disclosure

The AMC will calculate and disclose the NAVs on all the Business Days. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 11.00 p.m. on every 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.

Further, the indicative NAVs of Silver ETFs shall be disclosed on Stock Exchange platforms, where the units of these ETFs are listed, on continuous basis during the trading hours, as per the facility made available by Stock Exchange.

The AMC will disclose the portfolio of the Scheme (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, 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.

Loads

Entry Load: Not Applicable

Para 10.4 of SEBI Mater circular for Mutual Fund dated May 19, 2023 has decided that there shall be no entry load for all Mutual Fund schemes.

Exit Load: Nil

Minimum Application Amount**Subscription / Redemption of Units directly with Mutual Fund:**

Authorised participants/ Large Investors can directly purchase / redeem in Creation Unit Size on any business day.

Large Investors can directly purchase / redeem in Creation Unit Size subject to the value of transaction is above a specified threshold (of 25 Crores) (Not applicable to Employee Provident Fund Organization, India, Recognised Provident Funds, approved Gratuity Funds, approved Superannuation Funds under Income Tax Act 1961 till such time as prescribed by SEBI from time to time) and such other threshold as prescribed by SEBI from time to time.

Purchase / Sale of Units on Stock Exchange:

There is no minimum investment, although Units are purchased /sold in round lots of 1 Unit on stock exchange.

Creation Unit Size:

Each Creation Unit consists of 30,000 units of the ETF (each unit of the ETF will be approximately equal to one gram of Silver) and Cash Component, if any.

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/ Silver 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.
- The name of the Scheme 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.
- The present Scheme is not a guaranteed or assured return Scheme.

ii. Scheme Specific Risk Factors

Passive Investments

The Scheme will be a passively managed scheme by providing exposure to silver and tracking its performance, before expenses. The Scheme performance may be affected by a general value of the price of silver in the domestic market. The Scheme will endeavor to remain fully invested in silver assets regardless of its investment merit.

Risks associated with investment in Silver Exchange Traded Funds

Market Risk

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

A significant portion of the aggregate world Silver holdings is owned by governments, central banks and related institutions. If one or more of these institutions decides to sell in amounts large enough to cause a decline in world Silver prices, the NAV of the Silver ETF will be adversely affected.

Counter party Risk

Axis Silver ETF may have to buy or sell silver from the open market, which may lead to counter party risks for trading and settlement.

Liquidity Risk

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

Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives:

An exchange traded commodity derivative is a derivative instrument that mimics the price movements of an underlying commodity, allowing an investor exposure to the commodity without physical purchase.

- **Liquidity Risk:** While ETCDs that are listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges. The liquidity of the Schemes' investments is inherently restricted by trading volumes of the ETCD contracts in which it invests. Additionally, change in margin requirements or intervention by government agencies to reduce overall volatility in the underlying commodity could lead to adverse impact on the liquidity of the ETCD.
- **Price risk:** ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrages can occur between the price of the physical commodity and the ETCD, due to a variety of reasons such as technical issues and volatile movement in the price of the physical good. This can result in mispricing and improper valuation of investment decisions as it can be difficult to ascertain the amount of the arbitrage.
- **Settlement risk:** ETCDs can be settled either through the exchange or physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement. Wherein the underlying commodity is physically delivered in order to settle the derivative contract, such settlement could get impacted due to various issues, such as logistics, Government policy for trading in such commodities.

Risks associated with handling, storing and safekeeping of Silver

There is a risk that part or all of the Scheme's Silver could be lost, damaged or stolen. Access to it could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the Scheme.

Indirect taxation

For the valuation of Silver by the Scheme, indirect taxes like customs duty, VAT etc. would also be considered. Hence any change in the rates of indirect taxation would affect the valuation of the Silver ETF.

Listing related risks

Liquidity Risk

Trading in units of the scheme on the Exchange may be halted because of market conditions or for reasons that in view of the Exchange authorities or SEBI, trading in units of the scheme is not advisable. In addition, trading in units is subject to trading halts caused by extraordinary market volatility and pursuant to Stock Exchange(s) and SEBI "circuit filter" rules as applicable from time to time. There can be no assurance that the requirements of the exchange/s necessary to maintain the listing of units of the scheme will continue to be met or will remain unchanged.

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

Lack of an active trading market

Although the units are listed and traded on the exchange, there can be no guarantee that an active trading market for the units will be maintained. If you need to sell your Shares at a time when no active market for them exists, the price you receive, assuming that you are able to sell them, likely will be lower than the price you would receive if an active market did exist.

Withdrawal from Participation by Authorized Participants May Affect the Liquidity of Units

If one or more Authorized Participants withdraws from participation, it may become more difficult to create or redeem Creation Units, which may reduce the liquidity of the Units. Such circumstances may be more pronounced in market conditions of increased volatility. If it becomes more difficult to create or redeem Creation Units, the correlation between the price of the Units and the NAV may be affected, which may affect the trading market for the Units.

Regulatory Risk

Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Authorized Participant/ Large Investor to arbitrage resulting into wider premium/ discount to NAV. Any changes in any other regulation relating to import and export of silver or silver jewelry (including customs duty, sales tax and any such other statutory levies) may affect the ability of the scheme to buy/sell silver against the purchase and redemption requests received.

Listing of the units of the fund does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained. Consequently, the Fund may quote below its face value / NAV.

Trading in Units of the Scheme on the Exchange may be halted because of market conditions or for reasons that in view of Exchange Authorities or SEBI, trading in Units of the Scheme is not advisable. In addition, trading in Units of the Scheme is subject to trading halts caused by extraordinary market volatility and pursuant to Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of Exchange necessary to maintain the listing of Units of the Scheme will continue to be met or will remain unchanged. Any changes in trading regulations by the Stock Exchange(s) or SEBI may inter-alia result in wider premium/ discount to NAV. The Units of the Scheme may trade above or below their NAV. The NAV of the Scheme will fluctuate with changes in the market value of Scheme's holdings. The trading prices of Units of the Scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand for the Units of the Scheme. However, the Units of the Scheme can be subscribed / redeemed in Creation Unit size directly with the Fund, which provides efficient arbitrage between the traded prices and the NAV, thereby reducing the incidence of the units of the Scheme being traded at premium/discounts to NAV. However, any changes in the trading regulations by NSE/Stock Exchange/SEBI may affect the ability of the market makers/Authorized Participants to arbitrage resulting into wider premium or discount to NAV. The Units will be issued in demat form through depositories. The records of the depository are final with respect to the number of Units available to the credit of Unit holder. Settlement of trades, repurchase of Units by the Mutual Fund will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control.

The market price of the Units of the Scheme, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the Unit (or NAV), and (2) demand and supply of Units in the market. Sizeable demand or supply of the Units in the Exchange may lead to market price of the Units to quote at premium or discount to NAV.

Redemption Risk

Investors may note that even though this is an open-ended scheme, the Scheme would repurchase/redeem Units in Creation Unit size only. Thus unit holdings less than the Creation Unit size can only be sold through the secondary market on the Stock Exchange where these units are listed, subject to the rules and regulations of the Exchange.

Tracking Error

Tracking error is a measure of the difference in returns from the Scheme and the returns from the index. It is computed as the standard deviation of the difference between the

daily returns of the underlying benchmark and the NAV of the Scheme on an annualized basis.

NAV of the Scheme is dependent on valuation of Silver. Silver has to be valued based on the formula prescribed by SEBI. NAV so computed may vary from the price of Silver in the domestic market.

Tracking error could be the result of a variety of factors including but not limited to:

- Delay in the purchase or sale of Silver due to Illiquidity of Silver, Delay in realisation of sale proceeds, Creating a lot size to buy the required amount of Silver
- The Scheme may buy or sell the Silver at different points of time during the trading session at the then prevailing prices which may not correspond to its closing prices.
 - The potential for trades to fail, which may result in the Scheme not having acquired Silver at a price necessary to track the benchmark price.
 - The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, etc.
- Execution of large buy / sell orders
- Realisation of Unit holders' funds

The Scheme will endeavor to minimise the tracking error by:

- Rebalancing of the portfolio.
- Setting off of incremental subscriptions against redemptions.

The tracking error i.e. the annualised standard deviation of the difference in daily returns between physical silver and the NAV of Silver ETF based on past one year rolling over data (For ETFs in existence for a period of less than one year, annualized standard deviation shall be calculated based on available data) shall not exceed 2% or as may be prescribed by regulations from time to time.

In case of unavoidable circumstances in the nature of force majeure which are beyond the control of the AMCs, the tracking error may exceed 2%, and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

Tracking difference - the ETF Scheme shall also disclose the tracking difference i.e. the annualized difference of daily returns between the physical silver and the NAV of the ETF shall also be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

Risks Related to the Custody of Silver

- The Custodian is responsible for the safekeeping of the silver bullion and also facilitates the transfer of silver bullion into and out of the vault. Although the Custodian is clearer and approved weigher under the rules of the LBMA (which sets out good practices for participants in the bullion market), the LBMA is not an official or governmental regulatory body. Accordingly, the ETF is dependent on the Custodian to comply with the best practices of the LBMA and to implement satisfactory internal controls for its silver bullion custody operations in order to keep the silver bullion secure.
- The Custodian is responsible for loss or damage to the silver only under limited circumstances. The Custodian Agreement contemplates that the Custodian will be responsible to the AMC only if it acts with negligence, fraud or in willful default of its obligations under the Custodian Agreement. In addition, the Custodian has agreed to indemnify the Trust for any loss or liability directly resulting from a breach of the Custodian's representations and warranties in the Custodian Agreement, a failure of the Custodian to act in accordance with the instructions or any physical loss, destruction or damage to the silver held for the Trust's account, except for losses due to nuclear fission or fusion, radioactivity, war, terrorist event, invasion, insurrection, civil commotion, riot, strike, act of government or public authority, act of God or a similar cause that is beyond the control of the Custodian for which the Custodian will not be responsible to the AMC. The Custodian's liability to the AMC,

if any, will be limited to the value of any silver lost, or the amount of any balance held on an unallocated basis, at the time of the Custodian's negligence, fraud or willful default, or at the time of the act or omission giving rise to the claim for indemnification.

- Neither the Shareholders nor any Authorized Participant have a right under the Custodian Agreement to assert a claim against the Custodian. Claims under the Custodian Agreement may only be asserted by the AMC.
- The procedures agreed to with the Custodian contemplate that the Custodian must undertake certain tasks in connection with the inspection of silver delivered by Authorized Participants in exchange for Baskets. The Custodian's inspection includes review of the corresponding bar list to ensure that it accurately describes the weight, fineness, refiner marks and bar number appearing on the silver bars, but does not include any chemical or other tests designed to verify that the silver received does, in fact, meet the purity requirements. Accordingly, such inspection procedures may not prevent the deposit of silver that fails to meet these purity standards. The Custodian will not be responsible or liable to the Trust or to any investor in the event any silver otherwise properly inspected by it does not meet the purity requirements
- The AMC does not insure its silver (Underlying silver of the scheme). The Custodian maintains insurance on such terms and conditions as it considers appropriate in connection with its custodial obligations under the Custodian Agreement and is responsible for all costs, fees and expenses arising from the insurance policy or policies. The AMC is not a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of coverage. Therefore, Shareholders cannot be assured that the Custodian maintains adequate insurance or any insurance with respect to the silver held by the Custodian on behalf of the Trust

Risks associated with investments in Fixed Income Securities

The following are the risks associated with investment in fixed income securities:

Interest-Rate Risk: Fixed income securities such as government bonds, Instruments corporate bonds, and 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.

Liquidity Risk: The liquidity of money market instruments may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the instrument. 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 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.

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

Risks associated with Segregated Portfolio

1. Investor holding units of segregated portfolio may not be 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.
- 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.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

As per Para 6.11 of SEBI Master Circular for Mutual funds dated May 19, 2023 with respect to minimum number of investors and no single investor shall account for more than 25% of the corpus of the Scheme are not applicable to exchange traded funds and hence do not apply to Axis Silver ETF.

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 advice 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 as 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 advise 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 there under 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.
- 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) / allotment of units.

D. DEFINITIONS

<p>"Authorized Participant" "Market Makers"</p>	<p>Authorized Participant means the member of the National Stock Exchange of India Ltd. (NSE) or any other Recognized Stock Exchange(s) as defined under Section 2(f) of the Securities Contracts (Regulation) Act, 1956 and their nominated entities/persons or any person who are appointed by the AMC/Fund to act as Authorized Participant/Market Maker for facilitating continuous liquidity on the stock exchange platform.</p>
<p>"AMC" or "Asset Management Company" or "Investment Manager"</p>	<p>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.</p>
<p>Applicable NAV</p>	<p>In case of creation of units by way of deposit of portfolio and cash component or redemption of units by way of withdrawal of portfolio and cash component, the applicable NAV will be based on the value of the portfolio deposit and cash component as at the end of the previous day.</p>
<p>"Beneficial owner"</p>	<p>Beneficial owner as defined in the Depositories Act, 1996 (22 of 1996) means a person whose name is recorded as such with a depository.</p>
<p>"Business Day"</p>	<p>A day other than: (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Ltd. and/or BSE Ltd., Mumbai are closed; (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; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (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;</p>

	<p>(vii) A day on which valuation on London Bullion Market Association (LBMA) is not available.</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.
"Cash Component"	<p>Cash Component represents the difference between the Applicable NAV of Creation Unit and the market value of Portfolio Deposit. This difference will represent accrued interest, income earned by the Scheme, accrued annual charges including management fees and residual cash in the Scheme. In addition, the Cash Component will include transaction cost as charged by the Custodian/DP and other incidental expenses if any and will include the difference between the purchase price/sale price (in case of subscription/redemption) and closing price of Portfolio Deposit for creation/redemption of the ETF units in Creation Unit Size.</p> <p>In case of redemption, the cash component will include exit load, if applicable.</p> <p>The Cash Component will vary from time to time and will be decided and announced by the AMC. The Cash Component will be announced by the Asset Management Company on a daily basis and will be put up on its website i.e. www.axismf.com</p>
"Creation Unit"	<p>Creation Unit for subscription of Units is fixed number of Units of Scheme which is exchanged against a predefined quantity of Silver (of prescribed purity) called 'Portfolio Deposit' and 'Cash Component, if any. During the ongoing offer, Large Investors may subscribe to units of the scheme for cash only'.</p> <p>For redemption of Units it is vice versa i.e. fixed number of Units of the Scheme are exchanged for Portfolio Deposit and Cash Component, if any.</p> <p>Each Creation Unit consists of 30,000 units of the ETF (each unit of the ETF will be approximately equal to one gram of Silver) and Cash Component, if any.</p> <p>The Portfolio Deposit and Cash Component will change from time to time and is discussed separately in this SID.</p> <p>The Mutual Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.</p>
"Custodian"	<p>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) Regulations 1996.</p> <p>Custodian for the Scheme is Deutsche Bank AG.</p>
"Deed of Trust"	The Deed of Trust 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.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Depository Participant" or "DP"	Means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
"Depository Records"	Depository Records as defined in the Depositories Act, 1996 (22 of 1996) includes the records maintained in the form of books or stored

	in a computer or in such other form as may be determined by the said Act from time to time.
"Domestic Price of Silver"	Domestic Price of Silver means price calculated using valuation methodology described in the section 'Computation of NAV'.
"Exchange Traded Fund"	A scheme whose units are listed on the Exchange and can be bought/sold at a price, which may be close to the NAV of the scheme.
"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 Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 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.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in Government Securities Act, 2006, 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.
"Intra-day / "Applicable NAV"	<p>Intra-day NAV means the NAV applicable for subscription/redemption based on the executed price at which securities representing the underlying index are purchased /sold.</p> <p>Investors are requested to note that the applicability of Intra-day NAV for subscription of units of the Scheme will be subject to realization of funds or credit of portfolio deposits in physical form (including applicable Cash Component) in scheme account within the applicable cut off timing.</p>
Indicative NAV"	<p>Indicative NAV is the Value per Unit periodically computed on Business Days based on prices received from NSE.</p> <p>Indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the Authorized Participants /Large Investors.</p>
"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" or "ISCs"	Offices of Axis Asset Management Company Ltd. or such other centres / offices as may be designated by the AMC from time to time.
"Large investor"	Large Investors means can directly purchase / redeem in Creation Unit Size subject to the value of transaction is above a specified threshold (of 25 Crores) (Not applicable to Employee Provident Fund Organization, India, Recognised Provident Funds, approved Gratuity Funds, approved Superannuation Funds under Income Tax Act 1961 till such time as prescribed by SEBI from time to time) and such other threshold as prescribed by SEBI from time to time.
"LBMA"	London Bullion Market Association
"Load"	<p>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.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market"	Includes commercial papers, commercial bills, treasury bills,

Instruments"	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" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit 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).
"Portfolio Deposit"	Portfolio Deposit consists of Silver of predefined quantity (i.e. weighing 30 Kg) and in multiples of 30 Kg and purity (fineness) of 999 parts per 1,000 (99.9%) of Silver. The quantity and purity (fineness) of Silver will be defined and announced by the AMC from time to time.
"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 as 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" or "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" / "Repurchase"	Redemption of Units of the Scheme, where permitted.
"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.
"Statement of Additional Information" or "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 Silver ETF or the ETF
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering Units under the Scheme for subscription.
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.

"Regulations"	
"Silver related instrument"	Silver related instrument shall mean such an instrument as may be specified by SEBI from time to time, which has silver as the underlying product.
Silver Exchange Traded Scheme	Silver exchange traded Scheme shall mean a mutual fund scheme that invests primarily in Silver or Silver related instruments.
"Sponsor"	Axis Bank Ltd.
"Switch"	Redemption of a unit in any scheme (including the plans and options therein) of the Mutual Fund against purchase of a unit in another scheme (including the plans and options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Trustee" or "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 Scheme(s) 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" or "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 SCHEME

An open ended scheme replicating/tracking domestic price of Silver.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.

However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	High/Moderate/Low
Silver & Silver related instruments*	95	100	Moderately High
Debt & Money Market Instruments	0	5	Low to Moderate

*includes physical silver and other silver related instruments, which may be permitted by Regulator from time to time. Exchange Traded Commodity Derivatives (ETCDs) having silver as the underlying shall be considered as 'silver related instrument' for Silver ETF. The exposure to ETCDs having silver as the underlying shall not exceed 10% of net asset value of the scheme. However, the above limit of 10% shall not be applicable to Silver ETFs where the intention is to take delivery of the physical silver and not to roll over its position to next contract cycle.

The cumulative gross exposure through Silver (including Silver related instruments & ETCDs), debt and money market instruments shall not exceed 100% of the net assets of the Scheme in accordance with the circulars issued by SEBI from time to time.

The Scheme shall not invest in securitized debt, foreign securitized debt, debt derivatives, overseas securities, Credit Default Swaps, repo on corporate debt, debt instruments having structured obligation / credit enhancements / instruments with special features as specified under SEBI circular dated March 10, 2021, unrated debt instruments. The Scheme will not engage in Short selling of securities or securities lending. The Scheme will not invest in REITs/InvITs.

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 June 23, 2008, August 16, 2019 and September 20, 2019, as may be amended from time to time.

The Scheme may invest upto 5% of the net assets of the Scheme 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.

Portfolio allocation may deviate from the asset allocation for a short term period due to defensive considerations as per SEBI circular dated March 04, 2021 and as amended from time to time or on account of inflows and outflows from the scheme due to the nature of accounting. Defensive considerations may be determined by the fund manager and/or AMC from time to time. In case of deviations on account of exogenous factors, the fund manager will endeavor to rebalance the scheme within 7 calendar days from the date of such deviation.

Axis Silver ETF, an open ended scheme replicating/tracking domestic price of Silver is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund.

Differentiation with existing Exchange Traded Funds of Axis Mutual Fund are as follows: as on September 30, 2023:

Name of the existing scheme	Asset Allocation Pattern (Under normal circumstances)	Primary Investment Objective & Investment Strategy	Differentiaion	AUM	No. of Folios															
Axis Nifty 50 ETF	<table border="1"> <thead> <tr> <th data-bbox="353 494 537 558" rowspan="2">Instruments</th> <th colspan="2" data-bbox="548 494 840 558">Indicative Allocation (% of net assets)</th> <th data-bbox="851 494 1019 558">Risk Profile</th> </tr> <tr> <th data-bbox="548 566 683 598">Minimum</th> <th data-bbox="694 566 840 598">Maximum</th> <th data-bbox="851 566 1019 662">High/ Moderate/ Low</th> </tr> </thead> <tbody> <tr> <td data-bbox="353 667 537 890">Equity & Equity related instruments covered by Nifty 50 Index*</td> <td data-bbox="548 667 683 890">95%</td> <td data-bbox="694 667 840 890">100%</td> <td data-bbox="851 667 1019 890">Moderate to High</td> </tr> <tr> <td data-bbox="353 895 537 1157">Debt & Money Market Instruments with residual maturity not exceeding 91 days</td> <td data-bbox="548 895 683 1157">0%</td> <td data-bbox="694 895 840 1157">5%</td> <td data-bbox="851 895 1019 1157">Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	High/ Moderate/ Low	Equity & Equity related instruments covered by Nifty 50 Index*	95%	100%	Moderate to High	Debt & Money Market Instruments with residual maturity not exceeding 91 days	0%	5%	Low to Moderate	<p>Investment Objective The investment objective of the Scheme is to provide returns before expenses that closely correspond to the total returns of the Nifty 50 Index subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.</p> <p>Investment Strategy: The Scheme would invest in stocks comprising the underlying index and shall endeavor to track the benchmark index. The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. The Scheme endeavors to invest in stocks forming part of the underlying in the same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the</p>	An open ended scheme replicating / tracking Nifty 50 index.	350.88	9,827
Instruments	Indicative Allocation (% of net assets)		Risk Profile																	
	Minimum	Maximum	High/ Moderate/ Low																	
Equity & Equity related instruments covered by Nifty 50 Index*	95%	100%	Moderate to High																	
Debt & Money Market Instruments with residual maturity not exceeding 91 days	0%	5%	Low to Moderate																	

		<p>constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large IDCW going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more prudent for the scheme to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.</p>																	
<p>Axis Nifty Bank ETF</p>	<table border="1"> <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 instruments covered by Nifty Bank Index</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt & Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	Equity instruments covered by Nifty Bank Index	95	100	High	Debt & Money Market Instruments	0	5	Low to Moderate	<p>Investment Objective The investment objective of the Scheme is to provide returns before expenses that closely correspond to the total returns of the NIFTY Bank Index subject to tracking errors. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved</p> <p>Investment Strategy: The Scheme would invest in stocks comprising the underlying index and shall endeavor to track the benchmark index. The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. The Scheme endeavors to invest in stocks forming part of the underlying in the same ratio as per the index to</p>	<p>An Open Ended scheme replicating / tracking NIFTY Bank Index.</p>	<p>225.82</p>	<p>2,210</p>
Instruments	Indicative Allocation (% of net assets)		Risk Profile																
	Minimum	Maximum																	
Equity instruments covered by Nifty Bank Index	95	100	High																
Debt & Money Market Instruments	0	5	Low to Moderate																

		<p>the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large IDCW going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more prudent for the Scheme to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.</p>																	
Axis Nifty IT ETF	<table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative Allocation (% of net assets)</th> <th rowspan="2">Risk Profile High/ Moderate/ Low</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity instruments covered by constituting Nifty IT Index</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt & Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile High/ Moderate/ Low	Minimum	Maximum	Equity instruments covered by constituting Nifty IT Index	95	100	High	Debt & Money Market Instruments	0	5	Low to Moderate	<p>Investment Objective To provide returns before expenses that closely correspond to the total returns of the NIFTY IT Index subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved</p> <p>Investment Strategy: The Scheme would invest in stocks comprising the underlying index and shall endeavor to track the benchmark index. The Scheme may also invest in debt and money market instruments, in compliance</p>	An Open Ended Exchange Traded Fund tracking NIFTY IT Index.	168.31	3,324
Instruments	Indicative Allocation (% of net assets)		Risk Profile High/ Moderate/ Low																
	Minimum	Maximum																	
Equity instruments covered by constituting Nifty IT Index	95	100	High																
Debt & Money Market Instruments	0	5	Low to Moderate																

		<p>with Regulations to meet liquidity and expense requirements. The Scheme endeavors to invest in stocks forming part of the underlying in the same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large IDCW going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more prudent for the Scheme to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.</p>			
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AXIS NIFTY HEALTH CARE ETF	<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 instruments covered by constituting Nifty Healthcare Index</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt & Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	High/ Moderate/ Low	Equity instruments covered by constituting Nifty Healthcare Index	95	100	High	Debt & Money Market Instruments	0	5	Low to Moderate	<p>Investment Objective To provide returns before expenses that closely correspond to the total returns of the NIFTY Healthcare Index subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p> <p>Investment Strategy: The Scheme would invest in stocks comprising the underlying index and shall endeavor to track the benchmark index. The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. The Scheme endeavors to invest in stocks forming part of the underlying in the same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large IDCW going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more</p>	An Open Ended Exchange Traded Fund tracking NIFTY Healthcare Index.	14.80	4,033
	Instruments		Indicative Allocation (% of net assets)		Risk Profile															
		Minimum	Maximum	High/ Moderate/ Low																
Equity instruments covered by constituting Nifty Healthcare Index	95	100	High																	
Debt & Money Market Instruments	0	5	Low to Moderate																	

		prudent for the Scheme to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.																		
Axis Nifty India Consumption ETF	<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 instruments covered by constituting Nifty India Consumption Index</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt & Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	High/Moderate/Low	Equity instruments covered by constituting Nifty India Consumption Index	95	100	High	Debt & Money Market Instruments	0	5	Low to Moderate	<p>Investment Objective To provide returns before expenses that closely correspond to the total returns of the NIFTY India Consumption Index subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p> <p>Investment Strategy: The Scheme would invest in stocks comprising the underlying index and shall endeavor to track the benchmark index. The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. The Scheme endeavors to invest in stocks forming part of the underlying in the same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense</p>	An Open Ended Exchange Traded Fund tracking NIFTY India Consumption Index.	11.63	2,012
Instruments	Indicative Allocation (% of net assets)		Risk Profile																	
	Minimum	Maximum	High/Moderate/Low																	
Equity instruments covered by constituting Nifty India Consumption Index	95	100	High																	
Debt & Money Market Instruments	0	5	Low to Moderate																	

			requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large IDCW going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more prudent for the Scheme to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.																		
Axis S&P BSE Sensex ETF	<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>Stocks comprising S&P BSE Sensex TRI</td> <td>95</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt & Money Market Instruments</td> <td>0</td> <td>5</td> <td>Low to Moderate</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	High/ Moderate/ Low	Stocks comprising S&P BSE Sensex TRI	95	100	High	Debt & Money Market Instruments	0	5	Low to Moderate		<p>Investment Objective The investment objective of the scheme is to provide returns before expenses that correspond to the total returns of the S&P BSE Sensex TRI subject to tracking errors.</p> <p>However, there is no assurance that the investment objective of the scheme will be achieved.</p> <p>Investment Strategy: The scheme would invest in stocks comprising the underlying index and endeavor to track the benchmark index. The scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. Axis S&P BSE Sensex ETF endeavors to invest in stocks forming part of the underlying in the</p>	An Open Ended Exchange Traded Fund tracking S&P BSE Sensex TRI	105.05	1,339
			Instruments	Indicative Allocation (% of net assets)		Risk Profile															
	Minimum	Maximum		High/ Moderate/ Low																	
	Stocks comprising S&P BSE Sensex TRI	95	100	High																	
Debt & Money Market Instruments	0	5	Low to Moderate																		

				<p>same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large dividend going ex but lag in its receipts, etc. tend to increase the tracking error. In such events, it may be more prudent for the fund to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.</p>				
Axis Gold ETF	Instruments	Indicative Allocation (% of net assets)		Risk Profile High/Moderate/Low	Investment Objective The investment objective of the Scheme is to generate returns that are in line with the performance of gold.	An open ended scheme replicating/tracking Domestic Price of Gold.	738.67	4,92,581
		Minimum	Maximum					
	Gold	95	100	Moderate				
	Money Market Instruments	0	5	Low to Moderate				
				Investment Strategy The Scheme endeavors to generate returns that are in line with the performance of gold, subject to Tracking Errors (as explained below). The Scheme is not actively managed and no attempt will be made to buy or sell gold to protect against or to take advantage of fluctuations in the price of gold. The AMC does not make any judgments				

				about the investment merit of gold or particular security nor will it attempt to apply any economic, financial or market analysis. The Scheme shall invest all of its funds in gold, except to meet its liquidity requirements.				
Axis Silver ETF	Instruments	Indicative Allocation (% of net assets)		Risk Profile	<p>Investment Objective To generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p> <p>Investment Strategy The Scheme endeavors to generate returns that are in line with the performance of Silver, subject to Tracking Errors (as explained below). The Scheme is not actively managed and no attempt will be made to buy or sell Silver to protect against or to take advantage of fluctuations in the price of Silver. Silver will include physical silver and other silver related instruments, which may be permitted by Regulator from time to time. The Scheme may also participate in</p>	An open ended scheme replicating/tracking domestic price of Silver.	38.03	3,305
		Minimum	Maximum	High/Moderate/Low				
	Silver & Silver related instruments*	95	100	Moderately High				
	Debt & Money Market Instruments	0	5	Low to Moderate				

		<p>ETCDs, with Silver as underlying to the extent permitted by the Regulations. The permitted limit shall not be applicable to Silver ETFs where the use of ETCD's, having silver as underlying, will be with the intention to take delivery of the physical silver and not to roll over its position to next contract cycle.</p> <p>The AMC does not make any judgments about the investment merit of Silver or particular security nor will it attempt to apply any economic, financial or market analysis. The Scheme shall invest all of its funds in physical Silver and Silver related instruments, except to meet its liquidity requirements.</p>			
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D. WHERE WILL THE SCHEME INVEST?

The ETF would invest in physical silver of standard 30 kg bars with fineness of 999 parts per thousand (or 99.9% purity) confirming to London Bullion Market Association (LBMA) Good Delivery Standards. The Scheme may also invest in Silver related instruments including Exchange Traded Commodity Derivatives (ETCDs) having silver as the underlying. The Scheme may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements.

Debt Instruments & Money Market Instruments

Certificate of Deposit

Certificate of Deposit (CD) 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

Commercial Paper (CP) 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

Treasury Bills (T-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) are 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, 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. Government Securities having an unexpired maturity up to one year are included in money market instruments.

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 have fixed or floating rate coupon. 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.

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 in terms of in terms of para 12.16 of SEBI Master Circular for Mutual Fund dated May 19, 2023 as may be amended from time to time.

Units of Mutual Fund schemes

The Scheme may also invest in units of debt and liquid mutual fund schemes (offered by Axis Mutual Fund or any other mutual fund).

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

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

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

E. WHAT ARE THE INVESTMENT STRATEGIES?

The Scheme endeavors to generate returns that are in line with the performance of Silver, subject to Tracking Errors (as explained below). The Scheme is not actively managed and no attempt will be made to buy or sell Silver to protect against or to take advantage of fluctuations in the price of Silver. Silver will include physical silver and other silver related instruments, which may be permitted by Regulator from time to time. The Scheme may also participate in ETCDs, with Silver as underlying to the extent permitted by the Regulations. The permitted limit shall not be applicable to Silver ETFs where the use of ETCD's, having silver as underlying, will be with the intention to take delivery of the physical silver and not to roll over its position to next contract cycle.

The AMC does not make any judgments about the investment merit of Silver or particular security nor will it attempt to apply any economic, financial or market analysis. The Scheme shall invest all of its funds in physical Silver and Silver related instruments, except to meet its liquidity requirements.

Portfolio Turnover:

The Scheme being an open ended scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis by Authorized Participants and Large Investors that may require purchase or sale of Silver. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

Risk Control & Risk Mitigation:

Investments made from the net assets of the Scheme would be in accordance with the investment objective of the Scheme and the provisions of the SEBI (MF) Regulations. The AMC will strive to achieve the investment objective by way of a judicious portfolio mix comprising Silver (includes physical Silver and other Silver related instruments which may be permitted by Regulator from time to time) and instruments related to Silver (including derivatives as and when permitted by SEBI), Debt Securities and Money Market Instruments. Investments in Silver (includes physical Silver and other Silver related instruments which may be permitted by Regulator from time to time) would be primarily assessed with regard to its fineness. The AMC will endeavor to address the key risks associated with investments in Silver Bullion as under:

1. Quality and Purity Risk

Physical Silver purchased by the Scheme will be of fineness (or purity) of 999 parts per 1,000 (99.9%) or higher. Custodian will accept physical Silver only if the Silver is in compliance with the Good Delivery norms as specified by LBMA.'

2. Passive Investments

Axis Silver ETF is a passively managed fund that shall be investing substantial portion of its assets in physical Silver and tracking its performance to the price of Silver. Therefore, irrespective of decline / rise in prices of physical Silver, HSETF shall remain invested in Silver and being a passively managed fund, no active calls based on outlook of Silver prices will be taken by the Fund.

3. Custody risk

There is a risk that part or all of the physical silver belonging to the Scheme could be lost, damaged or stolen. In order to ensure safety, the said silver will be stored with custodian in its vaults. In order to mitigate the risks associated with handling, storing and safekeeping of physical silver necessary insurance covers are taken by custodians.

TRACKING ERROR

Tracking error is a measure of the difference in returns from the Scheme and the returns from the index. It is computed as the standard deviation of the difference between the daily returns of the underlying benchmark and the NAV of the Scheme on an annualized basis.

NAV of the Scheme is dependent on valuation of Silver. Silver has to be valued based on the formula prescribed by SEBI. NAV so computed may vary from the price of Silver in the domestic market.

Tracking error could be the result of a variety of factors including but not limited to:

- Delay in the purchase or sale of silver due to Illiquidity of silver, Delay in realisation of sale proceeds, Creating a lot size to buy the required amount of silver
- The Scheme may buy or sell the silver at different points of time during the trading session at the then prevailing prices which may not correspond to its closing prices.
 - The potential for trades to fail, which may result in the Scheme not having acquired silver at a price necessary to track the benchmark price.
 - The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, etc.
- Execution of large buy / sell orders
- Realisation of Unit holders' funds

The Scheme will endeavor to minimise the tracking error by:

- Rebalancing of the portfolio.
- Setting off of incremental subscriptions against redemptions.

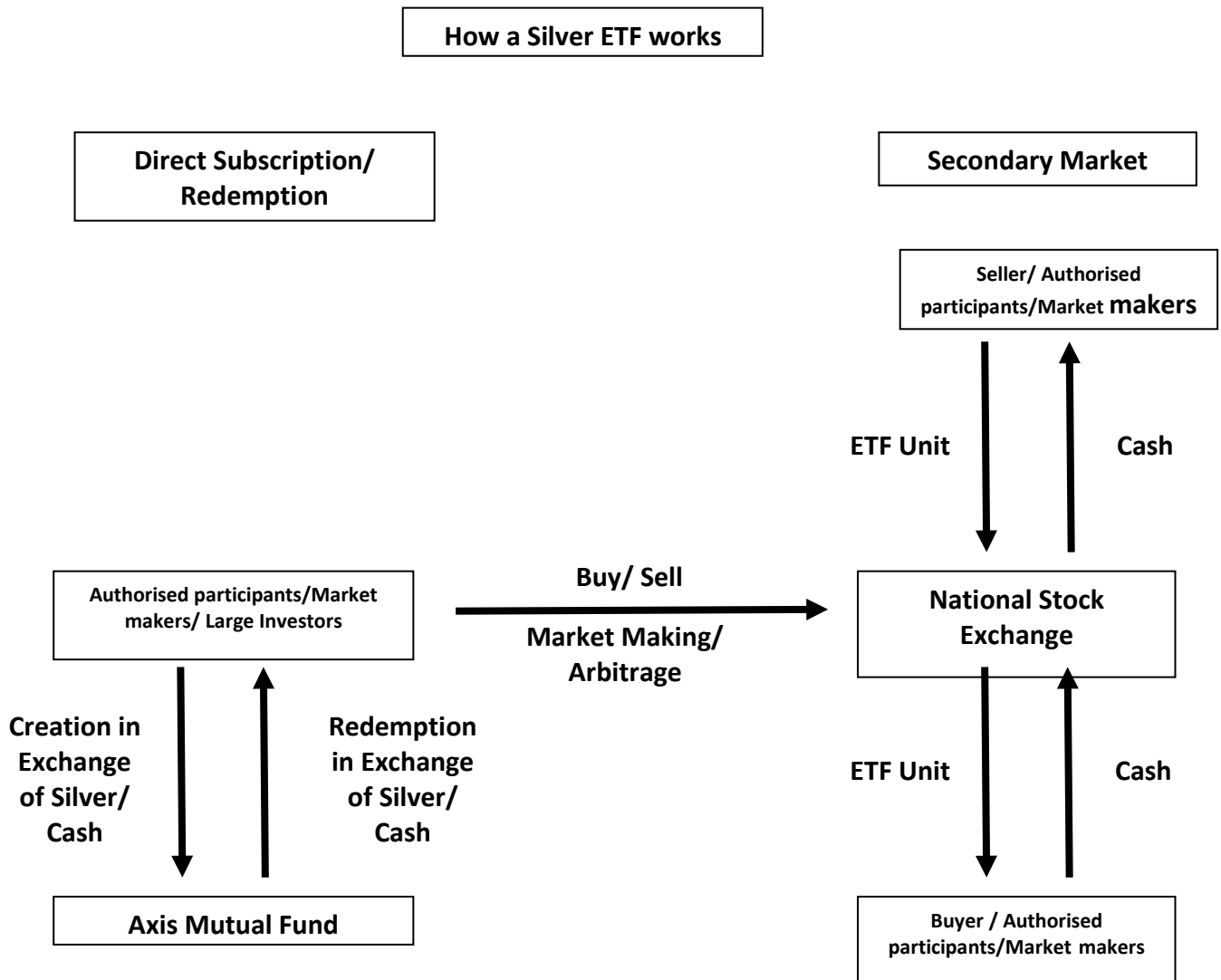
The tracking error i.e. the annualised standard deviation of the difference in daily returns between physical silver and the NAV of Silver ETF based on past one year rolling over data (For ETFs in existence for a period of less than one year, annualized standard

deviation shall be calculated based on available data) shall not exceed 2% or as may be prescribed by regulations from time to time.

In case of unavoidable circumstances in the nature of force majeure which are beyond the control of the AMC, the tracking error may exceed 2%, and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

Tracking difference - the ETF Scheme shall also disclose the tracking difference i.e. the annualized difference of daily returns between the physical silver and the NAV of the ETF shall also be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

F. HOW DOES AXIS SILVER ETF WORK?



Note: The role of the AMC is of a facilitator to the Authorised participants/Market makers/Market makers & Large Investors to purchase / sell Silver on their behalf for the purpose of creating/redeeming the ETF units in Creation Unit Size.

The ETF is listed on the NSE and/or any other stock exchange and investors can buy or sell units of the ETF from the secondary market. The minimum number of units that can be bought or sold on the stock exchange is 1 (one) unit.

Alternatively, the Authorised participants/Market makers/Market makers and Large Investors can directly buy / sell the ETF units from the Fund in 'Creation Unit' size.

THROUGH THE MUTUAL FUND

I. Creation of the ETF units in Creation Unit Size:

(A) Authorised participants/Market makers:

1. Authorised participants/Market makers may submit an application for purchase of the ETF units in Creation Unit Size to the AMC on any Business Day, within the applicable cut-off timing for NAV applicability.
2. By submitting the application the Authorised participants/Market makers agree to transfer (deposit) the Portfolio Deposit (i.e. Silver) and the Cash Component, if any in the Scheme's account. The day on which the application is submitted is referred to as the 'T' day.
3. Authorised participants/Market makers are required to transfer (deposit) the Portfolio Deposit (i.e. Silver) to the Custodian before the applicable cut off time, or may be decided by AMC from Time to Time, while the balance Cash Component, if any has to be paid to the AMC only by means of payment instruction of Real Time Gross Settlement (RTGS) /National Electronic Funds Transfer (NEFT) or Funds Transfer Letter/ Transfer Cheque of a bank where the Scheme has a collection account. The total amount of Silver and equivalent Cash Component, if any required for creation of units in Creation Unit Size will be based on the prorata amount of the NAV of the Scheme represented by the Creation Units (i.e. 30,000 units) being created determined on the day the request to create is placed by the Authorised participants/Market makers.
4. As per the agreement with Custodian for Silver, Custodian will accept Silver only if the Silver is in compliance with the Good Delivery norms as specified by LBMA which are as under:
 - (a) Original Assay Certificate; (b) Bar list from the refiner; (c) relevant shipping documents (airway bill and customs invoice) establishing that the Silver has been shipped directly from a Good London Refiner using an accredited international shipping company on a door to door basis through one of the accredited agencies; and (d) such other documents that the Custodian may require from time to time so as to adequately indicate the purity of the Silver deposited with it.

The Custodian will ensure that all Silver deposited with it is accompanied by the above documents and that the Silver bars indicate that the fineness is 999 or above.

5. On having credited the Scheme's account with the Silver deposits in the form, the custodian will confirm to the AMC of vaulting of Silver and in turn AMC instructs the registrar the total number of units to be created at applicable NAV upon realization of the Cash Component.
6. The Registrar & Transfer Agent will then allocate the units in proportion of the amount received from the Authorised participants/Market makers and will credit the units to the demat account of the Authorised participants/Market makers.

(B) Large Investors:

1. Large Investors may submit an application for purchase of the ETF units in Creation Unit Size to the AMC on any Business Day, within the applicable cut-off timing for NAV applicability.
2. Large Investors can apply to the AMC for creation of units in Creation Unit Size at NAV based prices by payment of requisite cash as determined by AMC only by means of payment instruction of Real Time Gross Settlement (RTGS) / National Electronic Funds Transfer (NEFT) or Funds Transfer Letter / Transfer Cheque of a bank where the Scheme has a collection account. The AMC will not accept Portfolio Deposit (i.e. Silver) from the Large Investors.
3. On receipt of confirmation from the Custodian of crediting the Scheme's account with the Silver deposits purchased by the AMC on behalf of the Large Investor, AMC will instruct the Registrar & Transfer Agent the total number of units to be created and upon realization of the requisite cash, the creation of units will be at intra-day NAV, based on the executed price at which Gold of prescribed purity representing the underlying index are purchased.

'Where the Large Investor brings in cash for subscription of units and the amount is less than the value of Units to be allotted in creation unit size, the application will be rejected. In case of excess amount provided by the investor, the excess amount will be refunded'.

The role of the AMC is of a facilitator to the Authorised participants/Market makers / Large Investors to purchase / sell Silver on their behalf for the purpose of creating/redeeming the ETF units in Creation Unit Size Mutual Fund only in Creation Unit Size

The Portfolio Deposit and/or Cash Component for the ETF may change from time to time due to change in NAV.

The Scheme shall meet its expenses out of the cash held and in case, the cash is insufficient to meet expenses, the Scheme may be required to sell the Silver held by the Scheme to meet the Scheme expenses.

The Fund may from time to time change the size of the Creation Unit in order to equate it with marketable lots of the underlying instruments.

The subscription request can be made to the Mutual Fund in a duly filled application form. Application forms for subscription of the ETF can be obtained from the office of AMC, Distributors and Registrar and Transfer Agents. The requisite Silver constituting the Portfolio Deposit have to be submitted to the Custodian/AMC while the Cash Component has to be paid to the AMC. If the instrument for Cash Component is not honored for any reason whatsoever, the application is liable to be rejected. The AMC may insist on the certificate issued by the refiner or manufacturer certifying the purity of the Silver. On confirmation of the same by the Custodian/AMC that the predefined quantity and purity of Silver has been received, the AMC will transfer the respective number of Units of the Scheme into the investor's Beneficiary Account with the Depository.

The AMC may create Creation Unit prior to receipt of all or a portion of the relevant Portfolio Deposit and Cash Component in certain circumstances where the purchaser, among other things, posts collateral to secure its obligation to deliver such outstanding Portfolio Deposit and Cash Component.

II. Redeeming of the ETF units in Creation Unit Size:

(A) Redemption in Silver

The procedure by which Authorized Participants / Large Investors can redeem the ETF units in Creation Unit Size is as follows:

1. Authorised participants/Market makers / Large Investors may make a redemption request to the AMC for redemption of the ETF units in Creation Unit Size on any Business Day in a duly filled redemption form, within the applicable cut-off timing for NAV applicability.
2. By placing the redemption request, the Authorised participants/Market makers/large investors agree to transfer the requisite number of the ETF units in Creation Unit Size to the Scheme's DP accounts on T+0 business days.
3. The request for redemption by Authorised participants/Market makers / Large Investors needs to be enclosed with the delivery order used in the depository system duly acknowledged by the DP with whom the Authorized Participants / Large Investors has a depository account stating the number of the ETF units transferred to the Scheme's DP account.
4. After successful verification of the redemption request, the AMC will instruct the Custodian to transfer the Portfolio Deposit of Silver to the custody account of Authorized Participant/Large Investors and remit/collect the Cash Component after adjusting transaction handling charges, other applicable charges and the difference between the applicable NAV and closing price of Silver. In case of delivery of Silver and not transfer to custody account please refer point 6 below.

5. The expenses associated with taking the delivery of Silver will have to be borne by Authorised participants/Market makers/Large Investors.
6. The delivery of Silver to Authorised participants/Market makers / Large Investors will be made at the location of the Custodian within the jurisdiction of Mumbai.
7. The redemption price for redemption of units in Creation Unit Size will be based on the applicable NAV on the redemption request date subject to cut-off timing limits.

(B) Redemption For Cash

The Fund provides for cash redemption of the ETF units in Creation Unit Size by Large Investors/Authorised participants/Market makers. On receipt of such redemption requests the Fund will arrange to sell Silver on behalf of the Large Investors/Authorised participants/Market makers. Accordingly the sale proceeds of Silver after adjusting necessary charges/costs and exit load, if any will be remitted to the Large Investors/Authorised participants/Market makers.

The creation/redemption request for cash can be made to the Fund in a duly filled application/transaction form.

Application/Transaction form for Creation / Redemption for the ETF units in 'Creation Unit Size' can be obtained from the office of the AMC and the Registrar & Transfer Agent.

Example of computation of Cash Component for Creation / Redemption of Units in Creation Unit Size:

As explained above, the Creation Unit is made up of 2 components i.e. Portfolio Deposit and Cash Component. The Portfolio Deposit will be determined by Fund. The Portfolio Deposit will be Silver and will be for 30 kg and in multiples of 30 kg. The value of Portfolio Deposit will change due to changes in the prices during the day.

The Cash Component will be arrived in the following manner:

Number of units comprising one Creation Unit	A	30,000
NAV per unit	B	67
Value of 1 Creation Unit	C	20,10,000
Closing price per gram of Silver	D	66
Weight of silver sourced for the transaction (KG)	E	30
Value of Portfolio Deposit (physical silver of 30 kg) (Rs.) (D*(E*1000)	F	19,80,000
Cash Component (Applicable for the transaction) (Rs.) (C-F)	G	30,000
Other charges (including Depository and other applicable transaction charges and taxes)	H	1,180

The above is just an example to illustrate the calculation of Cash Component.

The requisite number of Units of the ETF equaling the Creation Unit has to be transferred to the Fund's DP account and the Cash Component to be paid to the AMC.

The AMC may redeem Units prior to receipt of all or portion of the relevant number of units of the ETF in certain circumstances where the Unit holder, among other things, posts collateral to secure its obligation to deliver such outstanding Units of the Scheme.

Redemption process will be completed within 10 Business Days of the date of redemption subject to confirmation with the depository records of the Scheme's DP account (where redemption is being made in cash)

BUYING / SELLING THROUGH THE STOCK EXCHANGE

Buying / selling units on the stock exchange is just like buying / selling any other normal listed securities. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker/sub- broker before the securities pay-in day of the settlement cycle on the exchange.

The units (in case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or deliver the units to the investor in accordance with time prescribed by the stock exchange regulations.

If an investor has bought units, he should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange's clearing corporation.

An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her account to the trading member account through whom he/she have sold the units. The details of the pool A/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the delivery out instructions given by him/her to the DP. The instructions should be given will before the prescribed securities pay-in day. SEBI has advised that the delivery out instructions should be given atleast 24 hours prior to the cut off time for the prescribed securities pay in to avoid any rejection of instructions due to data entry errors, network problems, etc.

The above procedure relating to purchase and sale of units by different types of investors/Authorised participants/Market makers in Axis Silver ETF is tabulated for easy reference.

Type of investor and transaction details	Subscription / Purchase	Redemption / Sale
(A) Authorised participants/Market makers and Large Investors		
Authorised participants/Market makers	<p>On any Business Day within the applicable cut-off timing, applications along with Silver (i.e. Creation Unit Size of minimum 30 kg) * multiples thereof and Cash Component, if any.</p> <p>The Silver should be of fineness of 999 parts per 1,000 (99.9%).</p>	<p>On any Business Day within the applicable cut-off timing limits, redemption requests in Creation Unit Size, whereupon the Fund will transfer/provide the Portfolio Deposit of Silver Authorised participants/Market makers / Large Investors and/or the Cash Component as requested by the Authorised participants/Market makers Large Investors. Redemption can be made in cash as well.</p>
Large Investors	<p>On any Business Day within the applicable cut-off timing, applications along with the requisite Cash Component as determined by AMC. paid only by means of payment instruction of Real Time Gross Settlement (RTGS) / National Electronic Funds Transfer (NEFT) or Funds Transfer Letter / Transfer Cheque of a bank where the Scheme has a collection account.</p> <p>In addition, Authorised participants/Market makers and Large Investors can</p>	

	subscribe (buy) / redeem (sell) units on a continuous basis on the stock exchange/s on which the ETF units are listed.	
Role of Authorised Participants	<p>Give two way quotes in the secondary market. Stands as a seller for a buy order and a buyer against a sell order.</p> <p>The role of Authorized Participants is to assure liquidity of Axis Silver ETF Units on the Stock Exchanges where the Units are listed. Authorized Participants will offer buy and sell quotes (bid and ask quotes) on the Exchange such that buy and sell orders get executed in the market subject to price compatibility. The Authorized Participants may for the purpose of creating liquidity subscribe or redeem the Units of Axis Silver ETF directly with the Mutual Fund. e.g. if the Authorized Participant's net delivery obligation is more than the stock of Axis Silver ETF available with it, Authorized Participants may place subscription request with the Mutual Fund. Similarly, if the Authorized Participant has a net buy position and the same is to be settled in cash, it may redeem Units with the Mutual Fund for generating cash.</p>	
Role of Custodian	<p>The Custodian is responsible for keeping the safe custody of Silver belonging to the Fund and to segregate the Silver from the other assets of the custodian and from the other assets of other clients of the custodian. The Custodian is responsible for ensuring smooth inflow/ outflow of Silver as and when necessary, in the best interest of the investors and also responsibility for loss of/or damage to the Silver in case of employee infidelity, error and omission due to negligence of Bank of Deutsche Bank or its appointed agents.</p> <p>The Custodian's liability is limited to the market value of the Silver held in the Scheme's allocated account at the time such negligence, fraud or willful default is discovered by the Custodian, provided that the Custodian promptly notifies the AMC of its discovery.</p> <p>In the event of a loss caused by the failure of the Custodian to exercise reasonable care, the AMC has the right to seek recovery with respect to the loss against the custodian in breach.</p>	
Role of Large Investor	Only an investor- no other role in the Scheme operations.	
(B) Other Investors		
Type of investor and transaction details	Subscription / Purchase	Redemption / Sale
	Only through the stock exchange/s on which the ETF units are listed	Only through the stock exchange/s on which the ETF units are listed

G. FUNDAMENTAL ATTRIBUTES

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

(i) Type of Scheme

An open ended scheme replicating/tracking domestic price of Silver.

(ii) Investment Objective

To generate returns that are in line with the performance of physical silver in domestic prices, subject to tracking error.

However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption.
- Aggregate fees and expenses charged to the Scheme.
- Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and para 1.14 of SEBI Master circular for Mutual Fund dated May 19, 2023 the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme 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 at least 30 days.

In addition to the conditions specified above, for effecting any change in the fundamental attributes of the scheme, trustees shall take comments of the SEBI and any change suggested by SEBI would be incorporated before carrying such proposed change(s).

H. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Domestic Price of Silver (based on LBMA Silver daily spot AM fixing price).

Justification for use of benchmark

The fund aims to provide returns before expenses that correspond to the price of silver subject to tracking errors. Hence the benchmark.

I. 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. Pratik Tibrewal	35 years Bcom, LLb (Gen) MBA (Finance)	Total number of years of experience: 10 years, his last 10 years' experience are as follows: <ul style="list-style-type: none"> · Axis Asset Management Company Limited - 1st June till date · Inditrade Capital Limited - 31st Aug 2018 to 31st May 2022 · Edelweiss Asset Management Limited - 31st Jan 2018 to 30th Aug 2018 · Inditrade Capital 	Axis Gold ETF, Axis Silver ETF and Axis Multi Asset Allocation Fund (along with Sivakumar, Ashish Naik and Jayesh Sundar)	Since Inception

		Limited - 16th Nov 2016 to 30th Jan 2018 · Edelweiss commodities trading ltd -12th July 2012 - 15th Nov 2016		
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J. WHAT ARE THE INVESTMENT RESTRICTIONS?

The following are the restrictions as are laid out in Schedule Seven to the SEBI (Mutual Funds) Regulations, 1996.

1. The corpus of the Scheme will be invested in Silver in accordance with its investment objective, except to the extent necessary to meet the liquidity requirements for honoring repurchases or redemptions, as disclosed in the Scheme Information Document.
2. 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.

Provided that such limit shall not be applicable for investment in Government Securities treasury bills and triparty repo on Government securities or treasury bills.

Note: According to the Asset Allocation of the Scheme, the indicative allocation of the Scheme to Debt and Money market instruments shall be in the range of 0% to 5% of the net assets of the Scheme, subject to conditions specified.

3. The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities, 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:

Further the investments by the Scheme shall be in compliance with para 12.1 of SEBI Master circular for Mutual Fund dated May 19, 2023 as amended by SEBI from time to time.

Note: According to the Asset Allocation of the Scheme, the indicative allocation of the Scheme to Debt and Money market instruments shall be in the range of 0% to 5% of the net assets of the Scheme, subject to conditions specified.

4. 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.

Note: According to the Asset Allocation of the Scheme, the indicative allocation of the Scheme to Debt and Money market instruments shall be in the range of 0% to 35% of the net assets of the Scheme, subject to conditions specified.

4. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund (restricted to only debt and liquid funds) 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.
5. The Scheme shall not make any investment in :
 - a. any unlisted security of an associate or group company of the sponsor; or
 - b. any security issued by way of private placement by an associate or group company of the sponsor; or
 - c. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
6. The exposure to ETCs having silver as the underlying shall not exceed 10% of net asset value of the scheme. However, the above limit of 10% shall not be applicable to Silver ETFs where the intention is to take delivery of the physical silver and not to roll over its position to next contract cycle.
7. 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.
8. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. 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
 - b. 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 SEBI Master Circular on Mutual Funds dated May 19, 2023 as amended from time to time.
9. The Mutual Fund shall buy and sell silver on the basis of deliveries and shall in all cases of purchases, take delivery of silver and in all cases of sale, deliver the silver:

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.

10. The Scheme shall not make any investment in any fund of funds scheme.
11. 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 from time to time.

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 (STD) of a bank which has invested in that Scheme. Further Trustees/ AMCs 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 bank

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

- 12. The Scheme shall not advance any loans.
- 13. The Scheme shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of Repurchase/Redemption of Unit or payment of interest and/or IDCW to the Unit holder.

Provided that the Fund 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.

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.

Further, as per proviso to Regulation 44(1) of the SEBI (Mutual Funds) Regulations, 1996, nothing in the Seventh Schedule (as provided above) shall apply to a Silver exchange traded fund scheme.

K. 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.

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.

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

- a. In order to enable the existing as well as the prospective investors to take informed decision, the following shall be adhered to:
- b. 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.
- c. 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.
- d. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- e. 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.
- f. 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.
- g. 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.
- h. 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 rated security affected by a credit event will be segregated and its impact on investors:

Portfolio Date July 22, 2019

Downgrade Event Date July 22, 2019

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%
7.70% D Ltd.	CRISIL AA+	NCD	2,000	99.0000	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%
7.70% D Ltd.	CRISIL D	NCD	2,000	25.0000	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	

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

	Main	Segregated	Total
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	Portfolio	Portfolio	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

L. HOW HAS THE SCHEME PERFORMED?

Performance of AXIS SILVER ETF as at September 30, 2023 is as follows:

Period	AXIS SILVER ETF- Regular Plan	Domestic price of silver
1 Year returns	25.50%	26.74%
Returns since Inception (21-Sep-22)	24.92%	25.47%

⇒ M. INVESTMENTS BY THE AMC

Subject to the 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 investment in the Scheme.

The sponsor or asset management company shall invest not less than one percent of the amount which would be raised in the new fund offer or fifty lakh rupees, whichever is less, in the growth option of the Scheme and such investment shall not be redeemed unless the Scheme is wound up.

N. ADDITIONAL SCHEME RELATED DISCLOSURES

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

Name of Issuer	% of Net Assets
Fund allocation towards various Sectors-	
Sector Classification	% of Net Assets
Silver	97.52%
Debt, Cash & other current assets	2.48%
Grand Total	100.00%

Website link for Monthly/Fortnightly Portfolio Holding

Please visit www.axismf.com to obtain Scheme's latest monthly portfolio holding statement.

b. Portfolio Turnover

Portfolio turnover ratio for the period ended September 30, 2023 : 0.72 times

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

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

Note:

- Investment of Managing Director & Chief Executive Officer of AMC, if any, is included in investments of "Other key managerial personnel".
- Investment of Fund Manager of the Scheme is not included in investments of "Other key managerial personnel".

III. **UNITS AND OFFER**

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

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

New Fund Offer Period This is the period during which a new Scheme sells its unit to the Investors.	The New Fund offer opened on September 02, 2022 and closed on September 16, 2022. The units of the scheme were allotted on September 17, 2022.
New Fund Offer Price: This is the price per unit that the Investors have to pay to invest during the NFO.	Not Applicable
Minimum Amount for Application/switch in during the NFO	Not Applicable
Minimum Target amount	Not Applicable
Maximum Amount to be raised (if any) This is the maximum amount which can be collected during the NFO period, as decided by the AMC.	Not Applicable
Plans / Options offered	None
Allotment	Not Applicable
Refund	Not Applicable
Who can invest This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.	<p>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 of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. 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; 4. Partnership Firms; 5. Limited Liability Partnerships; 6. Proprietorship in the name of the sole proprietor; 7. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Unit is permitted under the respective constitutions); 8. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 9. Religious and Charitable Trusts, Wakfs or endowments of private trusts

	<p>(subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</p> <ol style="list-style-type: none"> 10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) / Overseas Citizen of India (OCI) residing abroad on repatriation basis or on non-repatriation basis; 11. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 12. Scientific and Industrial Research Organisations; 13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI; 14. Provident/ Pension/ Gratuity Fund to the extent they are permitted; 15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI (MF) Regulations; 16. Schemes of Alternative Investment Funds; 17. Trustee, AMC or Sponsor or their associates may subscribe to Units under the scheme; 18. Such other category of person(s) permitted to make investments and as may be specified by the AMC / Trustee from time to time. <p>The AMC/ Trustee company may also reject any application for subscription of units if the application is invalid, incomplete, or if the AMC/ Trustee company for any other reason does not believe that it would be in the interest of the scheme or its unitholders to accept such an application.</p> <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"> • 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'. • 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. • 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>Email ID & Mobile Number</p> <p>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>Ultimate Beneficial Ownership details:</p> <p>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 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</p>
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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.

	<p>In accordance with the aforesaid SEBI circulars and AMFI best practice guidelines for implementation of CKYC norms with effect from February 1, 2017:</p> <ol style="list-style-type: none"> 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. 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. <p>The AMC reserves the right to reject transaction application in case the 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>Submission of Aadhar Number 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"> 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 as FPI or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. 2. Pursuant to RBI A.P. (DIR Series) circular no. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds. 3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. 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"> a. subscriptions received by way of lump sum / switches /systematic transactions received from Non-resident Indians (NRIs) / Persons of Indian origin (PIO) / Overseas Citizen of India (OCI) who at the time of such investment, are present in India and b. FPIs <p>These investors need to submit a physical transaction request along with such documents as may be prescribed by the AMC/ the Trustee/ 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</p>

	<p>and conditions notified in this regard.</p> <p>The Trustee / the AMC /the Fund reserve the right to change/ modify the above provisions at a later date.</p> <p>5. Foreign Portfolio Investors (FPIs) cannot invest into the scheme.</p> <p>Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document.
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. www.axismf.com .
Listing	<p>Being an Exchange Traded Fund, the Units of the Scheme are listed on the National Stock Exchange of India Limited and/or any other stock exchange. An investor can buy/sell Units on the Exchange during the trading hours like any other publicly traded stock.</p> <p>The AMC has proposed to engage Authorised participants/Market makers for creating liquidity for the ETF on the Stock Exchange(s) so that investors other than Authorised participants/Market makers and Large Investors are able to buy or redeem units on the Stock Exchange(s) using the services of a stock broker.</p> <p>The AMC may also decide to delist the Units from a particular Exchange, provided that the Units are listed on at least one Exchange.</p> <p>The price of the Units in the market on Exchange will depend on demand and supply and market factors and forces. There is no minimum investment amount for investment through Exchange, although Units dealt in minimum in lots of 1.</p>
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of Repurchased Unit, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	The Scheme does not propose to reissue redeemed units. The number of Units held by the Unit holder in his Beneficiary (Demat) account will stand reduced by the number of Units redeemed.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>Units held in Demat form are 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 have a Demat Account. The delivery instructions for transfer of units will have to be lodged with the DP 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. The Mutual Fund will not be bound to recognise any other transfer.</p> <p>In case a person (i.e. a transferee) becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents,</p>

proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the units of the Scheme.

The units held in demat mode can be pledged and hypothecated as per the provisions of Depositories Act, 1996 and Depositories Rules and Regulations.

Pledge or Hypothecation of Units

The Units held in demat mode can be pledged and hypothecated as per the provisions of Depositories Act and Depositories Rules and Regulations.

Manner of creating pledge or hypothecation:

- 1) If a beneficial owner intends to create a pledge on a security owned by him he shall make an application to the depository through the participant who has his account in respect of such securities.
- 2) The participant after satisfaction that the securities are available for pledge shall make a note in its records of the notice of pledge and forward the application to the depository.
- 3) The depository after confirmation from the pledger that the securities are available for pledge with the pledger shall within fifteen days of the receipt of the application create and record the pledge and send an intimation of the same to the participants of the pledger and the pledgee.
- 4) On receipt of the intimation under Clause (3) the participants of both the pledger and the pledgee shall inform the pledger and the pledgee respectively of the entry of creation of the pledge.
- 5) If the depository does not create the pledge, it shall send along with the reasons intimation to the participants of the pledger and the pledgee.
- 6) The entry of pledge made under Clause (3) may be cancelled by the depository if pledger or the pledgee makes an application to the depository through its participant:

Provided that no entry of pledge shall be cancelled by the depository without prior concurrence of the pledgee.

- 7) The depository on the cancellation of the entry of pledge shall inform the participant of the pledger.
- 8) Subject to the provisions of the pledge document, the pledgee may invoke the pledge and on such invocation, the depository shall register the pledgee as beneficial owner of such securities and amend its records accordingly.
- 9) After amending its records under Clause (8) the depository shall immediately inform the participants of the pledger and pledgee of the change who in turn shall make the necessary changes in their records and inform the pledger and pledgee respectively.
- 10) (a) If a beneficial owner intends to create a hypothecation on a security owned by him he may do so in accordance with the provisions of Clauses (1) to (9).
(b) The provisions of Clauses (1) to (9) shall mutatis mutandis apply in such cases of hypothecation:

Provided that the depository before registering the hypothecatee as a beneficial owner shall obtain the prior concurrence of the hypothecator.

- 11) No transfer of security in respect of which a notice or entry of pledge or hypothecation is in force shall be effected by a participant without the concurrence of the pledgee or the hypothecatee, as the case may be.

Pledge of Units - in case of issue of Unit Certificate

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

	<p>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 Unit are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Unit are pledged, the Pledgee will have complete authority to redeem such Units.</p> <p>Suspension/Restriction on Redemption of Units of the Scheme 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 SPara1.12 of Master Circular for Mutual funds dated May 19, 2023 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> <ol style="list-style-type: none"> a) Liquidity issues: when market at large becomes illiquid affecting almost all securities rather than any issuer specific security; b) Market failures, exchange closures: when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies; c) Operational issues: when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). <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"> i. No redemption / switch-out requests upto Rs. 2 lakhs shall be subject to such restriction. ii. Where redemption / switch-out requests are above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without such restriction and remaining part over and above Rs. 2 lakhs shall be subject to such restriction. <p>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>
<p>Third Party Payment Avoidance and additional documents / declaration required</p>	<p>Please refer SAI for details.</p>
<p>Cash Investments in mutual funds</p>	<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</p>

	<p>of cash transactions for fresh purchases/ additional purchases to the extent of Rs.50,000/- per investor, per mutual fund, per financial year shall be allowed subject to:</p> <ol style="list-style-type: none"> 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 ii. sufficient systems and procedures in place. <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>
Rounding Off	<p>While allotting the Units, based on the Allotment Price, the number of Units may be rounded off to the nearest whole number on the lower side if the trustees feel so, with a view to avoid creation of fractional units. The amount due to rounding off may be refunded to the investor.</p>
<p>Facility to transact in units of the Schemes through MF Utility portal & 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, www.mfuonline.com 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 www.mfuonline.com 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 www.mfuindia.com. 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 Scheme shall be applicable for applications received on the portal of MFUI i.e. www.mfuonline.com. However, investors should note that transactions on the MFUI portal shall be subject to the terms & 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>
MF Central as	<p>Investors are requested to note that pursuant to SEBI circular no</p>

<p>Official Point of Acceptance</p>	<p>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&Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using https://mfcentral.com/ 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. 23rd 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>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period 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 subscription and redemption with the mutual fund on September 17, 2022.</p> <p>WITH THE MUTUAL FUND: The Units can be purchased and redeemed directly with the Fund only in Creation Unit size on all Business Days, at applicable NAV, subject to applicable load, if any.</p> <p>AUTHORISED PARTICIPANTS/MARKET MAKERS: Application for subscription of the units of the Scheme directly with the Fund in Creation Unit Size/ above a specified threshold at NAV based prices in exchange for Portfolio Deposit and Cash Component.</p> <p>Large Investors: Application for subscription of the units of the Scheme directly with the Fund as determined by the AMC only by means of Real Time Gross Settlement (RTGS)/ National Electronics Funds Transfer (NEFT) or Funds Transfer Letter/ Transfer Cheque of a bank where the Scheme has a collection account.</p> <p>In line with SEBI circular dated July 30, 2021 transactions in units of the Scheme by Authorized Participants / Large Investors, directly with the AMC, intra-day NAV, based on the executed price at which Silver of prescribed purity are purchased, shall be applicable.</p> <p>OTHER INVESTORS: Units of the Scheme can be traded (in lots of 1 unit) during the trading hours on all trading days of the stock exchange(s) on which the units are listed.</p>
<p>Ongoing price for Subscription (purchase)/Switch-in</p>	<p>ON THE EXCHANGE Units of the Scheme in less than Creation Units size cannot be purchased from/redeemed directly with the Fund and can be</p>

<p>(from other Schemes/Plans of the Mutual Fund) by investors. This is the price you need to pay for purchase/Switch-in.</p>	<p>purchased/ sold only on the Stock Exchange(s) where the units are listed.</p> <p>The price of the units in the market will depend on demand and supply at that point of time. Subscriptions made through Stock Exchanges / demat mode will be made compulsorily in demat mode by specifying the number of Units to be subscribed and not the amount to be invested. However, an investor would be paying cost in the form of brokerage, service tax, etc. as charged by his broker and other applicable statutory levies when the units are bought on the Stock Exchange(s). The minimum number of the ETF units that can be bought is 1 (one) unit.</p> <p>DIRECTLY FROM THE FUND On an ongoing basis, the Scheme would be open for subscriptions (purchase) only for Authorised participants/Market makers and Large Investors in 'Creation Unit Size' on all Business Days at NAV based prices.</p> <p>The Sale Price will be calculated on the basis of NAV based prices. The Sale Price per Unit will be calculated using the following formula:</p> <p>Sale Price = Applicable NAV + transaction handling charges + incidental charges, if any</p> <p>In line with SEBI circular dated July 30, 2021 transactions in units of the Scheme by Authorized Participants / Large Investors, directly with the AMC, intra-day NAV, based on the executed price at which Silver of prescribed purity are sold, shall be applicable.</p>
<p>Ongoing price for Redemption (Sale) /Switch outs (to other Schemes/Plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs.</p>	<p>REDEMPTION OF UNITS DIRECTLY WITH MUTUAL FUND On an ongoing basis, the Scheme would be open for redemptions sale only for Authorised participants/Market makers and Large Investors in 'Creation Unit Size' on all Business Days at NAV based prices subject to exit load, if any.</p> <p>Redemption Price = Applicable NAV * (1 - Exit Load, if any) - transaction handling charges and incidental charges, if any.</p> <p>Example: If the Applicable NAV per unit is Rs. 1,581.42 and NIL Exit Load is charged and Rs. 2 as transaction handling charges and incidental charges.</p> <p>The Redemption Price per Unit will be calculated as follows: = Rs. 1,581.42 – Rs. 2 = Rs. 1,579.42</p> <p>PURCHASE / SALE OF UNITS ON THE EXCHANGE The Units of the Scheme will be listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE) and/or any other exchange within such time as maybe prescribed from time to time. The Mutual Fund may at its sole discretion list the Units under the Scheme on any other recognized Stock Exchange(s) at a later date.</p> <p>An investor can buy/sell Units on a continuous basis on the National Stock Exchange of India Ltd. and/or any other Stock Exchange(s) on which the Units are listed during the trading hours like any other publicly traded stock.</p>

	<p>The price of the Units on the Stock Exchange will depend on demand and supply at that point of time and underlying NAV. There is no minimum investment, although Units are purchased /sold in round lots of 1 Unit.</p>
<p>Role of Authorized Participant</p>	<p>The role of Authorized Participants is to offer liquidity of the units of the Scheme on the Stock Exchange where the Units are listed. AMC will empanel at least two Authorised participants/Market makers. Authorised participants/Market makers may offer to buy and sell quotes (bid and ask quotes) on the Exchanges such that buy and sell orders get executed in the market subject to price compatibility. Authorised participants/Market makers may for the purpose of creating liquidity subscribe or redeem the units of the Scheme directly with the Mutual Fund.</p> <p>The AMC reserves right to appoint / remove any Authorised participants/Market makers.</p>
<p>Liquidity window for Investors</p>	<p>Investors can directly approach the AMC for redemption of units of ETFs, for transaction of upto INR 25 Cr. without any exit load, in case of the following scenarios:</p> <ol style="list-style-type: none"> i. Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or ii. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or iii. Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days. <p>In case of the above scenarios, applications received from investors for redemption up to 3.00 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day.</p> <p>The above instances shall be tracked by the AMC on a continuous basis and in case if any of the above mentioned scenario arises, the same shall be disclosed on the website of AMC.</p>
<p>Cut off timing for Subscriptions/ redemptions/ Switches</p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance.</p>	<p>DIRECTLY FROM THE FUND: On an ongoing basis, the Scheme would be open for subscriptions/redemptions only for Authorised participants/Market makers and Large Investors in 'Creation Unit Size' on all Business Days at NAV based prices.</p> <p>In line with SEBI circular dated July 30, 2021 transactions in units of the Scheme by Authorized Participants / Large Investors, directly with the AMC, intra-day NAV, based on the executed price at which Silver of prescribed purity are purchased / sold, shall be applicable.</p> <p>Settlement of purchase / sale of Units of the Scheme on NSE and/or any other stock exchange.</p> <p>Settlement of purchase/sale of Units of the Scheme on the NSE and/or any other stock exchange will be made in accordance with the procedure as may be prescribed by the stock exchange(s) from time to time.</p>

Where can the applications for purchase/redemption Switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/Redemption/ Switches directly with the mutual fund and minimum amount for purchase and sale of Units on the Exchange.	<p>ON THE EXCHANGE The units of the ETF can be purchased/sold in minimum lot of 1 (one) unit and in multiples thereof.</p> <p>DIRECTLY FROM THE FUND The Fund creates / redeems units of the ETF in large size known as "Creation Unit Size".</p>
Minimum balance to be maintained and consequences of non-maintenance.	Not applicable
Special Products available	<p>None</p> <p>Transactions, through the mutual fund trading platforms of the Bombay Stock Exchange and National Stock Exchange. Investors may be provided facility to subscribe to Units of the Scheme through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") (BSE StAR MF Platform) and National Stock Exchange ("NSE") (Mutual Fund Service System (MFSS) Platform - with NSDL and CDSL or NMF-II platform as depositories for such units of the mutual fund.</p> <p>Transactions through MF Utility portal & MFUI Points of Services pursuant to appointment of MF Utilities India Pvt. Ltd. Investors may be provided facility to subscribe to Units of the Scheme through 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>
Accounts Statements / Allotment advice	<ul style="list-style-type: none"> • 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. • As the units of the Scheme will be issued, traded and settled compulsorily in dematerialized (electronic) form, the statement provided by the Depository Participant will be equivalent to the account statement. • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • 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. • 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.

CONSOLIDATED ACCOUNT STATEMENT (CAS)

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 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.

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, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single 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 15th 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 21st 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

	<p>across demat accounts of the investors and holding at the end of the month.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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).</p> <p>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.</p> <p>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 15th of succeeding month by mail or email.</p> <p>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 21st 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.</p>
Income Distribution cum Capital Withdrawal (IDCW)	No IDCW will be declared under the Scheme.
Redemption	<p>How to Redeem</p> <p>Investors may kindly note that Units can be redeemed with the fund house only in Creation Unit Size/ above a specified threshold..</p> <p>A Transaction Slip can be used by the Unit Holder to request for</p>

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.

Procedure for payment of redemption.

1. Resident Investors

Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft etc or any other mode allowed by Reserve Bank of India from time to time.

- a) If investor has provided IFSC code in the application form, by default redemption proceeds shall be credited to Investor's account through RTGS/NEFT.
- b) If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit.
- c) 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 Registrar).

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).

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.

The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice

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

(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.

The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.

2. Non-Resident Investors/PIO/OCI

For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:

(i) Repatriation basis

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.

(ii) Non-Repatriation basis

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.

(iii) FPIs

For FPIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FPI 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.

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.

Unclaimed Redemptions and IDCW

The unclaimed Redemption and IDCW amounts shall be deployed by the Fund in money market instruments and such other instruments/securities as maybe permitted from time to time. The 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.

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 IDCW amounts may be deployed in separate plan of Overnight scheme/Liquid scheme/Money market mutual fund scheme floated by Mutual Funds specifically for deployment of the unclaimed Redemption and IDCW amounts.

	<p>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.</p> <p>REDEMPTION PROCEEDS PAYABLE IN PORTFOLIO DEPOSITS OF SILVER On successful verification of the redemption request, the AMC will instruct the custodian to transfer the Portfolio Deposit of Silver to the custody account of authorized participants/large investors and remit/collect the Cash Component after adjusting transaction handling charges, other applicable charges and the difference between the applicable NAV and closing price of Silver. The delivery of Silver to Authorised participants/Market makers/ Large Investors- will be made at the location of the Custodian within the jurisdiction of Mumbai. Redemption proceeds will be sent to the Unit holder within 10 business days from the date of confirmation with the depository records.</p> <p>Cash Component in redemption proceeds shall be directly credited to the bank account linked to demat account of Authorised participants/Market makers/Large Investors.</p> <p>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.</p> <p>For investors holding units in demat mode, the procedure for change in bank details would be as per the instructions given by their respective Depository Participant(s).</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 proceeds are not made within three(3) working Days of the date of redemption. 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.</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>NAVs will be calculated and disclosed on all the Business Days. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 11.00 p.m. on every 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>Further, the indicative NAVs of Silver ETFs shall be disclosed on Stock Exchange platforms, where the units of these ETFs are listed, on continuous basis during the trading hours, as per the facility made available by Stock Exchange.</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 the Scheme (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, 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>

Annual Report	<p>Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 read with para 5.4 of SEBI Master Circular for Mutual funds dated May 19, 2023 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 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 (www.axismf.com) and on the website of Association of Mutual Funds in India (www.amfiindia.com).</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>

Taxation
2023-24

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 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:

Particulars	Taxability in the hands of Individuals / Non-corporates / Corporates	
	Resident	Non-Resident
Tax on distributed income (dividend income)	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)

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

Axis Silver ETF		
Total Income	Rate of Surcharge for Domestic	Rate of Surcharge for Foreign

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, Valuation, IDCW, etc by calling the Investor line of the AMC at contact number 8108622211(chargeable) from 8.00 am to 8.00 pm (Monday to Friday) and 9.00 am to 6.00 pm (on Saturday and Sunday) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – customerservice@axismf.com. 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. Mr. C P Shivkumar Nair who has been appointed as the Investor Relations Officer and can be contacted at: Address : Axis Asset Management Company Ltd. Axis House, 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254123</p>
Tracking error and tracking difference	<p>Tracking Error i.e. the annualised standard deviation of the difference in daily returns between physical silver and the NAV of Silver ETF based on past one year rolling over data (For ETFs in existence for a period of less than one year, annualized standard deviation shall be calculated based on available data) shall not exceed 2%. The disclosure regarding the same shall be made on monthly basis on the website of the AMC.</p> <p>Along with the disclosure of tracking error, Silver ETF schemes shall also disclose the tracking difference i.e. the difference of returns between physical silver and the Silver ETF, on the website of the AMC on monthly basis for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.</p>
Disclosure Norms as per para 3.6.8 SEBI Master Circular for mutual fund dated May 19, 2023	<p>A. The ETF Fund shall disclose the following on monthly basis:</p> <ol style="list-style-type: none"> I. Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme II. Name and exposure to top 7 groups as a percentage of NAV of the scheme. III. Name and exposure to top 4 sectors as a percentage of NAV of the scheme. <p>Change in constituents of the index, if any, shall be disclosed on the AMC website (i.e. www.axismf.com/) on the day of change.</p>

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of 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:

$$\text{NAV (Rs.)} = \frac{\text{Market Value of Investments} + \text{Fair Value of Scheme's Investments} + \text{Current Income including Accrued Assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate.

The NAVs will be calculated and disclosed on all the Business Days.

The Fund will invest in Silver. Since Silver and other permitted instruments linked to Silver are denominated in Silver tonnage, it will be valued based on the market price of Silver in the domestic market and will be marked to market on a daily basis. The market price of Silver in the domestic market on any business day would be arrived at as under:

Domestic price of Silver = (London Bullion Market Association AM fixing in US\$/ounce X conversion factor for converting ounce into kg for 0.999 fineness X rate for US\$ into INR) + custom duty for import of Silver + sales tax/octroi and other levies applicable.

The Trustees reserve the right to change the source (centre) for determining the exchange rate. The AMC shall record in writing the reason for change in the source for determining the exchange rate.

Value of Silver:

1. The Silver held by the Scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for Silver having a fineness of 999.0 parts per thousand, subject to the following:
 - a. adjustment for conversion to metric measures as per standard conversion rates;
 - b. adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI); and
 - c. addition of –
 - (i) transportation and other charges that may be normally incurred in bringing such Silver from London to the place where it is actually stored on behalf of the Fund; and
 - (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the Silver from London to the place where it is actually stored on behalf of the Fund.

Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of Silver to the place where it is stored on behalf of the Fund.

Provided further that where the Silver held by the Scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

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 & Transfer Agent 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 NFO expenses were 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 of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the AMC.

Expense Head	% of daily Net Assets	
Investment Management and Advisory fees	Upto 1.00%	
Trustee fees		
Audit fees		
Custodian fees		
RTA fees		
Marketing & Selling expense incl. agent commission, if any;		
Incentives, if any, to Market Makers		
Cost related to investor communications		
Cost of fund transfer from location to location		
Cost of providing account statements and IDCW redemption cheques and warrants		
Costs of statutory Advertisements		
Cost towards investor education & awareness (at least 1 bps)		
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.		
Goods & Services Tax (GST) on expenses other than investment and advisory fees		
GST on brokerage and transaction cost(over & above 12bps and 5bps limit mentioned above)		
Storage and handling of silver		
Maximum total expense ratio (TER) permissible under Regulation 52(6) (b)		Upto 1.00%

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 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 are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52(2) and (4) respectively.

The total expenses of the scheme including the investment and advisory fees shall not exceed one percent (1.00%) of the daily net assets.

The total expenses of the Scheme 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.

Expenses charged to the Scheme:

A. In addition to the limits as specified in Regulation 52(6) of SEBI (MF) Regulations or the Total Recurring Expenses (Total Expense Limit) as specified above, the following costs or expenses may be charged to the Scheme namely-c

Additional expenses under regulation 52:

a) 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 for cash market transactions. Any payment towards brokerage & transaction costs, over and above the said 12 bps for cash market transactions will be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the Regulations.

GST payable on investment and advisory service fees ('AMC fees') charged by Axis Asset Management Company Limited ('Axis AMC');

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, (including on brokerage and transaction costs on execution of trades) shall be borne by the Scheme
- b) Investor education and awareness initiative fees of at least 1 basis points on daily net assets of Scheme.

b) (c) Incentives, if any, to Market Makers shall be charged to the Scheme within maximum permissible limit of TER.

a)

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 notice of change in base TER on its website (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.

Incentive for Market Makers

In accordance with the SEBI circular dated May 23, 2022, Incentives, if any, to Market Makers shall be charged to the Scheme within maximum permissible limit of TER.

a) Guiding Principles for incentive structure for Market Makers

Incentives to market maker will be linked to performance of the market maker in terms of generating liquidity in units of ETFs. Incentives, if any, to MM shall be charged to the scheme within the maximum permissible limit of Total Expense Ratio ("TER").

b) Determination of incentive for Market maker

It will be determined basis any or all of the below mentioned criteria:

- i. It will be based on volume carried out by market maker on the exchange as compared to total volume of respective ETFs on exchange.
- ii. Availability of bid & Ask as per the SEBI guidelines
- iii. Average Spread between Bid & Ask
- iv. Any other performance-based metric.

Incentives to market maker shall be at the discretion of the AMC & to be decided between the AMC and the MM which may be variable in nature or fixed amount basis agreed performance standards and will adhere to maximum permissible limit of TER.

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:

Particulars	Amount (in Rs.)	No of units	NAV per unit (in Rs.)
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)	11,30	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%		

Please Note:

- The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Scheme and 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.

D. 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) or may call at contact number 8108622211 (chargeable) from 8.00 am to 8.00 pm (Monday to Friday) and 9.00 am to 6.00 pm (on Saturday and Sunday) or you can contact your distributor.

Para 10.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	Not Applicable
Exit Load	Nil

The above mentioned load structure shall be equally applicable to the special products such as switches, etc. offered by the AMC.

Exit load charged to the investors will be credited back to the Scheme net of GST.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

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.

Para 10.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 has decided that there shall be no entry Load for all Mutual Fund Schemes.

⇒ 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/ CDSC along with 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/CDSC.
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.

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 Charge:

In terms of SEBI circular no. CIR/IMD/DF/13/2011 dated August 22, 2011, 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), 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.

However, the option to charge "transaction charges" is at the discretion of the distributors. Investors may note that distributors can opt to receive transaction charges

based on type of the Scheme. Accordingly, the transaction charges would be deducted from the subscription amounts, as applicable.

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.

E. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNITHOLDERS

Please refer to the 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. Efkon 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 December 21, 2021. 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. Further, the Trustee granted its approval for the listing the Units of the Scheme in dematerialized form. It is ensured by the Trustee that the Scheme has received in-principle approval for listing on December 27, 2021 from National Stock Exchange of India Ltd. and that the appropriate disclosures pertaining to listing of Units is made in this Scheme Information Document.

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

MUMBAI Axis Asset Management Company Limited Axis House, First Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025.

TEL 022 4325 5100 FAX 022 4325 5199 and additional contact number 8108622211(Chargeable) EMAIL customerservice@axismf.com WEB 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.