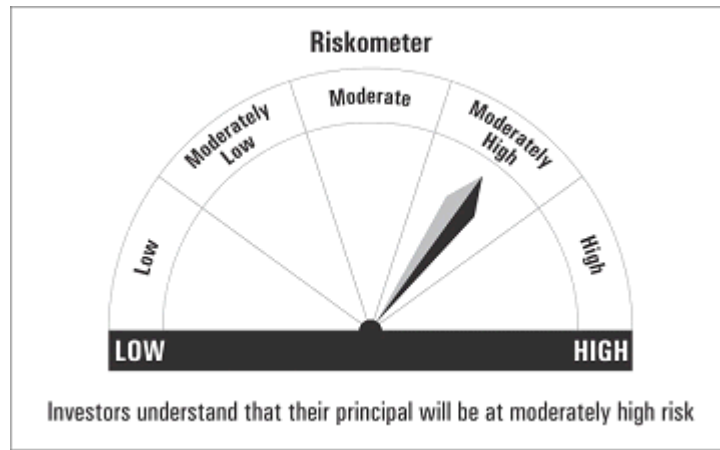


**SCHEME INFORMATION DOCUMENT  
AXIS HYBRID FUND - SERIES 26  
1276 DAYS CLOSE ENDED DEBT SCHEME**

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

- Capital appreciation while generating income over medium to long term
- Investment in debt and money market instruments as well as equity and equity related instruments



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

Offer of Units of Rs.10 each for cash during the  
New Fund Offer

**New Fund Offer Opens on: August 21, 2015  
New Fund Offer Closes on: September 1, 2015**

Name of the Sponsor	:	Axis Bank Limited
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 Limited
Addresses, Website of the AMC, Trustee & Mutual Fund	:	"Axis House", 1st Floor, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli Mumbai - 400025 <a href="http://www.axismf.com">www.axismf.com</a>

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

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

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

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

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

Please refer to the BSE Disclaimer Clause Overleaf.

The Mutual Fund or AMC and its empanelled brokers have not given and shall not give any indicative portfolio and indicative yield in any communication, in any manner whatsoever. Investors are advised not rely on any communication regarding indicative yield/ portfolio with regard to the scheme.

This Scheme Information Document is dated August 10, 2015

**EXCHANGE DISCLAIMER:**

"Bombay Stock Exchange Limited" ("the Exchange") has given vide its letter dated May 20, 2015, permission to Axis Mutual Fund to use the Exchange's name in this SID as one of the Stock Exchanges on which this Mutual Fund's Units are proposed to be listed. The Exchange has scrutinized this SID for its limited internal purpose of decided on the matter of granting the aforesaid permission to Axis Mutual Fund. The Exchange does not in any manner:-

- i) warrant, certify or endorse the correctness or completeness of any of the contents of this SID; or
- ii) warrant that this scheme's unit will be listed or will continue to be listed on the Exchange; or
- iii) take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund.

and it should not for any reason be deemed or construed that this SID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of Axis Hybrid Fund – Series 26 to 30 of this 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 for any other reason whatsoever.

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

### **Investment objective**

To generate income by investing in high quality fixed income securities that are maturing on or before the maturity of the Scheme whilst the secondary objective is to generate capital appreciation by investing in equity and equity related instruments. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.

### **Tenure of the Scheme**

Axis Hybrid Fund – Series 26 is a 1276 days close ended scheme. (including the date of allotment).

Tenure of the Scheme – 1276 days from the date of allotment (including the date of allotment). If the maturity date falls on a non-business day, the maturity date shall be the next business day.

The exact duration of the Series under the Scheme shall be decided at the time of launch of the respective Series

The AMC/ Trustee may issue a revised SID at the time of each launch (instead of issuing a notice in two newspapers).

Units of the scheme will be redeemed only on the Maturity Date of the scheme (or immediately succeeding Business Day if that day is not a Business Day.)

### **Liquidity**

The Units of the Scheme cannot be redeemed by the Unit holder directly with the Fund until the Maturity Date.

The Units of the Scheme will be listed on the capital market segment of the BSE and/ or any other Stock Exchange. Unit holders can purchase / sell Units on a continuous basis on BSE and/ or any other Stock Exchange(s) on which the Units are listed. The Units can be purchased / sold during the trading hours of the Stock Exchange(s) like any other publicly traded stock, until the date of issue of notice by the AMC for fixing the record date for determining the Unit holders whose name(s) appear on the list of beneficial owners as per the Depositories (NSDL/CDSL) records for the purpose of redemption of Units on Maturity Date. The trading of Units on BSE and/ or any other Stock Exchange(s) on which the Units are listed will automatically get suspended from the date of issue of the said notice and also no off-market transactions shall be permitted by the Depositories.

The price of the Units on the Stock Exchange(s) will depend on demand and supply at that point of time and underlying NAV. There is no minimum investment limit, although Units are normally traded in round lots of 1 Unit.

Please refer to para “Settlement of purchase / sale of Units of the Scheme on BSE” and “Rolling Settlement” under the section “**Cut off timing for subscriptions/ redemption/ switches**” for further details.

The notice for fixing the record date will be issued by the AMC at least five calendar days before the Maturity Date and the record date for redemption of Units on

Maturity Date will be at least one calendar day prior to the Maturity Date. The AMC reserves the right to change the period for publication of notice and fixing of record date for redemption of Units on Maturity Date.

### **Dematerialization of Units**

The Unit holders are given an Option to hold the units by way of an Account Statement (Physical form) or in Dematerialized ('Demat') form.

Mode of holding shall be clearly specified in the KIM cum application form. Unit holders holding the units in physical form will not be able to trade or transfer their units till such units are dematerialized.

Unit holders opting to hold the units in demat form must provide their Demat Account details in the specified section of the application form. The Unit holder intending to hold the units in Demat form are required to have a beneficiary account with the Depository Participant (DP) (registered with NSDL/ CDSL as may be indicated by the Fund at the time of launch) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP.

In case Unit holders do not provide their Demat Account details, an Account Statement shall be sent to them. Such investors will not be able to trade on the stock exchange till the holdings are converted in to demat form.

### **Transfer of Units**

Units held by way of an Account Statement (Physical form) cannot be transferred. 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**

The AMC shall dispatch the Redemption proceeds within 10 Business Days from the maturity date.

### **Benchmark**

A combination of Crisil Composite Bond Fund Index (85%) and CNX Nifty Index (15%)

### **Transparency/ NAV Disclosure**

The AMC will calculate and disclose the NAVs on all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAV on its website ([www.axismf.com](http://www.axismf.com)) and of the Association of Mutual Funds in India - AMFI ([www.amfindia.com](http://www.amfindia.com)) before 9.00 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.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31<sup>st</sup> March and 30<sup>th</sup> September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will disclose details of the portfolio of the Scheme on a monthly basis on its website or at such frequency as maybe decided by the Trustee/ AMC from time to time.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

### **Loads**

Entry Load: Not Applicable

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

Exit Load: Not Applicable

Units under the scheme cannot be redeemed directly with the Fund as the Units of the Scheme will be listed on the Stock Exchange(s). These units can be sold on a continuous basis on the stock exchange(s) where the units will be listed during the trading hours on all trading days. For more details on load structure, please refer paragraph 'Load Structure'.

### **Minimum Application Amount (for purchase and switch in)**

Rs. 5,000 and in multiples of Re. 10/- thereafter

The Scheme will enable investors to nearly eliminate interest rate risk by remaining invested in the Scheme till the Maturity Date. The scheme will be compulsorily and without any further act by the Unit holder(s) redeemed on the Maturity Date. On the Maturity Date, the Units will be redeemed at the Applicable NAV.

Note – Each series under Axis Hybrid Fund will be a separate scheme. Duration of each plan under the scheme will range from 1 to 5 years from the date of allotment, including date of allotment.

### **Plans and Options under the Series(s) of the Scheme**

#### **Plans**

- Axis Hybrid Fund Series 26 - Regular Plan
- Axis Hybrid Fund Series 26- Direct Plan

**Options under each Plan(s)**

- Growth
- Dividend (Payout Facility)

**Direct Plan**

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

All the plans will have common portfolio.

**New Fund Offer Period of Series under the Scheme**

Information with respect to the New Fund Offer for the Series under the Scheme (launched subsequent to New Fund Offer of the Scheme) will be communicated to the investors/prospective investors by a notice displayed at the investor service centre and issue of advertisement in two news papers i.e. in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.

The notice will be published at least one business day before the respective launch date. Each Series, when offered for subscription, would be open for such number of days (not exceeding 15 days) as may be decided by the AMC.

The exact duration of each of the balance Series under the Scheme shall be decided at the time of launch of the respective Series and will be indicated in the notice published for launch of the Series. The AMC/Trustee may issue a revised SID at the time of each launch (instead of issuing a notice in two newspapers).

Each Series under the Scheme will be denoted by a specific Series Name e.g. Series 26 may be identified as Axis Hybrid Fund - Series 26. This naming pattern may be changed by the AMC from time to time. The Trustee/AMC reserves the right to decide the frequency/change the frequency of launching the Series or not to launch a particular Series under the Scheme.

Each Series under Axis Hybrid Fund – Series 26 - 30 is a separate scheme in itself with a separate portfolio.

Each Series will be compulsorily and without any further act by the Unit holder(s) redeemed on the Maturity Date. On the Maturity Date of the Plan, the Units under the Series will be redeemed at the Applicable NAV.



## **I. INTRODUCTION**

### **A. RISK FACTORS**

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

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price/ value/ interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/ AMC/ Mutual Fund does not guarantee future performance of the Scheme.
- 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 lac made by it towards setting up the Fund.
- Axis Hybrid Fund – Series 26 is not a guaranteed or assured return scheme

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

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

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

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

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

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

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

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

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

**Liquidity Risk on account of unlisted securities:** The liquidity and valuation of the Scheme 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.

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

#### **Risk Associated with Securitized Debt**

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

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

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

4. Personal Loans
5. Corporate Loans

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

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

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

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

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

#### **Risks associated with investments in derivatives**

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.

- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned. The Scheme shall not write options or purchase instruments with embedded written options.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.

- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

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

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

**Liquidity risk:** During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

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

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

**Listing related risks**

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. 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 on the maturity date 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. As the Units allotted under the Scheme will be listed on the Exchange, the Mutual Fund shall not provide for redemption / repurchase of Units prior to maturity date of the Scheme.

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

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

**Risk Factor associated with Close-ended Schemes**

Investing in close-ended Schemes is more appropriate for seasoned investors. A close-ended Scheme endeavors to achieve the desired returns only at the scheduled maturity of the Scheme. Investors who wish to exit/redeem before the scheduled maturity date may do so through the stock exchange mode, if they have opted to hold Units in a demat form, by mentioning their demat details on the NFO application form. For the units listed on the exchange, it is possible that the market price at which the units are traded may be at a discount to the NAV of such Units. Hence, Unit Holders who sell their Units in a Scheme prior to maturity may not get the desired returns.

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

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 5 business days from the date of closure of the New Fund Offer.

**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.

- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- 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 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 ('SAI')'.
- 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**

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset
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	Management Company for the scheme(s) of Axis Mutual Fund.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> <li>(i) Saturday and Sunday;</li> <li>(ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing;</li> <li>(iii) A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed;</li> <li>(iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received;</li> <li>(v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC;</li> <li>(vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.</li> </ul> <p>Further, the day(s) on which the money markets and/or debt markets are closed / not accessible, may not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Exit Load"	Load on Redemption / Switch out of Units.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Foreign Portfolio Investor" (FPI)	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and has been registered under Chapter II of these



	<p>regulations, which shall be deemed to be an intermediary in terms of the provisions of the Act.</p> <p>It is to be noted that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.</p>
"Floating Rate Debt Instruments"	<p>Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.</p>
"Gilts" or "Government Securities"	<p>Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.</p>
"GOI"	<p>Government of India</p>
"Holiday"	<p>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.</p>
"Investment Management Agreement"	<p>The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.</p>
"Investor Service Centres" or "ISCs"	<p>Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.</p>
"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 Instruments"	<p>Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.</p>
"Mutual Fund" or "the Fund"	<p>Axis Mutual Fund, a trust set up under the provisions</p>

	of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Any location, as may be defined by the Asset Management Company from time to time, where investors can tender the request for subscription (during the new fund offer period for a close ended scheme), redemption or switching of units, etc.
"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).
Qualified Foreign Investor (QFI)	<p>QFI shall mean a person who fulfills the following criteria:</p> <p>(i) Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and</p> <p>(ii) Resident in a country that is a signatory to IOSCO's MMOU (Appendix A Signatories) or a signatory of a bilateral MOU with SEBI:</p> <p>Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on-(i) jurisdictions having a strategic Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. Provided further such person is not resident in India. Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor.</p> <p>Explanation.-For the purposes of this definition:</p> <p>(1) The term "Person" shall carry the same meaning under section 2(31) of the Income Tax Act, 1961; (2) The phrase "resident in India" shall carry the same meaning as in the Income Tax Act, 1961; (3) "Resident" in a country, other than India, shall mean resident as per the direct tax laws of that country. (4) "Bilateral MoU with SEBI" shall mean a bilateral MoU between SEBI and the overseas regulator that inter alia provides for information sharing arrangements. (5) Member of FATF shall not mean</p>

	an Associate member of FATF
"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.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. 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/Repurchase 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 Hybrid Fund – Series 26
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Hybrid Fund – Series 26 - 30(including Plans there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Sponsor"	Axis Bank Limited
"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.
"Deed of Trust"	The Deed of Trust dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the 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 Unit in the Scheme of Axis Mutual Fund offered under this Scheme Information Document.

#### 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 draft 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 proposed 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****Signed : Sd/-****Date: May 22, 2015****Name : Gopal Menon**  
**Designation: Head – Compliance, Legal & Secretarial**

Note: The aforesaid Due Diligence Certificate dated was submitted to the Securities and Exchange Board of India on May 22, 2015

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

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

A close ended debt scheme

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

The primary objective is to generate income by investing in high quality fixed income securities that are maturing on or before the maturity of the Scheme whilst the secondary objective is to generate capital appreciation by investing in equity and equity related instruments. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.

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

Under normal circumstances, the asset allocation will be:

<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>	<b>Risk Profile</b>
Debt instruments including securitized debt (not including Money Market Instruments) *(@)	70-95	Low to Medium
Money Market instruments	0-25	Low
Equity and Equity Related instruments#	5- 30	High

\*securitized debt up to 50% of the net assets of the Scheme. The Scheme shall not invest in foreign securitized debt.

@ Includes CDs issued by All India Financial Institutions recognized by RBI, such as NABARD, SIDBI, Exim Bank, NHB for tenors in excess of one year.

# Including derivatives instruments to the extent of 30% of the Net Assets as permitted vide SEBI Circular no. DNPD/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPD/Cir-30/2006 dated January 20, 2006, SEBI circular No. SEBI/DNPD/Cir-31/2006 dated September 22, 2006 and SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time. Where the market conditions are not favorable for investments in equity and equity related instruments, the fund manager may temporarily invest in CDs of highest credit ratings, Treasury Bills and CBLOs.

In accordance with SEBI Circular No. CIR/IMD/DF/214/2012 dated 13<sup>th</sup> September 2012:-

Total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, TBills and AAA rated securities issued by

Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of the scheme;

Additional exposure to financial services sector (over and above the limit of 30%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only;

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 30% of the net assets of the scheme."

The option premium shall be for the purpose of exposure to derivative instruments which shall be restricted to long call options. In such cases, the total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme. Moreover, this upper limit of 20%, for investments in options premium, if any, shall be applicable only at the time of investment. If due to market actions the value of options appreciates/ depreciates resulting in breach of the limit of 20%, the fund manager may or may not rebalance the portfolio and may run with the ongoing exposure. However, if the fund manager sells the option before expiry of the contract, the reinvestment, if any, would be subject to the maximum 20% limit on options premium.

The Scheme shall not carry out Short Selling and securities lending and borrowing.

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

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

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors.. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will carry out rebalancing within 30 calendar Days. Where the portfolio is not rebalanced within 30 calendar Days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

#### **D.WHERE WILL THE SCHEME INVEST?**

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

**Equity and Equity Related Instruments:**

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes equity warrants.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.

**Futures:**

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

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

**Options:**

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

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

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

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

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



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

### **Collateralized Borrowing and Lending Obligations (CBLO)**

Collateralized Borrowing and Lending Obligations (CBLO) is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available upto 1 year. Central Government securities including T-bills are eligible securities that can be used as collateral for borrowing through CBLO.

### **Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions**

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 (CP)**

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 (T-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.

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

### **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, G-Secs, State Government securities and T-Bills are eligible for Repo/Reverse Repo.

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

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

### **Non convertible debentures and bonds**

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies.

These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

#### **Floating rate debt instruments**

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

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

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

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

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

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

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

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

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal

payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio

- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

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

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

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

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

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

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

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

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

#### **When issued**

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

<b>Category</b>	<b>Reissued Security</b>	<b>Newly Issued Security</b>
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

#### **Debt derivative instruments:**

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

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

#### **Interest Rate Futures (as and when permitted):**

A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price) by the buyer and seller. The contracts are traded on a futures exchange. An Interest Rate Future is a futures contract with an interest bearing instrument as the underlying asset.

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

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

#### **Investments in units of mutual fund schemes**

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

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

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

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

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

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

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

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

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

### **Fixed Income:**

The scheme will follow a passive investment strategy for the fixed income portion. The fund manager will allocate the assets of the scheme between various fixed income securities (which mature on or before the maturity of the Scheme).

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

### **Equity:**

The equity portion of the scheme will invest in a diversified portfolio of Equities & Equity Related Instruments (including options premium) across market capitalisation.

For the equity portion, to the extent the fund invests in equity shares, the focus would be to build a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time.

The portfolios will be built utilizing a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalisation spectrum.



To the extent the fund invests in equity derivatives, it would endeavour to provide exposure to equities through derivatives, i.e exchange traded options and futures. The strategy shall endeavour to provide the portfolio with participation in the underlying equity index. For further details on the derivative strategy, refer to the paragraph on “Derivatives Strategy”.

The Fund by utilising a holistic risk management strategy will endeavor to manage risks associated with investing in equity markets. The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

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

#### **Credit evaluation policy**

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

#### **List of sectors the fund would not be investing**

Real Estate and gems & jewellery.

#### **Floors and ceilings within a range of 5% of the intended allocation (in %) against each sub asset class/ rating**

As per the regulations, the scheme is allowed to invest in Fixed Income Instruments within a range of 5% of the intended allocation (floor and cap) against each sub asset class/credit rating.

Instruments	Credit Rating					
	AAA	A1+	AA	A	BBB	Not Applicable
Certificate of Deposits (CD)	-	-	-	-	-	-
Commercial Papers (CP)	-	-	-	-	-	-
Non Convertible Debentures /Bonds @	45 – 50%	-	35 – 40%			-
Securitized Debt	-	-	-	-	-	-
CBLO/- G-Secs & T-Bills/ Repos/ Derivatives	-	-	-	-	-	0 - 5%



@ Includes CDs issued by All India Financial Institutions recognized by RBI, such as NABARD, SIDBI, Exim Bank, NHB for tenors in excess of one year.

In case of non-availability of instruments or adverse risk-reward position, which may prevent the Fund Manager from investing in such instruments as per the intended allocation range against each credit rating. In such cases, the fund as an alternate would invest in CDs of highest credit ratings (A1+ or equivalent) / TBills / CBLOs till such time as suitable instruments of desired credit quality is/ are available.

The fund may have higher allocation towards cash or cash equivalents immediately post NFO closure or towards the maturity of the Scheme.

Subsequent to the initial portfolio construction, during the tenure of the Plan, the above allocation may vary due to instances like (i) Inflows on account of coupons or any corporate actions; (ii) the instrument is called or bought back by the issuer; (iii) in anticipation of any adverse credit event. In such cases, the fund as an alternate would invest in CDs of highest credit ratings (A1+ or equivalent) / TBills / CBLOs) over the residual maturity of the scheme or till such time as suitable instruments of desired credit quality is/ are not available. The Fund may have positive variation in investments towards higher credit rating.

Subject to intended allocation range as specified above, the Fund may have positive variation in investments towards higher credit rating in same asset class.

All investments will be made on the basis of the rating prevailing at the time of Investment. In the event of any deviation from the floor and ceiling of above intended allocation range, the fund manager will carry out rebalancing within 30 days.

There shall be no deviation between the intended allocation and actual post (other than as explained above) the New Fund Offer period. The estimated time to invest the NFO proceeds as per the intended allocation is 30 days. If, due to market action, the value of fixed income instruments appreciate/ depreciate resulting in deviation in the intended allocation mentioned above, the fund manager may or may not rebalance the portfolio and may run with the ongoing exposure.

The rating symbols as specified in the above intended allocation range would include modifiers like + (plus) / - (minus) (which reflects the comparative standing within the Category) to each rating symbol viz AA would include AA+ or AA-.

If dual ratings are prevailing for any particular instrument in which investment is being made, the Fund would consider the most conservative public available rating for the said instrument, for the purpose of intended allocation range viz if for a particular investment CRISIL has rated it as AAA, but ICRA has rated it as AA then the fund would consider it as AA rated instrument.

#### **Derivatives Strategy:**

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

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the

value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

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

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

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

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

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

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

### **Futures**

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

#### **Illustration with Index Futures**

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

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

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

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

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at 0.2% of Index Future	7.02	8.75
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

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

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

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

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

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

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

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

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

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

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

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

**(c) Hedging:**

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

**(d) Alpha Strategy:**

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

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

**Option Contracts (Stock and Index)**

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

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price.

Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

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

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

Option contracts are of two types - Call and Put.

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

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

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

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

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

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

### **Call Option**

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

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium  $[50*100] = 5000$

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

#### Case 1- The index goes up

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

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain:  $Rs.200 - Rs.100 = Rs.100$  per unit
- Total gain on 1 lot of Nifty (50 units) =  $Rs.5000$   $(50*100)$

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise:  $3700 - 3550 = 150$

- Total Gain: Rs.2500  $\{(150-100)*50\}$

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

Case 2 - The Nifty index moves to any level below 3550

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

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid\*Lot Size: 50 units).

### **Put Option**

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

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium  $[50*30] = 1500$

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

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: Rs.80 - Rs.30 = Rs.50 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500  $(50*50)$

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

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

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise:  $3450-3400 = 50$
- Total Gain: Rs.1000  $\{(50-30)*50\}$

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

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot:  $>3450$
  - Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
- (Rs 30 Premium paid\*Lot Size: 50 units).

**Investment in Fixed Income Derivative Instruments:**

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

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

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

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

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

**Using Overnight Indexed Swaps**

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



### **Swap**

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2014 to December 1, 2014. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2014 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

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

On December 1, 2014 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2014, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

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

### **Forward Rate Agreement**

Assume that on June 30, 2014, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2014. If the interest rates are likely to remain stable or decline after July 31, 2014, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2014:

He can receive 1 X 2 FRA on June 30, 2014 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2014 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.



**Interest Rate Futures**

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

**12<sup>th</sup> October 2014**

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2014 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2014 interest rate futures contract.

**25<sup>th</sup> November 2014**

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2014 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2014 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

**Portfolio Turnover:**

The scheme will follow a passive investment strategy for the fixed income portion. In case of the fixed income securities, the fund manager intends to buy securities that mature within the maturity date of the scheme. Therefore, it is anticipated that the turnover would be lower than an open - ended scheme.

The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable measure accuracy, the likely turnover in the portfolio of the Scheme. The scheme does not have a target for portfolio turnover.

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

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

**Debt and Money Markets in India**

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government

Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, with market capitalization of Rs. 2,894,792 cr as at Jan 2015 (State Govt securities – Rs 1,240,436 cr, Source: NSE), is the oldest and the largest component (51% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. The market capitalization of corporate debt market as on Jan 2015 is Rs. 348,783 Cr (Source: NSE). A large part of the issuance in the non-Government debt market is currently on private placement basis.

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

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

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

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

The following table gives approximate yields prevailing on August 6, 2015 on some of the instruments and further illustrates this point.

<b>Instrument</b>	<b>Current Yield range (%)</b>
CBLO	7.10-7.20
Repo	7.15-7.25
3m Tbill	7.40-7.45
1Y Tbill	7.55-7.60
10Y Gsec	7.80-7.85
3m PSU Bank CD	7.45-7.50
3m Manufacturing co. CP	7.55-7.60
1Y PSU Bank CD	7.90-7.95
1Y NBFC CP	8.60-8.65
1Y Manufacturing co. CP	8.50-8.50
5Y AAA Institutional Bond	8.45-8.50
10Y AAA Institutional Bond	8.45-8.50

Source: Bloomberg

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

**Risk Control:**

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments (other than GSecs) proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

With respect to the equity component, the Scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the sector/market capitalisation related concentration risk. The AMC has experience investment professionals to help limit the investment universe to carefully selected high quality businesses.

The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. The scheme may also use derivatives and other hedging instruments, as may be permitted by RBI, from time to time, in order to protect the value of the portfolio.

AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and "soft" warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk

measurement tools like various risk ratios, average duration and analyzes the same so as to act in a preventive manner.

## **INVESTMENT BY THE AMC IN THE SCHEME**

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

## **F: FUNDAMENTAL ATTRIBUTES**

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

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

A close ended debt scheme

### **1. Investment Objective**

To generate income by investing in high quality fixed income securities that are maturing on or before the maturity of the Scheme whilst the secondary objective is to generate capital appreciation by investing in equity and equity related instruments. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns

### **(iii) Terms of Issue**

- Liquidity provisions such as listing (page 57), Repurchase, Redemption (Page 71)
- Aggregate fees and expenses charged to the scheme (Page 78)
- Any safety net or guarantee provided (Not applicable)

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- 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 for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

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

A combination of Crisil Composite Bond Fund Index (85%) and CNX Nifty Index (15%)

### Justification for use of benchmark

CRISIL Composite Bond Fund Index

The scheme having maturity of 3 years up to 5 years intends to invest in a portfolio of instruments (debt and money market instruments) which is best captured in CRISIL Composite Bond Fund Index. The constituents and weights of CRISIL Composite Bond Fund Index as on June 2015 are as under

Constituents	Weights (%)
CRISIL Gilt Index	40
CRISIL AAA Long Term Bond Index	30
CRISIL AA Long Term Bond Index	10
CRISIL AAA Short Term Bond Index	14
CRISIL AA Short Term Bond Index	6

CNX Nifty Index

The CNX Nifty is a well diversified index accounting for 24 sectors of the economy. It is the most popular and widely followed benchmark to track the performance of the equity market in India.

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

### H. WHO MANAGES THE SCHEME?

The Scheme will be managed by Mr. Devang Shah (for the debt component of the portfolio), Mr. Ashwin Patni (for the equity component of the portfolio).

Name of Fund Manager	Age and Qualification	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management
Mr. Devang Shah	31 B. Com, ACA	<ul style="list-style-type: none"> <li>Fund Manager – Fixed Income, Axis Asset Management Co. Ltd. (October 16, 2012 till date)</li> <li>Fund Manager, ICICI Prudential Asset Management Company Limited (April 2008 – October 2012) Analyst, Deutsche Asset Management (India) Pvt. Ltd. (2006-2008)</li> <li>Assistant Manager, Pricewaterhouse Coopers (2004-2006)</li> </ul>	Axis Capital Protection Oriented Fund – Series, Axis Hybrid Fund – Series (along with Mr. Jinesh Gopani) , Axis banking Debt Fund and Axis Liquid Fund (along with Mr. Kedar Karnik), Axis Dynamic Bond Fund (along with Mr. R. Sivakumar), Axis Short Term Fund, Axis Income Fund, Axis Constant Maturity 10 year Fund, , Axis Enhanced Arbitrage Fund and Axis Fixed Income Opportunities Fund
Mr. Ashwin Patni	36 BE	<ul style="list-style-type: none"> <li>Axis Asset Management Company Limited</li> </ul>	Axis Enhanced Arbitrage Fund

	(Metallurgy) PGDM	(Portfolio Manager, PMS) (2010 – 2015) <ul style="list-style-type: none"> <li>• IDFC AMC Limited (previously known as Standard Chartered Asset Management Company Private Limited) (Designated as Portfolio Manager, Structured Products) (2007 – 2009)</li> <li>• Standard Chartered Bank (Product Manager, Investment Services) (2005 – 2007)</li> <li>• ICICI Bank (Designated as Manager, Syndication) (2003 – 2005)</li> </ul>	(alongwith Mr. Devang Shah), Axis Hybrid Fund Series (all schemes) (alongwith Mr. Devang Shah) and Axis Capital Protection Oriented Fund – Series 5 (alongwith Mr. R. Sivakumar)
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#### **I. WHAT ARE THE INVESTMENT RESTRICTIONS?**

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

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities.

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

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs, GSecs and T-Bills.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such

- investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
  7. The Scheme shall not make any investment in :
    - i. any unlisted security of an associate or group company of the sponsor; or
    - ii. any security issued by way of private placement by an associate or group company of the sponsor; or
    - iii. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
  8. 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.
  9. 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.
  10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided 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.

11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNP/D/Cir-29/2005 dated September 14, 2005, Circular DNP/D/Cir-30/2006 dated January 20, 2006 and Circular DNP/D/Cir-31/2006 dated September 22, 2006:

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

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

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

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



**iii. Additional position limit for hedging**

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

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

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

- i. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)  
**or**  
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- ii. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- iii. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

- 13 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 vide its circular dated April 16, 2007 as may be amended 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 of a bank which has invested in that Scheme.

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

14. The total exposure in a particular sector (excluding investments in Bank CDs, CBLO, Government Securities, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of the Scheme.

Provided that an additional exposure to financial services sector (over and above the limit of 30%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only;

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NBH) and the total investment/exposure in HFCs shall not exceed 30% of the net assets of the scheme.

15. The Scheme shall not advance any loans.
16. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.  
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 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

17. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investments in derivatives. The Scheme will comply with the below mentioned restrictions w.r.t. investments in derivatives :

S. No.	Particulars
I	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
II	The Scheme shall not write options or purchase instruments with embedded written options.
III	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.
IV	Exposure due to hedging positions may not be included in the above mentioned limits subject to the following: <ul style="list-style-type: none"> <li>a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.</li> <li>b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be</li> </ul>

	<p>added and treated under limits mentioned in Point 1.</p> <p>c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.</p> <p>d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.</p>								
V	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
VI	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1" data-bbox="475 891 1353 1128"> <thead> <tr> <th>Position</th> <th>Exposure</th> </tr> </thead> <tbody> <tr> <td>Long Future</td> <td>Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td>Short Future</td> <td>Futures Price * Lot Size * Number of Contracts</td> </tr> <tr> <td>Option bought</td> <td>Option Premium Paid * Lot Size * Number of Contracts.</td> </tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
VII	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

18. The Scheme shall invest only in such debt securities which mature on or before the date of the maturity of the Scheme in accordance to SEBI Circular No. SEBI/IMD/CIR No. 12/147132/08 dated December 11, 2008.

19. The Scheme shall participate in repos in corporate debt securities as per the guidelines issued by RBI from time to time, subject to the following conditions:

- (i) The gross exposure of the Scheme to repo transactions in corporate debt securities shall not be more than 10 % of the net assets of the Scheme.
- (ii) The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt and derivatives shall not exceed 100% of the net assets of the Scheme.
- (iii) The Scheme shall participate in repo transactions only in AAA rated corporate debt securities.
- (iv) The Scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.
- (v) Counterparty selection & credit rating

The counterparty must be an acceptable counterparty for debt transactions. The Mutual Fund follows a counterparty empanelment process for fixed income transactions and the same shall be used for selection of counterparties for corporate bond repos. All repo transactions in corporate bonds will be governed by a repo agreement as specified by FIMMDA and / or other specified authorities.

(vi) Collateral tenor & quality

Bonds with a minimum original maturity of 1-year and a minimum rating of AAA shall be eligible for repo. The exposure limit/investment restrictions prescribed under the Seventh Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate bonds.

(vii) Applicable haircuts

Currently mutual funds are permitted to carry out repo transactions in government securities without any haircuts. The Reserve Bank of India has notified a minimum haircut based on rating of the corporate bond as below. In addition, the Fixed Income and Money Market Dealers Association (FIMMDA) would maintain a rating-haircut matrix on an ongoing basis.

Rating	AAA
Minimum haircut	10 %

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

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

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

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

It is apparent that the haircuts stipulated by RBI are more than sufficient to mitigate interest rate risk. Credit event risk remains (the collateral could default during the tenor of the repo). This risk is to be mitigated by ensuring that the collateral is acceptable from a credit point of view.

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

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

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.

#### **J. HOW HAS THE SCHEME PERFORMED?**

This Scheme is a new Scheme and does not have any performance track record

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

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

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

<p>New Fund Offer Period</p> <p>This is the period during which a new Scheme sells its unit to the Investors.</p>	<p>NFO opens on: August 21, 2015 NFO closes on: September 1, 2015</p> <p>The scheme / Each Plan(s) would be open for such number of days (not exceeding 15 days) as may be decided by the Trustee / AMC. The Trustee/AMC reserves the right to extend the new fund offer period (within the limit of 15 days). The AMC/Trustee reserves the right to close the NFO before the NFO closing date.</p> <p>The AMC/ Trustee may issue a revised SID at the time of each launch (instead of issuing a notice in two newspapers).</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the Investors have to pay to invest during the NFO.</p>	<p>Rs. 10/- per unit</p>
<p>Minimum Amount for Application/switch in during the NFO</p>	<p>Rs. 5,000 and in multiples of Rs. 10/- thereafter</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be</p>	<p>Rs. 20 crore per series</p>

<p>refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 business days from date of closure of NFO, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 business days from the date of closure of NFO.</p>	
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</p>	<p>None</p>
<p>Plans / Options offered</p>	<p>The Scheme offers the following plans:</p> <ul style="list-style-type: none"> <li>- Axis Hybrid Fund Series 26 - Regular Plan</li> <li>- Axis Hybrid Fund Series 26 - Direct Plan</li> </ul> <p>Each plan offers the following options:</p> <p><b>a) Growth</b></p> <p><b>b) Dividend (Dividend Payout Facility)</b></p> <p><b>a) Growth</b> Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p><b>b)Dividend</b> Dividends may or may not be declared under this sub-option at the discretion of the Trustee/AMC. Dividends (if any) will be subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations.</p> <p>On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that will the dividend be paid regularly.</p> <p>In case of Units held in dematerialized mode, the Depositories (NSDL/CDSL) will give the list of demat account holders and the number of Units held by them in electronic form on the Record date to the Registrars and Transfer Agent of the Mutual Fund.</p> <p><u>Dividend Payout Facility</u></p>

	<p>Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><b>Default Option</b> The investor must clearly specify his choice of plan/ option. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' plan/ option and the application will be processed accordingly. The default plan/ option between the growth and dividend is growth.</p> <p>Plan – Direct Plan (between Direct and Regular)</p> <p>Investors subscribing under Direct Plan of a Scheme will have to indicate "Direct Plan" against the Scheme name in the application form e.g. "<b>Axis Hybrid Fund Series 26 - Direct Plan</b>". Investors should also indicate "Direct" in the ARN column of the application form.</p> <p>The investors may refer to the following table for applicability of Direct Plan/ Regular Plan under different scenario :-</p> <table border="1" data-bbox="762 1016 1505 1525"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p><i>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</i></p> <p>The AMC/ Trustee reserves the right to change the record date.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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<b>Dividend Policy</b>	Under the Dividend options, the Trustee will have the discretion to declare the dividend, subject to																																				

	<p>availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that will the dividend be paid regularly.</p> <p>The dividends will be declared in accordance with the procedure prescribed/applicable to the scheme under the SEBI (Mutual Funds) Regulations, 1996 and the Listing Agreement with stock exchange(s).</p>
Refund	<p>Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases. All refund orders will be sent by registered post or as permitted by Regulations.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of unit of Mutual Funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Unit of the Scheme:</p> <ol style="list-style-type: none"> <li>1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Hindu Undivided Family (HUF) through Karta;</li> <li>3. Minor through parent / legal guardian;</li> <li>4. Partnership Firms;</li> <li>5. Limited Liability Partnerships</li> <li>6. Proprietorship in the name of the sole proprietor;</li> <li>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);</li> <li>8. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</li> <li>9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (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;</li> <li>10. Non-Resident Indians (NRIs) / Persons of Indian</li> </ol>



	<p>origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;</p> <p>11. Foreign Portfolio Investor" (FPI), Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI, Qualified Foreign Investors on repatriation basis. These investments shall be subject to the conditions prescribed by SEBI, RBI, Income Tax authorities and the AMC, from time to time;</p> <p>Note : SEBI notified the FPI Regulations which replaced the existing SEBI (Foreign Institutional Investor) Regulations, 1995 (FII Regulations) and the Qualified Foreign Investors (QFI) framework, and are effective from 7 January 2014.</p> <p>SEBI has also prescribed that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.</p> <p>12. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</p> <p>13. Scientific and Industrial Research Organisations;</p> <p>14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI</p> <p>15. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>16. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations;</p> <p>17. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme(s);</p> <p>18. Such other person as maybe decided by the AMC from time to time.</p>
Who cannot invest	<p>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 a FII or sub account of FII, FPI or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p> <p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.</p> <p>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</p>

	<p>4. U.S. Persons (including NRIs and all persons residing in U.S, U.S Corporations or other entities organised under the laws of U.S) and Residents of Canada.</p> <p>If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Schemes of Axis Mutual Fund.</p> <p>All existing registered Systematic Investment Plans, Systematic Transfer Plans and Dividend Transfer Plans along with related mandates would cease from the effective date.</p> <p>In case Axis Asset Management Company Pvt. Ltd /Axis Mutual Fund subsequently identifies, that the subscription amount has been received from U.S. Person(s) or Resident(s) of Canada, then Axis Asset Management Co. Ltd./Axis Mutual Fund at its discretion shall redeem all the units held by such person from the Scheme at applicable Net Asset Value.</p> <p>Axis Mutual Fund Trustee Limited/ Axis Asset Management Company Pvt. Ltd. reserve the right to change/ modify the above provisions at a later date.</p> <p>5. 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	Please refer to the SAI and Application form for the instructions.
Listing	<p>The Units of the Scheme will be listed on the Exchange within 5 business days from the date of allotment or within such time as the Exchange may allow or within such time as the Regulations permit. An investor can buy/sell Units on the Exchange during the trading hours like any other publicly traded stock.</p> <p>The trading facility on the Exchange would be available from the date of listing till the date of issue of notice by the AMC for fixing the record date for determining the eligibility of Unit holders (being the list of Beneficial owners as per the Depositories Records (NSDL/CDSL)) for the purpose of redemption.</p> <p>The trading of Units on the Exchange will automatically get suspended from the date of issue of the above notice and also no off-market trades shall be permitted by the Depositories. The AMC may at its sole discretion list</p>

	<p>the Units on any other recognized Exchange(s) at a later date during the tenure of the Scheme. The AMC may also decide to de-list 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>
<p>Special Products / facilities available during the NFO</p>	<p><b>Special features such as Systematic Investment Plan, Systematic Transfer Plan and Systematic Withdrawal Plan shall not be available.</b></p> <p><b>SWITCHING OPTIONS</b></p> <p>During the NFO period (Switch request will be accepted upto 3.00 p.m. on the last day of the NFO), the Unit holders will be able to invest in the NFO of the respective Plan(s) under the Scheme by switching part or all of their Unit holdings held in the respective option(s) /plan(s) of the existing scheme(s) established by the Mutual Fund.</p> <p>This Option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund (subject to completion of lock-in period, if any, of the Units of the scheme(s) from where the Units are being switched) in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme/ Plan and a reinvestment of the Redemption proceeds in the Scheme and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme/ Plan and the issue rules of the Scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit/ Entry Load etc). The price at which the Units will be Switched-out of the Scheme/ Plan will be based on the Redemption Price, and the proceeds will be invested in the Scheme at the prevailing sale price.</p> <p>The Switch request can be made on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at / may be sent by mail to any of the ISCs.</p> <p><b>Online Transactions</b></p> <p>Axis Mutual Fund will allow Transactions by electronic mode through the AMC web –site (during the NFO for existing investors only). The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The</p>

	<p>Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/ Payorder/ Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p><b>Transactions, through the mutual fund trading platforms of the Bombay Stock Exchange and National Stock Exchange</b></p> <p>Investors can subscribe to Units of the scheme through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") (BSEStAR MF Platform) and National Stock Exchange ("NSE") (Mutual Fund Service System (MFSS) Platform – with NSDL and CDSL as depositories for such units of the mutual fund.</p>
<p>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.</p>	<p>Units issued under the scheme will be listed and therefore no repurchase facility is being provided. On maturity, the units held will be redeemed and proceeds paid to the investors.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>The Units of the Scheme are not transferable except for Units held in dematerialized form. In view of the same, additions / deletions of names will not be allowed under any folio. However, the said provisions will not be applicable 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, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the scheme.</p> <p>The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.</p> <p>As the Units of the Scheme will also be issued in dematerialized form, the Units will be transferable through the Stock Exchange(s) on which the said Units are listed in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be</p>

	<p>amended from time to time.</p> <p>The delivery instructions for transfer of Units will have to be lodged with the DP in the requisite form as may be required from time to time and transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized form.</p> <p><b>SUSPENSION OF SALE / REDEMPTION OF THE UNITS</b></p> <p>The Sale / Redemption of the Units may be temporarily suspended, on the stock exchange(s) on which the Units of the Scheme are Listed, under the following conditions:</p> <ul style="list-style-type: none"> <li>• During the period of Book Closure.</li> <li>• During the period from the date of issue of the notice for fixing the record date for determining the Unit holders whose name(s) appear on the list of beneficial owners as per the Depositories (NSDL/CDSL) records for the purpose of redemption of Units on Maturity / Final Redemption date.</li> <li>• In the event of any unforeseen situation that affects the normal functioning of the stock exchange(s).</li> <li>• If so directed by SEBI.</li> </ul> <p>The above list is not exhaustive and may also include other factors.</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 of cash transactions for fresh purchases/ additional purchases to the extent of Rs.50,000/- per investor, per financial year shall be allowed subject to:</p> <ol style="list-style-type: none"> <li>i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and</li> <li>ii. sufficient systems and procedures in place.</li> </ol> <p>However, payment towards redemptions, dividend, 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>
<p>Facility to transact in units of the Schemes through MF Utility portal &amp; MFUI Points of Services pursuant to</p>	<p>AMC has entered into an Agreement with MF Utilities India Private Limited ("MFUI"), a "Category II – Registrar to an Issue" under SEBI (Registrars to an Issue and Share</p>

<p>appointment of MF Utilities India Pvt. Ltd.</p>	<p>Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Accordingly, investors are requested to note that in addition to the existing official points of acceptance ("OPA") for accepting transactions in the units of the schemes of the Axis mutual Fund as disclosed in the SID, <a href="http://www.mfuonline.com">www.mfuonline.com</a> i.e. online transaction portal of MFU and the authorized Points of Service ("POS") designated by MFUI shall also be the OPA with effect from the dates as may be specified by MFUI on its website/AMC by issuance of necessary communication.</p> <p>All financial and non-financial transactions pertaining to Schemes of Axis Mutual Fund can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> as and when such a facility is made available by MFUI or physically through the POS of MFUI with effect from the respective dates as published on MFUI website against the respective POS locations. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a>. This will be updated from time to time.</p> <p>The uniform cut-off time as prescribed SEBI (Mutual Fund) Regulations 1996, circulars issued by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received on the portal of MFUI i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a>. However, investors should note that transactions on the MFUI portal shall be subject to the terms &amp; conditions (including those relating to eligibility of investors) as stipulated by MFUI / Axis Mutual Fund / the AMC from time to time and in accordance to the laws applicable.</p> <p>MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU.</p>
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## B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the</p>	<p>Being a close ended Scheme, Investors can subscribe to the Units of the scheme during the New Fund Offer Period only and the scheme will not re-open for subscriptions</p>
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<p>Scheme will reopen for Subscriptions/ redemptions after the closure of the NFO period.</p>	<p>after the closure of NFO. The redemption facility would be provided only on Maturity.</p>
<p>Ongoing price for Subscription (purchase)/Switch-in (from other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you need to pay for purchase/Switch-in.</p>	<p>However, subsequent to closure of NFO and upon listing of Units on Exchange, buying or selling of Units by Unit holders / Investors can be made on the Exchange. Units can be bought or sold like any other listed stock on the Exchange at prevailing market prices.</p> <p>The minimum number of Units that can be bought or sold on the Exchange is one Unit. The Units' market prices may be at a premium/discount to its NAV. Dealings by the Unit holders / Investors on the Exchange will be also subject to Exchange Rules and Regulations.</p>
<p>Ongoing price for Redemption (Sale) /Switch outs (to other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>Unit holders are requested to note that in respect of Switch in requests, made for the Units held in dematerialized form, into any scheme, the Units of which are or shall be listed on any recognized Stock Exchange(s), the balance amount represented for the fractional Units of the Switch-in Scheme will be refunded to the Unit holders.</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>After close of NFO Period, the Fund will not provide facility for subscription / redemption / switches, and hence cut-off timing provisions do not apply.</p> <p>In case of switch-out proposed for investing the redemption proceeds in another scheme of the Fund, the switch-out request will be accepted upto 3.00 p.m. on the Maturity Date.</p> <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date &amp; time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p> <p>Dealings by the Unit holders/ Investors on Exchange will be also subject to Exchange Rules and Regulations.</p> <p><b>Settlement of purchase/ sale of Units of the Scheme on BSE</b></p> <p>Buying/ Selling of units of the Schemes on the BSE is just like buying/ selling any other normal listed security. If an investor has bought units, he has to pay the purchase amount to the trading member/ sub-broker, such that the amount paid is realised by the trading member who has bought the units before the funds pay-in day of the settlement cycle on the BSE. If an investor has sold units, he has to deliver the units to the broker/ sub-broker before the securities pay-in day of the settlement cycle on the BSE. The units (in the case of units bought) and the funds (in the case of units sold) are paid out to the trading</p>



	<p>member on the payout day of the settlement cycle on the BSE. The Exchange regulations stipulate that the trading member should pay the money or units to the investor within 24 hours of the payout.</p> <p>If an investor has bought units, he should give standing instructions for 'Delivery- In' to his DP for accepting units in his beneficiary account. An investor should give the details of his beneficiary account and the DP-ID of his DP to his trading member/ sub-broker. The trading member will transfer the units directly to the investor's beneficiary account on receipt of the same from Exchanges' Clearing Corporation.</p> <p>An investor who has sold units should instruct his (DP) to give 'Delivery Out' instructions to transfer the units from his beneficiary account to the Pool Account of his trading member through whom he has sold the units. The details of the Pool A/c of his trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the Delivery Out instructions given by him to the DP.</p> <p>The instructions should be given well before the prescribed securities pay-in day.</p> <p><b>Rolling Settlement</b></p> <p>The Pay-in and Pay-out of funds and the securities/units takes place within 2 working days after the trading date. The pay-in and pay-out days for funds and securities are prescribed as per the Settlement Cycle of the Exchange.</p>
<p>Where can the applications for purchase/redemption Switches be submitted?</p>	<p>The Units of the scheme will not be available for subscriptions / switch-in after the closure of NFO Period.</p> <p>Units will be automatically redeemed on the Maturity Date, except requests for switch-out received by the Fund. Such switch-out requests can be submitted at any of the Official Points of Acceptance.</p> <p>The application forms for switch-out of units on the Maturity date should be submitted at / may be sent by mail to, any of the ISCs/ Official Points of Acceptance whose names and addresses are mentioned on the back cover page of the SID.</p> <p>For details on updated list of ISCs / Official Points of Acceptance investors are requested to call the toll free number or contact the AMC branches or log on to our website <a href="http://www.axismf.com">www.axismf.com</a>.</p>
<p>Minimum amount for purchase/ Redemption/ Switches</p>	<p>The Units of the scheme will not be available for subscriptions / switch-in after the closure of NFO Period.</p> <p>Units will be automatically redeemed on the Maturity</p>

	<p>Date, except requests for switch-out received by the Fund. Such switch-out requests can be submitted at any of the Official Points of Acceptance.</p> <p>The application forms for switch-out of units on the Maturity date should be submitted at / may be sent by mail to, any of the ISCs / Official Points of Acceptance whose names and addresses are mentioned on the back cover page of the SID.</p> <p>For details on updated list of ISCs / Official Points of Acceptance investors are requested to call the toll free number or contact the AMC branches or log on to our website <a href="http://www.axismf.com">www.axismf.com</a>.</p> <p>Request for subscriptions can be given only in amount. In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units.</p> <p>Depository participants of registered Depositories shall process redemption request(s) of units held in demat form only.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Not applicable</p>
<p>Special Products available</p>	<p><b>Switch out facility</b></p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other Scheme offered by the Mutual Fund from time to time on the date of maturity.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another Scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of the Switch out Scheme and the Subscription rules of the Switch in Scheme.</p> <p><b>Automatic Switch of Redemption proceeds on Maturity (Auto Maturity Switch)</b></p> <p>The Mutual Fund provides the investors the flexibility to switch their redemption proceeds receivable on maturity of the scheme to any of the Open ended schemes of Axis Mutual Fund. Investor can choose to avail of this facility only at the time of making the application to subscribe to the units of the scheme. To make the switch effective, investor needs to hold all the units till maturity of the scheme. The switch shall be subject to the applicable terms and conditions of both the switch-out scheme and switch-in scheme as regards the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc.</p>

However, investor shall have an option to alter his preference from auto maturity switch to Payout Option by submitting a written request, at any time during the tenure of the scheme, not later than 7 working days from the maturity of the scheme.

This Auto switch facility shall be effected by way of a Redemption of Units from the Scheme on its maturity and investment of the Redemption proceeds to any of the Open ended schemes of Axis Mutual Fund. (or the next business day if date of maturity is a non-business day).

For details of the facility, please contact any ISC of Axis Mutual Fund.

#### **Purchase/Redemption of units through Stock Exchange Infrastructure**

Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.

NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.

The following are the salient features of the new facility introduced:

1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available.
2. The Investors will be eligible to purchase/redeem units of the scheme.

#### **3. Maximum subscription:**

The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore.

#### **4. List of additional Official Point of Acceptance**

The following shall be the additional Official Point of Acceptance of Transactions for the Scheme:

All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance.

Units of scheme shall be permitted to be transacted

through clearing members of the registered Stock Exchanges.

Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.

5. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.
6. Investors (under this facility) shall hold the units in dematerialized form only.
7. Investors will be able to purchase/redeem units in the scheme in the following manner:
  - (i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.
  - (ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.
8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.
9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change

	<p>of address, change of bank details, etc. investors should approach the respective Depository Participant(s).</p> <p>10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p>
<p>Accounts Statements/ Allotment advice</p>	<ul style="list-style-type: none"> <li>• On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request/ closure of NFO period will be sent to the Unit Holders registered e-mail address and/ or mobile number.</li> <li>• For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail.</li> <li>• Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</li> <li>• The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar.</li> <li>• In case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.</li> </ul> <p><b>Annual Account Statement:</b></p> <ul style="list-style-type: none"> <li>• The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement,</li> <li>• The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.</li> </ul> <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical</p>

statement, if so mandated.

In the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.

The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.

However, in case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.

#### **Consolidated Account Statement**

Consolidated account statement for each calendar month shall be issued, on or before tenth day of succeeding month, 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, to all the investors in whose folios transaction has taken place during that month. The AMC shall ensure that a consolidated account statement every half yearly (September/ March) is issued, on or before tenth day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period.

Pursuant to SEBI Circular no. CIR /MRD /DP /31/2014 dated November 12, 2014, Depositories shall generate and dispatch a single consolidated account statement for investors (in whose folio the transaction has taken place during the month) having mutual fund investments and holding demat accounts.

Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding. Based on the PANs provided by the AMCs/MF-RTAs, the Depositories shall match their PAN database to determine the common PANs and allocate the PANs among themselves for the purpose of sending CAS. For PANs which are common between depositories and AMCs, the Depositories shall send the CAS. In other cases (i.e. PANs with no demat account and only MF units holding), the AMCs/ MF-RTAs shall continue to send the CAS to their unit holders as is being done presently in compliance with the Regulation 36(4) of the SEBI (Mutual Funds) Regulations.

In case investors have multiple accounts across the two depositories, the depository having the demat account

which has been opened earlier shall be the default depository which will consolidate details across depositories and MF investments and dispatch the CAS to the investor. However, option shall be given to the demat account holder by the default depository to choose the depository through which the investor wishes to receive the CAS.

Where statements are presently being dispatched by email either by the Mutual Funds or by the Depositories, CAS shall be sent through email. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered in the Depository system.

The AMC shall identify common investors across fund houses by their permanent account number for the purposes of sending consolidated account statement. 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. In the event the account has more than one registered holder, the first named Unit Holder shall receive the Account Statement. The word transaction will include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan.

The AMC will endeavor to send statement of accounts by e-mail where the Investor has provided the e-mail id. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective Depository Participants periodically. Additionally, the AMC may at its discretion send Account Statements individually to the investors.

#### **Option to hold Units in dematerialized (demat) form**

Investors shall have an option to receive allotment of Mutual Fund units in their demat account while subscribing to the Units of the scheme in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.

Where units are held by investor in dematerialized form, the demat statement issued by the Depository Participant would be deemed adequate compliance with the requirements in respect of dispatch of statements of account.



	<p>In case investors desire to convert their existing physical units (represented by statement of account) into dematerialized form or vice versa, the request for conversion of units held in physical form into Demat (electronic) form or vice versa should be submitted along with a Demat/Remat Request Form to their Depository Participants. In case the units are desired to be held by investor in dematerialized form, the KYC performed by Depository Participant shall be considered compliance of the applicable SEBI norms.</p> <p>Units held in Demat form are freely transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favour of transferees who are capable of holding units and having a Demat Account. The delivery instructions for transfer of units will have to be lodged with the Depository Participant in requisite form as may be required from time to time and transfer will be affected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.</p> <p>For details, Investors may contact any of the Investor Service Centres of the AMC.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking details are available with the Mutual Fund for the Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p> <p>Further, based on the list provided by the Depositories (NSDL/ CDSL) giving the details of the demat account holders and the number of Units held by them in electronic form on the Record date, the Registrars &amp; Transfer Agent will pay the dividend proceeds by forwarding a dividend warrant/Demand Draft/Cheque or</p>

	<p>directly crediting the bank account linked to the demat account depending on the mode of receipt of dividend proceeds chosen by the Unit holder.</p>
<p>Redemption</p>	<p>As the Scheme is closed ended scheme, investors will not be able to redeem their units during the tenor of the scheme. Units under the scheme will be compulsorily and without any further act by the Unit holder(s) redeemed on the Maturity Date of the scheme. The redemption proceeds shall be dispatched to the unit holders within 10 working days from the Maturity Date of the scheme.</p> <p><b>Procedure for payment of redemption.</b></p> <p><b>1. Resident Investors</b></p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> <li>a) If investor has provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT.</li> <li>b) If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit.</li> <li>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).</li> </ol> <p>The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-</p>

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 Mutual Fund will dispatch the redemption proceeds within 10 Business Days from the date of maturity. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.

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

Further, based on the list provided by the Depositories (NSDL/ CDSL) giving the details of the demat account holders and the number of Units held by them in electronic form on the Record date fixed for redemption of Units on the Maturity date, the Registrars & Transfer Agent will pay the redemption proceeds by forwarding a cheque or directly crediting the bank account linked to the demat account depending on the mode of receipt of redemption proceeds chosen by the Unit holder.

## **2. Non-Resident Investors**

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

	<p>for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FPIs/FIIs/QFIs, 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 FPIs/FIIs/QFIs maintained in accordance with the approval granted to it by the RBI.</p> <p>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/FIIs/QFIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>The normal processing time may not be applicable in situations where necessary 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.</p> <p><b>Unclaimed Redemptions and Dividends</b> As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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.</p> <p><b>Important Note:</b> All applicants must provide a bank name, bank account number, branch address, and account type in the Application Form.</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 10 Business Days of the date of Maturity. 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</p>

	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.
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### C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days. The NAV of the Scheme and purchase/ Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the SEBI Regulations. The AMC shall update the NAVs on the website of the AMC (<a href="http://www.axismf.com">www.axismf.com</a>) and of the Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 9.00 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>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 shall disclose portfolio of the Scheme on the website <a href="http://www.axismf.com">www.axismf.com</a> along with ISIN on a monthly basis as on last day of each month, on or before tenth day of the succeeding month.</p> <p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p> <p>The Mutual Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website.</p> <p>The mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head</p>

	Office of the Mutual Fund is situated.			
Half Yearly Results	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>			
Annual Report	<p>The Scheme annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders 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 annual report shall also be displayed on the website of the AMC (<a href="http://www.axismf.com">www.axismf.com</a>) and Association of Mutual Funds in India (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p> <p><b>Mailing of Annual Report or Abridged Summary</b></p> <p>The Scheme wise annual report or an abridged summary hereinafter shall be sent by AMC/Mutual Fund as under:</p> <ul style="list-style-type: none"> <li>(i) by e-mail to the Unit holders whose e-mail address is available with the Fund,</li> <li>(ii) in physical form to the Unit holders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same.</li> </ul> <p>The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Mutual Fund.</p>			
Taxation		<table border="1" style="width: 100%;"> <tr> <td style="text-align: center;"><b>Resident Investors</b></td> <td style="text-align: center;"><b>Mutual Fund</b></td> </tr> </table>	<b>Resident Investors</b>	<b>Mutual Fund</b>
<b>Resident Investors</b>	<b>Mutual Fund</b>			

<p>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.</p>	Tax on Dividend	Nil	<p>Dividend Distribution Tax (DDT)</p> <p>Individual / HUF- 28.325% (25%+10%<sup>(*)</sup> Surcharge+3% Cess)</p> <p>Others - 33.99% (30%+10%<sup>(*)</sup> Surcharge+3% Cess)</p>
	Capital Gains: Long Term	<b>20% with indexation</b>	Nil
	Short Term	30% <sup>^</sup>	Nil
<p>1. Axis Mutual Fund is a Mutual Fund registered with the Securities &amp; Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).</p> <p>2. On Income Distribution, if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its schemes (other than equity-oriented funds and a money market mutual fund or a liquid fund). The additional income-tax on distribution of income to an individual / Hindu Undivided family (HUF) shall be payable by the Mutual fund at the rate of 28.325%* and at the rate of 33.99%* on distribution of income to any other investor.</p> <p>3. For dividends declared after 1 October 2014, the mode of calculation of distributed income u/s 115R has been modified which shall result in higher effective rate of DDT.</p> <p>* Post enactment of finance bill, 2015, surcharge would be at the rate of 12% to be levied in case individual /HUF unit holders where their income exceeds Rs. 1 crore and for domestic corporate unit holders, surcharge at the rate of 7% to be levied where income exceeds Rs. 1 crore but less than 10 crores and at the rate of 12% if income exceeds Rs.10 crore.</p> <p><sup>^</sup> Assuming investor falls in to highest tax bracket</p>			
<p><b>^^For further details on taxation please refer to the clause on Taxation in the SAI</b></p>			



Investor services	<p>Investors can lodge any service request or complaints or enquire about NAVs, Unit Holdings, Valuation, Dividends, etc by calling the Investor line of the AMC at "<b>1800 3000 3300</b>" (toll-free number) or <b>022 - 4325 5100</b> (at local call rate for enquiring at AMC ISC's) or email – <a href="mailto:customerservice@axismf.com">customerservice@axismf.com</a>. The service representatives may require personal information of the Investor for verification of his / her identity in order to protect confidentiality of information. The AMC will at all times endeavour to handle transactions efficiently and to resolve any Investor grievances promptly.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis Asset Management Co. Ltd. "Axis House", 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025 022 - 4325 4138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
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#### 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:

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

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. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth and the Dividend Options will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the first NAV of the scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days.

Separate NAV will be calculated and announced for each of the Options (viz. Growth and dividend) of the scheme at the close of every Business Day.

#### **IV. FEES AND EXPENSES**

This section outlines the expenses that will be charged to the Schemes.

##### **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 shall be 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 upto 2.25% of the daily net assets of the scheme will be charged as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

<b>Expense Head</b>	<b>% of daily Net Assets</b>
Investment Management and Advisory Fees	Upto 2.25%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission**	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Service tax on expenses other than investment and advisory fees	
Service tax on brokerage and transaction cost	
Other Expenses	

<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 2.25%</b>
Additional expenses for gross new inflows from specified cities	Upto 0.30%

\*Any other expenses which are directly attributable to the scheme maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

\*\*Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid/ charged under Direct Plan. The TER of the Direct Plan will be lower to the extent of at least 15% of the TER which is charged in the Regular Plan. For example, in the event that the TER of the Regular option is 1% p.a., the TER of the Direct option would not exceed 0.85% p.a.

Mutual Fund/AMCs may charge service tax on investment and advisory service fees ('AMC fees') in addition to the maximum limit as prescribed in regulation 52 of the SEBI Regulations.

Fungibility of expenses: 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.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the SEBI Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Plan(s) (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the daily net assets - 2.25%

On the next Rs. 300 crores of the daily net assets - 2.00%

On the next Rs. 300 crores of the daily net assets – 1.75%

On the balance of the assets - 1.50%

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.

The total expenses of the each Plan including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

In addition to the limits as specified in Regulation 52(6) of SEBI (Mutual Funds) Regulations 1996 ['SEBI Regulations'] or the Total Recurring Expenses (Total Expense Limit) as specified above, the following costs or expenses may be charged to the scheme namely-

**Additional expenses for gross new inflows from specified cities**

(a) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by SEBI/AMFI from time to time are at least -

- (i) 30 per cent of gross new inflows in the scheme, or;
- (ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that, expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

This sub clause (a) shall be applicable for inflows received during the NFO period.

Further, brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment shall not exceed 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions.

Within the Total Expense Limit chargeable to the scheme, following will be charged to the Scheme:

(a) Service Tax 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 2 basis points on daily net assets of respective Scheme.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or the Sponsor.

The current expense ratios will be updated on the AMC website viz. [www.axismf.com](http://www.axismf.com) within two working days mentioning the effective date of the change.

**C. LOAD STRUCTURE**

Load is an amount which is presently 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.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 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	NA
Exit Load	NA

Being a closed ended scheme, Units under the scheme cannot be redeemed directly with the Fund until the Maturity Date. The scheme will be compulsorily and without any further act by the Unit holder(s) redeemed on the Maturity Date. On the Maturity Date of the Scheme, the Units under the Scheme will be redeemed at the Applicable NAV. No Exit Load will be levied on the Maturity Date.

The Units of the Scheme will be listed on the capital market segment of the BSE and/ or any other Stock Exchange. The Scheme does not allow fresh subscription / redemption during the tenure of the Scheme and redemptions are permitted only on Maturity Date. Accordingly, provisions with respect to imposition or enhancement of load in future on a prospective basis are not applicable.

#### **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 not opted out of charging the transaction charge) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP), The transaction charge (based on the type of the product), if any shall be deducted by AMC from the subscription amount and paid to the distributor; and the balance shall be invested and accordingly units allotted. The statement of account shall clearly state the net investment as gross subscription less transaction charge. The charge is subject to the following:
  - For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of 10,000/ – and above.
  - 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.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

#### **D. WAIVER OF LOAD FOR DIRECT APPLICATIONS**

*Not applicable*

#### **V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

**VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

**Not Applicable**

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

- a. Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.
- b. SEBI had imposed penalty of Rs. 2 Lakhs on Axis Bank Ltd. in March 2011 for inadequacies seen in adherence to regulations pertaining to Debenture Trustee while conducting the Inspection of books of accounts of Axis Bank Ltd. registered as Debenture Trustee. The penalty of Rs. 2 lacs has been paid by Axis Bank Ltd. on October 7, 2011 to SEBI.
- c. Reserve Bank of India has levied penalty of Rs. 5.001crore (Rs. Five crore ten thousand only) on Axis Bank Ltd. in April 2013 for inadequacies seen in adherence to guidelines/ regulation pertaining to various areas of operations, including Know Your Customer (KYC) norms / Anti-Money Laundering (AML) standards /Combating of Financing of Terrorism (CFT)/Obligation of banks under PMLA,2002, from time to time and under FEMA. The penalty was imposed under section 47a (1)(c) read with section 46(4) of the Banking Regulation Act, 1949 and under sub-section (3) of section 11 of FEMA on 8 counts. Sale of gold/silver/platinum-payment in cash, bank finance for purchase of gold, transactions in relation to which PAN or GIR number need to be quoted in all Documents etc. after conducting a review of operations pursuant to sting operation carried out by an online portal. The penalty of Rs. 5.001 crore (Rs. Five crore ten thousand only) has been paid by Axis Bank Ltd. on June 6, 2013 to Reserve Bank of India.
- d. National Securities Depository Limited (NSDL) observed that Axis Bank Ltd. had wrongly captured PAN in three Demat accounts. NSDL has levied penalty of Rs.50/- per wrong PAN details captured, totaling to Rs.150/- in the F.Y. 2012-13. This amount was duly paid.
- e. National Securities Clearing Corporation Ltd (NSCCL) has levied a penalty of Rs.40,507.81/- on Axis Bank Ltd. as clearing member for short client margin

reporting in case of one of the trading members. The Penalty was paid by Axis Bank in its capacity as clearing member in February 2013.

- f. Non-compliance with instructions issued by RBI on issuance and operation of Pre-Paid Instruments (PPIs). RBI has levied penalty of Rs. Five lacs in August 2013, which has been duly paid.
- g. Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in July 2014 for deficiencies with respect to the loan account of M/s Deccan Chronicle Holdings Ltd., highlighting certain deficiencies in the credit delivery process. This amount has been paid.

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.

**Nil**

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 May 19, 2015. 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 May 20, 2015 from Bombay Stock Exchange 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 Limited**

**Sd/-  
Chandresh Kumar Nigam  
Managing Director &  
Chief Executive Officer**

**Date: August 10, 2015  
Place: Mumbai**



**Statutory Details:** Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to Rs. 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC). **Risk Factors:** The sponsor is not liable or responsible for any loss or shortfall resulting from the operation of the scheme. **Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.**

**OFFICIAL POINTS OF CONTACT DURING NEW FUND OFFER**
**AXIS AMC OFFICE ADDRESSES**

**Ahmedabad** Axis Asset Management Co. Ltd. 1st Floor, Shop No. 101, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Elisbridge, Ahmedabad 380006. **BANGALORE** Axis Asset Management Co. Ltd. Ground Floor, G-03 & G-03A, Prestige Meridian-1, No. 29, M.G. Road, Bangalore - 560 001 **BHOPAL** Axis Asset Management Co FM-8 Mansarovar Complex , Khasra No. 27/1/2 , NH-12 , Bhopal , MP. **BHUBANESHWAR** Axis Asset Management Co Unit no.3 (Part) Ground Floor Nandighosh Arena Plot no. 1 Bapuji Nagar Bhubaneshwar Odisha. **BORIVALI** Axis Asset Management Co.Pvt Ltd 101, 1st Floor, Abhilasha Building , Punjabi Lane, Off Chandavarkar Road, Borivali (West), Mumbai 400 092 **CHANDIGARH** Axis Asset Management Co.Ltd. 2<sup>nd</sup> Floor, SCO No 2471, Sector 22C, Chandigarh - 160022. **CHENNAI** Axis Asset Management Co.Ltd. 5th Floor, Maalavika Center, 144 - 145 New No. 60, Kodambakkam High Road, Nungambakkam, Chennai - 600034., **COIMBATORE** C/O Axis Capital Ltd, Door No. 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore - 641 018. **DEHRADUN** Axis Asset Management Co. Ltd., 59/3 First Floor, Rajpur Road, Above IDBI Bank, Dehradun – 248001. **DURGAPUR** Axis Asset Management Company Ltd., C/o. Axis Bank Ltd., Shahid Khudiram Sarani City Centre, Durgapur, West Bengal - 713 216. **GUWAHATI** Axis Asset Management Co. Ltd 2C 2<sup>nd</sup> Floor, "Dihang Arcade", ABC, G.S. Road Opp Dona Planet Guwahati 781005. **HUBLI** Axis Asset Management Company Ltd., C/O Axis Securities Ltd., #163/20A, Kalburgi Plaza, Above Old Axis Bank, 3rd Floor, Deshpande Nagar, Main Road, Hubli – 580029. **HYDERABAD** Axis Asset Management Company Ltd, 2nd Floor, Nerella House, Panjagutta, Hyderabad - 500 082. **INDORE** Axis Asset Management Co. Ltd office No. 211 2<sup>nd</sup> Floor Megapolis Square Block A 579, M.G Road .opp Treasure Island Mall Indore 452001 M.P **JAIPUR** Axis Asset Management Company Ltd, 305, 3rd Floor, Ganpati Plaza, M. I. Road, Jaipur-302001.Rajasthan. **JALANDHAR** Axis Asset Management Co. Ltd., June 1, 2015 SCO 5-6, 1st Floor, Puda Complex, Opp Suvidha Center, Ladowali Road, Jalandhar - 144 001 **JAMSHEDPUR** Axis Asset Management Company Ltd., C/o. Axis Capital Ltd., Shatabdi Tower, 1SNP Area, Sakchi, Jamshedpur - 831 001. **KANPUR** Axis Asset Management Company Ltd, 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur - 208001. **KOCHI** Axis Asset Management Company Limited, Door No.40/9336 ,2nd Floor ,Chackos Towers ,Padma Pullepady Road ,Kochi 682 035 Kerala. **KOLKATA** Axis Asset Management Company Ltd, Ground Floor, Kanak Building,41, Chowringhee Road Kolkata - 700071. **LUCKNOW** Axis Asset Management Co. Ltd, Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow - 226001. **LUDHIANA** Axis Asset Management Co. Ltd. SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001. **MANGALORE** C/O Axis Capital Ltd, Somayaji House, Door No. 15-7-330 / 56, 5th Floor, Bunts Hostel Road, Mangalore - 575003. **MUMBAI** Axis Asset Management Company Limited Axis House, First Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025. **NAGPUR** Axis Asset Management Company Ltd. Shop No. 4, Suraj Palace, Plot No. 69, Hill Road, Near Ravinagar Square, Ramnagar, Nagpur - 440033. **NASIK** Axis Asset Management Company Limited Shop No. G-7, Ground Floor, Rajvee Enclave, Old Pandit Colony, Nasik - 422 001, Maharashtra. **NEW DELHI** Axis Asset Management Company Ltd. 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi - 110001. **PANAJI** C/O Axis Securities & Sales Ltd, 103, 1st Floor, Unitech City Centre, M.G.Road, Panaji - 403001. **PUNE** Axis Asset Management Company Ltd. 1202/5, 3<sup>rd</sup> Floor, "Shalini Skyi Building" Near ICICI Bank, Ghole Road, Pune-411 004. **PATNA** Axis Asset Management Company Ltd. D - 309/ 310, 3 Floor, Dumroan Palace, Frazer Road, Patna 800 001. **RANCHI** C/O Axis Capital Ltd, Prashanti, 2nd Floor, Lalja Hirji Road, O. C. Compound Ranchi – 834001. **RAIPUR** Axis Mutual Fund C/O Axis Bank Ltd. Pachpedi Naka , Pujari Chambers Block B - 1 , NH – 43 Raipur-492001. **RAJKOT** Axis Asset Management Co. Ltd 206, Metro Plaza Jansata

Chowk Near Eagle Travels Moti Tanki Chowk , Rajkot - 360001. **SILIGURI** C/O Axis Bank Limited, Spectrum House Sevoke Road Siliguri 734 001. **SURAT** Axis Asset Management Company Limited, HG-2A, International Trade Centre(ITC), Majura Gate Crossing, Majura Gate, Ring Road, Surat-395002. **THANE** Axis Asset Management Company Ltd, Manjula Arcade, 2nd Floor, Gokhale Road,Naupada, Thane (West) - 400 602. **TRIVANDRUM** C/o. Axis Securities Limited, Haji M Bava Sahib, Commercial Complex,TC2+5/2890(12), Ambujavilasam Road, Trivandrum 695001 **VADODARA** Axis Asset Management Co. Ltd. 204, 2nd Floor, Pavan Complex, Near Masonic Hall, Jetalpur Road, Alkapuri, Vadodara – 390007.

#### **KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS**

**Agartala**, Jagannath Bari Road Bidur Karta Chowmuhani Agartala – 799001 **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra -282002 (U.P) **Ahmedabad**, 201,Shail Building, Opp : Madhusudhan House Nr. Navrangpura Telephone Exchange; Navrangpura Ahmedabad - 380 006. **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alwar** 101, 1st Floor, Saurabh Towers, Opp. UTI, Road No # 2 Bhagat Singh Circle Alwar-301001 **Amaravathi** Shop No. 21, 2nd Floor, Gulshan Tower, Near Panchsheel Talkies, Jaistambh Square, Amravati (M.H.) Pincode - 444601. **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, AmbalaCantt, Ambala 133001 **Amritsar** 72-A, Taylor'S Road Aga Heritage Gandhi Ground Amritsar - 143 001 **Anand** 201 Sai Apartment , Behind New Bus Stand Anand Pin code 388001 • **Ankleshwar** L/2, Keval Shopping Center Old National Highway Ankleshwar 393002 • **Asansol** 114 / 71, G.T. Road Near Sony Centre, Bhangra Pachil, , Asansol 713303 • **Aurangabad** Ramkunj, Railway Station Road Near Osmanpura Circle Aurangabad-431005 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** 59,Skanda Puttanna Road , Basavanagudi, Bangalore- 560004 • **Bankura** Ambika Market, NatunganjBankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near RlyStation Road, Bareilly 243001 • **Barhampore(WB)** Thakur Market Complex, 72, Naya Sarak Road,Gorabazar, PO. Berhampore DIST. Murshidabad Barhampore -742101 • **Baroda** SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall. Productivity Road, Alkapuri, Vadodara - 390007. • **Belgaum** CTS No 3939/ A2 A1, Above Raymonds Show Room CTS No 3939/ A2 A1, Above Raymonds Show Room Club Road, Belgaum – 590001. • **Berhampur** Opp –Divya Nandan Kalyan Mandap 3<sup>rd</sup> Labe Dharam Nagar Near Lohiya Motor,Berhampur, Orissa 760001. • **Bharuch** 147-148, Aditya Complex Near Kasak Circle Bharuch - 392 002 • **Bhatinda** # 2047-A, 2nd Floor, Above Max New York Life Insurance The Mall Road Bhatinda 151001 • **Bhavnagar** G-11, Gitanjali Complex, Beside Bhavnagar Municipal Corporation & Collector Office, Kalanala , Bhavnagar-364001. • **Bhilai** Shop No-1,First Floor Plot NO-1, Old Sada Office Block Commercial Complex, Near HDFC Atm, Nehru Nagar- East Post – BHILAI Pin – 490020 • **Bhilwara** 27-28, 1st Floor, HiraPanna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay KayBusniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** 2nd & 3rd Floor, Janardan House, A 181, Saheed Nagar, Bhubaneswar - 751 007, Odisha • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, SardulGunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V RPlaza, Link Road, Bilaspur 495001 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shoping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco 2423-2424 Sector 22-C Chandigarh Pin code 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11,First Floor, Akshya Plaza,(Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, AdhithanarSalai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus

Stand Chinsura 712101 • **Cochin** Building Nos.39 Ali Arcade ,1st floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin-682 036 Ernakulum District

**Coimbatore** 3<sup>rd</sup> Floor 1056/1057, Jaya Enclave, Avinashi Road, Coimbatore - 641018. • **Cuttack** Dargha Bazar, OppDargha Bazar Police Station, Buxibazar, Cuttack 753001

•**Dehradun** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dhanbad** 208, New Market, 2nd Floor,Katras Road, Bank More, Dhanbad 826001 • **Durgapur** MWAV – 16 Bengal Ambuja 2<sup>nd</sup> Floor, City Centre Durgapur 713216 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur**2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002• **Gandhidham** Office No. 203, Second Floor Bhagwati Chamber, Plot No. 8 Sector - 1/A, Kutch Kala Road, Gandhidham - 370 201 • **Gandhinagar** Plot No. - 945/2, Sector - 7/C, Gandhinagar - 382 007 • **Gaya** 1st Floor, LalBhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Gorakhpur** Above V I P House Ajdacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Guntur** D. No 6-10-27 10/1 Sri Nilayam ,Arundelpet Guntur 522 002 • **Gurgaon** Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** 2<sup>nd</sup> Floor Rajeev Plaza Jayendra Ganj, Lashkar Gwalior 474009. • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 22 & 23 , 3rd Floor Eureka Junction, T B Road Hubli – 580029 • **Hyderabad** 8-2-596 Karvy Plaza,Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** 2<sup>nd</sup> Floor , 203-205 Balaji Corporates Above ICICI bank, 19/1 New Palasia Indore – 452001 •**Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 5 A/D Second Extension, opposite Panama Chowk Petrol Pump Gandhi Nagar Jammu 180 012. **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalow, Jamnagar 361001 • **Jamshedpur** 2nd Floor, R R Square SB Shop Area, near Reliance Foot Print & Hotel- BS Park Plaza Main Road, Bistupur Jamshedpur—831001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 670001 • **Kharagpur** Malancha Road, Beside UTI Bank,Kharagpur 721304 • **Kolhapur** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane Kolhapur 416001• **Kolkata** 166A, Rashbehari Avenue, 2nd Floor Near Adi Dhakerhwari Bastralaya OPP- Fortis Hospital Kolkata-700029 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadapakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSIAscension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** 1st Floor, A. A. Complex, Thaper House, 5 Park Road, Hazratganj, Lucknow - 226 001• **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana – 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, TariKhana Chowk,Moradabad 244001 • **Mumbai** - Office number : 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort

Mumbai – 400001 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagpur** Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010 • **Nanded** Shop No 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 305, 3rd Floor New Delhi House, Bara Khamba Road Connaught Place New Delhi-110 001 • **Nellore** 207, II Floor, Kaizen Heights 16/2/230, Sunday Market Pogathota Nellore 524001 • **Noida** 405, 4th Floor, Vishal Chamber, Plot No. 1, Sector 18, Noida - 201301. • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** Flat No.1-A, H. No. 13/70 Timotio Bldg Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area) Panaji Goa –403001 • **Patiala** Sco 27 D,Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Pune** Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune 411004 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 61-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Room No. 307, 3 rd Floor, Commerce Towers, Beside Mahabir Towers Main Road Ranchi - 834 001 • **Ratlam** 1 Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udif Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Door No: 40 Brindavan Road Near Perumal Koil, Fairlands Salem-636016 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, Gopal Complex, Near Busstand Rewa Road Satna (M.P) -485 001 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, UdhnaDarwaja, Ring Road, Surat 395002 • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Tirupathi** H.No. 10-13-425, 1st Floor, Tilak Road, Opposite to Sridevi Complex, Tirupati - 517 501 • **Trichur** 2nd Floor, Brother's Complex, Near DhanaLaxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • **Trichy** Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Udaipur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Valsad** Shop No 2, Phiroza Corner Opp Next Showroom; Tithal Road Valsad 396001 • **Vapi** Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • **Vijayanagaram** Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • **Warangal** 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601.



Karvy, Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Karvy Plaza, No 8-2-596 Street No. 1, Banjara Hills, Hyderabad 500034 is the collection centre (New Fund Offer) of transactions / request for electronic transactions received from specified banks, financial institutions, distribution channel etc. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/ sale/switch of units.

Applicants availing ASBA facility shall submit application only at designated branches of SCSB's whose name appears in the list of SCSB available on SEBI / NSE / BSE website. ASBA forms are available with Axis AMC offices or can be downloaded from our website [www.axismf.com](http://www.axismf.com).

Website of the AMC ([www.axismf.com](http://www.axismf.com)) shall be official point of acceptance during NFO for existing investors.

"In addition to the existing official points of acceptance ("OPA") for accepting transactions in the units of the schemes of the Axis mutual Fund as disclosed in the SID, <http://www.mfuidia.com/MFUPOS> i.e. online transaction portal of MFU and the authorized Points of Service ("POS") designated by MUF shall also be the OPA during the New Fund offer period.

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund) Axis House, 1st Floor, C-2 Wadia International, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

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## **OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTION**

### **AXIS AMC OFFICE ADDRESSES**

**Ahmedabad** Axis Asset Management Co. Ltd. 1st Floor, Shop No. 101, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Elisbridge, Ahmedabad 380006.  
**BANGALORE** Axis Asset Management Co. Ltd. Ground Floor, G-03 & G-03A, Prestige Meridian-1, No. 29, M.G. Road, Bangalore - 560 001 **BHOPAL** Axis Asset Management Co FM-8 Mansarovar Complex, Khasra No. 27/1/2, NH-12, Bhopal, MP.  
**BHUBANESHWAR** Axis Asset Management Co Unit no.3 (Part) Ground Floor Nandighosh Arena Plot no. 1 Bapuji Nagar Bhubaneswar Odisha. **BORIVALI** Axis Asset Management Co. Pvt Ltd 101, 1st Floor, Abhilasha Building, Punjabi Lane, Off Chandavarkar Road, Borivali (West), Mumbai 400 092 **CHANDIGARH** Axis Asset Management Co. Ltd. 2<sup>nd</sup> Floor, SCO No 2471, Sector 22C, Chandigarh - 160022.  
**CHENNAI** Axis Asset Management Co. Ltd. 5th Floor, Maalavika Center, 144 - 145 New No. 60, Kodambakkam High Road, Nungambakkam, Chennai - 600034.,  
**COIMBATORE** C/O Axis Capital Ltd, Door No. 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore - 641 018. **DEHRADUN** Axis Asset Management Co. Ltd., 59/3 First Floor, Rajpur Road, Above IDBI Bank, Dehradun - 248001. **DURGAPUR** Axis Asset Management Company Ltd., C/o. Axis Bank Ltd., Shahid Khudiram Sarani City Centre, Durgapur, West Bengal - 713 216. **GUWAHATI** Axis Asset Management Co. Ltd 2C 2<sup>nd</sup> Floor, "Dihang Arcade", ABC, G.S. Road Opp Dona Planet Guwahati 781005. **HUBLI** Axis Asset Management Company Ltd., C/O Axis Securities Ltd., #163/20A, Kalburgi Plaza, Above Old Axis Bank, 3rd Floor, Deshpande Nagar, Main Road, Hubli - 580029.  
**HYDERABAD** Axis Asset Management Company Ltd, 2nd Floor, Nerella House, Panjagutta, Hyderabad - 500 082. **INDORE** Axis Asset Management Co. Ltd office No. 211 2<sup>nd</sup> Floor Megapolis Square Block A 579, M.G Road .opp Treasure Island Mall Indore 452001 M.P **JAIPUR** Axis Asset Management Company Ltd, 305, 3rd Floor, Ganpati Plaza, M. I. Road, Jaipur-302001. Rajasthan. **JALANDHAR** Axis Asset Management Co. Ltd., June 1, 2015 SCO 5-6, 1st Floor, Puda Complex, Opp Suvidha

Center, Ladowali Road, Jalandhar - 144 001 **JAMSHEDPUR** Axis Asset Management Company Ltd., C/o. Axis Capital Ltd., Shatabdi Tower, 1SNP Area, Sakchi, Jamshedpur - 831 001. **KANPUR** Axis Asset Management Company Ltd, 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur - 208001. **KOCHI** Axis Asset Management Company Limited, Door No.40/9336 ,2nd Floor ,Chackos Towers ,Padma Pullepady Road ,Kochi 682 035 Kerala. **KOLKATA** Axis Asset Management Company Ltd, Ground Floor, Kanak Building,41, Chowringhee Road Kolkata - 700071. **LUCKNOW** Axis Asset Management Co. Ltd, Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow - 226001. **LUDHIANA** Axis Asset Management Co. Ltd. SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001. **MANGALORE** C/O Axis Capital Ltd, Somayaji House, Door No. 15-7-330 / 56, 5th Floor, Bunts Hostel Road, Mangalore - 575003. **MUMBAI** Axis Asset Management Company Limited Axis House, First Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025. **NAGPUR** Axis Asset Management Company Ltd. Shop No. 4, Suraj Palace, Plot No. 69, Hill Road, Near Ravinagar Square, Ramnagar, Nagpur - 440033. **NASIK** Axis Asset Management Company Limited Shop No. G-7, Ground Floor, Rajvee Enclave, Old Pandit Colony, Nasik - 422 001, Maharashtra. **NEW DELHI** Axis Asset Management Company Ltd. 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi - 110001. **PANAJI** C/O Axis Securities & Sales Ltd, 103, 1st Floor, Unitech City Centre, M.G.Road, Panaji - 403001. **PUNE** Axis Asset Management Company Ltd. 1202/5, 3<sup>rd</sup> Floor, "Shalini Skyi Building" Near ICICI Bank, Ghole Road, Pune-411 004. **PATNA** Axis Asset Management Company Ltd. D - 309/ 310, 3 Floor, Dumroan Palace, Frazer Road, Patna 800 001. **RANCHI** C/O Axis Capital Ltd, Prashanti, 2nd Floor, Lalja Hirji Road, O. C. Compound Ranchi – 834001. **RAIPUR** Axis Mutual Fund C/O Axis Bank Ltd. Pachpedi Naka , Pujari Chambers Block B - 1 , NH – 43 Raipur-492001. **RAJKOT** Axis Asset Management Co. Ltd 206, Metro Plaza Jansata Chowk Near Eagle Travels Moti Tanki Chowk , Rajkot - 360001. **SILIGURI** C/O Axis Bank Limited, Spectrum House Sevoke Road Siliguri 734 001. **SURAT** Axis Asset Management Company Limited, HG-2A, International Trade Centre(ITC), Majura Gate Crossing, Majura Gate, Ring Road, Surat-395002. **THANE** Axis Asset Management Company Ltd, Manjula Arcade, 2nd Floor, Gokhale Road, Naupada, Thane (West) - 400 602. **TRIVANDRUM** C/o. Axis Securities Limited, Haji M Bava Sahib, Commercial Complex, TC2+5/2890(12), Ambujavilasam Road, Trivandrum 695001 **VADODARA** Axis Asset Management Co. Ltd. 204, 2nd Floor, Pavan Complex, Near Masonic Hall, Jetalpur Road, Alkapuri, Vadodara – 390007.

#### **KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS**

**Adyar** Karvy Computer Share Pvt Ltd, New No 51, Gandhi Nagar, First Main Road, Adyar Chennai-600 020 **Agartala**, Jagannath Bari Road Bidur Karta Chowmuhani Agartala – 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra -282002 (U.P) • **Ahmedabad**, 201, Shail Building, Opp : Madhusudhan House Nr. Navrangpura Telephone Exchange; Navrangpura Ahmedabad - 380 006 **Ajmer**, 1-2, II Floor Ajmer Tower, Kutchary Road Ajmer - 305 001. **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Alambagh** KSM Tower, CP-1 Sinder Dump, Near Alambagh Bus Station, Alambagh, Lucknow 226 005 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, 1st Floor, Saurabh Towers, Opp. UTI, Road No # 2 Bhagat Singh Circle Alwar-301001. • **Aliganj** Hig-67, Sector E, Aliganj, Lucknow 226 024 • **Amaravathi** Shop No. 21, 2nd Floor, Gulshan Tower Near Panchsheel Talkies ,Jaistambh Square, Amravati(M.H.) Pincode 444601 **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 **Amritsar** 72-A, Taylor'S Road Aga Heritage Gandhi Ground Amritsar - 143 001 **Anand** 201 Sai Apartment , Behind New Bus Stand Anand Pin code 388001 • **Andheri** 6 & 7, Andheri



Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Ankleshwar** L/2, Keval Shopping Center Old National Highway Ankleshwar 393002 • **Asansol** 114 / 71, G.T. Road Near Sony Centre, Bhanga Pachil, , Asansol 713303 • **Aurangabad** Ramkunj, Railway Station Road Near Osmanpura Circle Aurangabad-431005 • **Azamgarh** 1st Floor Alkal Building, Opp. Nagaripalika Civil Line, Azamgarh-276 001 Below Central Bank of India, SadawartiChowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** 59,Skanda Puttanna Road , Basavanagudi, Bangalore- 560004 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near RlyStation Road, Bareilly 243001 • **Barhampore(WB)** Thakur Market Complex, 72, Naya Sarak Road,Gorabazar, PO. Berhampore DIST. Murshidabad Barhampore -742101 • **Baroda** SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall. Productivity Road, Alkapuri, Vadodara - 390007. • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** CTS No 3939/ A2 A1, Above Raymonds Show Room Club Road, Belgaum – 590001. • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** Opp – Divya Nandan Kalyan Mandap 3<sup>rd</sup> Labe Dharam Nagar Near Lohiya Motor, Behrampur, Orissa 760001 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** 147-148, Aditya Complex Near Kasak Circle Bharuch - 392 002 • **Bhatinda** # 2047-A, 2nd Floor, Above Max New York Life Insurance The Mall Road Bhatinda 151001 • **Bhavnagar** G-11, Gitanjali Complex, Beside Bhavnagar Municipal Corporation & Collector Office, Land Mark :(opp. Galaxy Cinema), Kalanala , Bhavnagar-364001. • **Bhilai** Shop No-1,First Floor Plot NO-1, Old Sada Office Block Commercial Complex, Near HDFC Atm, Nehru Nagar- East Post – BHILAI Pin – 490020 • **Bhilwara** 27-28, 1st Floor, HiraPanna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay KayBusniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** 2nd & 3rd Floor, Janardan House, A 181, Saheed Nagar, Bhubaneswar - 751 007, Odisha • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, SardulGunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand). • **Borivali** Ground Floor Himanshu Bldg. Sodawala Lane, Lina Chandawarkar Road, Borivali, Mumbai - 400 091. • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shoping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco 2423-2424 Sector 22-C Chandigarh Pin code 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chembur** Shop No. 4, Ground Floor, Shram Safliya Bldg, N G Acharya Marg, Chembur, Mumbai 400 071 • **Chennai (Egmore)** Flat No F11,First Floor, Akshya Plaza,(Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, AdhithanarSalai, Egmore, Chennai 600002 • **Chennai (T Nagar)** G1, Ground Floor No 22, Vijayaraghava Road, Swathi Court, T Nagar, Chennai - 600 017. • Chinsura JC Ghosh Sarani Near Bus Stand Chinsura 712101 • Cochin Building Nos.39 Ali Arcade ,1st floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin-682 036 Ernakulum District **Coimbatore** 3<sup>rd</sup> Floor 1056/1057, Jaya Enclave, Avanashi Road, Coimbatore - 641018. • **Cuttack** Dargha Bazar, OppDargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Darbhanga** Jaya Complex 2nd Floor, above furniture planet, Donar chowk Darbanga-846 003 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 • **Dehradun** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Deoria** 1st Floor, Shanti Niketan Opp. Zila Panchayat, Civil Lines Deoria- 274001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor,Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, OppNttfjb Road Dharward 580001 • **Dhule** Ground Floor Ideal Laundry, Lane No 4 , Khol Galli, Near Muthoot

Finance , Opp Bhavasar General Store, Dhule – 424001 • **Dindigul** No 9, Old No 4/B, New Agraharam, Palani Road, Dindigul 624001 • **Durgapur** MWAV – 16 Bengal Ambuja 2<sup>nd</sup> Floor, City Centre Durgapur 713216 • **Eluru** D.NO:23B-5-93/1,Savithri Complex,Edaravari Street Near Dr.Prabhavathi Hospital,R.R.Pet Eluru-534 • **Erode** No 4,KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand,Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2<sup>nd</sup> Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No. 203, Second Floor Bhagwati Chamber, Plot No. 8 Sector - 1/A, Kutch Kala Road, Gandhidham - 370 201 • **Gandhinagar** Plot No. - 945/2, Sector - 7/C, Gandhinagar - 382 007 • **Gaya** 1st Floor, LalBhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghazipur** Shubhra Hotel Complex, 2<sup>nd</sup> Floor, Mahaubagh, Ghazipur 233001 • **Gonda** Shree Markit Sahabgunj ,Near Nuramal Station Raod Gonda 271001 • **Gorakhpur** Above V I P House Ajdacent A D Girls Inter College, Bank Road, Gorakpur 273001 • Gomti Nagar B-1/2, Vijay Khand, Near Union Bank of India, Gomti Nagar, Lucknow 226 010 • **Gulbarga** CTS No. 2913, First Floor,Asian Tower Next To Hotel Aditya,Jagat Station Main Road Gulbarga 585105 • **Guntur** D. No 6-10-27 10/1 Sri Nilayam ,Arundelpet Guntur 522 002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** 2<sup>nd</sup> Floor Rajeev Plaza Jayendra Ganj, Lashkar Gwalior 474009. • **Haldwani** Above Kapilaz Sweet House Opp LIC Building Pilikothi Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** SAS No. 212, Ground Floor, Sampige Road, 1st Cross Near Hotel Southern Star, K. R. Puram, Hassan - 573 201 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 22 & 23 , 3<sup>rd</sup> Floor Eureka Junction, T B Road Hubli – 580029 • **Hyderabad** 8-2-596 Karvy Plaza,Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** 2<sup>nd</sup> Floor , 203-205 Balaji Corporates Above ICICI bank, 19/1 New Palasia Indore – 452001 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3<sup>rd</sup> Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 5 A/D Second Extension, opposite Panama Chowk Petrol Pump Gandhi Nagar Jammu 180 012. **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalow, Jamnagar 361001 • **Jamshedpur** 2<sup>nd</sup> Floor, R R Square SB Shop Area, near Reliance Foot Print & Hotel- BS Park Plaza Main Road, Bistupur Jamshedpur—831001 • **Jaunpur** 119,R N Complex, 2<sup>nd</sup> Floor, Near Jay Ceej Crossing, Ummarpur Jaunpur-222 002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kannur** 2<sup>nd</sup> Floor, Prabhat Complex, Fort Road, Kannur 670001 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** 18/369,Char Chaman Kunjpura road Karnal-132001 • **Karur** No 6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Kharagpur** Malancha Road, Beside UTI Bank,Kharagpur 721304 • **Kolhapur** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2<sup>nd</sup> Lane Kolhapur 416001 • **Kolkata** 166A, Rashbehari Avenue, 2<sup>nd</sup> Floor Near Adi Dhakerhwari Bastralaya OPP- Fortis Hospital Kolkata-700029 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadapakkada Kollam 691008 • **Kolkata** 1 R N Mukerjee Road, 2<sup>nd</sup> Floor Room No.-226, Kolkata - 700 001. • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSIAscension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677

• **Koramangala** No.408, 1st Floor, CITA Bldg, Next to Vodafone Office, Koramangala, Bangalore 560 095 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** 1st Floor, A. A. Complex, Thaper House, 5 Park Road, Hazratganj, Lucknow - 226 001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Malleswaram** No.337, GF-3, Karuna Complex, Sampige Road, Opp. New Vegetable Market, Malleswaram, Bangalore 560003 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** AMBEY Crown, 11nd Floor In Front Of BSA College Gaushala Road Mathura - 281001 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, TariKhana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjan ki Mandir, Jiwaji Ganj, Morena 476001 • **Mumbai** - Office number : 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort Mumbai - 400001 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nanganallur** Karvy Computer Share Pvt Ltd, No:48, Saravana Square Hotel, 1st Floor, First Main Road, Nanganallur, Chennai-600 061 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarcoil 629001 • **Nagpur** Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 305, 3rd Floor New Delhi House, Bara Khamba Road Connaught Place New Delhi-110 001 • **Nellore** 207, 11 Floor, Kaizen Heights 16/2/230, Sunday Market Pogathota Nellore 524001 • **Nizamabad** H No: 5-6-430, First Floor, Above Bank of Baroda, Beside HDFC Bank, Ginza View, Hyderabad Road, Nizamabad-503003. • **Noida** 405, 4th Floor, Vishal Chamber, Plot No. 1, Sector 18, Noida - 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** Flat No.1-A, H. No. 13/70 Timotio Bld Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area) Panaji Goa - 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune 411004 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 61-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Sri Ganpathy Complex 14B/5/18, T P Mills Road Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Room No. 307, 3rd Floor, Commerce Towers, Beside Mahabir Towers Main Road Ranchi - 834 001 • **Ratlam** 1 Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University

Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Door No: 40 Brindavan Road Near Perumal Koil, Fairlands Salem-636016 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, Gopal Complex, Near Busstand Rewa Road Satna (M.P) -485 001 • **Secunderabad** C/o. Karvy Fin. Ser. Ltd. 1st Floor, Thirumala, Complex Paradise Circle, S.D. Road, Opp. Hotel Kamat, Secunderabad - 500 003 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626 123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, UdhnaDarwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 • **Thane** 101, Yashwant Building, Ram Ganesh Godkari Path, Ram Maruti Road, Naupada, Thane - 400 602. • **Thodupuzha** First Floor, Pulimoottil Pioneer Pala Road, Thodupuzha 685584 • **Tirunelveli** Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • **Tirupur** First Floor, 224 A, S Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • **Tirupathi** H.No:12-3-330 2nd Floor, Tilak Road Near Four Piller Mandapam Tirupathi : 517501 • **Tiruvalla** 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • **Trichur** 2nd Floor, Brother's Complex, Near DhanaLaxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • **Trichy** Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Tuticorin** 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • **Udaipur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Ujjain** 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • **Valsad** Shop No 2, Phiroza Corner Opp Next Showroom; Tithal Road Valsad 396001 • **Vapi** Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Sagra, Varanasi 221010 • **Vashi** Shop No.43-A, Ground Floor Vashi Plaza, Sector-17, Near Apna Bazar, Vashi, Mumbai 400 705 • **Vellore** No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • **Vijayawada** 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • **Vile Parle** 104, Sangam Arcade, V P Road, Opp. Railway Station, Above Axis Bank, Vile Parle (West), Mumbai 400 056 • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • **Vijayanagaram** Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • **Warangal** 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • **Yamuna Nagar** Jagdhari Road, Above UCO Bank, Near D A V Grils College, Yamuna Nagar 135 001.



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