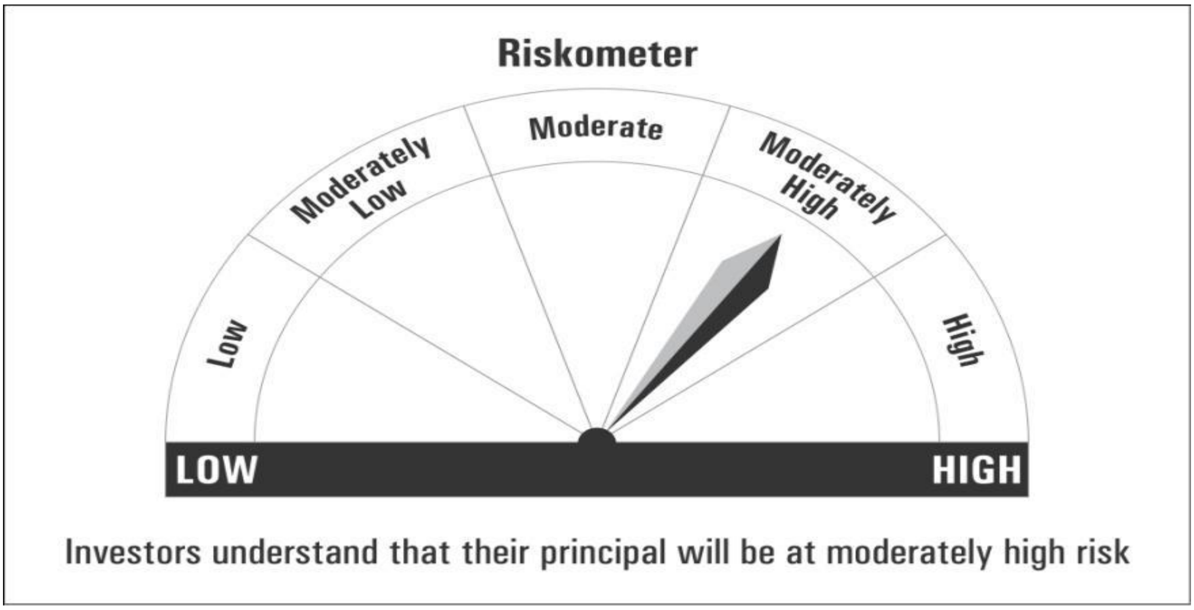
SCHEME INFORMATION DOCUMENT

MAHINDRA MUTUAL FUND BAL VIKAS YOJANA

An Open ended Balanced Scheme

This product is suitable for investors who are seeking*

- Capital appreciation and income generation over medium to long term;
- Investment in equity and equity related instruments as well as debt and money market 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 during the New Fund Offer and Continuous offer for Units at NAV based prices

New Fund Offer Opens on: April 20, 2017
New Fund Offer Closes on: May 4, 2017
Scheme reopens for continuous sale and repurchase on: May 18, 2017

Name of Mutual Fund	Mahindra Mutual Fund
Name of Asset Management Company	Mahindra Asset Management Company Private Limited
Name of Trustee Company	Mahindra Trustee Company Private Limited
Addresses, Website of the Entities	**Registered Office:** 4th Floor, A-wing, Mahindra Towers, Dr. G M Bhosale Marg, P K Kurne chowk, Mumbai – 400018

	Corporate Office: 1st Floor, Sadhana House, Behind Mahindra Towers, 570 PB Marg, Worli, Mumbai- 400 018. **Website:** www.mahindramutualfund.com

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 / unitholders are advised to refer to the Statement of Additional Information (SAI) for details of Mahindra Mutual Fund, Tax and Legal issues and general information on www.mahindramutualfund.com.

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

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

This Scheme Information Document is dated March 24, 2017.

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HIGHLIGHTS / SUMMARY OF THE SCHEME

Investment Objective	The Scheme seeks to generate long term capital appreciation through investments in equity and equity related instruments and also income from investing in debt and money market instrument. However, there can be no assurance that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.
Liquidity	The Scheme will offer Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. The AMC shall dispatch the redemption proceeds within 10 Business Days from date of receipt of redemption request from the unitholder/ investor. However, in case of Compulsory Lock-in option *(please refer para on 'Plans and Options under the Scheme' for more details)*, units will be locked till the unitholder (being the Beneficiary Child) is 18 years of age or 3 years from the date of allotment, whichever is later.
Benchmark	50% CNX Nifty + 50% CRISIL Composite Bond Fund Index
Transparency / NAV Disclosure	The AMC will calculate and disclose the first NAV of the Scheme within 5 business days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs on all the Business Days. The NAVs of the Scheme shall be published in at least in two daily newspapers. The AMC shall update the NAVs on its website (www.mahindramutualfund.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI in writing. 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 shall disclose portfolio under the Scheme as on the last day of each month on its website viz. www.mahindramutualfund.com on or before the tenth day of the succeeding month in the prescribed format. Further, as presently required by the SEBI (Mutual Funds) Regulations, a complete statement of the portfolio under the Scheme would also be published by the Mutual Fund as an advertisement in one 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 within one month from the close of each half year (i.e. March 31 & September 30) or mailed to the Unit holders. The portfolio statement will also be displayed on the website of the AMC and AMFI. 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:** <u>Under Compulsory Lock-in</u>: No exit load post lock-in period.

	Under No Lock-in: - an Exit Load of 3% is payable if Units are redeemed / switched-out upto 1 year from the date of allotment; - an Exit Load of 2% is payable if Units are redeemed / switched-out after 1 year and upto 2 years from the date of allotment; - an Exit Load of 1% is payable if Units are redeemed / switched-out after 2 years and upto 3 years from the date of allotment; - Nil if Units are redeemed / switched-out after 3 years from the date of allotment. For more details on Load Structure, refer to the paragraph 'Load Structure'.
Minimum Application Amount	Rs. 1,000 and in multiples of Re. 1/- thereafter
Minimum Additional Purchase Amount	Rs. 1,000 and in multiples of Re. 1/- thereafter
Plans and Options under the Scheme	The Scheme shall offer two plans viz. Regular Plan and Direct Plan with a common portfolio and separate NAVs. Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with the Fund and is not available for investors who route their investments through a Distributor. Each Plan offers two sub-plans, viz., (i) Compulsory Lock-in; and (ii) No Lock-in. Compulsory Lock-in: Investment will be locked-in till the unitholder (being the Beneficiary Child) is 18 years of age. Investment may be redeemed after the unitholder is 18 years of age or 3 years from the date of allotment, whichever is later. No Lock-in: Investment will not be locked-in & can be redeemed at any point of time at NAV based prices subject to exit load. Each sub-plan offers two Options, viz., (i) Growth Option; and (ii) Dividend Option. Dividend Option will have (i) Dividend Payout; and (ii) Dividend Reinvestment facilities. However, the Dividend Reinvestment facility will not be available under the Compulsory Lock-in sub-plan. The Investors should indicate the plan / sub-plan / option / facility for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/ facility, the following default plan / sub-plan / option / facility will be considered: **Default Plan** Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form. However, if distributor code is mentioned in application form, but "Direct Plan" is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under "Direct Plan". Further, where application is received for regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan.

<table>
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The below table summarizes the procedures which would be adopted by the AMC for applicability of Direct Plan / Regular Plan, while processing application form/transaction request under different scenarios:
<table>
<tr><th>Sr. No</th><th>AMFI Registration Number (ARN) Code mentioned in the application form / transaction request</th><th>Plan as selected in the application form / transaction request</th><th>Transaction shall be processed and Units shall be allotted under</th></tr>
<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>
</table>
In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall endeavour to contact the investor/distributor 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.
<u>Default sub-plan</u> – No lock-in
<u>Default Option</u> – Growth
<u>Default between Payout & Reinvestment facility (applicable only for No Lock-in sub-plan)</u> – Reinvestment
</td>
</tr>
<tr>
<td>Gift of Units</td>
<td>The Investor makes a gift of the Units to the Beneficiary Child, i.e. the Unitholder. The gift vests upon the Beneficiary Child on completion of the lock-in period, if opted.</td>
</tr>
</table>

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 lakh made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

ii. SCHEME SPECIFIC RISK FACTORS

Some of the specific risk factors related to the Scheme include, but are not limited to the following:

In case of investment made under the Compulsory Lock-in option of the Scheme, Units issued will not be redeemed until the unitholder (being the Beneficiary Child) attains18 years of age or until completion of 3 years from the date of allotment, whichever is later. The ability of a unitholder to realise returns on investments in the Compulsory Lock-in option of the Scheme is consequently restricted for the Lock-in period as mentioned hereinabove.

The tax benefits described in the SID are as per the current taxation laws and are subject to certain conditions. The tax information is included only for general purposes and is based on the law and practice currently in force in India and the Investors and Unit Holders should be aware that the relevant fiscal rules or their interpretation may change. As in the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of the investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his/her/its own professional tax advisor.

Risks associated with investments in Equities

- Equity and equity related securities may be volatile and hence are 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 investors, including put options. The AMC may choose to invest in unlisted securities within the regulatory limit. The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected negatively if they have to be sold prior to their target date of divestment. The value of unlisted security may go down before the divestment date and selling these securities before the divestment date may lead to losses in the portfolio.

Risks associated with the Scheme's Arbitrage Strategy

The Scheme proposes to invest in equity and equity related instruments by identifying and exploiting price discrepancies in cash and derivative segments of the market. These investments by nature are volatile as the prices of the underlying securities are affected by various factors such as liquidity, time to settlement date, news flow, spreads between cash and derivatives market at different points of time, trading volumes, etc.

- There is no guarantee that the Fund Manager will be able to spot investment opportunities or correctly exploit price discrepancies in the different segments of the market.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- The Scheme is also expected to have a high portfolio churn, especially in a volatile market.
- There is an execution risk while implementing arbitrage strategies across various segments of the market, which may result in missed investment opportunities, or may also result in losses/high transaction costs.
- In case of a large outflow from the Scheme, the Scheme may need to reverse the spot-futures transaction before the settlement of the futures trade. While reversing the spot-futures transaction on the Futures and Options settlement day on the exchange, there could be a risk of volume-weighted-average-price of the market being different from the price at which the actual reversal is processed resulting in basis risk.
- While future market are typically more liquid than underlying cash market, there can be no assurance that ready liquidity would exists at all point in time for the Scheme to purchase and close out a specific futures contract.

In case of arbitrage, if futures are allowed to expire with corresponding buy/sell in cash market, there is a risk that price at which futures expires, may/may not match with the actual cost at which it is bought/sold in the cash market in last half an hour of the expiry day (Weighted average price for buy or sell).

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**: Basis risk arises due to a difference in the price movement of the derivative vis-à-vis that of the security being hedged.
- **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.
- **Counterparty Risk: -** This is the risk of failure of counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the Scheme in case of a counterparty default.
- **Settlement Risk:** Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.
- **Risks associated with unrated instruments: -** Investments in unrated instruments are subject to the risk associated with investments in any other fixed income securities, as referred above. However, investments in unrated instruments are considered to be subject to greater risk of loss of principal and interest than rated instruments.
- **Duration Risk**: - Duration risk refers to the movement in price of the underlying invested money market / debt instruments due to movement/change in interest rates over different durations of maturity of instruments. In a portfolio of debt assets, the duration risk is measured by the average duration of the portfolio. Duration, expressed in years, is used as a measure of the sensitivity of the fixed income instrument to a change in interest rates. Usually Individual duration of the fixed income instruments in the portfolio is calculated and the portfolio duration is the weighted average of such individual instrument duration. A longer portfolio duration is associated with greater price fluctuations. A rise in interest rates could normally lead to decrease in prices and generally negatively affects portfolios having longer duration vis-a-vis portfolios having shorter duration. A fall in interest rate generally benefits portfolio having longer duration. A longer duration portfolio is also generally associated with greater volatility vis-a-vis a shorter duration portfolio.

In circumstances where the Scheme will invest in debt / money market instruments due to unavailability of adequate arbitrage opportunities in cash and derivatives market segments of equity markets, then the AMC may choose to have a lower equity exposure (which is subject to rebalancing period requirement explained under the Asset Allocation Section of this document). In such a case, the Scheme may not be regarded as equity oriented fund as per extant Income Tax laws and consequently may not enjoy its tax advantage available to an equity oriented fund and may be subject to taxation rules applicable to a fund other than equity oriented fund in that particular financial year.

Further, the tax treatment of fund as “Equity Oriented Fund / Other than Equity Oriented Fund” is determined only after the close of financial year. Hence, the investors who exit the Scheme or redeem their units during the financial year may not be able to know the tax treatment of his earnings till the end of the financial year. In view of the individual nature of the tax consequences, each investor is advised to consult his / her own professional tax advisor.

Performance Risk:

Performance risk refers to the risk of a scheme being unable to generate returns matching / above the returns of the scheme's benchmark. It would also mean the scheme underperforming against its peer set of other mutual fund schemes having similar portfolios, scheme classification, objective, benchmark and asset allocation. The performance risk is a function of various variables which include interest rate movement and the associated price movement of the invested debt/money market instruments, the duration risk, the credit quality movement and the liquidity of the invested instruments. These risks could arise due to a variety of market and economic activities, government policies, global economic changes, currency fluctuations, tax policies, political changes, corporate actions and investors' behaviour.

Risks associated with investments in 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 collateralization 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 Securitized 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

- **Market Risk:** Derivatives are traded in the market and are exposed to losses due to change in the prices of the underlying and/or other assets and, change in market conditions and factors. The volatility in prices of the underlying may impact derivative instruments differently than its underlying.

- **Liquidity Risk:** This risk arises from the inability to sell derivatives at prices that reflect the underlying assets/ rates/ indices, lack of availability of derivative products across different maturities and with various risk appetite.

- **Valuation Risk:** This is the risk of mis–pricing or improper valuation of derivatives due to inadequate trading data with good volumes.

- **Basis Risk:** This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for example, when a bond is hedged using a derivative, the change in price of the bond and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio. The underlying benchmark of a floating rate security 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. Example: Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve or if there is a mismatch in the tenor of the swap and the fixed income security.

- **Credit Risk:** The Credit Risk is the risk that the counter party will default in its obligations and is generally small as in a derivative transaction there is generally no exchange of the principal amount.

- **Operational / Systemic Risk:** This is the risk arising due to failure of operational processes followed by the exchanges and Over The Counter (OTC) participants for the derivatives trading.

- **Counterparty Risk:** Counterparty risk is the risk that losses will be incurred due to the default by the counterparty for OTC derivatives.

- **Exposure Risk:** 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 plain investment transaction.

- **Interest Rate Risk:** This risk arises from the movement of interest rates in adverse direction. As with all the debt securities, changes in the interest rates will affect the valuation of the portfolios.

- **Systemic Risk:** The risk inherent in the capital market due to macro economic factors like Inflation, GDP, Global events.

- **Implied Volatility:** The estimated volatility of an underlying security's price and derivatives price

Risks attached with the use of derivatives

Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. It requires not only understanding the stocks and bonds but the derivatives as a whole. Derivatives require the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly.

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

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.

Risk associated with Securities Lending

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed.

If the Scheme undertakes stock lending under the regulations, it may be exposed to the risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

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.

B. REQUIREMENT OF MINIMUM UNITHOLDERS IN THE SCHEME

The Scheme shall have a minimum of 20 Unitholders and no single Unitholder shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 Unitholders in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at Applicable NAV. The aforesaid conditions should be complied with in each subsequent calendar quarter on an average basis. In case the Scheme does not have a minimum of 20 Unitholders on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Unitholder over the quarter, a rebalancing period of one month would be allowed and thereafter the Unitholder who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said Unitholder to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, IF ANY

- The Sponsor is not responsible for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs.1,00,000 (Rupees One Lakh) collectively made by them towards setting up the Mutual Fund or such other accretions and additions to the initial corpus set up by the Sponsor.

- Prospective investors should study this Scheme Information Document ('SID) and Statement of Additional Information ('SAI') carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest / redeem / hold Units.

- The 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.

- Neither this SID or SAI nor the Mutual Fund has been registered in any jurisdiction outside India. The distribution of this SID in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe, any such restrictions and or legal compliance requirements. No persons receiving a copy of this SID or Key Information Memorandum and any accompanying application form in such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless such an invitation could lawfully be made to them in the relevant jurisdiction and such application form could lawfully be used without compliance of any registration or other legal requirements.

- 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 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 Unitholders/ investors 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 Unitholder / investor is advised to consult his / her own professional tax advisor.

- In the event of substantial investments made by the AMC or the Sponsor or its Shareholders or their affiliates/associates or group companies, either directly or indirectly in the Scheme, Redemption of units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unitholders/ investors to redeem their units..

- Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme under certain exceptional circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets. Please refer to the paragraph "Right to Limit Redemptions" for further details.

- 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 Unitholder/ investor, the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the Unitholder/ investor(s), reject any application(s) / redemptions / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV subject to payment of exit load, if any.

- The Mutual Fund may disclose details of the investor's/ Unitholder'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 Unitholder. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.

- Any dispute arising out of the Scheme shall be subject to the non-exclusive jurisdiction of the Courts in Mumbai, India. Statements in this SID are, except where otherwise stated, based on the law practiced currently in India, and are subject to changes therein.

D. DEFINITIONS

“Alternate Child”	Child not exceeding the age of 18 years, nominated by parent / legal guardian before the Unitholder / Beneficiary child attains majority, in whose favour the Units shall be transferred in the event of the death of the Unitholder / Beneficiary Child and such Alternate Child (new Unit holder) will hold the Units in trust for and on behalf of the estate of the original Unitholder and his / her successors / legal heirs.
"AMC" or "Asset Management Company" or "Investment Manager"	Mahindra Asset Management Company Private Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Mahindra Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
“Beneficiary Child”	Child in whose name/ for whose benefit, the Units are applied for by the investor by contributing the initial investment amount and/or making periodic investments in accordance with the procedure stated in this Scheme Information Document.
“Book Closure”	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
“Business Day”	A day other than: i. Saturday and Sunday; ii. A day on which the banks in Mumbai and /or RBI are closed for business /clearing; iii. A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed; iv. A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; v. A day on which Sale / Redemption / Switching of Units is suspended by the AMC; vi. A day on which the money markets and/or debt markets are closed / not accessible; vii. 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; 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.
“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) and includes National Securities Depository Limited and Central Depository Services Limited.
"Depository Participant"	'Depository Participant' means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.

"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.
"Equity Related Instruments"	"Equity Related Instruments" includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
"Exit Load"	Load on Redemption / Switch out of Units.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt instruments 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.
"Foreign Institutional Investors" or "FII"	FII means 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" or "FPI"	FPI means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014.
"Gift of Units"	The Investor makes a gift of the Units to the beneficiary child, i.e. the Unitholder. The gift vests upon the Beneficiary Child on completion of the lock-in period, if opted.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"Holiday"	The day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike/ bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated September 30, 2015, entered into between Mahindra Trustee Company Private Limited and Mahindra Asset Management Company Private Limited, as amended from time to time.
"Investor"	Such person or persons [donor(s)] who make valid application for Units by contributing the initial investment amount and / or making periodic investments so as to gift the Units of the Scheme to the Unitholder (Beneficiary Child) in accordance with the procedure stated in this Scheme Information Document and where: Investment is on behalf of a minor. For details please refer to the section on "Who can invest"
"Investor Service Centres" or "ISCs"	Designated Offices of Mahindra Asset Management Company Private Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out 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 in addition to the Applicable NAV.
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills,

	Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Mahindra Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit 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.
"Non-Resident Indian" or "NRI"	A person resident outside India who is either a citizen of India or a person of Indian origin.
"Official Points of Acceptance" or "OPA"	Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.
"Person of Indian Origin" or "PIO"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	An opinion regarding securities, expressed in the form of standard symbols or in any other standardised 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 "RTA"	Computer Age Management Services Pvt. Limited (CAMS) Chennai, currently acting as registrar to the Scheme(s), or any other registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	Government of India, 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.
"Reverse Repo"	Purchase of Securities with a simultaneous agreement to sell them at a later date.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the investor / applicant under the Scheme.
"Scheme"	Mahindra Mutual Fund Bal Vikas Yojana
"Scheme Information Document"	This document issued by Mahindra Mutual Fund, offering for Subscription of Units of Mahindra Mutual Fund Bal Vikas Yojana (including Options there under).
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Mahindra and Mahindra Financial Services Limited
"Statement of Additional Information" or "SAI"	The document issued by Mahindra Mutual Fund containing details of Mahindra Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.

"Switch"	Redemption of a unit in any scheme (including the plans / options therein) of the Mutual Fund against purchase of a unit in another scheme (including the plans/options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
“Systematic Investment Plan” / “SIP”	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques/ payment instructions.
“Systematic Withdrawal Plan” / “SWP”	Facility given to the Unitholders to withdraw a specified sum of money on periodic basis from his investment in the Scheme.
“Trust Deed”	The Deed of Trust dated September 29, 2015 made by and between Mahindra and Mahindra Financial Services Limited and Mahindra Trustee Company Private Limited thereby establishing an irrevocable trust, called Mahindra Mutual Fund.
“Trustee” or “Trustee Company”	Mahindra Trustee Company Private 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 Unitholder which consists of each Unit representing one undivided share in the assets of the Scheme.
“Unitholder”	A person holding Unit in the Scheme of Mahindra 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 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
Date : March 30, 2016

Signed : Sd/-
Name : Ravi Dayma
Designation: Head - Compliance

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open ended Balanced Scheme.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The Scheme seeks to generate long term capital appreciation through investments in equity and equity related instruments and also income from investing in debt and money market instrument. However, there can be no assurance 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?

The Asset Allocation Pattern of the Scheme under normal circumstances would be as under:

Instruments	Indicative Allocation (% of assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity related Securities^	40	60	High
Equities, equity related instruments and derivatives including index futures, stock futures, index options, & stock options, etc. as part of hedged / arbitrage exposure$ ^	5	15	Medium to High
Debt*, Money Market Instruments^ and units of mutual fund schemes	25	55	Low to Medium

When adequate arbitrage opportunities are not available and accessible in the cash and derivative market segment, the asset allocation of the Scheme will be as under:

Instruments	Indicative Allocation (% of assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity related Securities^	40	60	High
Debt*, Money Market Instruments^ and units of mutual fund schemes	40	60	Low to Medium

*Includes securitized debt (excluding foreign securitized debt) up to 30% of the net assets of the Scheme. The Scheme shall not invest in foreign securitized debt.

$Equity allocation is measured as the Gross exposure to equities, equity related instruments and derivatives. The scheme will enter into derivatives transactions for hedging. The derivative positions will be hedged against corresponding positions in either equity or derivative markets depending on the strategies involved and execution costs. On the total portfolio level the scheme does not intend to take a net short exposure to equity markets. Unhedged positions in the portfolio (investments in equity shares without corresponding exposure to equity derivative) shall not exceed 60% of the net assets.

^ including derivative instruments to the extent of 50% of the Net Assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time under the Regulations and subject to guidelines issued by SEBI/RBI from time to time.

Subject to the Regulations and applicable regulatory guidelines as may be issued from time to time, the Scheme may also engage in Securities Lending and Borrowing Obligations subject to following limits:

- Not exceeding 20% of the net assets of the Scheme;
- And not more than 5% of the net assets of the Scheme can generally be deployed in securities lending to any single counter party.

Pursuant to SEBI circular No. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, the Scheme may deploy NFO proceeds in Collateralized Borrowing and Lending Obligations (CBLO) before the closure of NFO period. However, the AMC shall not charge any investment management and advisory fees on funds deployed in CBLOs during the NFO period.

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 does not propose to invest in foreign securities and repos in corporate bonds.

The Scheme shall not engage in short selling.

The cumulative gross exposure through investments in equity and equity related securities, debt securities, money market instruments and exposure in derivatives' positions shall not exceed 100% of the net assets of the Scheme.

All the investments by the Mutual Fund under the scheme shall be guided by investment restrictions as specified in SEBI (Mutual Funds) Regulations, 1996 from time to time.

Subject to the SEBI 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 case of deviation in the original asset allocation pattern OR alternative asset allocation pattern^ (^to be followed in case of unavailability of adequate arbitrage opportunities) as indicated above, the original / alternative portfolio, as applicable, would be rebalanced within 30 days from the date of deviation of the original / alternative asset allocation pattern, as applicable. In case the same is not aligned to the applicable asset allocation pattern within 30 days, justification shall be provided to the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.

D. WHERE WILL THE SCHEME INVEST?

Subject to the Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities as permitted by SEBI/ RBI from time to time:

Equity and Equity Related Instruments:

1. Equity share – Equity Share is a security that represents ownership interest in a company.

2. Equity Related Instruments – are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.

3. Equity Derivatives – are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., “derived from”) the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property. The equity derivatives may take the following forms:-

   Futures:

   Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at a date and at an agreed price. 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. 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 the right, without the obligation, to buy or sell a specified asset at the agreed price on or up to a particular date. Option contracts are of two types viz:

   (a) 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.

   (b) Put Option – The option that gives the buyer the right but not the obligation to sell is called put option.

Debt & Money Market Instruments:

1. Certificate of Deposits (CD) – 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 between one year to 3 years from the date of issue. CDs may be issued at a discount to face value.
2. Commercial Paper (CP) **-** 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. They are issued at a discount to the face value as may be determined by the issuer. CP is traded in secondary market and can be freely bought and sold before maturity.
3. Bills Rediscounting (BRD) – BRD is the rediscounting of trade bills which have already been purchased by / discounted with the bank by the customers. These trade bills arise out of supply of goods / services.
4. Securities 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). Central Government securities are sovereign debt obligations of the Government of India with zero-risk of default and issued on its behalf by RBI. They form part of Government’s annual borrowing programme and are used to fund the fiscal deficit along with other short term and long term requirements. Such securities could be fixed rate, fixed interest rate with put/call option, zero coupon bond, floating rate bonds, capital indexed bonds, fixed interest security with staggered maturity payment etc. State Government securities are issued by the respective State Government in co-ordination with the RBI.
5. 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 91 days, 182 days and 364 days. T-bills are issued at a discount to their face value and redeemed at par.
6. Repos/reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). 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.

7. Debt securities of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee – These are instruments which are issued by various government agencies and bodies. They can be issued at discount, par or premium.
8. Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips etc. These are instruments issued by corporate entities for their business requirements. They are generally rated by credit rating agencies, higher the rating lower the risk of default.
9. When issued market: 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:

   Category: Non-PDs

   Reissued Security: Long Position, not exceeding 5% of the notified amount.

   Newly Issued Security: Long Position, not exceeding 5% of the notified amount.

10. Money market instruments permitted by SEBI/RBI, including Collateralized Borrowing and Lending Obligations (CBLO) market or in alternative investment for the CBLO market as may be provided by the RBI to meet the short term liquidity requirements.
11. The non-convertible part of convertible securities – Convertible securities are securities which can be converted from Debt to Equity shares. The non convertible part cannot be converted into Equity shares and work like a normal debt instrument.
12. 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.
13. Investment in Short Term Deposits – Pending deployment of funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI.
14. Securitised Debt Instruments - Securitization is a structured finance process which involves pooling and repackaging of cash-flow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. 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.
15. Pass through, Pay through or other Participation Certificates, representing interest in a pool assets including receivables. It 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.

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

i. 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.

a) Typically the liquidity of securitized debt is less than similar debt securities.
b) 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.

ii. 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:

- Transaction structure including Par versus premium and credit enhancement
- Reputation of Originator in the market
- Proportion of overdue assets of the pool or the underlying loan, as the case may be
- Track record of servicing of the pool or the loan, as the case may be
- Any disputes or litigations in the originated pools
- Credit quality and rating
- Loan to Value ratio
- Liquidity facility

iii. Risk mitigation strategies for investments with each kind of originator

Risk would be mitigated to a large extent by the critical evaluation parameters mentioned above. Further, Risk mitigation strategies typically include additional credit enhancement, overcollateralization, interest subvention, presence of subordinate tranches, analysing ageing of the pools i.e. how long the loan has been with Originator before securitization etc.

Some of the risks with securitized debt investments and the corresponding risk mitigating strategies are listed below:

Risk mitigation strategy

Limited Recourse, Delinquency and Credit Risk

In addition to careful scrutiny of credit profile of borrower/pool additional security in the form of adequate cash collaterals and other securities may be obtained to ensure that they all qualify for similar rating.

Bankruptcy of the Originator or Seller

Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale from the Originator not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sale to get the necessary revenue recognition and tax benefits.

Liquidity and Price risk

Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity. The liquidity risk and HTM (Held To Maturity) nature is taken into consideration at the time of analyzing the appropriateness of the securitization.

Prepayment Risk

A certain amount of prepayments is assumed in the calculations at the time of purchase based on historical trends and estimates. Further, a stress case estimate is calculated and additional margins are built in.

iv. 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 Committee may revise the parameters from time to time.

Characteristics /Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	Two wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 Years	Up to 5 years	Up to 5 years	Up to 3 Years	Up to 80 Weeks	Up to 3 years	Refer Note 1	Refer Note 2
Collateral Margin (including Cash ,guarantees, excess Interest spread , subordinate tranche)	>5%	>5%	>4%	>4%	>4%	>4%	"	"
Average Loan To Value Ratio	<90%	<90%	<90%	<90%	Unsecured	Unsecured	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	>3 month	>3 month	"	"
Maximum Single exposure range	<5%	<7%	Retail	Retail	Retail	Retail	"	"
Average Single exposure range %	<5%	<5%	Retail	Retail	Retail	Retail	"	"

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

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

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

- Size of the loan – The size of the loan is generally analysed on a sample basis and an analysis of the static pool of the originator is undertaken to ensure that the same matched with static pool characteristics. It also indicates whether there is high reliance on very small ticket size borrower which could result in delayed and expensive recoveries.

- Average original maturity of the pool – the analysis of the average maturity of the pool is undertaken to evaluate whether the tenor of the loans are generally in line with the average loan in the respective industry and repayment capacity of the borrower.

- Loan to value ratio, average seasoning of the pool of underlying assets – these parameters will be evaluated based on the asset class as mentioned in the table above.

- Default rate distribution – the credit team generally ensures that all the contracts in the pool are current to ensure zero default rate distribution.

- Geographical distribution – the analysis of geographical distribution of the pool is undertaken to ensure prevention of concentration risk.

- Credit enhancement facility – credit enhancement facilities in the form of cash collateral, such as fixed deposits, bank guarantee etc. could be obtained as a risk mitigation measure.

- Liquid facility – these parameters will be evaluated based on asset class as mentioned in the table above.

- Structure of the pool of the underlying assets – The structure of the pool of the underlying asset class or combination of various asset classes as mentioned in the table above. We could add new asset class depending upon the securitization structure and changes in market acceptability of asset classes.

v. 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 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.

vi. Minimum retention percentage by originator of debts to be securitized

RBI has prescribed the minimum retention percentage as 5% or 10% of the book value of the loans being securitised depending on the original maturity of the loans and the features of the securitisation transaction.

vii. 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 Committee of the asset management company and committee shall review the same at regular interval.

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

The fund management team has the required experience to analyse and monitor investments in securitised debts. On an on-going basis the rating movement of the securitised debts will be monitored. Credit research agencies also provide analysis of individual instruments and pools. The periodic reports received by the AMC on pool performance will be scanned to check for any change in asset quality and related impact on debt servicing and any impact that it can have on the credit ratings.

Note: The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

16. Debt Derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI**.**

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

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

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

Characteristics of Interest Rate Futures

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

17. Any other like instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority from time to time.

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 the 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 strategies/examples of use of derivatives have been provided under the section "Derivatives Strategy"

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.

E. WHAT ARE THE INVESTMENT STRATEGIES?

Fixed Income Strategy:

In terms of the risk-return profile of the Scheme, the Scheme is positioned to generate long term income with accrual and capital appreciation. Hence the portfolio strategy will seek to generate return by balancing the maturity and credit profile to compensate for the risk as per the objectives of the Scheme.

The fund manager will seek to play out the anticipated movement in the interest rate by changing the maturity of the underlying portfolio, and also anticipated change in the term structure (flattening /steepening) of the yield curve in the portfolio construction after analysing the macro-economic environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets. The fund manager will also seek to play the anticipated change in credit spreads based on historical spread analysis and also an analysis of the credit of the issuer. The fund manager will seek to generate alpha by investing in papers giving superior returns after in depth analysis of micro and macro factors.

The investment team of the AMC will, as a mitigation and risk control procedure, carry out rigorous credit evaluation of the issuer company proposed to be invested in. The credit evaluation will analyse the operating environment of the issuer, the sector analysis, business model, management, governance practices, quality of the financials, the past track record as well as the future prospects of the issuer and the financial health of the issuer.

Equity Strategy:

The fund manager will follow an active management style. The Scheme will focus on creating an appropriate diversified portfolio of companies with a long term perspective. The Scheme will follow a top down approach to select sectors and follow a bottom up approach to pick stocks across the sectors based on appropriate business environment, business model and execution capability. The Scheme will focus on extensive macro and micro research to identify appropriate economic environment and reasonable price entry and exit points.

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

a. Quality risk – Risk of investing in unsustainable/weak companies
b. Price risk - Risk of overpaying for a company
c. Liquidity risk- High impact cost of entry and exit
d. Volatility risk –Volatility in price due to company or portfolio specific factors
e. Event risk - Price risk due to a company/sector specific or market event

Derivatives Strategy

1. Equity Derivatives Strategy:

The Scheme may invest in various derivative instruments which are permissible 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. 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, whose values are derived from the value of an underlying primary financial instrument such as interest rates, exchange rates, commodities and equities.

The following section describes the concepts and examples of derivatives that may be used by the fund manager. The strategies and illustrations provided below are only for the purpose of understanding the concept and uses of derivative instruments.

i. Index Futures

Index Futures maybe used by the Fund to hedge against market downturns (shorting the index) or benefit from a bullish outlook on the market (going long on the index).

Example on how it could be used: Assume Nifty near month future contract is trading at Rs. 7,500, and the fund manager has a view that nifty will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at the above said rate without holding a underlying long equity position. Once the price falls and let’s assume after 15 days the Nifty falls to 7400, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 100.

In a similar way, if the fund manager has a view that nifty will appreciate going forward, the Scheme can initiate a long transaction without an underlying cash/ cash equivalent subject to the extant regulations.

ii. Index Options

Index options offers the Fund the opportunity to either capitalize on an expected market move or to protect holdings in the underlying instruments. The underlying in the case of Index options are indices.

A. <u>Buy Call</u>

The fund, to benefit from anticipated uptrend in broad markets, from time to time can buy call options. A long call option will give the Fund the option but not the obligation to buy the Index at the strike price. Stop loss is not defined and will be monitored by the investment team.

Example on how it could be used

Suppose an investor buys a Call option on 1 lot of Nifty 50- Nifty (Lot Size: 75 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 75 units
- Spot Price (S): 7500
- Strike Price (x): 7550 (Out-of-Money Call Option)
- Premium: 80

Total Amount paid by the investor as premium [75*80] =6000

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

1. **Scenario 1-** The Nifty index goes up

An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 7600 in the spot market and the premium has moved to Rs 150 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: 7600
- Current Premium: Rs.150
- Premium paid: Rs.80
- Net Gain: Rs.150- Rs.80 = Rs.70 per unit
- Total gain on 1 lot of Nifty = Rs.5250 (75*70)

2. **Scenario 2 -** The Nifty index moves to any level below 7500

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

   Net Loss is Rs.6000 (Loss is capped to the extent of Premium Paid)
   (Rs 80 Premium paid*Lot Size: 75 units)

3. **Simple Scenario for holding on to expiry**: The fund buys a call option at the strike price of say Rs.7500 and pays a premium of say Rs. 80, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than 7580 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 7500, the fund will not exercise the option while it loses the premium of Rs 80.

B. <u>Buy Put</u>

The Fund may buy index put options to hedge existing portfolios. The put option will give the Fund the flexibility to sell the portfolio at the strike price if the index falls below the strike price. The Fund will have to pay a premium to the option writer to buy this put option. There is no defined stop loss as the same will be monitored by the investment team.

Example on how it could be used

Suppose an investor buys a Put option on 1 lot of Nifty 50- Nifty (Lot Size: 75 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 75 units
- Spot Price (S): 7500
- Strike Price (x): 7450 (Out-of-Money Call Option)
- Premium: 80

Total Amount paid by the investor as premium [75*80] =6000

There are two possibilities i.e. either the index moves down from the strike price or goes above the strike price.

1. **Scenario 1-** The Nifty index goes down

   An investor sells the Nifty Option described above before expiry:

   Suppose the Nifty index moves down to 7400 in the spot market and the premium has moved to Rs 150 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: 7600
- Current Premium: Rs.150
- Premium paid: Rs.80
- Net Gain: Rs.150- Rs.80 = Rs.70 per unit
- Total gain on 1 lot of Nifty = Rs.5250 (75*70)

2. **Scenario 2 -** The Nifty index moves to any level above 7500

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

   Net Loss is Rs.6000 (Loss is capped to the extent of Premium Paid)
   (Rs 80 Premium paid*Lot Size: 75 units)

3. **Simple Scenario for holding on to expiry**: The fund buys a Put Option at Rs 7500 by paying a premium of say Rs 80. If the stock price goes down to Rs. 7400, the fund would protect its downside and would only have to bear the premium of Rs 80 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs. 7600 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upside after bearing the premium of Rs. 80.

iii. Stock Futures

Buy Stock Futures

The Fund can buy stock futures to realize a positive outlook on the stock or to rebalance sector positions. There will be no defined stop loss given the high volatility and the same will be monitored by the investment team.

iv. Stock Options

A. <u>Buy Call</u>

To capitalize positive view on a stock or to rebalance sector positions, the Fund may buy call options on the stock against the payment of a premium. Buying a call option provides the Fund the option but not the obligation to buy the stock at the strike price. There will be no defined stop loss and the same shall be monitored by the investment team.

B. <u>Buy Put</u>

To implement a negative view on the stock or to hedge against downside in an existing stock holding or to rebalance sector positions, the Fund may purchase stock put options against payment premium. This gives the option but not the obligation to the Fund to sell the stock if stock prices falls below the strike price.

2. Fixed Income Derivatives Strategy:

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 FRA 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 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 FBIL 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.

Interest Rate Swaps:
The Indian markets have faced high volatility in debt markets. An interest rate swap is a contractual agreement between two counter-parties to exchange streams of interest amount on a national principal basis. In this, one party agrees to pay a fixed stream of interest amount against receiving a variable or floating stream of interest amount. The variable or floating part is determined on a periodical basis.

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

Example
Entity A has a Rs.50 crores, 3 month asset which is being funded through call. Entity B, on the other hand, has deployed in overnight call money market Rs.50 crores, 3 month liability. Both the entities are taking on an interest rate risk.

To hedge against the interest rate risk, both the entities can enter into a 3 month swap agreement based on say FBIL MIBOR (Financial Benchmarks India Private Limited Mumbai Inter Bank Offered Rate). Through this swap, entity B will receive a fixed pre-agreed rate (say 7%) and pay FBIL MIBOR ("the benchmark rate") which will neutralize the interest rate risk of lending in call. Similarly, entity A will neutralize its interest rate risk from call borrowing as it will pay 8% and receive interest at the benchmark rate.

Assuming the swap is for Rs.50 crores 1 January to 1 April, Entity A is a floating rate receiver at the overnight compounded rate and Entity B is a fixed rate receiver. On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On April 1, they will calculate as explained below:

Entity A is entitled to receive daily compounded call rate for 91 days and pay 7% fixed.

Entity B is entitled to receive interest on Rs.50 crores @ 7% i.e. Rs. 87.26 lacs, and pay the compounded benchmark rate.

Thus on December 1, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 87.26 lacs, entity B will pay entity A the difference and vice versa.

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 (FRA)

A FRA is referred to by the beginning and end dates of the period covered in the transaction. A 2x5 FRA means the 3 month rate starting 2 months from now.

For example, a corporate has a three month fixed liability three months from now. To meet this liability the company enters into a 3x6 FRA where it receives 7.25% for 100 crore and fixes the interest cost for the 3-6 months period. If the actual three month rate three months from now is 7% the corporate has gained 25 bps through interest cost. As the settlement is done at the beginning of the period, the net present value of the savings needs to be calculated using the 3 month rate as the discount rate.

Interest savings = INR 100 crores * 25 bps * 92/365 (assuming 92 days in the 3 month period and 365 days for the year) = INR 6,30,137.

Settlement Amount = INR 6,30,137 **/** (1+ 7%*92/365) = INR 6,19,212

Interest Rate Futures

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

Example:
Date: 01-April-2016
Spot price of GOI Security: Rs 100.05
Futures price of IRF Contract: Rs 100.12

On 01-April-2016 ABC bought 2000 GOI securities from spot market at Rs 100.05. He anticipates that the interest rate will rise in near future. Therefore to hedge the exposure in underlying market he may sell May 2016 Interest Rate Futures contracts at Rs. 100.12.

On 16-May-2016 due to increase in interest rate:

Spot price of GOI Security: Rs 99.24
Futures Price of IRF Contract: Rs 99.28
Loss in underlying market will be (99.24 - 100.05)*2000 = Rs 1620
Profit in the Futures market will be (99.28 - 100.12)*2000 = Rs 1680

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. 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 is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

Fixed Income Markets in India

The Fixed Income markets in India can be broken down into three parts:

1. Debt Market.
2. Money Market.
3. Derivatives Market.

Debt Market: The debt market is active since the mid 1990s with the introduction of major reforms in the debt market such as the auction system for sale of dated government securities, establishing the system of primary dealers to name a few reforms. This market is predominantly gilt oriented and corporate papers became a part of it since late 1990s. Even today, the Government Securities (G-sec) segment is the largest segment in the debt market with a market capitalization of Rs. 5050894.65 crore in Jan 2017 up from Rs. 2184802.73 crore in Jan 2012. The Government securities market had a volume of Rs. 1258777.36 crore in Dec 2016 up from Rs. 426520 crore in Dec 2011 (Source: The Clearing Corporation of India Ltd.).

The debt market consists of the following instruments:

- Government securities – Issued by the Government of India.
- State government securities – Issued by the State Government.
- Debt securities – Issued by various Corporate, Banks, Financial Institutions.
- Other approved securities like government guaranteed papers.

The nature of instruments is in the form of plain vanilla bonds, Floaters, Zero coupon bonds/deep discounted bonds, securitized papers and structured debt papers.

The major players in Indian debt market are Banks, Mutual Funds, Financial Institutions, Foreign Portfolio Investors, Primary Dealers, Insurance companies and others.

Money Market: The money market is a key component of the financial system as it is the fulcrum of monetary operations conducted by the Central Bank in its pursuit of monetary policy objectives. It is a market for short-term funds with maturity ranging from overnight to one year and includes financial instruments that are deemed to be close substitutes of money. Money market instruments facilitate borrowing for relatively short periods of time. They are generally issued at a discount to the maturity value.

The money market in India mainly consists of the following instruments:

- Call money market.
- Collateralized Borrowing & Lending obligation (CBLO).
- Treasury bills.
- Commercial papers.
- Certificates of deposits.
- Short Non-Convertible Debentures-fixed and floaters and term lending instruments.

RBI has been taking active steps to develop the money market in India with the objective to improve the signaling mechanism for monetary policy while ensuring financial stability. Various reform measures have resulted in a relatively deep, liquid and vibrant money market with a shift from administered and direct to indirect market based instruments of monetary management. For e.g. the call money market was transformed into a pure interbank market, while other money market instruments such as market repo and CBLO were developed to provide avenues to non-banks, including mutual funds, for managing their short-term liquidity mismatches. For the fortnight ended 31st Dec 2016, the total amount outstanding of commercial papers (at face value) issued was Rs. 3618 billion, whereas the total amount outstanding of certificates of deposits issued by Banks was Rs. 1468 billion for the fortnight ended 23rd Dec 2016 (Source-RBI).

The yield ranges (as on March 08, 2017) of various instruments mentioned above, and the factors affecting prices of such securities are given hereunder:

Instrument	**Current Yield range (%)**
CBLO	5.75%-5.80%
Repo	5.75%-5.80%
3m Tbill	5.95%-6.00%
1Y Tbill	6.15%-6.20%
10Y Gsec	6.80%-6.85%
3m PSU Bank CD	6.15%-6.25%
3m Manufacturing Co. CP	6.25%-6.35%
1Y PSU Bank CD	6.55%-6.65%
1Y NBFC CP	7.35%-7.45%
1Y Manufacturing Co. CP	6.85%-6.95%
5Y AAA Institutional Bond	7.60%-7.70%
10Y AAA Institutional Bond	7.80%-7.90%

Source: CCIL, 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.

Derivative market: Derivatives markets have grown over the year. There are mainly three types of derivatives in the Indian market.

1. **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.
2. **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.
3. **Interest Rate Futures:** A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price) by the buyer and seller.

Risk Control:

Risk is an inherent part of the investment function. 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 AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools. Further, the AMC has implemented the Miles System as Front Office System (FOS) for managing risk. The system has inbuilt feature which enables the Fund Manager calculate various risk ratios and analyze the same.

The AMC has experienced investment professionals to help limit investment universe to carefully selected high quality businesses. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

The Scheme would invest in a diversified portfolio of equity and equity related securities and in Debt and Money market instruments in a balanced approach which would help alleviate the credit, sector/market capitalization related concentration risk.

The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same and acts in a preventive manner.

Investments by the AMC in the Scheme

Subject to the Regulations and to the extent permitted by SEBI from time to time, the AMC may invest in the Scheme. However, the AMC will not charge investment management fee on such investment in the Scheme.

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

F. FUNDAMENTAL ATTRIBUTES

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

i. Type of scheme **- An Open Ended Balanced Scheme**

ii. Investment Objective and Asset Allocation – **Refer Section II, Point B & C**

iii. Terms of Issue:-

- Liquidity provisions such as listing, repurchase, redemption. **Refer Section III, Point no. A – NEW FUND OFFER (NFO);**
- Aggregate maximum fees and expenses charged to the Scheme. – **Refer Section IV, Point no. B – Annual Scheme recurring Expenses**
- Any safety net or guarantee provided **- Not Applicable.** The Scheme does not provide any guaranteed or assured return).

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

- A written communication about the proposed change is sent to each Unit holder 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 Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

Change(s) in fundamental attributes will not cover any changes to be carried out in the Scheme in order to comply with any amendment(s) in the Regulations and/or changes resulting out of requirement(s) laid down under any SEBI circular(s) / regulatory guidelines and hence the abovementioned process for carrying out changes in the fundamental attributes, will not apply for such cases where changes are required to be carried out in the Scheme as a result of any regulatory notifications.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Scheme performance would be benchmarked against 50% CNX Nifty + 50% CRISIL Composite Bond Fund Index.

The Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

Justification of Benchmark

As the Scheme intends to have an almost equal allocation to equity & fixed income instruments, a customized benchmark has been created to compare its performance.

CNX Nifty, being a well-diversified index accounting for 22 sectors of the economy, is a suitable benchmark for the equity part of the Scheme. Crisil Composite Bond Fund Index is an index which tracks the return on a composite portfolio of government securities & AAA/AA rated corporate bonds making it a suitable benchmark for the fixed income portion of the Scheme.

The Trustee 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 the Regulations and other prevalent guidelines.

H. WHO MANAGES THE SCHEME?

The Scheme will be managed by Mr. Rahul Pal and Mr. RatishVarier.

Name of the Fund Manager	Age / Qualification	Tenure for which the Fund Manager has been managing the Scheme	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management
Mr. Rahul Pal	39 years B.Com (H), ACA	Not Applicable	• Head – Fixed Income, Mahindra Asset Management Co. Pvt. Ltd., (September 2015 – until date); • Head Fixed Income, Taurus Asset Management Co. Ltd. (May 2010 – September 2015); • Fund Manager – Fixed Income, Sundaram Asset Management Co. Ltd. (May 2004 – May 2010).	Mahindra Liquid Fund, Mahindra Mutual Fund Alp-Samay Bachat Yojana and debt portion of Mahindra Mutual Fund Dhan Sanchay Yojana
Mr. Ratish Varier	32 years MBA –	Not Applicable	• Fund Manager - Equity, Mahindra Asset Management Co. Pvt. Ltd., (September 2013 – until date);	Mahindra Mutual Fund Kar Bachat

	Finance, CPM		• Manager – Equities, Reliance Life Insurance Company Ltd. (January 2007 – September 2013); • Dealer – Corporate Bond, ICAP Pvt Ltd. (August 2006 – December 2006)	Yojana, and equity portion of Mahindra Mutual Fund Dhan Sanchay Yojana

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 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Board of Trustee and the Board of AMC.

   Such limit shall not be applicable for investment in Government Securities, treasury bills and collateralized borrowing and lending obligations.

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

5. The Scheme shall not invest more than 10% of its net assets in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the net assets of the Scheme. All such investments shall be made with the prior approval of the Trustees and the Board of the 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,—
   - Any unlisted security of an associate or group company of the Sponsor; or
   - Any security issued by way of private placement by an associate or group company of the Sponsor; or
   - The listed securities of group companies of the Sponsor which is in excess of 25 percent of the net assets of the Scheme.

8. Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:
   - Such transfers are done at the prevailing market price for quoted instruments on Spot Basis (Spot Basis shall have the same meaning as specified by a stock exchange for spot transactions); and in line with the process laid down under the Valuation Policy of the Mutual Fund;
   - The Securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

9. 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.

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. Save as otherwise expressly provided under SEBI (Mutual Funds) Regulations, 1996, the Scheme shall not advance any loans.

13. 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.

14. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPD/Cir-29/2005 dated September 14, 2005, Circular DNPD/Cir-30/2006 dated January 20, 2006 and Circular DNPD/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:

a. 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).

b. This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
c. 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.

15. SEBI, vide its circular no. Cir/IMD/DF/11/2010 dated August 18, 2010 has prescribed the following investment restrictions with respect to investment in derivatives:

a. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the Scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

b. Mutual Fund shall not write options or purchase instruments with embedded written options.

c. The total exposure related to option premium paid must not exceed 20% of the net assets of the Scheme.

d. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:-

   i. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains;

   ii. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point (a) above.

   iii. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.

   iv. 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.

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

f. 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 (a) above.

g. 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:

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

16. The Scheme's 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 25% of the net assets of the Scheme;

    Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 15% of the net assets of the Scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only;

    Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total Investment/exposure in HFCs shall not exceed 25% of the net assets of the Scheme.

17. The Scheme's total exposure in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the

net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustee.

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

18. Pending deployment of funds of the Scheme in terms of the investment objective of the Scheme, the AMC may invest the funds of the Scheme in short term deposits of scheduled commercial banks in accordance with the guidelines set out by SEBI under the Regulations. The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:-

    a. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
    b. Such short-term deposits shall be held in the name of the Scheme.
    c. 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 the approval of the Trustee.
    d. Parking of funds in short term deposits of associate and sponsors scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
    e. 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.
    f. The Scheme shall not park funds in short-term deposit of a bank which has invested in the said Scheme.

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

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

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

J. HOW HAS THE SCHEME PERFORMED?

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

K. ADDITIONAL SCHEME RELATED DISCLOSURES

(I) PORTFOLIO DISCLOSURES

(a) TOP 10 HOLDINGS OF THE SCHEME

The Scheme is a new scheme and hence the same is not applicable.

(b) SECTOR WISE PORTFOLIO HOLDINGS OF THE SCHEME

The Scheme is a new scheme and hence the same is not applicable.

(c) PORTFOLIO TURNOVER RATIO OF THE SCHEME

The Scheme is a new scheme and hence the same is not applicable.

For latest monthly portfolio holdings of the Scheme, investors are requested to visit www.mahindramutualfund.com/downloads/mandatory disclosures

(II) AGGREGATE VALUE OF INVESTMENTS HELD IN THE SCHEME BY THE FOLLOWING CATEGORY OF PERSON(S)

Net Asset Value of Units held by (in Rs. Lacs)		
AMC's Board of Directors	**Scheme's Fund Manager(s)**	**Other Key Managerial Personnel***
Not Applicable		

* Managing Director of the AMC is covered under the category of 'Other Key Managerial Personnel'.

III. UNITS AND OFFER

A. NEW FUND OFFER (NFO)

New Fund Offer Period This is the period during which a new scheme sells its units to the investors	**NFO opens on**: April 20, 2017 **NFO closes on**: May 4, 2017 The Trustee/AMC reserves the right to extend the closing date of the NFO period, subject to the condition that the NFO period shall not be kept open for more than 15 days. The Trustee / AMC reserves the right to close the NFO before the NFO closing date.
New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10/- per unit
Minimum Amount for Application in the NFO	Rs 1,000/- and in multiples of Re 1/- thereafter.
Minimum Target amount 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 refunded the amount invested without any return. However, if AMC fails to refund the amount within five working days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of five working days from the date of closure of the subscription period.	Rs. 20 crores
Maximum Amount to be raised (if any) This is the maximum amount which can be collected during the NFO period, as decided by the AMC.	Not Applicable.
Plans / Options offered	The Scheme shall offer two plans viz. Regular Plan and Direct Plan with a common portfolio and separate NAVs. Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with the Fund and is not available for investors who route their investments through a Distributor. Each Plan offers two sub-plans, viz., (i) Compulsory Lock-in; and (ii) No Lock-in. Compulsory Lock-in: Investment will be locked-in till the unitholder (being the Beneficiary Child) is 18 years of age. Investment may be redeemed after the unitholder is 18 years of age or 3 years from the date of allotment, whichever is later.

No Lock-in:
Investment will not be locked-in & can be redeemed at any point of time at NAV based prices subject to exit load.

Each sub-plan offers two Options, viz., (i) Growth Option; and (ii) Dividend Option.

Dividend Option will have (i) Dividend Payout; and (ii) Dividend Reinvestment facilities. However, Dividend Reinvestment facility will not be available under Compulsory Lock-in sub-plan.

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

Default Plan
Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form. However, if distributor code is mentioned in application form, but "Direct Plan" is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under "Direct Plan". Further, where application is received for Regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan.
The below table summarizes the procedures which would be adopted by the AMC for applicability of Direct Plan / Regular Plan, while processing application form/transaction request under different scenarios:

Sr. No	AMFI Registration Number (ARN) Code mentioned in the application form / transaction request	Plan as selected in the application form / transaction request	Transaction shall be processed and Units shall be allotted under
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

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall endeavour to contact the investor/distributor 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.

Default sub-plan – No lock-in

Default Option – Growth

	<u>Default between Payout & Reinvestment facility (applicable only for No Lock-in sub-plan</u> – Reinvestment **(i) Growth Option** The Mutual Fund will not declare any dividends under this option. The income earned under this Option will remain invested in the option and will be reflected in the NAV. This option is suitable for investors who are not looking for current income but who have invested with the intention of capital appreciation. **(ii) Dividend Option** Under this option, dividends will be declared at the discretion of the Trustees, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. 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. **Dividend option offers Payout and Reinvestment facility.** It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Trustee. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly. **Dividend Payout Facility** 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. If dividend payable under dividend payout option is less than Rs. 500/-, then the dividend would be compulsorily reinvested in the option of the Scheme. **Dividend Reinvestment Facility** Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit on the record date. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units. On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. **There shall, however, be no Load(s) (if any) on the dividend so reinvested.** For details on taxation of dividend, please refer the SAI. Notes: a. An investor on record for the purpose of dividend distributions is an investor who is a Unit Holder as of the Record Date. In order to be a Unit Holder, an investor has to be allocated Units representing receipt of clear funds by the Scheme.

	b. Investors should indicate the name of the Plan and/or Option, clearly in the application form. In case of valid applications received, without indicating the Plan and/or Option etc. or where the details regarding Option are not clear or ambiguous, the default options as mentioned above, will be applied. Investors shall note that once Units are allotted, AMC shall not entertain requests regarding change of Option, with a retrospective effect.
Dividend Policy	Under the Dividend option, the Trustee will have discretion to declare the dividend, subject to 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 Unitholder as to the rate of Dividend nor that will the Dividend be paid regularly. **Dividend Distribution Procedure** In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under: 1. Quantum of Dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of Unitholders whose names appear on the register of Unitholder for receiving Dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of Dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any, at the close of Business Hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of Dividend declaration in any manner whatsoever will be issued by Mutual Fund.
Allotment	Full allotment will be made to all valid applications received during the New Fund Offer Period. Allotment of Units, shall be completed not later than 5 business days after the close of the New Fund Offer Period. 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 closure of NFO period will be sent to the Unitholders/ investors registered e-mail address and/or mobile number.

	In cases where the email does not reach the Unitholder/ investor, the Fund / its Registrar & Transfer Agents will not be responsible, but the Unitholder/ investor can request for fresh statement/confirmation. The Unitholder/ investor shall from time to time intimate the Fund / its Registrar & Transfer Agents about any changes in his e-mail address. Normally no Unit certificates will be issued. However, if the applicant so desires, the AMC shall issue a non-transferable Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be surrendered along with the request for Redemption / Switch or any other transaction of Units covered therein. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme. **Dematerialization** Facility to hold units in demat mode has not been provided in view of the unique features / provisions of the Scheme. However, units may be provided in demat mode at a later date if so decided by the Trustee / AMC.
Refund	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. The Refund 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 Unitholder or else through dispatch of Refund instruments within 5 business days of the closure of NFO period. In absence of the required banking details to process the refund through electronic manner, the 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, or by any other mode of payment as authorised by the applicant. All refund orders will be sent by registered post or as permitted by Regulations.
Who can invest This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile. Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing them and any Indian law from investing in the Scheme and are authorised to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorisations and relevant	The following persons (subject, wherever relevant, to purchase of Units, being permitted and duly authorized under their respective constitutions / bye-laws, charter documents and relevant statutory regulations) are eligible and may apply in the name of a Beneficiary Child for purchase/Subscription to the Units OR Gift of Units (by Investor(s) / Donor(s) other than Guardian, without any limit on the subscription amount) under the Scheme: 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms including limited liability partnership firms; 5. Proprietorship in the name of the sole proprietor; 6. 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; 7. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required)

statutory provisions.	and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 8. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 9. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 10. Such other person as maybe decided by the AMC and as is permitted under applicable laws from time to time. Units in the Scheme shall be held in the name of the Beneficiary Child. The term "Beneficiary Child" (under the section on definition) has been defined as a Child in whose name/ for whose benefit, the Units are applied for by the Investor by contributing the initial investment amount and/or making periodic investments in accordance with the procedure stated in this Scheme Information Document. Units will be held by the Unit holder singly. Anytime after attaining Majority, the Unit holder is entitled to introduce upto two additional persons as joint holders. The age of the Beneficiary Child, i.e. the Unitholder must be less than 18 years on the date of the investment. The Guardian of the minor should either be a natural guardian (i.e. father or mother, as applicable) or a court appointed legal guardian. A copy of birth certificate, passport copy, etc evidencing date of birth of the minor and relationship of the guardian with the minor should be mandatorily attached with the application. Subsequent purchases of Units may be made until the Beneficiary Child completes 18 years of age. A Unitholder till attaining Majority shall be represented by his / her parent or legal guardian. All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the account will be frozen for operation by the guardian from the date of Beneficiary Child completing 18 years of age. Mutual Fund will send a notice to Unitholders at their registered correspondence address advising the minor to submit, on attaining majority, an application form along with prescribed documents to change the status of the account from "minor" to "major". KYC Acknowledgment Letter of Unitholder becoming major should also be provided. In accordance with the applicable KYC norms, Investors and parent / guardian of unitholder are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws / trust deed / partnership deed / Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI. Investments shall be accepted from KYC compliant investors, in accordance with the applicable laws and as per the prevailing market practice. The Fund / AMC / Trustee / other intermediaries will rely on the declarations / affirmations provided by the Investor(s) in the Application / Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted / authorised by the Constitution document / their Board of Directors etc. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of

	the unitholder. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor. The Sponsor or the AMC shall invest not less than one percent of the amount which would be raised in the new fund offer or fifty lacs rupees, whichever is less, in the growth option of the Scheme and such investment shall not be redeemed unless the Scheme is wound up.
Who cannot invest	It should be noted that the following persons cannot invest in the Scheme: 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 FPI or FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority; 2. Foreign Portfolio Investors (FPIs) registered with SEBI; 3. Overseas Corporate Bodies (OCBs) 4. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. 5. 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. 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 Mahindra Mutual Fund. The Mutual Fund reserves the right to include/exclude new/existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any. The Mutual Fund / Trustee / AMC may redeem Units of any Unitholder in the event it is found that the Unitholder has submitted information either in the application or otherwise that is false, misleading or incomplete or Units are held by any person in breach of the SEBI Regulations, any law or requirements of any governmental, statutory authority.
Where can you submit the filled up applications.	During the NFO period, the applications duly filled up and signed by the applicants should be submitted at the office of the ISCs of AMC / CAMS whose names and addresses are mentioned at the end of this document. AMC reserves the right to appoint collecting bankers during the New Fund Offer Period and change the bankers and/or appoint any other bankers subsequently. Please refer to the back cover page of the Scheme Information Document for details.
How to Apply	Please refer to the SAI and application form for the instructions.
Listing	The Scheme is an open ended balanced scheme under which sale and repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee may at their discretion list the units on any Stock Exchange.
Special Products / facilities available during the NFO	**Switching Option**

	During the NFO period, Switch request will be accepted upto 3.00 p.m. on the last day of the NFO. The investors will be able to invest in the NFO under the Scheme by switching part or all of their Unit holdings, if any, held in the respective option(s) /plan(s) of the existing scheme(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). 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 Load etc). The price at which the units will be switched - out will be based on the redemption price of the scheme from which switch - out is done and the proceeds will be invested into the scheme at the NFO Price. 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 any of the ISCs. **Applications Supported by Blocked Amount (ASBA) facility** ASBA facility will be provided to the investors subscribing to NFO of the Scheme. It shall co-exist with the existing process, wherein cheques / demand drafts are used as a mode of payment. Please refer ASBA application form for detailed instructions. **Stock Exchange Infrastructure Facility – Non Demat Mode:** The investors can subscribe to the Units (under non-demat mode) in the Scheme through Mutual Fund Service System ("MFSS") platform of National Stock Exchange and "BSEStAR MF" platform of Bombay Stock Exchange. Further, **Systematic Investment Plan (SIP) facility** would be available to the investors. For details, investors/ unitholders are requested to refer to paragraph "Special Products available" given in the document under Ongoing Offer Details.
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	**Pledge of Units:-** The Units under the Scheme (subject to completion of Lock-in period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies ("NBFC's), or any other body. The AMC/RTA will note and record such Pledged Units. A standard form for this purpose is available on request at all ISCs and the Mutual Fund website (www.mahindramutualfund.com). The AMC shall mark a lien on the specified units only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof. The Pledgor will not be able to redeem/switch Units that are pledged until the entity to which the Units are pledged provides a written authorisation to the Mutual

	Fund that the pledge / lien/ charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter. **Lien on Units:-** On an ongoing basis, when existing and new investors make Subscriptions, pending clearance of the payment instrument, a temporary hold (lien) will be created on the Units allotted and such Units shall not be available for redemption/switch out until the payment proceeds are realised by the Fund. In case the cheque/draft is dishonoured during clearing process by the bank, the transaction will be reversed and the Units allotted there against shall be cancelled under intimation to the applicant. In respect of NRIs, the AMC/ RTA shall mark a temporary hold (lien) on the Units, in case the requisite documents (such as FIRC/Account debit letter) have not been submitted along with the application form and before the submission of the redemption request. The AMC reserves the right to change the operational guidelines for temporary lien on Units from time to time. **Right to Limit Redemptions**:- Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme when there are circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets such as: 1. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. 2. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. 3. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems. Such restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. However, if exceptional circumstances / systemic crisis referred above continues beyond the expected timelines, the restriction may be extended further subject to the prior approval of Board of Directors of the AMC and Trustee Company giving details of circumstances and justification for seeking such extension shall also be informed to SEBI in advance. <u>Procedure to be followed while imposing restriction on redemptions</u> a. No redemption requests upto INR 2 lacs per request shall be subject to such restriction; b. Where redemption requests are above INR 2 lacs: i. The AMC shall redeem the first INR 2 lacs of each redemption request,

	without such restriction; ii. Remaining part over and above INR 2 lacs shall be subject to such restriction and be dealt as under: - Any Units which are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. - Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the subsequent Business Day(s) on which redemptions are being processed. - Under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day.
Cash Investments in mutual funds	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: i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and ii. sufficient systems and procedures in place. However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel. 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.

B. ONGOING OFFER DETAILS

Ongoing Offer Period **This is the date from which the scheme will reopen for subscriptions / redemptions after the closure of the NFO period.**	The Scheme will reopen for continuous subscription/redemption on May 18, 2017.
Ongoing price for Subscription (purchase) / switch-in (from other schemes/plans of the Mutual Fund) by investors. (This is the price you need to pay for purchase/switch-in)	At the Applicable NAV
Ongoing price for redemption (sale) / switch-outs (to other schemes/plans of the Mutual Fund) by investors. (This is the price you will receive for redemptions/switch outs)	At the Applicable NAV subject to prevailing exit load. During the continuous offer of the Scheme, the Unitholder can redeem the Unit at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows: Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10*(1-0.02) = Rs. 9.80
Cut off timing for subscriptions / redemptions / switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.	**Subscriptions/Purchases including Switch – ins for amount less than Rs. 2 Lacs:** • In respect of valid applications received upto 3.00 p.m. on a Business Day along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which application is received shall be applicable. • In respect of valid applications received after 3.00 p.m. on a Business Day along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the next Business Day shall be applicable. • In respect of valid applications received with outstation cheques / demand drafts not payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which the cheque / demand draft is credited shall be applicable. **Subscriptions/Purchases including Switch – ins for amount equal to or more than Rs. 2 Lacs:** • In respect of valid applications received for an amount equal to or more than Rs. 2 lacs upto 3.00 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time - the closing NAV of the day on which application is

	received shall be applicable. • In respect of valid applications received for an amount equal to or more than Rs. 2 lacs after 3.00 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable. • Irrespective of the time of receipt of applications for an amount equal to or more than Rs. 2 lacs at the Official Point(s) of Acceptance, where the funds for the entire amount of subscription/purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable. **Applicable NAV in case of Multiple applications:** In case of multiple applications received on the same day under the Scheme from the same investor (identified basis the First Holder's PAN and Guardian's PAN in case of investor being Minor) with investment amount aggregating to Rs 2 lacs and above, such multiple applications will be considered as a single application and applicable NAV will be based on funds available for utilization. Transactions in the name of minor, received through guardian should not be aggregated with the transaction in the name of same guardian. For determining the availability of funds for utilisation, the funds for the entire amount of subscription/purchase (including switch-in) as per the application should be credited to the bank account of the Scheme before the cut-off time and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme. **Redemptions including Switch–Outs:** • In respect of valid applications received upto 3 p.m. on a business day by the Mutual Fund – the closing NAV of the day of receipt of application, shall be applicable. • In respect of valid applications received after 3 p.m. on a business day by the Mutual Fund – the closing NAV of the next business day shall be applicable. The above mentioned cut off timing shall be applicable to transactions through the online trading platform. The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the unitholder.
Where can the applications for purchase / redemption / switches be submitted?	Please refer the back cover page of the Scheme Information Document.
Minimum amount for purchase/redemption/switches	**Minimum Amount for Subscription / Purchase:** Rs. 1,000/- and in multiples of Re. 1/- thereafter. **Minimum Amount for Switch in:** Rs. 1,000/- and in multiples of Re. 0.01/- thereafter. **Minimum Additional Purchase Amount:** Rs. 1,000/- and in multiples of Re.1/- thereafter.

<table>
<tr><td></td><td>Minimum Amount for Redemption / Switch-outs:
Rs. 1,000/- or 100 units or account balance, whichever is lower in respect of each Option. In case the Investor specifies both the number of units and amount, the number of Units shall be considered for Redemption. In case the unitholder does not specify the number or amount, the request will not be processed.

Where Units under a Scheme are held under both Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular Plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</td></tr>
<tr><td>Minimum balance to be maintained and consequences of non maintenance</td><td>There is no minimum balance requirement.

Investors may note that in case balance in the account of the Unit holder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the redemption proceeds to the Unit holder.</td></tr>
<tr><td>Special Products Available</td><td>(I) Systematic Investment Plan (SIP)

This facility enables the investors to save and invest at regular intervals over a longer period of time. It is convenient way to start investing, regular investment not only helps to reduce average unit acquisition cost (this concept is called ‘Rupee Cost Averaging.’) but also helps to inculcate discipline when it comes to investing. This facility gives the investor an opportunity to invest regularly thereby averaging the acquisition cost of units. Investors may register for SIP using a prescribed enrollment form. SIP facility is offered by the Scheme subject to following terms and conditions:

<table>
<tr><th rowspan="2">Particulars</th><th colspan="2">Frequency available</th></tr>
<tr><th>Monthly</th><th>Quarterly</th></tr>
<tr><td>SIP Transaction Dates</td><td>1^{st}, 5^{th}, 10^{th}, 15^{th}, 20^{th} or 25^{th} of every month</td><td>1^{st}, 5^{th}, 10^{th}, 15^{th}, 20^{th} or 25^{th} of every calendar quarter beginning i.e. Jan / Apr / July / Oct</td></tr>
<tr><td>Minimum no. of installments and Minimum amount per installment</td><td>6 installments of Rs. 500/- each and in multiples of Re.1/- thereafter</td><td>4 installments of Rs.1,500/- each and in multiples of Re.1/- thereafter</td></tr>
<tr><td>Mode of Payment</td><td colspan="2">a. Electronic Clearing Service (ECS)
b. Direct Debit mandate through select banks with whom AMC has an arrangement.
c. Post-Dated Cheques (PDCs).
d. National Automated Clearing House (NACH) Facility</td></tr>
</table>

Note: Anyone or more SIP transaction dates from the available dates can be selected by the Unit Holders under the Monthly and Quarterly frequencies.
Default Options:
Default Frequency – Monthly
Default Date – 10^{th} of every Month / Quarter

1. If the SIP period is not specified by the investor then the SIP enrollment will be deemed to be upto the date of minor attaining the majority and processed accordingly.</td></tr>
</table>

	2. If any SIP installment due date falls on a non-Business day, then the respective transactions will be processed on the next Business day. 3. SIP in a folio of a minor will be registered only upto the date of minor attaining the majority even though the instruction may be for the period beyond that date. 4. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application. 5. SIP registered for more than one date or all dates of 1st, 5th, 10th, 15th, 20th, 25th of the month / calendar quarter will be considered as separate SIP instruction for the purpose of fulfilling the criteria under "Minimum no. of installments" section above. 6. The SIP enrollment will be discontinued if: a. 3 consecutive SIP installments in case of Monthly & Quarterly frequency are not honoured. b. the Bank Account (for Standing Instruction) is closed and request for change in bank account (for Standing Instruction) is not submitted at least 30 calendar days before the next SIP Auto Debit installment due date. 7. The SIP mandate may be discontinued by a Unit holder by giving a written notice of 30 calendar days to any of the Official Point(s) of Acceptance. The AMC reserves the right to introduce SIP facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. **SIP through post-dated cheques** The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be postdated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. All SIP cheques should be of the same amount and same SIP transaction date opted. Cheques should be drawn in favour of the Scheme and "A/c Payee only". A letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque. **SIP through Electronic Clearing System (ECS) / Direct Debit / NACH** Investors may also enroll for SIP facility through Electronic Clearing Service / NACH (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or NACH or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/NACH/ Direct Debit facility. In case of SIP with payment mode as ECS/NACH/Direct Debit, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/NACH/Direct Debit Mandate is provided. All SIP cheques / payment instructions should be of the same amount and same date (excluding first cheque). However, there should be a gap of 30 calendar days between first SIP Installment and the second installment in case of SIP started during the ongoing offer.

	Units will be allotted at the Applicable NAV of the respective SIP transaction dates as per SIP mandate. In case the SIP transaction date falls on a non-business day or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose. An extension of an existing SIP mandate will be treated as a fresh SIP mandate on the date of such application, and all the above conditions need to be met with. **The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.** For applicable Load on Purchases through SIP, please refer paragraph "Load Structure" given in the document. The AMC / Trustee reserve the right to change / modify the terms and conditions under the SIP prospectively at a future date. **MICRO SYSTEMATIC INVESTMENT PLAN ("MICRO SIP")** Investment in mutual fund schemes [including through Systematic Investment Plan (SIP)] upto Rs. 50,000 per year per investor, are exempt from the requirement of PAN. Such PAN exempt SIPs are referred to as Micro SIP. Investors may make PAN exempt investments subject to the following provisions: 1. The limit of Rs. 50,000/- is applicable at an aggregate level (SIP plus lumpsum investments) across all the schemes of the Fund in a rolling 12 month period or in a financial year i.e. April to March. 2. This exemption is applicable only to investments by "Eligible Investors" i.e. individuals [including Joint Holders who are individuals, NRIs but not PIOs], Minors and Sole proprietary firms, who do not possess a PAN*. Hindu Undivided Family (HUF) and other categories are not eligible for PAN exemption. *In case of joint holders, first holder must not possess a PAN. 3. Eligible Investors are required to undergo Know Your Customer (KYC) procedure with any of the SEBI registered KYC Registration Agency (KRA). 4. Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN. Eligible Investors who wish to enroll for Micro SIP are required to fill in the Micro SIP Enrolment Form available with the ISCs, distributors/agents and also displayed on the website www.mahindramutualfund.com. All terms and conditions (including load structure and Transaction Charges) of Systematic Investment Plan facility shall apply to Micro SIP. The detailed procedures / requirements for accepting PAN exempt investments, including Micro SIPs, shall be as specified by the AMC/Trustee from time to time

and their decision in this behalf will be final and binding.

Please refer to the Micro SIP Enrolment Form for terms & conditions before enrolment.

(II) Systematic Withdrawal Plan (SWP) (for compulsory Lock-in sub-plan, only post completion of lock-in period):

SWP is a facility that enables Unitholders to withdraw specified amounts from the Scheme (subject to completion of lock-in period, if any) on a recurrent basis for a specified period at specified frequency by providing a single mandate/ standing instruction. The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder. The provision of "Minimum Redemption Amount" of the Scheme shall not be applicable to SWP transactions. Investors may register for SWP using a prescribed enrollment form. SWP facility is offered by the Scheme subject to following terms and conditions:

Particulars	**Frequency available**	
	Monthly	**Quarterly**
SWP Transaction Dates	10th and 25th of every month	10th and 25th of every calendar quarter beginning i.e. Jan / Apr / July / Oct
Minimum no. of instalments and Minimum amount per instalment	2 instalments of Rs. 500/- each and in multiples of Re. 1/- thereafter	2 instalments of Rs. 500/- each and in multiples of Re. 1/- thereafter

Default options
Default Frequency – Monthly
Default Date (for monthly and quarterly frequency) – 10th of every month / quarter

1. If any SWP transaction due date falls on a non-Business day, then the respective transactions will be processed on the immediately succeeding Business Day.

2. If the SWP period or no. of instalments is not specified in the transaction Form, the SWP transactions will be processed until the balance of units in the unit holder's folio in the Scheme becomes zero.

3. The load structure applicable to the Scheme prevailing at the time of enrollment will be applicable for all SWP transactions under the mandate.

4. The SWP mandate may be discontinued by a Unit holder by giving a written notice of at least 7 working days prior to the next SWP transaction date. SWP mandate will terminate automatically if all Units held by the unitholder in the Scheme are redeemed or upon the Mutual Fund receiving a written intimation of death of the sole / 1st Unit holder.

5. The AMC reserves the right to introduce SWP facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.

6. Units marked under lien or pledge in the Scheme will not be eligible for SWP.

	7. SWP in a folio of minor will be registered only upto the date of minor attaining majority even though the instruction may be for the period beyond that date. The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date. Please refer to SIP/ SWP Enrollment Form for terms and conditions before enrollment. **(III) Switching Options:** **a) Inter - Scheme Switching option** Unitholders under the Scheme have the option to Switch part or all of their Unitholdings in the Scheme (subject to completion of lock-in period, if any) to any other Scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Unitholders the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unitholders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs. 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. **b) Intra -Scheme Switching option** Unitholders under the Scheme have the option to Switch their Unit holding from one plan/option to another plan/option (i.e. Regular Plan to Direct Plan and Growth option to Dividend option and vice-a-versa), subject to completion of lock-in period, if any. The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Unit allotted. Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document. In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts. **<u>(IV) Stock Exchange Infrastructure Facility – Non-Demat Mode:</u>** The investors can subscribe to / switch / redeem the Units (under non-demat mode) of the Scheme through Mutual Fund Service System ("MFSS") platform of National Stock Exchange and "BSEStAR MF" platform of Bombay Stock Exchange. Please contact any of the Investor Service Centers of the Mutual Fund to understand the detailed process of transacting through this facility.
Alternate child	The facility to register an alternate child is an additional feature under the Scheme. As children less than 18 years of age as on the date of the investment only are eligible to become the Unit holder under the Scheme, the parent / legal guardian of the Unit holder are given the facility to nominate an alternate child not exceeding 18 years of age at any time before the Unit holder attains Majority. By providing

	this facility the Trustee is not in any way attempting to grant any rights other than those granted to the nominee. The alternate child shall receive the Units only as an agent and trustee for the legal heirs or legatees as the case may be. Where an alternate child is nominated, the parent / legal guardian of such an alternate child, at the time of such nomination shall sign such forms or any other documents as may be required by the AMC. The AMC shall recognize such nomination only upon and from the date of receiving the duly completed forms and documents as it may require. Any nomination of an alternate child wherein the parent / legal guardian of the alternate child has not been named shall be an invalid nomination and the AMC shall be under no obligation to recognise the nominee as an alternate child or any claims made thereof. In the event of death of the Unit holder before attaining Majority and in the event that an alternate child has been named, the alternate child shall stand transposed in respect of the Units held by the deceased Unit holder. Such alternate child (new Unit holder) will hold the Units in trust for and on behalf of the estate of the original Unit holder and his / her successors / legal heirs. Any payment to be made to the alternate child (new Unit holder) shall be made to the legal guardian appointed by the competent court or where no such guardian has been appointed, to either parent of the alternate child, or where neither parent is alive, to any other guardian of the alternate child, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment to the parent / legal guardian of the alternate child as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond. In the event of death of the Unit holder (before attaining Majority) during the tenor of the Scheme and where no alternate child has been named, the value of Units (at the Redemption Price) at the credit of the deceased Unit holder will be paid by the Fund to the legal guardian appointed by the competent court or where no such guardian has been appointed, to either parent of the Unit holder, or where neither parent is alive, to any other guardian of the Unit holder, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond. In the event of simultaneous death of the Unit holder and the alternate child, the legal guardian of the Unit holder appointed by the competent court or where no such guardian has been appointed, either parent of the Unit holder, or where neither parent is alive, any other guardian of the Unit holder, alone shall have the right to claim the value of Units (at the Redemption Price) at the credit of the deceased Unit holder, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond. For the substitution or cancellation of a nomination to be valid an application in the prescribed form shall be made to the AMC. For e.g. in the event of death of the alternate child before the Unit holder attains Majority, the parent / legal guardian of the Unit holder may name another child not exceeding 18 years of age as the alternate child.

Account Statements	• 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 will be sent to the Unitholders registered e-mail address and/or mobile number. • Where investors / Unitholders, have provided an email address, an account statement reflecting the units allotted to the Unitholder shall be sent by email on their registered email address. • The Unitholder may request for a physical account statement by writing / calling the AMC / ISC / RTA. The AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the Unit holder. • Normally no Unit certificates will be issued. However, if the applicant so desires, the AMC shall issue a non-transferable Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be surrendered along with the request for Redemption / Switch or any other transaction of Units covered therein. **<u>Consolidated Account Statement (CAS)</u>** • 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 the total purchase value / cost of investment in each scheme and 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. • Pursuant to SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 read with SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, following additional disclosure(s) shall be provided in CAS issued for the half year (ended September / March): a. The amount of actual commission paid by the AMCs /Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF Scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by the AMC /MFs to the distributors. Further, the commission disclosed in CAS shall be gross commission and shall not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc. b. The scheme's average total expense ratio (in percentage terms) for the half-year period for the scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. • The AMC shall identify common investors across fund houses by their permanent account number (PAN) for the purposes of sending CAS.

	• In the event the account has more than one registered holder, the first named Unitholder shall receive the CAS. • The transactions viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan, carried out by the Unit holders shall be reflected in the CAS on the basis of PAN. • The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. • 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. • Based on the PANs provided by the asset management companies / mutual funds' registrar and transfer agents (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. • 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. **Half Yearly Consolidated Account Statement** • A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 10th day of succeeding month, to all such Unitholders holding units in non- demat form in whose folios no transaction has taken place during that period shall be sent by email. • The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive the same in physical mode. **Option to hold units in dematerialised (demat) form** Facility to hold units in demat mode has not been provided in view of the unique features / provisions of the Scheme. However, units may be provided in demat mode at a later date if so decided by the Trustee / AMC.
Dividend	The Dividend warrants / cheque / demand draft shall be dispatched to the Unit Holders within 30 days of the date of declaration of the dividend. In the event of failure to dispatch the dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @ 15 percent per annum for the delayed period, to the Unit

	holders. 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 Unitholder. 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.
Redemption	The redemption proceeds shall be dispatched to the unitholders within 10 business days from the date of receipt of redemption application, complete / in good order in all respects. **How to Redeem** A Transaction Slip can be used by the Unitholder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. **Procedure for payment of redemption** **1. Resident Unitholders** Unitholders will receive redemption proceeds directly into their bank account through various electronic payout modes such as Direct credit / NEFT / RTGS / ECS / NECS etc. unless they have opted to receive the proceeds through Cheque/ Demand Draft. Redemption proceeds will be paid in favour of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) through "Account Payee" cheque / demand draft 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, even in cases where investments are made in cash). Redemption cheques will be sent to the Unit holder's address (or, if there is more than one holder on record, the address of the first-named Unit holder). The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post / UCP to the registered address of the sole / first holder as per the records of the Registrars. For the purpose of delivery of the redemption instrument, the dispatch through the courier / Postal Department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated above. **2. Non-Resident Unitholders** Payment to NRI Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).

	In the case of NRIs: i. Credited to the NRI investor's NRO account, where the payment for the purchase of the Units redeemed was made out of funds held in NRO account; or ii. Remitted abroad or at the NRI investor's option, credited to his NRE / FCNR / NRO account, where the Units were purchased on repatriation basis and the payment for the purchase of Units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account. 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. The Fund may make other arrangements for effecting payment of redemption proceeds in future. Note: Each Investor is advised to consult his or her own legal advisors/authorized dealers to understand any legal implications and other implications arising out of his or her participation in the Scheme by way of Gift of Units. The Fund / the AMC / the Trustee shall not be liable for any loss / legal implications on account of such transactions. **Effect of Redemption** The number of Units held by the Unit Holder in his/ her/ its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re- issued. The normal processing time may not be applicable in situations where details like bank name, bank account no. etc. 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. **Redemption by investors transacting through the Stock Exchange mechanism – Non-Demat mode** Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their Depository Participant on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/BSE, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the Depository Participant.
Premature Redemption of Units*, Subject to lock in period ***applicable only in case of Compulsory Lock-in sub plan**	The Mutual Fund will allow premature Redemption of Units at the applicable Redemption Price / NAV related price, in exceptional circumstances such as death of the Unit holder (where no alternate child has been nominated), meeting unforeseen medical expenses for disease contracted or injury sustained by the Unit holder, which requires hospitalisation, and for higher education of the Unit holder. Notes: 1. Disease and / or injury shall be certified by a duly qualified Physician / Medical Specialist / Medical Practitioner or a duly qualified Surgeon.

	2. In case of Redemption for higher education after tenth standard/grade, a certified true copy of the mark sheet and / or any other document as may be required should be submitted along with the Redemption request. The facility of Redemption under exceptional circumstances will be considered on a case to case basis by the Trustee / AMC. For Redemption under exceptional circumstances, the Account Statement(s) and the Redemption request may be submitted to the ISC, duly discharged on the reverse. The Redemption request requires attestation of the Unit holder's parent's / legal guardian's signature by a bank manager or by a notary public or by a magistrate. The Redemption cheque will be despatched to either the parents / legal guardian of the Unit holder. Redemption of Units under exceptional circumstances represents the sale of Units / income arising to the Unit holder who is a minor. Under provisions of Section 64(1A) of the Income Tax Act, 1961, all income, which arises or accrues to the minor, shall be clubbed to the income of that parent of the minor whose total income [excluding the income included under Section 64(1A)] is greater.
Delay in payment of redemption / repurchase proceeds	The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 Business days from the date of redemption or repurchase. The AMC shall be liable to pay interest to the Unit holders @ 15% p.a. or such other rate as may be prescribed by SEBI from time to time, in case the redemption / repurchase proceeds are not dispatched within 10 Business days from the date of receipt of the valid redemption/repurchase application, complete in all respects. However, the AMC shall not be liable to pay any interest or compensation in case of any delay in processing the redemption application beyond 10 Business Days, in case of any deficiency in the redemption application or if the AMC/RTA is required to obtain from the Investor/Unit holders any additional details for verification of identity or bank details or such additional information under applicable regulations or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.

C. PERIODIC DISCLOSURES

Net Asset Value 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.	The AMC will calculate and disclose the first NAV of the Scheme within 5 business days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs on all the Business Days. The NAVs of the Scheme shall be published in at least in two daily newspapers. The AMC shall update the NAVs on its website (www.mahindramutualfund.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI in writing. 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. Information regarding NAV can be obtained by the Unitholders / Investors by calling or visiting the nearest ISC.
Monthly and Half yearly Disclosures: Portfolio / Financial Results 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 advertisement.	**Monthly Portfolio Disclosure** The Mutual Fund shall disclose portfolio of the Scheme on the website www.mahindramutualfund.com along with ISIN on a monthly basis as on last day of each month, on or before tenth day of the succeeding month. **Half yearly Portfolio Disclosure** The Mutual Fund shall publish a complete statement of the Scheme portfolio 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. The statement of portfolio shall also be displayed on the website the AMC and AMFI.
Half Yearly Results	The Mutual Fund shall within one month from the close of each half year (i.e. 31st March and 30th September), host a soft copy of its unaudited financial results on its website www.mahindramutualfund.com. The Mutual Fund shall also publish an advertisement disclosing the hosting of such financial results on its 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 Office of the Mutual Fund is situated. The unaudited financial results shall also be displayed on the website of AMFI.
Annual Report	The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where email 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). The 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. Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI circular No. Cir/ IMD/DF/16/ 2011 dated September 8, 2011, the scheme wise annual report or an abridged summary thereof hereinafter shall be sent by the AMC / Mutual Fund as under: (i) by e-mail to the Unitholders whose e-mail address is available with the Fund; (ii) in physical form to the Unitholders whose email address is not available with the Fund and/or to those Unitholders who have opted / specifically requested

<table>
<tr><td></td><td>for the same (irrespective of registration of their email address).

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. Scheme wise annual report shall also be displayed on the website of the AMC (www.mahindramutualfund.com) and Association of Mutual Funds in India (www.amfiindia.com).</td></tr>
<tr><td>Associate Transactions</td><td>Please refer to Statement of Additional Information (SAI).</td></tr>
<tr><td>Taxation
This 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/authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.</td><td>Mahindra Mutual Fund is a Mutual Fund registered with the Securities Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961(the Act). The Finance Bill 2017 has proposed a change in Section 115BBDA where it has included Mutual Fund Trust as an assesse who is required to pay tax @ 10% on the dividend income exceeding Rs Ten Lakhs earned from Domestic Companies during the Financial Year.

The following summary outlines the key tax implications applicable to unit holders based on the relevant provisions under the Income-tax Act, 1961 (‘Act’).

<u>Category of this Scheme:</u>

As the Scheme shall be primarily investing in equity and equity related securities, the Scheme shall be classified as "Equity Oriented Fund" as per the provisions mentioned in the Income Tax Act, 1961

“Equity Oriented Fund” is defined to mean a fund -

• Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such fund; and

• Which has been set up under a scheme of a Mutual Fund specified in section 10(23D) of the Act.

Provided that the percentage of equity shareholding of the fund shall be computed with reference to the annual average of the monthly averages of the opening and closing figures

I) Tax on distributed income to unit holders (U/S 115R).

The Mutual Fund will be required to pay dividend distribution tax (‘DDT’) as follows on the dividends distributed by this Scheme:

• No DDT to be paid on equity oriented funds;
• DDT to be paid on funds other than equity oriented funds.

II) Income Tax Rates (*)
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<table>
<tr><th>Category of Units</th><th>Residents</th><th>NRI/PIO &Other Non-resident other than FII/FPI</th></tr>
<tr><td colspan="3">Short Term Capital Gain (Period of Holding Less than & equal to 12 months)</td></tr>
<tr><td>Units of an equity oriented Scheme</td><td colspan="2">15% on redemption of Units where STT is payable on redemption (u/s 111A)</td></tr>
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(listed and unlisted)	
Long Term Capital Gain (Period of Holding More than 12 months)	
-Units of an equity oriented Scheme	Exempt in case of redemption of Units where STT is payable on redemption (u/s 10(38))

III) TDS (*) Rates

Category of Units	Residents	NRI/PIO &Other Non-resident other than FII/FPI	
Short Term Capital Gain (Period of Holding Less than or equal to 12 months)			
Units of an equity oriented Scheme (listed and unlisted)	Nil	15%	Nil
Long Term Capital Gain (Period of Holding More than 12 months)			
Units of an equity oriented Scheme	Nil		

(*)plus surcharge as applicable:- In the case of a domestic company @7% and in case of every company, other than a domestic company @ 2% (if their total income exceeds rupees 1,00,00,000/- but does not exceeds Rs.10,00,00,000) in case of income exceeds Rs.10,00,00,000/- for domestic company @12% and for company other than domestic company @5%. In case of firms, co-operative societies, local authorities, Individuals/HUFs/BOIs/AOPs and Artificial juridical persons @ 15% (if their total income exceeds rupees 1,00,00,000/-). Plus education cess and secondary and higher education cess: 3%.

The Finance Bill, 2017 has proposed a change where it mentions that in case of an Individual assessee, a surcharge of 10% of the Income Tax is chargeable in case the taxable income of the assessee is more than Rs. 50,00,000 and up to Rs. 1,00,00,000subject to marginal tax relief. The said change shall be effective when the Finance Bill, 2017 is passed by the parliament and the Income Tax Act 1961 is thereby amended.

Further it may be noted that the equity allocation may fall below the threshold of 65% over a prolonged period. In such situation, the fund may be regarded as a debt oriented fund and lose the tax advantage available to an equity oriented fund. Therefore a Unitholder who has redeemed the units during the respective financial year may end up paying capital gain tax as applicable to a debt fund (Refer SAI for taxation of Debt oriented Fund) at the time of redemption. In view of the forgoing and individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.

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 such debt-oriented schemes. 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 28.84% and at the rate of 34.608% on distribution of income to any other investor.

For Further details on taxation, please refer to the Section on 'Taxation on investing in Mutual Funds' in 'Statement of Additional Information ('SAI'). Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely.

Investor services	For any enquiries and/or queries or complaints in respect of any terms and

	conditions of/investments in this Scheme, the investors are advised to address a suitable communication to AMC and marked to the attention of Investor Relations Officer – Mr. Sanjay D'Cunha at 022 - 66327900 and mfinvestors@mahindra.com. Written communications may also be forwarded to Mahindra Mutual Fund at 1st Floor, Sadhana House, Behind Mahindra Towers, 570 PB Marg, Worli, Mumbai- 400 018. Our Customer Service Executives can also be reached at the following Toll Free No. – *1800-419-6244* For any grievances with respect to transactions through BSE StAR and / or NSE MFSS platform, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per unit of the Scheme for each option 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 NAV of the Units under the Scheme will be calculated on a daily basis as shown below:

$$\textbf{NAV per unit (Rs.)} = \frac{\textbf{(Market / Fair Value of Scheme's Investments + Current Assets including Accrued Income - Current Liabilities and Provisions)}}{\textbf{No. of units outstanding under the Scheme / Option on the valuation day}}$$

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 Plan/Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend. The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

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

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees, paid marketing and advertising, Registrar and 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 following maximum expenses for the first 100 crores of the daily net assets of the Scheme, which will be charged to the Scheme. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Sr. No	Expense Head	% of daily Net Assets
(i)	Investment Management and Advisory Fees	Upto 2.50%^
(ii)	Trustee Fees	
(iii)	Audit Fees	
(iv)	Custodian Fees	
(v)	RTA Fees	
(vi)	Marketing & Selling expenses incl. agent commission	
(vii)	Cost related to investor communication	
(viii)	Cost of fund transfer from location to location	
(ix)	Cost of providing account statements and dividend redemption cheques and warrants	
(x)	Costs of statutory advertisements	
(xi)	Cost towards investor education & awareness (at least 0.02 percent)	
(xii)	Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades respectively	
(xiii)	Service tax on expenses other than investment and advisory fees	
(xiv)	Service tax on brokerage and transaction cost	
(xv)	Other Expenses#	
(A)	**Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and 6 (a)**	**Upto 2.50%^**
(B)	Additional expenses under regulation 52 (6A) (c)	Upto 0.20%
(C)	Additional expenses for gross new inflows from specified cities	Upto 0.30%

^ Upto 2.25%, in situations where the Scheme may be regarded as a debt oriented fund (in case of non-availability of adequate arbitrage opportunities in cash and derivative market segment).

#Any other expenses which are directly attributable to the Scheme, may be charged with approval of the Trustee within the overall limits as specified in the SEBI (MF) Regulations except those expenses which are specifically prohibited.

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.

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. Further, the additional expenses under Regulation 52(6A)(c) may be incurred either towards investment & advisory fees and/or towards other expense heads as stated above.

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 trusteeship fees shall be subject to a maximum of 0.01% per annum of the daily Net Assets of the schemes of the Mutual Fund. Such fee shall be paid to the Trustee Company at monthly frequency. The Trustee Company may charge further expenses as permitted from time to time under the Trust Deed and SEBI (MF) Regulations.

Service Tax on expenses other than the investment management and advisory fees, if any, shall be charged to the Scheme within the maximum limit of total expense ratio as prescribed under regulation 52 of the SEBI (MF) Regulations. Service Tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the SEBI (MF) Regulations.

In terms of SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.

The total expenses of the Scheme including the investment management and advisory fee shall not exceed the limits stated in Regulation 52(6) which are as follows:

(i) On the first Rs. 100 crores of the daily net assets - 2.50%;
(ii) On the next Rs. 300 crores of the daily net assets - 2.25%;
(iii) On the next Rs. 300 crores of the daily net assets - 2.00%;
(iv) On the balance of the assets - 1.75%;

Provided that in situations where the Scheme becomes a debt oriented fund (in case of non-availability of adequate arbitrage opportunities in cash and derivative market segment), limits referred above will be reduced by 0.25% of the daily net assets outstanding in each financial year.

In addition to the limits specified in regulation 52(6), the following costs or expenses may be charged to the Scheme as per regulation 52 (6A), namely-

(a) Brokerage and Transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions.

(b) 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;

(c) Additional expenses, incurred towards different heads mentioned under regulations 52(2) and 52(4), not exceeding 0.20 per cent of daily net assets of the scheme.

Further, Service Tax on investment management and advisory fees shall be charged to the Scheme, in addition to the above expenses, as prescribed under the SEBI (MF) Regulations.

The recurring expenses incurred in excess of the limits specified by SEBI (MF) Regulations will be borne by the AMC or the Sponsor.

The current expense ratios will be updated on the AMC website within two working days mentioning the effective date of the change.

<u>Illustration: Impact of Expense Ratio on the Scheme's return</u>

Impact of expense ratio on scheme's returns						
Particulars	**Regular Plan**			**Direct Plan**		
	Amount (Rs)	**NAV (Rs per unit)**	**Units**	**Amount (Rs)**	**NAV (Rs per unit)**	**Units**
Investment as on March 31, 2015 (A)	100,000	10	10000	100,000	10	10000
Investment as on March 31, 2016 (B)	114,000	11.4	10000	115,000	11.5	10000
Returns under each plan ((B-A)/A)%	14.00%			15.00%		
Expenses other than distribution expenses charged to the scheme (in percentage terms)	1.50%			1.50%		
Distribution expenses charged to the scheme (in percentage terms)	1%			-		
Total expenses charged to the scheme (in percentage terms)	2.50%			1.50%		
Gross returns under each plan of the scheme before charging expenses (in percentage terms)	16.50%			16.50%		
Gross investment value under each plan of the scheme if no expenses were charged to the scheme	116,500			116,500		

Notes:
1. The above computation assumes no investment/redemption made during the year. The investment is made in the Growth option of the scheme

2. The above computation is simply to illustrate the impact of expenses of the schemes. The actual expenses charged to the schemes will not be more than the amount that can be charged to the scheme as mentioned in this SID.
3. It is assumed that expenses charged are evenly distributed throughout the year. Tax impact on customers has not been considered due to the individual nature of this impact.
4. Calculations are based on assumed NAVs and actual returns may differ from those considered above.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.mahindramutualfund.com) or may call at *1800-419-6244* or your distributor.

Applicable Load Structure#	
Entry Load	Not Applicable Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor. 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 (as a % of Applicable NAV)	Under Compulsory Lock-in: No exit load post lock-in period Under No Lock-in: - an Exit Load of 3% is payable if Units are redeemed / switched-out upto 1 year from the date of allotment; - an Exit Load of 2% is payable if Units are redeemed / switched-out after 1 year and upto 2 years from the date of allotment; - an Exit Load of 1% is payable if Units are redeemed / switched-out after 2 years and upto 3 years from the date of allotment; - Nil if Units are redeemed / switched-out after 3 years from the date of allotment.

Applicable for normal subscriptions / redemptions including transactions under special products such as SIP, SWP, switches, etc. offered by the AMC.

There shall be no exit load for switch from No Lock-in sub plan to Compulsory Lock-in sub plan within the same Plan under the Scheme.

There shall be no exit load for switches between the options under the same Plan and sub-plan within the Scheme i.e. dividend and growth options.

Switch of investments from Regular Plan to Direct Plan under the same Scheme shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct Plan will not be subject to any exit load.

No exit load shall be levied for switch-out from Direct Plan to Regular Plan under the Scheme. However, any subsequent switch-out or redemption of such investment from Regular Plan shall be subject to exit load based on the original date of investment in the Direct Plan.

There shall be no load on issue of units allotted on reinvestment of dividend for existing as well as prospective investors.

Service tax on exit load, if any, shall be paid out of the exit load proceeds. The entire exit load (net of service tax), charged, if any, shall be credited to the Scheme.

The AMC/Trustee reserves the right to change / modify the Load structure of the Scheme, subject to maximum limits as prescribed under the Regulations. However, the Redemption Price will not be lower than 93% of the NAV or as permitted / prescribed under the SEBI Regulations from time to time. Similarly, the difference between the Subscription Price and the Redemption Price shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Subscription Price.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers office.
3. The introduction of the Exit Load along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load.
4. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
5. Any other measure which the Mutual Fund may consider necessary.

The investors / unitholders are requested to check the prevailing load structure of the Scheme before investing. *For the current applicable exit load structure, please refer to the website of the AMC (www.mahindramutualfund.com) or may call at 1800-419-6244 (toll free no.) or your distributor*

D. WAIVER OF LOAD FOR DIRECT TRANSACTIONS

Not Applicable

E. TRANSACTION CHARGES –

In accordance with SEBI Circular No. IMD/ DF/13/ 2011 dated August 22, 2011, the AMC/ Fund shall deduct a Transaction Charge on per purchase /subscription of Rs. 10,000/- and above, as may be received from new investors (an investor who invests for the first time in any mutual fund schemes) and existing investors. The distributors shall have an option to either “Opt-in / Opt-out” from levying transaction charge based on the type of product. Therefore, the “Opt-in / Opt-out” status shall be at distributor level, basis the product selected by the distributor.

Transaction charges shall be deducted for Applications for purchase/ subscription received through distributor/ agent as under (only if that distributor / agent has opted to receive the transaction charges):

Investor Type	Transaction Charges
New Investor (First Time Mutual Fund Investor)	Transaction charge of Rs.150/- per purchase / subscription of Rs.10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the first time investor. The balance of the subscription

	amount shall be invested.
Existing Investor	Transaction charge of Rs.100/- per purchase / subscription of Rs.10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the existing investor. The balance of the subscription amount shall be invested.

The transaction charges and the net investment amount and the number of units allotted will be clearly mentioned the Account Statement issued by the Mutual Fund.

In case of investments through Systematic Investment Plan (SIP) the transaction charges shall be deducted only if the total commitment through SIP (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- and above. In such cases, the transaction charges shall be deducted in 3-4 installments.

Transaction charges shall not be deducted if:

a. The amount per purchases /subscriptions is less than Rs. 10,000/-;
b. The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP/ DTP, etc.
c. Purchases/Subscriptions made directly with the Fund through any mode (i.e. not through any distributor/agent).
d. Subscription made through Exchange Platform irrespective of investment amount.

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

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

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**
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.	In case of Mahindra Agri Solutions Limited (“the Entity”) (Formerly known as “Mahindra Shubhlabh Services Limited”), in which one of the directors of the Trustee Company namely Mr. M. G. Bhide is holding a position of the director, a criminal case was filed under the Shops and Establishment Act against the Entity and its Directors, for contravention of certain provisions of Bombay Shops and Establishment Act – non-renewal of the registration certificate and not displaying the same prominently, in the premises of the Entity. A petition for quashing of this criminal complaint was filed on behalf of the Directors of the Entity before the Bombay High Court. The petition was admitted by the High Court and proceedings have been stayed. The concerned case is still pending at the High Court, Bombay.
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**
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	**Nil**

the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.	
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 Board of Directors of Mahindra Trustee Company Private Limited (Trustee to Mahindra Mutual Fund) on March 14, 2016. The Trustee has ensured that the Scheme is a new product offered by Mahindra Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

For and on behalf of

Mahindra Asset Management Company Private Limited

Sd/-

Ashutosh Bishnoi
Managing Director & Chief Executive Officer

Date: March 24, 2017

LIST OF BRANCH OFFICES OF MAHINDRA ASSET MANAGEMENT COMPANY PRIVATE LIMITED

For updated list of AMC branch offices, please visit www.mahindramutualfund.com.

LIST OF OFFICIAL POINTS OF CONTACTS / ACCEPTANCE OF TRANSACTIONS DURING NEW FUND OFFER & ONGOING OFFER PERIOD

OFFICES OF MAHINDRA ASSET MANAGEMENT COMPNAY PRIVATE LIMITED

Mumbai	1st Floor Sadhana House, Behind Mahindra Towers 570 PB Marg, Worli, Mumbai- 400 018.
New Delhi	B-104, 1st Floor, Statesman House, Barakhamba Road, Connaught Place, New Delhi – 110001.
Pune	Office No. 1, 2nd Floor, Kotwal Complex, Above Panchavati Gaurav Hotel, Bhandarkar Road, Pune – 411004.
Lucknow	Shop no.4, Ground Floor, Raja ram Kumar Plaza, Hazaratganj, Lucknow - 226001.
Ahmedabad	308, 3rd Floor ABC-II, St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad-380 009
Vadodara	GF-2B, Soham Flats, 49 Friends co-op Society,Opp HDFC Bank, Alkapuri, Vadodara- 390007

OFFICES OF COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED

Andhra Pradesh: 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada - 520010. Door No 48-3-2, Flat No 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, Visakhapatnam - 530016. Door No 5-38-44, 5/1 Brodipet, Near Ravi Sankar Hotel, Guntur - 522002. 97/56, I Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, Nellore - 524001. Door No: 6-2-12, 1st Floor, Rajeswari Nilayam, Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar, Rajahmundry - 533101. Shop No : 6, Door No: 19-10-8, (Opp to Passport Office), AIR Bypass Road, Tirupati - 517501. Bandi Subbaramaiah Complex, D.No:3/1718, Shop No: 8, Raja Reddy Street, Kadapa - 516001. 15-570-33, I FloorPallavi Towers, Subash Road, Opp Canara Bank, Anantapur - 515001. H.No. Shop Nos. 26 and 27, Door No. 39/265A and 39/265B, Second Floor, Skanda Shopping Mall, Old Chad Talkies, Vaddageri, 39th Ward, Kurnool – 518 001. D No-25-4-29, 1st floor, Kommireddy vari Street, Beside Warf Road, Opp Swathi Madicals, Kakinada-533001. Door No 4—4-96, 1st Floor, Vijaya Ganapathi Temple Back Side, Nanubala Street , Srikakulam - 532001. **Assam:** A. K. Azad Road, Rehabari Tinali, Old Post Office Lane, Opp Nirmal Sagar Appartment, Guwahati - 781008. Bhowal Complex Ground Floor, Near Dena Bank, Rongagora Road, Tinsukia - 786125. **Bihar:** G-3, Ground Floor, OM Complex Near Saket Tower, SP Verma Road, Patna - 800001. Brahman Toli, DurgasthanGola Road, Muzaffarpur - 842001. Krishna, I Floor, Near Mahadev Cinema, Dr.R. P. Road, Bhagalpur - 812002. Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, Darbhanga - 846001. **Chattisgarh:** First Floor, Plot No. 3,Block No. 1, Priyadarshini Parisar West, Behind IDBI Bank Nehru Nagar , Bhilai - 490020. HIG, C-23 Sector - 1, Devendra Nagar, Raipur - 492004. Shop No. B - 104, First Floor, Narayan Plaza, Link Road, Bilaspur - 495001 **Goa:** Lawande Sarmalkar Bhavan, 1st Floor, Office No. 2, Next to Mahalaxmi Temple, Panaji 403 001. B-301, Reliance Trade Center, Opp Grace Nursing Home, Near Cafe Tato, V.V. Road (Varde Valaulikar), Margao - 403601. Office no. CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank, Angod, Mapusa - 403507. No DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank, Vasco - 403802. **Gujarat:** 111- 113, 1st Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. Plot No.629, 2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp Dhiraj Sons, Athwalines, Surat - 395001. 103 Aries Complex, BPC Road, Off R.C.Dutt Road, Alkapuri, Vadodara - 390007. 101, A.P. Tower, B/H, Sardhar Gunj, Next to Nathwani Chambers, Anand - 388001. 305-306, Sterling Point, Waghawadi Road, Opp HDFC BANK, Bhavnagar - 364002. 207, Manek Centre, P N Marg, Jamnagar - 361001. Office 207 - 210, Everest Building, Harihar Chowk, Opp Shastri Maidan, Limda Chowk, Rajkot - 360001. 3rd floor, Gita Nivas, Opp Head Post Office, Halar Cross Lane, Valsad - 396001. C/o Vedant Shukla Associates, 16 Shivani Park, Opp Shankeshwar Complex, Kaliawadi, Navsari - 396445. Data Solution, Office No:17, 1st Floor Municipal Building, Opp Hotel Prince, Station Road, Bhuj - 370001. "Aastha Plus", 202-A, 2nd Floor, Sardarbag Road, Near. Alkapuri, Opp. Zansi Rani Statue, Junagadh - 362001. Shop No - F -56, First Floor, Omkar Complex, Opp Old Colony, Near Valia Char Rasta, GIDC, Ankleshwar -393002. 1st Floor, Subhadra Complex, Urban Bank Road, Mehsana - 384002. 208, 2nd Floor, HEENA ARCADE, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, Vapi - 396195. F-108, Rangoli Complex, Station Road, Bharuch - 392001. F-142, First Floor, Ghantakarna Complex, Gunj Bazar, Nadiad - 387001. 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, Unjha - 384170. A/177, Kailash Complex, Opp. Khedut Decor Gondal - 360311. S-7, Ratnakala Arcade, Plot No. 231, Ward – 12/B, Gandhidham - 370201. D-78, First Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar - 383001. 3rd Floor, T - 11, Opp. Goverment Quarters College Road, Palanpur - 385001. 2 M I Park, Near Commerce College, Wadhwan City, Surendranagar - 363035. **Haryana:** B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House NIT, Faridabad - 121001. SCO - 16, Sector - 14, First floor, Gurgaon - 122001. SCO 83-84, First Floor, Devi Lal Shopping Complex, Opp RBL Bank, G.T.Road , Panipat - 132103. 205, 2nd floor, Building No 2 Munjal Complex, Delhi Road, Rohtak - 124001. 124-B/R, Model Town, Yamuna Nagar - 135001. 12, Opp. Bank of Baroda, Red Square Market, Hisar - 125001. Shop no 48, Opp Peer, Bal Bhawan Road, Ambala City - 134003. M G Complex, Bhawna Marg , Beside Over Bridge, Sirsa - 125055. 29, Avtar Colony, Behind Vishal Mega Mart, Karnal – 132001. **Himachal Pradesh:** I Floor, Opp. Panchayat Bhawan Main gate, Bus stand, Shimla - 171001. 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan - 173212. **Jammu & Kashmir:** JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar Jammu - 180004. **Jharkhand:** Mazzanine Floor, F-4, City Centre, Sector 4, Bokaro Steel City, Bokaro - 827004. Urmila Towers, Room No: 111(1st Floor) Bank More, Dhanbad - 826001. Millennium Tower, "R" RoadRoom No:15 First Floor, Bistupur, Jamshedpur - 831001. 4, HB RoadNo: 206, 2nd Floor Shri Lok Complex, H B Road, Near Firayalal, Ranchi - 834001. S S M Jalan Road, Ground floor, Opp. Hotel Ashoke, Caster Town, Deoghar - 814112. Municipal Market, Annanda Chowk, Hazaribag - 825301. **Karnataka:** Trade Centre, 1st Floor 45, Dikensen Road (Next to Manipal Centre), Bengaluru - 560042. No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore - 575003. 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, Belgaum - 590006. 13, Ist Floor, Akkamahadevi Samaj Complex, Church Road, P.J.Extension, Davangere - 577002. No.204 - 205, 1st Floor' B ' Block, Kundagol Complex, Opp. Court, Club Road, Hubli - 580029. No.1, 1st Floor, CH.26 7th Main, 5th Cross (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570009. 60/5, Mullangi Compound, Gandhinagar Main Road (Old Gopalswamy Road) Bellary, Karnataka, 583101. No.65, 1st Floor, Kishnappa Compound, 1st Cross, Hosmane Extn, Shimoga - 577201. Pal Complex, Ist Floor, Opp. City Bus Stop, SuperMarket, Gulbarga - 585101. Basement floor, Academy Tower, Opposite Corporation Bank, Manipal - 576104. **Kerala:** 1st Floor, K C Centre, Door No.42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripadym, Cochin - 682018. 29/97G 2nd Floor, S A Arcade, Mavoor Road, Arayidathupalam, Calicut - 673016. Jacob Complex, Building No - Old No-1319F, New No - 2512 D, Behind Makkil Centre, Good Sheperd Road, Kottayam - 686001. Room No. 26 & 27, Dee Pee Plaza, Kokkalai, Trichur - 680001. R S Complex, Opp of LIC Building, Pattom PO, Trivandrum - 695004. Kochupilamoodu Junction, Near VLC, Beach Road, Kollam - 691001. Room No.PP.14/435, Casa Marina Shopping Centre, Talap, Kannur - 670004. 10/688, Sreedevi Residency, Mettupalayam Street, Palakkad - 678001. 24/590-14, C.V.P Parliament Square Building Cross Junction, Tiruvalla - 689101. Doctor's Tower Building, Door No. 14/2562, 1st floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Alleppey - 688001. **Madhya Pradesh:** 101, Shalimar Corporate Centre8-B, South Tukogunj, Opp.Greenpark, Indore - 452001. Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank, MP Nagar, Zone II, Bhopal - 462011. G-6 Global Apartment, Kailash Vihar Colony, Opp. Income Tax Office, City Centre, Gwalior - 474002. 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur - 482001. Shop No. 01, Near Puja Lawn, Prarasia Road, Chhindwara - 480001. 1st Floor, Gurunanak Dharmakanta, Jabalpur Road, Bargawan, Katni - 483501. Dafria & Co, No.18, Ram Bagh, Near Scholar's School, Ratlam - 457001. Opp. Somani Automobile, S Bhagwanganj Sagar - 470002. 123, 1st Floor, Siddhi

Vinanyaka Trade Centre, Saheed Park, Ujjain - 456010. **Maharashtra:** Rajabahdur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400023. Hirji Heritage, 4th Floor, Office no 402, Landmark: Above Tribhuwandas Bhimji Zaveri (TBZ) L.T. Road, Borivali - West. Mumbai - 400 092. 145 , Lendra, New Ramdaspeth, Nagpur - 440010. Nirmiti Eminence, Off No. 6, I Floor, Opp Abhishek Hotel, Mehandale Garage Road, Erandawane, Pune - 411004. 81, Gulsham Tower, 2nd Floor 81, Gulsham Tower, 2nd Floor 81, Near Panchsheel Talkies, Amaravati - 444601. Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad - 431001. Rustomji Infotech Services, 70, Navipeth, Opp. Old Bus Stand, Jalgaon - 425001. 2 B, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. Ruturang Bungalow, 2 Godavari Colony Behind Big Bazar, Near Boys Town School, Off College Road, Nasik - 422005. Flat No 109, 1st FloorA Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, Solapur - 413001. 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, Satara - 415002. Opp. RLT Science College, Civil Lines, Akola - 444001. 3rd Floor, Nalanda Chambers, "B" Wing, Gokhale Road, Near Hanuman Temple, Naupada, Thane - 400602. CTS No 411, Citipoint, Gundivali, Teli Gali, Above C.T. Chatwani Hall, Andheri - 400069. Jiveshwar Krupa Bldg, Shop. NO.2, Ground Floor, Tilak Chowk, Harbhat Road, Sangli - 416416. Shop No 6, Ground Floor, Anand Plaza Complex, Bharat Nagar, Shivaji Putla Road, Jalna - 431203. 3, Adelade Apartment, Christain Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. B, 1+3, Krishna Encloave Complex, Near Hotel NatrajNagar, Aurangabad Road, Ahmednagar - 414001. House No 3140, Opp Liberty Furniture, Jamnalal Bajaj Road, Near Tower Garden, Dhule - 424001. Office NO – 2, Kohinoor Complex, Near Savarkar Natya Theatre, Nachane Road, Ratnagiri - 415639. Pushpam, Tilakwadi, Opp. Dr. Shrotri Hospital, Yavatmal - 445001. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, New Delhi - 110055. Flat no.512, Narian Manzil, 23 Barakhamba Road, Connaught Place, NewDelhi - 110001. **Orissa:** Plot No -111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar - 751001. First Floor, Kalika Temple Street, Adjacent to SBI Bazar Branch, Berhampur, Dist. Ganjam – 760002. Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack - 753001. 1st Floor, Mangal Bhawan Phase II , Power House Road Rourkela - 769001. C/o Raj Tibrewal & Associates, Opp. Town High School, Sansarak Sambalpur - 768001. B C Sen Road, Balasore - 756001. **Pondicherry:** S-8, 100, Jawaharlal Nehru Street (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Punjab:** Deepak Tower, SCO 154-155, 1st Floor-Sector 17, Chandigarh - 160017. U/GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Ludhiana - 141002. SCO - 18J, 'C' Block Ranjit Avenue, Amritsar - 140001. 367/8, Central Town, Opp.Gurudwara, Diwan Asthan, Jalandhar - 144001. 35, New Lal Bagh Colony, Patiala - 147001. 2907 GH, GT Road, Near Zila Parishad, Bhatinda - 151001. Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur - 146001. Gandhi Road, Opp Union Bank of India, Moga - 142001. **Rajasthan:** R-7, Yudhisthir Marg, C-Scheme, Behind Ashok Nagar Police Station, Jaipur - 302001. AMC No. 423/30 Near Church, Opp T B Hospital, Jaipur Road, Ajmer - 305001. 256A, Scheme No:1, Arya Nagar, Alwar - 301001. C/o Kodwani Associtates, Shop No 211-213, 2nd floor, Indra Prasth Tower, Syam Ki Sabji Mandi, Near Mukerjee Garden Bhilwara - 311001. 1/5, Nirmal Tower, 1st Chopasani Road, Jodhpur - 342003. B-33 'Kalyan Bhawan, Triangle Part, Vallabh Nagar, Kota - 324007. Shree Kalyanam,50, Tagore Nagar, Sector – 4,Hiranmagri, Udaipur – 313001. Behind Rajasthan Patrika, in front of Vijaya Bank, 1404, Amar Singh Pura, Bikaner - 334001. 3, Ashok Nagar, Near Heera Vatika, Chittorgarh - 312001. **Tamilnadu:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam-Chennai - 600034. Old # 66 New # 86, Lokamanya Street (West), Ground Floor, R.S.Puram, Coimbatore - 641002. 1st Floor, 278, North Perumal Maistry Street (Nadar Lane), Madurai - 625001. 197, Seshaiyer Complex, Agraharam Street, Erode - 638001. No. 2, I Floor Vivekananda Street, New Fairlands, Salem - 636016. 1(1), Binny Compound, II Street, Kumaran Road, Tirupur, - 641601. 1 Floor, Mano Prema Complex, 182 / 6, S.N High Road, Tirunelveli - 627001. No 8, 1st Floor, 8th Cross West Extn, Thillainagar, Trichy - 620018. No.1, Officer's Line 2nd Floor, MNR Arcade Opp. ICICI Bank, Krishna Nagar, Vellore - 632001. Jailani Complex47, Mutt Street, Kumbakonam - 612001. 126 G, V.P.Towers, Kovai Road, Basement of Axis Bank, Karur - 639002. 16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri - 636701. No.9/2, 1st Floor, Attibele Road, HCF Post, Behind RTO office, Mathigiri, Hosur - 635110. 156A / 1, First Floor, Lakshmi Vilas Building, Opp. District Registrar Office, Trichy

Road, Namakkal - 637001. No 59 A/1, Railway Feeder Road (Near Railway Station) Rajapalayam - 626117. 4B/A16, Mangal Mall Complex, Ground Floor, Mani Nagar, Tuticorin - 628003. No.158, Rayala Tower-1, Anna salai, Chennai - 600002. **Telangana:** HNo.7-1-257, Upstairs S B H Mangammathota, Karimnagar - 505001. Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, Khammam - 507001. 208, II FloorJade Arcade Paradise Circle, Hyderabad - 500003. Hno. 2-4-641, F-7, 1st Floor, A.B.K Mall, Old Bus Depot Road, Ramnagar, Hanamkonda, Warangal - 506001. **Tripura:** Advisor Chowmuhani (Ground Floor), Krishnanagar, Agartala -799001. **Uttarakhand:** 204/121 Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. 22, Civil Lines, Ground Floor, Hotel Krish Residency, Roorkee - 247667. **Uttar Pradesh:** 1st Floor 106 to 108, City Centre Phase II, 63/ 2, The Mall, Kanpur -208001. FF-26, Konark Building, 1st Floor, RDC - Rajnagar, Ghaziabad - 201002. No. 4, 1st Floor, Centre Court Building, 3/C, 5 - Park Road, Hazratganj Lucknow - 226001. No. 8, 2nd Floor, Maruti Tower Sanjay Place, Agra - 282002. 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad - 211001. Shop No. 3, Second Floor, The Mall Cross Road, A.D. Chowk Bank Road, Gorakhpur - 273001. 108 1st Floor, Shivam Plaza, Opp Eves Cinema, Hapur Road, Meerut - 250002. H 21-22, Ist Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad - 244001. Office no 1, Second floor, Bhawani Market, Building No. D-58/2-A1, Rathyatra Beside Kuber Complex, Varanasi - 221010. 372/18 D, Ist Floor above IDBI Bank, Beside V-Mart, Near "RASKHAN" Gwalior Road, Jhansi – 284001. City Enclave, Opp. Kumar Nursing Home, Ramghat Road, Aligarh - 202001. F-62-63, Butler Plaza Commercial Complex, Civil Lines, Bareilly - 243001. 1st Floor, Krishna Complex, Opp. Hathi Gate, Court Road, Saharanpur - 247001. C-81, First Floor, Sector 2 Noida, Near JCB Office, Noida - 201301. CAMS C/O RAJESH MAHADEV & CO, SHOP NO 3, JAMIA COMLEX STATION ROAD, BASTI - 272002. 1/13/196, A, Civil Lines behind Triupati Hotel, Faizabad – 224001. Durga City Centre, Nainital Road, Haldwani - 263139. Gopal katra, 1st Floor, Fort Road, Jaunpur-222001. 159/160 Vikas Bazar Mathura - 281001. 17, Anand Nagar Complex, Opposite Moti Lal Nehru Stadium, SAI Hostel, Jail Road, Rae Bareilly - 229001. Bijlipura, Near Old Distt Hospital, Jail Road , Shahjahanpur - 242001. Arya Nagar, Near Arya Kanya School, Sitapur - 261001. 967, Civil Lines, Near Pant Stadium, Sultanpur - 228001. **West Bengal:** Plot No. 3601, Nazrul Sarani, City Centre, Durgapur - 713216. Saket Building, 44 Park Street, 2nd Floor, Kolkata - 700016. Block – G 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab PO, Ushagram, Asansol - 713303. 1st Floor, Above Exide Showroom, 399 G T Road Burdwan-713101. 17B Swamiji Sarani, Siliguri - 734001. A – 1/50, Block A, Kalyani - 741235. Shivhare Niketan, H.No.291/1, Ward No-15, Malancha Main Road, Opp UCO Bank, Kharagpur - 721301. 2A, Ganesh Chandra Avenue, Room No.3A, Commerce House 4th Floor, Kolkata - 700013. 1st Floor, New Market Complex, Durgachak Post Office, Durgachak, Haldia - 721602. Daxhinapan Abasan, Opp Lane of Hotel, Kalinga, SM Pally, Malda – 732101. Cinema Road, Nutanganj, Beside Mondal Bakery, PO & District – Bankura -722101.