BOI AXA MULTI CAP FUND
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

Offer of Units of ₹10 each (at par) during the New Fund Offer.

<table>
<thead>
<tr>
<th>New Fund Offer Opens on:</th>
<th>June 10, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Fund Offer Closes on:</td>
<td>June 23, 2020</td>
</tr>
<tr>
<td>Scheme re-opens on:</td>
<td>July 1, 2020</td>
</tr>
</tbody>
</table>

Continuous Offer for subscription and redemption of Units at NAV based prices at NAV based prices.

This product is suitable for investors who are seeking*:

- Capital appreciation over medium to long term
- Investment in a diversified portfolio consisting of equity and equity related instruments across market capitalization.

<table>
<thead>
<tr>
<th>Riskometer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
</tr>
<tr>
<td>Moderately Low</td>
</tr>
<tr>
<td>Moderate</td>
</tr>
<tr>
<td>Moderately High</td>
</tr>
<tr>
<td>High</td>
</tr>
</tbody>
</table>

Investors understand that their principal will be at moderately high risk

*Investor should consult their financial advisor if they are not clear about the suitability of the product.

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (hereinafter referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the 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 (SID) 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 / the AMC Website / Distributors or Brokers.

This SID can be modified from time to time through an Addendum whenever a material change occurs. Such material change will also be filed with SEBI and circulated to all Unit holders or may be publicly notified by advertisements in newspapers subject to Regulations. Investors can obtain such Addenda from the Mutual Fund / its Investor Service Centres or distributors / the AMC Website.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of BOI AXA Mutual Fund, Tax and Legal issues and general information on the AMC Website www.boiaxamf.com.

Statement of Additional Information (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 the AMC Website.

Investors should kindly note that for making an investment decision, the investor should read the SAI in conjunction with the SID of the respective Scheme and not in isolation.

The Mutual Fund has not authorized any person to provide any information or representation not confirmed in the SAI and SID. Investors are advised, while taking investment decision, not to rely on any such information or representation that is not contained in the SAI / SID.

This Scheme Information Document is dated May 29, 2020.

Addresses, Website of the entities:

<table>
<thead>
<tr>
<th>Mutual Fund</th>
<th>Asset Management Company</th>
<th>Trustee Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOI AXA Mutual Fund</td>
<td>BOI AXA Investment Managers Private Limited</td>
<td>BOI AXA Trustee Services Private Limited</td>
</tr>
</tbody>
</table>
## Index

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. HIGHLIGHTS / SUMMARY OF THE SCHEME</td>
<td>2</td>
</tr>
<tr>
<td>II. INTRODUCTION</td>
<td>5</td>
</tr>
<tr>
<td>III. INFORMATION ABOUT THE SCHEME</td>
<td>13</td>
</tr>
<tr>
<td>IV. UNITS AND OFFER</td>
<td>30</td>
</tr>
<tr>
<td>V. FEES AND EXPENSES</td>
<td>57</td>
</tr>
<tr>
<td>VI. RIGHTS OF UNIT HOLDERS</td>
<td>60</td>
</tr>
<tr>
<td>VII. PENALTIES, PENDING LITIGATION OR PROCEEDINGS</td>
<td>60</td>
</tr>
</tbody>
</table>
## HIGHLIGHTS / SUMMARY OF THE SCHEME

<table>
<thead>
<tr>
<th>Name of the Scheme</th>
<th>BOI AXA Multi Cap Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of Scheme</td>
<td>Multi Cap Fund</td>
</tr>
<tr>
<td>Type of Scheme</td>
<td>An open ended equity scheme investing across large cap, mid cap and small cap stocks</td>
</tr>
<tr>
<td>Scheme Characteristics</td>
<td>Minimum investment in equity &amp; equity related instruments - 65% of total assets</td>
</tr>
</tbody>
</table>

### Investment Objective

The investment objective of the Scheme is to generate long term capital appreciation by investing predominantly in equity and equity-related securities across various market capitalisation. However, there can be no assurance that the investment objectives of the Scheme will be realized.

### Investment Plans / Options

The Scheme has two plans viz. Regular Plan and Direct Plan. Each of the Plan shall offer the following Option:
- **Growth Option**
- **Dividend Option offering Dividend Re-investment and Dividend Pay-out facilities**

Dividend distribution is at the discretion of the Trustees and subject to available distributable surplus.

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 and is offered in accordance with Para D of SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012.

Investments under Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund (except Stock Exchange Platform(s) and all other Platform(s) where investors’ applications for subscription of units are routed through Distributors). Further, Registered Investment Advisors (RIAs) can also purchase units of Direct Plan on behalf of their clients through MFSS Platform/MF Utility Platform /NMF-II platform of National Stock Exchange of India Ltd. and/or BSE STAR MF System of BSE Ltd.

There shall be a single portfolio under the scheme.

**Default Plan:** Investors should note that the Processing of the Applications will be happening based on the below mentioned table:

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Broker Code mentioned by the investor</th>
<th>Plan mentioned by the investor</th>
<th>Default Plan to be captured</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not mentioned</td>
<td>Not mentioned</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>2</td>
<td>Not mentioned</td>
<td>Direct</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>3</td>
<td>Not mentioned</td>
<td>Regular</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>4</td>
<td>Mentioned</td>
<td>Direct</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>5</td>
<td>Direct</td>
<td>Not Mentioned</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>6</td>
<td>Direct</td>
<td>Regular</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>7</td>
<td>Mentioned</td>
<td>Regular</td>
<td>Regular Plan</td>
</tr>
<tr>
<td>8</td>
<td>Mentioned</td>
<td>Not Mentioned</td>
<td>Regular Plan</td>
</tr>
</tbody>
</table>

Investors should note that in cases of wrong/invalid/incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC will endeavor to contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC will reprocess the transaction under Direct Plan from the date of application without any exit load.

**Default Option:** If the investor does not clearly specify the choice of Option at the time of investing, it will be treated as a Dividend Re-investment Facility. Further, if the investor does not clearly specify the choice of Payout or Re-investment facility within the Dividend Option, it will be treated as a Dividend Re-investment Option.

### Unit Offer Price

Units of face value of ₹ 10/- each at Applicable NAV

### Subscription

The Subscription to Units of the Scheme will be available at NAV based price on all Business Days during the Ongoing Offer Period.

### Redemption/ Liquidity

The Scheme will provide a continuous offer for Redemption of Units at NAV based prices subject to applicable Exit Load, commencing not later than 5 (five) business days from the date of allotment.

The Scheme will dispatch redemption proceeds within 10 Business Days from the acceptance of the Redemption request or such other time as may be prescribed by SEBI from time to time.

### Fund Manager

Mr. Alok Singh

### Benchmark

S&P BSE 500 Total Return Index

### Transparency/ NAV Disclosure

After the closure of the NFO, the first NAV(s) will be published within 5 working days from the allotment date.

Thereafter, the NAVs will be calculated and disclosed on every Business Day. The AMC will prominently disclose the NAVs under a separate head on the website of the Fund www.boiaxamf.com and of the Association of Mutual Funds in India-AMFI (www.amfiindia.com) by 11 p.m. on every Business Day.

Investor may write to AMC for availing facility of receiving the latest NAVs through SMS. Also, information regarding NAVs can be obtained by the Unit holders / Investors by visiting the nearest ISC or by sending an e-mail to service@boiaxa-im.com or calling the at our call centre on 18002662676/1800-103-2263 (Toll Free).
BOI AXA Mutual Fund will disclose portfolio (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website www.boiaxamf.com and on the website of AMFI www.amfiindia.com within 10 days from the close of each month/half year.

BOI AXA Mutual Fund will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website www.boiaxamf.com and on the website of AMFI (www.amfiindia.com). BOI AXA Mutual Fund will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

The Unitholder may request for physical or electronic copy of the statement of Scheme portfolio by writing to the AMC at the e-mail address service@boiaxa-im.com or calling the at our service centers on 1800-103-2263 (Toll Free) or by submitting the request letter to any of the Investor Services Centre of BOI AXA Mutual Fund or of Kfin Technologies Private Limited.

The Mutual Fund/ AMC shall provide a physical copy of the statement of Scheme portfolio, without charging any cost, on specific request received from a unitholder.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on our website and on the website of AMFI along with a link or through email, if email is registered with us.

### Loads

<table>
<thead>
<tr>
<th>Entry Load - NA</th>
<th>Exit Load - Nil</th>
</tr>
</thead>
</table>

Note: In terms of SEBI circular no. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no Entry Load will be charged on any purchase applications, (including additional purchases). Direct Applications will also not attract any Entry Load. For applications received under Regular Plan, upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.

As per SEBI circular dated November 19, 2012, the entire exit load (net of GST) if any, shall be credited to the Scheme.

For further details on load structure refer to the section ‘Load Structure’ on Page 58.

### Minimum Application Amount & Minimum Additional investment

**Single Investment:**

**Minimum application amount**

₹ 5,000 and in multiples of ₹ 1/- thereafter

**Minimum Additional investment:**

₹ 1000 and in multiples of ₹ 1/- thereafter

**Minimum Switch-in to the scheme**

₹ 1000 and in multiples of ₹ 1/- thereafter

**Investment through SIP/STP/SWP:**

**Minimum installment amount for Monthly SIP/STP**

₹ 1000/- and in multiples of ₹ 100 thereafter

**Minimum duration for SIP**

6 months and any date in a month

**Minimum duration for STP**

6 months and Dates 1st, 7th, 10th, 15th, 20th and 25th

<table>
<thead>
<tr>
<th>SWP Frequency</th>
<th>Monthly</th>
<th>Quarterly</th>
<th>Half Yearly</th>
<th>Annually</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum value of SWP</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
</tr>
<tr>
<td>Additional amount in multiples of</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Dates of SWP installment* (only one Date)</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
</tr>
<tr>
<td>Minimum No of SWP</td>
<td>6</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Weekly Systematic Transfer Plan (STP) facility**

<table>
<thead>
<tr>
<th>IN</th>
<th>OUT</th>
<th>Minimum Amount</th>
<th>Day of Transfer</th>
<th>Minimum Duration of weekly STP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>₹ 1,000/- and in multiples of ₹ 100/- thereafter</td>
<td>Any day between Monday to Friday*</td>
<td>6 Weeks</td>
</tr>
</tbody>
</table>

*If such a day is a Holiday/Non-Business day, then the next Business Day. For further details on Weekly STP please refer the SID

**Minimum Redemption**

The minimum amount for redemption shall be ₹ 1,000 or equivalent Unit value, or entire account balance whichever is lower.

The first SIP/STP/SWP will be with effective from August 3, 2020.

<table>
<thead>
<tr>
<th>Minimum Redemption</th>
<th>₹ 1,000/- (or equivalent Unit value) or account balance, whichever is lower</th>
</tr>
</thead>
</table>

**Applications Supported By Blocked Amount (ASBA)**

Investors may apply through the ASBA process during the NFO period of the Scheme by filling in the ASBA form and submitting the same to their respective banks, which in turn will block the amount in the account as per the authority contained in ASBA form, and undertake other tasks as per the procedure specified therein.

For complete details on ASBA process refer Statement of Additional Information (SAI) made available on our Website (www.boiaxamf.com)
**BOI AXA MULTI CAP FUND**
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

<table>
<thead>
<tr>
<th>New Fund Offer Expenses</th>
<th>The NFO expenses will be borne by the AMC.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transaction Charges (For Lumpsum Purchases received through distributor/agent during NFO)</strong></td>
<td>The AMC shall deduct the Transaction Charges on purchase / subscription of ₹10,000/- and above received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor/agent (who have opted to receive the transaction charges for this Scheme type) as under:</td>
</tr>
<tr>
<td><strong>First Time Mutual Fund Investor:</strong></td>
<td>Transaction charge of ₹150/- for subscription of ₹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.</td>
</tr>
<tr>
<td><strong>Investor other than First Time Mutual Fund Investor:</strong></td>
<td>Transaction charge of ₹100/- per subscription of ₹10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the investor. The balance of the subscription amount shall be invested.</td>
</tr>
<tr>
<td><strong>Transaction charges shall not be deducted for:</strong></td>
<td></td>
</tr>
<tr>
<td>• Purchases /subscriptions for an amount less than ₹10,000/-;</td>
<td></td>
</tr>
<tr>
<td>• Transaction other than purchases/ subscriptions relating to new inflows such as Switch/ STP/, etc.</td>
<td></td>
</tr>
<tr>
<td>• No transaction charges will be deducted for any purchase/subscription made directly with the Fund (i.e. not through any distributor/agent).</td>
<td></td>
</tr>
<tr>
<td>• Transactions carried out through the stock exchange mode.</td>
<td></td>
</tr>
</tbody>
</table>

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

A. Risk Factors

(i) Standard Risk Factors

(a) Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.

(b) As the price/value/interest rate of the securities in which the Scheme invests fluctuates, the value of the investment in the Scheme may go up or down. As with any investment in securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the markets. The various factors which impact the value of the Scheme's investments include, but are not limited to, fluctuations in the bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc.

(c) Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.

(d) BOI AXA Multi Cap Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.

(e) While the Schemes will endeavour to declare dividend, however, there is no guarantee or assurance that such dividend will be declared/paid and such declaration/payment is entirely subject to availability of distributable surplus.

(f) The Sponsor is not responsible or liable for any loss or shortfall in Scheme's corpus arising or resulting from the operation of the Scheme, beyond the initial contribution of ₹ 1,00,000/- (Rupees One Lakh only) made by it to the Fund at the time of setting up the Mutual Fund. The Associates of the Sponsor are not responsible or liable for any loss or shortfall resulting from the operation of the Scheme. However, the asset management company and the sponsor of the mutual fund shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate valuation.

(g) The present Scheme is not a guaranteed or assured return scheme and investors in the Scheme are not being offered any guaranteed/assured return.

(h) Statements/Observations made in this Scheme Information Document are subject to the laws of the land as they exist at any relevant point of time.

(i) Mutual Funds and securities investments are subject to market risks and the NAVs of the units issued under the scheme may go up or down depending on the factors and forces affecting the capital markets.

(ii) Growth, appreciation, dividend and income, if any, referred to in this Scheme Information Document are subject to the tax laws and other fiscal enactments as they exist from time to time.

(ii) Scheme Specific Risk Factors & Special Considerations

(a) Risk associated with investments in Equity and Equity related instruments:

1. Equity and equity related securities are volatile and carry risk of price fluctuations on an on-going 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's portfolio may result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme's portfolio.

2. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risk of losing their investment.
the lender and the possible loss of corporate benefits accruing thereon.

8. Investment decisions made by the Investment Manager may not always be profitable.

9. Different types of securities in which the Schemes would invest as given in the SID carry different levels and types of risk. Accordingly, the Scheme’s risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than Government securities. Further, even among corporate bonds, bonds which are rated AAA are comparatively less risky than bonds which are AA rated.

10. **Interest Rate Risk:** As with all debt securities, changes in interest rates will affect the Scheme’s Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long term securities generally fluctuate more in response to interest rate changes than of shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the NAV.

In the case of floating rate instruments, an additional risk could rise because of the changes in the spreads of floating rate instruments. With the increase in the spread of floating rate instruments the prices can fall and with the contraction in the spreads of the floating rate instruments the prices can rise, other parameters being unchanged. Moreover, floating rate instruments which have periodical interest rate reset carry lower interest rate risk compared to a fixed rate debt instrument. However, in a falling interest rate scenario the returns on floating rate debt instruments may not be better than those on fixed rate debt instruments.

11. **Liquidity or Marketability Risk:** This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the quoted bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event (a) it has to meet an inordinately large settlement obligation. Furthermore, the Scheme’s contribution is used to meet the losses. Post utilization of CCIL’s contribution to default fund have been appropriated, CCIL’s contribution to default fund is utilized to meet the losses. In case the CCIL notifies securities other than Government of India Securities as eligible for contributions as collateral.

14. **Risk Factor associated with investing in Securities Segment and Tri-party Repo trade settlement:**

Clearing Corporation of India Ltd. (‘CCIL’) is providing clearing and settlement services, for Triparty Repo trades in Government Securities, under its Securities Segment. CCIL would act as a Central Counterparty to all the borrow and lend Triparty Repo trades received by it for settlement. CCIL would also be performing the role responsibilities of Triparty Repo Agent, in terms of Repurchase transactions (Repo) (Reserve Bank) Directions, 2018 as amended from time to time. CCIL would settle the Triparty Repo trades, in terms of its Securities Segment Regulations.

The funds settlement of members is achieved by multilateral netting of the funds position in Triparty Repo with the funds position in Open Market and Repo and settling in the books of RBI for members who maintain an RBI Current Account. In respect of other members, funds settlement is achieved in the books of Settlement Bank. Securities settlement for Triparty Repo trades shall be achieved in the Gilt Account of the Member maintained with CCIL. Securities obligation for outright and market repo trades shall be settled in the SGL / CSSG account of the Member with RBI.

BOI AXA Mutual Fund is a member of securities segment and Triparty Repo trade settlement of the CCIL. Since all transactions of the Fund in government securities and in Triparty Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL, it reduces the settlement and counterparty risks considerably for transactions in the said segments.

To mitigate the potential losses arising in case any member defaults in settling the transactions routed through CCIL, CCIL maintains a Default Fund. CCIL shall maintain two separate Default Funds in respect of its securities segment, one to meet the losses arising out of any default by its members from outright and repo trades and the other to meet losses arising out of any default by its members from Triparty Repo trades.

In case any clearing member fails to honor his settlement obligations, the Default Fund is utilized to complete the settlement applying the Default waterfall sequence. As per the said waterfall mechanism, after the defaulter’s margins and defaulter’s contribution to default fund have been appropriated, CCIL’s contribution is used to meet the losses. Post utilization of CCIL’s contribution, if there is still a loss to be met, then contribution of non-defaulting members to Default Fund is utilized to meet the said loss.

The Scheme is subject to the risk of losing initial margin and contribution to Default Fund in the event of failure of any settlement obligation. Further the Scheme’s contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

Further, CCIL periodically prescribes a list of securities eligible for contribution as collaterals by members. Presently, all Central Government Securities and Treasury Bills are accepted as collaterals by CCIL. The above risk factor may undergo a change in case the CCIL notifies securities other than Government of India Securities as eligible for contributions as collateral.
15. Risk Factors Associated with repo transaction in Corporate Debt Securities:

- **Counterparty Risk:** This refers to the inability of the seller to meet the obligation to buy back securities at the contracted price. Fund Manager will endeavor to manage counterparty risks by dealing only with counterparties having strong credit profiles assessed through in-house credit analysis and / or with entities regulated by SEBI/IRDA. In the event of default by the repo counterparty, the Scheme will have recourse to the corporate debt securities given as collateral to recover the investment by selling the collateral in the market. However, selling of collateral will also be subject to liquidity risk in the market and the Scheme may incur impact cost at the time of selling the collateral.

- **Collateral Risk:** Collateral risk arises when the market value of the securities is inadequate to meet the repo obligations or there is downward migration in rating of collateral. Further if the rating of collateral goes below the minimum required rating during the term of repo or collateral becomes ineligible for any reason, counterparty will be expected to substitute the collateral. In case of failure to do so, IAM / Schemes of the Fund will explore the option for early termination of the trade.

16. Repurchase Risk: The Scheme is open-ended. To provide liquidity to the investors, the Fund proposes to provide repurchase facility in the Scheme on every Business Day.

17. Performance Risk: Performance of the Scheme may be impacted with changes in factors which affect the capital market and in particular the debt market.

18. Legislative Risk: This is the risk that a change in the tax code could affect the value of taxable or tax exempt interest income.

19. Duration Risk: Fixed Income securities of any issuer that has higher duration could be more risky in terms of price movements relative to those with lower duration. Thus any impact of interest rate changes would be higher on securities with higher duration irrespective of the status of the issuer.

20. Counterparty Risk: This is the risk of failure of counterparty to the 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 counterparty default.

21. Inflation Risk: Inflation causes tomorrow's currency to be worth less than today's; in other words, it reduces the purchasing power of a bond investor's future interest payments and principal, collectively known as “cash flows.” Inflation also leads to higher interest rates, which in turn leads to lower bond prices. Inflation indexed securities such as Treasury Inflation Protection Securities (TIPS) are structured to remove inflation risk.

(iii) Risk associated with investments in Derivatives

- **Counter Party Risk:** This is the risk of default of obligations by the counterparty.
- **Market risk:** Derivatives carry the risk of adverse changes in the market price.
- **Illiquidity risk:** The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.
- **Basis Risk:** The risk that the movements in swap rates does not actually reflect the expected movement in benchmark rates, thus, creating a mismatch with what was intended.

The Fund may use permitted derivative instruments like exchange traded options and futures or other derivative instruments as may be permitted from time to time.

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 to identify such opportunities as well as to manage risks arising thereby. Identification and execution of the strategies to be pursued involve uncertainty and investment decisions may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.

Derivative investments carry certain risks and issues arising out of such dealings. The risks associated with the use of derivatives - either for hedging or for portfolio balancing - are different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Certain other risks, one or more, that may arise consequent to use of derivatives are: risk of mispricing or improper valuation of derivatives, credit risk arising out of counterparty failing to honour its commitment, liquidity risk where the derivatives cannot be sold at prices that reflect the underlying assets, rates and indices, and price risk where the market price may move in adverse fashion.

Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to manage the risks as a result of the possible failure of the counterparty to comply with the terms of the derivative contract.

**(iv) Risk associated with Securities Lending**

The securities forming assets of the Scheme may be lent in accordance with the prevailing securities lending Regulations. The leading to arising of certain risks associated with the securities lending activity including counterparty risk, possible loss of rights to the collateral put up by the borrower of the securities, inability of the approved intermediary to return the securities, timely or otherwise, deposited by the lender and likely loss of corporate benefits accruing to the lender in respect of the securities lent. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

**(v) Right to limit redemptions**

The Board of AMC and Trustee has the right, at its sole discretion, to limit redemptions under certain circumstances as prescribed under SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016. For more details, please refer para “Right to Limit Redemptions” in Section (viii) (a) of the SID.

**(vi) Risks associated with transactions in units through Stock Exchange Mechanism**

In respect of transactions in Units of the Scheme through NSE and / or BSE or any other recognised stock exchange allotment and redemption of Units on any Business Day will depend upon the order processing/ settlement by NSE, BSE or such other exchange and their respective clearing corporations on which the Fund has no control. Further, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by NSE, BSE or such other recognized exchange in this regard.

**(viii) Risk Factors Associated with Investments in REITs and InvITs:**

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

(b) **Liquidity Risk:** As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate...
reinvestment requirement. Investment in such securities may lead to increase in the scheme portfolio risk.

(c) Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns. The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

(ix) Risks associated with Segregated Portfolio

a) Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.

b) Security(ies) held in segregated portfolio may not realize any value.

c) Listing of units of segregated portfolio in recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

B. Minimum number of investors and maximum holding by an investor

As required by Regulations, the Scheme and individual Plan(s) with a separate portfolio, if any, under the Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if at any time either of these conditions are not fulfilled, a period of three months or till the end of the succeeding calendar quarter, whichever is earlier from the close of the NFO of the Scheme, will be available to balance and to ensure compliance with these two conditions, failing which the provisions of Regulation 39(2)(c) of Regulations will become applicable automatically and the Scheme / Plan(s) shall be wound up by following SEBI guidelines and the Units would be redeemed at Applicable NAV. The two conditions mentioned above shall also be complied for each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. For this purpose, the average net assets of the scheme would be calculated daily and any breach of the 25% holding limit by an investor would be determined.

At the end of the quarter, the average of daily holding by each such investor will be computed to determine whether that investor has breached the 25 % limit over the quarter. If there is a breach of limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic redemption by the Scheme on the applicable Net Asset Value 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. Potential Risks and Special Considerations

1. Prospective investors in this Scheme should educate themselves or seek professional advice on:

a) Legal requirements or restrictions relating to the acquisition, holding, disposal, or redemption of Units within their jurisdiction of nationality, residence, ordinary residence and domicile or under the laws of any jurisdiction to which they are subject; and

b) Tax provisions on investments in the Scheme, capital gains, and other tax consequences relevant to their acquisition, holding or disposal, whether by way of sale or redemption of Units.

2. Prospective investors should not construe the contents hereof as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisor(s) relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences within their jurisdiction of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they are subject to.

3. The tax benefits described in this SIDs / in the SAI are as available under the prevailing taxation laws, which or whose interpretation may change from time to time. As is the case with any investment, there can be no guarantee that the current tax position or the tax position prevailing at the time of an investment in the Scheme will not undergo change. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her/ their own professional tax advisor.

4. The AMC or its Sponsor or Shareholders or their associates, affiliates or group entities may either directly or indirectly invest in this Scheme and / or any other Scheme, present or future, and such investment could be substantial. If these entities decide to offer a substantial portion of such investment for repurchase/redemption, it may have an adverse impact on the NAV of Units.

5. Neither this SIDs nor the Units being offered have been registered in any jurisdiction outside India. The distribution of this SIDs in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SIDs are required to inform themselves about, and to observe, any such restrictions, as may be applicable. This SIDs does not constitute an offer or solicitation to any person within such jurisdiction and further are not being marketed in any such jurisdiction. The Trustee may compulsorily redeem any Units held directly or beneficially in contravention of these prohibitions.

6. It is the responsibility of any person in possession of this SIDs and of any person wishing to apply for Units pursuant to this SIDs to be informed of and to observe, all applicable laws and Regulations of such relevant jurisdiction including not subscribing to Units if so prohibited by their home jurisdiction.

7. The Scheme may disclose details of the investors’ account and transactions there under to intermediaries whose stamp appears on the investor’s application form. Additionally, the Scheme may disclose such details to the banks, as may be necessary for the purpose of effecting payments to the investor. The Scheme may also disclose such details to regulatory and statutory authorities / bodies as may be required or necessary as per provisions of law.

8. Right to limit redemptions: The Board of AMC and Trustee, may in the general interest of the Unit holders of the Scheme, keeping in view circumstances / unsure conditions as mentioned in SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016, limit the total number of Units which may be redeemed on any Business Day. For details please refer “Right to Limit Redemption” under Section (xix) (a) of the SID.

9. The Scheme will dispatch redemption proceeds within 10 Business Days from the acceptance of the Redemption request.

10. 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, failure to provide required documentation, information, etc. the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV subject to payment of exit load, if any.
D. DEFINITIONS & ABBREVIATIONS

(i) Definitions

The following definitions / terms apply throughout this SID unless the context requires otherwise:

**AMC or Investment Manager or Asset Management Company**
Refers to BOI AXA Investment Managers Private Limited (BOI AXA IM), incorporated under the provisions of the Companies Act, 1956 and approved by SEBI as an Investment Manager for BOI AXA Mutual Fund

**AMC Website**
Refers to website of the AMC at following url: http://www.boiaxamf.com

**Applicable NAV**
NAV of the Business Day on which application for Purchase / Redemption is received at the ISCs, being official points of acceptance of transactions of the Fund, subject to the prescribed cut-off times, application value and applicable load and deduction of the balance proportionate unamortized expenses, tax (if any) wherever applicable

**Application Form / Key Information Memorandum**
A form for use by an investor to Purchase Units in the Scheme. Key Information Memorandum provides important information about the Scheme

**Applications Supported by Blocked Amount or ASBA or ASBA Facility**
An application containing an authorization given by an investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of a Scheme of the Fund. For an investor applying through ASBA, the application money shall be debited from his specified bank account only if his application is selected for allotment of Units. Such facility is ASBA Facility.

**Business Day**
Business Day is a day other than any one or more of the following:

(a) Saturday and Sunday;
(b) a day on which banks in Mumbai and/or Reserve Bank of India are closed for business or clearing;
(c) a day on which there is no RBI clearing / settlement of securities;
(d) a day on which the Bombay Stock Exchange and / or National Stock Exchange are closed or on which the securities cannot be cleared;
(e) a day on which the money markets are closed or otherwise not accessible in Mumbai;
(f) a day on which sale and repurchase of Units is suspended by the AMC or the Trustee for any reason;
(g) in respect of a particular office(s) / ISC(s), a day on which normal business could not be transacted due to reasons like floods, storms, bandhs, strikes, any large scale utility, civic, transport or similar systems shutdown / disruption for any reason, any force majeure event etc or such reason as the AMC / Trustee may specify;
(h) in respect of a particular ISC(s), the days on which the banks in that particular region or location are closed due to any local or regional holiday or for any other reason; and/or
(i) any day on which the AMC's office in Mumbai is closed

All applications received on days other than Business Days will be processed on the next Business Day at Applicable NAV.

Notwithstanding the above, the AMC reserves the right to declare any day as Business Day or otherwise at any or all ISCs or to change the definition of Business Day(s)

**Calendar Year**
A Calendar Year means period of 12 months commencing from 1st January and ending on 31st December in accordance with English Calendar.

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

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

**Consolidated Account Statement (CAS)**
Consolidated Account Statement (CAS) referred herein shall contain details of all financial transactions during the month and unit holding as at the end of the month across all Scheme of all the mutual funds.

**Controlling Branches (CBs) of the SCSBs**
Branches of the SCSBs acting as coordinating branch with the Registrar and Transfer Agent of the Fund for the ASBA facility

**Custodian**
Deutsche Bank AG, Mumbai registered under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996 and having its office at 4th Floor, Nirton Knowledge Park, Block 1, Western Express Highway Goregaon (East), Mumbai, 400063, acting as Custodian for the Mutual Fund, and includes such Custodian(s) as may be appointed from time to time.

**Day or Calendar Day**
Any day (including Saturday, Sunday and holiday) as per English Calendar

**Designated Collection Centres**
Collection Centres (other than ISCs) of Collection Banks, being Official Points Of Acceptance, for acceptance of applications for Purchase of Units under the Scheme during New Fund Offer Period. For clarity, Designated Collection Centres do not provide any investor or distributor services

**Depository**
National Securities Depository Ltd. (NSDL)/Central Depository Services (India) Limited (CDSL) or such other depository as approved by the Trustee, being a body corporate as defined in the Depositories Act, 1996.

**Depository Participant or DP**
Depository Participant (DP) is an agent of the Depository who acts like an intermediary between the Depository and the investors. DP is an entity who is registered with SEBI to offer depository-related services.

**Depository Records**
Depository Records as defined in the Depositories Act, 1996 (22 of 1996), includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the said Act from time to time.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Application</td>
<td>Direct Application means application for Purchase of Units received from investors / Unit holders which is lodged directly at the ISCs or made through the AMC Website or any other Distributors' Website, and which does not bear stamp or code of any distributor, sub-distributor, agent or broker or not routed through any such intermediary.</td>
</tr>
<tr>
<td>Direct Plan</td>
<td>Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.</td>
</tr>
<tr>
<td>Dividend</td>
<td>Income distributed by the Mutual Fund on the units.</td>
</tr>
<tr>
<td>Eligible Stock Brokers</td>
<td>Refers to stock brokers and clearing members of the Stock Exchange who are registered with the Stock Exchange for providing the Stock Exchange Facility; and who have complied with the requirements specified in SEBI circular MF/D/CIR/10/310/01 dated September 25, 2001 regarding passing the AMFI certification examination. Such stock brokers and Clearing Members will be considered as Official Points of Acceptance as per SEBI Circular No. SEBI/IMD/CIR/No.11/76450/06 dated October 11, 2006.</td>
</tr>
<tr>
<td>Financial Year</td>
<td>Financial Year refers to a period of 12 months commencing from 1st April of a year and ending on 31st March of the following year.</td>
</tr>
<tr>
<td>Foreign Portfolio Investors/FPI</td>
<td>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 Investors) Regulations, 2014, as amended from time to time.</td>
</tr>
<tr>
<td>Investment Management Agreement (IMA)</td>
<td>Investment Management Agreement dated November 16, 2007, including Investment Management Agreement dated May 24, 2012 between the Trustee and the AMC, and as may be amended from time to time.</td>
</tr>
<tr>
<td>Investor Service Centres (ISC)</td>
<td>Refers to Investor Service Centres, as designated from time to time by the AMC, whether of the Registrar &amp; Transfer Agent or AMC's own branches, being Official Points of Acceptance, authorized to receive application forms for Purchase / Redemption and other service requests/queries from investors / Unit holders.</td>
</tr>
<tr>
<td>Large Cap Companies</td>
<td>1st -100th company in terms of full market capitalization</td>
</tr>
<tr>
<td>Load</td>
<td>A charge, computed as a percentage of NAV that may be levied at the time of Purchase or Redemption of Units of the Scheme.</td>
</tr>
<tr>
<td>Main Portfolio</td>
<td>As per the SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 on 'Creation of segregated portfolio in Mutual Fund Schemes', 'Main Portfolio' shall mean scheme portfolio excluding the segregated portfolio.</td>
</tr>
<tr>
<td>Money Market Instruments</td>
<td>Money market instruments include Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India from time to time.</td>
</tr>
<tr>
<td>Micro SIP</td>
<td>Refers to investments through Systematic Investment Plan (SIP) of upto Rs 50,000/- per year per investor in accordance with the letter dated June 19, 2009 of SEBI, and AMFI Guidelines dated July 14, 2009.</td>
</tr>
<tr>
<td>Mutual Fund or Fund or The Fund</td>
<td>BOI AXA Mutual Fund, a mutual fund constituted as a Trust under the provisions of the Indian Trust Act, 1882, and registered with SEBI under Registration No. MF/055/08/01 dated March 31, 2008.</td>
</tr>
<tr>
<td>Net Asset Value (NAV)</td>
<td>Net Asset Value of the Units of the Scheme (or any of its Plans having separate NAVs) calculated in the manner provided in the SAI / SID and in conformity with the SEBI Regulations as prescribed from time to time.</td>
</tr>
<tr>
<td>New Fund Offer (NFO)</td>
<td>Offer of Units of the Scheme / its Plans for Purchase by the Investors during the New Fund Offer Period.</td>
</tr>
<tr>
<td>New Fund Offer Period</td>
<td>NFO Period is from June 10, 2020 to June 23, 2020 subject to extension, if any.</td>
</tr>
<tr>
<td>Non-Convertible Debentures and Bonds</td>
<td>Non-convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.</td>
</tr>
<tr>
<td>NRI (Non-Resident Indian)</td>
<td>Means a person resident outside India who is a citizen of India or is a person of Indian origin as defined in Foreign Exchange Management Act or any Regulations thereunder.</td>
</tr>
<tr>
<td>S&amp;P BSE 500 TRI</td>
<td>The S&amp;P BSE 500 TRI index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the index covers all major industries in the Indian economy.</td>
</tr>
<tr>
<td>Tri Party Repo (TREPs)</td>
<td>Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, and management during the life of the transaction.</td>
</tr>
<tr>
<td>Official Points of Acceptance</td>
<td>Refers to ISC, Eligible Stock Brokers, channel partners, Website, FINNET Etc. and for the purpose of submitting Redemption request will also include Depositary Participants.</td>
</tr>
<tr>
<td>Ongoing Offer</td>
<td>Offer of Units under the Scheme when it becomes open-ended after the closure of the New Fund Offer Period.</td>
</tr>
<tr>
<td>Ongoing Offer Period</td>
<td>The period during which the Ongoing Offer for subscription to the Units of the Scheme is available.</td>
</tr>
<tr>
<td>Purchase / Subscription</td>
<td>Subscription to / Purchase of Units of the Scheme.</td>
</tr>
<tr>
<td>Purchase Price</td>
<td>The price (being Applicable NAV) at which the Units can be purchased, and calculated in the manner provided in this SID.</td>
</tr>
<tr>
<td>Qualified Foreign Investors/QFI</td>
<td>(i) Resident in a country that is a member of Financial Action task Force (FATF) or a member of a group which is a member of FATF, and (ii) Resident in a country that is a signatory to IOSCO's MMoU (Appendix A Signatories) or a signatory of a bilateral MoU with SEBI. Provided that the person is resident in a country listed in the public statements issued by FATF from time to time on jurisdictions having a strategic AML/CFT deficiencies to which counter measures apply or that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies; Provided that such person is not resident in India; Provided further that such person is not registered with SEBI as Foreign Venture Capital Investor (FVCI). Further, such QFI should be deemed to be a FPI under the SEBI (Foreign Portfolio Investors) Regulations, 2014. Explanation - For the purposes of this clause: (1) &quot;bilateral MoU with SEBI&quot; shall mean a bilateral MoU between SEBI and the overseas regulator that, inter alia, provides for information sharing arrangements. (2) Member of FATF shall not mean an associate member of FATF.</td>
</tr>
<tr>
<td><strong>Rating</strong></td>
<td>Rating means 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.</td>
</tr>
<tr>
<td><strong>Registrar and Transfer Agent or the Registrar</strong></td>
<td>Kfin Technologies Private Limited, currently acting as registrar and transfer agent to the Scheme, or any other registrar and transfer agent appointed by the AMC from time to time.</td>
</tr>
<tr>
<td><strong>Repo / Reverse Repo</strong></td>
<td>Sale / Purchase of Government Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase / resell them at a later date.</td>
</tr>
<tr>
<td><strong>Redemption</strong></td>
<td>Redemption of Units of the Scheme by a Unit holder.</td>
</tr>
<tr>
<td><strong>Repurchase / Redemption Price</strong></td>
<td>Price (being Applicable NAV) at which the Units can be bought back / redeemed, and calculated in the manner provided in this SID.</td>
</tr>
<tr>
<td><strong>Reserve Bank of India (RBI)</strong></td>
<td>Reserve Bank of India, established under the Reserve Bank of India Act, 1934, as amended from time to time.</td>
</tr>
<tr>
<td><strong>Scheme</strong></td>
<td>This document offering Units of the Scheme, and as modified from time to time.</td>
</tr>
<tr>
<td><strong>SEBI Act</strong></td>
<td>Securities and Exchange Board of India Act, 1992 as amended from time to time.</td>
</tr>
<tr>
<td><strong>SEBI or the Board</strong></td>
<td>The Securities and Exchange Board of India established under the SEBI Act.</td>
</tr>
<tr>
<td><strong>SEBI Regulations or the Regulations</strong></td>
<td>The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, and includes any amendments, clarifications, guidelines, notifications, circulars or press releases issued from time to time by SEBI or any other statutory authority to regulate the operation and management of mutual funds.</td>
</tr>
<tr>
<td><strong>Segregated portfolio</strong></td>
<td>As per the SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 on ‘Creation of segregated portfolio in Mutual Fund Schemes’, ‘Segregated Portfolio’ shall mean a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.</td>
</tr>
<tr>
<td><strong>Self Certified Syndicate Bank or SCSB</strong></td>
<td>A bank registered with SEBI that offers facility of applying in NFO through the ASBA Facility. ASBAs can be accepted only by SCSBs, whose names appear in the list of SCSBs as published by SEBI on its website at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a></td>
</tr>
<tr>
<td><strong>Sponsor or the co-sponsor</strong></td>
<td>Bank of India and AXA Investment Managers are co-sponsors of the Fund.</td>
</tr>
<tr>
<td><strong>Statement of Additional Information (SAI)</strong></td>
<td>A document issued by the Fund providing details pertaining to constitution of the Fund, AMC, Trustee etc. and certain tax, legal and general information. SAI is legally a part of and to be read in conjunction with this SID. SAI is available on the AMC Website.</td>
</tr>
<tr>
<td><strong>Small Cap companies</strong></td>
<td>251st company onwards in terms of full market capitalization</td>
</tr>
<tr>
<td><strong>Switching</strong></td>
<td>Redemption of units in one scheme / plan or option of the Mutual Fund and simultaneous Purchase of units in another scheme / plan or option of the Mutual Fund, against the proceeds of above redemption.</td>
</tr>
<tr>
<td><strong>Total Portfolio</strong></td>
<td>As per the SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 on ‘Creation of segregated portfolio in Mutual Fund Schemes’, ‘Total Portfolio’ shall mean the scheme portfolio including the securities affected by the credit event.</td>
</tr>
<tr>
<td><strong>Transaction Slip</strong></td>
<td>A form prescribed for use by Unit holders to request additional Purchase or Redemption of Units in the Scheme, change in bank account details or for requesting any other service / facilities offered by the AMC and mentioned in Transaction Slip.</td>
</tr>
<tr>
<td><strong>Trust Deed or Reinstated Deed of Trust</strong></td>
<td>Deed of Trust dated November 16, 2007, including reinstated deed of trust dated May 24, 2012 settled by the Sponsor establishing the Fund, and as may be modified from time to time.</td>
</tr>
<tr>
<td><strong>Trust Funds</strong></td>
<td>Means assets, including portfolio of investments and cash and bank balances, and deposits, of the Fund. Assets of the Scheme are part of the Trust Funds.</td>
</tr>
<tr>
<td><strong>Trustee or The Trustee</strong></td>
<td>BOI AXA Trustee Services Private Limited, Trustee of the Fund, a company incorporated and registered under the Companies Act, 1956 and approved by SEBI to act as such.</td>
</tr>
<tr>
<td><strong>Unit holder</strong></td>
<td>A person holding Units in the Scheme of the Fund.</td>
</tr>
<tr>
<td><strong>Units</strong></td>
<td>The interest of the Unit holders in the Scheme, which consists of each unit representing one undivided share in the assets of the Scheme and includes any fraction of a Unit which shall represent the corresponding fraction of one undivided share in the assets of the Scheme.</td>
</tr>
</tbody>
</table>
(ii) Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABS</td>
<td>Asset-backed Securities</td>
</tr>
<tr>
<td>AMC</td>
<td>Asset Management Company, being BOI AXA Investment Managers Private Limited</td>
</tr>
<tr>
<td>ASBA</td>
<td>Applications Supported by Blocked Amount</td>
</tr>
<tr>
<td>AMFI</td>
<td>Association of Mutual Funds in India</td>
</tr>
<tr>
<td>AOP</td>
<td>Association of Persons</td>
</tr>
<tr>
<td>AXA IM</td>
<td>AXA Investment Managers, Sponsors of the Fund</td>
</tr>
<tr>
<td>BAMCF</td>
<td>BOI AXA Multi Cap Fund</td>
</tr>
<tr>
<td>BOI</td>
<td>Bank of India</td>
</tr>
<tr>
<td>BRDs</td>
<td>Bills Re-Discounted</td>
</tr>
<tr>
<td>BSE</td>
<td>Bombay Stock Exchange Limited</td>
</tr>
<tr>
<td>CAS</td>
<td>Consolidated Account Statement</td>
</tr>
<tr>
<td>CD</td>
<td>Commercial Deposits</td>
</tr>
<tr>
<td>CP</td>
<td>Commercial Papers</td>
</tr>
<tr>
<td>CVL</td>
<td>CDSL Ventures Limited</td>
</tr>
<tr>
<td>CKYC</td>
<td>Central Know Your Customer</td>
</tr>
<tr>
<td>ECS</td>
<td>Electronic Clearing System</td>
</tr>
<tr>
<td>EFT</td>
<td>Electronic Funds Transfer</td>
</tr>
<tr>
<td>ETF</td>
<td>Exchange Traded Fund</td>
</tr>
<tr>
<td>FPI</td>
<td>Foreign Portfolio Investor</td>
</tr>
<tr>
<td>FOF</td>
<td>Fund of Funds</td>
</tr>
<tr>
<td>GOI</td>
<td>Government of India</td>
</tr>
<tr>
<td>HUF</td>
<td>Hindu Undivided Family</td>
</tr>
<tr>
<td>IMPS</td>
<td>Immediate Payment Service</td>
</tr>
<tr>
<td>IMA</td>
<td>Investment Management Agreement</td>
</tr>
<tr>
<td>ISC</td>
<td>Investor Service Centre</td>
</tr>
<tr>
<td>ICRA</td>
<td>Investment Information and Credit Rating Agency of India</td>
</tr>
<tr>
<td>KYC</td>
<td>Know Your Customer</td>
</tr>
<tr>
<td>KRA</td>
<td>KYC Registration Agency</td>
</tr>
<tr>
<td>LIBOR</td>
<td>London Inter-bank Offer Rate</td>
</tr>
<tr>
<td>MBS</td>
<td>Mortgage-backed Securities</td>
</tr>
<tr>
<td>MFSS</td>
<td>Mutual Fund Service System</td>
</tr>
<tr>
<td>MFU</td>
<td>MF Utility</td>
</tr>
<tr>
<td>MIBOR</td>
<td>Mumbai Inter-bank Offer Rate</td>
</tr>
<tr>
<td>NAV</td>
<td>Net Asset Value</td>
</tr>
<tr>
<td>NACH</td>
<td>National Automated Clearing House</td>
</tr>
<tr>
<td>NEFT</td>
<td>National Electronic Funds Transfer</td>
</tr>
<tr>
<td>NFO</td>
<td>New Fund Offer</td>
</tr>
<tr>
<td>NRI</td>
<td>Non-Resident Indian</td>
</tr>
<tr>
<td>NSE</td>
<td>National Stock Exchange of India Limited</td>
</tr>
<tr>
<td>NSDL</td>
<td>National Securities Depository Ltd</td>
</tr>
<tr>
<td>PAN</td>
<td>Permanent Account Number</td>
</tr>
<tr>
<td>PIO</td>
<td>Persons of Indian Origin</td>
</tr>
<tr>
<td>POA</td>
<td>Power of Attorney</td>
</tr>
<tr>
<td>PTC</td>
<td>Pass Through Certificate</td>
</tr>
<tr>
<td>QFI</td>
<td>Qualified Foreign Investor</td>
</tr>
<tr>
<td>RBI</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>RTGS</td>
<td>Real Time Gross Settlement</td>
</tr>
<tr>
<td>SAI</td>
<td>Statement of Additional Information</td>
</tr>
<tr>
<td>SID</td>
<td>Scheme Information Document</td>
</tr>
<tr>
<td>SIP</td>
<td>Systematic Investment Plan</td>
</tr>
<tr>
<td>STP</td>
<td>Systematic Transfer Plan</td>
</tr>
<tr>
<td>SWP</td>
<td>Systematic Withdrawal Plan</td>
</tr>
<tr>
<td>TREP</td>
<td>Tri Party Repo</td>
</tr>
<tr>
<td>ZCB</td>
<td>Zero Coupon Bonds</td>
</tr>
</tbody>
</table>

(iii) Interpretation

a. For the purposes of this SID, except as otherwise expressly provided or unless the context otherwise requires: (a) the terms defined in this SID include the plural as well as the singular, and (b) pronouns having a masculine or feminine gender shall be deemed to include the other.

b. Words and expressions used herein but not defined herein shall have the meanings respectively assigned to them under the SEBI Act or the SEBI Regulations.

c. Reference to a Scheme shall, unless the intention is expressly contrary or will lead to impractical situation, include reference to any Plan(s) under such Scheme.

d. In the event of any contradiction between any Scheme specific provision / statement mentioned in the SAI vis-a-vis this SID, the provision / statement mentioned in this SID shall prevail to the extent of such contradiction.

E. Due Diligence Certificate

It is confirmed that:

i. The draft Scheme Information Document (SID) forwarded to Securities & Exchange Board of India (SEBI) is in accordance with the Securities & Exchange Board of India (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 and also the guidelines, instructions, etc. issued by the Government of India and any other competent authority in this behalf, have been duly complied with.

iii. The disclosures made in the SID are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.

iv. All the intermediaries named in the SID and Statement of Additional Information are registered with SEBI and till date such registration is valid.

For BOI AXA Investment Managers Private Limited

sd/-

Date: May 29, 2020

Place: Mumbai

Note: The aforesaid Due Diligence Certificate dated May 29, 2020 was submitted to the Securities and Exchange Board of India on May 29, 2020.
III. INFORMATION ABOUT THE SCHEME

A. Type, Category and Characteristics of the Scheme:

(i) Type of Scheme:
An open ended equity scheme investing across large cap, mid cap, small cap stocks

(ii) Category of Scheme
Multi cap Fund

(iii) Scheme Characteristics:
- Minimum investment in equity & equity related securities - 65% of total assets

B. What is the Investment Objective of the Scheme

The objective of the scheme is to generate long term capital appreciation by investing predominantly in equity and equity-related securities across market capitalizations. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.

C. How will the Scheme Allocate its Assets

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

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocation (% of total assets)</th>
<th>Risk Profile (High/Medium/Low)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; equity related securities</td>
<td>65% to 100%</td>
<td>High</td>
</tr>
<tr>
<td>Debt including Corporate Debt and Money Market Instruments</td>
<td>0 to 35%</td>
<td>Low to Medium</td>
</tr>
<tr>
<td>Units issued by RETIs and InvITs</td>
<td>0 to 10%</td>
<td>Medium to High</td>
</tr>
</tbody>
</table>

^ (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 may be permitted from time to time under the Regulations subject to guidelines issued by SEBI/RBI from time to time.)

Changes in Asset Allocation Pattern

It may be noted that the asset allocation percentages stated above are only indicative and not absolute. Subject to Regulations, and keeping in view market conditions, market opportunities and political and economic factors, the asset allocation pattern may change from time to time. But such changes to the investment pattern will be in conformity with the investment objectives and basic nature of the Scheme and asset allocation would be changed only for a short term period on defensive considerations and for protecting interests of the Unit holders. In case of such changes, the portfolio would be rebalanced within a period of up to 30 days. In case the same is not aligned to the above asset allocation pattern within 30 days, justification shall be provided to the Investment Committee of the AMC and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.

Any change in the asset allocation pattern affecting the investment objective of the Scheme shall be effected only in accordance with the regulatory provisions and as detailed elsewhere in this SID.

D. Where will the Scheme Invest

(i) Equity and Equity related securities include:
- Convertible bonds and debentures and warrants carrying the right to obtain equity shares,
- Derivative instruments like options and futures on equity securities/ indices, and
- Such other instruments as may be permitted under the Regulations from time to time.

Large caps are defined as the Top 100 stocks by market capitalization.

Midcaps are defined as the Top 101st to 250th stock by market capitalization.

Small caps are defined as the 251st company onwards in terms of full market capitalization.

(ii) Debt and Money Market Instruments:

The corpus of the Scheme will be invested in privately negotiated debt and money market instruments which include but are not limited to:

- Debt obligations of the Government of India, state and local governments, government agencies, statutory bodies, public sector undertakings, scheduled commercial banks, non-banking financial companies, development financial institutions, bills of exchange/promissory notes of public sector and private sector corporate entities, government securities with such maturity as indicated in the Asset Allocation Pattern indicated above.
- The non-convertible part of convertible debt securities.
- Derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted under the Regulations.
- Any other like instruments as may be permitted by RBI / SEBI / such other Regulatory Authority from time to time. The securities 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 bearing fixed-rate or floating coupon rate. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. The scheme may also enter into repo and reverse repo obligations on GSecs held by it as per the guidelines and regulation applicable to such transactions pending deployment of funds of the scheme investment in short term deposits of scheduled commercial banks will be as per the provisions of SEBI (Mutual Funds) Regulations, 1996 and relevant SEBI Circulars as amended from time to time.

g) Any other instruments as permitted under the Regulations from time to time.

The Scheme will not make investments in foreign securities or Foreign Securitized Debt.

The Scheme will invest only in investment grade securities that are rated investment grade by domestic credit rating agency authorized to carry out such activity such as CRISIL, ICRA, CARE or FITCH or in unrated debt securities, which the Fund manager believes to be of equivalent quality. Where investment in unrated debt securities which do not fall under the set parameters, the specific approval of the Board of Directors of the AMC and Trustee shall be obtained prior to investment. In-house research by the Fund Manager will emphasize on credit analysis, in order to determine credit risk.

(iii) Investments in units of mutual fund schemes:

To avoid duplication of portfolios and to reduce expenses, the Scheme may also invest in debt and liquid schemes managed by the AMC or in the debt and liquid schemes of any other mutual funds (without charging any fees) in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations. Provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.

(iv) Investment in Derivatives

a. Debt Derivatives

In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MFD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by the Reserve Bank of India permitting participation by Mutual Funds in Interest Rate Swaps and Forward Rate Agreements, the Scheme may use derivative instruments for the purpose of hedging and portfolio balancing. Further, the guidelines issued by Reserve Bank of India from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to. The risks associated with the use of derivatives include, but are not limited to basis risk, hedging risk, market risk, counterparty risk, and settlement risk, and are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Concepts and Examples: Interest Rate Swaps (IRS)

A swap is an agreement between two Counterparties to exchange cash flows in the future. A swap agreement defines the cash flow exchange dates and the calculation methodology for the cash flows. The calculation of the cash flows usually depends on one or more market variables. Transactions in which the two parties agree to make periodic payments to one another linked to specific interest rates on a notional principal are called Interest Rate Swaps (IRS).

The most common type of swap is a “plain vanilla” interest rate swap. It is characterized by:

- Predetermined fixed interest rate
- Variable or floating interest rate which is reset periodically
- Notional principal amount which is never exchanged
- Time period of the swap
- Exchange of net interest payment on predetermined dates

The floating rate in many interest rate swap agreements is the London Interbank Offer Rate (LIBOR) or in the case of India is the Mumbai Interbank Offer Rate (MIBOR). MIBOR is the rate of interest offered by banks on uncollateralised deposits from other banks in the Indian market.

Participants in the swap market use interest rate swaps to transform one type of interest liability into another. The primary reason to enter into an IRS agreement is to hedge interest rate exposures.

A Typical 5 year Overnight Index Swap (OIS)

<table>
<thead>
<tr>
<th>Fixed rate payment</th>
<th>Fixed rate payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counterparty X</td>
<td>Market Maker</td>
</tr>
<tr>
<td></td>
<td>Counterparty Y</td>
</tr>
</tbody>
</table>

Illustrative Terms of Agreement

<table>
<thead>
<tr>
<th>Fixed Interest Rate</th>
<th>Floating Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>7% p.a.</td>
<td>NSE MIBOR reset daily</td>
</tr>
</tbody>
</table>

Notional Principal Amount: INR 100 Crore Period of Agreement: 5 years Payment Frequency: Semi-annual Value Date of Swap: 4th June 2007

Maturity Date of Swap: 4th June 2012

At the end of the first 6 months (183 days) from 4th June to 4th December, 2007

Fixed Leg Payment (Counterparty X)

INR 3,50,95,890 = (INR 1,00,00,00,000)*7.0%*(183 days/365 days)

Floating Leg Payment (Counterparty Y)

INR 3,0,00,00,00,000 = (INR 1,00,00,00,000)*6.0%*(183 days/365 days)

Usually in an interest rate swap the net interest amount is exchanged between the two Counterparties. In the above case the fixed-rate payer (Counterparty X) will pay the floating-rate payer (Counterparty Y) a net amount of INR 50,13,699 = INR 3,50,95,890 - INR 3,00,82,192

Swap agreements which are private agreements between two Counterparties has market risk as well as credit risk. However, potential losses from swap defaults are much less than potential losses on a loan default with the same potential. This is because the monetary exchanges are only the net interest amounts and not the principal amount.

Forward Rate Agreement (FRA)

A Forward Rate Agreement (FRA) is an over-the-counter (OTC) agreement that a certain interest rate will apply to a fixed notional principal for a specified future period of time. As in the case of an IRS the notional principal amounts are not exchanged. A counterparty enters into a FRA to lock-in the future interest rate at its onset. They are very popular amongst risk averse investors.

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
BOI AXA MULTI CAP FUND
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

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

As per above said RBI circulars, mutual funds are permitted to undertake Interest Rate Swaps / Forward Rate Agreements. Investment in derivatives will be made in line with extant SEBI / RBI regulations, and such transactions would be carried out only for hedging and portfolio rebalancing. The circumstances under which such transactions would be entered into would be when, using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. For e.g. if buying a 2 Year MIBOR based instrument and receiving the 2 Year swap rate yields better return than the 2 Year AAA corporate instrument, the Scheme would endeavour 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.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts. Investments in derivatives will be in accordance with the extant SEBI regulations / guidelines.

Certain risks are inherent to such derivatives strategies, like lack of opportunities available in the market; inability of derivatives to correlate perfectly with the underlying indices; and execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution takes place.

b. Equity Derivatives

BOI AXA Multi Cap Fund may invest in various equity derivatives instruments including futures (both index and stock), options (index and stock) and forward contracts which are available for investment in the Indian markets from time to time and which are permissible under the applicable Regulations. Dealing in Derivative instruments will be carried out consistent with the investment objective and strategy of the Scheme. The investments shall be subject to regulatory limits as applicable from time to time and also be subject to the internal limits, if any, as laid down from time to time.

Derivatives are financial contracts or instruments that derive their value from an underlying asset. derivatives may be used for hedging, portfolio balancing and trading purposes to seek to optimise performance in the Scheme and will be subject to applicable Regulations of SEBI/RBI from time to time.

Concepts and Examples

Option Contracts (Stock and Index)

An Option is a privilege, sold by one party to another that gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date. Options are used to manage risk or as an investment to generate income.

The price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options while those that can be exercised only on the expiration date are called European Options.

Option contracts are of two types - Call and Put

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

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

Index Options / futures

Index options / futures are meant to be an efficient way of buying / selling an index compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures/options can be an efficient way of achieving the scheme's investment objective.

The participation in index can be done by buying / selling either Index futures or by buying a call/put option. In an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited. Below mentioned is an illustration of how one can gain from using Index call / put option. The principals of profit and loss in an Index option is same as that for a stock option.

CALL OPTION

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

- Nifty 50 TRI (European option).
- Nifty 50 1 Lot Size: 100 Units
- Spot Price (S): 6000
- Strike Price (x): 6020 (Out-of-Money Call Option) Premium: 60

Total Amount paid by the investor as premium [100*60] =6000

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price. Let us analyse what happens in these scenarios.

Case 1 - The index goes up

- An investor sells the Nifty 50 Option described above before expiry:
  - Nifty 50 Spot: 6090
  - Current Premium: ₹ 100
  - Premium paid: ₹ 60
  - Net Gain: ₹ 100- ₹ 60 = ₹ 40 per unit
  - Total gain on 1 lot of Nifty 50 (100 units) = ₹ 4000 (40*100)

In this case the premium of ₹ 100 has an intrinsic value of ₹ 70 per unit and the remaining ₹ 30 is the time value of the option.

Case 2 - If the Nifty 50 index moves to any level below 6020 then the option now is In The Money. His gains are as follows:

- Nifty 50 Spot: 6090
- Current Premium: ₹ 100
- Premium paid: ₹ 60
- Net Gain: ₹ 100- ₹ 60 = ₹ 40 per unit
- Total gain on 1 lot of Nifty 50 (100 units) = ₹ 4000 (40*100)

In this case the realised gain is only the intrinsic value, which is ₹ 70, and there is no time value.

Suppose the Nifty 50 index moves to 6090 in the spot market and the premium has moved to ₹ 100 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 50 call option as the option now is In The Money. His gains are as follows:

- Nifty 50 Spot: 6090
- Current Premium: ₹ 100
- Premium paid: ₹ 60
- Net Gain: ₹ 100- ₹ 60 = ₹ 40 per unit
- Total gain on 1 lot of Nifty 50 (100 units) = ₹ 4000 (40*100)

In this case the premium of ₹ 100 has an intrinsic value of ₹ 70 per unit and the remaining ₹ 30 is the time value of the option.

- An investor exercises the Nifty 50 Option at expiry:
  - Nifty 50 Spot: 6090
  - Premium paid: Rs.60
  - Exercise Price: 6090
  - Receivable upon exercise: 6090-6020 = 70
  - Total Gain: ₹ 1000 (70-60)*100

In this case the realised gain is only the intrinsic value, which is ₹ 70, and there is no time value.

Suppose the Nifty 50 index moves to any level below 6020 then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss ₹ 6000 (Loss is capped to the extent of Premium Paid).
PUG OPTION
Suppose an investor buys a Put option on 1 lot of Nifty 50 index.
- Nifty 50 1 Lot Size: 100 Units
- Spot Price (S): 6000
- Strike Price (x): 5980 (Out-of-Money Put Option) Premium: 60
- Total Amount paid by the investor as premium [100*60] = 6000

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price. Let us analyse what happens in these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty 50 Option before expiry:
  Suppose the Nifty 50 index moves down to 5910 in the spot market and the premium has moved to ₹ 100 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 50 Put Option as the option now is in The Money. His gains are as follows:
  - Nifty 50 Spot: 5910
  - Premium paid: ₹ 60
  - Net Gain: ₹ 100 - ₹ 60 = ₹ 40 per unit
  - Total gain on 1 lot of Nifty 50 (100 units) = ₹ 4000 (40*100)

In this case the premium of Rs.100 has an intrinsic value of ₹ 70 per unit and the remaining ₹ 30 is the time value of the option.

- An investor exercises the Nifty 50 Option at expiry (It is a European Option)
  Suppose the Nifty 50 index moves down to 5910 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty 50 Put Option as the option now is In The Money. His gains are as follows:
  - Nifty 50 Spot: 5910
  - Premium paid: ₹ 60
  - Exercise Price: 5910
  - Gain on exercise: 5980-5910 = 70
  - Total Gain: ₹ 1000 (+70-60)*100)

In this case the realised gain is only the intrinsic value, which is ₹ 70, and there is no time value in this case.

Case 2 - If the Nifty 50 index stays over the strike price which is 5980, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.
- Nifty 50 Spot: >5980
- Net Loss ₹ 6000 (Loss is capped to the extent of Premium Paid)

Strategies employing Options:

1. Covered Call Strategy: Covered call option strategy is selling a call option on the shares which an investor owns. Under this strategy the investor has taken on the potential obligation to deliver the shares to the option buyer and accepts the predetermine price (option strike price) as the price at which he will sell the shares. For his willingness to do this, the investor receives a premium.

Benefits of covered call option strategy:
If the Fund manager is of a view, that the stock price is going to be range bound for a specified tenure, then writing a call option is advantageous, as the writer receives an option premium.
- Writing can also act as a good alternative for playing relative outperformance for stocks held in portfolios within same sector.
- Stocks held in the portfolio can be effectively hedged in extreme volatility in the market.

Illustration - Covered Call Strategy using stock call options:
A fund manager buys equity stock of ABC Ltd. for ₹ 1,000 and sells a call option on the same stock at a strike price of ₹ 1,100. It is assumed that the Scheme has earned a premium of ₹ 50 on the call option sold. the fund manager is of the opinion that the stock price will not exceed ₹ 1,100, during the period of the option.

Scenario 1: Stock price exceeds ₹ 1100: the call option will get exercised and the fund manager will sell the stock to settle his obligation on the call at ₹ 1,100. Since the scheme has earned a premium of ₹ 50, the Net Gain would be ₹ 150 (₹ 100 stock appreciation + ₹ 50 call option premium)

Scenario 2: Stock price trades between ₹ 1000 and ₹ 1100 at say ₹ 1050: the call option will not get exercised and will expire worthless. Since the scheme has earned a premium of ₹ 50, the Net Gain would be ₹ 100 (₹ 50 stock appreciation + ₹ 50 call option premium)

Objective of the Strategies
The objective of the strategy is to earn the option premium.

Risk Associated with this Strategies:
- The underlying security may fall by more than the option premium earned, thereby exposing the strategy to downside risks.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

Index Futures
A purchase of futures contract obligates the purchaser to take delivery of the underlying asset at the expiry of the contract. The transaction is netted at the end of the contract and the difference settled between the investor & the clearing house. Payoffs in futures are linear with reference to the underlying and the risk is basically directional. Buyers and sellers of futures carry equal risk. The margin depends on volatility of the underlying asset and the difference between the spot price and the contract price, to name a few influencing variables.

Index Futures have been introduced by BSE and NSE. Generally, three futures of 1 month, 2 months and 3 months are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Example of futures trade:
The following is a hypothetical example of a typical index future trade and the associated costs:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Index Future</th>
<th>Actual Purchase of Stocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index at the beginning of the month</td>
<td>6000</td>
<td>6000</td>
</tr>
<tr>
<td>Price of 1 Month Future</td>
<td>6040</td>
<td>-</td>
</tr>
<tr>
<td>A. Execution Cost: Carry and other Index Future Costs(6040-6000)</td>
<td>40</td>
<td>Nil</td>
</tr>
<tr>
<td>B. Brokerage Cost: Assumed at 0.1% for Index Future and 0.25% for spot Stocks (0.10% of 6010) (0.25% of 6000)</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>C. Gains on Surplus Funds: (assumed 10% return on 90% of the money left after paying 10% margin) (10%<em>6000</em>90%*30days/365)</td>
<td>44.38</td>
<td>Nil</td>
</tr>
<tr>
<td>Total Cost (A+B+C)</td>
<td>1.62</td>
<td>15</td>
</tr>
</tbody>
</table>

In this example, the Index Future trade has resulted in profitability compared to actual purchase of the underlying index stocks. The profitability of Index Future as compared to an individual security will inter alia depend upon the carrying cost, the interest available on surplus funds and the transaction cost.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. Illustrative list of strategies that employ index futures:
(a) The Fund has an existing equity portion invested in a basket of stocks. In case the Fund Manager has a view that the equity markets are headed downwards, the Fund can then hedge the exposure to equity either fully or partially by initiating short futures positions in the index. A similar position in the long direction can also be initiated by the Fund to hedge its position of cash and permissible equivalents. The extent to which this can be done is determined by existing regulations/guidelines.

(b) To the extent permissible by extant regulations, the Scheme can initiate a naked short position in an underlying index future traded on a recognized stock exchange.

Illustration

In case the Nifty 50 near month future contract is trading at say, ₹ 5,850, and the Fund Manager has a view that it will depreciate going forward, the Fund can initiate a sale transaction of Nifty 50 futures at ₹ 5,850 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to ₹ 5,800 after say, 20 days, the Fund can initiate a square-up transaction by buying the said futures and book a profit of ₹ 50.

Correspondingly, the Fund can take a long position without an underlying cash/cash equivalent subject to the extant regulations.

Risk associated with this strategy

1. Lack of opportunities available in the market
2. Inability of derivatives to correlate perfectly with the underlying indices
3. Execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution takes place.

Strategies that employ Stock specific Futures and their objectives

(a) Selling spot and buying future: In case the Fund holds the stock of a company at say ₹ 1,000 while in the futures market it trades at a discount to the spot price say at ₹ 980, then the Fund may sell the stock and buy the futures. On the date of expiry of the stock future, the Fund may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free ₹ 20 (2% absolute) on its holdings.

(b) Buying spot and selling future: Where the stock of a company is trading in the spot market at ₹ 1,000 while it trades at ₹ 1,020 in the futures market, then the Fund may buy the stock at spot and sell in the futures market thereby earning ₹ 20. In case of adequacy of cash with the Fund, this strategy may be used to enhance returns of the Scheme which was otherwise sitting on cash.

(c) Buying stock future: Where the Scheme wants to initiate a long position in a stock whose spot price is at say, ₹ 1,000 and futures is at ₹ 980, then the Fund may just buy the futures contract instead of the spot thereby benefiting from a lower cost option.

(d) In case the Fund has a bearish view on a stock which is trading in the spot market at ₹ 1,000 and the futures market at say ₹ 980, the Fund can express such a view, subject to extant SEBI regulations, by initiating a short position in the futures contract. In case the view is right and the futures price depreciates to say ₹ 900, the Fund can square up the short position thereby earning a profit of ₹ 80.

(e) Hedging and alpha strategy: The Fund may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock future and options may be used to hedge the stocks in the portfolio. The fund will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying an IT stock and selling Nifty IT Index future.

Risk associated with these strategies

1. Lack of opportunities available in the market
2. Inability of derivatives to correlate perfectly with the underlying security
3. Execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution takes place.

(c) Other Derivative Strategies

The AMC retains the right to enter into such derivative transactions as may be permitted by the applicable regulations from time to time.

Risk Control Mechanism

Since investing requires disciplined risk management, in order to protect the interests of investors, the AMC would incorporate adequate safeguards for controlling risks in the portfolio.

An independent risk management team is in place to oversee and monitor portfolio risk on a day-to-day basis. As a prudent measure, the AMC has broad internal investment norms and investments made through the schemes would be in accordance with the investment objectives of the schemes and provisions of SEBI Regulations. Any deviation is brought to the notice of the fund management team for corrective action. Follow up actions are made to ensure that the deviations are corrected within prescribed timelines. Where required, schemes specific guidelines are also in place.
<table>
<thead>
<tr>
<th><strong>DIFFERENTIATION FROM EXISTING PRODUCT:</strong></th>
<th><strong>BOI AXA Large &amp; Mid Cap Equity Fund (BALMCEF)</strong></th>
<th><strong>BOI AXA Tax Advantage Fund (BATAF)</strong></th>
<th><strong>BOI AXA Manufacturing &amp; Infrastructure Fund (BAMIF)</strong></th>
<th><strong>BOI AXA Equity Debt Rebalancer Fund (BAEDRF)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective/Purpose of the Scheme</strong></td>
<td>BALMCEF is a diversified multi-cap fund. As a result the Scheme will have the flexibility to invest in equity and equity related securities across market capitalization and sectors.</td>
<td>BATAF is an Equity Linked Savings Scheme (ELSS) offering Tax Benefits under Section 80C of the Income Tax Act. The fund is in the nature of a diversified multicap fund.</td>
<td>BAMIF is a manufacturing and infrastructure sector fund. As a result the Scheme will invest only in equity and equity related securities of companies engaged in manufacturing and infrastructure and related sectors, and will not invest in companies belonging to other sectors.</td>
<td>BAEDRF is a dynamic fund wherein the asset allocation between equity and fixed income is determined by the month end P/E ratio of the Nifty 50 TRI. The portfolio is rebalanced on a monthly basis as per pre-defined P/E bands.</td>
</tr>
<tr>
<td><strong>Investment Strategy</strong></td>
<td>Under normal market conditions, the Scheme would invest predominantly in a diversified portfolio constituting equity and equity related instruments of companies that the Fund Manager believes have sustainable business models, and potential for capital appreciation. The Scheme would follow an actively managed approach without any sectoral bias. The Fund would invest predominantly in large cap (35 to 65%) and mid cap (35 to 65%) companies while having the flexibility to also invest up to 30% in small cap companies. The investment environment, valuation parameters and other investment criteria will determine the allocation and the investment style.</td>
<td>BATAF will invest predominantly in a diversified portfolio constituting equity and equity related instruments of companies that the Fund Manager believes have sustainable business models, and potential for capital appreciation. The fund would follow an actively managed approach allowing it the flexibility to pursue opportunities across the entire market capitalization spectrum, from smaller companies to well established large-cap companies, without having any bias in favour of sectoral allocations or market capitalization. The investment environment, valuation parameters, and other investment criteria will determine the allocation and the investment style.</td>
<td>Under normal market conditions, BAMIF would invest predominantly in a diversified portfolio constituting equity and equity related instruments of companies engaged in manufacturing and infrastructure and related sectors. The Fund would follow an actively managed approach allowing it the flexibility to pursue opportunities across the entire market capitalization spectrum, from smaller companies to well-established large-cap companies, within the pre-defined sectors. The investment environment, valuation parameters, and other investment criteria will determine the allocation and the investment style.</td>
<td>The scheme’s asset allocation between equity and fixed income will be determined based on the month end P/E ratio of the Nifty 50 TRI. The scheme will reduce weightage to equities as the P/E ratio of the market increases and vice versa. The equity component of BAEDF would follow an actively managed approach within the eligible investment universe comprising the Top 100 stocks by market capitalization listed on the BSE/NSE at the time of investment. The Fixed Income investments will follow a disciplined investment process and endeavor to construct a well-diversified, high credit portfolio that minimizes liquidity risk and credit risk. The Fund Manager shall evaluate all the investment proposals to ensure that the credit risk is kept at the minimum level. The alpha to the portfolio will be generated by managing the interest rate risk across different asset classes and duration buckets.</td>
</tr>
<tr>
<td><strong>Asset Allocation</strong></td>
<td>Large Cap Equity* and equity related - 35% to 65% Midcap Equity and equity related securities** - 35% to 65% Small Cap Equity and equity related securities*** - 0 to 30% Debt &amp; Money Market Securities / Instruments # - 0 to 30% Units of InvfTs/REITs - 0 to 10% Investments in derivative instruments shall not exceed 50% of net assets of the portfolio. # no investments will be made in securitized debt. *Large cap are defined as companies 1st - 100th company in terms of full market capitalization **Mid caps are defined as companies 101st - 250th Company in terms of full market capitalization. ***Small cap are defined as 251st Company onwards in terms of full market capitalization.</td>
<td>Equity and equity related Securities - 80% to 100% Debt &amp; money market Securities - 0 to 20%</td>
<td>Equity and equity related securities of companies engaged in Manufacturing infrastructure and related sectors - 80% to 100% Debt &amp; money market Securities - 0 to 20%</td>
<td>Equity and equity related securities - 15% to 85% Debt &amp; Money Market Securities/ Instruments - 15% to 85% Units of InvfTs/REITs - 0 to 10%</td>
</tr>
</tbody>
</table>
Differentiation factors

<table>
<thead>
<tr>
<th>BOI AXA Large &amp; Mid Cap Equity Fund (BALMCEF)</th>
<th>BOI AXA Tax Advantage Fund (BATAF)</th>
<th>BOI AXA Manufacturing &amp; Infrastructure Fund (BAMIF)</th>
<th>BOI AXA Equity Debt Rebalancer Fund (BADERF)</th>
</tr>
</thead>
</table>

Who should invest in the scheme

BOI AXA Large & Mid Cap Equity Fund is an open-ended equity scheme investing predominantly in large cap and mid cap stocks. The scheme can also invest up to 30% of its portfolio in small cap stocks. Being a diversified fund, the scheme would be less volatile as compared to a thematic or sectoral fund. However, equity shares with a mid or small market capitalisation are typically more volatile than as compared to shares having large market capitalizations. Hence, the performance of the fund could be more volatile as compared to a fund that invests only in companies with large market capitalizations. The fund is thus suited to investors with some prior experience in equity investing or even for first-time equity investors who are aware of the risk associated with investing in equities, particularly with regard to mid and small capitalization companies.

BATAF is an ELSS and hence suited for investors who wish to avail of a deduction of income under Sec 80C of Income Tax Act. BATAF being an Equity Linked Savings Scheme (ELSS) has a 3-year lock-in period. The fund is suitable for investors with a long-term investment horizon. In terms of fund management, the 3-year lock-in period gives the fund manager the comfort of planning his investments with a long-term horizon.

BAMIF is a manufacturing and infrastructure sector fund. Unlike a fully diversified equity fund, the portfolio concentration of this Scheme would be higher and hence the fund is expected to be more volatile. However, over a long term, the Scheme will benefit by the sustained focus on manufacturing and infrastructure development in India. The Scheme would be more suitable for investors who are desirous of increasing their exposure to manufacturing and infrastructure sector in their personal equity portfolio. Thus, this Scheme could act as a “top-up” over existing investments of such investors in diversified equity funds. However, for a first-time investor, it might still be advisable to initially start his investment with a diversified equity fund.

The scheme reduces weightage to equities as the P/E ratio of the market increases and vice versa. By dynamic asset allocation, the scheme aims to reduce volatility as compared to a pure equity fund. Thus, the scheme is suited to the more conservative investors or even first-time investors in equities. However, since the fund would normally have exposure to equities, investors should be aware of the risk associated with equity investments.

**Assets under Management (As on April 30, 2020) (₹ in crore)**

<table>
<thead>
<tr>
<th></th>
<th>BALMCEF</th>
<th>BATAF</th>
<th>BAMIF</th>
<th>BADERF</th>
</tr>
</thead>
<tbody>
<tr>
<td>159.86</td>
<td>256.48</td>
<td>34.26</td>
<td>99.43</td>
<td></td>
</tr>
</tbody>
</table>

**No of folios as on April 30, 2020**

<table>
<thead>
<tr>
<th></th>
<th>BALMCEF</th>
<th>BATAF</th>
<th>BAMIF</th>
<th>BADERF</th>
</tr>
</thead>
<tbody>
<tr>
<td>17724</td>
<td>37954</td>
<td>4223</td>
<td>4149</td>
<td></td>
</tr>
</tbody>
</table>

**Objective/Purpose of the Scheme**

BAMSEDF is an open-ended Equity Fund which can invest 65 to 80% in mid and small cap equities and the remaining in fixed income instruments.

BASCF is a small cap fund which can invest in equity and equity-related securities of small cap companies.

To generate income through arbitrage opportunities between cash and derivative opportunities within the derivative segment and by deployment of surplus cash in debt securities and money market instruments.

**Investment Strategy**

The equity component of the portfolio will be invested in mid and small cap companies (i.e., not part of the top 100 stocks by market capitalization). Mid caps are defined as 101-250th company in terms of full market capitalization and small caps are defined as 251st company onwards in terms of full market capitalization. The equity exposure within the 65% to 80% band would be dynamically managed by the fund manager based on market valuations.

Under normal market conditions, BASCF would invest 65% to 100% of its assets in a diversified portfolio constituting equity and equity-related instruments of small cap companies that the Fund Manager believes have sustainable business models, and potential for capital appreciation.

The fund also has the flexibility to invest up to 35% of its assets in equity & equity related instruments of companies other than small cap companies. The fund manager would follow an actively managed approach allowing it the flexibility to pursue opportunities without having any bias in favour of sectoral allocations.

The investment environment, valuation parameters and other investment criteria will determine the allocation and the investment style.

Under normal market conditions and depending on the Fund Manager's views, the assets of the Scheme would be invested across stocks that represent a broad range of sectors of the economy in order to ensure adequate portfolio diversification.

Asset allocation of the scheme will be 65% to 100% in Equity and Equity Derivatives on account of arbitrage strategy pursued by the fund. The fund will not take unhedged, directional exposure in Equity and Equity derivatives.

The fund manager will evaluate price mismatch of a security between spot price (cash market) and futures market. If the price of a stock in the futures market is higher than in the cash market, after adjusting for cost and taxes, the schemes shall buy the stock in the spot market and sell the same stock in equal quantity in the futures market simultaneously.

The fund will endeavor to build similar market neutral positions that offer an arbitrage potential for e.g., buying the basket of index constituents in the cash segment and selling the index futures and selling the corresponding stock future etc. The fund would also look to avail of opportunities between futures contracts of different months.

However, under defensive circumstance fund may change where in the event of adequate arbitrage opportunities not being available in the equity and derivative markets.
## DIFFERENTIATION FROM EXISTING PRODUCT:

<table>
<thead>
<tr>
<th>Differentiation factors</th>
<th>BOI AXA Mid &amp; Small Cap Equity &amp; Debt Fund (BAMSEDF)</th>
<th>BOI AXA Small Cap Fund (BASCF)</th>
<th>BOI AXA Arbitrage Fund (BAAF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Allocation</td>
<td>Mid Cap &amp; Small Cap Equity &amp; Equity Related Securities* - 65% to 80% Debt &amp; Money market instruments - 20 to 35% *Mid Caps are defined as the 101st -250th company in terms of full market capitalization Small caps are defined as the 251st company onwards in terms of full market capitalization.</td>
<td>Equity &amp; Equity related instruments of Small Cap Companies - 65% to 100% Equity &amp; Equity related instruments of Companies other than Small Cap Companies - 0 to 35% Debt &amp; money market instruments - 0 to 35% Units of InvITs/REITs - 0 to 10%</td>
<td>The Asset Allocation Pattern of the Scheme under normal circumstances would be as under: o Equity and equity related securities* - 65% to 100% o Equity Derivatives* - 65% to 100% o Debt &amp; Money market securities/ instruments - 0% to 35% <em>The asset allocation to the extent of 65% to 100% in Equity and Equity Derivatives is on account of arbitrage strategy pursued by the fund. The Asset Allocation Pattern of the Scheme under defensive circumstances would be as under: o Equity and equity related securities</em> - 0% to 35% o Equity Derivatives* - 0% to 35% o Debt &amp; Money market securities/ instruments - 0% to 35% Defensive circumstances are when in the event of adequate arbitrage opportunities not being available in the equity and derivative markets or are when the arbitrage opportunities in the market are negligible or returns are lower than alternative investment opportunities as per the allocation pattern. The allocation under defensive circumstances will be made keeping in view the interest of the Unit holders. Such deviations shall normally be for a short term purpose only, for defensive considerations and the intention being at all times to protect the interests of Unit Holders. The rebalancing of the portfolio in accordance with the asset allocation pattern indicated above shall be done within a period of 30 days and will be ensured that the portfolio adheres to the investment objective of scheme. In cases where the rebalancing is not carried out within 30 days, the reasons for not carrying out the rebalancing within the aforesaid period will be placed before the Trustees and Investment Committee for its consideration.</td>
</tr>
</tbody>
</table>

### Who should invest in the scheme

BAMSEDF is a Equity fund investing in mid and small cap equity stocks (i.e. not part of the top 100 stocks by market capitalization) as well as fixed income securities. While the fixed income component of the portfolio is expected to provide some buffer from the volatility of mid and small caps, a 65% portion of the portfolio will always be invested in mid cap equities. Hence, investors must understand the higher risk and volatility involved with investing in mid and small caps as compared to large cap stocks.

BASCF is an Equity fund investing in small cap equity stocks (i.e. not part of the top 251 stocks by market capitalization) as well as fixed income securities. While the fixed income component of the portfolio is expected to provide some buffer from the volatility of small caps, a 65% portion of the portfolio will always be invested in small cap equities. Hence, investors must understand the higher risk and volatility involved with investing in small caps as compared to large cap stocks.

BAAF is a scheme investing in arbitrage opportunities arising between cash and derivative segments of the equity market and arbitrage opportunities within the derivative segment. Fund tries to generate minimal volatility by investing in equity, arbitrage strategies which fully offset the equity exposure and investments in debt instruments. However, there can be no assurance that the investment objective of the Scheme will be realized.

### Assets under Management

<table>
<thead>
<tr>
<th></th>
<th>BAMSEDF</th>
<th>BASCF</th>
<th>BAAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>(As on April 30, 2020) (₹ in crore)</td>
<td>298.55</td>
<td>51.52</td>
<td>39.41</td>
</tr>
</tbody>
</table>

### No of folios as on April 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>BAMSEDF</th>
<th>BASCF</th>
<th>BAAF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15972</td>
<td>6646</td>
<td>216</td>
</tr>
</tbody>
</table>
E. Investment Strategy

For Equity Investments:

Under normal market conditions, BOI AXA Multi Cap Fund would invest 65% to 100% of its assets in a diversified portfolio constituting equity and equity related instruments across market capitalization that the Fund Manager believes have sustainable business models, and potential for capital appreciation. The Schemes would follow an actively managed approach allowing it the flexibility to pursue opportunities without having any bias in favour of sectoral allocations. The investment environment, valuation parameters and other investment criteria will determine the allocation and the investment style. Under normal market conditions and depending on the Fund Manager’s views, the assets of the Scheme would be invested across stocks that represent a broad range of sectors of the economy, in order to ensure adequate portfolio diversification.

The Fund Manager would follow a top down approach to shortlist stocks for portfolio construction in line with the process outlined below. Under the top down process the Fund Manager would look at the global and Indian economy and the domestic policy environment and stock valuations. This would result in identification of themes which have a potential to outperform. The final stock selection process would be a bottoms-up process wherein stocks from the short listed themes would be picked up based on valuations. For asset allocation, the Fund Manager would take the help of qualitative framework of MVPS (Macro, Valuation, Policy and Sentiment). Sentiment would be gauged from factors like the positive/negative breadth of the market, inflows/outflows into equity mutual funds and FPI buying/selling figures.

Investment Process: Clear 5 Step Process

<table>
<thead>
<tr>
<th>Process Step</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
<th>Step 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Screening the entire equity universe based on quantitative and qualitative criteria</td>
<td>A Focus List of attractive stocks (approx. 150 stocks). Stocks identified based on industry status, company competitive analysis and valuations</td>
<td>Asset allocation in accordance with the MVPS framework.</td>
<td>Portfolio Construction in accordance with Product Positioning and the outcome of our Asset Allocation, Industry Research and Screening process.</td>
<td>Risk reports</td>
<td></td>
</tr>
<tr>
<td>Decision Process : Parameters</td>
<td>Quantitative + Qualitative Overlay</td>
<td>Industry + Company approach</td>
<td>Equities Team</td>
<td>Fund Manager</td>
<td>Risk Committee</td>
</tr>
</tbody>
</table>

For Debt Investments:

The Fund Manager will follow a disciplined investment process to meet the Scheme specific investment objectives. He will endeavor to construct a well-diversified, high credit portfolio that minimizes liquidity risk and credit risk. The Fund Manager shall evaluate all the investment proposals to ensure that the credit risk is kept at the minimum level. The portfolios will be constructed in such a manner that the obligations to the investors are met at all points in time and under all circumstances. The alpha to the portfolio will be generated by managing the interest rate risk across different asset classes and duration buckets. The funds would be managed keeping the Scheme's objectives in mind and with a long term investment horizon for the fund.

Investment Process

| Macro research & asset allocation | Micro Research | Security selection | Portfolio Construction/ balancing | Performance monitoring |
The investment process will be a five stage process as outlined in the above diagram. The process will be research oriented. It will comprise of qualitative as well as quantitative research. Macro economic call will be taken on interest rate direction through detailed analysis of various influencing factors like inflation, money supply, government borrowing, private sector borrowing, currency market movement, central bank policy, domestic fiscal and monetary policy, global interest rate scenario and market sentiment. Interest rate direction call will be supplemented by technical analysis of market and short term influencing factors like trader position, auction/issuance of government/corporate securities, release of economic numbers etc. Interest rate direction call and anticipation of yield curve movement will form the basis of portfolio positioning in duration terms. Holding period return analysis will decide the portfolio selection.

Credit research will be done on a regular basis for all companies. Credit research will include reports as well as rating rationales and other inputs from external agencies. Both qualitative and quantitative inputs will form part of the final decision. Internal credit exposure limits, both for individual companies and groups and counterparty exposure limits for repo transactions will be part of the approved list from the risk management team.

Asset allocation will be determined based on holding period detail analysis of spread movement across different asset classes over different time periods and time buckets.

Members of the Investment team comprising Head of Fixed Income and fund managers will continuously review and analyze market movement, events and news. Trading strategy and asset allocations will be decided and reviewed on a proactive basis. The Investment team will closely coordinate with Risk Management team for all credit related issues and exposures. The Investment team at all points in time will work in a manner to maintain flexibility and responsiveness to the constantly evolving market conditions.

**Investment Decisions**

The investment decisions for the Schemes will be taken by the Fund Manager(s), which will be consistent with the regulatory requirements and the investment objectives of the Scheme. The Fund may additionally observe such internal guidelines as may be prescribed by the Boards of the AMC / Trustee or any internal committee. Subject to above, the day to day investment management decision will solely be of the Fund Manager of the Scheme.

All investment decisions shall be recorded. Where an investment is proposed to be made for the first time in any scrip, this will be preceded by making a detailed report justifying such investment. The performance of the Scheme shall be reviewed by Investment Committee comprising Chief Executive Officer, Deputy Chief Executive Officer, Chief Operating Officer, Chief Investment Officer, Head-Equity, Head-Fixed Income, Fund Managers, Head-Compliance, Risk Analyst and Head - Risk at periodic intervals. Performance of the Scheme will be also discussed and reviewed by the Boards of the AMC and the Trustee respectively, or any designated Committees, including performance vis-à-vis benchmark indices / peer group.

**Credit Evaluation Policy**

Credit Analysis at BOI AXA Investment Managers is an independent function performed by the Risk Management team. The Risk Team is responsible for evaluating, setting up and monitoring lending limits for each debt issuer.

Each debt issuer (including lending limits) upon recommendation by the credit analyst has to be approved by the Risk Management Committee before being eligible for Investment.

Issuer risk limits cover the quantum of exposure and maximum investment tenor. Issuer limits for individual Scheme are determined by its investment objectives, regulatory guidelines, internal investment risk guidelines and assets under management. Risk limits for issuers are reviewed regularly by the Risk Management Committee. Internal Investment Risk Guidelines include eligible instrument universe, maximum exposure based on credit ratings, duration limits, liquidity constraints and concentration limits.

**Credit evaluation process:** In-depth credit evaluations of issuers are undertaken focusing on (but not be limited to) the following:

a) Business Risk assessment including economic scenario
b) Industry analysis in terms of the competitive dynamics of the market in which the company / issuer operate
c) Detailed financial analysis of company / issuer based on key financial ratios
d) Management quality

**DEBT AND MONEY MARKET IN INDIA**

The Indian debt markets are one of the largest such markets in Asia. Government and Public Sector enterprises are predominant borrowers in the market. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts and pension funds. The instruments in the market can be broadly categorized as those issued by corporates, banks, financial institutions and those issued by state/central governments.

The debt markets are developing fast, with the rapid introduction of new instruments including derivatives. Foreign Institutional Investors are also allowed to invest in Indian debt markets now. According to National Stock Exchange, the market capitalization of the Indian Bond markets is approximately ₹ 9783.27 Billion as on April 30, 2020 (source: Bloomberg) The money markets in India essentially consist of the Treasury bills (T-bills), Commercial Papers (CPs), Certificate of Deposits(CDs), Bill Rediscouting (BRD) and Tri Party Repos (TREPS).

The Government of India (GOI) routinely issues both T-bills and government securities for liquidity and fiscal management. The T-bills are issued as a discount to their face value whereas the government securities are issued as coupon bearing securities. The GOI had issued certain Zero Coupon Bonds (ZCB) in the past. Both the T-bills and the coupon bearing government securities are issued by RBI on behalf of GOI. Total Outstanding in the Government securities market on April 30, 2020 was ₹ 60190.76 billion (source: Bloomberg).

The Corporate bond market is also fast developing with greater number of corporates raising capital through issuances of non-convertible debentures and commercial papers. The corporates are issuing both dated coupon bearing and floating rate NCDs. The debentures and CPs are rated by rating agencies. Some of the capital is even raised through the private placement route. Of late the money market segment of the Indian debt market has become liquid and the longer dated bonds and debentures are less liquid in comparison. Currently, the corporate sector is issuing floating rate debentures linked both to the MIBOR and the INBMK (Indian G-Sec benchmark). The debt market presently offers a variety of short term and medium term instruments with different risk and return characteristics. The various instruments currently available for investments and their indicative yield are as (on April 30, 2020):

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Tenor</th>
<th>Yield (%)</th>
<th>Liquidity</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-Bills</td>
<td>91 days</td>
<td>3.60</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>364 days</td>
<td>3.67</td>
<td>High</td>
</tr>
<tr>
<td>Commercial Papers</td>
<td>3 months</td>
<td>5.90</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>6 months</td>
<td>6.60</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>12 months</td>
<td>7.25</td>
<td>Low</td>
</tr>
<tr>
<td>Government Securities</td>
<td>1 year</td>
<td>4.08</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>5 years</td>
<td>5.73</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>10 years</td>
<td>6.11</td>
<td>High</td>
</tr>
<tr>
<td>Corporate Security</td>
<td>1 year</td>
<td>6.10</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>2 years</td>
<td>6.37</td>
<td>Medium</td>
</tr>
<tr>
<td>Floating Rate Securities</td>
<td>1 Year +</td>
<td>Mibor/INBMK +</td>
<td>Very Low</td>
</tr>
</tbody>
</table>

The above are only indicative yields and actual yields may be influenced by various factors including general levels of interest rates, market conditions prevailing from time to time such as liquidity in the banking system, credit rating and macro-economic and political factors.

**F. Inter - Scheme Investments**

Inter-scheme transfer of investments can be made from / to this Scheme to / from another Scheme of the Fund only if:

(a) such transfer is done at the prevailing market price for quoted instruments on spot basis; and

(b) the security(ies) so transferred is / are in conformity with the investment objective of the scheme.

**G. Portfolio Turnover**

Portfolio turnover is the aggregate volume of purchases and sales as a percentage of the corpus of the Scheme during a specified period of time. The Scheme being an open-ended Scheme, it is expected that there would be a number of
subscriptions and redemptions on a daily basis. The portfolio turnover in the
Schemes will be a function of monthly re-balancing of asset classes, inflows,
outflows as well as market opportunities available to the Fund Manager.

Consequently, it is difficult to estimate with any reasonable measure of accuracy,
the likely turnover in the portfolio(s). It will be the endeavor of the Fund Manager
to keep the portfolio turnover rate as low as possible.

H. Borrowing & Lending by the Fund

The Scheme may borrow monies to meet temporary liquidity requirements for
the purpose of repurchase or redemption of Units or the payment of interest to
the Unit holders. However, such borrowing shall be restricted to 20% of the net
assets of the Scheme and for a maximum period of six months. The limit of 20%
may be revised by the Scheme and to the extent the Regulations may permit.

The Scheme may raise such borrowings, secured or unsecured, from any
person or entity as it may deem fit, including Sponsor or Shareholders of any of
their associate / group / affiliate entities or banks, after approval by the Trustee,
at market related rates.

The Scheme will not advance any loans.

I. Stock Lending by the Fund

Stock Lending involves 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. Subject to and to the extent permitted by the Regulations, the
Trustee may permit the Fund to engage in Stock Lending. The Fund can temporarily
lend, through an approved intermediary, securities held by the Scheme through
an approved intermediary, securities held by the Scheme through an approved
intermediary to reputed counter-parties, for a fee, subject to internal norms, if
any. This would enable generating better returns on those securities, which are
otherwise bought with the intention of holding the same for a longer period of
time. The securities lent will be returned by the borrower on the expiry of the
stipulated period or the lender can call the same back before its expiry.

The AMC will follow regulatory restrictions as may be prescribed in carrying on
the activities of Stock lending. Such lent stock, while they are on-lending, will
not be available for sale, and this can result in temporary illiquidity.

The Fund Manager may engage in Stock Lending as per following limits:

- Not more than 20% of the net assets of the Scheme can generally be
  deployed in Stock Lending.
- Not more than 5% of the net assets of the Scheme can generally be
  deployed in Stock Lending to any single counter party.

J. Investment by AMC, Sponsor etc.

The AMC, Trustee Company, Sponsor, Shareholders and their affiliates, associate
or group companies / entities may, subject to regulatory permissions wherever
applicable, invest directly or indirectly in the Scheme from time to time.

The AMC will not charge any fees to the Fund / Scheme in relation to its own
investments in the Units of the Scheme as provided under extant regulations,
unless regulatory permitted.

It is likely that the above entities may acquire a substantial portion of the
Scheme's Units and thus cumulatively hold a major investment in the Scheme.
In that case, if they or any of them tender Units for redemption, there may be an
adverse impact on the NAV of the Units of the Scheme and the timing of such
repurchase may impact the ability of other Unit holders to tender their Units for
repurchase.

K. Fundamental Attributes

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

(i) Type of Scheme: An open ended equity scheme investing across large
cap, mid cap, small cap stocks

(ii) Investment Objective: The Scheme's investment objectives are detailed in
para B "What is the Investment Objective of the Scheme" under Section III
 titled "Information about the Scheme".

Investment Pattern: The details of Investment Pattern are mentioned in
para C "How will the Scheme Allocate its Assets" under Section III titled
"Information about the Scheme".

(iii) Terms of Issue

Terms of Issue relating to listing, re-purchase, redemption, fees and
expenses; and Annual Scheme Recurring Expenses (as % of daily net
assets) are detailed in Section IV titled "Units and Offer" and Section V
 titled "Fees and Expenses".

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the
Trusted will ensure that no change in the Fundamental Attributes of the
Scheme or the Trust or fees and expenses payable or any other change
which would modify the Scheme and Plans thereunder and affect the
interest of the Unit holders is carried out unless:

(a) 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

(b) the Unit holders are given an option for a period of 30 days to exit at
the prevailing NAV without any Exit Load.

However, changes / modifications to the Scheme made in order to comply
with Regulations or any change therein will not constitute change in
Fundamental Attributes.

(iv) Any safety net or guarantee provided: The Scheme does not provide any
guaranteed or assured return
L. Creation of Segregated Portfolio:

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

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

1) Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
   a) Downgrade of a debt or money market instrument to ‘below investment grade’, or
   b) Subsequent downgrades of the said instruments from ‘below investment grade’, or
   c) Similar such downgrades of a loan rating

2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.

3) Creation of segregated portfolio is optional and at the discretion of the BOI AXA Investment managers Private Limited. (‘BAIM / AMC’).

Process for Creation of Segregated Portfolio

1) Once the AMC decides on creation of segregated portfolio on the day of credit event/receipt of information about actual default of unrated debt or money market instruments, it shall follow the process laid down below:
   a) AMC shall seek approval of Trustee prior to creation of the segregated portfolio.
   b) AMC shall issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. It shall also be disclosed that the segregation shall be subject to approval of Trustee. Additionally, the said press release shall be prominently disclosed on the website of the AMC.
   c) AMC shall ensure that till the time the Trustee approval is received, which in no case shall exceed 1 (one) business day from the day of credit event, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.

2) Upon receipt of approval from Trustee:
   a) Segregated portfolio will be effective from the day of credit event
   b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.
   c) An e-mail or SMS will be sent to all unit holders of the concerned scheme(s).
   d) The NAV of both segregated and main portfolio(s) will be disclosed from the day of the credit event.
   e) All existing investors in the scheme(s) as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
   f) No redemption and subscription will be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, AMC will enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.
   g) After creation of segregated portfolio, investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio. Further investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.

3) If the Trustee do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same and subscription and redemption applications will be processed based on the NAV of total portfolio.

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

5) Further, in accordance with SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2019/127 dated November 07, 2019, Creation of segregated portfolio in mutual fund schemes has been permitted in respect of unrated debt or money market instruments by mutual fund schemes of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following terms:
   a) Segregated portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount. As per SEBI circular dated December 28, 2018, credit event is considered for creation of segregated portfolio, however for the purpose of SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2019/127 dated November 07, 2019, actual default by the issuer of such instruments shall be considered for creation of segregated portfolio.
   b) AMCs shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMCs may segregate the portfolio of debt or money market instruments of the said issuer in terms of SEBI circular dated December 28, 2018.
   c) All other terms and conditions as stated in SEBI circular dated December 28, 2018 shall remain the same.

Disclosures:

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

a) A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.

b) Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.

c) The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.

d) The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.

f) The disclosures at point (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.

g) The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

**TER for the Segregated Portfolio**

a) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.

b) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.

c) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.

d) The costs related to segregated portfolio will not be charged to the main portfolio.

**Monitoring by Trustees**

a) In order to ensure timely recovery of investments of the segregated portfolio, trustees shall ensure that:

i. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.

ii. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.

iii. An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustees meeting till the investments are fully recovered/ written-off.

iv. The trustees shall monitor the compliance of aforesaid SEBI circular and disclose in the half-yearly trustees reports filed with SEBI, the compliance in respect of every segregated portfolio created.

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

**Risks associated with segregated portfolio**

a) Investor holding units of segregated portfolio may not be able to liquidate their holding till the time recovery of money from the issuer.

b) Security(ies) held in segregated portfolio may not realize any value.

c) Listing of units of segregated portfolio in recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

**Illustration of Segregated Portfolio**

Portfolio Date : 30-Jun-19
Downgrade Event Date: 30-Jun-19
Downgrade Security: 7.65% Z Ltd from AA+ to B (senior secured security)
Valuation Marked Down: 25%

The investor is holding 1000 Units of the Scheme, amounting to (1000*15.0573) ₹ 15057.30

<table>
<thead>
<tr>
<th>Security</th>
<th>Rating</th>
<th>Type of the Security</th>
<th>Quantity</th>
<th>Price Per Unit (₹)</th>
<th>Market Value (₹ in Lacs)</th>
<th>% of Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.90% X Finance Ltd.</td>
<td>CRISIL AA</td>
<td>NCD</td>
<td>32,00,000</td>
<td>102.812</td>
<td>3,289.98</td>
<td>21.850</td>
</tr>
<tr>
<td>8.70 % Y Industries Ltd.</td>
<td>CRISIL AA</td>
<td>NCD</td>
<td>32,30,000</td>
<td>98.5139</td>
<td>3,182.00</td>
<td>21.133</td>
</tr>
<tr>
<td>7.65 % Z Ltd</td>
<td>CRISIL B*</td>
<td>NCD</td>
<td>32,00,000</td>
<td>73.8430</td>
<td>2,362.97</td>
<td>15.693</td>
</tr>
<tr>
<td>D Ltd (15/May/2019)</td>
<td>ICRA A1+</td>
<td>CP</td>
<td>32,00,000</td>
<td>98.3641</td>
<td>2,137.65</td>
<td>14.470</td>
</tr>
<tr>
<td>7.65 % E Ltd.</td>
<td>CRISIL AA</td>
<td>NCD</td>
<td>30,00,000</td>
<td>98.6757</td>
<td>2,060.27</td>
<td>13.900</td>
</tr>
<tr>
<td>Cash / Cash Equivalents</td>
<td></td>
<td></td>
<td></td>
<td>114.47</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets</td>
<td></td>
<td></td>
<td></td>
<td>15,057.34</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit Capital (no of units)</td>
<td></td>
<td></td>
<td></td>
<td>1000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAV (₹)</td>
<td></td>
<td></td>
<td></td>
<td>15,057.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Marked down by 25% on the date of credit event. Before Marked down the security was valued at ₹ 98.4570 per unit on the date of credit event i.e. on 30th June 2019, NCD of 7.65% Z which is a hotel operator will be segregated as separate portfolio.*
M. How will the Scheme benchmark its performance

The Scheme will benchmark its performance to S&P BSE 500 Total Return Index. The Fund will also have the flexibility to invest in companies across the market capitalization spectrum and as such, the constituents of the S&P BSE 500 Index reasonably represent the universe for building the portfolio of the scheme.

N. Who Manages the Scheme

Name & Designation of Fund Manager

<table>
<thead>
<tr>
<th>Name &amp; Designation of Fund Manager</th>
<th>Age &amp; Qualification</th>
<th>Experience details in brief</th>
<th>Name of the other Scheme under his management</th>
</tr>
</thead>
</table>
| Mr. Alok Singh, Chief Investment Officer | Age: 43 years Qualification: B.Com, PGDBA, CFA | Around 19 years of Experience including 15 years in Mutual Fund Industries. Experience details:
1. BOI AXA Investment Managers Private Limited (April 2012 To Present)
2. BNP Paribas Asset Management Pvt. Ltd. (February 2005 to March 2012)
3. Axis Bank Limited (August 2000 to January 2005) | 1. BOI AXA Large & Mid Cap Equity Fund (Formerly BOI AXA Equity Fund) w.e.f. February 16, 2017
2. BOI AXA Conservative Hybrid Fund (Formerly BOI AXA Regular Return Fund) w.e.f. May 21, 2012
3. BOI AXA Credit Risk Fund w.e.f February 27, 2015
4. BOI AXA Mid & Small Cap Equity & Debt Fund (Formerly BOI AXA Mid Cap Equity & Debt Fund) w.e.f. February 16, 2017
5. BOI AXA Manufacturing & Infrastructure Fund w.e.f. February 16, 2017
6. BOI AXA Short term Income Fund w.e.f January 23, 2020

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.
O. Underwriting by the Scheme

The Scheme does not propose to underwrite any securities.

P. What are the Investment Restrictions

The Investments to be made under the Scheme are subject to various restrictions as prescribed by the Seventh Schedule of the Regulations including any amendments thereto and SEBI circulars issued from time to time and the Trust Deed as summarized below. These restrictions would be kept in view at the time of making investments. Additionally, the Scheme may be subject to internal guidelines / restrictions, which may include limiting sectoral exposure to a particular scrip or sector as may be decided by the Trustee/AMC. Investments by the Scheme will also be subject to the investment objective, investment strategy and investment pattern described previously. Restrictions relating to Regulations and Trust Deed referred above are as follows:

1. The investment shall at all times be in accordance with the SEBI Regulations and other applicable regulations.

2. A scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company.

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations.

Provided further that investment within such limit can be made in mortgage backed, secured or debentures debt which are rated below investment grade by a credit rating agency registered with the Board.

3. A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments and derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used for hedging.

Provided that Mutual Fund Schemes may invest in unlisted nonconvertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time:

In terms of SEBI circular no. SEBI/HO/MD/DF2/CIR/P/2019/104 dated October 01, 2019 all investments in CPs would be made only in CPs which are listed or to be listed with effect from one month from January 01, 2020.

4. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments.

5. A scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Boards of the Trustee and the AMC.

6. The scheme may invest in another scheme under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the management of the AMC or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the Mutual Fund.

7. No scheme shall make any investment in any fund of funds scheme.

8. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities. Provided that the Fund may engage in short selling, securities lending and derivatives transactions in accordance with the framework specified under the Regulations.

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.

9. The Mutual Fund shall get the securities purchased or transferred in its name on account of the concerned scheme, wherever investments are intended to be of long-term nature.

10. Pending deployment of funds in terms of investment objectives of the scheme, the Mutual Fund can deploy the funds of the Scheme in short term deposits of upto 91 days with scheduled commercial banks in line with SEBI Circular dated April 16, 2007. However, such deployment shall not exceed 15% of the net assets of the Scheme, or with Trustee's approval, upto 20%, across all banks, and further shall be limited to 10% of the net assets with any one scheduled commercial bank including its subsidiaries.

11. The Scheme shall not make any investment in: a) Any unlisted security of an associate or group company of the Sponsor; or b) Any security issued by way of private placement by an associate or group company of the Sponsor; or c) The listed securities of group companies of the Sponsor which is in excess of 25% of the assets.

12. The Scheme will comply with following exposure limits while participating in repo in corporate debt securities or such other limits as may be prescribed by SEBI from time to time:

- The gross exposure to repo transactions in corporate debt securities shall not be more than 10% of the net assets of the scheme.
- Further the amount lent to counter-party under repo transaction in corporate debt securities will be included in single issuer debt instrument limit.
- The cumulative gross exposure through repo transactions in corporate debt securities along with debt shall not exceed 100% of the net assets of the Scheme.
- In case the Scheme borrows under repo in corporate debt securities, then such borrowing together with any other borrowing shall not exceed 20% of the net asset of that Scheme and tenor of borrowing shall not exceed six months.

13. Inter-scheme transfer of investments from one scheme to another scheme of the Mutual Fund shall be allowed only if:

   a. Such transfers are done at the prevailing market price for quoted instruments on spot basis.

   b. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

14. No scheme shall be able to invest more than 10% of its NAV in equity shares or equity related instruments of any company.

15. The Scheme shall not invest more than 5% of its NAV in unrated equity shares or equity related instruments of any company.

16. Total exposure of the scheme in a particular sector (excluding investments in Bank CDs, TRePS, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks and such other instruments if any, as may be specified by SEBI) from time to time shall not exceed 20% or such other percentage of the net assets of the scheme, as prescribed by SEBI from time to time, unless the scheme has specifically been exempted from the requirement by SEBI.

An additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs). Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme.

Note: The sector classification shall be basis the data provided by Association of Mutual Fund in India.

17. The Mutual Fund shall subject to Regulations settle its transactions only through dematerialised securities except such instruments which are to be transacted only in physical form. Further, all transactions in government securities shall also be in dematerialised form.

18. The Scheme shall not invest (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector
For this purpose, “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 associate.

Further, limit for investment in debt and money market instruments of group companies of sponsor and AMC is 10% of the net assets of the scheme which can be extended to 15% with the prior approval of the Board of Trustees.

19. The Mutual Fund under all its schemes taken will not own more than 10% of any company's paid up capital carrying voting rights.

Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 7B of the SEBI (Mutual Funds) Regulations, 1996.

20. Further, in terms of SEBI Circular ref no. SEBI/IMD/CIR NO 18/198647/2010 dated March 15, 2010, the Mutual Fund /AMC shall make investments out of the NFO proceeds only on or after the close of the NFO period.

21. Investment Restrictions for Derivatives:

Regulations require that following restrictions be observed in relation to position limits for exchange-traded derivative contracts:

<table>
<thead>
<tr>
<th>i. Position limit for the Mutual Fund in equity index options contracts</th>
<th>a. The Mutual Fund position limit in equity index options contracts on a particular underlying index shall be higher of $500 crores or 15% of the total open interest of the market in equity index options.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. This limit would be applicable on open positions in all options contracts on a particular underlying index.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ii. Position limit for the Mutual Fund in equity index futures contracts</th>
<th>a. The Mutual Fund position limit in equity index futures contracts on a particular underlying index shall be higher of $500 crores or 15% of the total open interest of the market in equity index futures.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>iii. Additional position limit for hedging:</th>
<th>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:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Short positions in index derivatives (short futures, short calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.</td>
<td></td>
</tr>
<tr>
<td>2. 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, T-Bills and similar instruments.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>iv. Position limit for mutual funds for stock based derivative contracts</th>
<th>The Mutual Fund position limit in a derivative contract on a particular underlying stock i.e. stock option contracts and stock futures contracts is as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. For stocks having applicable market-wise position limit (“MWPL”) of $500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or $300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or $150 crores, whichever is lower.</td>
<td></td>
</tr>
<tr>
<td>b. For stocks having applicable MWPL less than $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 $50 crores whichever is lower.</td>
<td></td>
</tr>
<tr>
<td>v. Position limit for each scheme of a mutual fund</td>
<td>The position limits for each scheme of mutual fund and disclosure requirements shall be:</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>1. 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:</td>
<td></td>
</tr>
<tr>
<td>1% of the free float market capitalisation (in terms of number of shares).</td>
<td></td>
</tr>
<tr>
<td>Or</td>
<td></td>
</tr>
<tr>
<td>5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).</td>
<td></td>
</tr>
<tr>
<td>2. This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.</td>
<td></td>
</tr>
<tr>
<td>3. For index based contracts, Mutual Funds may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees.</td>
<td></td>
</tr>
<tr>
<td>4) Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</td>
<td></td>
</tr>
<tr>
<td>a) Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.</td>
<td></td>
</tr>
<tr>
<td>b) Hedging positions shall not be taken for existing derivative positions. Exposure due to such positions shall be added and treated under gross cumulative exposure limits as mentioned under point 1.</td>
<td></td>
</tr>
<tr>
<td>c) Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.</td>
<td></td>
</tr>
<tr>
<td>d) The quantity of underlying associated with the derivative position taken for hedging purposes shall not exceed the quantity of the existing position against which hedge has been taken.</td>
<td></td>
</tr>
<tr>
<td>5 Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under gross cumulative exposure limits as mentioned under point 1.</td>
<td></td>
</tr>
<tr>
<td>6 The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.</td>
<td></td>
</tr>
</tbody>
</table>

Derivatives Exposure limits for the Scheme:

In accordance with SEBI Circular No. SEBI/DNPD/Cir-31/2006 dated August 22, 2006 and SEBI Circular No. Cir/IMD/DF/11/2010 dated August 18, 2010; the following exposure limits for investment in derivatives will be applicable to the Scheme:

1) The cumulative gross exposure through Equity, Debt, Corporate Debt, REITs, InvITs, Money Market securities and derivative positions shall not exceed 100% of the net assets of the scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.

2) The Schemes shall not write options or purchase instruments with embedded written options.

3) The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.

4) Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:

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

b) Hedging positions shall not be taken for existing derivative positions. Exposure due to such positions shall be added and treated under gross cumulative exposure limits as mentioned under point 1.

c) Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.

d) The quantity of underlying associated with the derivative position taken for hedging purposes shall not exceed the quantity of the existing position against which hedge has been taken.

5 Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under gross cumulative exposure limits as mentioned under point 1.

6 The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.
Each position taken in derivative shall have an associated exposure as defined below. 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:

<table>
<thead>
<tr>
<th>Position</th>
<th>Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Future</td>
<td>Futures Price * Lot Size * Number of Contracts</td>
</tr>
<tr>
<td>Short Future</td>
<td>Futures Price * Lot Size * Number of Contracts</td>
</tr>
<tr>
<td>Option bought</td>
<td>Option Premium Paid * Lot Size * Number of Contracts</td>
</tr>
</tbody>
</table>

Derivatives transactions shall be disclosed in the half-yearly portfolio/annual report of the schemes in line with the requirements under SEBI Regulations.

The Scheme may invest in the units of InvITs and REITs subject to the following:

a) The Fund under all its schemes shall own not more than 10% of units issued by a single issuer of InvITs and REITs; and

b) The Scheme shall not invest:

i. more than 10% of its net assets in the units of InvITs and REITs; and

ii. more than 5% of its net assets in the units of InvITs and REITs issued by a single issuer.

The Scheme will comply with other regulatory provisions and restrictions as may be applicable for investments under the Scheme.

The Trustee or AMC may alter the above restrictions from time to time to the extent that changes in the Regulations may allow. All investment restrictions shall be applicable at the time of making investment.

Q. How has the Scheme performed

This scheme being a new scheme and does not have any performance track record.

Further, as required under SEBI Circular dated March 18, 2016 the following disclosures

Schemes Top 10 Portfolio Holdings - NA
Schemes Portfolio Turnover Ratio - NA
Aggregate investment in Scheme made by Board of Directors - NA
Aggregate investment in Scheme made by concerned Schemes fund Manager - NA
Aggregate investment in Scheme made by other Key Managerial Person - NA
Assets Under Management - NA
No. of Folios - NA
## IV. UNITS AND OFFER

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

### A. NEW FUND OFFER (NFO)

| (i) New Fund Offer Period | New Fund Offer Opens on: June 10, 2020  
New Fund Offer Closes on: June 23, 2020  
The Trustee reserves the right of extension / early closure of the New Fund Offer Period of the Scheme, subject to the condition that the subscription list shall not be kept open for more than 15 days. |
| (ii) New Fund Offer Price | The New Fund Offer Price of units of the scheme will be ₹10 per Unit. |
| (iii) Minimum Amount for Application in the NFO | Single Investment:  
A minimum of ₹5,000 per application and in multiples of ₹1 thereafter  
Investment through SIP:  
₹1,000/- and in multiples of ₹100 thereafter (eg: ₹1,100/-, ₹1,200/-, ₹1,300/- and so on and so forth)  
Investment through STP:  
₹1,000/- and in multiples of ₹100 thereafter (eg: ₹1,100/-, ₹1,200/-, ₹1,300/- and so on and so forth) |
| (iv) Minimum Target Amount | The Mutual Fund seeks to raise a minimum subscription amount of Rs. Ten crore during its New Fund Offer period and would retain any excess subscription collected. In the event the minimum subscription amount is not raised during the New Fund Offer Period, the amount collected will be refunded to the applicants as mentioned in the Section “Refund”. |
| (v) Maximum Amount to be Raised (if any) | There is no limit on the maximum amount to be raised under the Scheme. All valid applications are assured of full allotment. However, the Trustee/AMC retains the sole and absolute discretion to reject any application. |
| (vi) Switch-in transactions during NFO | Valid applications for ‘switch-in’ transaction in the Scheme shall be treated as applications for subscriptions. Switch-In requests from other scheme(s) of the BOI AXA Mutual Fund will be accepted till the closure of NFO period, subject to the funds available in the switch-in Scheme on the date of allotment. |
| (vi) Plans / Options offered | The Scheme has two plans viz. Regular Plan and Direct Plan. Each of the Plan shall offer the following Option (including sub options):  
- Growth Option  
- Dividend Option (dividend reinvestment & dividend payout facility)  
There shall be a single portfolio under the scheme. 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 and is offered in accordance with Para D of SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012. Investors may please note that the Direct Plan under the Scheme is meant for investors who understand the capital market, mutual funds and the risks associated therewith. The risks associated with the investments in the schemes of mutual funds may vary depending upon the investment objective, asset allocation and investment strategy of the Schemes and the investments may not be suitable for all categories of investors. The AMC believes that investors investing under the Direct Plan of the Scheme are aware of the investment objective, asset allocation, investment strategy, risks associated therewith and other features of the Scheme and has taken an informed investment decision. Please note that SID, SAI, Key Information Memorandum or any other advertisements and its contents are for information only and do not constitute any investment advice or solicitation or offer for sale of units of the Scheme from the AMC.  
1. **Growth Option:** The Scheme under this Option will not declare any dividend. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.  
2. **Dividend Option:** Under this Option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations). Unitholder may choose between Dividend Payout and Dividend Re-investment Options. |
Default Plan: Investors should note that in cases of wrong/invalid/incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC will endeavor to contact and obtain the correct ARN code. The actual date for declaration of dividend will be notified suitably to the Registrar, and public notice will also be published in line with requirements under Regulations. Pursuant to payment of dividend, NAV of the Dividend Pay-out Option of the Scheme will fall to the extent of such dividend payment and statutory levy (taxes, levies, cess etc.), if any.

Dividend Re-investment Facility: Investors opting for the Dividend Option may choose to re-invest the dividend to be received by them in additional Units of the Scheme. Under this provision, the dividend due and payable to the Unit holder will, compulsorily and without any further act by the Unit holder, be re-invested in the same Option (at the first ex-dividend NAV). On declaration of dividend, the NAV of the Dividend Re-investment Facility will stand reduced by the applicable statutory levy, if any. The Units, for the purpose of re-investment, will be created and credited to the Unit Holder’s account at the first ex-dividend NAV. These additional units would be added to the Units already held by the Investor.

Note: Irrespective of what is mentioned above, declaration of dividends under relevant Options will always be subject to availability of distributable profits, as computed in accordance with the Regulations. All distribution of earnings will be out of distributable surplus and at the discretion of the Trustee. The Trustee’s decision with regard to availability and adequacy, rate, timing and frequency of distribution shall be final.

Dividend Transfer Facility (Transfer-in)
Under the Dividend Transfer facility, the Unitholders can choose to transfer the amount of dividend receivable by them into any other open-ended schemes of the Fund ("Target Scheme"). Under this provision, the dividend due and payable to the Unitholders will, compulsorily and without any further act by the Unitholders, be re-invested in the Target Scheme of the Fund (at the first ex-dividend NAV) and at the applicable NAV of such Target Scheme. However, if the Unit holder does not already have holding in such Target scheme, in that event the transfer will be carried out only if the amount of dividend to be transferred meets the minimum application amount requirement of the target scheme. The additional Units created in such other scheme by way of transfer of dividend would be added to the Units already held by the Unit holder in the other scheme.

The dividends so re-invested under above facilities shall constitute a constructive payment of dividends to the Unitholders and a constructive receipt of the same amount by each Unit holder for re-investment as above.

Dividend Transfer Facility (Transfer-out)
Under the Dividend Pay-out facility, the Unitholders can choose to transfer the amount of dividend receivable by them into any other open-ended schemes of the Fund ("Target Scheme"). Under this provision, the dividend due and payable to the Unitholders will, compulsorily and without any further act by the Unitholders, be re-invested in the Target Scheme of the Fund (at the first ex-dividend NAV) and at the applicable NAV of such Target Scheme. However, if the Unit holder does not already have holding in such Target scheme, in that event the transfer will be carried out only if the amount of dividend to be transferred meets the minimum application amount requirement of the target scheme. The additional Units created in such other scheme by way of transfer of dividend would be added to the Units already held by the Unit holder in the other scheme.

The dividends so re-invested under above facilities shall constitute a constructive payment of dividends to the Unitholders and a constructive receipt of the same amount by each Unit holder for re-investment as above.

Other provisions regarding Dividend
The Fund will endeavor to declare dividends subject to availability of distributable surplus, as computed in accordance with the Regulations. In case no dividend is declared, the net surplus, if any, will remain invested and be reflected in the NAV. All dividends will be paid in accordance with procedure prescribed under SEBI circular dated April 4, 2006, or as per prevailing provisions.
(vii) Dividend Policy

As mentioned above under the paragraph titled “Options offered”.

(ix) Allotment of Units

(a) Allotment

All valid and complete applications will be allotted Units at the Applicable NAV for the application amount. Allotments made will be subject to realization of payment instrument and subject to the AMC being reasonably satisfied of having received clear funds. Applicants under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in dematerialized (electronic) form. For Units held in physical form, normally no Unit certificates will be issued. However, on a specific request from the Unit holder, the AMC shall issue a Unit certificate within 5 Business Days of the receipt of such request. At the time of redemption / switch of units, the Unit holder(s) must surrender the original unit certificate duly discharged along with the request for redemption/switch. Further, if the Unit holder(s) intend to transfer such Units, must submit the original unit certificate with instrument of transfer and such other documents / declarations as may be required by the AMC from time to time. The AMC shall upon receipt of documents register the transfer and return the original unit certificate to the transferee within 30 days from the date of receipt of request for transfer.

For investors / Unit holders opting for holding of Units in dematerialized / electronic form, the investors need to furnish the details of their depository account in the Application Form. Where the Investor has chosen to receive the Units in electronic form, the AMC will credit Units to the Investor's Depository Account as per the details furnished by the investor in the Application Form within 30 days. If the Units cannot be credited to the Depository Account of Unitholder for any reason whatsoever, the AMC shall issue Account Statement specifying the Units allotted to the investor within 30 days.

(b) Account Statements

For all applicants whose application has been accepted, the AMC shall send a Account Statement specifying the number of units allotted to the applicant by way of email to the applicant's registered email address as soon as possible but not later than 5 business days. If email is not registered, then physical account statement will be sent to registered address. Thereafter a consolidated account statement (CAS) will be sent for each Calendar month to the Unit Holder whose folio's transaction have taken place during the month on or before the 10th of the succeeding month. The CAS shall contain details relating to all the transactions carried out by the investors across all schemes of all Mutual funds during the month and holding at the end of the month. For the purpose of sending CAS, common investors across Mutual Funds shall be identified by their Permanent Account Number (PAN). Half yearly CAS is sent to investors who have transacted/not transacted during the last 6 months. This statement will contain the details of the brokerage and the expense ratio charged to the Investor based on his holdings transacted during the six months' period. The half yearly CAS is sent in the months of April and October for the previous six months holdings. At the AMC's discretion, the account statement/CAS will be compulsorily sent by email to all investors who have provided their email ID's. In cases where the email does not reach the Unit holder, the Fund / its Registrars will not be responsible, however the Unit holder can request for fresh statement which will be sent as above. The Unit holder shall from time to time intimate the Fund/ its Registrar about any changes in his e-mail address. Other than the first investment, for all further additional investments the statement of accounts will be sent by email only for investors who have provided their email address. For non-email id cases, the fund would continue to send the physical statements for all transactions on a regular basis after the transaction is done till the investor records his email id. The Account Statement is non-transferable. Dispatch of account statements to NRIs/FPIs will be subject to RBI approval, if required. Where Units are held in demat mode, statement of holdings / transactions will be sent by the Depository Participant showing the credit/debit of Units to the investor's account. The Fund would not be issuing any separate account statement.

Discrepancy, if any, in the Account Statement / Unit Certificate should be brought to the notice of the Fund / AMC immediately. Contents of the Account Statement / Unit Certificate will be deemed to be correct if no error is reported within 30 days from the date of Account Statement / Unit Certificate.

Units held in demat (electronic) mode:

Where investor desires to hold Units in dematerialized form, demat statement shall be provided by the Depository Participant in such form and in such manner and at such time as provided in the agreement with the beneficial owner.

Where Units are held in demat mode, statement of holdings / transactions will be sent by the Depository Participant showing the credit/debit of Units to investor's account. The Fund would not be issuing any separate account statement. As the Stock Exchange(s) do not allow trading of fractional units, Units will be allotted only in integers by rounding off the Units allotted to the lower integer and the balance amount will be refunded to the investor. Discrepancy, if any, in the Account Statement should be brought to the notice of the Fund / AMC immediately. Contents of the Account Statement will be deemed to be correct if no error is reported within 30 days from the date of Account Statement.

Discrepancy, if any, in the Account Statement should be brought to the notice of the Fund / AMC immediately. Contents of the Account Statement will be deemed to be correct if no error is reported within 30 days from the date of Account Statement.

Units purchased through Stock Exchange Facility

Investors having a demat account and transacting in units in dematerialized (electronic) form through Eligible Stock Brokers through Stock Exchange Facility shall receive Units (in case of purchase transaction) through such Eligible Stock Broker's pool account. Units shall be credited by the Mutual Fund into Eligible Stock Broker's pool account, who in turn shall credit Units to the respective investor's account. Investors should note that crediting Units into Eligible
Stock Broker's pool account by the Fund / AMC shall discharge the Fund / AMC of its obligation to allot Units to the Investor.

Conversion of Units into dematerialised (electronic) format

Unit holders, who are holding Units in non-dematerialised form, can dematerialise their holding at any time by making an application to their Depository Participant (with whom they have their DP account). Subject to receipt of complete documentation, the AMC shall credit the Units in dematerialised form to the Depository account of the Unitholder. The expenses incurred by the AMC in dematerialising of the Units may be recovered from Unitholders or may be charged to the Scheme.

Rematerialisation of dematerialised Units

Unitholders holding Units in dematerialised form may rematerialize their Units (for holding Units in Account Statement, by giving suitable request to their Depository Participant (DP)).

On receiving the confirmation of rematerialised Units, an Account Statement for Units shall be issued by the AMC.

In case of Unitholders who have provided their e-mail address with consent to receive the statements electronically, the Fund will provide the Account Statement only through e-mail message, subject to Regulations. In cases where the email does not reach the Unitholder, the Fund / its Registrars will not be responsible, but the Unitholder can request for a fresh statement which will be sent as above. The Unitholder shall from time to time intimate the Fund / its Registrar about any changes in his e-mail address.

Discrepancy, if any, in the Account Statement / Unit Certificate should be brought to the notice of the Fund/AMC immediately. Contents of the Account Statement / Unit Certificate will be deemed to be correct if no error is reported within 30 days from the date of Account Statement / Unit Certificate.

(x) Refund

The AMC will refund the subscription money to those applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever.

Refund instruments will be dispatched within 5 working days of receipt of the closure of the NFO Period. In the event of delay beyond 5 working days, the AMC shall be liable to pay interest at 15% per annum. Refunds will be processed through the electronic mode provided the RTGS/NEFT details have been mentioned in the application form else 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 case of joint applicants). All refund orders will be sent by registered post or as permitted under Regulations.

(xi) Who can invest

Prospective investors are advised to satisfy themselves that they are not prohibited or restricted under any law from investing in the Scheme and are authorised to subscribe to or Purchase Units in the Scheme as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.

The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme. However, you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.

- Resident Indian adult individuals, either singly or jointly (not exceeding three);
- Minor through parent / lawful guardian; (refer note below);
- Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
- Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds;
- Partnership Firms constituted under the Indian Partnership Act, 1932;
- Limited Liability Partnerships registered under Limited Liability Partnerships Act, 2008;
- A Hindu Undivided Family (HUF) through its Karta;
- Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;
- Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) on full repatriation basis or on non-repatriation basis; (Except NRIs & PIOs who are residents of United States of America / defined as United States persons under applicable laws / statutes, and the residents of Canada.)
- Qualified Foreign Investors (QFIs) who meet KYC requirements and are resident in a country that is compliant with Financial Action Task Force (FATF) standards and that is a signatory to International Organization of Securities Commissions’ (IOSCO’s) Multilateral Memorandum of Understanding.
- FPIs (subject to regulations / directions prescribed by the RBI/SEBI from time to time relating to FPI investments in mutual fund schemes) on full repatriation basis;
- Army, Air Force, Navy and other para-military funds and eligible institutions;
- Scientific and Industrial Research Organisations;
- Pension Funds, Gratuity Funds, Superannuation Funds, Provident funds and such other Funds as and when permitted to invest;
- International Multilateral Agencies approved by the Government of India / RBI;
- The Trustee, AMC, their Shareholders, Sponsor or their affiliate, associate or group entities (as per prevailing laws);
### (xii) Who cannot invest

**IT SHOULD BE NOTED THAT THE FOLLOWING PERSONS / ENTITIES CANNOT INVEST IN THE SCHEME**

- Overseas Corporate Bodies, as defined under the Foreign Exchange Management Act, 1999.
- Non-Resident Indians residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.
- NRIs & PIOs who are residents of United States of America / defined as United States persons under applicable laws / statutes, and the residents of Canada.

- Qualified Foreign Investors (QFI)

The Fund reserves the right to include / exclude new / existing categories of investors who can invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay in processing the application.

Subject to the Regulations and other applicable laws, the AMC / Trustee may reject any application received in case the application is found invalid / incomplete or for any other reason in the Trustee's sole discretion.

### (xiii) Where can you submit the filled up applications during New Fund Offer

Investors can complete the form and submit the same together with payment instrument / relevant documents and supporting's at all AMC's offices as given at the end of this document.

In addition to the above all the applicants can participate in the NFO through the ASBA process. For using ASBA facility investors should approach self-certified syndicate banks (SCSBs) providing ASBA facility and submit ASBA application forms /Transaction Slips for Purchase / Repurchase of Units. Applications filled up and duly signed by all joint investors should be submitted along with the cheque /draft / other payment instrument at ISC. All subscription cheques / drafts / payment instruments must be drawn in the name of / favouring “BOI AXA Multi Cap Fund”. They should be crossed “Account Payee only”. A separate cheque or bank draft must accompany each application. Multiple cheques with single application are not permitted.

Further, in order to avoid fraudulent practices, it is recommended to the investors that after the Scheme name, the payment instrument should also provide the name of the proposed sole or 1st joint holder / his PAN / folio number.

For e.g. "BOI AXA Multi Cap Fund - Sole / First Investor name" or "BOI AXA Multi Cap Fund - Permanent Account Number" or "BOI AXA Multi Cap Fund - Folio number"

**Note:** PAN / Folio No. should be of Sole / 1st Joint holder. Multiple cheques with single application are not permitted.

### (viii) How to Apply

Applications should be made for at least the minimum amount. Application Forms /Transaction Slips for Purchase / Repurchase of Units of the Scheme will be available at the ISCs / distributors / designated branches of the AMC. Applications filled up and duly signed by all joint investors should be submitted along with the cheque /draft / other payment instrument at ISC. All subscription cheques / drafts / payment instruments must be drawn in the name of / favouring “BOI AXA Multi Cap Fund”. They should be crossed “Account Payee only”. A separate cheque or bank draft must accompany each application. Multiple cheques with single application are not permitted.

Further, in order to avoid fraudulent practices, it is recommended to the investors that after the Scheme name, the payment instrument should also provide the name of the proposed sole or 1st joint holder / his PAN / folio number.

For e.g. "BOI AXA Multi Cap Fund - Sole / First Investor name" or "BOI AXA Multi Cap Fund - Permanent Account Number" or "BOI AXA Multi Cap Fund - Folio number"

**Note:** PAN / Folio No. should be of Sole / 1st Joint holder. Multiple cheques with single application are not permitted.
Payment can be made by any one of the following modes:

- Cheque- Only CTS 2010 standard cheques would be accepted as per RBI Circular w.e.f August 1, 2013.
- Demand draft;
- a payment instrument (such as pay order, bankers' cheque, transfer cheque etc.);
- Electronic transfer of funds over the internet or by way of direct credit / RTGS / NEFT to designated Scheme collection account.

Investments in Cash:
SEBI Circular dated September 13, 2012 and May 22, 2014 provides various provisions relating to Cash investments in Mutual Funds, however the Scheme does not intend to accept Cash towards subscription in the Scheme.

Investors should further note the following:

1. Submission of KYC/KRA Acknowledgement, obtained from KRA Agency as proof of doing KYC (Know Your Customer) process, together with a copy of PAN card, is mandatory with each application (Investors residing in the state of Sikkim are exempt from the mandatory requirement of PAN proof submission. However sufficient documentary evidence shall have to be submitted for verifying that they are residents of State of Sikkim).

2. Third party payment instruments are not accepted (except in certain specific circumstances); and pre-funded instruments (like DD, PO) are accepted subject to conditions including certificate from issuing bank and cap on amount if such pre-funded instruments are obtained against cash.

3. Registration of Pay-in bank account: The Investor at the time of his subscription for units must provide the details of his Pay-in bank account (i.e. account from which subscription payment is made) and his Pay-out bank account (i.e. account into which redemption proceeds are to be paid). The details on facility for registration of Multiple Bank Accounts is mentioned in SAI.

4. Where subscription is through a pre-funded instrument like Pay Order / Demand Draft etc, and procured against debit to registered pay-in account of the investor, the investor is required to submit any one of the following documents along with such payment instrument accompanying the Application Form: 1). Original Certificate from the Banker issuing the pre-funded payment instrument stating the account holder's name, bank account number from which the amount has been debited and PAN as per bank records; or 2). Self-attested copy of acknowledgement from the bank, wherein the instructions to debit carry the bank account details and name of the investor as an account holder are available; or 3). Self-attested copy of the passbook/bank statement evidencing the debit for issuance of a DD. For details on minor, kindly refer SAI.

5. Subscriptions through Pre-funded Instruments (Demand Draft, Pay-order etc.) procured against Cash: Subscription through a pre-funded instrument procured against cash shall only be accepted for investments below ₹ 50,000/- . Investor is required to provide a certificate from Banker stating the name, address and PAN (if available) of the person requisitioning such pre-funded instruments.

6. Subscriptions through RTGS, NEFT, ECS, bank transfer etc: In such case, Investor is required to provide a copy which has been provided to the Bank indicating the account number and the debit instructions.

7. For payment through online mode, AMC may match payer account details with registered Payin bank accounts of the Investor.

All the above mentioned documents at 4 to 7, to the extent applicable, are required to be provided along with the Application Form. In case if the application for subscription is not in accordance with the above provisions, the AMC reserves the right to reject the application.

Please refer to SAI/ Application Form for further details on above provisions. Investors should also refer to the Key Information memorandum and Application Form for further instructions and details on subscription payments and how to apply.

The payment instrument should be payable at a bank's branch, which is situated at and is a member of the Banker's Clearing House / Zone in the city where the application is submitted to ISC. An investor may invest through a distributor with whom the AMC has made an arrangement, whereby payment may be made through NEFT / RTGS / Wire Transfer or in any manner acceptable to the AMC, and is evidenced by receipt of credit in the bank account of the Fund.

In case of an applicant who is resident of a city whose banking clearing circle is different from that of any ISC of the AMC, the AMC shall bear the bank charges (as per demand draft charges prescribed by State Bank of India) incurred by the investor in obtaining a demand draft(s). In that case, the investor can obtain a draft for investment amount net of draft charges. The AMC shall not refund any demand draft charges in cash. The aforesaid charge borne by AMC shall not be charged to the Scheme, unless permitted.

In order to protect investors from fraudulent encashment of cheques, the Regulations require that cheques for Redemption of Units specify the name of the Unit holder and the bank name and account number where payments are to be credited. Hence, all applications for Purchase of Units must provide a bank name, bank account number, branch address, and account type in the Application Form. Application Form without these details will be treated as incomplete, and rejected. The investor is required to provide a blank cancelled cheque or its photocopy for the purpose of enabling verification of his bank mandate particulars where the investor pays application money through cheque drawn on a bank account different than bank mandate specified in the Application Form or through demand draft.

Applications accompanied by cheques / drafts not fulfilling the above criteria are liable to be rejected. Returned cheques will not be re-presented for collection and the accompanying application will be rejected.

In case of applicants intending to hold the Units in dematerialised form, their mandate bank account details as per their
The AMC/Trustee, at its discretion, may from time to time choose to alter or add other modes of payment. For further details please refer to the SAI and the Application Form.

Applications Supported by Blocked Amount (ASBA) facility (only for subscriptions during NFO)

ASBA is an application containing an authorisation given by the investor to block the application money in his specified bank account towards the subscription of units offered during the NFO of the Scheme. If an investor is applying through ASBA facility, the application money towards the subscription of units shall be debited from his/hers bank account only if his/her application is selected for allotment of units.

For details on ASBA Facility, investors are requested to refer SAI.

Purchase/Redemption of units through Stock Exchange Infrastructure (Demat Mode)

Investors can subscribe to the Units of BOI AXA Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange (“BSE”) and National Stock Exchange (“NSE”) - with NSDL and CDSL as depositories for such units of the mutual fund. NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.

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

1. The facility i.e. purchase/redemption/switch/SIP (Systematic Investment Plan) is available for both existing and new investors.

2. The Investors will be eligible to purchase/redeem units of the scheme.

3. Maximum subscription: The investors can purchase units of the above listed schemes by using NSE MFSS/ NMFI/BSE StAR platform for transaction.

4. List of additional Official Point of Acceptance: The following shall be the additional Official Point of Acceptance for the Scheme: All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants (“AMFI registered stock exchange brokers”) will be eligible to offer this facility to investors and shall be treated as official point of acceptance. Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of BOI AXA Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.

5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.

6. Investors shall hold the units in dematerialized form only.

7. Investors will be able to purchase/redeem/switch units in the scheme in the following manner:
   i. Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member’s pool account. BOI AXA Investment Managers Pvt Ltd (the “AMC”)/BOI AXA Mutual Fund (the “Mutual Fund”) shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn shall credit the units to the respective investor’s demat account.
   ii. Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.

8. Applications for purchase/redemption/switch of units which are incomplete /invalid are liable to be rejected.

9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).

10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and BOI AXA Mutual Fund to participate in this facility.

11. Investors should get in touch with Investor Service Centres (ISCs) of BOI AXA Mutual Fund for further details.

TRANSACTIONS THROUGH STOCK EXCHANGE MECHANISM - NON-DEMAT MODE:

SEBI vide its Circulars CIR/ MRD/DSA/32/2013 dated October 4, 2013 and CIR/ MRD/DSA/33/2014 December 9, 2014, has permitted Mutual Fund Distributors (MF Distributors) to use recognized Stock Exchange infrastructure to purchase/redeem/switch units directly from Mutual Fund/AMC on behalf of their clients. Following guidelines shall be applicable for transactions executed through MF Distributors through the Stock Exchange Mechanism:

1. Mutual Fund Distributor registered with Association of Mutual Funds in India (AMFI) and who has been permitted by the concerned recognized stock exchange will be eligible to use NMF-II platform of National Stock Exchange of India Ltd. (“NSE”) and / or of BSE Star MF platform of Bombay Stock Exchange (“BSE”) to purchase and redeem units of schemes of the Fund directly from BOI AXA Mutual Fund in physical (non-demat) mode and/or demat
2. MF distributors shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and pay out will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.

3. Non-demat transactions are also permitted through stock exchange platform.

The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

Application for Micro SIPs

In accordance with the letter dated June 19, 2009 of Securities and Exchange Board of India, and Guidelines issued by the Association of Mutual Funds in India (AMFI) on July 14, 2009, investments through SIPs of up to ₹50,000/- per year per investor, referred to as “Micro SIPs”, shall be exempt from the requirement of PAN. In this regard, following points may be noted:

1. The exemption shall be applicable for SIPs where aggregate of installments in a rolling 12 months period or in a financial year i.e. April - March does not exceed ₹50,000/-. 

2. The exemption shall be available for eligible investors, being individuals (including NRIs but not PIOs), minors and sole proprietary firms. This exemption is also available for the joint holders.

3. Eligible investors are required to submit proof of identification and proof of address (as per the below mentioned list). If proof of identification also includes proof of address, a separate address proof is not necessary:


4. The above mentioned document must be current and valid, and the copy of the same shall be self-attested by the investor / attested by the ARN holder mentioning the ARN Number.

5. For every investment under this option, the investor has to provide the required documents.

Note: Micro SIP investors having PAN are not eligible for availing the exemption from submission of KRA Acknowledgements i.e. such investors are required to complete KYC as per normal process by furnishing KRA Acknowledgement from KRA Agencies.

Further, even in case of Joint holders, even if one of the holders has PAN, he/she needs to comply with the KYC requirements.

(xiv) Listing

The Units of the Scheme/Plans, being open-ended, are not proposed to be listed on any stock exchange, and no transfer facility is provided.

However, the Fund has discretion to list the Units on any stock exchange at a future date.

(xv) Trading in units through stock exchange mechanism

Units can be transacted (purchase / redemption/switch/SIP) through BSE STAR Platform of Bombay Stock Exchange (BSE) and MFSS and NMF-ll Platforms of National Stock Exchange (NSE)

Investors proposing to invest in the above Schemes and opting for plans/options where dividend distribution frequency is less than one month, will not be able to opt for transacting through Stock Exchange.

Further, minimum quantity for redemption must be 100 Units for the above mentioned Schemes. If the account balance is less than 100 Units, no further partial redemption will be allowed and the entire balance will be redeemed in response to any redemption application received from the investor.

Transactions through Stock Exchange are subject to various terms and conditions specified as above and as per the rules, regulations and bye laws of BSE/NSE.

The Fund / AMC may from time to time withdraw or include any other scheme (existing or future) or vary the terms of the Facility in accordance with the applicable guidelines and regulations. The Fund / AMC may also provide the Facility on other registered Stock Exchanges which offer such Facility and with whom the Fund has a tie up, by giving suitable notice.

The Stock Exchanges are required to allow investors to directly access infrastructure of the Recognized Stock Exchanges to purchase and redeem mutual funds units directly from Mutual Funds/AMC. Investors can avail this facility as and when the same is made available by the Stock Exchanges.

KYC compliant investors can register themselves on the stock exchanges by providing their PAN and creating their profile on the platform. The Exchange will allot the identification number upon receipt of signed and scanned registration form. Further, upon authorization by the platform the investor can commence the transaction.
1. Systematic Investment Plan (SIP)

The Scheme currently offers Systematic Investment Plan, where regular investments of a pre-fixed amount can be made at a monthly frequency.

This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to “invest as you earn” and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. SIP allows investors to invest a fixed amount of Rupees on any day every month by purchasing Units of the Scheme at the Purchase Price prevailing at such time. Any Unit holder can avail of this facility subject to certain terms and conditions contained in the Application form.

Systematic Investment Plan facility will be available as detailed below:

<table>
<thead>
<tr>
<th>SIP Options</th>
<th>Monthly SIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debit for contributions in the Scheme will be executed</td>
<td>On any day in a month as chosen by the investor / Unitholder</td>
</tr>
<tr>
<td>Further, the Investors are requested to note that in case the selected date falls on a Non-Business Day or on a day which is not available in a particular month, the SIP will be processed on the immediate following Business Day. In case the SIP date is not indicated, 10th shall be treated as the Default date.</td>
<td></td>
</tr>
<tr>
<td>Minimum duration of SIP contributions</td>
<td>6 months</td>
</tr>
<tr>
<td>SIP installment</td>
<td>₹ 1,000/- and in multiples of ₹ 100 thereafter (eg: ₹ 1,100/-, 1,200/-, 1,300/- and so on and so forth)</td>
</tr>
</tbody>
</table>

Investment in SIP can be registered through National Automated Clearing House (NACH), Auto Debit Facility, Post dated cheques and through online facility available at www.boiaxamf.com subject to the terms and conditions provided in the application form/our website.

Investors may opt for Micro SIP. For details, please refer to para (viii) of Section IV A in this SID.

a. SIP through Direct Debit/NACH (During NFO and Ongoing Offer Period)

Unit holders can invest under Monthly SIP during the NFO period or Ongoing Offer Period by paying through Direct Debit/NACH facility only.

This facility will be available by paying through NACH facility in selected locations as listed by RBI from time to time.

There shall be a gap of at least 60 days between the date of closure of the NFO period and the date of the first installment through NACH initiated during the NFO period. There shall be a gap of at least 30 days between the date of the first cheque and first installment through NACH initiated during the Ongoing Offer period.

b. SIP through Post dated Cheques (Only during Ongoing Offer Period):

During the Ongoing Offer Period, Investors residing in MICR clearing locations only will be able to invest under Monthly SIP Option through post dated cheques. Such facility will be available in select locations only as indicated from time to time in SIP Forms.

Further, new/existing investors have been given a flexibility to apply for SIP without the initial investment instrument. This is an additional facility given to investors and investors may choose not to avail this facility.

Under this, a new investor specifically opting for the said facility is required to submit common application form, SIP form, and Original Cancelled cheque/cheque copy (in case the name of the investor is not mentioned in the cheque, Bankers attestation shall also be required along with the Original Cancelled cheque/Cheque copy) along with other required documents as mentioned in the Common Application Form including KYC. For an existing investor, whose details are registered with the AMC/the Fund, only the SIP application form along with the original cancelled cheque/cheque copy needs to be provided.

The Load structure prevailing at the time of submission of the SIP Form (whether fresh or extension) will apply for all the installments indicated in such form. For applicable Load on Purchases through SIP, please refer to Section V “Fees and Expenses”.

Termination of SIP - Monthly SIP may be terminated by giving an intimation in writing, which should be given at least 15 Business days prior to the due date of next SIP installment. On receipt of such completed request, SIP will be terminated and debit instruction given by the Unitholder / investor will be cancelled.

Demat option for Systematic Investment Plan (SIP)

Investors also have an option to hold units in electronic (demat) form in case of Systematic Investment Plan (SIP) transactions. It may be noted that the Units will be allotted based on the Applicable NAV as per the provisions mentioned herein, and will be credited to investor's demat account on weekly basis, upon realization of funds. Thus, the units will be credited to investor's demat account every Monday (or immediate next Business Day in case Monday is a non-Business Day) for realization status received in last week from Monday to Friday. It may be noted that for investors who have opted for demat option, account statements will not be issued by the AMC.

Option to apply without initial investment instrument under SIP Facility:

New/existing investors have been given a flexibility to apply for SIP without the initial investment instrument. This is an additional facility given to investors and investors may choose not to avail this facility. Under this, a new investor specifically opting for the said facility is required to submit common application form, SIP form, and Original Cancelled cheque/cheque copy (in case the name of the investor is not mentioned in the cheque, Bankers attestation shall also be required along with the Original Cancelled cheque/Cheque copy) along with other required documents as mentioned.
in the Common Application Form including KYC. For an existing investor, whose details are registered with the AMC/the Fund, only the SIP application form along with the original cancelled cheque/cheque copy needs to be provided.

**SIP Top-up Facility:**

Under this facility, the investor can opt to increase the amount of SIP installment ("Top-up") on a half-yearly or annual basis; thus the investment amount under SIP will increase every half year / annually by the amount of Top-up specified by the investor.

The Top-up facility will be available in respect of all schemes of the Fund which offers SIP. The conditions for availing the Top-up facility are stated below:

1. The Top-up option must be specified by the investors while enrolling for the SIP facility.
2. Top-up facility will be available only for valid new registration(s) under SIP or renewal of SIP.
3. The minimum SIP Top-up amount is ₹ 1,000 and in multiples of ₹ 100.
4. Top-up can be done on a half yearly / annual basis.
5. If the investor does not specify the frequency, the default frequency for Top-up will be considered as Half-yearly.
6. This facility is available only for Monthly SIP.
7. SIP Top-up facility shall be available for SIP Investments through NACH (Debit Clearing) / Direct Debit Facility / Standing Instruction only.
8. Top-up Facility will not be available for investments under SIP where the auto debit period has not been indicated by the investor at the time of investments.
9. All other terms & conditions applicable for regular SIP will also be applicable to Top-up SIP.

An Illustration: How to calculate the SIP Top-up amount?

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>BOI AXA Multi Cap Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIP Period</td>
<td>01-Jan-2014 to 01-Dec-2015 (2 Years)</td>
</tr>
<tr>
<td>Monthly SIP Installment Amount:</td>
<td>₹ 2,000</td>
</tr>
<tr>
<td>SIP Date:</td>
<td>1st of every month (24 installments)</td>
</tr>
<tr>
<td>Top-up Amount:</td>
<td>₹ 1,000</td>
</tr>
</tbody>
</table>

Top-up Frequency: Half-yearly SIP Installments shall be as follows:

<table>
<thead>
<tr>
<th>Installment No(s.)</th>
<th>From Date</th>
<th>To Date</th>
<th>Monthly SIP Installment Amount</th>
<th>SIP Top-up Amount</th>
<th>Increased Monthly SIP Installment Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 6</td>
<td>1-Jan-14</td>
<td>1-Jun-14</td>
<td>2,000</td>
<td>N.A.</td>
<td>2,000</td>
</tr>
<tr>
<td>7 to 12</td>
<td>1-Jul-14</td>
<td>1-Dec-14</td>
<td>2,000</td>
<td>1,000</td>
<td>3,000</td>
</tr>
<tr>
<td>13 to 18</td>
<td>1-Jan-15</td>
<td>1-Jun-15</td>
<td>3,000</td>
<td>1,000</td>
<td>4,000</td>
</tr>
<tr>
<td>19 to 24</td>
<td>1-Jul-15</td>
<td>1-Dec-15</td>
<td>4,000</td>
<td>1,000</td>
<td>5,000</td>
</tr>
</tbody>
</table>

N.A. - Not Applicable

Note: In the above table, Monthly SIP Installment Amount increases by Top-up amount ₹ 1,000 at half-yearly intervals.

The Trustee reserves the right to change the terms and conditions of this facility at a later date on a prospective basis. The Trustee reserves the right to withdraw the SIP Top-up facility.

**B) Weekly Systematic Investment Plan (SIP):**

<table>
<thead>
<tr>
<th>SIP Options</th>
<th>Weekly SIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debit for subscriptions in to the Scheme will be executed</td>
<td>On any selected day of the week and default day will be every Wednesday of the week if no day is selected, on the basis of NAV of that day, or of following Business Day, if that day is not a Business Day</td>
</tr>
<tr>
<td>Minimum duration of SIP contributions</td>
<td>12 Installments</td>
</tr>
<tr>
<td>SIP installment</td>
<td>₹ 1,000/- and in multiples of ₹ 100/- thereafter (eg: ₹ 1,100/-, ₹ 1,200/-, ₹ 1,300/- and so on and so forth)</td>
</tr>
</tbody>
</table>

Investment in weekly SIP can be registered through National Automated Clearing House (NACH), Auto Debit Facility. Post dated cheques and through online facility available at www.boiaxamf.com wherein it will be automatically triggered for debit on every week on the opted day, subject to the terms and conditions provided in the application form/our website.

**Termination of weekly SIP:** In case of weekly SIP such prior intimation of discontinuation in writing should be given atleast 15 Business days. On receipt of such completed request, SIP will be terminated and debit instruction given by the Unitholder/investor will be cancelled.
Demat option for weekly SIP: Investors also have an option to hold units in electronic (demat) form in case of weekly SIP transactions.

It may be noted that the Units will be allotted based on the Applicable NAV as per the provisions mentioned herein, and will be credited to investor’s demat account on the next business day and if funds are not realized it will be reversed from the demat account accordingly.

Investors are also requested to note that the option to apply without initial investment instrument under weekly SIP Facility is also available.

C) Systematic Investment Plan (SIP) Pause Facility (“The Facility”):

The existing investor who have an ongoing SIP that a facility “SIP Pause Facility” would be available in the scheme to enable investors to temporarily pause their SIP, subject to the following terms and conditions:

- The SIP Pause Facility is available for SIP registration with monthly frequency only;
- The request for SIP Pause should be submitted at least 15 days prior to the subsequent SIP date;
- The request for SIP Pause can be for either 3 instalments or 6 instalments;
- Investor can opt for the SIP Pause facility only once during the tenure of a particular SIP; and
- The SIP shall continue from the subsequent instalment after the completion of Pause period automatically.

Further, in order to avail this facility the investors are required to submit a signed SIP Pause facility form duly complete in all respects at any of the Official Points of Acceptance of BOI AXA Mutual Fund. The Investors can also avail this facility online by registering their request at www.boiaxamf.com.

The AMC reserves the right to change/modify the terms and conditions of the Facility or withdraw the Facility at a later date. Investors are requested to kindly refer the SIP Pause Facility Form and instructions before enrolment.

2. Systematic Transfer Plan (STP)

The Scheme offers monthly systematic transfers from various schemes of the Fund, into this Scheme. The Scheme does provide STP facility for transfer out to other schemes of the Fund.

STP facility will enable the Unit holders in the specified schemes of the Fund to transfer an amount from their existing investments in those schemes, which is available for investment at that time at periodic intervals through a one time request.

Following STP options are available:

The transfers can be made as per following details:

<table>
<thead>
<tr>
<th>STP Options</th>
<th>Monthly STP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer will be executed</td>
<td>Any of the following dates in a month as chosen by the investor / Unitholder : 1st , 7th, 10th , 15th, 20th and 25th basis NAV of that day, or of following Business Day, if that day is not a Business Day (Default date-7th)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minimum duration for which transfer should be set up under STP</th>
<th>6 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>STP installment</td>
<td>₹ 1,000/- and in multiples of ₹ 100 /-thereafter (eg: ₹ 1,100/-, 1,200/-, 1,300/- and so on and so forth)</td>
</tr>
</tbody>
</table>

Weekly Systematic Transfer Plan (STP) facility

<table>
<thead>
<tr>
<th>IN</th>
<th>OUT</th>
<th>Minimum Amount</th>
<th>Day of Transfer</th>
<th>Minimum Duration of weekly STP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>₹ 1,000/- and in multiples of ₹ 100/- thereafter</td>
<td>Any day between Monday to Friday*</td>
<td>6 Weeks</td>
</tr>
</tbody>
</table>

*If such a day is a Holiday/Non-Business day, then the next Business Day.

A minimum period of 15 Business days shall be required for registration under Weekly STP. Units will be allotted/ redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.

The above STPs will be subject to applicable exit load given in the SID.

The minimum STP installment amount indicated above will apply during New Fund Offer Period as well. Under STP facility the transfer by the unit holders should be within the same account/folio number. To enable setting up STP a Unit Holder has to have a minimum balance as required under the respective liquid scheme from where the transfer will take place. Also, no transfer can be made if the units in the scheme from which transfer has to take place are under hold/ lock-in / pledge or any similar restriction.

The transfer will be effected by way of a switch, i.e. redemption of units from one scheme and investment of the proceeds thereof, in the Scheme at the then prevailing terms. All transactions by way of STP shall, however, be subject to the terms (other than minimum application amount) of the target scheme, being this Scheme.

The units in the scheme from which the transfer is sought will be treated as redemption and thus will be redeemed at the applicable NAV of that scheme on the respective dates on which such transfers are sought and the new Units in...
the Scheme to which the transfer is sought to be made will be created at the Applicable NAV of the Scheme on the respective dates. In case the day on which the transfer is sought is a non-Business day, the same will be processed on the immediately following Business day.

**Termination of STP** - Monthly STP may be terminated by giving an intimation in writing which should be given atleast 15 Business days prior to the due date of next STP installment. On receipt of such completed request, STP will be terminated. STP will also be terminated if the balance available in the scheme from which STP is being sought, falls below the threshold STP amount to be transferred.

**Note:**
- Investments through SIP/STP and redemptions of any such investments will attract Exit Loads, as applicable.
- Investors who avail of the SIP/STP can also Purchase, redeem or switch outside these facilities as per their requirement.
- In case if the investor mentions the Distributor Code in the Application Form and applies for Direct Plan, then by default the application will be processed as Direct Plan. Further, in case if the investor does not mentions the Distributor Code in the Application Form and applies for Regular Plan, then by default the application will be processed as Direct Plan.

### 3. Systematic Withdrawal Plan (SWP):

The Scheme offers Monthly, Quarterly, Half yearly and Annual Systematic Withdrawal Plan ('SWP') facility under the Regular and Direct Plan Unitholders to have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholders to withdraw a specified sum of money each month / quarter / half year / annual from his investments in the said Scheme. A Unit holder who has a minimum balance of ₹10,000/- in the Scheme (in a particular folio) may avail of this facility.

Unitholders have to specify the amount that they wish to withdraw monthly / quarterly / half yearly / annually, as the case may be, through the SWP. The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived will be subtracted from the Units balance to the credit of that Unitholder.

Unitholders may start the facility / change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation / notice. The SWP may be terminated by a Unitholder by giving 15 days written intimation / notice and it will be terminated automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.

The details of the SWP facility are given below:

<table>
<thead>
<tr>
<th>SWP Frequency</th>
<th>Monthly</th>
<th>Quarterly</th>
<th>Half Yearly</th>
<th>Annually</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum value of SWP</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
</tr>
<tr>
<td>Additional amount in multiples of</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Dates of SWP Installment* (Only one Date)</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
<td>1st, 7th, 10th, 15th, 20th, 25th</td>
</tr>
<tr>
<td>Minimum No of SWP</td>
<td>6</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

*In the event that such a day is a non-business day, the withdrawals would be affected on the next business day.

Exit Load, if any, is applicable to SWP.

The AMC reserves the right to accept SWP applications of different amounts, dates and frequency. Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres (ISCs) / Official Points of Acceptance (OPAs). The AMC / Trustee reserve the right to change/modify the terms and conditions under the SWP prospectively at a future date.

### 4. SWITCH

**(a) Inter-Scheme Switching**

Investors can make inter-Scheme switches within the Fund by using the Transaction Slip. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the Scheme / Option.

Where any application is made for Units in the Scheme during the NFO, and the Unitholder has requested for a Switch from any other scheme of the Fund to this Scheme, the Switch-out request will be processed at the Applicable NAV on the last day of the New Fund Offer Period, or preceding Business Day if such last day is not a Business Day, in respect of the scheme from which Switch out has to be effected.

Switch facility is currently not available through Stock Exchange Facility.

**Additional facility:**
Depending upon the minimum subscription/application amount criteria of the targeted scheme the switch-out would be processed

A switch-out may also attract an Exit Load like any Redemption.
The AMC may provide such facility for submitting transactions through electronic mode ("fax") subject to prescribed terms and conditions. In that event, subject to the investor ("Transmitter" in this sub-clause) fulfilling certain terms and conditions stipulated by the AMC as under, the AMC, the Mutual Fund or any other agent or representative of the AMC, Mutual Fund, Registrar ("Recipient" in this sub-clause) may accept transactions through electronic mode ("fax") as may be legally feasible:

1. The acceptance of the fax will be solely at the risk of the transmitter of the fax and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions. The AMC would not be obliged to provide the same day NAV, if the fax have erroneously not been delivered to / accepted on the system of the AMC on the said day.

2. The Recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.

3. The Transmitter's request to the Recipient to act on any fax is for the Transmitter's convenience and the Recipient is not obliged or bound to act on the same.

4. The Transmitter acknowledges that fax is not a secure means of giving instructions/transactions requests and that the Transmitter is aware of the risks involved including those arising out of such transmission.

5. The Transmitter authorizes the Recipient to accept and act on any fax which the Recipient believes in good faith to be given by the Transmitter and the Recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the Recipient under the Transmitter's original signature.

6. The Transmitter agrees that security procedures adopted by the Recipient may include signature verification, telephone call backs which may be recorded and the Transmitter consents to such recording and agrees to cooperate with the Recipient to enable confirmation of such fax/web/ electronic transaction requests.

7. The Transmitter accepts that the fax shall not be considered until time stamped as a valid transaction request in the Scheme in line with the regulations.

8. In consideration of the Recipient from time to time accepting and at its sole discretion acting on any fax request received / purporting to be received from the Transmitter, the Transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, the Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or by any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.

9. Following further conditions will apply for investors / Unit holders opting for Online Transaction Facility:

   a) The facility can be used after obtaining a PIN from the AMC and completing required documentation, and the facility will be also subject to all terms and condition as prescribed during the registration process /Website Terms & Conditions.

   b) For the purpose of determining cut-off time of a transaction, as prescribed in the relevant Scheme Information Documents, the time of the transaction, as generated by the webserver of the facility, shall be reckoned, and the transactions shall be processed accordingly. The webserver time shall be final and binding.
Mobile / E-mail Communications

The AMC may provide facility under which Unit holders can obtain financial and non-financial information about their transactions, e.g. Redemption, Purchase, dividend declarations, etc., through “SMS Alerts.” This facility may be offered free of cost to all Unit holders whose mobile numbers are registered with Fund / who register themselves for the facility by writing to the Registrar and Transfer Agent, mentioning their folio numbers and mobile numbers. It shall be the responsibility of the Unit holder to promptly intimate the AMC, in writing, in case there is any change in the mobile number(s) or email address of the Unit holder.

In case of non-receipt of any such intimation of difficulty within 24 hours from receiving the email / SMS alert, it will be regarded as receipt of e-mail / SMS alert by the Unit holder. It is deemed that the Unit holder is aware of all security risks including possible third party interception of SMS alert / email and contents of the SMS alerts / documents becoming known to third parties.

Account Statements /Annual Reports, etc., can be sent to each Unit holder by courier / post / e-mail. Unit holders who have opted to receive these documents by e-mail can download and print the documents after receiving e-mail from the Mutual Fund / Registrar and Transfer Agent. The monthly /quarterly factsheets shall be displayed at the AMC Website.

The Unit holders can request for a copy of the Newsletter by post/e-mail. The AMC would arrange to dispatch /email these documents to the Unit holder concerned. Should the Unit holder experience any difficulty in accessing the electronically delivered documents / SMS alerts, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means.

It is deemed that the Unit holder is aware of all security risks including possible third party interception of SMS alert / email and contents of the SMS alerts / documents becoming known to third parties.

(xvi) Re-issue of redeemed units

The units under the Scheme once redeemed, shall not be reissued.

(xvii) Restrictions, if any, on the right to freely retain or dispose of Units being offered

(a) Right to Limit Redemptions

1. The Board of AMC and Trustee on any Business day may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so and under certain circumstances leading to a systemic crisis or event that severely constrains market liquidity or efficient functioning of markets such as:
   I. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
   II. 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 can also be related to political, economic, military, monetary or other emergencies.
   III. 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.

2. Restriction on redemption may be imposed by the Board of AMC and Trustee for a period of time not exceeding 10 working days in any 90 days period after the approval of Board of AMC and Trustees. Further, the AMC will immediately intimate the restriction on redemption to SEBI.

3. The AMC/the Fund will follow the following procedure when restricting redemption:
   • Redemption requests upto ₹ 2 lakh shall not be subject to aforesaid restriction.
   • Redemption requests above ₹ 2 lakh, the AMC shall redeem first ₹ 2 lakh without said restriction and remaining part over and above ₹ 2 lakh shall be subject to such restriction.

Any Units which consequently 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) of the Business Day on which Redemption is made. 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 pro-rata basis based on the size of each Redemption request (subject to aforesaid limit of Rs.2 lakh), the balance amount being carried forward for Redemption to the next Business Day. In addition, the Board of AMC and Trustee reserves the right, at its sole discretion, to limit redemptions with respect to any single account to an amount of ₹ 2,00,000/-, or such other higher amount, in a single day, as the Board of AMC and Trustee may decide in the best interests or the general interest of Unit holders. Under such circumstances, redemption cheques may be dispatched/mailed out to Unit holders within a reasonable period of time and will not be subject to the normal response time for redemption payments dispatch/mailing.

(b) Closure of Unit holder's account

The AMC at its sole discretion may close a Unit holder's account after giving notice of 45 days, if at the time of any part redemption, the value of Units (represented by the Units in the Unit holder's account if such redemption were to take place, valued at the applicable NAV related price), falls below the minimum investment/balance required for this Scheme (or such other amount as the AMC may decide from time to time) or where the Units are held by a Unit holder in breach of any Regulation.

The AMC also has the right at its sole discretion, to redeem appropriate number of Units and / or close Unit holder's account in the event he does not invest the requisite amount or does not submit the requisite proof / documents / information.
(c) Suspension of the determination of NAV and Redemption of Units

Subject to the approval of the Boards of the AMC and of the Trustee, and subject also to informing the same to
SEBI in advance, the determination of the NAV of the Units of the Scheme, and / or of the Redemption of Units
may be temporarily suspended in any one or more of the conditions described below:

a) When one or more stock exchanges or markets or rating agency(ies) which provide the basis of valuation
for a substantial portion of the assets of the Scheme is closed otherwise than for ordinary holidays;

b) When, as a result of political, economic or monetary events or any other circumstances outside the control
of the Trustee and the AMC, the disposal of the assets of the Scheme is not considered to be reasonably
practicable or might otherwise be detrimental to the interests of the Unit holders;

c) In the event of breakdown in the means of communication used for the valuation of investments of the
Scheme, so that the value of the securities of the Scheme cannot be accurately or reliably arrived at;

d) If, in the opinion of the AMC, extreme volatility of markets cause or might cause, prejudice to the interests
of the Unit holders of the Scheme;

e) In case of natural calamities, floods, large scale disruptions, war, strikes, riots, and bandhs;

f) In case of any other event of force majeure or disaster that in the opinion of the AMC affects the normal
functioning of the AMC or the Registrar; or

g) If so directed by SEBI.

In any of the above eventualities, the time limits for processing requests for subscription and Redemption of Units
will not be applicable. All subscription and redemption of Units will be processed on the basis of the immediately
next Applicable NAV after the resumption of dealings in Units.

The Fund / Trustee / AMC also reserves the right, at their sole discretion, to withdraw or suspend facility of sale
and/or repurchase of Units in the Scheme, temporarily or indefinitely, if in the opinion of the AMC, a further
increase in the Scheme’s corpus may be detrimental to the interests of the existing Unit holders. However,
the suspension of sale / repurchase will be made with the approval of the Trustee. In such event, an application
to purchase Units is not binding on, and may be rejected by, the Trustee, the AMC or their respective agents.

Note: With effect from October 1, 2010 mutual fund units held in Demat account only are freely transferable in
accordance with SEBI Circular no. CIR/IMD/DF/10/2010 dated August 18, 2010.

(xviii) Duration of the Scheme

The duration of the Scheme is perpetual. However, in accordance with the Regulations, the Scheme may be wound
up, after repaying the amount due to the Unit holders:

(a) on the happening of any event which, in the opinion of the Trustee, requires the Scheme to be wound up;

(b) if 75% of the Unit holders of the Scheme pass a resolution that the Scheme be wound up;

(c) if SEBI so directs in the interests of Unit holders; or

(d) in case of non-fulfillment of two conditions prescribed in terms of minimum number of investors and maximum
holding by a single investor vide SEBI circular No. SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003
(including amendments thereto from time to time).

When or if the Scheme is so wound up, the Trustee shall give notice of the circumstances leading to the winding up of
the Scheme:

a) to SEBI; and

b) in two daily newspapers having a circulation all over India and in a vernacular newspaper with circulation in
Mumbai.

On and from the date of the publication of notice of winding up, the Trustee or the AMC, as the case may be, shall:

a) cease to carry on any business activities in respect of the Scheme so wound up;

b) cease to create or cancel Units in the Scheme; and

c) cease to issue or redeem Units in the Scheme.

(xix) Transfer of Units

If a person becomes a Unit holder in the Scheme consequent to operation of law, subject to the provisions under
“Transmission of Units” below, the Fund will, on production of satisfactory evidence, effect the transfer, if the transferee
is otherwise eligible to hold the Units. In all such cases, if the transferee is not eligible to hold the Units, the Units will
be redeemed and the proceeds will be disbursed to the transferee if such transferee is entitled to the same.

For “Transmission of Units” refer to Sub Section B (xiii) of this Section.

(xx) Transaction through Channel Partners:

Investors may transact through Channel Partners (Distributors), with whom AMC has entered into agreement, for
acceptance of transactions through the modes such as their website / other electronic means or through Power of
Attorney in favor of the Channel Distributor, as the case may be. Under such arrangement, the Channel Partners will
aggregate the details of transactions (viz. subscriptions/redemptions/switches) of their various investors and forward
the same electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the
relevant Scheme. The Channel Partners is required to send copy of investors’ KYC proof and agreement entered into
between the investor & distributor to the RTA (one time for central record keeping) as also the transaction documents
/ proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. In case KYC proof
and other necessary documents are not furnished within the stipulated timeline, the transaction request shall be liable
to be rejected. Normally, the subscription proceeds, when invested through this mode, are by way of direct credits to
the specified bank account of the Fund. The Redemption proceeds (subject to deduction of tax at source, if any) and
dividend payouts, if any, are paid by the AMC to the investor directly through direct credit in the specified bank account

44
of the investor or through issuance of payment instrument, as applicable. It may be noted that investors investing through this mode may also approach the AMC / Official Points of Acceptance directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by the AMC. The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors / Partners through this mode.

**Treatment of Financial Transactions received through Distributors suspended by AMFI:**

Applicable provisions for treatment of purchase/switch/SIP/STP transactions received through distributors whose AMFI registration/ARN has been suspended temporarily or terminated permanently by AMFI are follows:

a) During the period of suspension, no commission shall be accrued or payable to the distributor whose ARN is suspended. Accordingly, during the period of suspension, commission on the business canvassed prior to the date of suspension shall stand forfeited, irrespective of whether the suspended distributor is the main AMFI Registration Number ("ARN") holder or a sub-distributor;

b) All Purchase and Switch transactions post the date of suspension, including SIP/STP registered prior to the date of suspension and fresh SIP/STP registrations received under the ARN code of a suspended distributor during the period of suspension, shall be processed under “Direct Plan” of the respective scheme and shall be continued under Direct Plan of the respective scheme perpetually*. A suitable intimation in this regard shall be sent to the investor informing them of the suspension of the distributor;

*Note: If the AMC receives a written request from the first/sole unitholder to shift to other than Direct Plan under the ARN of the distributor post the revocation of suspension of ARN, the same shall be honored. Investors may please note that they could be liable to bear capital gains taxes as per their individual tax position for such transactions.

c) All Purchase and Switch transactions including SIP/STP transactions received through the stock exchange platforms through a distributor whose ARN is suspended shall be rejected;

d) In case where the ARN of the distributor has been permanently terminated, the unitholders have the following options:

- Switch their existing investments under the other than Direct Plan to Direct Plan (Investors may be liable to bear capital gains taxes as per their individual tax position for such transactions);
- Continue their existing investments under the other than Direct Plan under ARN of another distributor of their choice.

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**(xxi) BOI AXA Online Transaction Services:**

Facility of Online Transaction is available on the official website (www.boiaxamf.com). The said website is declared to be an “Official Point of Acceptance“ for applications for subscription or switches. Investors should note that the transactions on the website shall be subject to the eligibility of the Investors, terms and conditions provided in the Website. The terms and conditions may subject to change from time to time. In case of Existing Investor, he can subscribe with or without Transaction pin by entering the details like Folio number, Pan Card number, Bank account number and/or transaction PIN. In case of New Investor, who invests for the first time in our fund, he/she has to provide details asked for to create the folio number, PIN, User Identification etc to create the master details.

**(xxii) Investments through MF Utility Platform:**

Investments can also be made through MF Utility Platform. This facility is provided to enable investors, directly or through Mutual Fund distributors and financial advisors to transact in units of schemes offered by the AMC. The applicability of Net Asset Value (NAV) for transactions under this facility shall be based on time stamping as evidenced by the data received from MFUI in this regard and also the realization of funds in the bank account of the Fund (and not the time of realization of funds in the bank account of MFUI) within the applicable cut-off timing. The uniform cut-off time as prescribed by SEBI and as mentioned in the SID / KIM of the Scheme and the terms & conditions of offerings of the Scheme as specified in the SID, KIM and SAI of the Fund shall be applicable for applications received through this facility.

MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the participating Mutual Funds, for transacting in multiple Schemes of various participating Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form ("CRF") and necessary documents at the MFUI POS. The AMC and/or its Registrar and Transfer Agent ("RTA") shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU. Investors are requested to visit the websites of MFUI or the AMC (www.boiaxamf.com) to download the relevant forms. Investors transacting through MFU shall be deemed to have consented to the exchange of information viz. personal and/or financial (including the changes, if any) between the Fund /the AMC and MFUI and/or its authorized service providers for validation and processing of transactions carried out through MFU.

The transactions through this facility shall be subject to the terms & conditions as stipulated by MFUI/the Fund/ the AMC from time to time and any law for the time being in force. The usage of this facility will be deemed as the investor's confirmation that the investor understands and agrees to be bound by all the terms and conditions applicable to this facility, as may be amended from time to time.

For details on carrying out transactions through MFU or any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 022-61344316 (during the business hours on all days except Saturday, Sunday and Public Holidays) or send an email to clientservices@mfuindia.com. For any escalations and post-transaction queries pertaining to the Scheme(s) of the Fund, the investors can contact the AMC/RTA.

The AMC reserves the right to change, modify or withdraw this facility at any point of time. However, the change will be effective only on a prospective basis. Further, the AMC reserves the right to restrict the number / type of schemes being offered through this facility.
BOI AXA MULTI CAP FUND
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

B. ONGOING OFFER DETAILS

(i) Ongoing Offer Period
This is the date from which the scheme will re-open for subscriptions/ redemptions after the closure of the NFO period.

(ii) 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. Since the entry load has been abolished, units can be purchased at the applicable NAV.

Units of face value of ₹ 10/- each at the Applicable NAV subject to provisions relating to "Subscriptions" under Section IV UNITS & OFFER.

(iii) 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.

Example: If the applicable NAV is ₹ 10, exit load is 2%, then redemption price will be:

\[ ₹ 10 \times (1-0.02) = ₹ 9.80 \]

(iv) 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, being ISCs.

The Subscription to Units of the Scheme will be available at NAV based price on all Business Days during the Ongoing Offer Period.

At the Applicable NAV, subject to prevailing Exit Load.

The Cut-off time for subscriptions/ redemptions/ switches is 3 pm and the Applicable NAV will be as under:

For Purchases/SIP/STP/Switch-in:

(a) In respect of valid Purchase applications (along with necessary documents) of investment amount less than ₹ 2 lakhs accepted at an Official Point of acceptance along with a local cheque or demand draft payable at par at the place where it is received up to 3 pm on a Business Day, the closing NAV of the day of receipt of application will be applicable;

(b) In respect of valid Purchase applications (along with necessary documents) of investment amount equal to or more than ₹ 2 lakhs accepted at an Official Point of acceptance along with a local cheque or demand draft payable at par at the place where it is received up to 3 pm on a Business Day, and the funds are available for utilization before the cut-off time without availing any credit facility, whether intraday or otherwise, the closing NAV of the day of receipt of application will be applicable;

(c) In respect of valid Purchase applications (along with necessary documents) of investment amount less than ₹ 2 lakhs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received after 3 pm on a Business Day, and the funds are available for utilization on the same day without availing any credit facility, whether intra-day or otherwise, the closing NAV of the next Business Day will be applicable, and

(d) In respect of valid Purchase applications (along with necessary documents) of investment amount equal to or more than ₹ 2 lakhs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received after 3 pm on a Business Day, and the funds are available for utilization on the same day without availing any credit facility, whether intra-day or otherwise, the closing NAV of the next Business Day will be applicable, and

(e) Irrespective of the time of receipt of application of investment amount equal to or more than ₹ 2 lakhs, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether intra-day or otherwise, the closing NAV of the day on which the funds are available for utilization will be applicable.

In case multiple applications are received for subscriptions/purchase for an aggregate investment amount equal to or more than ₹ 2 lakhs on any day, then such applications shall be consolidated at a Permanent Account Number (PAN) level. In case of application by individual in joint names, such consolidation of investment shall be based on PAN of the first unitholder. Such consolidation shall be done irrespective of the number of folios under which the investor has invested in or and irrespective of source of funds, mode, location and time of application and payment. Accordingly, the applicable NAV for such investments shall be the NAV of the day on which funds are credited to bank account before the cut-off time. In case the funds are cleared on separate days, then the applicable NAV shall be the respective NAV(s) of the Business day(s) on which the funds are credited to bank account.

For Redemptions/ Switch out/STP:

1. In respect of valid applications accepted at an Official Point of Acceptance up to 3.00 p.m. on a Business Day, the closing NAV of the same day will be applicable; and

2. In respect of valid applications accepted at an Official Point of Acceptance after 3.00 p.m., the closing NAV of the next Business Day will be applicable.

Further, with respect to investors who transact through the stock exchange, a confirmation slip given by the stock exchange mechanism shall be considered for the purpose of determining Applicable NAV for the Scheme and cut off timing for the transactions.

Web based transactions:

For purchase transactions through the website of the Fund, the electronic bank confirmation is received simultaneously for web-based transactions using internet banking.
(v) Where can the applications for purchase/re redemption/ Switches be submitted?
The applications for purchase/re redemption/ Switches may be submitted at any of the ISCs / Official Points of
Acceptance or through online facility/Channel partner etc mentioned at the end of this document or as published from
time to time in any notice / addendum.

AMC has the right to modify / add additional centres from time to time, or to discontinue any existing centre. For updated
list of centres, please call Toll free on 1800 103 2263/ 18002662676 or contact AMC branches or log on to the AMC
Website: www.boiaxamf.com.

Investors intending to deal through Stock Exchange Facility should submit applications for purchase/redemptions to an
 Eligible Stock Broker. Please note that transactions like Switch, STP, SWP etc. cannot currently be carried out through
Stock Exchange Facility.

Unit holders holding Units in demat mode should submit their requests for non-financial transactions / service requests
such as change of address, change of bank details, etc., to their Depository Participant.

Investors having a demat account and transacting in units in dematerialized (electronic) form through Eligible Stock
Brokers (ESB) through Stock Exchange Facility, shall receive redemption amount (in case of sale transaction) or Units
(in case of purchase transaction), as the case may be, through such Eligible Stock Broker’s pool account. Investors
holding units in dematerialized form can ALSO submit their redemption request in respect of such units to their
Depository Participants.

Apart from the above, Investors may also transact through:

- Channel Partners (Distributors), with whom AMC has entered into agreement.
- Facility of Online Transaction is available on the official website (www.boiaxamf.com).
- SMS Facility

(vi) Minimum amount for redemption/switches
₹ 1,000/- or equivalent Unit value, or account balance, whichever is lower.

(vii) Minimum balance to be maintained and consequences of non-maintenance
Currently, there is no minimum balance requirement.

(viii) Special Products available
As mentioned in the Section “Special Products / facilities available” in paragraph (xv) of Part A of Section IV titled
“UNITS AND OFFER”.

(ix) Option to hold units in demat form
Investors in the Schemes of BOI AXA Mutual Fund have an option to mention demat account details in the subscription
form, in case they desire to hold units in electronic (demat) mode. The option to subscribe units in electronic (demat)
mode is available for all the Schemes of the Fund except for plans/options where dividend distribution frequency is less
than one month.

Investors are requested to contact any of the Investor Service Centers (ISCs) of BOI AXA Mutual Fund for further
details, if needed.

(x) Account Statement/Consolidated Account Statement (CAS)
Under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996, the AMC/ RTA is required to send consolidated
account statement for each calendar month to all the investors in whose folio transaction has taken place during the
month. Further, SEBI vide its circular ref. no. DDIR/RTA/DP/31/2014 dated November 12, 2014, in order to enable a single
consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with
Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors
having mutual fund investments and holding demat accounts.

In view of the said requirements the account statements for transactions in units of the Fund by investors will be
dispatched to investors in following manner:

I. Investors who do not hold Demat Account

Consolidated account statement^, based on PAN of the holders, shall be sent by AMC/ RTA to investors not
holding demat account, for each calendar month within 10th day of the succeeding month to the investors in
whose folios transactions have taken place during that month.

Half yearly CAS shall be sent to investors who have transacted/not transacted during the last 6 months. This
statement will contain the details of the brokerage and the expense ratio charged to the Investor based on his
holdings transacted during the six months’ period. The half yearly CAS is sent in the months of April and October
for the previous six months holdings.

^Consolidated account statement sent by AMC/RTA is a statement containing details relating to all financial
transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout,
dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus
etc. (including transaction charges paid to the distributor) and holding at the end of the month.

II. Investors who hold Demat Account

Consolidated account statement^ ^, based on PAN of the holders, shall be sent by Depositories to investors
holding demat account, for each calendar month within 10th day of the succeeding month to the investors in
whose folios transactions have taken place during that month.

Half yearly CAS shall be sent to investors who have transacted/not transacted during the last 6 months. This
statement will contain the details of the brokerage and the expense ratio charged to the Investor based on his
holdings transacted during the six months’ period. The half yearly CAS is sent in the months of April and October
for the previous six months holdings.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the
depository shall send account statement in terms of regulations applicable to the depositaries.
Following provisions shall be applicable to CAS sent through AMC/RTA and CAS sent through depositories:

a. Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folio; the monthly statement will be sent on or before tenth day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.

b. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC.

c. In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.

d. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

e. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.

f. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.

g. Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.

h. Non-transferable Unit Certificates will be sent, if an applicant so desires, within 5 Business Days of the receipt of a request for the certificate. Unit Certificates will not be issued for any fractional Units entitlement.

i. There are no restrictions on transfer of Units of the Scheme. However, Units held in the form of Statement of Account must be first converted into Unit certificate(s) before submitting the request for transfer. Further, additions/deletions of names will not be allowed under any folio of the Scheme. However, the said provisions will not be applicable in case a person (i.e. a transferee) becomes a holder of the Units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the Scheme.

The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer

The Trustee reserves the right to make the Units transferable at a later date subject to SEBI (MF) Regulations issued from time to time.

(xi) Account Statements

(a) For investors opting to hold Units in non-dematerialised / physical holding (i.e. through Account Statement) mode

For normal transactions (other than SIP/STP/SWP) during ongoing Purchase and repurchase:

The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of Units purchased / switched / redeemed etc. In such cases, the AMC shall endeavor to send the Account Statement within 5 Business Days, but within 30 days of the receipt of the transaction request.

The Unit holder may request for a physical account statement by writing / calling the AMC / ISC / R&T by submitting it at the AMC / ISC / R&T.

For SIP/STP/SWP transactions as applicable:

- The first Account Statement under SIP/STP/SWP shall be issued within 5 working days of the initial investment/transfer.
- In case of specific request received from any Unit holder, the Fund shall provide the Account Statement (SIP/STP/SWP as applicable) within 5 working days from the receipt of such request without any charges.

(b) For investors opting to hold Units in dematerialised (demat) mode with a DP

For investors opting to hold Units in demat mode, the statement of holdings/transactions will be sent by the Depository Participant of the investor showing the credit/debit of Units to investor's account. The Fund would not be issuing any Account Statement.

(xii) Dividend

The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend. Efforts are being made to directly credit the dividend to the Unitholders account. In the event of delay the AMC shall pay to the concerning investor's interest @15% p.a. for such number of days beyond the specified period of 30 days.
(xiii) Redemption

(a) Redemptions of Units

The Unit Holder can request for Redemption either in amount in rupees or in number of Units. Where both amount as well as number has been specified, the Fund will redeem basis the requested redemption amount. Where the investor specifies the number of units or the amount in words and figures and if there is a mis-match between the number / amount specified in words and figures, in that event the Redemption request shall be rejected. Units purchased by cheque can be redeemed only post-realization of the cheque / payment instrument for application money. Unitholder holding investments in more than one Plan should clearly specify the Plan from which redemption should be made, failing which redemption request will be rejected.

If the redemption request amount exceeds the balance lying to the credit of the Unitholder's said account, then in that event the redemption request shall be processed basis the balance in the Unitholder's account.

If an investor has purchased Units on more than one Business Day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time), are deemed to have been redeemed first, i.e. on a First In First Out basis except when the Unit holder specifically requests redemption of Units purchased on specific date(s). If multiple Purchases have been made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.

The minimum amount for Redemption shall be ₹ 5,000/- or equivalent Unit value, or account balance whichever is lower.

Investors transacting through the Stock Exchange Facility

For redemption through the Stock Exchange Facility, Unit holders should submit the redemption request to Eligible Stock Brokers.

Investors having a demat account and transacting in units in dematerialized (electronic) form through Eligible Stock Brokers through Stock Exchange Facility, shall receive redemption amount through such Eligible Stock Broker's pool account i.e. the Fund would pay proceeds to the Eligible Stock Brokers who in turn shall pay the amount to the respective investor.

Payment of redemption proceeds to the Broker by the Mutual Fund /AMC shall discharge the Mutual Fund/AMC of its obligation of payment to such Investors.

Investors holding units in dematerialized form can also submit their redemption request in respect of such units to their Depository Participants.

(b) Redemption Price

The Redemption Price of the Units is the price at which a Unit holder can redeem Units of the Scheme. It will be calculated for up to two decimal places for the Scheme as shown below:

Redemption Price = Applicable NAV x (1 - Exit Load)

Assuming that the Applicable NAV is 12.00 and the Exit Load is 1%

Redemption Price = 12.00 x (1-0.01) = 11.88

Where redemption is sought in Units: If the Unit holder requests redemption of 1,000 Units at a Redemption Price of, for eg, ₹ 11.88/-the Redemption amount is ₹ 11,880/-. Where redemption is sought in amount: If the Unit holder requests redemption of ₹ 10,000/- at a Redemption Price of ₹ 11.88/- (as calculated above), the Units to be redeemed will be 841.750.

Investors may note that the Trustee has a right to modify the existing Load structure in any manner or introduce an Entry Load or Exit Load or a combination of Entry Load and / or Exit Load and / or any other Load subject to a maximum as prescribed under the Regulations and with prospective effect only.

The Redemption Price however, will not be lower than 93% of the NAV subject to SEBI Regulations as amended from time to time. Similarly, the difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

Please refer to Section V ‘Fees, Expenses & Load’ for more details.

(c) How to Redeem

A Unitholder desiring to redeem can use a Transaction Slip for redemption request. Completed Transaction Slip or Form can be submitted at an ISC. Transaction Slips can be obtained from any of the ISCs or from the website of the AMC, www.boiaxamf.com.

AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing.

(d) Payment of Redemption Proceeds

Payments to resident investors

Unitholders will receive redemption proceeds directly into their bank account through various electronic payout modes such as Direct credit/ NEFT/RTGS/NACH / NECS etc. unless they have opted to receive the proceeds through Cheque/Demand Draft. The Direct Credit facility is available for specific banks with whom AMC has a tie up from time to time. Investors need to check with the AMC for an updated list of the Direct Credit Banks.
Investors having bank mandates where the AMC has a Direct Credit facility will receive redemption process by way of Direct Credit only and not cheques, except otherwise expressly requested by the investor.

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) into the bank account as furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide their 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 holders registered address.

**For units held in demat form**

Unitholders should submit their valid redemption request to their Depository Participant (DP). The redemption proceeds will be credited to the bank account of the unit holder, as per the bank account details recorded with the DP through electronic modes or by forwarding a Cheque / Draft.

**Payment to Non-Resident Investors / FPIs**

(a) Repatriation basis - For NRIs/FPIs/Persons of Indian Origin residing abroad, may be made either by way of Indian Rupee drafts or cheques by means of

(i) inward remittance through normal banking channels; or

(ii) out of funds held in NRE/FCNR account payable at par and payable at the cities where the Customer Service Centres are located. In case of Indian Rupee drafts purchased through NRE/FCNR Account, an account debit certificate from the bank issuing the draft confirming the debit should also be enclosed. In case the debit certificate is not provided, the AMC reserves the right to reject the application of the NRI investors.

(b) Where the investment of NRI was on Non-Repatriation Basis

When Units have been purchased from funds held in the Unit holder's Non-Resident (Ordinary) Account, the proceeds will be credited to the Unit holder's Non-Resident (Ordinary) account. For FPIs, the fund will credit the net amount of the redemption proceeds of such units to the foreign currency account or Non-Resident Rupee.

The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations while converting the Rupee amount in foreign exchange in the case of transactions with NRIs / FPIs.

**Bank Details**

In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Payment will be made only in the Bank Account registered with the Mutual Fund. Applications without complete bank details shall be rejected.

It is clarified that in the event of any non-credit by the bank and/or wrongful credit due to incorrect bank account details provided by the unit holder, the AMC / Registrar will not be liable. In the interest of the investors, it is advised that due care is taken while providing the bank details to the Fund. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay/loss in transit.

(e) **Effect of Redemptions**

The number of Units held by the Unit holder in his folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.

(f) **Unclaimed redemptions and dividends**

As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments only. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts.

(g) **Alternative Mechanism for Redemptions**

AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.

| (xiv) Delay in payment of redemption / repurchase proceeds | Where the AMC sends the redemption / repurchase proceeds after 10 working days, the Asset Management Company shall be liable to pay interest to the Unit holders for the period beyond such 10 working days at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). |
(xv) Transmission of Units and Nomination Facility

If a person becomes a Unit holder in the Scheme consequent to operation of law, subject to the provisions under "Transmission of Units", the AMC will, on production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. In all such cases, if the transferee is not eligible to hold the Units, the Units will be redeemed and the proceeds will be disbursed to the transferee if such transfer is entitled to the same.

Person(s) claiming transmission of units in his/their name(s) are required to submit prescribed documents, the details of which can be referred on the AMC's website (www.boiaxamf.com) or obtained from Registrar & Transfer Agent. Required documents would inter alia include request letter, attested/notarized copy of death certificate of deceased unit holder, KYC acknowledgement of remaining unit holders, if not given, or of Nominee/claimant, indemnity bond if the value of units involved is equal to or exceeds ₹ 100,000 (or such other amount the AMC/Trustee may decide from time to time). Transmissions will be effected only upon receipt of all valid and complete required documents.

For Nomination facility, refer SA/ Application Form for complete details.

(xvi) Bank Account Details

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of Units.

Bank Mandate Requirement

For all fresh purchase transactions made by means of a cheque, where the account on which the cheque is drawn for purchase of units differs from the bank mandate account provided in the application, a copy of blank/cancelled cheque of bank mandate account is required to be provided. This condition is also applicable to all fresh purchase transactions made by means of a Demand Draft.

In case of failure of this condition, the application will be rejected as it will be treated as third party payment.

In case of SIP application without cheque, original cancelled cheque/copy of cheque should be attached. In case of failure, the AMC reserves the right to reject the application. Further, the AMC will not be liable in case the redemption/dividend proceeds are credited to wrong account in absence of above cheque copy.

Investor/s or / Unit Holder/s are requested to note that any one of the following documents (of the mandated bank account) shall be submitted by the investor/s or / Unit Holder/s, in case the cheque provided along with fresh subscription / new folio creation does not belong to the bank mandate specified in the application form:

1. Original cancelled cheque having the First Holder Name printed on the cheque or;
2. Original bank statement reflecting the First Holder Name, Bank Account Number and Bank Name as specified in the application or;
3. Photocopy of the bank statement / bank passbook of the investor duly attested by the bank manager and bank seal preferably with designation and employee number or;
4. Photocopy of the bank statement / passbook / cancelled cheque copy duly attested by the AMC / Registrar of the Fund (RTA) branch officials after verification of original bank statement / passbook / cheque shown by the investor or their representative or;
5. Confirmation by the bank manager with seal, on the bank's letter head with name, designation and employee number confirming the investor details and bank mandate information.

Multiple Bank Accounts:

The Unit holder/Investor can register Multiple Bank account detail under its existing Folio by submitting separate form. Multiple Bank Accounts Registration forms are available on www.boiaxamf.com or any of our AMC Branches.

For details on change in Bank details, kindly refer SA1.

(xvii) Transfer of Units

The Units held in electronic form would be transferable. Transfers should be only in favour of transferees who are eligible for holding Units under the Scheme and subject to the Trustee's discretion. The Trustee/AMC shall not be bound to recognize any other transfer. For effecting the transfer of Units held in electronic form, the Unit Holders would be required to lodge delivery instructions for transfer of Units with the Depository Participant in the requisite form as may be required from time to time and the transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in electronic mode.

If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Mutual Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency or otherwise etc., the transferee's name will be recorded by the Mutual Fund subject to production of satisfactory evidence.

(xviii) Liquidity

The Scheme will offer redemption / Switchover on every business day at NAV based prices.
Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time.

A. For Individual Investors

I Central KYC Norms for Individual Investors new to KYC system with effect from 1st February 2017

Government of India, vide Gazette notification dated November 26, 2015, had authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI), to act and perform the functions of Central KYC Records Registry (CKYCR) including receiving, storing, safeguarding and retrieving the Know Your Client (KYC) records of an investor in digital form.

In terms of the above, the following Norms are applicable with effect from 1st February 2017 in case of an Individual investor who is new to the KYC Registration system:-

1. An Individual Investor who is new to KYC Registration system and whose KYC is not registered or verified with any of the Agencies for KYC Registration (KRA), shall use the CKYC form to register their KYC.

2. In case an Individual Investor uses old KRA KYC form, such investor should either fill the new CKYC form or provide additional / missing information in the Supplementary CKYC form.

3. An Individual Investor who has already completed CKYC and has a KYC Identification Number (KIN) from CKYCR, can invest in the Schemes of BOI AXA Mutual Fund by quoting their KIN.

4. In case PAN of an investor is not updated in CKYCR system, the investor shall be required to submit a self-certified copy of PAN card at the time of investment.

5. The KYC requirements shall be governed by SEBI Circulars / notifications and AMFI Guidelines issued from time to time.


II Existing investors who are KYC compliant before 1st January 2012 will have to complete the new KYC requirements and get the IPV done if they wish to deal with any other SEBI registered intermediary other than a Mutual Fund.

III Aadhaar based e-KYC process

Investors can also avail the Aadhaar based e-KYC service offered by UIDAI for KYC verification.

For this purpose, Investors/clients, on voluntary basis, can authorize the Intermediaries registered as KYC User Agency (KUA) with UIDAI to access the client identification and authentication details from UIDAI.

For entering into account based relationship, the Investor/client may provide the following information to the intermediary electronically including through any web enabled device.

(i) Name
(ii) Aadhaar number
(iii) Permanent Account Number (PAN)

The Intermediary shall perform verification of the client with UIDAI through biometric authentication (fingerprint or iris scanning). Mutual Funds can also perform verification of the client with UIDAI through One Time password (OTP) received on client’s mobile number or on e-mail address registered with UIDAI provided, the amount invested by the client does not exceed Rs. 50,000 per financial year per Mutual Fund and payment for the same is made through electronic transfer from the client’s bank account registered with that Mutual Fund.

After due validation of Aadhaar number provided by the client, the intermediary (acting as KUA) shall receive the KYC information about the client from UIDAI through KSA.

For further details on e-KYC process, refer to SEBI circular dated 22nd January 2016.

Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standards (CRS) requirements (Applicable for all investors):

In accordance with the regulatory requirements relating to FATCA/CRS read along with SEBI Circular no. CIR/MIRSD/2/2015 dated August 26, 2015 and AMFI Best practices guidelines circular no. 63/2015-16 dated September 18, 2015 regarding uniform implementation of FATCA/CRS requirements, investors are requested to ensure the following:

- All investors will have to mandatorily provide the details and declaration pertaining to FATCA/CRS for all new accounts opened, failing which the AMC shall reject the application.

Ultimate Beneficial Ownership (UBO) (Applicable for non-individuals including HUFs):

In accordance with SEBI Circular no. CIR/MIRSD/2/2013 dated January 24, 2013 and AMFI Best practices guidelines circular no. 62/2015-16 dated September 18, 2015, Investors may note the following:

- With effect from November 1, 2015, it shall be mandatory for new investors to provide beneficial ownership details as part of account opening documentation failing which the AMC shall reject the application.

- With effect from January 1, 2016 it shall be mandatory for existing investors/unitholders to provide beneficial ownership details, failing which the AMC shall reject the transaction for additional subscription (including switches).

For details on KYC kindly refer SAI.
(viii) SMS Transaction Facility

This Facility is currently being made available to Resident Individuals (including guardians on behalf of minor) being existing Unitholders of BOI AXA Mutual Fund. The investor can Subscribe, redeem and switch transaction through this facility upon registration.

For further details, investors are requested to refer SAI.

(xix) Other requirements/processes

Consolidation of Folios

In case an investor has multiple folios, the AMC reserves the right to consolidate all the folios into one folio, based on such criteria as may be determined by the AMC from time to time. In case of additional purchases in same Scheme/ fresh purchase in new Scheme, if the investor fails to provide the folio number, the AMC reserves the right to allot the units in the existing folio, based on such integrity checks as may be determined by the AMC from time to time.

Transactions without Scheme Name

In case of initial/additional purchases, if the name of the Scheme on the application form/transaction slip differs with the name on the Cheque/Demand Draft, then the AMC will allot units under the Scheme mentioned on the payment instrument. In case of initial/additional purchases, if the Scheme name is not mentioned on the application form/transaction slip, then the units will be allotted under the Scheme mentioned on the Cheque/Demand Draft. The Plan/Option that will be considered in such cases if not specified by the customer will be the default option of the Scheme as per the SID. However, in case additional purchase if no option is selected then the AMC reserves the right to allot units in the option under which units were allotted at the time of initial purchase.

Redemption Request

Where Units under a Scheme are held under both Regular and Direct Plans and the redemption 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.

Redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests.

C. PERIODIC DISCLOSURES

(i) 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 declare separate NAV under Regular Plan and Direct Plan of Scheme. The first NAV will be calculated and declared within 5 business days of allotment.

The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 11.00 p.m. on the day of declaration of the NAV and also on www.boiaxamf.com. Further, AMC will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.

In case of any delay, the reasons for such delay would be explained to AMFI and SEBI within 2 working days. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release as prescribed by the SEBI from time to time.

Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.

(ii) Monthly/Half yearly Portfolio Disclosures

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.

BOI AXA Mutual Fund will disclose portfolio (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website www.boiaxamf.com and on the website of AMFI www.amfiindia.com within 10 days from the close of each month/half year.

In case of unitholders whose email addresses are registered, BOI AXA Mutual Fund will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/half year respectively.

BOI AXA Mutual Fund will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC’s website www.boiaxamf.com and on the website of AMFI (www.amfiindia.com). BOI AXA Mutual Fund will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

(iii) Half Yearly Results

The mutual fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on its website namely, www.boiaxamf.com and 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 will also be displayed on the website of the AMC and AMFI.

(iv) Annual Report

The Scheme 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) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request. Scheme wise annual report shall also be displayed on the website of the Mutual Fund (www.boiaxamf.com) and on the website of Association of Mutual Funds in India (www.amfiindia.com).

Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website www.boiaxamf.com and on the website of AMFI www.amfiindia.com. Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's registered e-mail address.
Investors who have not registered their email id, will have an option of receiving a physical copy of the Annual Report or Abridged Summary thereof. Unitholders whose email addresses are not registered with the Mutual Fund may ‘optin’ to receive a physical copy of the annual report or an abridged summary thereof.

BOI AXA Mutual Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. Physical copies of the report will also be available to the unitholders at the registered office at all times.

BOI AXA Mutual Fund will publish an advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the AMC website (www.boiaxamf.com) and on the website of AMFI (www.amfiindia.com).

(v) Associate Transactions

Please refer to Statement of Additional Information (SAI).

(vi) Tax Implication on Investing in Units of this Scheme

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Tax rates for equity-oriented fund\(^1\) under Income-tax Act, 1961 (Amended by Finance Bill, 2020):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Resident Investor</th>
<th>Mutual Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend</td>
<td>Normal rate of taxes applicable to investor</td>
<td>NIF</td>
</tr>
<tr>
<td>Long-term capital gains(^3)</td>
<td>10%(^3)</td>
<td>NIF</td>
</tr>
<tr>
<td>Short-term capital gains(^4)</td>
<td>15%</td>
<td>NIF</td>
</tr>
<tr>
<td>Business income</td>
<td>Normal rate of taxes applicable to investor</td>
<td>NIF</td>
</tr>
</tbody>
</table>

1. The schemes will attract securities transaction tax (STT) at applicable rates.
3. Units are treated as a long-term capital asset if they are held for a period of more than 12 months preceding the date of transfer.
4. Units are treated as a short-term capital asset if they are held for a period of 12 months or less preceding the date of transfer.
5. Tax at the rate of 10% shall be levied only where long-term capital gains exceeding ₹1,00,00,000 on sale of units of equity-oriented fund on recognized stock exchange on which STT is chargeable.

General Notes:
1. The tax rate would be increased by a surcharge of:
   a) 7% - in case of domestic corporate unit holders, where the total income exceeds ₹1,00,00,000 but does not exceed ₹10,00,00,000
   b) 12% - in case of domestic corporate unit holders where the total income exceeds ₹10,00,00,000
   c) 12% - in case of firms/co-operative society where the total income exceeds ₹1,00,00,000
   d) 10% - in case of individuals, HUF, AOP and BOI where the total income exceeds ₹50,00,000 but does not exceed ₹1,00,00,000
   e) 15% - in case of individuals, HUF, AOP and BOI where the total income exceeds ₹1,00,00,000 but does not exceed ₹2,00,00,000
   f) 25% - in case of individuals, HUF, AOP and BOI where the total income exceeds ₹2,00,00,000 but does not exceed ₹5,00,00,000. Enhanced surcharge is not applicable in respect of capital gains income under section 111A or 112A of the Act i.e. on transfer of unit of equity-oriented fund.
   g) 37% - in case of individuals, HUF, AOP and BOI where the total income exceeds ₹5,00,00,000. Enhanced surcharge is not applicable in respect of capital gains income under section 111A or 112A of the Act i.e. on transfer of unit of equity-oriented fund.

Further, an additional tax of 4% by way of Health and Education Cess would be charged on amount of tax inclusive of surcharge for all unit holders.

2. An equity-oriented fund has been defined as:
   a) In case where the fund invests a minimum of 90% of the total proceeds in units of another fund, which is traded on recognized stock exchange, and such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on a recognized stock exchange; and
   b) In any other case, a minimum of 65 per cent of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognized stock exchange.

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.

3. TDS shall be deducted at the rate of 10% on income in respect of units of mutual fund specified under section10(23D) of the Income-tax Act, 1961 (Act) (other than Income in nature of capital gains) paid by the mutual fund to a resident unit holder provided the amount of such income exceeds ₹5,000 in a financial year.

4. Dividend Stripping: The loss due to sale of units in the schemes (where dividend is tax free) will not be available for set off to the extent of tax-free dividend declared; if units are (A) bought within three months prior to the record date fixed for dividend declaration; and (B) sold within nine months after the record date fixed for dividend declaration.
D. COMPUTATION OF NAV

The NAV of the Units of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date. The Fund shall value its investments according to the valuation norms, as specified in Schedule VIII of the Regulations, or such norms as may be prescribed by SEBI from time to time.

All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. For this purpose, major expenses like management fees and other periodic expenses would be accrued on a day to day basis. The minor expenses and income will be accrued on a periodic basis, provided the non-daily accrual does not affect the NAV calculations by more than 1%.

Any changes in securities and in the number of units be recorded in the books not later than the first valuation date following the date of transaction. If this is not possible given the frequency of the Net Asset Value disclosure, the recording may be delayed up to a period of seven days following the date of the transaction, provided that as a result of the non-recording, the Net Asset Value calculations shall not be affected by more than 1%.

In case the Net Asset Value of a scheme differs by more than 1%, due to non-recording of the transactions, the investors or scheme/s as the case may be, shall be paid the difference in amount as follows:-

(i) If the investors are allotted units at a price higher than Net Asset Value or are given a price lower than Net Asset Value at the time of sale of their units, they shall be paid the difference in amount by the scheme.

(ii) If the investors are charged lower Net Asset Value at the time of purchase of their units or are given higher Net Asset Value at the time of sale of their units, asset management company shall pay the difference in amount to the scheme.

The asset management company may recover the difference from the investors.

Methodology for computation of sale and re-purchase price of the units of mutual fund scheme:

Let's assume that an investor has invested ₹100,000 in a Mutual Fund Scheme on April 01, 2018, at a NAV of ₹10/- per unit and the exit load structure of the scheme is:

a. For exit on or before 12 months from the date of allotment - 1.00%
b. For exit after 12 months from the date of allotment - Nil.

Purchase of mutual fund units

At the time of purchase of units, no. of unit allotted = \[
\frac{\text{Amount invested}}{\text{NAV of the scheme on the date of investment}}
\]

Therefore, no. of unit allotted = \[
\frac{100,000}{10} = 10,000\text{ units.}
\]

As per existing Regulations, no entry load is charged with respect to applications for purchase / additional purchase of mutual funds units.

Redemption/Re-purchase of mutual fund units

In case of redemption, the amount payable to the investor shall be calculated as follows:

(Current value of the holding) - (Exit Load applicable)

where, Current value of the holding = No. of units as on the date\(^*\) NAV as on the date

Exit Load applicable = Current value of the holding \(*\) Exit Load %

Scenario 1: Redemption is done during applicability of exit load

Assume that the investor has requested for redemption of all the units (i.e. 10,000 units), on or before 12 months from the date of allotment i.e. on or before March 31, 2019, the redemption amount payable to investor shall be calculated as follows:

Say in this example the redemption request is done on December 1, 2018; when the NAV of the scheme was ₹12/- and the exit load applicable is 1%, so the Redemption amount payable to investor shall be calculated as follows:

Current value shall be = 10,000 units\(*\) ₹12/-

= ₹120,000/-

Exit load applicable = ₹120,000\(*\)1% = ₹1200/-

Redemption amount payable to investor = Current value of the holding - Exit Load applicable

= ₹120,000 - ₹1200

= ₹118,800/-.
Scenario 2: Redemption is done if the exit load is NIL

Assume that the investor has requested for redemption of all the units (i.e. 10,000 units), after 12 months from the date of allotment i.e. after March 31, 2019, the redemption amount payable to investor shall be calculated as follows:

Say in this example the redemption request is done on April 1, 2019; when the NAV of the scheme was ₹ 12 and the exit load applicable is NIL, so the redemption amount payable to investor shall be calculated as follows:

Current value shall be = 10,000 units*₹ 12/-
              = ₹ 120,000/-

Exit load applicable = NIL

Redemption amount payable to investor = Current value of the holding - Exit Load applicable
                                    = ₹ 120,000 - NIL
                                    = ₹ 120,000/-

The aforesaid example does not take into consideration any applicable statutory levies or taxes. Accordingly, the redemption amount payable to investor shall further reduce to the extent of applicable statutory levies or taxes.

For further details kindly refer Section IX titled “INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS” in the Statement of Additional Information (SAI).
V. FEES AND EXPENSES

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

A. New Fund Offer (NFO) Expenses

In accordance with the provisions of SEBI Circulars - SEBI/IM/DF/2/CIR/P/2014/04 dated April 04, 2016 and SEBI/IM/DF/2/CIR/P/2019/06 dated June 30, 2019 - the NFO expenses shall be borne by the AMC/Trustee/Sponsor and not by the Scheme of the Mutual Fund.

B. Annual Scheme Recurring Expenses

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents’ fee, marketing and selling costs etc. as given in the table below.

The AMC has estimated that recurring expenses, as indicated below, and computed as a percentage of the daily average net assets of the Scheme will be charged to the Scheme as expenses:

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

**Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)** - Upto 2.25%

**Additional expenses under regulation 52 (6A) (c)#** - Upto 0.05%

**Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b)** - Upto 0.30%

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Expense (as % of average daily net assets) on a per annum basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Management and Advisory Fee</td>
<td>Upto 2.25%</td>
</tr>
<tr>
<td>Trustee Fees</td>
<td></td>
</tr>
<tr>
<td>Audit Fees</td>
<td></td>
</tr>
<tr>
<td>Custodian Fees</td>
<td></td>
</tr>
<tr>
<td>RTA Fees</td>
<td></td>
</tr>
<tr>
<td>Marketing &amp; Selling expense incl. agent commission</td>
<td></td>
</tr>
<tr>
<td>Costs related to investor communications</td>
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</tr>
<tr>
<td>Cost of statutory Advertisements</td>
<td></td>
</tr>
<tr>
<td>Cost towards investor education &amp; awareness (at least 2 bps)</td>
<td></td>
</tr>
<tr>
<td>Brokerage &amp; transaction cost over and above 12 bps for cash trades and 5 bps for cash and derivative market trades resp</td>
<td></td>
</tr>
<tr>
<td>GST on expenses other than investment and advisory fees</td>
<td></td>
</tr>
<tr>
<td>GST on brokerage and transaction cost paid for execution of trades</td>
<td></td>
</tr>
<tr>
<td>Other Expenses</td>
<td></td>
</tr>
</tbody>
</table>

The Additional TER in terms of Regulation 52(6A)(b) of SEBI (Mutual Funds) Regulations, 1996 shall be charged up to 30 basis points on the daily net assets of the scheme based on inflows only from retail investors beyond Top 30 cities (830 cities). Inflows of amount upto ₹ 2,00,000 per transaction by individual investors shall be considered as inflows from retail investors. Top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on ‘AUM by Geography - Consolidated Data for Mutual Fund Industry’ as at the end of the previous financial year.

The additional commission for B 30 cities shall be paid as trail only. Further, GST on investment and advisory fees to the scheme shall be charged in addition to the Total Expense Ratio as mentioned above.

Additionally at least 2 basis points on daily net assets within the maximum limit of overall expense Ratio (as mentioned in the above table) shall be annually set apart for investor education and awareness initiatives.

Investors should further note that the AMC reserves the right to charge a higher percentage of Investment and Management Fees than as mentioned in the SID but within the overall total expense ratio mentioned for the Scheme.
Further, brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions; any payment over and above this limit shall be charged to the scheme within the maximum limit of total expense ratio (TER) as prescribed under Regulation 52.

The TER of the Direct Plan will be lower to the extent of the abovementioned distribution expenses/ commission which is charged in the Regular Plan. The Direct Plan shall also have separate NAV.

C. ILLUSTRATION OF IMPACT OF EXPENSE RATIO ON SCHEMES RETURNS:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Regular Plan</th>
<th>Direct Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment as on March 31, 2017 (A)</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Investment as on March 31, 2018 (B)</td>
<td>114,000</td>
<td>115,000</td>
</tr>
<tr>
<td>Returns under each plan ((B-A)/A)%</td>
<td>14.00%</td>
<td>15.00%</td>
</tr>
<tr>
<td>Expenses other than distribution expenses charged to the scheme (in percentage terms)</td>
<td>1.50%</td>
<td>1.50%</td>
</tr>
<tr>
<td>Distribution expenses charged to the scheme (in percentage terms)</td>
<td>1%</td>
<td>-</td>
</tr>
<tr>
<td>Total expenses charged to the scheme (in percentage terms)</td>
<td>2.50%</td>
<td>1.50%</td>
</tr>
<tr>
<td>Gross returns under each plan of the scheme before charging expenses (in percentage terms)</td>
<td>16.50%</td>
<td>16.50%</td>
</tr>
<tr>
<td>Gross investment value under each plan of the scheme if no expenses were charged to the scheme</td>
<td>116,500</td>
<td>116,500</td>
</tr>
</tbody>
</table>

Above illustration is a simplified calculation to show the impact of the expense charged on the performance to the scheme. In the above illustration total expense charged to the scheme has been mentioned in INR. As per the SEBI regulation, expense to the scheme is charged on daily basis on the daily net assets and as per the percentage limits specified in the SEBI regulations.

D. Load Structure

Load is an amount which is paid by the investor to redeem the Units from the Scheme. Load amounts are variable and are subject to change from time to time. The Load structure for the Scheme is as follows:

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Load:</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOI AXA Multi Cap Fund</td>
<td>Entry Load - NA</td>
</tr>
<tr>
<td></td>
<td>Exit Load - Nil</td>
</tr>
</tbody>
</table>

- The entire exit load (net of GST), if any shall be credited to the Scheme.
- No Entry / Exit Loads will be chargeable in case of switches made between different options of a Scheme.
- Exit Load will be computed basis the amount of redemptions made by an investor/Unitholder.
- Redemption of investments made through SIP, STP, switch or other facilities will also attract Exit Load as applicable except otherwise specified.
- The entire exit load (net of GST) charged after October 1, 2012 if any, shall be credited to the Scheme.

In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 16823/09 dated June 30, 2009, no Entry Load will be charged to any purchase applications (including additional purchases and switch-ins). Direct Applications will also not attract any Entry Load. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor.

Further, where the investments were routed through a distributor (i.e. made with distributor code) any Switch of Units from the Regular Plan to Direct Plan shall be subject to applicable exit load, if any. Where investments were made directly i.e. without any distributor code, exit load will not be levied on switch of Units from Regular Plan to Direct Plan.

The total expense ratios of the schemes of the Fund are available in downloadable spreadsheet format on the AMC website and AMFI website. Any change in the current expense ratios will be updated at least three working days prior to the effective date of the change. For the total expense ratio details of the Scheme, investors may visit https://www.boiaxamf.com/investor-corner#4 available on the website of the AMC viz., www.boiaxamf.com and AMFI’s website viz., www.amfiindia.com.
E. Direct Application

Investors should note the following for ensuring that the application is treated as a Direct Application:

1. Broker code, if already printed on the application form, should be crossed-out / struck-off and investor should counter sign besides the same.

2. Where the broker code block in the application form is blank, it is advisable to cross out / strike-off or indicate "DIRECT" / "Not Applicable" in the block.

3. Such applications should be lodged at ISCs as listed in AMC Website.

4. Distributors / Agents should ensure that broker code block is not left blank. If the block is blank, then it will be treated as Direct Application.

5. Direct Applications will also attract Exit Load as per details above.

F. Transaction Charges

In accordance with SEBI Circular No. IMD/ DF/13/ 2011 dated August 22, 2011, with effect from November 1, 2011, BOI AXA Investment Managers Pvt. Limited/ BOI AXA Mutual Fund shall deduct a Transaction Charge on per purchase / subscription of ₹ 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 at the Mutual Fund industry level.

Such charges shall be deducted if the investments are being made through the distributor/agent and that distributor / agent has opted to receive the transaction charges as mentioned below:

- For the new investor a transaction charge of ₹ 150/- shall be levied for per purchase / subscription of ₹ 10,000 and above; and
- For the existing investor a transaction charge of ₹ 100/- shall be levied for per purchase / subscription of ₹ 10,000 and above.

The transaction charge shall be deducted from the subscription amount and paid to the distributor/agent, as the case may be and the balance shall be invested. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

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 ₹ 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 ₹ 10,000/-(c)

(b) The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP, 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.
VI. RIGHTS OF UNIT HOLDERS

For details on Rights of Unit holders, please refer to Section IX titled “RIGHT OF UNIT HOLDERS OF THE SCHEME” in the Statement of Additional Information.

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

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penalties and action(s) taken against foreign Sponsor(s) during the last three years in 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.</td>
<td>None</td>
</tr>
<tr>
<td>Monetary penalties imposed and/or action taken against Indian Sponsor(s) 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 shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law including details of settlement, if any, arrived at with the aforesaid authorities during the last three years.</td>
<td>None</td>
</tr>
<tr>
<td>Details of violations and 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.</td>
<td>None</td>
</tr>
<tr>
<td>Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/or the AMC and/or the Board of Trustees/Trustee Company and/or any of the directors and/or key personnel are a party.</td>
<td>None</td>
</tr>
<tr>
<td>Any deficiency in the systems and operations of the Sponsor(s) and/or the AMC and/or the Board of Trustees/Trustee Company requiring disclosure here by SEBI or which have been notified by any other regulatory agency.</td>
<td>None</td>
</tr>
</tbody>
</table>

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

Trustee’s approval: The Trustee had approved the Scheme Information Document of BOI AXA Multi Cap Fund on The Trustee had ensured that BOI AXA Multi Cap Fund approved by them is a new product offered by BOI AXA Mutual Fund and is not a minor modification of the existing scheme/fund/product.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the Securities & Exchange Board of India (Mutual Funds), Regulations, 1996 and the guidelines thereunder shall be applicable.

For and on behalf of the Board of Directors of

BOI AXA Investment Managers Private Limited

Investment Manager - BOI AXA Mutual Fund

Sd/-

Sandeep Dasgupta

Chief Executive Officer

Date: May 29, 2020
BOI AXA Mutual Fund
B/204, Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.
Tel : +91 22 61249000 | Fax : +91 22 61249001 | Website: www.boiaxamf.com
Toll free Number : 1800-103-2263 & 1800-266-2676 | Email: service@boiaxa-im.com

<table>
<thead>
<tr>
<th>Bank of India</th>
<th>Sponsors</th>
<th>AXA Investment Managers</th>
<th>Trustee</th>
<th>Investment Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Star House, C5, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051</td>
<td>Coeur Défense-Tour B-La Défense 4 100 Esplanade du Général de Gaulle 92400 Courbevoie France</td>
<td>BOI AXA Trustee Services Pvt Ltd B/204, Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 CIN - U67190MH2007FTC173080</td>
<td>BOI AXA Investment Managers Pvt Ltd B/204, Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 CIN - U65900MH2007FTC173070</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Custodian</th>
<th>Auditors for the Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deutsche Bank AG</td>
<td>M/s S Panse &amp; Co LLP</td>
</tr>
<tr>
<td>4th Floor, Nirlon Knowledge Park, Block 1, Western Express Highway, Goregaon (E), Mumbai 400 063.</td>
<td>9, Three View Society, Veer Savarkar Marg, Opposite Century Bazar, Prabhadevi, Mumbai - 400025.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Registrar &amp; Transfer Agent</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>KFin Technologies Private Limited</td>
<td></td>
</tr>
<tr>
<td>Karvy Selenium, Tower B, Plot Nos. 31 &amp; 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad - 500032</td>
<td></td>
</tr>
</tbody>
</table>