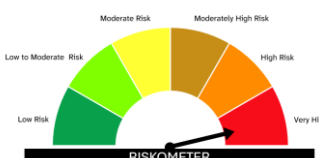
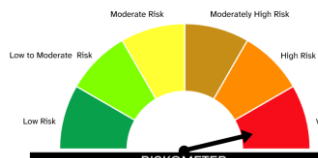


SCHEME INFORMATION DOCUMENT

SECTION I

CAPITALMIND MULTI ASSET ALLOCATION FUND

(An open-ended scheme investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives)

Scheme Name: Capitalmind Multi Asset Allocation Fund	Scheme Risk-o-meter[#]	Benchmark Risk-o-meter (50% NIFTY 500 TRI + 25% NIFTY Composite Debt Index + 25% MCX iCOMDEX Composite Index) (As per AMFI Tier I Benchmark)
This product is suitable for investors who are seeking*: - Long term capital appreciation by investing in a diversified portfolio - Investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives	 The Risk of the Scheme is at Very High Risk	 Benchmark Riskometer is at Very High Risk
	Risk of the Scheme is at Very High Risk	Benchmark Riskometer is at Very High Risk

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

#Kindly note that the above product labelling assigned during the New Fund Office (“NFO”) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Offer of Units of INR 10 each during the NFO period and continuous offer for Units at NAV based prices.

New Fund Offer (NFO) Opens on: **23rd February 2026**

New Fund Offer (NFO) Closes on: **9th March 2026**

Scheme re-opens on: **20th March 2026**

Name of Mutual Fund	Name of Asset Management Company	Name of Trustee Company
Capitalmind Mutual Fund	Capitalmind Asset Management Private Limited CIN: U66301KA2024PTC194639	Capitalmind Trustee Private Limited CIN: U66190KA2024PTC194038
Address	1 st Floor, 2323, Prakash Arcade, 17th Cross Rd, 1st Sector, HSR Layout, Bengaluru, Karnataka 560102	
Email	amc.cs@capitalmindmf.com	
Website:	https://capitalmindmf.com	
Telephone No.:	+91 80-22442025	

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, **[herein after referred to as SEBI (MF) Regulations]**, as amended till date, and circulars issued thereunder filed with Securities and Exchange Board of India (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 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 Centers/Website/Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Capitalmind Mutual Fund, Standard Risk Factors, Special Considerations Tax and Legal issues and general information on <https://capitalmindmf.com>

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Center or log on to our website. The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

This Scheme Information Document is dated **06th February 2026**

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Abbreviations

Abbreviations	Particulars
AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
AML	Anti Money Laundering
CAMS	Computer Age Management Services Limited
CDSC	Contingent Deferred Sales Charge
CDSL	Central Depository Services (India) Limited
ESG	Environmental, Social and Governance
FPI	Foreign Portfolio Investors
IMA	Investment Management Agreement
ISIN	International Securities Identification Number
ISIP	Internet based Systematic Investment Plan
KFin	KFin Technologies Limited
MNC	Multi-National Companies / Corporations
MFD	Mutual Fund Distributor
NAV	Net Asset Value
NFO	New Fund Offer
NRI	Non-Resident Indian
OPAT	Official Point of Acceptance of Transactions
RBI	Reserve Bank of India
SEBI or the Board	Securities and Exchange Board of India
SAI	Statement of Additional Information
SID	Scheme Information Document
SIP	Systematic Investment Plan
SWP	Systematic Withdrawal Plan
STP	Systematic Transfer Plan
The Fund or The Mutual Fund	Capitalmind Mutual Fund
The Regulations / SEBI Regulations / MF Regulations /	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.

SEBI (MF) Regulations	
The Scheme	Capitalmind Multi Asset Allocation Fund, including Plans & Options launched thereunder
The Trustee / Trustees / Board of Trustees	Capitalmind Trustee Private Limited / Board of Directors of Capitalmind Trustee Private Limited
TREPS	Tri-party Repos
TRI	Total Return variant of Index
URN	Unique Registration Number
IDCW	Income Distribution Cum Capital Withdrawal Option / Distribution of Income / Income Distribution
IDCW Payout	Payout of Income Distribution cum capital withdrawal option
IDCW Reinvestment	Reinvestment of Income Distribution cum capital withdrawal Option
IDCW Transfer	Transfer of Income Distribution cum capital withdrawal plan

INTERPRETATION

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

- The terms defined in this SID include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to “US\$” refer to United States Dollars and “Rs. /INR/ ₹” refer to Indian Rupees. A “Crore” means “ten million” and a “Lakh” means a “hundred thousand”.
- Words not defined here have the same meaning as defined in “the Regulations”.
- All references to timings relate to Indian Standard Time (IST).

The Definitions and Interpretations are available on the website of the AMC: <https://cm.fund/Definitions&Interpretations>

Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

S No	Title	Description
I	Name of the Scheme	Capitalmind Multi Asset Allocation Fund
II	Category of the Scheme	Multi Asset Allocation Fund
III	Type of Scheme	An open-ended scheme investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives. It is clarified that the Scheme is an active scheme of the Mutual Fund. (Due care has been taken while deciding the investment strategy is active)
IV	Scheme Code	CMND/O/H/MAA/26/01/0003
V	Investment Objective	The objective of the Scheme is to generate long term capital appreciation by investing in a diversified portfolio. The scheme will be Investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.
VI	Liquidity / Listing Details	The Scheme is an open-ended scheme. Being an open-ended scheme, Units of the Scheme may be purchased or redeemed on all Business Days at NAV based prices subject to the prevailing load structure. The Scheme will re-open for continuous Sale and Repurchase within 05 (five) Business Days from the date of allotment of Units under NFO. The AMC shall dispatch the redemption proceeds within 3 (three) Business Days from the date of acceptance of duly filled in redemption request at any of the official points of acceptance of transactions, subject to exceptional situations and additional timelines for redemption payments provided by AMFI vide its letter no, AMFI/ 35P/MEM-COR/ 74 / 2022-23 dated January 16, 2023. In the event of failure to dispatch the redemption proceeds within the above time, the AMC shall be liable to pay interest at the rate of 15% p.a. to the unitholders or such other rate as may be specified by SEBI for the period of such delay.
VII	Tier Benchmark Index	50% NIFTY 500 TRI + 25% NIFTY Composite Debt Index + 25% MCX iCOMDEX Composite Index The composition of the aforesaid benchmark is such that, it is most suited for comparing performance of the Scheme. The Trustee

		reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the compliance with Regulations/ circulars issued by SEBI and AMFI in this regard from time to time Tier II Benchmark is Not Applicable for the Scheme
VIII	NAV Disclosure	NAV Disclosure: The AMC will calculate and disclose the first NAV, up to four decimal places of the Scheme within 05 (Five) Business Days from the date of allotment of Units under NFO. Subsequently, the NAV will be calculated and disclosed on all Business Days, except under special circumstances specified in this SID. The AMC shall calculate and update the NAVs on website of the Association of Mutual Funds in India-AMFI (https://www.amfiindia.com) and on the website of the AMC (https://capitalmindmf.com) before 11.00 p.m. on every Business Day. In case of the scheme invests in ETCs, the NAV of the scheme shall be updated on each Business Day by the AMC on the website and on the website of AMFI by 09:00 a.m. of the following calendar day. In case the scheme invests in overseas securities, the NAV of the scheme shall be updated on each Business Day by the AMC by 10:00 a.m. of the following calendar day. For Further details refer Section II. - 'III. Other Details' - 'C. Transparency/NAV'
IX	Applicable Timelines	Redemption proceeds shall be dispatched within 03 (three) Business Days from the date of redemption request. In case of delay beyond 03 (three) Business Days, the AMC is liable to pay interest to the investors at the rate of 15% per annum. No interest will be applicable in case of delay was due to any regulatory directions for obtaining details of identity or any other information from the investors. In case of exceptional circumstances, the redemption payout will be made within the applicable timeline as per SEBI/AMFI guidelines. Timeline for Dispatch of IDCW IDCW payments shall be dispatched/transferred to the investors within 7 (seven) Business days from the IDCW record date.
X	Plans and Options	The Scheme offers two plans – Direct and Regular. 1. Capitalmind Multi Asset Allocation Fund – Direct Plan 2. Capitalmind Multi Asset Allocation Fund – Regular Plan Each of the plan offers the following options: 1) Growth option.

2) Income Distribution cum Capital Withdrawal (IDCW) Option

Growth Option: The income attributable to units under this Option will continue to remain invested and will be reflected in their Net Asset Value. IDCW will not be declared under this Option.

IDCW Option: This Option provides for distributions subject to availability of distributable surplus, computed in accordance with SEBI (MF) Regulations. Investors should note that distributions can be made of Equalization Reserves (representing accumulated realized gains), which is part of sale price paid by them.

IDCW Option offers following Sub-Options / facilities

a. Pay-out of Income Distribution cum capital withdrawal (IDCW) option / facility

b. Reinvestment of Income Distribution cum capital withdrawal (IDCW) option /facility

The Scheme will have a common portfolio across various Plans/Options/Sub options.

The default plan is “Direct Plan”, in case the broker code is not stated on the application. Application with broker code will be processed under Regular Plan only.

Default Option/ Facility: The investor must clearly specify his/her choice of Option/Facility in the application form, in the absence of which, the Default Option/Facility would be applicable and the application will be processed accordingly:

Default Option: Growth Option (if the investor has not indicated choice between ‘Growth’ or ‘IDCW’ Options).

Payout Option / facility in case Payout of IDCW Option / facility or Reinvestment of IDCW Option / facility is not indicated.

Default scenarios available to the Investors under the Plans of the Scheme:

Scenario	Broker Code (ARN) mentioned / not mentioned by the investor	Plan mentioned by the Investor	Default Plan to be captured
1	Not Mentioned	Not Mentioned	Direct Plan
2	Not Mentioned	Direct Plan	Direct Plan
3	Not Mentioned	Regular Plan	Direct Plan
4	Mentioned	Direct Plan	Direct Plan

		5	Direct Plan	Not Mentioned	Direct Plan
		6	Direct Plan	Regular Plan	Direct Plan
		7	Mentioned	Regular Plan	Regular Plan
		8	Mentioned	Not Mentioned	Regular Plan
		In cases of wrong/ incomplete ARN codes mentioned on the application form, the application shall be processed under Direct Plan. The AMC shall endeavour on best effort basis to obtain the correct ARN code within 30 (thirty) calendar days of the receipt of the application form from the investor. In case the correct code is received within 30 (thirty) calendar days, the AMC shall reprocess the transaction under Regular Plan from the date of application without any exit load. The NAV of Direct Plan will be different from the NAV of Regular Plan. Please refer to Section I, Part III (C) for Illustration in returns between Regular and Direct Plan			
XI	Load Structure	ENTRY LOAD: Not Applicable In terms of Para 10.4 of the Master Circular, no entry load will be charged to the investors. EXIT LOAD: For each purchase of Units through Lumpsum / switch-in / Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Exit load on redemption / Systematic Withdrawal Plan (SWP) / Switch-out, will be as follows: (i) If Units redeemed or switched out within 12 months from the date of allotment – 1% of the applicable NAV (ii) If redeemed/switched out after 12 months from the date of allotment – NIL The exit loads set forth above are subject to change at the discretion of the Trustees, subject to compliance with SEBI (MF) Regulations and such changes shall be implemented prospectively. For any change in load structure, the AMC will issue an addendum and display it on its website/ Investor Service Centres (ISCs). The AMC shall not charge entry and/or exit load on bonus units and units allotted on reinvestment of dividend. Any Exit Load charged (net off GST, if any) shall be credited back to the Scheme Any imposition or enhancement in the load shall be applicable on prospective investments only.			

		The investor is requested to check the prevailing load structure of the Scheme prior to investing.
XII	Minimum Application amount switch in /	During NFO: Minimum application amount (lumpsum): INR 5,000/- and in multiples of INR 1/- thereafter On Continuous basis: Fresh Lumpsum investment: INR 5,000 and in multiples of INR 1 thereafter. Systematic Investment Plan (SIP): INR 1,000 and in multiples of INR 1/- thereafter with a minimum of 6 instalments. Minimum amount for switch-in: INR 1,000 and in multiples of INR 1/- thereafter The Scheme does not require maintenance of minimum balance in the units of the Scheme. The AMC reserves the right to change the minimum application amount from time to time. Two-factor authentication (for online transactions for subscription to units of the Mutual Fund) and signature method (for offline transactions for subscription to units of the Mutual Fund) shall be applicable. For more information, please refer to SAI.
XIII	Minimum Additional Purchase Amount, including switches	INR 1,000/- per application and in multiples of INR 1/- thereafter. The AMC reserves the right to change the minimum additional application amount from time to time.
XIV	Minimum Redemption / Switch out amount	The minimum redemption amount shall be INR 100. If the total value of the units held by the unitholder of the Scheme at any point is less than INR 100, then the unitholder can redeem the entire amount, even though such amount is less than INR 100. Switch-out: Minimum amount for switch-out - INR 1,000 and in multiples of INR 1/- thereafter or the account balance of the investor whichever is less.
XV	New Fund Offer Period	NFO opens on: 23rd February 2026 NFO closes on: 9th March 2026

		As permitted by SEBI, NFO shall remain open for subscription for a minimum period of 03 (three) Business Days but not more than 15 (Fifteen) calendar days. Any extension or change to the NFO dates will be subject to the requirement of that NFO period not exceeding 15 (Fifteen) calendar days. Any changes in dates of NFO will be published through notice on website of the Mutual Fund i.e. https://capitalmindmf.com and display of such notice on the notice board at each of the official point for acceptance of transactions for the Mutual Fund. Electronic Payments including RTGS, NEFT and cheques/transfer instructions will be accepted till [*].
XVI	New Fund Offer Price	INR 10/- per unit of the Mutual Fund
XVII	Segregated portfolio/side pocketing disclosure	The AMC may create a segregated portfolio of debt and money market instruments in the scheme, in case of a credit event / actual default at issuer level and in order to deal with liquidity risk. Kindly refer to SAI for more details
XVIII	Swing pricing disclosure	Not Applicable
XIX	Stock lending /short selling	The Scheme may engage in stock lending of securities in accordance with the framework relating to stock lending as specified by SEBI. Kindly refer to SAI for more details.
XX	How to Apply and other details	Purchase / Subscription: Investors can obtain application form / Key Information Memorandum (KIM) from Capitalmind Asset Management Private Limited's Corporate Office and RTA's (KFinTech) branch office(s). Investors can also download the application form / KIM from the website of the Mutual Fund i.e. https://capitalmindmf.com. All cheques should be crossed "Account Payee Only" and drawn in favour the Scheme name (Capitalmind Multi Asset Allocation Fund) in which investment is intended to be made. Investors can also subscribe and redeem Units from the official website of AMC (https://capitalmindmf.com) An investor can also subscribe to the New Fund Offer (NFO) through ASBA facility. ASBAs can be accepted only by Self Certified Syndicate Banks (SCSB) whose names appear in the list of SCSBs as displayed by SEBI on its website www.sebi.gov.in. The list of the Investor Service Centre's (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be provided on the website of the AMC (https://cm.fund/OPAT)

		Please refer to the SAI and Application form for the instructions.
XXI	Where can applications for subscription / redemption / switches be submitted	All Physical applications for subscription / redemption of Units should be submitted by investors at the official point of acceptance of transactions, including the office of the registrar and/or AMC as may be notified from time to time. Official point of acceptance of transaction will stamp, and return the acknowledgement slip in the application form, to acknowledge receipt of the physical application, subject to verification. No other form of acknowledgement will be provided. Investors should retain the acknowledgement evidencing submission of the transaction till they receive a confirmation of acceptance or rejection of transaction. In case of difference of details in acknowledgement vis a vis actual transaction document, the details as mentioned on transaction document will prevail. In case of applications via electronic / online means, the confirmation will be provided on the respective platform. The platform will send an email acknowledgement of the application. Please refer to the SAI and Application form for the instructions.
XXII	Investor Services	Investor grievances will normally be received directly by the Registrar and Transfer Agent or at the Investor Service Centres or at the office the AMC. Investors can also visit the website https://capitalmindmf.com for details. Name and Address of Registrar: KFIN Technologies Limited Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, R. R. District, Telangana India - 500032 Website: http://www.kfintech.com Contact details for general service requests and complaint resolution: Mr. Nihit Kshatriya, Capitalmind Asset Management Limited #2323, 1st Floor, “Prakash Arcade”, 17th Cross, 27th Main, HSR Layout Sector 1, Bengaluru, Karnataka- 560102 You may call on Toll-Free: 1-800-570-5001 (Monday to Friday - 9AM to 6PM) or write to us on email id: support@capitalmindmf.com Investors may lodge their complaints through SEBI’s complaints redressal system, SCORES 2.0, at https://scores.sebi.gov.in. Alternatively, grievances can be raised via the Online Dispute

		Resolution (ODR) portal at https://smartodr.in/login , or through any other mechanism as may be notified by SEBI from time to time.
XXIII	Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended)	Not Applicable
XXIV	Special product/facility available during the NFO and on ongoing basis	During NFO: Systematic Investment Plan (SIP) Investors can undertake investing on a specified periodic basis and aim to take advantage from rupee cost averaging through SIP in the scheme. During Ongoing Offer / basis: 1) Systematic Investment Plan (SIP): This facility enables the investors to save and invest at regular intervals over a longer period of time. It is convenient way to start investing, regular investment not only helps to reduce average unit acquisition cost (this concept is called 'Rupee Cost Averaging.') but also helps to inculcate discipline when it comes to investing. This facility gives the investor an opportunity to invest regularly thereby averaging the acquisition cost of units. Investors may register for SIP using a prescribed enrolment form or register through online modes. Following are the frequencies and minimum amount of SIP • Daily, Weekly, Fortnightly, Monthly, Quarterly • Minimum Amount in each frequency is INR 1000 • Minimum number of instalments for each frequency is 6 (Six) i. Provided further that units in demat format are not possible in case of daily frequency ii. In case of daily frequency, SIP transaction will happen only on business day. For e.g. if investor places daily SIP order on a non-working day, the first transaction will take place on the next working day only. a. SIP through Direct Debit / NACH: Investors may also enroll for SIP facility through NACH (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP

		NACH or Direct Debit Facility, an Investor must fill up the corresponding SIP NACH/ Direct Debit facility. Note: Direct Debit facility will be offered at the discretion of the AMC and through select banks with whom AMC may have an arrangement, from time to time b. <u>SIP Top-up Facility:</u> SIP Top-up Facility is a facility which provides flexibility to the investors to increase the amount of the SIP instalment by a fixed amount or by a fixed percentage at pre-defined intervals during the tenure of the SIP. The Fixed Top Up amount shall be for minimum INR 1,000/- and in multiples of INR 1/- thereafter. Variable Top Up would be available in at 5%, 10% and 15% and such other denominations (over and above 5%, 10% and 15%) as opted by the investor in multiples of 5%. c. <u>SIP Pause Facility:</u> SIP Pause Facility is a facility under which the investor has an option to temporarily pause their registered SIP by submitting the prescribed form at any of the Official Points of Acceptance (OPATs) of the AMC. This Facility is available for SIPs with Monthly and Quarterly frequencies. The maximum number of instalments that can be paused using this facility are 3 (three) consecutive instalments for SIPs registered with Monthly frequency and 1 (one) for SIPs registered with Quarterly frequency. Thereafter, automatically the balance SIP instalments (as originally registered) will resume. d. <u>SIP Cancellation:</u> The AMC will endeavour to have the cancellation of registered SIP mandate within 02 (two) Business days from the date of receipt of the cancellation request from the investor. The existing instructions / mandate would continue till the date that when it is confirmed the SIP has been cancelled. 2) <u>Systematic Transfer Plan (STP):</u> Systematic Transfer Plan (STP) is an option wherein investors of the source scheme can opt to transfer a fixed amount at periodic intervals to the designated target scheme. The amount transferred under STP from source scheme to target scheme shall be done by
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redeeming Units of source scheme at Applicable NAV, subject to exit load, if any; and subscribing to the Units of target scheme at applicable NAV as on specified date. Investors may register for STP using a prescribed form. Minimum amount for STP – INR 1000 and in multiples of INR 1 thereafter. Minimum no. of instalments are 6 (six).

Particulars	Frequency	Default
Daily Option	All Business Day	-
Weekly Option	Any day from Monday to Friday	Tuesday
Monthly & Quarterly Option	Any Date of every month	10 th of the month

3) Systematic Withdrawal Plan (SWP): Investors under the scheme can enrol for the Systematic Withdrawal Plan (SWP) facility. The SWP allows the investors to withdraw a specified sum of money at pre-determined intervals from the investments undertaken in the scheme. SWP is suitable for investors seeking a regular inflow of funds for their needs. It is also suited to retirees or individuals who wish to invest lump-sum and withdraw from the investment over a period of time. At the time of registration for SWP, an investor can choose any amount as specified per minimum amount of instalment for withdrawal under the respective frequencies. An investor may avail this facility by submitting application form for SWP.

Frequencies: Monthly, Quarterly, Half-Yearly and Yearly

Transaction Dates: Any date of every month (between 1st and 28th)

Minimum Number of Instalments: 2 Instalments for all frequencies

Minimum Amount of Instalment: INR 1,000 and in multiples of INR 1/- thereafter

4) Inter-Scheme Switching Facility: The Mutual Fund provides the investors the flexibility to switch their investments (subject to provisions as regards minimum application amount referred above) from any other scheme(s)/plans managed by Capitalmind Mutual Fund, as per the features of the respective scheme to this Scheme.

This facility will be useful to unitholders who wish to alter the allocation of their investment among scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.

		The switch will be effected by way of a redemption of Units from the source scheme(s) / plan(s) as per the applicable NAV and cut off and investment of the proceeds will be made in the target Scheme(s)/Plan(s). No exit load shall be levied in case of switch of investment from Regular Plan to Direct Plan and vice versa. Such Switch may entail tax consequences. Investors/Unit Holder(s) should consult their professional tax advisor before initiating such requests. 5) <u>Intra -Scheme Switching option:</u> Unit holders under the Scheme have the option to Switch their Unit holdings from one option to another option (i.e. Growth to IDCW and vice-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted. For further details with respect to the above-mentioned products / facilities, kindly refer to SAI.
XXV	Weblink	The Total Expense Ratio shall be made available to the investors on the website of the AMC at https://cm.fund/TER Scheme Factsheet: The scheme factsheet shall be made available to the investors on the website of the AMC at https://cm.fund/Factsheet
XXVI	Requirement of minimum investors in the scheme	The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the relevant provisions of the SEBI (MF) Regulations 1996 would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the Units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days' notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable NAV on the 15th day of the notice period.

		The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.
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DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- i. The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- ii. All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority on this behalf, have been duly complied with.
- iii. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well-informed decision regarding investment in the Scheme.
- iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- v. The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.
- vi. AMC has complied with the compliance checklist applicable for Scheme Information Documents and there are no deviations from the Regulations.
- vii. Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- viii. The Trustee has ensured that the Capitalmind Multi Asset Allocation Fund approved by them is a new product offered by Capitalmind Mutual Fund and not a minor modification of any existing scheme/fund/product.

Sd/-

Date: 06th February 2026

Name: Naganandan R M

Place: Bangalore

Designation: Head of Compliance

PART II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Instruments	Indicative Allocations (% of Total assets)	
	Minimum	Maximum
Equity & Equity related instruments ¹ (including derivatives) and international equity index funds / Equity ETFs / International stocks ²	35%	80%
Debt and debt related instruments ³ (including Central and State Government securities, debt derivatives and debt ETFs) & Money Market instruments ⁴ (including perpetual debt, Non-Convertible Preference Shares, Cash and cash equivalents)	10%	55%
Gold, Silver and Commodity ETFs, ⁵ Gold and silver related Instruments ⁶ , Exchange Traded Commodity Derivatives (ETCDs) ⁷	10%	55%
Units issued by INVITs ⁸	0%	10%

¹ Equity and equity related instruments include convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives, REITs⁹ and such other instrument as may be specified by SEBI from time to time.

- Pursuant to para 7.5, 7.6 and 12.25 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, as may be amended from time to time, the Scheme may also use various derivative and hedging products from time to time in a manner permitted by SEBI to reduce the risk of the portfolio as and when the Fund Manager is of the view that the same is in the best interest of the unit holders of the Mutual Fund. Exposure to equity derivatives (other than hedging purposes) may be up to 50% of Equity assets as permitted under the SEBI (Mutual Funds) Regulations, 1996 from time to time
- The Scheme shall have derivative exposure as per the SEBI regulations issued from time to time. The Scheme can take covered call positions for stock derivatives, as permitted by SEBI. Further, the total exposure related to options premium paid will not exceed 20% of the net assets of the Scheme.
- **Covered Call:** The Scheme may purchase 'covered call' options as permitted under Para 12.25.8 of the Master Circular. The total notional value (taking into account strike price as well as premium value) of call options written by the scheme shall not exceed 15% of the total market value of equity shares held in that scheme.

⁹SEBI, vide Circular dated November 28, 2025, has clarified that, pursuant to amendments to the SEBI (Mutual Funds) Regulations, 1996, units of Real Estate Investment Trusts (REITs) shall be treated as equity related instruments with effect from January 1, 2026, for the purpose of investments by Mutual Funds and Specialized Investment Funds (SIFs). The circular also provides for grandfathering of existing REIT investments held by debt schemes as on December 31, 2025. The Scheme's classification of REITs under equity related instruments is in line with the said regulatory clarification.

² As per Categorization and Rationalization of Mutual Fund Schemes in Master Circular, Foreign securities will not be treated as a separate asset class. The Scheme intends to invest in overseas securities. The Scheme investment in foreign securities including overseas ETFs, will not exceed 25% of the net assets of the Scheme. The Scheme will follow the norms applicable to ongoing schemes as specified by SEBI from time to time. The scheme will comply with the provisions clause 12.19 of SEBI Master Circular within the overall applicable limits on Overseas Investments by Mutual Funds as may be amended from time to time

Overseas Securities: The Scheme may invest in Foreign Securities including ADR / GDR/ ETFs/mutual funds up to 25% of its total assets subject to investment restriction* specified by SEBI/RBI from time to time.

*The maximum amount that can be invested by the schemes of the Mutual Fund in Foreign Securities, calculated based on the cost of investments in Foreign Securities as per RBI Circular AP (DIR) Series Circular No. 3 dated July 26, 2006, read with Para 12.19 of the Master Circular, that permits the Mutual Fund to invest in Foreign Securities i.e. US \$ 1 billion per Mutual Fund, within the overall industry limit of US\$ 7 billion. Further, investments in overseas Exchange Traded Fund (ETF(s)) is subject to a maximum of US \$ 300 million per Mutual Fund, within the overall industry limit of US \$ 1 billion. However, these limits may be revised by SEBI/RBI from time to time. Investment in Overseas Securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

³ Debt securities include, but are not limited to, debt securities of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, collateralized debt securities or any other instruments as may be prevailing and permissible under the Regulations from time to time).

- The Scheme may enter into repos/reverse repos as may be permitted by RBI. A part of the net assets may be invested in the Tri-party repo on Government Securities or treasury bills or repo or in an alternative investment as may be provided by RBI, subject to prior approval from SEBI, if any.
- The scheme may invest in unrated and unlisted debt instruments as per the SEBI guidelines as per paragraph 12.1.5 of SEBI's Master Circular for Mutual Funds.

⁴ 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 bills, Tri-party REPO (TREPS) and any other like instrument as specified by the Reserve Bank of India from time to time.

- Pursuant to para 12.18 of the SEBI Master Circular for Mutual Funds, the Scheme may participate in the corporate bond repo transactions. The gross exposure of the scheme to repo/reverse repo transactions in corporate debt securities (including listed AA and above rated corporate debt securities and commercial papers (CPs) and certificate of Deposits (CDs) shall not be more than 10% of the net assets of the Scheme.
- **Investment in debt instruments having structured obligations / credit enhancements:** The investment of the Scheme in
 - unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade &

- in supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade,

shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme. Further, these limits shall not be applicable on investments in Securitized Debt instruments as defined by SEBI.

Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.

- **Stock Lending:** As per para 12.11 of the SEBI Master Circular for Mutual Funds, the Scheme may lend securities subject to a maximum of 20% in aggregate, of the net assets of the Scheme. Further, the Scheme shall not deploy more than 5% of the Scheme's net assets in securities lending through a single intermediary. These limits shall be applicable at the time of participating in the securities lending by the Scheme.

In line with Para 4.5 of SEBI Master circular, Securities in which investment is made for the purpose of ensuring liquidity (debt and money market instruments) are those that fall within the definition of liquid assets which includes Cash, Government Securities, T-bills and Repo on Government Securities

The Fund may invest in domestic securitized debt up to 20% of the debt portfolio of the scheme.

As per Paragraph 12.25.9.3 of Master Circular for Mutual Funds, the Scheme may indulge in 'Imperfect hedging' using IRFs upto maximum of 20% of the net assets of the scheme

⁵ Commodity ETFs including domestic and overseas ETFs, as specified by RBI and / or SEBI from time to time.

⁶ Gold related instruments include Gold Monetization Scheme of banks notified by RBI (Clause 3.2.1.3 of Master Circular), ETCDs having gold as the underlying and any other instrument designated as gold related instrument by RBI and / or SEBI from time to time.

Investment into physical Gold is neither envisaged nor is part of the core investment strategy; however listed Gold Futures in Indian Commodity Exchanges are physically settled, i.e., if Gold Futures positions are held to maturity it will result in physical delivery which may form part of Commodities in asset allocation. The scheme shall dispose of such goods as per paragraph 12.26.3 of Master Circular for Mutual Funds and as amended from time to time.

⁷ Mutual funds are permitted to participate in ETCDs in India, except in commodity derivatives on 'Sensitive Commodities'.

Investment into physical Gold is neither envisaged nor is part of the core investment strategy. The Scheme shall not invest in physical goods except in 'gold' through Gold ETFs. Further, as the Scheme while participating in ETCDs may hold the underlying goods in case of physical settlement of contracts, in that case the Mutual Fund shall dispose of such goods from the books of the Scheme, at the earliest, (as per Clause 12.26.3 of Master Circular as amended from time to time) not exceeding the timeline as prescribed below:

- a) For Gold and Silver: - 180 days from the date of holding of physical goods,

b) For other goods (except for Gold and Silver):

- 1) By the immediate next expiry day of the same contract series of the said commodity.
- 2) However, if Final Expiry Date (FED) of the goods falls before the immediate next expiry day of the same contract series of the said commodity, then within 30 days from the date of holding of physical goods

The Scheme shall not have net short positions in ETCDs on any particular good, considering its positions in physical goods as well as ETCDs, at any point of time

⁸ SEBI has re-classified REITs as equity and retained “hybrid” classification for InvITs, for the purpose of investments by Mutual Funds. The re-classification was done considering the characteristics of REITs i.e., being more inclined towards equity, relatively more liquid, and to ensure alignment with global practices.

Gross Exposure: The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives), repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the scheme.

- Pursuant to para 12.25.3 of the SEBI Master Circular for Mutual Funds, Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: a) Government Securities; b) T-Bills; and c) Repo on Government securities and ii) subject to guidelines specified by SEBI, derivatives exposure due to hedging positions may not be included in the aforesaid limit.
- Imperfect hedging using IRFs may be considered to be exempted from the gross exposure, up to maximum of 20% of the net assets of the scheme

The following exposures shall not be considered in the cumulative gross exposure

- Short position in Exchange Traded Commodity Derivatives (ETCDs) not exceeding the holding of the underlying goods received in physical settlement of ETCD contracts
- Short position in ETCDs not exceeding the long position in ETCDs on the same goods.
- Further, the Mutual Fund shall not write options, or purchase instruments with embedded written options in goods or on commodity futures.

There can be no assurance that the investment objective of the Scheme will be realized. Investors may note that securities which provide higher returns typically display higher volatility. Accordingly, the investment portfolio of the Scheme would reflect moderate to high volatility in its equity and equity related investments and low to moderate volatility in its debt and money market investments.

The margin may be placed in the form of such securities / instruments / deposits as may be permitted/eligible to be placed as margin from the assets of the Scheme. The securities / instruments / deposits so placed as margin shall be classified under the applicable category of assets for the purposes of asset allocation.

The Scheme shall not invest/participate/engage in:

- 1) Advancement of any loans
- 2) Any Fund of Funds scheme

Indicative Table:

S No	Type of Instrument	Percentage of Exposure	Circular References
1	Securities Lending	Up to 20% of net assets of Scheme Up to 5% of the net assets can generally be deployed in Stock Lending to any single approved intermediary	Clause 12.11 of SEBI Master Circular for Mutual Funds dated June 27, 2024, as may be amended from time to time, the Scheme intends to engage in Stock Lending
2	Equity Derivatives for non-hedging purposes	Up to 50% of equity assets of the Scheme	Clause 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024
3	Debt Derivatives for non-hedging purposes	Up to 50% of the debt net assets of the Scheme.	Clause 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024
4	Overseas Securities	Up to 25% of the net assets	Para 12.19.3.3 of the SEBI Master Circular for Mutual Funds
5	Securitized Debt	Up to 20% of the net assets of the Scheme	Clause 12.15 of SEBI Master Circular for Mutual Funds dated June 27, 2024
6	InvITs	Up to 10% of net assets of the Scheme and not more than 5% of the net assets of the Scheme if issued by a single issuer	Clause 12.21 of SEBI Master Circular for Mutual Funds dated June 27, 2024
7	Tri-Party Repo	A part of the net assets may be invested in the Tri-Party repo (TREPS) as may be provided by RBI to meet the liquidity requirements	In line with the Asset allocation of the Scheme
8	ETCDs	Overall exposure to ETCDs not more than 30% of the Net Asset Value of the Scheme ETCDs of particular goods (single) not exceeding 10%	Clause 12.26.12 of SEBI Master Circular for Mutual Funds dated June 27, 2025

		of net asset value of the scheme	
9	Units of mutual fund schemes of Capitalmind AMC or in the Scheme of other mutual funds	The Scheme may invest in units of schemes of Capitalmind Mutual Fund and/or any other mutual fund subject to the overall limit of upto 5% of the net asset value of the Mutual Fund.	Clause 4 of Seventh Schedule of SEBI Mutual Fund Regulations
10	Repo transactions in corporate debt securities	Up to 10% of net assets of the Scheme	Clause 12.18 of SEBI Master Circular for Mutual Funds dated June 27, 2024
11	Unlisted Government securities and money market instruments and unlisted non-convertible debentures	Up to 10% of the debt portfolio of the Scheme	Clause 1A of Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996
12	Covered Call	The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in the Scheme.	Clause 12.25.8 of SEBI Master Circular for Mutual Funds dated June 27, 2024
13	Credit Default Swaps (as permitted by SEBI)	Exposure through CDS (Notional amount of both CDS bought and sold) shall not exceed 10% of net assets of the Scheme and shall be within the overall limit of derivatives exposure	Clause 12.28 of SEBI Master Circular for Mutual Funds dated June 27, 2024
14	Instruments with special features (e.g AT1 and AT2 Bonds)	a) Up to 10% of its NAV of the debt portfolio of the scheme in perpetual debt instruments and b) Up to 5% of its NAV of the debt portfolio of the scheme at single issuer level. The above exposure will be subject to the overall limit for debt instruments issued by a	Clause 12.2.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024

		single issuer and other prudential limits with respect to the debt instruments	
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In addition to the instruments stated in the table above the Scheme may undertake Short Selling and such other transactions in accordance with guidelines issued by SEBI and may also hold cash from time to time.

Deployment of funds collected during NFO period

As per SEBI Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/23 dated 27 February 2025, the AMC shall deploy the funds garnered in an NFO within 30 Business Days from the date of allotment of Units.

In an exceptional case, if the AMC is not able to deploy the funds in 30 Business Days, reasons in writing, including details of efforts taken to deploy the funds, shall be placed before the Investment Committee of the AMC. Basis root cause analysis, the Investment Committee may extend the timeline by 30 Business Days, while also making recommendations on how to ensure deployment within 30 Business Days going forward and monitoring the same.

The Trustee shall also monitor the deployment of funds collected in NFO and take steps, as may be required, to ensure that the funds are deployed within a reasonable timeframe.

In case the funds are not deployed as per the asset allocation mentioned in the SID as per the aforesaid mandated plus extended timelines, AMC shall:

- i. not be permitted to receive fresh flows in the same scheme till the time the funds are deployed as per the asset allocation mentioned in the SID.
- ii. not be permitted to levy exit load, if any, on the investors exiting such scheme(s) after 60 Business Days of not complying with the asset allocation of the scheme.
- iii. inform all investors of the NFO, about the option of an exit from the concerned scheme without exit load, via email, SMS or other similar mode of communication.
- iv. report deviation, if any, to Trustees at each of the above stages.

To effectively manage the fund flows in NFO, the fund manager(s) may extend or shorten the NFO period, based on his/her view of the market dynamics, availability of assets and his ability to deploy funds collected in NFO. However, the same shall be subject to compliance with Clause 1.10.1 and 1.10.1A of the Master Circular for Mutual Funds.

Investment in Tri-party Repo before the closure of NFO:

The Mutual Fund/AMC shall make investment out of the NFO proceeds in various securities only on or after the closure of the NFO period. The Mutual Fund/ AMC can however deploy the NFO proceeds in Tri-Party Repo before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds deployed in Tri-party Repo during the NFO period. The appreciation received from investment in Tri-Party Repo shall be passed on to investors.

In case the minimum subscription amount is not garnered by the scheme during the NFO period, the interest earned upon investment of NFO proceeds in Tri-Party Repo shall be returned to investors, in proportion of their investments, along-with the refund of the subscription amount.

Change in Investment Pattern: Subject to the Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unitholders and meet the objective of the Scheme. Such changes in the investment pattern will be for short term and defensive consideration.

Provided further and subject to the above, any change in the asset allocation affecting the fundamental attribute(s) of the Scheme shall be effected in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996 pertaining to change in fundamental attributes of the Scheme, as detailed in this SID.

All of the Scheme's assets will be invested in transferable securities. The corpus of the Scheme shall not in any manner be used in option trading, short selling or carry forward transactions as stipulated in SEBI Regulations and amended from time to time.

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines mentioned by SEBI from time to time.

Portfolio rebalancing of deviation due to short term defensive consideration: As per Clause 1.14.1.2, Clause 2.9, Clause 3.5.3.11 and Clause 3.6.7 of the Master Circular, as may be amended from time to time, if the Fund Manager(s) of the Mutual Fund believes that market or economic conditions are not favourable to unit holders of the Mutual Fund, he / she may change the investment pattern of the Scheme for short term and defensive considerations.. In such conditions, investments may be made in assets such as cash, cash equivalents or other short-term instruments such as money market instruments, purely as a temporary defensive strategy. The Fund Manager will rebalance the portfolio within 30 calendar days from the date of deviation. In case the portfolio is not re-balanced within 30 days, justification for the same shall be recorded in writing and will be placed before the Investment Committee of the AMC. The Investment Committee will then decide on further course of action, subject to requirements specified by SEBI in this regard.

Portfolio rebalancing in case of passive breach: As per Para 2.9 of the Master Circular, as may be amended from time to time, in the event of deviation from mandated asset allocation as specified in the Indicative Table above, due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the Fund Manager shall rebalance the portfolio of the Scheme within 30 Business Days. In case the portfolio of the Scheme is not rebalanced within the period of 30 Business Days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business Days from the date of completion of mandated rebalancing period. Further, in case the portfolio is not rebalanced within the afore mentioned mandated plus extended timelines, the AMC shall

- not be permitted to launch any new scheme till the time the portfolio is rebalanced.
- not levy exit load, if any, on the exiting investors.

The AMC shall report the deviation to the Trustee at each stage.

Further, in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of the Scheme,

- The AMC shall immediately communicate the same to the investors of the Scheme after the expiry of the mandated rebalancing period (i.e. 30 Business Days) through SMS and email/ letter including details of portfolio not rebalanced.
- The AMC shall also immediately communicate to the investors through SMS and email/letter when the portfolio is rebalanced.
- The AMC shall disclose scheme wise deviation of the portfolio (beyond aforesaid 10% limit) from the mandated asset allocation beyond 30 Business Days, on the AMC 's website i.e. <https://cm.fund/AMCInvestmentDisclosure>
- The AMC shall also disclose any deviation from the mandated asset allocation to investors along with periodic portfolio disclosures as specified by SEBI from the date of lapse of mandated plus extended rebalancing timelines.

The above norms shall be applicable to main portfolio and not to segregated portfolio(s). However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

B. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme shall be invested in accordance with the investment objective of the Scheme in any (but not exclusively) of the following securities and subject to such requirements as may be specified by SEBI from time to time:

1. Equity and equity related securities including convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives, REITs and such other instrument as may be specified by SEBI from time to time.
2. Foreign Securities – Foreign securities including ADRs / GDRs / Foreign equity and debt securities as may be permitted by SEBI/RBI from time to time.
3. Securities issued/guaranteed by the Central, State and local Governments and/or repos/reverse repos in such Government Securities as may be permitted by SEBI / RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
4. Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
5. Corporate debt securities (of both public and private sector undertakings).
6. Gold / Silver related instruments, Gold/Silver ETFs and Exchange Traded Commodity Derivatives (ETCDs)
7. Securities issued by banks (both public and private sector) including term deposit with the banks as permitted by SEBI from time to time, subject to approval from SEBI / RBI as required and development financial institutions.
8. Money market instruments, as permitted by SEBI/ RBI, having residual maturities of up to 1 year or for a shorter duration as may be permitted under applicable law. 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 bills, Tri-party repo (TREPS) and any other like instrument as specified by the RBI from time to time.
9. Non-convertible Debentures as well as bonds issued by companies / institutions promoted / owned by the Central Governments and statutory bodies, which may or may not carry a Central Government guarantee, public and private sector banks, all India financial institutions, 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. These instruments include fixed interest security with/without put/call option, floating rate bonds, zero coupon bonds.
10. Floating rate debt instruments issued by Central Government, corporates, PSUs etc. with coupon reset periodically.
11. The non-convertible part of convertible securities
12. Securitized Debt (SD)/Pass Through Certificate (PTC).
13. Derivative instruments like Stock / Index Futures, Stock / Index Options and such other derivative instruments permitted by SEBI.
14. Debt derivative instruments like Interest Rate Futures (IRFs), Interest Rate Options (including Call and Put options), Interest Rate Swaps, Credit Default Swaps (CDS)
15. Units of domestic mutual fund schemes including Exchange Traded Funds (ETFs),
16. Cash & cash equivalents.
17. Units of Infrastructure Investment Trust ('InvITs')

18. Certificate of Deposits
19. Listed Commercial Paper
20. Bills of Exchange / Promissory Notes / Bill Rediscounting
21. TREPS – A part of the net assets may be invested in the Tri-party repo on Government Securities or treasury bills or repo or in an alternative investment as may be provided by RBI, subject to prior approval from SEBI, if any.
22. Triparty Repo in corporate debt securities via ARCL Repo
23. Floating Rate Instruments
24. Repurchase and reverse repurchase obligations in securities as may be permitted by RBI
25. Repos in corporate debt securities as per the guidelines issued by RBI from time to time
26. Pending deployment of funds, the Scheme can invest in short term deposits of scheduled commercial banks in terms of Para 12.16 of the Master Circular for Mutual Funds.
27. The Scheme may engage in stock lending subject to SEBI Regulations/Guidelines.
28. Any other instruments, including domestic fixed income securities as may be permitted by SEBI from time to time, subject to regulatory approval, if any.

Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured and of varying maturity, as enabled under SEBI MF Regulations / circulars / RBI.

C. WHAT ARE THE INVESTMENT STRATEGIES?

- The investment strategy of the Scheme is designed to generate long term capital appreciation by investing in a diversified portfolio. The scheme will be Investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives
- The allocation across asset classes will be **dynamic** and based on an assessment of relative valuations, macroeconomic environment, market outlook, and risk-return considerations, subject to the asset allocation pattern stated in this SID. The Scheme seeks to balance risk and return by allocating across asset classes that exhibit different risk and return characteristics and low to moderate correlation with each other.
- **Equity Allocation:** The Scheme will invest in equity and equity related instruments across market capitalization segments (large, mid, and small cap companies). Our equity allocation decisions are data-driven, based on objective market variables, including but not limited to macroeconomic variables, current equity market valuations and interest rates. Final investment decisions will be taken by the Fund Manager(s) based on the data referenced above but may also be based on specific subjective analysis of underlying securities.

Stock selection and weighting utilize quantitative factor-based methodologies designed to achieve a balanced mix of attributes that support long-term performance within defined risk parameters. A factor represents any quantifiable attribute that significantly explains the risk and/or return characteristics of a security. The Scheme may employ single factors or combinations to enhance diversification and risk control.

- **Debt & Money Market Allocation:** The Scheme will invest in a diversified set of fixed income instruments across issuers and maturities with an aim to generate stable

income, manage liquidity, and reduce overall portfolio volatility. Investments will be made in Government securities, corporate bonds, money market instruments, securitized debt and other instruments as permitted by SEBI/RBI from time to time.

- **Commodities Allocation:** Exposure to gold, silver, copper and/or other permitted commodities will primarily be through units of Gold ETFs, Commodity ETFs, or Exchange Traded Commodity Derivatives (ETCDs) excluding sensitive commodities, as permitted by SEBI regulations. This allocation is intended to provide a natural hedge against inflation and currency depreciation while offering diversification benefits.
- **Dynamic Allocation Approach:** The Scheme shall adopt a tactical asset allocation framework. The allocation to each asset class will be reviewed periodically based on valuation signals (e.g., equity valuations relative to historical averages, interest rate outlook, gold price trends), risk metrics (volatility, correlation), and macroeconomic parameters (GDP growth, inflation, fiscal/monetary policy).
- **Risk Management:**
 - The Scheme will maintain diversification within and across asset classes to manage concentration risk.
 - Derivatives may be used for hedging, portfolio rebalancing, and efficient portfolio management in line with SEBI regulations.
 - The Scheme will follow SEBI's Risk-o-Meter framework for disclosure and will continuously monitor portfolio risks in line with the AMC's internal Risk Management Policy.
- There is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Scheme benchmark would be 50% NIFTY 500 TRI + 25% NIFTY Composite Debt Index + 25% MCX iCOMDEX Composite Index. This is the First Tier Benchmark. The Scheme does not have any Second Tier Benchmark.

The proposed scheme, Capitalmind Multi Asset Allocation Fund invests across equity (35%–80%), debt (10%–55%), and commodities including gold and silver (10%–55%), with dynamic allocation within the limits specified in the SID.

The SEBI Master Circular provides benchmark illustrations for equity-oriented, debt-oriented and balanced funds. However, there is no single readily available benchmark that comprehensively represents equity, debt and commodities together, which is an inherent feature of Multi Asset Allocation Funds.

AMFI, in consultation with AMCs, had examined the feasibility of prescribing a single benchmark for Multi Asset Allocation Funds and concluded that benchmark selection needs to be scheme-specific based on the asset allocation. SEBI has noted the same and, vide its email dated June 13, 2023, issued guiding principles for Tier-1 benchmark construction for Multi Asset Allocation Funds.

In line with the said principles, the benchmark has been selected to reflect equity, debt and commodity exposure, using indices from the limited set submitted by AMFI, with asset class weights aligned to the scheme's asset allocation and normal investment pattern as disclosed in the SID. The benchmark has been jointly reviewed and decided by the AMC and the Trustees, and any change, if required, shall be carried out in accordance with applicable regulatory provisions, approvals and disclosures.

Accordingly, the benchmark selected is considered suitable and reasonable for the scheme.

The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the compliance with Regulations/ circulars/ letters issued by SEBI and AMFI in this regard from time to time including for prior approval from SEBI.

E. WHO MANAGES THE SCHEME?

Name of Fund Manager, Age	Qualifications	Work experience	Other schemes managed
Mr. Anoop Vijaykumar Age: 46 Years	B.E – Mumbai University, MBA.- Indian School of Business	Over 20 years of professional experience. Anoop has been associated with Capitalmind since 2019. He has been the PMS Fund Manager and head of Investment Research at Capitalmind PMS for the last 6 years. Prior to joining Capitalmind, Anoop has worked in senior management positions in MNCs like Microsoft and Honeywell. As a management consultant with Kearney, he has advised large corporations across sectors on corporate growth strategy, operations and margin improvement.	Capitalmind Flexi Cap Fund

Mr. Prateek Jain, Age: 36 Years	CFA - (CFA Institute USA),	Mr. Prateek Jain is an investment professional with extensive experience in fixed-income portfolio management and trading. Prior to joining the AMC, he was Fund Manager and Fixed-Income Dealer at Invesco Asset Management, responsible for liquid and overnight funds, duration and asset allocation strategies, yield-curve positioning, and daily cash-flow management. He has also worked with PNB Asset Management as Fixed-Income Dealer, and earlier gained experience in debt origination, risk management, and operations at Taurus Corporate Advisory Services and Edelweiss Capital.	Capitalmind Flexi Cap Fund
	M Com - (Mumbai University), BMS - (Mumbai University)		Capitalmind Liquid Fund

Dedicated fund manager for overseas securities: Pursuant to SEBI Circular dated April 30, 2024, appointment of dedicated fund manager for making investment in overseas securities is optional. The fund manager(s) of the Scheme will be responsible for making investments in overseas securities.

F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

Below is the table of other funds by the AMC

Name of the Scheme	Category	Investment Objective	Scheme Characteristics
Capitalmind Flexi Cap Fund	Equity – Flexi Cap	An open-ended dynamic equity scheme investing across large cap, mid cap, small cap stocks	Minimum Investment in equity & equity related instruments – 65% of total assets
Capitalmind Liquid Fund	Debt Scheme – Liquid Fund	To generate regular Income over the short-term investment horizon by investment in debt and money market instruments with maturity upto 91 days.	An open-ended liquid scheme

G. HOW HAS THE SCHEME PERFORMED?

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

H. ADDITIONAL SCHEME RELATED DISCLOSURES

Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors to be provided through a functional website link that contains detailed description.)

Not applicable as it is a new scheme. However appropriate disclosure in this respect will be available at <https://capitalmindmf.com>

Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description

Not applicable. <https://cm.fund/Top7Issuers>

Functional website link for Portfolio Disclosure – Fortnightly / Monthly/ Half Yearly

Portfolio of the Scheme shall be disclosed as on last day of the month/half year within 10 days from the end of month/half year. Portfolio shall be disclosed on AMC website – <https://cm.fund/PortfolioDisclosure> and on AMFI website – <https://www.amfiindia.com>. Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format.

Portfolio Turnover Rate particularly for equity-oriented schemes shall also be disclosed.

Not applicable as it is a new scheme.

Aggregate investment in the Scheme by :

S No	Category of Persons	Net Value	
		Units	NAV per Unit
1	Concerned Scheme's Fund		
Not Applicable			

The above disclosures are not applicable since this Scheme is a new scheme and does not contain any details. For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI

Investments of AMC in the Scheme (Alignment of interest of AMC with Unitholders of the Scheme)

Subject to the SEBI (Mutual Funds) Regulations, 1996, the AMC shall invest in the Scheme based on the risk associated with the Scheme. The AMC shall invest in the scheme based on the risk associated with the scheme as specified in para 6.9 of SEBI Master Circular for Mutual Funds read with AMFI Best Practice Guidelines Circular 135/BP/100/2022-23 dated April 26, 2022 and any other circulars issued there under, from time to time.

During the NFO period, AMC's investment shall be made during the allotment of Units and shall be calculated as a percentage of the final allotment value excluding AMC's investment pursuant to the circular issued by SEBI in this regard.

In addition to investments as mandated above, the AMC may invest in the Scheme subject to the SEBI (Mutual Funds) Regulations. Under the SEBI (Mutual Funds) Regulations, the AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity to the investment objective of the Scheme and in terms of the prevailing SEBI (Mutual Funds) Regulations. As per the SEBI (Mutual Funds) Regulations, no investment management fees will be charged for such investments.

The investors can refer to the investments made by the AMC in the scheme on the website of the Company at <https://cm.fund/AMCInvestmentDisclosure>.

Investment of Designated Employees of AMC in the Scheme (Alignment of interest of Designated Employees of AMC with Unitholders of the Scheme)

As per Para 6.10 of the Master Circular on 'Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes', as amended via SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/36 on 21st March 2025, SEBI has, inter alia mandated that a minimum slab wise percentage of the salary/ perks/ bonus/ non-cash compensation (gross annual CTC) net of income tax and any statutory contributions (i.e. PF and NPS) of the Designated Employees of the AMCs shall be mandatorily invested in Units of Mutual Fund schemes in which they have a role/oversight.

In accordance with the regulatory requirement, the minimum application amount / additional application amount / minimum redemption amount wherever specified in the SID of the Fund will not be applicable for investments made in the Scheme in compliance with the aforesaid circular(s).

For further details on the Alignment of Interest of Designated Employees of AMC with Unitholders of the Scheme, please refer to SAI

PART III. OTHER DETAILS

A. COMPUTATION OF NAV

The NAV of the Units of the Scheme would be computed by dividing the net assets of the scheme by the number of outstanding Units on the valuation date. The AMC shall value the investments according to the valuation norms (Valuation Policy), as specified in the Eighth Schedule of the SEBI (Mutual Funds) Regulations, 1996 or such guidelines / recommendations as may be specified by SEBI from time to time. The broad valuation norms are detailed in the SAI.

NAV for the Scheme and the repurchase prices of the Units will be calculated and announced at the close of each Business Day. The NAV shall be computed upto four decimals. The NAV of Direct Plan will be different from the NAV of Regular Plan.

The income earned and the profits realized in respect of the Units issued under the Growth Option remain invested and are reflected in the NAV of the units.

Illustration: NAV of Units under the Scheme shall be calculated as shown below:

NAV (INR) =

(Market or Fair Value of Scheme's investments + Current Assets including accrued income – Current Liabilities and Provisions including accrued expenses)

No. of Units outstanding under the scheme

Market or Fair Value of Scheme's investments= INR 100,00,00,000

Current assets including accrued income = INR 1,00,00,000

Current Liabilities and provisions including accrued expenses = INR.2,00,000

No. of Units outstanding under the scheme = 10000000

NAV=(100,00,00,000+1,00,00,000-2,00,000)/10000000

Hence NAV of the scheme will be = INR. 100.9800

Methodology of calculating the sale price: The price or NAV a unitholder is charged while investing in an open-ended scheme is called sale / subscription price. Pursuant to clause 10.4.1.a of the SEBI Master Circular for Mutual Funds no entry load will be charged by the Scheme to the unitholders.

Therefore, Sale / Subscription price = Applicable NAV

Methodology of calculating the repurchase price: Repurchase or redemption price is the price or NAV at which an open-ended scheme purchases or redeems its units from the unitholders. It may include exit load, if applicable. The exit load, if any, shall be charged as a percentage of NAV i.e. applicable load as a percentage of NAV will be deducted from the “Applicable NAV” to calculate the repurchase price.

Therefore, Repurchase / Redemption Price = Applicable NAV *(1 – Exit Load, if any)

Illustration: Say, Applicable NAV = INR. 12.0000 and the Exit Load is 0.50%, Redemption Price = $12 \times (1 - 0.005) = \text{INR } 11.9400$

As required under the SEBI (Mutual Funds) Regulations, 1996 the AMC shall ensure that the repurchase price of an open-ended scheme shall not be lower than 97% of the NAV.

NAV will also be displayed on the website of the AMC & on the website of AMFI. In addition, the ISCs would also display the NAV.

For other details such as policies w.r.t computation of NAV, rounding off, procedure in case of delay in disclosure of NAV etc. refer to SAI.

B. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO such as sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationery, communication, statutory expenses, bank charges etc.

As required under the SEBI (Mutual Funds) Regulations, all NFO expenses will be borne only by the AMC and not by the Scheme. Accordingly, the NFO expenses would be incurred from AMC books and not from Scheme's books.

C. 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:

Considering the asset allocation pattern of the scheme, AMC has estimated maximum TER of 2.00 % p.a in case of other than equity-oriented scheme, on the daily average net assets of the scheme, will be charged to the Scheme as expenses, as given below. For actual current expenses being charged, the investor should refer to the website of the mutual fund.

Limits specified by SEBI under SEBI (Mutual Funds) Regulations for recurring expenses for other than equity-oriented schemes is as follows:

- on the first INR 500 crore of the Scheme's daily net assets – upto 2.00%;
- on the next INR 250 crore of the Scheme's daily net assets – upto 1.75%;
- on the next INR 1,250 crore of the Scheme's daily net assets – upto 1.50%;
- on the next INR 3,000 crore of the Scheme's daily net assets – upto 1.35%;
- on the next INR 5,000 crore of the Scheme's daily net assets – upto 1.25%;
- on the next INR 40,000 crore of the Scheme's daily net assets – Total Expense Ratio reduction of 0.05% for every increase of INR 5,000 crores of daily net assets or part thereof;
- on balance of the assets – upto 0.80%.

Expense Head	% p.a. of daily Net Asset* (Estimated p.a)
Investment Management & Advisory Fee	Up to 2.00
Audit fees/fees and expenses of trustees ¹	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / redemption cheques/ warrants	
Marketing & Selling Expenses including Agents Commission and statutory Advertisement	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education & awareness ²	
Brokerage & transaction cost pertaining to distribution of Units ³	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost ⁴	
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations) ⁵	
Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) I	Upto 2.00
Additional expenses under Regulations 52(6A)C ⁶	Upto 0.05

In addition to the recurring expenses mentioned above, the Scheme may also incur additional expenses up to 0.05% of daily net assets of the Scheme, as permitted under Regulation 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and SEBI circulars issued from time to time.

#There shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) viz. Investment Management and Advisory Fees and various sub-heads of recurring expenses respectively.

* Direct Plan under the Scheme shall have a lower expense ratio than Regular Plan, excluding distribution expenses, commission, etc., and no commission shall be paid from Direct Plan. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a Regular Plan

¹ The Trusteeship fees as per the provisions of clause 14 of the Trust Deed shall be charged subject to a maximum of 0.03% per annum (of the weekly average NAV of the relevant scheme). It has been decided by the Trustee to accrue in diem the remuneration aforesaid and shall continue to be payable until the Trust shall be finally wound up and whether or not the said Trust shall be in course of administration by or under the order or direction of the Court. In addition to the aforesaid fees, the Trustee may be reimbursed for costs, charges and expenses incurred in or for the effective discharge of its obligations and responsibilities towards the Trust. The Trustees may charge expenses as permitted from time to time under the Trust Deed and SEBI (MF) Regulations. The Trustee reserves the right to change the method of allocation of Trusteeship fees for the Scheme, from time to time.

² In terms of para 10.1.16 of the SEBI Master Circular for Mutual Funds, the AMC / Mutual Fund shall annually set apart at least 2 basis points (i.e. 0.02%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (Mutual Funds) Regulations for investor education and awareness initiatives.

As per SEBI Circular dated November 27, 2025, the mutual fund distributors shall be eligible for additional commission for new investments / inflows from new individual investors (new PAN) from B-30 cities, at the mutual fund industry level and new women individual investors (new PAN) from both Top 30 and B-30 cities with effect from February 01, 2026, as follows:

- a. Lump Sum Investment - 1% of the amount of the first application subject to a maximum of ₹2,000, provided the investor remains invested for a minimum period of one year.
- b. Systematic Investment Plan (SIP)- 1% of the total investment made during the first year, subject to a maximum of ₹2,000.

The aforesaid additional commission shall be paid from the 2 basis points on daily net assets, mandated to be set apart annually by AMCs for investor education, awareness and financial inclusion initiatives, subject to adequate claw back provisions. This additional commission shall be in addition to the existing trail commission paid to the Distributor from the scheme

³**Additional Expenses under Regulation 52 (6A):** %Brokerage and transaction costs incurred for the execution of trades and included in the cost of investment, not exceeding 0.12% of the value of trades of cash market transactions and 0.05% of the value of trades of derivative market transactions. It is hereby clarified that the brokerage and transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12% of the value of trades of

cash market transactions and 0.05% of the value of trades of derivative market transactions. Any payment towards brokerage and transaction costs (including Goods & Services Tax, if any) incurred for the execution of trades, over and above the said 0.12% for cash market transactions and 0.05% of the value of trades of derivative market transactions may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (MF) Regulations.

⁴**GST** : As per clause 10.3 of the Master Circular, GST shall be charged as follows:

- 1) GST on investment management and advisory fees shall be charged to the Scheme in addition to the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
- 2) GST on other than investment management and advisory fees, if any, shall be borne by the Scheme within the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
- 3) GST on exit load, if any, shall be paid out of the exit load proceeds and exit load net of GST, if any, shall be credited to the Scheme.
- 4) GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 of the SEBI (MF) Regulations.

⁵ As permitted under Regulation 52 of SEBI (Mutual Funds) Regulations, 1996 and pursuant to SEBI Master Circular for Mutual Funds dated June 27, 2024.

⁶ As per Para 10.1.7 of SEBI Master Circular on Mutual Funds, schemes wherein exit load is not levied, the AMC shall not be eligible to charge the additional expenses for such Scheme

Transparency in TER: As per clause 10.1.12 of SEBI Master Circular, All scheme related expenses including commission paid to distributors, shall be paid from the scheme only within the regulatory limits and not from the books of the AMC, its associates, sponsor, trustee or any other entity through any route.

- Provided that, such expenses that are not specifically covered in terms of Regulation 52 (4) – very small in value but high in volume – can be paid out of AMC books at actual or not exceeding 2 bps of the Scheme AUM, whichever is lower.
- Such expenses incurred by AMC will be properly recorded and audited in the books of account of AMC at year end.
- The Mutual Fund shall adopt full trail model of commission in the scheme, without payment of any upfront commission or upfronting of any trail commission, directly or indirectly, in cash or kind, through sponsorships, or any other route.
- No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the investors.
- Training sessions and programmes conducted for distributors would continue and would not be misused for providing any reward or non-cash incentive to the distributors

The total expenses charged to the Scheme shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations and as permitted under SEBI Circulars issued from time to time.

The Mutual Fund would update the current expense ratios on the website (www.capitalmindmf.com) at least 3 (three) Business days prior to the effective date of the change and update the TER on the website.

The total expense ratios of the schemes of the Mutual Fund are available in downloadable spreadsheet format on the AMC website and AMFI website. Any change in the expense ratios will be updated at least 3 (three) Business Days prior to the effective date of the change. For the current total expense ratio details of the Scheme, investors may visit <https://cm.fund/TER> as well as AMFI's website viz., <https://www.amfiindia.com>

Illustration in returns between Regular and Direct Plan

Expense ratio, normally expressed as a percentage of Average Assets under Management, is calculated by dividing the permissible expenses under the SEBI (MF) Regulations by the average net assets. To further illustrate the above in rupees terms, for the Scheme under reference, suppose an Investor invested INR 10,000/- (after deduction of stamp duty and transaction charges, if any) the impact of expenses charged will be as under

Particulars	Regular Plan	Direct Plan
Amount invested at the beginning of the year (INR)	10,000	10,000
Returns before Expenses (INR)	1,500	1,500
Expenses other than Distribution Expenses (INR)	150	150
Distribution Expenses (INR)	50	-
Returns after Expenses at the end of the year (INR)	1,300	1,350
Returns (%)	13.00%	13.50%

Note(s):

- The purpose of the above illustration is purely to explain the impact of expense ratio charged under the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year.
- The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses/commission.
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to seek appropriate advice.

For the actual current expenses being charged to the scheme, investors should refer to the website of the mutual fund at link: <https://cm.fund/TER> Any change proposed to the current expense ratio will be updated on the website at least 3 (three) Business Days prior to the change.

As per the SEBI (MF) Regulations, the total recurring expenses that can be charged to the Scheme shall be subject to the applicable guidelines. The total recurring expenses of the Scheme will however be limited to the ceilings as prescribed under Regulation 52(6) of the Regulations.

D. LOAD STRUCTURE

Exit 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. For the current

applicable structure, please refer to the website of the AMC (<https://capitalmindmf.com>) or may call at (toll free no.1-800-570-5001) or check with your distributor

Type of Load	Load chargeable (as %age of NAV)
Entry	Not Applicable In terms of Para 10.4 of the Master Circular, no entry load will be charged to the investors.
Exit*	EXIT LOAD: For each purchase of Units through Lumpsum / switch-in / Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Exit load on redemption / Systematic Withdrawal Plan (SWP) / Switch-out, will be as follows: ➤ If Units redeemed or switched out within 12 months from the date of allotment – 1% of the applicable NAV ➤ If redeemed/switched out after 12 months from the date of allotment – NIL

* The load on other types of transaction could be Switch in/out, SIP/SWP/STP (as applicable)

1. In terms of Para 10.4 of SEBI Master Circular, no entry load will be charged on purchase / additional purchase / switch-in of the units of the Mutual Fund by investor. The commission as specified in aforesaid circular, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
2. Any exit load charged (net of Goods and Services tax, if any) after the commencement of SEBI (Mutual Funds) (Second Amendment) Regulations, 2012, shall be credited back to the Scheme. Any imposition or enhancement of exit load in future shall be applicable on prospective investments only. Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds.
3. For the purpose of charging of exit load, units would be considered on First in First out (FIFO) basis.

Note on Load Exemptions:

1. AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors.
2. No load will be charged on issue of bonus Units for existing as well as prospective investors.
3. No exit load shall be levied in case of switch of investments from Direct Plan to Regular Plan and vice versa

At the time of changing the load structure, the AMC may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

1. The addendum detailing the changes will be displayed on the website of the Mutual Fund <https://capitalmindmf.com>

2. The addendum detailing the changes will be attached to Scheme Information Documents and key information memorandum. The addendum will be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.
3. Arrangements will be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors / brokers office.
4. The introduction of the exit load/ Contingent Deferred Sales Charge (CDSC) along with the details will be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
5. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
6. Any other measures which the mutual funds may feel necessary.

The Trustee / AMC reserves the right to change the load structure any time in future if they so deem fit on a prospective basis. The investor is requested to check the prevailing load structure of the scheme before investing. Investors may obtain information on loads on any Business Day by calling the office of the AMC or any of the Investor Service

The AMC/Trustee reserves the right to change / modify the Load structure of the Scheme, subject to maximum limits as prescribed under the Regulations. However, the Redemption /Repurchase Price will not be lower than 97% of the NAV.

SECTION II

PART I: INTRODUCTION

A. DEFINITIONS / INTERPRETATION

The investors may refer to the website of the Company at link: <https://capitalmindmf.com> for definition of terms used in this Scheme Information Document.

B. RISK FACTORS

STANDARD RISK FACTORS

- Mutual Fund Schemes are not guaranteed or assured return products.
- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of investment in a mutual fund Scheme may go up or down.
- In addition to the factors that affect the value of individual investments in the Scheme, the NAV of the Scheme may fluctuate with movements in the broader equity and bond markets and may be influenced by factors affecting capital and money markets in general, such as, but not limited to, changes in interest rates, currency exchange rates, changes in Government policies, taxation, political, economic or other developments and increased volatility in the stock and bond markets.
- Past performance does not guarantee future performance of any Mutual Fund Scheme.
- The name of the Scheme does not in any manner indicate its quality or its future prospects and returns
- The Sponsor(s) are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh each made by it towards setting up the Fund.
- **Performance Risk:** Performance risk refers to the risk of a scheme being unable to generate returns matching / above the returns of the scheme's benchmark. It would also mean the scheme underperforming against its peer set of other mutual fund schemes having similar portfolios, scheme classification, objective, benchmark and asset allocation. These risks could arise due to a variety of market and economic activities, government policies, global economic changes, currency fluctuations, tax policies, political changes, corporate actions and investors' behavior.
- **Risk associated with potential change in Tax structure:** This summary of tax implications given in the taxation section is based on the current provisions of the applicable tax laws. This information is provided for general purpose only. The current taxation laws may change due to change in the 'Income Tax Act 1961' or any subsequent changes/amendments in Finance Act/Rules/Regulations. Any change may entail a higher outgo to the scheme or to the investors by way of securities transaction taxes, fees, taxes etc. thus adversely impacting the scheme and its returns.

Please refer SAI for details

Scheme Specific Risk Factors:

1) Risks associated with investing in Equity and Equity Related Instruments (including REITs)

- Investors may note that AMC/Fund Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly due to unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio.
- The value of the Scheme's investments may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.
- The Mutual Fund may not be able to sell securities, which can lead to temporary illiquidity. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to be collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.
- Investors may note that dividend is due only when declared and there is no assurance that a company (even though it may have a track record of payment of dividend in the past) may continue paying dividend in future. As such, the scheme is vulnerable to instances where investments in securities may not earn dividend or where lesser dividend is declared by a company in subsequent years in which investments are made by scheme. As the profitability of companies are likely to vary and have a material bearing on their ability to declare and pay dividend, the performance of the scheme may be adversely affected due to such factors.
- While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests.
- Securities which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges

- Further, the volatility of medium / small – capitalization stocks may be higher in comparison to liquid large capitalization stocks.
- Fund Manager endeavors to generate returns based on certain past statistical trend. The performance of the Scheme may get affected if there is a change in the said trend. There can be no assurance that such historical trends would continue.
- In case of abnormal circumstances, it will be difficult to complete the square off transaction due to liquidity being poor in stock futures/spot market. However, the scheme will aim to take exposure only into liquid stocks where there will be minimal risk to square off the transaction.
- Changes in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme or business prospects of the Company in any particular sector.
- Investments in equity and equity related securities involve a certain degree of risk and Investors should not invest in the equity scheme unless they can afford to take the risk of losing their investment.

2) Risk factors associated with Short Selling

- The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short-selling is the sale of shares that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock he shorted and returns the stock to close out the borrowing.

If the price of the stock has fallen, he can buy the stock back for less than he received for selling it and profits from it (the difference between higher short sale price and the lower purchase price). However, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the stock price increases without limit and shall result into major losses in the portfolio.

For example, if dealer/fund manager short 1000 shares at Rs.650 each hoping to make a profit but the share price increase to Rs.900, portfolio will end up losing Rs.250,000 (1000*250).

3) Risks associated with investing in Debt securities & Money market instruments

- **Market Risk:** The NAV of the Scheme, to the extent invested in debt and money market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- **Interest-Rate Risk:** Fixed income securities such as government bonds, corporate bonds, money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest, credit quality, demand and supply. However, in case of Government securities credit risk remains zero, their prices are influenced by the movement in interest rates in the financial system. In case of floating rate instruments, an additional risk could arise because of changes in spreads of floating rate instruments. With increase in spread of floating rate instruments, the price can fall and with decrease in

spread of floating rate instruments, the prices can rise. Moreover, the floating rate instruments having a periodical interest rate reset carry lower interest rate risk compared to a fixed rate debt security. However, in the falling interest rate scenario, the returns on floating rate debt instruments may not be better than those on fixed rate debt instruments level at which the security is being traded.

- **Liquidity Risk:** Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the scheme and may lead to the scheme incurring losses till the security is finally sold. The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.
- **Price Risk:** Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. This risk is not unique to Government securities. It exists for all fixed income securities. However, Government securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.
- **Settlement risk:** The inability of the scheme to make intended securities purchases due to settlement problems could cause the scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the scheme's portfolio due to the extraneous factors that may impact liquidity would result, at times, in potential losses in case of a subsequent decline in the value of securities held in the scheme's portfolio.
- **Regulatory Risk:** Changes in government policy in general and changes in tax benefits applicable to Mutual Funds may impact the returns to investors in the scheme.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed. Consequently, the proceeds may get invested at a lower rate.
- **Credit Risk:** This risk means that the issuer of a debenture/bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer/instrument goes down. Different types of securities in which the scheme(s) would invest as given in the scheme information document 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 AAA rated are comparatively less risky than bonds which are AA rated. Investments in Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.

- **Risks associated with investment in unlisted securities:** Subject to applicable regulations, the Scheme can invest in unlisted securities. These securities are subject to greater price fluctuations, less liquidity and greater risk than the listed securities. Except for any security of an associate or group company, the scheme has the power to invest in securities which are not listed on a stock exchange (“unlisted Securities”) which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid secondary market and there can be no assurance that the Scheme will realize their investments in unlisted securities at a fair value.
- **Basis Risk:** Basis risk arises due to a difference in the price movement of the derivative vis-à-vis that of the security being hedged. During the life of a floating rate security or a swap, the underlying benchmark index may become less active and may not capture the actual movement in interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio.
- **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security, this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.
- **Counterparty Risk:** This is the risk of failure of counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the Scheme in case of a counterparty default.
- **Duration Risk:** Duration risk refers to the movement in price of the underlying invested money market / debt instruments due to movement/change in interest rates over different durations of maturity of instruments. In a portfolio of debt assets, the duration risk is measured by the average duration of the portfolio. Duration, expressed in years, is used as a measure of the sensitivity of the fixed income instrument to a change in interest rates. Usually, individual duration of fixed income instruments in the portfolio is calculated and the portfolio duration is weighted average of such individual instrument duration. A longer portfolio duration is associated with greater price fluctuations. A rise in interest rates could normally lead to decrease in prices and generally negatively affects portfolios having longer duration I portfolios having shorter duration. A fall in interest rate generally benefits portfolio having longer duration. A longer duration portfolio is also generally associated with greater volatility I a shorter duration portfolio.
- **Sovereign Risk:** Sovereign risk is the likelihood that a government will default on its loan obligation by failing to meet its principal payments or interest. It comes in different forms and may result in losses to investors in addition to negative political consequences. The Central Government of a country is the issuer of the local currency in that country. The Government (Central / State) raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since payment of interest and principal amount has a sovereign status implying no default, such securities are known as securities with sovereign credit. For domestic borrowers and lenders, the credit risk on such sovereign credit is minimal, even lower than a security with “AAA” rating and hence commands a yield, which is lower than a yield on “AAA” security.
- **Other risks associated with Debt and Money Market Instruments:**

- Different types of fixed income securities in which the scheme would invest as given in the SID carry different levels and types of risk. Accordingly, the scheme risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated. AA rated corporate bonds are comparatively less risky when compared with A rated corporate bonds.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero-coupon securities does not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero-coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.
- The scheme at times may receive large number of redemption requests leading to an asset-liability mismatch and therefore requiring the AMC to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

4) Risks associated with investing in securitized debt:

The Scheme may invest in domestic securitized debt such as asset backed securities (ABS) or mortgage-backed securities (MBS). Asset Backed Securities (ABS) are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. Mortgage-backed securities (MBS) are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties. ABS/MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/MBS or the originator of the underlying receivables. The ABS/MBS holders have a limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement provided, ABS/MBS holders will suffer credit losses. ABS/MBS are also normally exposed to a higher level of reinvestment risk as compared to the normal corporate or sovereign debt.

Different types of securitized debts in which the scheme would invest carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investments in securitized debts.

Securitized transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay

his obligation, the Seller may repossess and sell the underlying Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

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

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

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

- Auto Loans (cars / commercial vehicles /two wheelers)
- Residential Mortgages or Housing Loans
- Consumer Durable Loans
- Personal Loans
- Corporates Loans

The main risks pertaining to each of the asset classes above are described below:

Auto Loans (cars / commercial vehicles /two wheelers): The underlying assets (cars etc) are susceptible to depreciation in value whereas the loans are given at high loan to value ratios. Thus, after a few months, the value of asset becomes lower than the loan outstanding. The borrowers, therefore, may sometimes tend to default on loans and allow the vehicle to be repossessed. These loans are also subject to model risk. i.e. if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual. Commercial vehicle loans are susceptible to the cyclicity in the economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans. Further, the secondhand prices of these vehicles also decline in such economic environment.

Housing Loans: Housing loans in India have shown very low default rates historically. However, in recent years, loans have been given at high loan to value ratios and to a much younger borrower class. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus, the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates.

Consumer Durable Loans: The underlying security for such loans is easily transferable without the bank's knowledge and hence repossession is difficult. The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default.

Personal Loans: These are unsecured loans. In case of a default, the bank has no security to fall back on. The lender has no control over how the borrower has used the

borrowed money. Further, all the above categories of loans have the following common risks:

- All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of all these loans.
- In India, there is insufficiency of ready comprehensive and complete database regarding past credit record of borrowers. Thus, loans may be given to borrowers with poor credit record. In retail loans, the risks due to frauds are high.

Corporate Loans: These are loans given to single or multiple corporates. The receivables from a pool of loans to corporate are assigned to a trust that issues Pass Through Certificates (PTC) in turn. The credit risk in such PTCs is on the underlying pool of loans to corporates. The credit risk of the underlying loans to the corporates would in turn depend on economic cycles.

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

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

5) Risks associated with investing in derivatives

The Scheme may use various derivative products as permitted by the SEBI (MF) Regulations, 1996. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include the risk of mis-pricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

The Scheme may use derivatives instruments like Stock /Index Futures or other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the SEBI (MF) Regulations 1996 and guidelines. Usage of derivatives will expose the scheme to certain risks inherent to such derivatives. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable.

No assurance can be given that the fund manager will be able to identify or execute such strategies.

Derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value.

The risks associated with the use of derivatives are different from or possibly greater than the risks associated with investing directly in securities and other traditional investments. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative add to the portfolio and the ability to forecast price of securities being hedged and interest rate movements correctly.

The specific risk factors arising out of a derivative strategy used by the Fund Manager may be as below:

- Lack of opportunity available in the market.
- Valuation Risk: 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. The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue. Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks. The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- Basis Risk: This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying asset being hedged. The risk may be interrelated also e.g., interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Stock Exchanges could increase the initial margin, variation margin or other forms of margin on derivative contracts, impose one sided margins or insist that margins be placed in cash. All of these might force positions to be unwound at a loss and might materially impact returns.
- Operational / Systemic Risk: This is the risk arising due to failure of operational processes followed by the exchanges and Over the Counter (OTC) participants for the derivatives trading.
- Exposure Risk: An exposure to derivatives in excess of the hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a plain investment transaction.
- Implied Volatility: The estimated volatility of an underlying security's price and derivatives price.

- **Systemic Risk:** The risk inherent in the capital market due to macro-economic factors like Inflation, GDP, Global events.
- **Counterparty Risk:** There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the “**counter party**”) to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavorable) market price. The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- **Credit Risk:** The Credit Risk is the risk that the counter party will default in its obligations and is generally small as in a derivative transaction there is generally no exchange of the principal amount.

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

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Risks specific to certain derivative strategies are highlighted below:

a) Risk associated with Interest Rate Future (IRF):

An Interest Rate Futures is an agreement to buy or sell a debt instruments at a specified future date at a price that is fixed today. Interest Rate Futures are Exchange Traded and are cash settled. Hedging using Interest Rate Futures can be perfect or imperfect. Perfect hedging means hedging the underlying using IRF contract of same underlying.

- i. **Market risk:** Derivatives carry the risk of adverse changes in the market price.
- ii. **Price Risk-** The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- iii. **Liquidity risk** – This occurs where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- iv. **Model Risk** – The risk of mispricing or improper valuation of derivatives.
- v. **Basis Risk** – This risk arises when the instrument used as a hedge does not match the movement in the instrument/ underlying asset being hedged.

The risks may be inter-related also; for e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets. Correlation weakening and consequent risk of regulatory breach: SEBI Regulations mandates minimum correlation criterion of 0.9 (calculated on a 90-day basis) between the portfolio being hedged and the derivative instrument used for hedging. In cases where the correlation falls below 0.9,

a rebalancing period of 5 (five) Business Days has been permitted. Inability to satisfy this requirement to restore the correlation level to the stipulated level, within the stipulated period, due to difficulties in rebalancing would lead to a lapse of the exemption in gross exposure computation. The entire derivative exposure would then need to be included in gross exposure, which may result in gross exposure in excess of 100% of net asset value.

b) Risks associated with Covered Call Strategy

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

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

The writing of covered call option would lead to loss of opportunity due to appreciation in value of the underlying equity shares. Hence, when the appreciation in equity share price is more than the option premium received the scheme would be at a loss. The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of Scheme to buy any options.

6) Risks associated with securities lending:

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

Engaging in securities lending is subject to risks related to fluctuations in collateral value and settlement/liquidity and counter party risks. The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Scheme may not be able to sell such lent securities and this can lead to temporary illiquidity and in turn cannot protect from the falling market price of the said security.

7) Risks associated with segregated portfolio

Liquidity risk – A segregated portfolio is created when a credit event / default occurs at an issuer level in the scheme. This may reduce the liquidity of the security issued by the said issuer, as demand for this security may reduce. This is also further accentuated by the lack of secondary market liquidity for corporate papers in India. As per SEBI norms, the scheme is to be closed for redemption and subscriptions until the segregated portfolio is created, running the risk of investors being unable to redeem their investments. However, it may be noted that, the proposed segregated portfolio is required to be formed within one day from the occurrence of the credit event.

Investors may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, AMC shall list the Units of the segregated portfolio on a recognized stock exchange within 10 (Ten) Business Days of creation of segregated portfolio and also enable transfer of such Units on receipt of transfer requests. For the Units listed on the exchange, it is possible that the market price at which the Units are traded may be at a discount to the NAV of such Units. There is no assurance that an active secondary market will develop for Units of segregated portfolio listed on the stock exchange. This could limit the ability of the investors to resell them. There may be possibility that the security comprising the segregated portfolio may not realize any value.

Valuation risk – The valuation of the securities in the segregated portfolio is required to be carried out in line with the applicable SEBI guidelines. However, it may be difficult to ascertain the fair value of the securities due to absence of an active secondary market and difficulty to price in qualitative factors.

8) Risks associated with Repo Transactions in Corporate Debt Securities

Lending Transactions: The scheme may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honour the repurchase agreement. However, in repo lending transactions, the collateral may be sold, and a loss is realized only if the sale price is less than the repo amount. The risk may be further mitigated through over-collateralization (the value of the collateral being more than the repo amount). Further, the liquidation of underlying securities in case of counterparty default would depend on liquidity of the securities and market conditions at that time. It is endeavored to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation and over-collateralization to cushion the impact of market risk on sale of underlying security.

Collateral risk also 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, the AMC / Scheme will explore the option for early termination of the trade.

Borrowing Transactions: In the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin). This risk is normally mitigated by better cash flow planning to take care of such repayments. Further, there is also a Credit Risk that the Counterparty may fail to return the security or Interest received on due date. It is endeavored to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation.

9) Risk Factors associated with Investments in InvITs

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

Credit Risk: In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre-scheduled.

Liquidity Risk: This refers to the ease with which InvIT Units can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the Units could be infrequent. The subsequent valuation of illiquid Units may reflect a discount from the market price of comparable securities for which a liquid market exists.

As the liquidity of the investments made by the scheme 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 redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk. The Fund will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying Units.

Reinvestment Risk: Investments in 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. However, the reinvestment risk will be limited as the proceeds are expected to be a small portion of the portfolio value.

Risk of lower than expected distributions: The distributions by the InvIT will be based on the net cash flows available for distribution. The amount of cash available for distribution principally depends upon the amount of cash that the INVIT receives as dividends or the interest and principal payments from portfolio assets. The cash flows generated by portfolio assets from operations may fluctuate based on, among other things:

- success and economic viability of tenants and off-takers
- economic cycles and risks inherent in the business which may negatively impact
- valuations, returns and profitability of portfolio assets

- force majeure events related such as earthquakes, floods etc. rendering the portfolio assets inoperable
- debt service requirements and other liabilities of the portfolio assets
- fluctuations in the working capital needs of the portfolio assets
- ability of portfolio assets to borrow funds and access capital markets
- changes in applicable laws and regulations, which may restrict the payment of dividends by portfolio assets
- amount and timing of capital expenditures on portfolio assets
- insurance policies may not provide adequate protection against various risks associated with operations of the InvIT such as fire, natural disasters, accidents
- taxation and other regulatory factors

10) Risks associated with investing in Tri-party Repo (TREPS) through CCIL

All transactions of the Mutual Fund in government securities and in Tri- party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL).

As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The Mutual Fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time i.e. in the event that the default waterfall is triggered and the contribution of the Mutual Fund is called upon to absorb settlement/default losses of another member by CCIL, the Scheme may lose an amount equivalent to its contribution to the default fund.

Further, it may be noted that CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.

- 11) **Risks Factors associated with transaction in Units through stock exchange(s):** In respect of transaction in Units of the Scheme through stock exchange platform(s), allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by the stock exchange(s) and their respective clearing corporations on which the Fund has no control.

12) Risk factors associated with investing in Gold/Silver related instrument(s), Gold ETFs, Silver ETFs and Exchange traded commodity derivatives (ETCDs)

The Scheme shall invest in Gold and Silver Exchange Traded Funds (Gold ETFs) and other Gold and Silver related instruments (including derivatives, Sovereign Gold Bonds etc as and when SEBI/RBI permits). There is no assurance that gold or Silver will maintain its long-term value in terms of purchasing power. In the event of price of gold declining, the value of investment in Units of the Scheme is expected to decline proportionately.

The value (price) of gold may fluctuate for several reasons and all such fluctuations will impact the NAV of Units under the Scheme. The factors that may affect the price of gold, among other things, include demand and supply for gold in India and in the global market, Indian and Foreign exchange rates, Interest rates, Inflation trends, market risks including trading risks in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of gold in and out of India, etc

Governments, central banks and related institutions worldwide, own a significant portion of the aggregate world gold holdings. If one or more of these institutions decides to sell in amounts large enough to cause a decline in world gold prices, the price/value of units of the Scheme, to the extent invested in gold, will be adversely affected.

Several factors that may affect the price of Gold and Silver are as follows:

- Global Silver supplies and demand, which is influenced by factors such as forward selling by Silver producers, purchases made by Silver producers to unwind Silver hedge positions, government regulations, productions and cost levels in major Silver producing countries.
- Investors' expectations with respect to the macro-economic indicators;
- Currency exchange rates;
- Interest rates;
- Investment and trading activities of hedge funds and commodity funds;
- Global or regional political, economic or financial events and situations.
- In addition, investors should be aware that there is no assurance that Silver will maintain its long-term value. If the price of Silver declines, the value of investment in units is expected to decline proportionately.
- Changes in indirect taxes like custom duties for import, sales tax, VAT or any other levies will have an impact on the valuation of Silver and consequently the NAV of the Scheme.
- Demand side and/or supply side constraints in domestic and/or international markets.

Common Risk factors associated with investments in Gold and Silver ETFs:

Currency Risk: The formula for determining NAV of the Units of Gold/ Silver ETFs is based on the imported (landed) value of gold/silver respectively. Landed value of gold/ silver held by Gold ETFs/Silver ETFs is computed by multiplying international market price by US dollar value. The value of gold/silver or NAV, therefore will depend upon the conversion value of US dollar into Indian rupee and attracts all the risks attached to such conversion.

Regulatory Risk: Any changes in trading regulations by the stock exchange(s) or SEBI may affect the ability of Authorised Participant of Gold ETFs/Silver ETFs to arbitrage resulting into wider premium/ discount to NAV. Any changes in the regulations relating to import and export of gold/silver or gold/silver jewellery (including customs duty, sales tax and any such other statutory levies) may affect the ability of the underlying Gold ETFs/Silver ETFs respectively to buy / sell gold/silver respectively against the purchase and redemption requests received. Units of Gold ETFs/Silver ETF may be acquired from the stock exchanges where the price quoted may be at variance with the underlying NAV, resulting in higher acquisition costs.

Redemption Risk: The units issued under the Scheme, when invested in Gold/Silver ETFs, will derive liquidity from the underlying Gold/Silver ETF having creation / redemption process in creation unit size of predefined quantity of physical gold/Silver (e.g. 1 kg). At times prevailing market conditions may affect the ability of the underlying Gold/Silver ETFs to sell gold/silver respectively against the redemption request received.

Taxation: Conversion of underlying physical gold/silver into units of Gold/silver ETFs respectively may attract capital gain tax depending on acquisition cost and holding period. Moreover, converting units of the underlying scheme to Gold/silver may also attract Wealth tax. Furthermore, Gold/silver is subject to indirect tax not restricted to the following: Sales Tax, Octroi, VAT, Stamp Duty, and Custom Duty. Hence, any change in the rates of taxation/applicable taxes would affect the valuation of the Scheme.

Furthermore, the endeavour would always be to get cash on redemptions from the underlying Gold/Silver ETFs. However, in case the underlying Gold/Silver ETF is unable to sell for any reason, and delivers physical gold, there could be delay in payment of redemption proceeds pending such realization. Additionally, the Scheme will derive liquidity from trading units of underlying Gold/Silver ETFs on the exchange(s) in the secondary market which may be inherently restricted by trading volumes, settlement periods and transfer procedures. As there is no active secondary market for Gold/Silver ETFs, the processing of redemption requests at times may be delayed. In the event of an inordinately large number of redemption requests, or re-structuring of the Scheme's investment portfolio, the processing of redemption requests may be delayed. Gold/Silver ETFs would ordinarily repurchase Units in Creation Unit Size. Thus Unit holding less than Creation Unit Size can only be sold through the secondary market on the Exchange. Further, the price received upon the redemption of Units of Gold/Silver ETFs may be less than the value of the gold/silver represented by them.

Market Trading Risks: Although units of Gold/Silver ETFs are listed on recognised stock exchange(s), there can be no assurance that an active secondary market will be developed or be maintained. Trading in units of Gold/Silver ETFs on the Exchange may be halted

because of market conditions or for reasons that in view of the Exchange Authorities or SEBI, trading in units of Gold/Silver ETFs is not advisable. In addition trading in units of Gold ETFs is subject to trading halts caused by extraordinary market volatility and pursuant to the Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of units of Gold/Silver ETFs will continue to be met or will remain unchanged. Any changes in trading regulations by the Stock Exchange(s) or SEBI may affect the ability of market maker to arbitrage resulting into wider premium/ discount to NAV.

The units of Gold/Silver ETFs may trade above or below their NAV. The NAV of Gold/Silver ETFs will fluctuate with changes in the market value of that scheme's holdings. The trading prices of units of Gold /Silver ETFs will fluctuate in accordance with changes in their NAV as well as market supply and demand for the units of Gold/Silver ETF. Gold /Silver ETFs may provide for the creation and redemption of units in Creation Unit Size directly with the concerned Mutual Fund and therefore, it is expected that large discounts or premiums to the NAV of the units of Gold/Silver ETFs will not sustain due to arbitrage opportunity available

The returns from gold may underperform returns from the various general securities markets or different asset classes other than gold. Different types of securities tend to go through cycles of out-performance and under-performance in comparison to the general securities markets. The scheme may invest in Gold ETFs. The units may trade above or below their NAV. The NAV of the underlying Scheme will fluctuate with changes in the market value of the holdings. The trading prices will fluctuate in accordance with changes in their NAV as well as market supply and demand. However, given that units of Gold ETFs can be created and redeemed in Creation Units, it is expected that large discounts or premiums to the NAV will not sustain due to arbitrage opportunity available. Value of Gold ETF Units could decrease if unanticipated operational or trading problems arise. In case of investment in Gold ETFs, the scheme can subscribe to the units of Gold ETFs according to the value equivalent to unit creation size as applicable. If subscriptions received are not adequate enough to invest in creation unit size, the subscriptions may be deployed in debt and money market instruments which will have a different return profile compared to gold returns profile.

Risks associated with investing in exchange traded commodity derivatives

Commodity risks: The Fund may invest on in commodities markets and may therefore have investment exposure to the commodities markets and one or more sectors of the commodities markets, which may subject the Fund to greater volatility than investments in traditional securities, such as stocks and bonds. Volatility in the commodities markets may be caused by changes in overall market movements, domestic and foreign political and economic events and policies, war, acts of terrorism, changes in domestic or foreign interest rates and/or investor expectations concerning interest rates, domestic and foreign inflation rates, investment and trading activities of mutual funds, hedge funds and commodities funds, and factors such as drought, floods, weather, livestock disease, embargoes, tariffs and other regulatory developments, or supply and demand disruptions. Because the Fund's performance is linked to the performance of volatile commodities, investors should be willing to assume the risks of potentially significant fluctuations in the value of the Fund's shares.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.

Systemic Risks: Systemic risks which may be witnessed while trading in Indian Commodities Market are liquidity risk, market risk in terms of volatility, Exchange Risk and counterparty risks.

Settlement Risk - Risks pertaining to settlement of Commodity Derivatives vide Physical Delivery of goods

1) Incremental margin / cost to be borne- The Commodity exchanges have robust settlement process like the equity exchanges. However, there are rules and timelines which need to be complied with, failing which delivery of the commodity will need to be taken. This will lead to incremental cost to procure the commodity. Avoidance of the same will lead to the exchange penalizing the buyer or the seller or both depending on the type of commodity being dealt with.

2) Risk Factors in case settlement of Derivatives vide Physical Delivery of goods - Timelines to dispose off the physical goods, loss due to damage, inadequate insurance.

If the Commodities futures position passes its last square off date or the 'Intention' is missed to be provided before the Delivery Intention period, the buyer or the seller will be allocated delivery of the commodity. Thus, there emerges a risk of holding goods in physical form at the warehouses. Though the commodity is inclusive of insurance cost, there is a small deductible in each claim which is not payable by the Insurance company.

13) Risk factors associated with investing in Non- Convertible Preference Shares

Credit Risk - Credit risk is the risk that an issuer will be unable to meet its obligation of payment of Dividend and/ or redemption of principal amount on the due date. Further, for non-cumulative preference shares, issuer also has an option to not pay Dividends on preference shares in case of inadequate profits in any year.

Liquidity Risk - The preference shares generally have limited secondary market liquidity and thus we may be forced to hold the instrument till maturity.

Unsecured in nature - Preference shares are unsecured in nature and rank lower than secured and unsecured debt in hierarchy of payments in case of liquidation.

Thus there is significant risk of capital erosion in case the company goes into liquidation.

14) Risks associated with Investing in Structured Obligation (SO) & Credit Enhancement (CE) rated securities

The risk factors stated below for the Structured Obligations & Credit Enhancement are in addition to the risk factors associated with debt instruments.

Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms and could include guarantee, shortfall undertaking, letter of comfort, etc. from another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Credit enhancement could include additional security in form of pledge of shares listed on stock exchanges, etc. SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of car loan receivables, securities backed by trade receivables, credit card receivables etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.

Liquidity Risk: SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is adversely affected compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the scheme to sell such debt instruments and generate liquidity for the scheme or higher impact cost when such instruments are sold.

Credit Risk: The credit risk of debt instruments which are CE rated derives rating based on the combined strength of the issuer as well as the structure. Hence, any weakness in either the issuer or the structure could have an adverse credit impact on the debt instrument. The weakness in structure could arise due to inability of the investors to enforce the structure due to issues such as legal risk, inability to sell the underlying collateral or enforce guarantee, etc. In case of SO transactions, co-mingling risk and risk of servicer increases the overall risk for the securitized debt or assets backed transactions.

Therefore, apart from issuer level credit risk such debt instruments are also susceptible to structure related credit risk.

15) Risks associated with investment in Units of mutual fund

Investment in Mutual Fund Units involves investment risks, including but not limited to risks such as liquidity risk, volatility risk, default risk including the possible loss of principal.

- **Liquidity risk** – The liquidity of the Scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the Scheme's investment portfolio, these periods may become significant. In view of the same, the right to limit redemptions will be in accordance with SEBI mandated process.

- Volatility risks: There is the risk of volatility in markets due to external factors like liquidity flows, changes in the business environment, economic policy etc. The Scheme will manage volatility risk through diversification across companies and sectors.
- Default risk – Default risk is risk resulting from uncertainty in counterparty's ability or willingness to meet its contractual obligations. This risk pertains to the risk of default of payment of principal and interest. Government Securities have zero credit risk while other debt instruments are rated according to the issuer's ability to meet the obligations.

Further, Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by Scheme(s) under certain exceptional circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets.

16) Risk factors associated with investment in unrated securities:

The Scheme may invest in unrated securities as permitted under the SEBI (Mutual Funds) Regulations 1996. Investment in unrated securities involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities.

17) Risks associated with investing in foreign securities

Investment in overseas securities / Overseas ETFs offers new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the AMC provided they are considered appropriate in terms of the overall investment objective of the scheme. Since the scheme would invest only partially in overseas securities/ Overseas ETFs, there may not be readily available and widely accepted benchmarks to measure performance of the scheme. To manage risks associated with foreign currency and interest rate exposure, the scheme may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of the other restrictions on investment.

Offshore investments will be made subject to any/all approvals, conditions thereof as may be stipulated by SEBI/RBI and provided such investments do not result in expenses to the scheme in excess of the ceiling on expenses prescribed by and consistent with costs

and expenses attendant to international investing. The scheme may, where necessary, appoint other intermediaries of repute as advisors, custodian/sub- custodians etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs, and overseas regulatory costs.

Keeping in mind the investment limit in foreign securities currently applicable to Mutual Fund as per para 12.19.1 of SEBI's Master Circular for Mutual Funds dated June 27, 2024, if overall limit for the Mutual Fund in overseas securities reaches USD 1 billion or the overall limit for Mutual Fund Industry in overseas securities reaches USD 7 billion, then Mutual Fund will not be able to invest in overseas securities / will not be able to do incremental overseas investment, unless such limit is increased or further directions is received from SEBI or RBI in this regard. It may be noted that the cap of USD 1 billion will be monitored and enforced at the Mutual Fund level and not at the individual scheme level.

18) Risk factors associated with investments in Perpetual Debt Instrument (PDI)

Perpetual Debt instruments are issued by Banks, NBFCs and corporates to improve their capital profile. Some of the PDIs issued by Banks which are governed by the RBI guidelines for Basel III Capital Regulations are referred to as Additional Tier I (AT1 bonds). While there are no regulatory guidelines for issuance of PDIs by corporate bodies, NBFCs issue these bonds as per guidelines issued by RBI. The instruments are treated as perpetual in nature as there is no fixed maturity date. The key risks associated with these instruments are highlighted below:

Risk on coupon servicing

- **Banks** As per the terms of the instruments, Banks may have discretion at all times to cancel distributions/ payment of coupons. In the event of non-availability of adequate distributable reserves and surpluses or inadequacy in terms of capital requirements, RBI may not allow banks to make payment of coupons.
- **NBFCs** While NBFCs may have discretion at all times to cancel payment of coupon, coupon can also be deferred (instead of being cancelled), in case paying the coupon leads to breach of capital ratios.
- **Corporates** usually have discretion to defer the payment of coupon. However, the coupon is usually cumulative, and any deferred coupon shall accrue interest at the original coupon rate of the PDI.

Risk of write-down or conversion into equity

- **Banks** As per the regulatory requirements, Banks have to maintain a minimum Common Equity Tier-1 (CET 1) ratio of Risk Weighted Assets (RWAs), failing which the AT-1 bonds can get written down. Further, AT-1 Bonds are liable to be written down or converted to common equity, at the discretion of RBI, in the event of Point of Non-Viability Trigger (PONV). PONV is a point, determined by RBI, when a bank is deemed to have become non-viable unless there is a write off/ conversion to equity of AT-1 Bonds or a public sector capital injection happens. The write

off/conversion has to occur prior to public sector injection of capital. This risk is not applicable in case of NBFCs and Corporates.

Risk of instrument not being called by the Issuer

- **Banks** The issuing banks have an option to call back the instrument after minimum specified period from the date of issuance, subject to meeting the RBI guidelines. However, if the bank does not exercise the call on first call date, the Scheme may have to hold the instruments for a period beyond the first call exercise date.
- **NBFCs** The NBFC issuer has an option to call back the instrument after minimum specific period as per the regulatory requirement from date of issuance and thereafter, subject to meeting the RBI guidelines. However, if the NBFC does not exercise the call option the Scheme may have to hold the instruments for a period beyond the first call exercise date.
- **Corporates** There is no minimum period for call date. However, if the corporate does not exercise the call option, the Scheme may have to hold the instruments for a period beyond the call exercise date

C. RISK MITIGATION STRATEGIES

The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in debt and equity markets. The risk control process involves identifying & measuring the risk through various risk measurement tools.

The Fund has identified following risks of investing in equity and debt and designed risk management strategies, which are embedded in the investment process to manage such risks

Risk Description & Type of Instrument	Mitigation Measures
Market Risk -Equity The Scheme is vulnerable to movements in the prices of securities invested by the Scheme, which could have a material bearing on the overall returns from the scheme. The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets.	Market risk is a risk which is inherent to an equity scheme. The scheme may use derivatives for hedging purpose.
Liquidity risk – Equity The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests.	The Mutual Fund seeks to control such risk by investing in such stocks having strong fundamentals, sound financial strength and superior quality of management and highly liquid papers.

In case of Arbitrage trades, under abnormal circumstances it will be difficult to square off the transaction due to liquidity being poor in the underlying stock, stock futures or options market	The Mutual Fund will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying stocks. The Mutual Fund will aim at taking exposure only into liquid stocks / derivatives where there will be minimal risk to square off the transaction.
Derivatives Risk – Equity As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. 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 forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of the “counter party” to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.	The Mutual Fund has provision for using derivative instruments for portfolio balancing and hedging purposes. Investments in derivative instruments will be used as per regulatory guidelines. The fund will endeavor to maintain adequate controls to monitor the derivatives transactions entered into.
Risks associated with Debt investment	
Market Risk As with all debt securities, changes in interest rates may affect the Scheme’s NAV 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 do short-term securities. Indian debt markets can be volatile leading to the possibility of	In a rising interest rates scenario, the Fund Manager will endeavor to increase investment in money market securities whereas if the interest rates are expected to fall, the allocation to debt securities with longer maturity will be increased thereby mitigating risk to that extent.

price movements up or down in fixed income securities and thereby to possible movements in the NAV.	
Currency Risk The Scheme may invest in Foreign Securities as permitted by the concerned regulatory authorities in India. Since the assets may be invested in securities denominated in foreign currency, the INR equivalent of the net assets, distributions and income may be adversely affected by changes / fluctuations in the value of the foreign currencies relative to the INR.	The scheme subject to applicable regulations shall have the option to enter into forward contracts for the purposes of hedging against the foreign exchange fluctuations. The Schemes may employ various measures (as permitted by SEBI/RBI) including but not restricted to currency hedging (such as currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), to manage foreign exchange movements arising out of investment in foreign securities.
Liquidity or Marketability Risk This refers to the ease with which a security can be sold at or near to its valuation Yield-To-Maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.	The Scheme may invest in government securities, corporate bonds and money market instruments. While the liquidity risk for government securities, money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. Liquidity risk is today characteristic of the Indian fixed income market. The Scheme will however, endeavor to minimize liquidity risk by investing in securities having a liquid market.
Credit Risk Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.	A traditional Strengths Weakness Opportunities and Threats (SWOT) analysis will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk, a detailed assessment of the issuer's financial statements will be undertaken to review its ability to undergo stress on cash flows and asset quality. A detailed evaluation of accounting policies, off balance sheet exposures, notes, auditors' comments and disclosure standards will also be made to assess the overall financial risk of the potential borrower. In case of

	securitized debt instruments, the fund will ensure that these instruments are sufficiently backed by assets.
Reinvestment Risk This risk refers to the interest rate levels at which cash flows received from the securities in the scheme are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.	Reinvestment risks will be limited to the extent of coupons received on debt instruments, which will be a very small portion of the portfolio value.
Derivatives Risk – Debt As and when the Scheme trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. 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 forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the “counter party”) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.	The Mutual Fund has provision for using derivative instruments for portfolio balancing and hedging purposes. Interest Rate Swaps will be done with approved counter parties under pre-approved International Swaps and Derivatives Association (ISDA) agreements. Mark to Market of swaps, netting off of cash flow and default provision clauses will be provided as per international best practice on a reciprocal basis. Interest rate swaps and other derivative instruments will be used as per regulatory guidelines.
Currency Risk – Foreign Securities The Scheme may invest in Foreign Securities as permitted by the concerned regulatory authorities in India. Since the assets may be invested in securities denominated in foreign currency, the INR equivalent of the net assets, distributions and income may be adversely affected by changes / fluctuations in the value of the foreign currencies relative to the INR.	The scheme subject to applicable regulations shall have the option to enter into forward contracts for the purposes of hedging against the foreign exchange fluctuations. The Schemes may employ various measures (as permitted by SEBI/RBI) including but not restricted to currency hedging (such as currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on

	currencies and currency swaps), to manage foreign exchange movements arising out of investment in foreign securities.
Risk related to Exchange Traded Commodity Derivatives (ETCDs) The Scheme may participate in ETCDs.	Investment in commodity has an inherent market risk in terms of volatility, which cannot be mitigated generally. However, SEBI has allowed participation in ETCDs only which likely to have enough liquidity in the market. The settlement risk shall be mitigated by ensuring that the trade positions do not fall in delivery mode. In case of delivery of goods, the AMC shall dispose of such goods from the books of the scheme at the earliest not exceeding 30 days from the date of holding of the physical goods.

PART II. INFORMATION ABOUT THE SCHEME

A. WHERE WILL THE SCHEME INVEST

The corpus of the Scheme shall be invested in accordance with the investment objective in any (but not exclusively) of the following securities:

- a) Equity and equity related securities including Indian Depository Receipts (IDRs), convertible debentures, preference shares, partially paid shares, index derivatives, rights entitlements to equity shares, equity derivatives, REITs and warrants carrying the right to obtain equity shares.
 - **“REIT” or “Real Estate Investment Trust”** under SEBI (Real Estate Investment Trusts) Regulations, 2014 means a person that pools rupees fifty crores or more for the purpose of issuing Units to at least two hundred investors so as to acquire and manage real estate asset(s) or property(ies), that would entitle such investors to receive the income generated therefrom without giving them the day-to-day control over the management and operation of such real estate asset(s) or property(ies).
- b) Foreign Securities – Foreign securities including ADRs / GDRs / Foreign equity and debt securities as may be permitted by SEBI/RBI from time to time.
- c) Debt issuances by various types of issuers such as Government of India, State and local Governments, Government Agencies and statutory bodies, Corporate Entities, Public / Private sector undertakings, Public / Private sector banks and development financial institutions, etc. Debt issuances may include but are not limited to: Non-convertible debentures; Bonds; Secured premium notes; Zero interest bonds; Deep discount bonds; Floating rate bond / notes; Pass through certificates; Asset backed securities; Mortgage backed securities; Securitized Debt, Structured Obligations, Credit enhanced Debt; Non-Convertible Preference Shares; Reverse/ Reverse Repo in corporate debt securities; Debt with special features such as AT1 and AT2 Bonds and Any other permissible domestic fixed income instrument.
- d) Securities issued / Guaranteed by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
 - Repo: As per Section 45U I of RBI Act, 1934, “repo” means an instrument for borrowing funds by selling securities with an agreement to repurchase the securities on a mutually agreed future date at an agreed price which includes interest for the funds borrowed.
 - Reverse Repo: As per Section 45U I of RBI Act, 1934, “reverse repo” means an instrument for lending funds by purchasing securities with an agreement to resell the securities on a mutually agreed future date at an agreed price which includes interest for the funds lent.
 - Triparty Repo: According to Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018, triparty repo means a repo contract where a third entity (apart from the borrower and lender), called a Triparty Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody, and management during the life of the transaction.
- e) Securities guaranteed by Local Governments (including but not limited to coupon

- bearing bonds, zero coupon bonds and treasury bills).
- f) Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
 - g) Corporate debt securities (of both public and private sector undertakings)
 - h) Securities issued by banks (both public and private sector) including term deposit with the banks as permitted by SEBI/RBI from time to time, subject to approval from SEBI / RBI as required and development financial institutions.
 - i) Money market instruments as permitted by SEBI/RBI, including commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, Tri-party repo (TREPS) and any other like instrument as specified by the RBI from time to time.
 - j) The non-convertible part of convertible securities **“Convertible Security”** means a security which is convertible into or exchangeable with equity shares of the issuer at a later date, with or without the option of the holder of such security.
 - k) Derivative instruments like Stock/Index Futures, Stock/Index Options, Interest Rate Future, Interest Rate Swap, Forward Rate Agreement and such other derivative instruments permitted by SEBI.
 - l) Triparty Repo in corporate debt securities via ARCL Repo
 - m) Units of mutual fund Schemes/Exchange Traded Funds
 - n) Cash and cash equivalents
 - o) Preference shares.
 - p) Repo transactions in corporate debt securities.
 - q) Units of InvITs.
 - **“InvIT” or “Infrastructure Investment Trust”** shall mean the trust registered as such under SEBI (Infrastructure Investment Trusts) Regulations, 2014.
 - r) Certificate of Deposits
 - s) Listed Commercial Paper
 - t) TREPS – A part of the net assets may be invested in the Tri-party repo on Government Securities or treasury bills or repo or in an alternative investment as may be provided by RBI, subject to prior approval from SEBI, if any.
 - u) Floating Rate Instruments
 - v) Pending deployment of funds, the Scheme can invest in short term deposits of scheduled commercial banks. In terms of Para 12.16 of the Master Circular.
 - w) The Scheme may engage in stock lending subject to requirements specified by SEBI in this regard.
 - x) Any other instruments as may be permitted by SEBI from time to time, subject to regulatory approval, if any.
 - y) Any other domestic fixed income securities as permitted by SEBI/ RBI subject to requisite approvals from SEBI/RBI, if needed.
 - z) Gold and Gold Instruments including - Gold Exchange Traded Funds (ETFs), Gold Monetisation Scheme (GMS) of banks notified by RBI
 - aa) Silver ETFs
 - bb) **Overseas Investments by the Scheme:** The Scheme may, with the approval of SEBI/ RBI invest in foreign securities as specified by SEBI. According to paragraph 12.19 of SEBI Master Circular for Mutual Funds , mutual funds can invest in certain permissible foreign securities as per 12.19.2 of SEBI Circular for Mutual Funds. The Scheme shall not have an exposure of more than 25% of its net assets in foreign securities, subject

to regulatory limits specified from time to time.

The Mutual Fund may, where necessary will appoint intermediaries as sub-managers, sub custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses.

Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured and of varying maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights issue or negotiated deals. Further, the scheme intend to participate in securities lending as permitted under the regulations. Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time. The Scheme may also enter into repurchase and reverse repurchase in various securities as per the guidelines and regulations applicable to such transactions.

Pending deployment of funds of the scheme in securities in terms of the investment objective of the scheme, the AMC may park the funds of the scheme in short term deposits of scheduled commercial banks, subject to the guidelines mentioned in SEBI Master Circular for Mutual Funds as amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short term deposits of scheduled commercial banks for the scheme.

Debt Markets in India

What is a Debt Instrument?

A Debt Instrument is a borrowing obligation which the borrower has to service for mutually agreed period and rate of interest. There are a huge variety of debt or fixed income instruments, as they are usually called. The sheer variety in these instruments mean that they can be classified on the basis of any of these features.

List of Features (list is indicative)

- Face Value: Stated value of the paper /Principal Amount
- Coupon: Zero, fixed or floating
- Frequency: Semi-annual; annual, sometimes quarterly or Monthly
- Maturity: Bullet, staggered
- Redemption: Face Value; premium or discount
- Options: Call/Put Issue Price: Par (Face Value) or premium or discount.

List of Debt Market Instruments: The Indian Debt market comprises of the Money Market and Debt Market. Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, Reverse Repo and TREPS etc. Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year. Debt market in India comprises mainly of two segments viz., the Government securities market and the corporate securities market.

- Government securities include central, state and quasi govt issues. The main instruments in this market are dated securities (Fixed or Floating) and Treasury

bills (Discounted Papers). These securities are generally issued through auctions on the basis of 'uniform price' method or 'Multiple price' method.

- Corporate Debt segment on the other hand includes bonds/debentures issued by private corporates, public sector Units (PSUs), public financial institutions (PFIs) and development financial institutions (DFIs). These instruments carry a variety of ratings based on the credit profile evaluated by rating agency and are priced accordingly. These bonds too can be Fixed or Floating.
- Debt derivatives market comprises mainly of Forward Rate Agreements, Interest rate Futures, Interest rate Swap. Banks and corporates are major players here and of late Mutual Funds have also started hedging their exposures through these products.
- The following table gives approximate yields prevailing during the month of June, 2025 on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy Issuer.

Instrument	Yield level (% per annum)	Liquidity	Risk Profile
Central Government Securities	5.25%-7.25%	High	Low
Corporate Debentures/ PSU Bonds	5.75%-7.15%	Moderate	Medium
CDs (Short Term)	5.50%-6.35%	High	Low
Commercial Paper (CP)	5.60%-6.80%	High	Low
Call Money	5.25%-5.50-%	High	Low

*Current Yield Range for G-SEC and PSU is between 1 year and 15 yearA brief description about yields presently available on Central Govt. Securities/ Bonds & Debentures of various maturities is as follows: Annualised yields (as on Mar 24, 2025) are

Years	<=1 yr	1yr - 5yrs	5yrs - 10 yrs	10yrs - 30 yrs
Central Government Securities	5.25% - 5.60%	5.60% - 6.10%	6.10% - 6.40%	6.40% - 7.00%
Debentures/Bonds (AAA Bonds)	5.75% - 6.45%	6.45% - 6.80%	6.45% - 7.05%	7.05% - 7.15%

B. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to the SEBI (MF) Regulations 1996 and amendments thereto and subject to the investment pattern of the Scheme, following investment restrictions are applicable:

- 1) The Scheme shall not invest more than 10% of debt portfolio in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the SEBI Act, 1992. Such investment limit may

be extended to 12% of the debt portfolio of the Scheme with the prior approval of the Board of Directors of Trustees and the Board of Directors of the AMC.

Further, the scheme shall not invest more than:

- a. 10% of the debt portfolio in debt and money market securities rated AAA; or
 - b. 8% of the debt portfolio in debt and money market securities rated AA; or
 - c. 6% of the debt portfolio in debt and money market securities rated A and below, issued by a single issuer.
- The above investment limits may be extended by up to 2% of the NAV of the Scheme with prior approval of the Board of Directors of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of SEBI MF Regulations, 1996.

The long-term rating of issuers shall be considered for the money market instruments. However, if there is no long-term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long-term ratings, the most conservative long-term rating shall be taken for a given short term rating. Exposure to government money market instruments such as TREPS on G-Sec/ Tbills shall be treated as exposure to government securities.

Provided that such limit shall not be applicable for investments in Government Securities, Treasury Bills and Tri-party Repos on Government securities or treasury bills TREPS.

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

- 2) The Scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.
 - However, the Scheme may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the Scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
 - For the above purposes, listed debt instruments shall include listed and to be listed debt instruments.
- 3) Investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by mutual fund schemes shall be subject to the following:
 - Investments shall only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated, and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.

- Exposure of the Schemes in such instruments shall not exceed 5% of the net assets of the Scheme.
 - All such investments shall be made with the prior approval of the Board of AMC and the Board of Trustee
- 4) The Mutual Fund under all its Schemes shall 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.
- 5) Transfer of investments from one Scheme to another Scheme in the same Mutual Fund is permitted provided subject to:
- Such Transfers being done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a stock exchange for spot transactions) and;
 - The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
- Further the inter Scheme transfer of investments shall be in accordance with the provisions of Para 12.30 of the Master Circular.
- 6) The Scheme may invest in other Schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-Scheme investment made by all the Schemes under the same management or in Schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other Schemes of the Fund or in the Schemes of any other mutual fund. Provided that this clause shall not apply to any fund of funds scheme
- 7) The Scheme 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 Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.
 - Provided further that the Scheme may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
 - Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the RBI in this regard.
- 8) The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
- 9) Pending deployment of funds of the Scheme in terms of the investment objective of the Scheme, the Mutual Fund may invest them in short term deposits of scheduled

commercial banks, subject to the guidelines issued by SEBI from time to time. Currently, the following guidelines/restrictions are applicable for parking of funds in short term deposits:

- “Short Term” for such parking of funds by mutual funds shall be treated as a period not exceeding 91 days.
- Such short-term deposits shall be held in the name of the Scheme.
- The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
- The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- The Scheme shall not park funds in short term deposit (STD) of a bank which has invested in that Scheme. Trustees/AMC shall also ensure that the bank in which a scheme has STD does not invest in the said scheme until the scheme has STD with such bank.

The above conditions are not applicable to term deposits placed as margins for trading in cash and derivative market.

- Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

10) The Scheme shall not make any investments in;

- any unlisted security of an associate or group company of the sponsor; or
- any security issued by way of private placement by an associate or group company of the Sponsor; or
- the listed securities of group companies of the Sponsor which is in excess of 25% of its net assets.

11) The Scheme shall not invest in a Fund of funds scheme.

12) All investments by the Scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed.

13) The Scheme shall not invest more than 10% of its NAV in equity shares or equity related instruments of any company. Provided that the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme.

14) No loans for any purpose shall be advanced by the Scheme.

15) The Fund shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of repurchase/ redemption of Units or payment of interest to the unit holders. Such borrowings shall not exceed more than 20% of the net assets of the Scheme and the duration of the borrowing shall not exceed a period of 6 months.

- 16) The Mutual Fund having an aggregate of securities which are worth INR.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by SEBI, settle their transactions entered on or after January 15, 1998, only through dematerialized securities. Further all transactions in government securities shall be in dematerialized form.
- 17) The Mutual Fund/AMC shall make investment out of the NFO proceeds only on or after the closure of the NFO period. The Mutual Fund/ AMC can however deploy the NFO proceeds in Tri-Party Repo before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds deployed in Tri-party Repo during the NFO period. The appreciation received from investment in Tri-Party Repo shall be passed on to investors.
- 18) Pursuant to Para 12.24 of the Master Circular, the Cumulative Gross Exposure through Equity, Debt, Derivative position, Foreign Securities and Units issued by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (INVITs) and such other securities/assets as may be permitted by SEBI from time to time (subject to prior approval from SEBI, if any) will not exceed 100% of the net assets of the scheme. However, following shall not be considered while calculating the gross exposure:
- Exposure to cash or cash equivalents with residual maturity of less than 91 days; and
 - Security-wise hedged position.
- SEBI vide letter dated November 3, 2021, has clarified that Cash Equivalent shall consist of Government Securities, T-Bills and Repo on Government Securities.
- 19) The Scheme will comply with provisions Para 12.25 of the Master Circular, related to overall exposure limits applicable for derivative transactions as stated below:
- i. The cumulative gross exposure through equity, debt, derivative positions, Foreign Securities, REITs & InvITs and across various other asset classes in which the Scheme is permitted to invest should not exceed 100% of net assets of the Scheme.
 - ii. The Scheme shall not write options or purchase instruments with embedded written options except for the covered call strategy.
 - iii. The total exposure related to option premium paid must not exceed 20% of the net assets of the Scheme.
 - iv. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
 - v. Exposure due to hedging positions may not be included in the above-mentioned limits subject to the following:
 - o Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - o Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 18.
 - o Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.

- The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 18 (above).
- vi. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counterparty in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if the Mutual Fund is transacting in interest rate swaps through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.
- vii. Definition of Exposure in case of Derivative Positions – Each position taken in derivatives 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:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option Bought	Option Premium Paid * Lot Size * Number of Contracts

- viii. Exposure limit for participating in Interest Rate Futures – In addition to the existing provisions of SEBI Master Circular for Mutual Funds dated June 27, 2024, the following are prescribed:
 - To reduce interest rate risk in a debt portfolio, mutual fund may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{(\text{Portfolio Modified Duration} * \text{Market Value of the Portfolio})}{(\text{Futures Modified Duration} * \text{Future Price/ PAR})}$$
 - In case the IRF used for hedging the interest rate risk has different underlying security(s) than the existing position being hedged, it would result in imperfect hedging.
 - Imperfect hedging using IRFs may be considered to be exempted from the gross exposure, upto maximum of 20% of the net assets of the scheme, subject to the following:

- Exposure to IRFs is created only for hedging the interest rate risk based on the weighted average modified duration of the bond portfolio or part of the portfolio.
- Mutual Funds are permitted to resort to imperfect hedging without it being considered under the gross exposure limits if and only if the correlation between the portfolio or part of the portfolio (excluding the hedged portions, if any) and the IRF is at least 0.9 at the time of initiation of hedge. In case of any subsequent deviation from the correlation criteria, the same may be rebalanced within 5 (five) Business Days and if not rebalanced within the timeline, the derivative positions created for hedging shall be considered under the gross exposure computed in terms of Para 12.24 of SEBI Master Circular for Mutual Funds dated June 27, 2024. The correlation should be calculated for a period of last 90 days.

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

- i. The correlation for past 90 days between the portfolio and the IRF is at least 0.9 or
- ii. The correlation for past 90 days between the part of the portfolio (excluding the hedged portions, if any) i.e. at least 15% of the net asset of the scheme (including one or more securities) and the IRF is at least 0.9.
 - At no point of time, the net modified duration of part of the portfolio being hedged should be negative.
 - The portion of imperfect hedging in excess of 20% of the net assets of the scheme should be considered as creating exposure and shall be included in the computation of gross exposure in terms of Para 12.24 of SEBI Master Circular for Mutual Funds.
 - The basic characteristics of the scheme should not be affected by hedging the portfolio or part of the portfolio (including one or more securities) based on the weighted average modified duration.
 - The interest rate hedging of the portfolio should be in the interest of the investors.

20) Restriction in Writing of Covered Call Options by the Scheme:

The Scheme may write Call Options only as part of covered call strategy as under:

In terms of Para 12.25.8 of the Master Circular, mutual fund schemes (except Index Funds and ETFs) have been permitted to write call options only under a covered call strategy for constituent stocks of NIFTY 50 and BSE SENSEX subject to the following:

- a. The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
- b. The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of the Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.

- c. At all points of time the Mutual Fund scheme shall comply with the provisions at points (a) and (b) above. In case of any passive breach of the requirement at paragraph (a) above, the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.
- d. In case a Mutual Fund scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (a) and (b) above while selling the securities.
- e. In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
- f. The premium received shall be within the requirements prescribed in terms of Para 12.25.2 of the Master Circular, i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
- g. The exposure on account of the call option written under the covered call strategy shall not be considered in cumulative gross exposure of the Scheme for computing 100% of the net asset of the Scheme.
- h. The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

21) Position limit for derivatives:

SEBI has permitted Mutual Funds to participate in derivatives trading subject to observance of guidelines issued by it in this behalf. Accordingly, Mutual Funds may use various derivative products from time to time, as would be available and permitted by SEBI. The Mutual Fund would comply with the provisions of Para 7.5 and 12.25 of the Master Circular and such other amendments issued by SEBI from time to time while trading in derivatives. Presently, the position limits for trading in derivatives by Mutual Fund specified by SEBI are as follows:

The position limits for Mutual Funds and its schemes shall be under:

- i) Position limit for Mutual Funds in index options contracts:
 - The Mutual Fund position limit in all index options contracts on a particular underlying index shall be INR 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
 - This limit would be applicable on open positions in all options contracts on a particular underlying index.
- ii) Position Limit for Mutual Funds in index futures contracts:
 - The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be INR 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
 - This limit would be applicable on open positions in all futures contracts on a particular underlying index.

- iii) Additional position limit for hedging: In addition to the position limits at point (i) and (ii) above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:
 - Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the mutual fund's holding of stocks.
 - 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.
- iv) Position limit for Mutual Funds for stock based derivative contracts:
 - The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL)
 - The MWPL and client level position limits, however, would remain the same as prescribed.
- v) Position limit for each scheme of a Mutual Fund: The scheme-wise position limit requirements shall be:
 - For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
 - 1% of the free float market capitalization (in terms of number of shares).
 - Or
 - 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
 - This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
 - For index-based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index

22) The Scheme may invest in the Units of InvITs subject to the following:

- i. The Mutual Fund under all its schemes shall not own more than 10% of Units issued by a single issuer of InvIT; and
- ii. The Scheme shall not invest-
 - more than 10% of its NAV in the Units of InvIT; and
 - more than 5% of its NAV in the Units of InvIT issued by a single issuer.

Provided that the limits mentioned in sub-clauses (i) and (ii) above shall not be applicable for investments in case of index fund or sector or industry specific scheme pertaining to InvIT.

23) Limits for investment in Instruments having Special Features shall be as follows:

- i. No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer
- ii. A Mutual Fund scheme shall not invest
 - more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and

- more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996, and other prudential limits with respect to the debt instruments.

24) Conditions for undertaking repo in corporate debt securities:

- i. The scheme shall not lend/borrow more than 10% of its net assets in repo against corporate debt securities.
- ii. The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt, derivatives and any other permitted assets shall not exceed 100% of the net assets of the scheme.
- iii. The scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.
- iv. The exposure limit/investment restrictions prescribed under the Seventh Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate debt securities.
- v. Counterparty selection & credit rating: The AMC follows an issuer selection and approval process for fixed income investments and the same shall be used for selection of counterparties for repo in corporate debt securities. Repo transactions shall be carried out with only those counterparties who have a credit rating of 'AA and above' (Long term rating) or 'A1+' (Short term rating) provided by any credit rating agency as accredited by SEBI from time to time.
- vi. Tenor of Repo: Tenor of repo shall not exceed 6 months. There shall be no restriction/limitation on the tenor of collateral.
- vii. Applicable Haircut: The AMC would be guided by the parameters for applying haircut as may be specified by RBI and/or SEBI for undertaking repo in corporate debt securities, from time to time.

25) The Scheme's total exposure in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustee.

The investments by the Scheme in debt and money market instruments of group companies of both the Sponsors and the AMC shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees.

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

26) Sector exposure: In accordance with clause 12.9 of SEBI Master Circular for Mutual Funds, the total exposure to a single sector shall not exceed 20% of the net assets of the Scheme. The sectoral classification shall be as per the classification provided by AMFI, as amended from time to time. However, this limit is not applicable for investments in Bank CDs, Tri-Party Repo (TPR), Government Securities, Treasury Bills, AAA rated securities issued by

Public Financial Institutions and Public Sector Banks and short-term deposits of scheduled commercial banks.

Provided that, an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the Scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only; 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.

- 27) Group Exposure: The total exposure of debt schemes of the Fund in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees. The investments of the scheme in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees.

For this purpose, a group means a Group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

No sponsor of a mutual fund, its associate or group company including the asset management company of the fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, shall have –

- a) 10% or more of the shareholding or voting rights in the asset management company or the trustee company of any other mutual fund; or
- b) representation on the board of the asset management company or the trustee company of any other mutual fund.

- 28) All the investments of the Scheme will be in transferable securities or bank deposits or in money at call or any such facility provided by RBI in lieu of call.

- 29) Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable to debt instruments under clause 1 and 1 A of the VII Schedule to the regulations.

- 30) All investments by the Scheme in Commercial Papers (CPs) would be made only in CPs which are listed or to be listed.

- 31) Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares. AMCs may ensure that the investment in debt instruments having credit enhancements are sufficiently covered to address the market volatility and reduce the inefficiencies of invoking of the pledge or cover, whenever required, without impacting the

interest of the investors. In case of fall in the value of the cover below the specified limit, AMCs should initiate necessary steps to ensure protection of the interest of the investors.

32) Limit for investment in Foreign / Overseas Securities:

- i. As per para 12.19 and 12.19.1.1 of Master Circular: 1.1 Mutual Funds can make overseas investments subject to a maximum of US \$ 1 billion per Mutual Fund, within the overall industry limit of US \$ 7 billion.
- ii. Mutual Funds can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of US \$ 300 million per Mutual Fund, within the overall industry limit of US \$ 1 billion.
- iii. The allocation methodology of the aforementioned limits shall be as follows:
 - In case of overseas investments specified at (i) above, US \$ 50 million would be reserved for each Mutual Fund individually, within the overall industry limit of US \$ 7 billion. The Scheme may invest a maximum of US \$ 100 million in Foreign Securities (including overseas ETFs) subject to the limit specified in (i). and (ii) above.
 - Mutual Funds launching new schemes intending to invest in Overseas securities / Overseas ETFs shall ensure that the scheme documents shall disclose the intended amount that they plan to invest in Overseas securities / Overseas ETFs subject to maximum limits specified at (i) as the case maybe. Such limits disclosed in scheme documents will be valid for a period of six months from the date of closure of NFO. Further investments should follow the norms for ongoing schemes.
 - Ongoing Schemes: For all ongoing schemes that invest or are allowed to invest in Overseas securities / Overseas ETFs, an investment headroom of 20% of the average AUM in Overseas securities / Overseas ETFs of the previous three calendar months would be available to the Mutual Fund for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits specified at (i) above, as the case maybe.
 - The above disclosure would be soft limits for the purpose of reporting only by Mutual Funds on monthly basis

33) The Scheme will comply with any other Regulation applicable to the investments of mutual funds from time to time.

34) The AMC/Trustee may alter these investment restrictions from time to time to the extent SEBI regulations/applicable rules change/permit so as to achieve the investment objective of the scheme. Such alterations will be made in conformity with SEBI regulations.

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

36) All investment restrictions shall be applicable at the time of making the investment.

C. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds:

- (i) Type of a scheme: An open-ended scheme investing in equity and equity related instruments, debt and money market instruments , Commodities including Exchange Traded Commodity Derivatives
- (ii) Investment Objective: Main Objective: The objective of the Scheme is to generate long term capital appreciation by investing in a diversified portfolio. The scheme will be Investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.
- (iii) Investment pattern – The Tentative Equity/Debt/Money Market portfolio break-up with minimum and maximum asset allocation is as provided below. The Scheme may, while adhering to the prescribed minimum and maximum asset allocation ranges, retain the option to alter the asset allocation for a short-term period on defensive considerations in response to market conditions. Such deviations shall be temporary and undertaken solely to protect the interests of the investors. The Fund Manager will endeavour to rebalance the portfolio within the stipulated limits at the earliest opportunity

Instruments	Indicative Allocations (% of Total assets)	
	Minimum	Maximum
Equity & Equity related instruments (including derivatives) and international equity index funds / Equity ETFs / International stocks	35%	80%
Debt and debt related instruments (including Central and State Government securities, debt derivatives and debt ETFs) & Money Market instruments (including perpetual debt, Non-Convertible Preference Shares, Cash and cash equivalents)	10%	55%
Gold, Silver and Commodity ETFs, Gold and silver related Instruments, Exchange Traded Commodity Derivatives (ETCDs)	10%	55%
Units issued by INVITs	0%	10%

- (iv) Terms of Issue:

Liquidity provisions such as listing, repurchase, redemption – Being an open-ended Scheme under which sale and repurchase of units will be made on continuous basis by the Mutual Fund, the units of the Scheme are generally not proposed to be listed on any stock exchange. However, the AMC may at its sole discretion, list the units under the Scheme on one or more stock exchanges at a

later date, if deemed necessary. For details on repurchase, redemption, please refer section 'Other Scheme Specific Disclosures'.

Aggregate fees and expenses charged to the scheme – The provisions in respect of fees and expenses are as indicated in this SID. Please refer to section “Part III – Other Details”.

Any safety net or guarantee provided – This scheme is not a guaranteed or an assured return scheme

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal;
- A written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of at least 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

D. INDEX METHODOLOGY (FOR INDEX FUNDS, ETFS AND FOFS HAVING ONE UNDERLYING DOMESTIC ETF)

Not Applicable

E. PRINCIPLES OF INCENTIVE STRUCTURE FOR MARKET MAKERS (FOR ETFS)

Not Applicable

F. FLOORS AND CEILING WITHIN A RANGE OF 5% OF THE INTENDED ALLOCATION AGAINST EACH SUB CLASS OF ASSET, AS PER CLAUSE 13.6.2 OF SEBI MASTER CIRCULAR FOR MUTUAL FUNDS (ONLY FOR CLOSE ENDED DEBT SCHEMES):

Not Applicable

G. OTHER SCHEME SPECIFIC DISCLOSURES

Listing and transfer of Units	The Scheme is an open-ended equity scheme and is not listed on any of the stock exchanges. The AMC, at its discretion, can undertake listing on any of the stock exchange. The Units of the Scheme can be transferred in demat form or in such form as may be permitted under SEBI (MF) Regulations, 1996 as amended from time to time. Additions/ deletion of names will not be allowed under any folio of the Scheme. This however will not apply in case of death of unitholder (in
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		respect of joint holdings) as this would be treated as transmission of Units and not transfer.
Dematerialization of Units		The Applicants intending to hold Units in Demat mode would be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and would be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing units during the NFO. The Units allotted will be credited to the DP account of the investor as per the details provided in the application form. The statement of holding of the beneficiary account holder for Units held in Demat mode would be sent by the respective DPs periodically. It may be noted that trading and settlement in the Units of the scheme over the stock exchange(s) (where the Units are listed/ will be listed) will be permitted only in electronic form. However, the Trustee / AMC reserves the right to change the dematerialization / rematerialization process in accordance with the procedural requirements laid down by the Depositories, viz. NSDL/ CDSL and/or in accordance with the provisions laid under the Depositories Act, 1996. All Units will rank <i>pari passu</i> among Units within the same option in the scheme concerned as to assets, earnings and the receipt of IDCW distributions, if any, as may be declared by the Trustee.
Minimum Amount	Target	INR 10,00,00,000 (Rupees Ten Crores)
Dividend (IDCW)	Policy	The Trustee will endeavour to declare the IDCW as per the specified frequencies, subject to availability of distributable surplus calculated in accordance with the SEBI (Mutual Funds) Regulations, 1996 ('SEBI (MF) Regulations'). The actual declaration of pay-out under IDCW and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of pay-out under IDCW nor the payout will be paid regularly. Any IDCW upto Rs. 100/- shall be compulsorily reinvested in the same option under the scheme at prevailing NAV on record date. IDCW will not be available under the Growth option. Growth option is suitable for investors who are seeking capital appreciation and not seeking periodic income through IDCW. When units are sold, and sale price (NAV) is higher than the face value of the unit, a portion of the sale price that represents realized gains is credited to an Equalization Reserve Account which can be used to IDCW payout. The amounts can be distributed out of investors' capital

	(Equalization Reserve), which is part of the sale price that represents realized gains. - The quantum of IDCW and the record date may be fixed by the Trustee in their meeting. IDCW so decided shall be paid subject to availability of distributable surplus. - Record date is the date that will be considered for the purpose of determining the eligibility of investors whose name appears on the register of unitholders for receiving dividends. The NAV shall be adjusted to the extent of dividend distribution and statutory levy, if applicable, at the close of business hours on record date. - The AMC shall issue a notice to the public communicating the decision of IDCW declaration including the record date, within one calendar day of the decision of the Trustee, 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. The record date shall be two working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. - Before the issue of such notice, no communication whatsoever indicating the probable date of dividend declaration shall be issued by any Trustees of The Fund, The AMC or its distributors. The investors should note that the Fund does not assure or guarantee declaration of IDCW under the Income Distribution cum Capital Withdrawal Option. The actual declaration of IDCW, frequency and the rate of IDCW will inter alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the unitholders as to the rate of IDCW nor that the IDCW will be paid regularly. Post declaration of IDCW, the NAV of the Units under the Income Distribution cum Capital Withdrawal Option will stand reduced by the amount of IDCW declared and applicable statutory levy. Even though the asset portfolio will be common at the scheme level, the NAVs of the growth option and Income Distribution cum Capital Withdrawal Option in each respective Plan under the Scheme will be distinctly different after declaration of the first IDCW to the extent of distributed income, applicable tax and statutory levy, if any, and expenses relating to the distribution of the IDCW. Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines. The warrants/cheque/demand draft issued under IDCW option shall be dispatched to the Unit Holders within 7 working days. from the record date. In the event of failure to dispatch the warrants/cheque/ demand draft within the stipulated 7 working days period, the AMC shall be liable
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	to pay interest @ 15 percent per annum for the delayed period, to the Unit holders. The proceeds under IDCW option will be paid by way of ECS/EFT/NEFT/RTGS/Direct credits/any other electronic manner if sufficient banking details are available with the Mutual Fund for the Unitholder. In case of specific request for payouts by warrants / cheques / demand drafts or unavailability of sufficient details with the Mutual Fund, the payout under IDCW option will be paid by warrant / cheques / demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund. In case of Units under the Income Distribution cum Capital Withdrawal Option held in dematerialized mode, the IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP. Pursuant to Para 14.2 of the SEBI Master Circular, in the event of failure to dispatch – - Redemption or repurchase proceeds within three working days from the date of receipt of such requests and/ or - Dividend within the stipulated seven working days period. Interest for the period of delay in transfer of redemption or repurchase or IDCW shall be payable to unitholders at the rate of 15% per annum along with the proceeds of redemption or repurchase or IDCW, as the case may be. However, under exceptional circumstances where the schemes would be unable to transfer the redemption / repurchase / IDCW proceeds to investors within the time as stipulated above, the redemption/ repurchase / IDCW proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI). However, the AMC shall not be liable to pay any interest or compensation in case of any delay in processing the redemption application beyond 3 Business Days (in case of IDCW beyond 7 working days), in case of any deficiency in the redemption application or if the AMC/RTA is required to obtain from the Investor/Unit holders any additional details for verification of identity or bank details or such additional information under applicable regulations or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.
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Allotment (Detailed procedure)	• All Applicants whose investments towards subscription of units in the Scheme have realized would receive a full and firm allotment of Units, provided the applications are complete in all respects and are found to be in order. • For applicants applying through 'APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA)', during NFO, on allotment, the amount will be unblocked in their respective bank accounts and account will be debited only to the extent required to pay for allotment of Units applied in the application form. • Applicants under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in demat form. For those investors who have provided an e-mail address, the AMC would send the account statement by e- mail instead of physical statement. The investor may request for an account statement by contacting us at any of the service centers and the AMC shall provide the account statement to the investor within 5 (five) Business Days from the receipt of such request. • The asset management company shall issue Units in dematerialized form to a unit holder in a scheme within 2 (two) Business Days of the receipt of request from the unit holder. • The AMC shall send an allotment confirmation specifying the Units allotted by way of email and/or SMS within 5 (five) Business Days of receipt of valid application/transaction to the unitholders to their registered e-mail address and/ or mobile number.
Refund	If an investor application is rejected, full amount will be refunded within 5 (five) Business Days of closure of NFO. If refunded later than 5 (five) Business Days @ 15% p.a. for delay period will be paid and charged to the AMC.
Who can invest? This is an indicative list, and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to subscription of Units of Mutual Fund being permitted under the SEBI (Mutual Funds) Regulations, 1996: • Resident adult individual either singly or jointly (not exceeding three) • Minor acting through parent/lawful guardian • Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860 (so long as the subscription of Units is permitted under their respective constitutions)

	• Religious and Charitable Trusts under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961 read with Rule 17C of Income-tax Rules, 1962 • Partnership Firms • Karta of Hindu Undivided Family (HUF) • Banks and Financial Institutions • Non-resident Indians (NRI)/Persons of Indian Origin (PIO) residing abroad on full repatriation basis or on non-repatriation basis. • Army, Air Force, Navy and other para-military funds • Scientific and Industrial Research Organizations • Mutual fund Schemes, as per applicable regulations • Foreign Portfolio Investor subject to the applicable regulations • Any other category of investor who may be notified by the Trustee from time to time by display on the website of the AMC. • Every investor, depending on any of the above category under which he/she/ it/they fall are required to provide relevant documents along with the application form as may be prescribed by AMC. • Every investor, depending on any of the above category under which he/she/it/they fall are required to provide relevant documents along with the application form as may be prescribed by AMC. Investors are also required to consult their legal experts on the applicable laws/regulations for their investment in units of mutual funds. The AMC and Trustees will not be responsible for any non-compliance of any such restrictions by the investors.
Who cannot invest	The following persons are not eligible to invest in the scheme and apply for subscription to the Units of the scheme: • Persons residing in countries which require licensing or registration of Indian Mutual Fund products before selling the same in its jurisdiction. • Persons residing in any Financial Action Task Force (FATF) declared non-compliant country or territory. • Overseas Corporate Bodies as specified by RBI in I.P. (DIR Series) Circular No. 14 dated September 16, 2003. • Persons who are restricted and/or banned from accessing securities market by SEBI.

	• Persons who are/have been specifically restricted from making an investment into mutual funds under the SEBI (Mutual Funds) Regulations, 1996 and/or such other persons who may be disqualified for making such investments under applicable law. • A person who falls within the definition of the term “U.S. Person” under ‘Regulation S’ promulgated under the Securities Act of 1933 of the United States, as amended, and corporations or other entities organized under the laws of the U.S. are not eligible to invest in the schemes and apply for subscription to the units of the schemes. • A person who is resident of Canada • Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time. The AMC shall have the right to freeze/lock/restrict the folio(s) of investor(s)/unitholder(s) for further transactions or reject any applications including for subscription, redemption of units or transmission of units pursuant to receipt of instructions/directions/orders issued by any Governmental, judicial, quasi-judicial, regulatory or other similar authority (“Authority”), including orders restricting the investor(s)/unitholder(s) from dealing in securities or for attachment of units held by the investor(s)/unitholder(s) or in case of breach of requirements specified in this SID by such investors/unitholders. Additionally, the AMC shall be entitled to freeze/lock/restrict the folio(s) of investor(s)/unitholder(s) for further transactions or reject any applications including for subscription, redemption of units or transmission of units at its sole and absolute discretion upon the AMC becoming aware of initiation of any investigation / action / litigation relating to the investments or transactions of the unitholder by any authority, upon receipt of any complaints (including fraud or forgery), or upon commencement of any disputes /litigations among unitholders/nominees/legal heir/ other claimants to the units relating to the investments or transactions of the Unitholder, including disputes/litigations where AMC or Mutual Fund or Trustee has been impleaded as a party or is a necessary party. The freeze/lock/rejection/restriction so imposed by the AMC as hereinabove mentioned may continue till receipt of a specific written instruction / direction / order from such Authority or NOC from all concerned Parties or such other documents as may be deemed necessary by the AMC authorizing the removal of such freeze/lock/rejection/restriction and/ or completion of the investigation by AMC as the case may be. It is hereby clarified that the AMC / Mutual Fund /Trustee shall not be liable for any loss or damage suffered by Unitholder, either directly or indirectly, on account of such freeze/lock/rejection/restriction as the case may be.
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How to Apply and other details	Investor can obtain application form / Key Information Memorandum (KIM) from the AMC's registered office, Investor Services Centers and RTA's (Kfin) branch office(s).
	Investors can also download application form / Key Information Memorandum (KIM) from our website (https://capitalmindmf.com)
Where can you submit the filled up applications.	All applications for subscription/redemption of units should be submitted by investors at the official point of acceptance of transactions at the office of the registrar and/or AMC as may be notified from time to time. The official point of acceptance of transaction will stamp, and return the acknowledgement slip in the application form, to acknowledge receipt of the application, subject to verification. No other form of acknowledgement will be provided. Investors should retain the acknowledgement evidencing submission of the transaction till they receive a confirmation of acceptance or rejection of transaction. In case of difference of details in acknowledgement vis a vis actual transaction document, the details as mentioned on transaction document will prevail.
	Any transactions received in any non-standard forms are liable to be rejected. Further, any transaction or request received on a non-standard form or document not specified by the Mutual Fund will still be governed and subject to terms and conditions of the standard forms and the particulars specified in this SID. Investor using application form/ transaction request for financial/ non- financial transactions not provided by the Mutual Fund declare that they have read and understood the contents of the SID and SAI , KIM, instructions issued by the Mutual Fund from time to time. Any transactions request received with incomplete information are liable to be rejected.
	To ensure appropriate identification of the investor(s)/ unitholder(s) under the KYC policy and with a view to monitor transactions for the prevention of money laundering, the AMC / the Mutual Fund reserves the right to seek information, record investor's/unitholder's telephonic calls and / or obtain and retain documentation for establishing the identity of the investor/ unitholder, their beneficial owner(s), proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose as the case may be. The investor(s)/unitholder(s) shall provide such documents to the satisfaction of the AMC as may be required from time to time for the verification/identification of the investor(s)/ unitholder(s)/any transaction by the AMC/Mutual Fund. If the investor(s)/unitholder(s) refuses / fails to provide to the AMC, the required documents/ information within the period specified, the AMC, shall have the sole and absolute discretion to freeze the folio(s) of the investor(s)/unitholder(s), reject any application(s) / allotment of units and report the details of such investor/unitholder/transaction to appropriate authority.

	The AMC will perform the Initial KY” of ‘ur clients and upload the details on the system of the KYC Registration Agency (KRA). The data from the KRA shall be checked and passed onto the Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) for generation of the KYC Identification number (KIN) of the investor. Further, the Trustees shall have absolute discretion to reject any application for purchase of units, if in its opinion, increasing the size of the unit capital is not in the general interest of the unit holders of the Scheme, or if for any other reason it does not believe it would be in the best interest of the Scheme or its unit holders to accept such an application. For details, please refer to the SAI, Application Form and/or website of the Mutual Fund at https://capitalmindmf.com For the details pertaining to list of official points of acceptance of AMC and RTA, investors are requested to visit the website of the Company at link: https://cm.fund/OfferDocumentDisclosure KFIN Technologies Limited SEBI Registration – INR0000000221 Address – Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, R. R. District, Telangana India – 500 032 Contact no. – 040-67162222/ 040-79611000 Website – www.kfintech.com It is mandatory for applicants to mention their bank account numbers in their applications for subscription or redemption of Units of the Scheme. If the investor fails to provide the bank mandate, the request for redemption would be considered as not valid and the scheme retains the right to withhold the redemption until a proper bank mandate is furnished. Any provision with respect to penal interest in such cases will not be applicable.
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	This is not applicable for the Scheme.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	The Units of the Scheme can be transferred in demat form or in such form as may be permitted under the SEBI (Mutual Funds) Regulations 1996, as amended from time to time. Additions/ deletion of names will not be allowed under any folio of the Scheme. This however will not apply in case of death of unitholder (in

	respect of joint holdings) as this would be treated as transmission of Units and not transfer. Please refer SAI for the procedure of transmission & pledging. Investors are requested to visit the Mutual Fund's website for the list of prescribed documents under any of the procedures or call the investors service centers for any clarification on the above. There is no upper limit of redemption. However, this is subject to the following: a) The repurchase would be permitted to the extent of credit balance in the Unit holder's account. b) The Asset Management Company (AMC) may, in the general interest of all Unit holders of the Scheme, keep in view the unforeseen circumstances/unsure conditions, limit the total number of Units which may be redeemed on any Business Day. c) Restrictions may be imposed under the following circumstances that lead to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets. i. Liquidity issues – When markets at large become illiquid, affecting all securities rather than any issuer specific security. ii. Market failures, exchange closures – When markets are affected by unexpected events which impact on the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies iii. Operational issues – When exceptional circumstances are caused by force majeure, unpredictable operational problems, and technical failures (e.g., a blackout). Under the aforesaid circumstances, the AMC / Trustee may restrict redemption for a specified period of time not exceeding 10 Business Days in any 90 days period. Any imposition of restriction on redemption / switch of units would require specific approval of Board of AMCs and Trustees and the same should be informed to SEBI immediately. Unitholders should note that the following provisions shall be applicable when redemption requests are placed during such restricted period. i. No redemption requests up to INR 2 lakh shall be subject to such restriction; and ii. Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.
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	Refer SAI for further details.
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.	Cut off timing for subscriptions/ redemptions/ switches: In case of Subscription/Switch-in for any amount: • In respect of valid applications received upto 3.00 p.m. on a Business Day at the official point of acceptance of transactions and where the funds for the entire amount of subscription/purchase as per the application/Switch-in request, are available for utilization before the cut-off time i.e. 3.00 p.m. – the closing NAV of the day shall be applicable. • In respect of valid applications received after 3.00 p.m. on a Business Day at the official point of acceptance of transactions and where the funds for the entire amount of subscription/purchase as per the application/Switch-in request, are available for utilization either on the same day or before the cut-off time of the next business day – the closing NAV of the next Business Day shall be applicable. • Irrespective of the time of receipt of application at the official point of acceptance of transactions, where the funds for the entire amount are available for utilization before the cut-off time on any subsequent Business Day – the closing NAV of such subsequent Business Day shall be applicable. In case of investments through SIP, STP methods as may be offered by the AMC, trigger etc. the units would be allotted as per the closing NAV of the Business Day on which the funds are available for utilization irrespective of the instalment date of the SIP, STP etc. Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators / Banks / Exchanges etc), it may happen that the investor's account is debited, but the money is not credited within cut-off time on the same date to the Scheme's bank account, leading to a gap/delay in unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment. Redemptions including switch-outs: In respect of valid applications received upto 3.00 pm on a business day by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after the cut off time by the Mutual Fund, the closing NAV of the next business day shall be applicable. “Switch out” shall be treated as redemption and for “switch in” shall be treated as purchases and the relevant conditions for applicable NAV for

	subscription and redemption would be considered for switch in and switch out transactions.
Where can the applications for purchase/redemption switches be submitted?	All applications for subscription/redemption of units should be submitted by investors at the official point of acceptance of transactions at the office of the registrar and/or AMC as may be notified from time to time. For details, please refer to the application form and/or website of the Mutual Fund at https://capitalmindmf.com
Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable for direct subscription/redemption with AMC.)	Fresh Purchase (lumpsum): INR 5,000/- and in multiples of INR. 1/- thereafter Systematic Investment Plan (SIP): INR 1,000/- and in multiples of INR 1/- thereafter with a minimum of 6 instalments. Minimum amount for switch-in: INR 1000 and in multiples of INR 1/- thereafter Minimum Redemption/switch out amount: The minimum redemption amount shall be INR 100/-. If the total value of the units held by a unitholder of the Scheme at any point is less than INR 100/-, then the unitholder can redeem the entire amount, even though such amount is less than INR 100/-. Two-Factor Authentication will be applicable for subscription as well as redemption transactions in the units of Mutual Fund Minimum application amount will not be applicable for investments made in the scheme pursuant to SEBI Master Circular for Mutual Funds, as amended on March 21, 2025, on alignment of interest of designated employees of the AMC with the unitholders of mutual fund schemes. For more information, please refer SAI.
Minimum balance to be maintained and consequences of non-maintenance	There is no minimum balance to be maintained in the Scheme and accordingly there are no consequences on the investors for failure to maintain minimum balance in the Scheme.
Accounts Statements	An applicant in a scheme whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialized form and the AMC shall issue to such applicant, a statement of accounts specifying the number of units allotted to the applicant or issue units in the dematerialized form as soon as possible but not later than 5 (five) Business Days from the date of closure of the initial subscription list or from the date of receipt of the application. Consolidated account statement for each calendar month shall be issued, on or before 15th day of succeeding month, detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all schemes of all mutual funds, to all the investors in whose folios transaction has taken place during

	that month. The AMC shall identify common investors across fund houses by their permanent account number (PAN) for the purposes of sending CAS. • CAS would be sent by email to the email id of the first unitholder as per KYC records. • In case for any reason if any particular folio of an investor is not included in the CAS, the AMC would issue an account statement to the investors on a monthly basis pursuant to any financial transaction in such folio on or before fifteenth day of succeeding month. • In case of a specific request received from the unitholder, the AMC shall provide the account statement to such unitholder within 5 (five) Business Days from the receipt of such request. • In the case of joint holding in a folio, the first named unitholder shall receive the CAS/account statement. The holding pattern must be the same across all folios across all the Schemes of the Mutual Funds for the unitholder(s) to receive CAS. • In case no transactions have taken place in a folio during the period of six months ended September 30 and March 31, CAS detailing holdings across all schemes across all mutual funds shall be emailed at the registered email address of the unitholders on half yearly basis, on or before twenty first day of succeeding month, unless a specific request is made to receive the same in physical form. • Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme. • Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable • Further, CAS issued for the half-year (September/ March) shall also provide: ○ The amount of actual commission paid by the AMC / Mutual Fund to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each Mutual Fund scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/Mutual Fund to distributors. ○ The Scheme's average TER (in percentage terms) along with the breakup between Investment and Advisory fees, commission paid to the distributor and other expenses for the
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	period for each scheme's applicable plan where the concerned investor has actually invested in. • This CAS on a half year basis shall be issued to all Mutual Fund investors excluding those investors who do not have any holdings in Mutual Fund schemes and where no commission against their investment has been paid to distributors during the concerned half year period. In case of the Units are held in dematerialized (demat) form, the statement of holding of the beneficiary account holder will be sent by the respective Depository Participant periodically. • CAS for investors having Demat account: ○ Investors having mutual fund investments and holding securities in demat account shall receive a single CAS from the Depository. ○ CAS shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis. ○ If there is any transaction in any of the demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within fifteen days from the month end. In case, there is no transaction in any of the mutual fund folios and demat accounts, CAS with holding details shall be sent to the investor on half yearly basis. ○ In case an investor has multiple accounts across two depositories, the depository with whom the account has been opened earlier will be the default depository for the purpose of sending CAS to such investor. • The dispatch of CAS by the depositories would constitute compliance with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations. For further details, refer SAI.
Redemption	The redemption or repurchase proceeds shall be dispatched to the unitholders within 3 (three) Business Days from the date of redemption or repurchase. For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds. Details of which are listed below: • Payment of redemption proceeds through physical instruments (cheque) where electronic fund transfer is not possible (such as old / non-Core Banking account / IFSC non-available records /IMPS failed records for reasons like name mismatch, technical

	error /Investor Bank not participating in Electronic Fund transfers or failure of electronic credit for any reason which are at the bank's end.: Additional 2 (Two) Business Days • On such days, where it is a bank holiday in some or all the states, but a Business Day for the stock exchanges. Additional 2 (Two) Business Days following the bank holiday(s) in the State where the investor has bank account. • Exceptional circumstances such a sudden declaration of a Business Day as a holiday or as a non-business day due to any unexpected reason / Force Majeure events. : In all such exceptional situations, the timelines prescribed in para no 14.1.3 of Master Circular, shall be counted from the date the situation becomes normal. • In all such cases where a request for Change of Bank account has been received just prior to (upto 10 days prior) OR simultaneously with redemption request. : In all such cases, the AMC / RTA can make the redemption payment after the cooling off period of 10 days from the date of receipt of change of bank mandate. The redemption transaction shall be processed as per the applicable NAV on the basis time stamp. The credit may either be given in the existing bank account or the new bank account post due diligence within 1(one) Business Day after cooling off period. • Need for additional due diligence in instances such as Transmission reported in one fund, but not in the current fund, proceedings by Income Tax authorities, Folio under lock/bank lien etc.: Additional 3(three) Business Days
Bank Mandate	<u>Bank Mandate Requirement</u> For all fresh subscription transactions made by means of a cheque, if cheque provided along with fresh subscription/new folio creation does not belong to the bank mandate opted in the application form, any one of the following documents needs to be submitted. 1) Original cancelled cheque having the First Holder Name printed on the cheque. 2) Original bank statement reflecting the First Holder Name, bank account number and bank name as specified in the application. 3) Photocopy of the bank statement duly attested by the bank manager with designation, employee number and bank seal. 4) Photocopy of the bank passbook duly attested by the bank manager with designation, employee number and bank seal.

	5) Photocopy of the bank statement/passbook/cheque duly attested by the AMC officials after verification of original bank statement/passbook shown by the investor or their representative. 6) Confirmation by the bank manager with seal, designation and employee number on the bank's letter head confirming the name of investor, account type, bank branch, MICR and IFSC code of the bank branch. The letter should not be older than 3 months. In case the application is not accompanied by the aforesaid documents, the AMC reserves the right to reject the application, also the AMC will not be liable in case the redemption/IDCW proceeds are credited to wrong account in absence of above documents. It shall be mandatory for the investors of the Scheme to mention their bank account numbers in their applications/requests for redemption. In case the bank account details are not mentioned or found to be incomplete or invalid in a subscription application, then the AMC may consider the account details as appearing in the investment amount cheque and the same shall be updated under the folio as the payout bank account for the payment of redemption etc. The aforementioned updation of bank account shall however be subject to compliance with the third-party investment guidelines issued by Association of Mutual Funds in India (AMFI) from time to time. The AMC reserves the right to call for any additional documents as may be required, for processing of such transactions with missing/incomplete/invalid bank account details. The AMC also reserves the right to reject such applications.
Delay in payment of redemption / repurchase proceeds/dividend	Redemption shall be processed by the AMC within 3 (three) Business Days of the receipt of redemption request. In case of delay beyond 3 (three) Business Days, the AMC is liable to pay interest to the investors at 15% per annum. Physical dispatch of redemption payments shall be carried out only in exceptional circumstances and the AMC shall be required to maintain records along with reasons for all such physical dispatches.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	The unclaimed Redemption amount and IDCW Amounts may be deployed by the Mutual Fund only in call money market or money market Instruments as well as in a separate plan of liquid scheme/overnight scheme / money market mutual fund scheme floated by mutual funds., specifically for deployment of the unclaimed amounts. Further, schemes where the unclaimed redemption amounts are deployed shall be only those overnight schemes/ liquid schemes/ money market mutual fund schemes which are placed in A-1 cell (relatively low-interest rate risk and relatively low credit risk) of Potential Risk Class matrix.

		The AMC shall not be permitted to charge any exit load in this plan and TER of such plan shall be capped as per the TER of the Direct Plan of the Scheme or at 50 bps, whichever is lower. Further, for the unclaimed redemption amounts deployed by the Mutual Fund in call money market or money market instruments, the investment management and advisory fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by SEBI in this regard. For more details, refer to 'Unclaimed Redemption' Section in SAI.
Disclosure investment minors	w.r.t by	Payment for investment by means of Cheque or any other mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian only, else the transaction is liable to get rejected. However, irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. It is reiterated that the redemption/ Income Distribution cum Capital Withdrawal (IDCW) proceeds for investments held in the name of Minor shall continue to be transferred to the verified bank account of the minor (i.e. of the minor or joint account of minor with parent/ legal guardian) only. Therefore, investors must ensure to update the folios with minor's bank account details as the 'Pay-out Bank account' by providing necessary documents before tendering redemption requests / for receiving IDCW distributions. For systematic transactions in a minor's folio, AMC would register standing instructions till the date of the minor attaining majority, though the instructions may be for a period beyond that date. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major.
Risk-o-meter		AMC shall disclose risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark and shall send the details of the scheme portfolio while communicating the monthly and half-yearly statement of scheme portfolio by email. Any

	change in risk-o-meter shall be communicated by way of addendum and by way of an e-mail or SMS to unitholders of the scheme. Risk-o-meter shall be evaluated on a monthly basis and AMC shall disclose the Risk-o- meter along with portfolio disclosure for the scheme on the AMC website at link: https://cm.fund/RiskoMeterDisclosure and that of AMFI (https://www.amfiindia.com) within 10 days from the close of each month. The Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on their website and AMFI website.																																				
Plans and Options	The Scheme offers two plans – Direct and Regular. 1. Capitalmind Multi Asset Allocation Fund – Direct Plan 2. Capitalmind Multi Asset Allocation Fund – Regular Plan Each of the plan offers only Growth option. The Scheme will have a common portfolio across various Plans/Options/Sub options. The default plan is “Direct Plan”, in case the broker code is not stated on the application. Application with broker code will be processed under Regular Plan only. Default scenarios available to the Investors under the Plans of the Scheme: <table><tr><th>Scenario</th><th>Broker Code (ARN) mentioned / not mentioned by the investor</th><th>Plan mentioned by the Investor</th><th>Default Plan to be captured</th></tr><tr><td>1</td><td>Not Mentioned</td><td>Not Mentioned</td><td>Direct Plan</td></tr><tr><td>2</td><td>Not Mentioned</td><td>Direct Plan</td><td>Direct Plan</td></tr><tr><td>3</td><td>Not Mentioned</td><td>Regular Plan</td><td>Direct Plan</td></tr><tr><td>4</td><td>Mentioned</td><td>Direct Plan</td><td>Direct Plan</td></tr><tr><td>5</td><td>Direct Plan</td><td>Not Mentioned</td><td>Direct Plan</td></tr><tr><td>6</td><td>Direct Plan</td><td>Regular Plan</td><td>Direct Plan</td></tr><tr><td>7</td><td>Mentioned</td><td>Regular Plan</td><td>Regular Plan</td></tr><tr><td>8</td><td>Mentioned</td><td>Not Mentioned</td><td>Regular Plan</td></tr></table> In cases of wrong/ incomplete ARN codes mentioned on the application form, the application shall be processed under Direct Plan. The AMC shall endeavour on best effort basis to obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor. In case the correct code is received within 30 calendar days, the AMC shall reprocess the transaction under Regular Plan from the date of application without any exit load.	Scenario	Broker Code (ARN) mentioned / not mentioned by the investor	Plan mentioned by the Investor	Default Plan to be captured	1	Not Mentioned	Not Mentioned	Direct Plan	2	Not Mentioned	Direct Plan	Direct Plan	3	Not Mentioned	Regular Plan	Direct Plan	4	Mentioned	Direct Plan	Direct Plan	5	Direct Plan	Not Mentioned	Direct Plan	6	Direct Plan	Regular Plan	Direct Plan	7	Mentioned	Regular Plan	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
Scenario	Broker Code (ARN) mentioned / not mentioned by the investor	Plan mentioned by the Investor	Default Plan to be captured																																		
1	Not Mentioned	Not Mentioned	Direct Plan																																		
2	Not Mentioned	Direct Plan	Direct Plan																																		
3	Not Mentioned	Regular Plan	Direct Plan																																		
4	Mentioned	Direct Plan	Direct Plan																																		
5	Direct Plan	Not Mentioned	Direct Plan																																		
6	Direct Plan	Regular Plan	Direct Plan																																		
7	Mentioned	Regular Plan	Regular Plan																																		
8	Mentioned	Not Mentioned	Regular Plan																																		

Treatment of Transactions received with invalid ARNs in view of AMFI Best Practices Guidelines Circular No.111 /2023-24 dated Feb 02, 2024:

Guidelines for Processing of transactions received under Regular Plan with invalid ARN.

Transactions received in Regular Plan with Invalid ARN to be processed in Direct Plan of the same Scheme (even if reported in Regular Plan), applying the below logic:

Transaction Type	Primary ARN			Sub distributor ARN		EU IN*	Execution only mentioned	Regular Plan / Direct Plan
	Valid	Invalid	Empowered	Valid	Invalid	Valid	Yes	
Lump sum / Registration	Y		Y				Y	Regular
	Y		N	Not Applicable				Direct
	Y		Y	N.A	N.A	N.A	N	Regular*
	Y		Y	Y		Y		Regular
		Y						Direct
	Y		Y	Y			Y	Regular
	Y		Y		Y			Direct
Trigger	Y			Not Applicable				Regular
				Not Applicable				Direct

Note:

1) *If the EUIN is invalid/missing, the transactions shall be processed in Regular Plan, and the distributor/investor shall be given 30 day period from the date of the transaction for remediation of the EUIN. In such cases, the investor to be advised to either provide a different EUIN linked to the ARN who would be engaged in servicing the investor OR switch to Direct Plan. The commission shall not be paid to the ARN holder if the Switch transaction does not happen, or fresh EUIN is not provided within 30 days. The commission may be paid if the fresh EUIN is provided by client within 30 days.

	2) For SIP & STP facilities, the ARN validity shall be verified / validated at the time of registration. For instances where the registration details not available in RTA records the transaction shall be treated as lumpsum purchase for validations. Distributors must reconcile the active / inactive SIPs with RTA's at regular intervals. 3) SIPs registered under ARN of deceased to continue till end of SIP registration period or investor's request as per AMFI guidelines; No fresh transactions or SIPs to be booked under the ARN of deceased MFD post cancellation of ARN at AMFI. 4) Only Sub-distributor's ARN with valid "ARN-" values in the transaction will be considered for validation of Sub- distributor ARN for all types of transactions (lumpsum/SIP/STP). 5) If the ARN is invalid as on date of SIP / STP registration, such registration and future transactions thereunder will be processed under Direct plan. 6) Transactions other than the physical mode which are found to be not in order basis above matrix, will be rejected at the time of upload / submission for following reasons: To give opportunity for the intermediary / platform to rectify details before submitting transactions or to report transactions under Direct Plan. If these transactions are accepted and processed under Direct Plan, the intermediary placing the transaction will not be receiving reverse feeds and hence will not be able to reconcile. Since the validation cannot be carried out at the time of acceptance or transactions received in physical form, , the same will be done at the time of processing the transaction, and if found to be invalid, the transaction will be processed under Direct Plan. 7) Transactions received from the stock exchange platforms in Demat mode with invalid ARN shall be rejected instead of processing in Direct Plan for following reasons a) Settlement of Units will fail at clearing corporation due to mismatch of ISIN. b) If the RTA processes the transaction in the Direct Plan, the AMC will face issues with corporate action wherein the clearing corporation will not be able to reconcile and credit the Units. c) The distributor/broker will not be able to download the reverse feed/mail back report for the transactions reported by the respective distributor in case if we process under Direct Plan. The Scheme will have a common portfolio across various Plans/Options. The NAVs of the Growth Option under both plans will be different and will be declared separately. For detailed disclosure on default plans and options, kindly refer SAI
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Scheme Summary Document	The AMC will provide on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. Scheme summary document will be uploaded on the websites of AMC (https://cm.fund/SchemeSummaryDocument), AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine-readable format).
Option to hold Units in Demat form	Investor has an option to subscribe Units of the Scheme in demat form in accordance with the provisions of the Scheme Information Document and in terms of the guidelines as laid by the Depositories (NSDL/CDSL) from time to time. The Application form of the Scheme shall contain an option for the investor to provide its demat account details. In case, the investor desires to hold Units in a Demat/Remat form at a later date, the request for conversion of Units held in non- demat form into Demat form or vice-versa should be submitted along with a Demat/Remat Request Form to the Depository Participants. Units held in demat form would be transferable subject to the provisions of the Scheme Information Document and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as may be amended from time to time.
Nomination Facility	- As per SEBI Master Circular for Mutual Funds, Investors subscribing to mutual fund Units shall have choice of providing nomination as per the prescribed format or opting out of nomination through a signed declaration. The folios of all existing individual unitholders holding Units solely or joint mode that have not complied with the above requirement were supposed to be frozen for debits with effect from June 30, 2024. - However, pursuant to SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, non-submission of 'choice of nomination' shall not result in freezing of mutual fund folios. All new investors/unitholders shall continue to be required to mandatorily provide the 'Choice of Nomination' for Mutual Fund Folios (except for jointly held Mutual Fund Folios). - All existing investors/ unitholders are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. For more information, please refer SAI.
Transfer of Units held in Statement of	There are no restrictions on transfer of Units of the Scheme whether held in Statement of Account (physical / non-demat) mode or

account (Physical/non-demat mode)	dematerialised mode. Units held in dematerialized form can be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time and units held in Statement of Account (physical / non-demat) mode can be transferred in accordance with the AMFI Best Practices Guidelines Circular No.116/ 2024-25 dated August 14, 2024. Further, additions / deletions of names of Unit holders 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. Further, addition of names in the folio will be allowed under the following 3 (three) scenarios subject to compliance with AMFI Best Practices Guidelines Circular No.116/ 2024-25 dated August 14, 2024: - Surviving joint unitholder who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s). - A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee. - A minor unitholder, who has turned a major and has changed his / her status from minor to major, wants to add joint holder(s) in the folio. For further details, please refer SAI.
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PART III. OTHER DETAILS

A. IN CASE OF FUND OF FUNDS SCHEME, DETAILS OF BENCHMARK, INVESTMENT OBJECTIVE, INVESTMENT STRATEGY, TER, AUM, YEAR WISE PERFORMANCE, TOP 10 HOLDING/ LINK TO TOP 10 HOLDING OF THE UNDERLYING FUND SHOULD BE PROVIDED:

Not Applicable

B. PERIODIC DISCLOSURES SUCH AS HALF YEARLY DISCLOSURES, HALF YEARLY RESULTS, ANNUAL REPORT

Portfolio Disclosure:

Portfolio shall be disclosed as on last day of the month/half year within 10 days from the end of month/half year. Portfolio shall be disclosed on AMC website at link: <https://cm.fund/PortfolioDisclosure> and on AMFI website <https://www.amfiindia.com>. Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format. Portfolio shall also be sent by e-mail to all unitholders by the AMC/Mutual Fund. The Mutual Fund shall

publish an advertisement disclosing uploading of half year scheme portfolio on its website, in one English daily newspaper and in one Hindi daily newspaper having nationwide circulation. Physical copy of the scheme portfolio shall be provided to unitholders on receipt of specific request from the unitholder, without charging any cost.

Since the scheme proposes to invest in ETCDs, the monthly and half yearly portfolio disclosure format shall be modified to reflect the investment in ETCDs.

Half Yearly Disclosures

The Mutual Fund shall within one month from the close of each half year, that is on March 31 and on September 30, host a soft copy of its unaudited financial results on the AMC website (<https://cm.fund/UnAuditedResults>) and shall publish an advertisement disclosing the hosting of financial results on the AMC 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 would be displayed on AMC website <https://cm.fund/UnAuditedResults> & on and AMFI website (<https://www.amfiindia.com>)

Annual Report

Scheme wise Annual Report or an abridged summary thereof shall be mailed to all unitholders within four months from the date of closure of the relevant financial year i.e. 31st March each year as under:

- by email to the unitholders whose email address is available with the Mutual Fund.
- in physical form to the unitholders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same.

An advertisement shall also be published in 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 website of the AMC <https://cm.fund/AnnualReport> and AMFI website (<https://www.amfiindia.com>). The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC.

The AMC shall also provide a physical copy of abridged summary of the annual report without charging any cost, on specific request received from the unitholder. A copy of scheme wise annual report shall also be made available to unitholders on payment of nominal fees

Other Disclosures

Risk-o-meter

In accordance with Para 17.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024:

The Risk-o-meter shall have following six levels of risk:

- i. Low Risk
- ii. Low to Moderate Risk
- iii. Moderate Risk
- iv. Moderately High Risk

- v. High Risk and
- vi. Very High Risk

The evaluation of risk levels of a scheme shall be done in accordance with the aforesaid circular. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter along with portfolio disclosure shall be disclosed on the AMC website as well as AMFI website within 10 days from the close of each month.

The Product Labelling assigned during the NFO is based on Internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Risk Adjusted Return – Information Ratio (IR)

As required under SEBI circular dated January 17, 2025 (SEBI/HO/IMD/IMD-PoD-2/P/CIR/2025/6), the Mutual Fund/AMC shall disclose the IR of the Scheme portfolio on its website i.e. <https://capitalmindmf.com> along with performance disclosures, on a daily basis.

Scheme Summary Document (SSD)

In accordance with SEBI letter dated December 28, 2021 and AMFI emails dated March 16, 2022 and March 25, 2022, Scheme summary document for all schemes of Capitalmind Mutual Fund in the requisite format (pdf, spreadsheet and machine readable format) shall be uploaded on a monthly basis i.e. 15th of every month or within 5 working days from the date of any change or modification in the scheme information on the website of Capitalmind Mutual Fund i.e. <https://capitalmindmf.com>, AMFI i.e. <https://www.amfiindia.com> and Registered Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited

C. TRANSPARENCY / NAV DISCLOSURE

The AMC will calculate and disclose the first NAV upto four decimal places of the Scheme within a period of 05 (five) Business Days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs upto four decimal places on all Business Days. The AMC shall update the NAVs on website of the Association of Mutual Funds in India-AMFI (<https://www.amfiindia.com>) and on the website of AMC (<https://capitalmindmf.com>) before 11.00 p.m. on every Business Day. NAV shall be available on all centres for acceptance of transactions. NAV shall also be made available at all Investor Service Centres. In case of the scheme invests in ETCs, the NAV of the scheme shall be updated on each Business Day by the AMC on the website and on the website of AMFI by 09:00 a.m. of the following calendar day. In case the scheme invests in overseas securities, the NAV of the scheme shall be updated on each Business Day by the AMC by 10:00 a.m. of the following calendar day.

NAV shall be available on all Official Points of Acceptance. NAV shall also be made available at all Investor Service Centres of the Mutual Fund. Further, unitholders may also place a specific request to the Mutual Fund for sending the latest available NAV Through SMS.

Delay in uploading of NAV beyond the aforesaid respective timing on every business day shall be explained in writing to AMFI.

If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

D. TRANSACTION CHARGES AND STAMP DUTY

Transaction Charges : As per SEBI Circular **SEBI/HO/IMD/PoD1/CIR/P/2025/115** dated August 08, 2025, no transaction charges shall be paid to the distributors of Mutual Fund products.

Stamp Duty –Unitholders are requested to note that, pursuant to Notification No. S.O. 1226I and G.S.R. 226I dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, **a stamp duty @0.005% of the transaction value** would be levied on applicable mutual fund transactions, with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of Units allotted on purchase/switch in transactions (including Switch in) to the unitholders would be reduced to that extent.

For details regarding transaction charges and stamp duty refer to SAI.

E. ASSOCIATE TRANSACTIONS

Please refer to the Statement of Additional Information (SAI).

F. TAXATION

The Mutual Fund is a mutual fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961 ('the Act').

The Scheme is Hybrid Scheme, with asset allocation across equity, debt and commodities. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his / her own professional tax advisor.

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 with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme. The information given herein is the snapshot of the tax implications in the hands of the unitholders. For further details on taxation, please refer to the Section on Taxation on investing in Mutual Funds in Statement of Additional Information ('SAI').

G. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

H. LIST OF OFFICIAL POINTS OF ACCEPTANCE

The details pertaining to official points of acceptance of AMC and RTA are available on the website of the Company at: <https://cm.fund/OPAT>

I. 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

There have been no penalties or pending litigation on the AMC since incorporation. The investors may refer to the details on the website of the Company at link: <https://cm.fund/PendingLitigation>

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Notes:

1. Further, any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Document.
2. The Scheme under this Scheme Information Document was approved by the Trustees on **21st November 2025**
3. The Trustees have ensured that the Scheme approved by them is a new product offered by Capitalmind Mutual Fund and is not a minor modification of the existing scheme/fund/product.
4. Notwithstanding anything contained in the Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

By Order
Board of Directors
For Capitalmind Asset Management Private Limited

Place: Bengaluru

Date: 06th February 2026

Sd/-
Deepak Shenoy
Chief Executive Officer