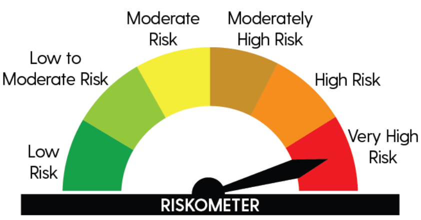
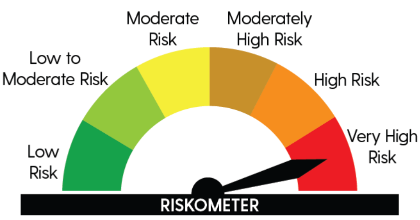
Choice
The Joy of Earning

SCHEME INFORMATION DOCUMENT
Choice Nifty 50 Index Fund (Consolidated Std. Obs. 1)
(An open-ended scheme replicating/tracking Nifty 50 Total Return Index)

Name of the Mutual Fund	Choice Mutual Fund
Name of the Asset Management Company	Choice AMC Private Limited CIN: U66190MH2007PTC177075
Address of AMC	1st Floor, Sunil Patodia Tower, Plot No 156-158 J.B. Nagar, Andheri (East), Mumbai 400099
Website of AMC	https://choicemf.com/
Name of the Trustee Company	Choice Trustees Services Private Limited CIN : U66190MH2025PTC440639
Address of Trustee Company	1st Floor, Sunil Patodia Tower, Plot No 156-158 J.B. Nagar, Andheri (East), Mumbai 400099
Name of the Scheme	Choice Nifty 50 Index Fund *(An open-ended scheme replicating/tracking Nifty 50 Total Return Index)*
Category of Scheme	Equity - Other Schemes- Index Fund
Scheme Code (Consolidated Std. Obs. 7)	CHMF/O/O/EIN/26/03/0002
New Fund Offer open date	March 19, 2026
New Fund Offer close date	April 02, 2026
Scheme re-opens on or before	Within five Business Days from the date of allotment

Offer of Units of Rs. 10/- (Rupees Ten only) each for cash during the New Fund Offer Period and during the Continuous offer for Units at NAV based prices
(Consolidated Std. Obs. 3 & Consolidated Std. Obs. 5)

Investment Objective	**Scheme Riskometer**	**Scheme Benchmark: Nifty 50 Index (TRI) Benchmark Riskometer**
Choice Nifty 50 Index Fund ▸ The investment objective of the Scheme is to generate returns that are commensurate with the performance of the NIFTY 50 Index (TRI), subject to tracking errors. ▸ There is no assurance or guarantee that the investment objective of the Scheme will be achieved.	 The risk of the scheme is Very High	 The risk of the benchmark is Very High

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

The above product labelling assigned during the New Fund Offer (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.

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

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

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

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

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

This Scheme Information Document is dated March 13, 2026.

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NSE INDICES LIMITED do not guarantee the accuracy and/or the completeness of the index or any data included therein and NSE INDICES LIMITED shall have not have any responsibility or liability for any errors, omissions, or interruptions therein. NSE INDICES LIMITED does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product, or any other person or entity from the use of the above index or any data included therein. NSE INDICES LIMITED makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE INDICES LIMITED expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.
An investor, by subscribing or purchasing an interest in the Product, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	**Benchmark (TRI)**	The performance of the scheme will be benchmarked to Nifty 50 Total Return Index. (Std. obs. 9) (Consolidated Std. Obs. 25) The benchmark is also referred to as "Underlying Index" in this document **Rationale for adoption of benchmark**: The above Index has been chosen as the benchmark since the Scheme will invest in stocks which are constituents of NIFTY 50 Total Return Index (TRI). Thus, the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme.
II.	**Plans and Options Plans/Options and sub options under the Scheme**	The Scheme has two Plans – (a) Regular Plan and (b) Direct Plan. **Regular Plan** - Regular Plan is available for all types of Investors investing through a Distributor. **Direct Plan** - Direct Plan is only for Investors who purchase/subscribe Units in the Scheme directly with the Fund and is not available for Investors who route their investments through a Distributor. Each Plan offers Growth Option Only For details with respect to AMFI Best Practices Guidelines dated February 2, 2024, on treatment of applications received with invalid ARNs or ARNs subsequently found to be invalid, Investors are requested to refer to the relevant provisions of the SAI. **Default scenarios available to the Investors under the Plans of the Scheme** Treatment of applications under "Direct" / "Regular" Plans:

Scenario	Broker Code mentioned by the Investor	Plan mentioned by the Investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not mentioned	Direct Plan
6	Mentioned	Regular	Regular Plan
7	Mentioned	Not mentioned	Regular Plan

For detailed disclosure on default Plans and options, kindly refer SAI

Both the Plans will have a common portfolio. The Trustee reserves the right to

		add/discontinue any other options/ sub-options under the Scheme.
III.	**Load Structure**	Entry Load: Not Applicable (Consolidated Std. Obs. 47) (Std. obs. 16) Exit Load: Nil 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://www.choicemf.com/) or call at toll free no. 1800 266 3866 or reach out to your distributor. Pursuant to para 10.3 of SEBI Master Circular on Mutual Funds, Exit Load charged, if any, shall be credited back to the Scheme. Goods and Services tax on Exit Load shall be paid out of the Exit Load proceeds and Exit Load net of Goods and Services tax shall be credited to the Scheme. I. Exit Load, if any, prevailing on the date of enrolment of SIP/ STP shall be levied in the Scheme. II. No Exit Load shall be levied for switching between Plans / Options within the Scheme. Investors are requested to check the prevailing load structure of the Scheme before investing. Any imposition or enhancement in the load shall be applicable on prospective investments only. However, 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. (Std. obs. 16) Subject to the SEBI MF Regulations, the Trustee reserves the right to modify/alter the Load structure on the Units subscribed/redeemed on any Business Day. At the time of changing the Load structure, the AMC/ Mutual Fund may adopt the following procedure: The addendum detailing the changes will be attached to the Scheme Information Document 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. (Std. obs. 16) 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' offices. (Std. obs. 16) The introduction of the Exit Load along with the details will be stamped in the acknowledgement slip issued to the Investors on submission of the application form and will also be disclosed in the statement of accounts issued after the introduction of

		such Load.(Std. obs. 16) A public notice shall be provided on the website of the AMC in respect of such changes. (Std. obs. 16) However, the Redemption /Repurchase Price will not be lower than 95% of the applicable NAV. (Consolidated Std. Obs. 47) (Std. Obs. 17(b)) The Trustee shall have the right to modify the Exit Load structure with prospective effect subject to a maximum prescribed under the SEBI MF Regulations.
IV.	**Minimum Application Amount (including switch-ins)**	**During New Fund Offer & On Continuous Basis:**

Particulars	Details
Initial investment (including switch-ins)	Rs. 1000/- and in multiples of Rs. 1/- thereafter
Additional Purchases (including switch-ins)	Rs. 100/- and in multiples of Rs. 1/- thereafter
Redemption/Repurchase	Any amount
SIP	Please refer table below

	Minimum Amount	**Minimum Instalments (Nos.)**	**SIP Dates / Days**
Daily	Rs.250/- and in multiples of Rs.1/- thereafter	30	All business days
Weekly	Rs.250/- and in multiples of Rs.1/- thereafter	12	Any Day from Monday to Friday
Fortnightly	Rs.500/- and in multiples of Rs.1/- thereafter	12	1st & 16th of the month
Monthly	Rs.500/- and in multiples of Rs.1/- thereafter	12	Any date
Quarterly	Rs.1,000/- and in multiples of Rs.1/- thereafter	4	Any date
Semi Annually	Rs.5,000/- and in multiples of Rs.1/- thereafter	4	
Annually	Rs.5,000/- and in multiples of Rs.1/- thereafter	4	

Minimum Switch Amount
Minimum switch-in amount will be as per the minimum application amount in the Scheme.

		Switch-out facility from applicable ETF schemes to the Scheme For availing this facility, Investors are requested to note the following operational modalities: a. Switch-out from the ETF scheme will be allowed only in terms of creation of unit size / basket size (unit). b. Switch transaction will be processed subject to availability of all details as per regulatory guidelines. c. The applicability of the NAV in the Scheme will be the NAV of the Business Day on which the funds are realized in the Scheme's account before cut-off time. d. In case of any rejection of switch-in to the Scheme, the amount will be paid to the Investor as Redemption proceeds from the scheme where the Investor was switching out from. e. Investors are requested to note that the pattern and sequence of holding in the folio of the Scheme and in demat account (used for ETF unit holding) should be same. However, in case there is no existing folio, the Investor has to provide the details and signatures of all holders for folio creation in the Scheme. f. Investors should have the clear balance of ETF units in their demat account for execution of the switch-out transaction from the selected ETF scheme. The AMC/Trustee reserves the right to introduce, change, modify or withdraw any of the features available in this facility from time to time.
V.	**Minimum Additional Purchase Amount**	Rs.100/- and in multiples of Rs.1/- thereafter. Subject to the provisions of SEBI (Mutual Funds) Regulations, 1996, as amended from time to time and circulars issued thereunder, the AMC reserves the right to change the minimum additional application amount from time to time.
VI.	**Minimum Redemption / switch out amount**	There is no minimum amount / units for Redemption / switch-out.
VII.	**Tracking Error**	Not applicable since this is a new scheme (Consolidated Std. Obs. 10) Tracking error is the standard deviation of the difference in daily returns between the Scheme and the underlying index annualized over 1-year period. Under normal circumstances, such tracking error is not expected to exceed 2% per annum for past one year rolling data. In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMCs, the tracking error may exceed 2% and the same shall be brought to the notice of Trustees with corrective actions taken

<table>
<tr><td></td><td></td><td>by the AMC.
The AMC shall disclose tracking error based on past one year rolling data, on a daily basis, on the website of AMC and AMFI.</td></tr>
<tr><td>VIII.</td><td>Tracking Difference</td><td>Not applicable since this is a new scheme (Consolidated Std. Obs. 10)

Tracking difference i.e. the annualized difference of daily returns between the index or goods and the NAV of the Scheme will be disclosed on the website of the AMC and AMFI, on a monthly basis, for tenures 1 year, 3 years, 5 years, 10 years and since the date of allotment of units.</td></tr>
<tr><td>IX.</td><td>Computation of NAV</td><td>(Consolidated Std. Obs. 42)
The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time:

<table>
<tr><td>Market or Fair Value of Scheme's investments</td><td>+</td><td>Current Assets</td><td>-</td><td>Current Liabilities and Provisions</td></tr>
</table>
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No. of Units outstanding under the Scheme

The Units are available at the Applicable NAV based prices.
The NAV of the Scheme will be calculated and disclosed at the close of every Business Day.
The NAV of the Scheme will be calculated upto 4 decimals. Units will be allotted upto 3 decimals.

The Net Asset Value (NAV) of the Units of the Scheme will be computed by dividing the Net Assets of the Scheme by the total number of Units outstanding on the valuation date.

Please refer the Detailed disclosure regarding Computation of NAV on weblink as detailed below: https://choicemf.com/choice-nifty-50-index-fund

For other details such as policies with respect to computation of NAV, rounding off, procedure in case of delay in disclosure of NAV etc. refer to SAI.</td></tr>
</table>

X. **Asset Allocation**

Under normal circumstances, the asset allocation will be as follows (Std. obs. 14)

Instruments	Indicative allocations (% of total assets)	
	Minimum	**Maximum**
Equity Securities covered by NIFTY 50 Total Return Index	**95**	**100**
Money market instruments / debt securities, Instruments and/or units of Overnight/liquid schemes of domestic Mutual Funds, Cash and Cash Equivalents. (Consolidated Std. Obs. 21)	**0**	**5**

Cash Equivalents include Government Securities, T-Bills and Repo on Government Securities having residual maturity of less than 91 days. A portion of the net assets may be invested in Money Market Instruments permitted by SEBI / RBI to meet the liquidity requirements of the Scheme. (Consolidated Std. Obs. 13)

The Asset Allocation portion shall also include subscription and redemption cash flow which may be undeployed due to various reasons (dividend from underlying securities, rebalancing or balances for running cost of the scheme, residual amount due to execution on rounding off etc). Subscription cash flow is the subscription money in transit before deployment and redemption cash flow is the money kept aside for redemptions.

The net assets of the scheme will be invested in stocks constituting the NIFTY 50 Index. This would be done by investing in all the stocks comprising the NIFTY 50 Index in the same weight that they represent in the NIFTY 50 Index.

The cumulative gross exposure through Equity, Debt, Derivative position, Money Market Instruments, reverse Repo and / or Tri-Party Repo on Government Securities and / or Treasury bills and/or units of money market / liquid schemes / overnight scheme and other permitted securities/assets shall not exceed 100% of the net assets of the Scheme, as per paragraph 12.24 of the SEBI Master Circular dated June 27, 2024. (Consolidated Std. Obs. 17)

As per paragraph 12.25 of the SEBI Master Circular dated June 27, 2024, cash and cash equivalents having residual maturity of less than 91 days shall not be considered for the purpose of calculating gross exposure limit. SEBI has vide its letter dated November 03, 2021 clarified that cash equivalents shall consist of Government Securities, T-Bills and Repo on Government Securities. (Consolidated Std. Obs. 14)

In accordance with Clause 3.4 of SEBI Master Circular dated June 27, 2024, the underlying index shall comply with the portfolio concentration norms as prescribed.

The Scheme does not intend to undertake/ invest/ engage in: (Consolidated Std. Obs. 18)

1	Debt Derivatives
2	Securitised Debt
3	Debt Instruments with Structured obligation / Credit Enhancements

4	Repo / Reverse Repo in Corporate Debt Securities
5	Credit default swaps
6	Units issued by Real Estate Investment Trusts (REITs) or Infrastructure Investment Trusts (InvITs)
7	Fund of Fund schemes
8	Unlisted Debt Instruments
9	Debt Instruments with special features (AT1 and AT2 Bonds)
10	Bespoke or complex debt products
11	Short selling of securities
12	Foreign Securities
13	Unrated instruments (except TREPS/ Government Securities/ T- Bills / Repo and Reverse Repo in Government Securities)
14	Inter scheme transactions i.e. transfers of security from one scheme to another scheme
15	Securities with special features

Pending deployment of funds of a Scheme in securities in terms of investment objectives of the Scheme a mutual fund can invest the funds of the Scheme in short term deposits of scheduled commercial banks in terms of Clause 12.16 of SEBI Master Circular dated June 27, 2024.

The Scheme would adhere with the requirements stipulated in SEBI Master Circular for Mutual Funds dated June 27, 2024 and other SEBI Guidelines/Circulars issued from time to time.

Indicative Table (Actual instrument/percentages may vary subject to applicable SEBI circulars)

Sl. No	Type of Instrument	Percentage of exposure	Circular references
1	Securities Lending Short Selling	a) Upto 25% of the net assets b) Upto 5% of the net assets at single intermediary i.e. broker level The scheme shall not engage in short selling	Clause 12.11 of SEBI Master Circular dated June 27, 2024
2	Equity Derivatives for non-hedging purpose (Consolidated Std. Obs. 20)	Upto 20% of the net assets The scheme may use derivatives for non-hedging purposes only to the extent required for: a. Managing temporary liquidity mismatches	Clause 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024

				b. Adjusting weights between cash and on exchange	
			Equity Derivatives for hedging purpose	Upto 100% of the net assets Exposure to equity derivatives shall be taken in case of portfolio rebalancing or unavailability of the underlying securities.	Clause 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024
		3	Securitized Debt	The Scheme will not invest in Securitized Debt	Clause 12.15 of SEBI Master Circular dated June 27, 2024
		4	Overseas Securities	The Scheme will not make any investment in Overseas Securities including (ADR / GDR/ Any Foreign Securities).	Clause 12.19 of SEBI Master Circular dated June 27, 2024
		5	Structured Obligations	The Scheme will not invest in Structured Obligations	Clause 12.3 of SEBI Master Circular dated June 27, 2024
		6	Repo in Corporate Debt Securities	The Scheme will not invest in Repo in Corporate Debt Securities	Clause 12.18 of SEBI Master Circular dated June 27, 2024
		7	Credit default swaps	The Scheme will not invest in Credit default swaps	Clause 12.28 of SEBI Master Circular dated June 27, 2024
		8	Instruments having Special Features	The Scheme will not invest in Instruments having Special Features	Clause 12.2 of SEBI Master Circular dated June 27, 2024
		9	ReITS and InVITS	The Scheme will not invest in ReITS and InVITS	Clause 12.21 of SEBI Master Circular dated June 27, 2024
		10	Unlisted debt instrument	The Scheme will not invest in Unlisted debt instrument	Clause 12.1.1 of SEBI Master Circular dated June 27, 2024
		11	Bespoke or complex debt products	The Scheme will not make any investment in any Bespoke or Complex Debt Products such as Securitized Debt, Structured	-

				obligations (SO rating) and/or credit enhanced debt (CE rating), Securities with special features such as Debt instruments having special features viz. subordination to equity (absorbs losses before equity capital) and/or convertible to equity upon trigger of a pre-specified event for loss absorption.	
		12	Unrated debt and money market instruments (except Gsecs, T-Bills and other money market instruments)	The Scheme will not invest in Unrated debt and money market instruments The scheme will invest in G-Secs, T-Bills, and other money market instruments such as Repo/ Reverse Repo / Tri- Party repos (TREPS) on Government Securities and Treasury Bills (G-Secs and T-Bills). To meet liquidity requirements or pending deployment as per regulatory limits.	Clause 1 of Seventh Schedule of SEBI Mutual Funds Regulations read with clause 12.1 of SEBI Master Circular dated June 27, 2024
		13	Investment in GDS, GMS and ETCD	The Scheme will not invest in GDS, GMS and ETCD	-
		14	Units of Liquid Mutual Funds/ Overnight Mutual Funds / Money Market Mutual Funds	The Scheme may invest in the units of Liquid Mutual Fund Schemes / Overnight Mutual Funds / Money Market Mutual Funds. Such investment shall not exceed 5% of the net asset value of the fund*	Clause 4 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996

***** The AMC shall not charge any investment management fees with respect to such investment.

Deployment of NFO proceeds

In line with SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/23 dated February 27, 2025, deployment of the funds garnered in the NFO shall be made within 30 (thirty) 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. The Investment Committee, after examining the root cause for delay, may extend the timeline by 30 Business Days. In case the funds are not deployed as per the asset allocation mentioned above and as per the aforesaid mandated plus extended timelines, the AMC shall comply with the provisions mentioned in SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/23 dated February 27, 2025.

		Change in Investment Pattern (Consolidated Std. Obs. 22, 23 & 24) (Consolidated std. obs. 23) The Scheme, in general, will hold all the securities that comprise the underlying Index in the same proportion as the index. Expectation is that, over a period of time, the tracking error of the Scheme relative to the performance of the Underlying Index will be relatively low. The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal market circumstances, such tracking error is not expected to exceed by 2% p.a. However, in case of events like, Income Distribution cum capital withdrawal issuance by constituent members, rights issuance by constituent members, corporate action, and market volatility during rebalancing of the portfolio following the rebalancing of the Underlying Basket, etc. or in abnormal market circumstances, the tracking error may exceed the above limits. The scheme will endeavor that at no point of time it deviate from the index. In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 calendar days. In the interest of investors, the AMC reserves the right to change the above asset allocation pattern due to corporate action activity undertaken in the underlying securities. In the event of involuntary corporate action, the fund shall dispose the security not forming part of the Underlying index within 7 calendar days from the date of allotment/ listing. **Portfolio rebalancing** (Consolidated Std. Obs. 22) As per SEBI Master Circular for Mutual Funds dated June 27, 2024, as amended from time to time, in case of change in constituents of the index due to periodic review, the portfolio of the scheme will be rebalanced within 7 calendar days. **Portfolio rebalancing in case of passive breaches :** (Consolidated Std. Obs. 23 and 24) In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 calendar days. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. Any alteration in the investment pattern will be for short-term defensive consideration as per SEBI Master Circular for Mutual Funds dated June 27, 2024, the intention being at all times to protect the interests of the Unit Holders. For details on derivatives, kindly click on Annexure 1
XI.	**Fund manager details**	Name: Mr. Rochan Pattnayak (Consolidated Std. Obs. 33) Managing Since: Not applicable, as the scheme is a new scheme. Total experience (in years) : 15 years

XII.	**Annual Scheme Recurring Expenses**	The AMC has estimated that upto 1.00% (plus additional expenses as permitted under SEBI MF Regulations) of the daily net assets of the Scheme will be charged to the Scheme as expenses. For detailed disclosure, kindly refer Annexure 2 – Break up of Annual Scheme Recurring Expenses
XIII.	**Transaction charges and stamp duty**	**Transaction charges:** SEBI vide its circular ref no. SEBI/ HO/IMD- PoD-1/P/CIR/2025/115 dated August 08, 2025, No transaction charges shall be deducted from the subscription amount for transactions / applications received through the distributors (i.e. in Regular Plan). **Stamp Duty:** Pursuant to Notification No. S.O. 1226I and G.S.R. 226I dated March 30, 2020 issued by the 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 mutual fund transactions (including transactions carried through stock exchanges and depositories for units in demat mode), with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions to the unitholders would be reduced to that extent. For further details refer SAI.
XIV.	**Information available through weblink**	Investors can refer the link for below mentioned points Annexure 2 https://choicemf.com/choice-nifty-50-index-fund • Liquidity/listing details • NAV disclosure • Applicable timelines for dispatch of redemption proceeds etc • Breakup of Annual Scheme Recurring expenses • Definitions • Applicable risk factors • Detailed disclosures regarding the index, index eligibility criteria, • Methodology, index service provider, index constituents, impact • Cost of the constituents/ underlying fund in case of fund of funds • List of official points of acceptance • Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations • Investor services • Portfolio Disclosure • Detailed comparative table of the existing schemes of AMC • Scheme performance • Periodic Disclosures • Any disclosure in terms of Consolidated Checklist on Standard Observations

		• Scheme specific disclosures (as per the prescribed format) • Scheme Factsheet
XV.	**How to Apply**	(Consolidated Std. Obs. 35) Please refer to the SAI for detailed process (physical and online) with respect to additional/ongoing purchase, investments by NRIs (Non- Resident Indians), FPIs (Foreign Portfolio Investors) and Foreign Investors, Joint Applications, etc. Investors can also read further details in the application form. Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or CAMS or can be downloaded from our website https://choicemf.com/. The list of the OPA / ISC are available on our website as well. During the New Fund Offer ("NFO") period, the applications for Subscription/Redemption/switches can be submitted at the designated Official Points of Acceptance of the AMC and CAMS. Pursuant to paragraph 14.8 of the SEBI Master Circular dated June 27, 2024, an investor can also subscribe to the NFO through ASBA facility. For further details, refer to the SAI.
XVI.	**Where can applications for subscription / redemption / switches be submitted**	Please refer to the SAI for detailed process (physical and online) with respect to additional/ongoing purchase, investments by NRIs (Non- Resident Indian), FPIs (Foreign Portfolio Investors) and foreign Investors, joint applications, etc. Investors can also read further details in the application form available on the website of the AMC viz. https://www.choicemf.com . Please refer to the SAI and application form for the instructions. The applications for Subscription/Redemption/switches can be submitted at the Official Points of Acceptance of the AMC and CAMS as provided on the website of the AMC viz. https://www.choicemf.com Investors can also subscribe and redeem units through the website of the AMC viz. https://www.choicemf.com and other digital assets, distributor / RIA platforms, Stock Exchange mechanism, through the electronic platform of CAMS and through the MF Central website. Pursuant to clause 16.2 of the SEBI Master Circular dated June 27, 2024, units of mutual fund schemes have been permitted for transactions through registered stockbrokers of the recognised stock exchanges and such stockbrokers shall be considered as Official Points of Acceptance of transactions of the Mutual Fund. Investors transacting through such NSE MFSS/ BSE STAR platform and schemes which are listed on the recognised Stock Exchanges will have to additionally comply with norms/rules as prescribed by the Stock Exchange(s). Please refer to SAI for further details on transactions through stock exchange mechanism. **Acceptance of financial transactions through email from non-individual investors** Financial transactions of non-individual investors received through email will be

accepted subject to submission of below documents:

- Board Resolution or Authority Letter on the Letter Head of the entity explicitly mentioning the list of authorized officials who are authorized to transact on behalf of the entity, along with details of their designation and email id.

- An undertaking that the instructions for any financial transactions sent by email by the authorized officials shall be binding upon the entity as if it were a written agreement.

Financial transaction slip executed electronically with a valid Digital Signature Certificate (DSC) or through Aadhaar based e-signature by the authorized officials, the same shall be considered as valid and acceptable and shall be binding on the entity (non-individual investor) even if the financial transaction request is not received from the registered email id of the authorized officials. However, in such cases, the domain name of the email id should be from the same entity's official domain name.

In addition to acceptance of financial transaction via email scanned copy of the duly signed financial transaction slip/request letter bearing the wet signatures of the authorized signatories of the entity will be accepted if the same is received from some other employee of the entity (non-individual investor) and shall be binding on the entity (non- individual investor) subject to the below conditions:

- The email should be cc'd (copied) to the registered email ID of the authorized official/signatory of the entity (non-individual investor)

- The domain name of the email id should be of the sender of the email is from the same entity's official domain name

Application for change in bank mandate or registration of new bank mandate or any other non-financial transaction will be accepted only through physical mode. The entity (non-individual investor) needs to physically submit the prescribed Non-Financial Transaction form duly signed by the entity's (non-individual investor) authorized officials at any of the official points of service of the schemes of the Mutual Fund.

Any change in registered email id/contact details of the entity shall be accepted only through physical request (including scan copy thereof) with wet signature of the designated authorized officials of the entity (non-individual investor) along with a copy of the Board Resolution or Authority letter on the Letter Head of the entity.

Scanned copy of the duly signed financial transaction slip/request letter bearing wet signatures of the authorized officials of the entity (nonindividual investor) will be accepted if the same is received from the registered distributor of the entity (non-individual investor) or a third party duly authorized by the entity (non-individual investor) subject to the below conditions: -

- Authorization letter from the entity (non-individual investor) authorizing the distributor/third party to send the scan copies of the duly signed transaction slip/request letter on behalf of the entity (non-individual investor)

- The email with the scan copy of the transaction slip/request letter should be cc'd (copied) to the registered email ID of the authorized official/signatory of the entity (non-individual investor) for sending the scanned copies of the duly signed transaction form/ request letter.

Any request for addition/deletion of authorized officials of the entity (non-individual investor) shall be accepted only through physical request along with the below documents. The request along with the below documents should be handed over at any of the official points of service of the schemes of the Mutual Fund.

- New Board Resolution or Authority Letter on the Letter Head of the entity explicitly mentioning the updated list of authorized officials who are authorized to transact on behalf of the entity, along with details of their designation and email id.
- Fresh undertaking that the instructions for any financial transactions sent by email by the new authorized officials shall be binding upon the entity as if it were a written agreement.

Disclaimer/Terms & conditions for transactions initiated through email:

1. Please note that communication by email entails certain inherent risks. These risks include but are not limited to:

    1. Delay in transmission or receipt;
    2. Interception, alteration, manipulation, or corruption of data;
    3. Unauthorized access by third parties;
    4. Incomplete or inaccurate transmission;
    5. Non-receipt or mis-delivery of email communications;
    6. Risk of viruses, malware, or other harmful components being transmitted via email.

2. The AMC (along with the Trustee and the Mutual Fund) ("we"/"us") utilize commercially reasonable security measures; however, no system can guarantee absolute security or accuracy. By choosing to communicate with us via email, you expressly acknowledge and accept these risks.
3. We shall not be liable for, and expressly disclaims any and all liability for, any loss, damage, cost, or expense arising directly or indirectly from, inter alia,

    1. Any errors, delays, non-receipt, interception, corruption, or unauthorized access relating to email communications;
    2. Any failure by the investor to receive emails due to technical issues, spam filters, firewalls, or incorrect contact details provided by the investor;
    3. Reliance on any information transmitted via email which may be incomplete, inaccurate, or delayed.

4. The use of this Facility by the Investor will be deemed as the investor's confirmation that the investor understands and agrees to be bound by all of the terms and conditions applicable to this Facility, as amended from time to time.
5. The AMC reserves the right to change the Designated Email ID/designate more

		than one email IDs as Designated Email IDs from time to time, and the same shall be updated on the AMC's website 6. The Designated Email ID will be an Official Point of Acceptance for transactions. The transaction request sent on the Designated Email ID will be time-stamped as per the date and time of the email received on the server of the AMC, and such time stamp shall be considered as final and binding for determining the applicable Net Asset Value (NAV) for the transaction in accordance with the SEBI (Mutual Funds) Regulations, 1996. Time displayed on the Investor (s) screen is the indicative local machine time and not the actual server time of the AMC. If transaction requests/instructions are not made in accordance with prescribed instructions / terms & conditions, AMC shall not be liable to take or execute that transaction on that day 7. The Investor agrees and acknowledges and is aware that there may be a delay in delivery or difference in the date and time of the email received on the server of the AMC and the date and time of the server through which the Investor has sent the email, and also that the AMC server may not receive / reject the email sent by the Investor 8. Choice AMC /RTA shall not be liable in case the transaction sent or purported to be sent by the investor is not received by the Choice AMC/ RTA due to any reason and hence not processed. 9. Investors availing the facility for submitting financial transactions via email shall retain records of such transactions in line with the applicable laws / regulations 10. Investors availing the facility for submitting financial transactions via email shall adopt appropriate procedure for addition/deletion in the name of authorized signatory of the entity and shall notify the same to the AMC. In case of changes / additions / deletions in the name, registered email ids / contact details of the authorized designated signatories of the entity, the entity shall submit a new board resolution or an authority letter on the entity's letterhead, to the AMC. The same shall be submitted through a physical letter (including scan copy thereof) with wet signature of the designated authorized officials granting appropriate authority to the new designated officials. The new document submitted shall override the previous board resolution / authority letter submitted to the AMC. 11. The non individual investor/authorised registered mutual fund distributor of the entity authorizes the AMC to accept and act on transmission through email which the AMC believes in good faith to be given by the investor and the AMC shall be entitled to treat such transaction as if the same was given to the AMC under the investor's original signature and shall be binding on the investor. The acceptance of transactions will be solely at the risk of the investor or any person acting on his behalf of the transactions and the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar shall not in any way be liable or responsible for any loss, damage caused to the investor directly or indirectly, as a result of the investor sending or purporting to send such transactions including where transaction sent / purported to be sent is not processed on account of the fact that it was not received by the AMC. 12. The AMC has implemented sufficient email security controls as per current industry standards to ensure the integrity and confidentiality of transactions confirmed through email. 13. The AMC/ Registrar at its sole discretion and in accordance with the terms of the SID of the Scheme reject the transaction received through this Facility and such decision shall be final and binding on the investor. The AMC shall not be bound to act upon E-Mails requests/instructions, which are illegible. In the absence of

		relevant and adequate information required by the AMC, for carrying out any transaction pursuant to receipt of the E-mail requests/instructions, AMC shall not be held liable or responsible for any delay in completion/ not effecting of such transaction and any resulting loss or damage to Investor (s) on account thereof. 14. The AMC shall act in good faith and shall take necessary steps in connection with the email requests received regardless of the value involved, and the same shall be binding on the Investor. The AMC/ Mutual Fund/ Registrar shall not be held responsible / liable for any loss caused to the investor due to any time lag / error / interception in transmission of transaction through email to the AMC / Mutual Fund/ Registrar and will be held harmless for loss, if any, suffered by the Investor for processing/ not processing transactions received through this Facility 15. It is the investor's responsibility to ensure that we have the investor's correct and updated email address at all times and promptly notify us in case of any suspected non-receipt or delay in expected communication as per the Circular No.118/2024-25 dated 31 January 2025 issued by AMFI. Investors are advised to take necessary measures to safeguard their own systems against unauthorized access and malicious software. 16. Please note, any communication sent via email shall not create a binding obligation on us unless and until confirmed by a duly authorized representative through such documentation or through secure confirmed channels as required under the AMFI Best Practices Guidelines Circular No.118/2024-25 dated January 31, 2025. **MANDATORY QUOTING OF BANK MANDATE BY INVESTORS** (Std. Obs. 19) (consolidated std. obs. 61) As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications and therefore, Investors are requested to fill-up the appropriate box in the application form failing which applications are liable to be rejected. Kindly refer to below link for the list of Official Points of Acceptance of transactions for Choice Mutual Fund : https://www.choicemf.com/
XVII.	**Specific attribute of the scheme (such as lock in / duration in case of target maturity scheme / close ended schemes etc.) (as applicable)**	Not Applicable
XVIII.	**Special**	Systematic Investment Plan (SIP), Systematic Withdrawal Plan (SWP)*, Systematic

<table>
<tr><td></td><td>product / facility available during the NFO and on ongoing basis</td><td>Transfer Plan (STP)*
*Available on ongoing basis

SIP Table
<table>
<tr><th></th><th>Minimum Amount</th><th>Minimum Instalments (Nos.)</th><th>SIP Dates / Days</th></tr>
<tr><td>Daily</td><td>Rs.250/- and in multiples of Re.1/- thereafter</td><td>30</td><td>All business days</td></tr>
<tr><td>Weekly</td><td>Rs.250/- and in multiples of Re.1/- thereafter</td><td>12</td><td>Any Day from Monday to Friday</td></tr>
<tr><td>Fortnightly</td><td>Rs.500/- and in multiples of Re.1/- thereafter</td><td>12</td><td>1st & 16th of the month</td></tr>
<tr><td>Monthly</td><td>Rs.500/- and in multiples of Re.1/- thereafter</td><td>12</td><td>Any date</td></tr>
<tr><td>Quarterly</td><td>Rs.1,000/- and in multiples of Re.1/- thereafter</td><td>4</td><td>Any date</td></tr>
<tr><td>Semi Annually</td><td>Rs.5,000/- and in multiples of Re.1/- thereafter</td><td>4</td><td></td></tr>
<tr><td>Annually</td><td>Rs.5,000/- and in multiples of Re.1/- thereafter</td><td>4</td><td></td></tr>
</table>

For further details on the above, please refer to the SAI</td></tr>
<tr><td>XIX.</td><td>Segregated portfolio / side pocketing disclosure</td><td>The AMC may create a segregated portfolio of debt and Money Market Instruments in the Scheme in case of a credit event/actual default and to deal with liquidity risk. (Consolidated Std. Obs. 53)

In this regard, the term ‘segregated portfolio’ shall mean a portfolio comprising of debt or Money Market Instrument affected by a credit event / actual default that has been segregated in a mutual fund scheme and the term ‘main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio. The term ‘total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event / actual default.

For more details, kindly refer to SAI.</td></tr>
<tr><td>XX</td><td>Stock lending</td><td>Subject to the SEBI Regulations as applicable from time to time, the Scheme may participate in securities lending upto the limits as mentioned in the Asset allocation section.
For Details, kindly refer SAI</td></tr>
</table>

Notes:

1. Further any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Document shall prevail over those specified in this Document.

2. The Scheme under this Scheme Information Document is approved by the Directors of the Trustees on February 09, 2026.
3. The Trustees has ensured that Choice Nifty 50 Index Fund approved by the Trustees is a new product offered by Choice Mutual Fund and is not a minor modification of any existing scheme/fund/product. (Consolidated Std. Obs. 65)
4. The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the Tax Act and has been included relying upon advice provided to the Fund's tax advisor based on the relevant provisions prevailing as at the currently applicable Laws.
5. Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India.

Notwithstanding anything contained in the Scheme Information Document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines thereunder shall be applicable. (Consolidated Std. Obs. 63) (Std. Obs. 22)

For and on behalf of
Choice AMC Private Limited

Sd/-
Ajay Kejriwal
Chief Executive Officer

Annexure 1

Equity derivatives of underlying securities forming part of the index may also be available as an investment option in case the underlying security is not available for purchase.	**CALCULATION OF CUMULATIVE GROSS EXPOSURE** Subject to SEBI (Mutual Fund) Regulations, 1996, The Scheme may invest in Derivative Instruments to the extent permitted under provision no. 7.5,7.6,12.24 and 12.25 of SEBI Master Circular on Mutual Fund dated June 27, 2024. a) The cumulative gross exposure through equity, debt and equity derivative positions should not exceed 100% of the net assets of the scheme. b) For other option contracts, the total exposure related to option premium paid will not exceed 20% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. (Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: Government Securities, T-Bills & Repo on Government Securities. c) Exposure due to hedging positions shall not be included in the above-mentioned limits subject to the following: a) Hedging positions are the derivatives positions that reduce possible losses on an existing position in securities and till existing position remains. b) Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall have to be added and treated under the limits mentioned above. c) Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. d) The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. **NUMERICAL EXAMPLE OF RISK INVOLVED** Derivative Instruments and Related Examples: A futures contract represents an agreement between a buyer and a seller to purchase or sell a specified asset at a predetermined price on a specified future date. The price at which the underlying asset will be exchanged is fixed at the time the contract is entered into. The actual transfer of the underlying asset, including the payment of cash and delivery, occurs only on the contract’s designated settlement date. A futures contract imposes a binding obligation on both parties to perform in accordance with the terms of the contract. At present, futures contracts typically have a maximum maturity cycle of three months. A futures contract based on a stock market index provides the holder with both the right and the obligation to buy or sell a portfolio of stocks represented by the index. Stock index futures are settled in cash and therefore do not involve the physical delivery of the underlying securities.

Example: Index Future

Index Future	
Assume, 1-month Nifty Next 50 Future Price on Day 1	10110
Scheme Buys	100
(1 lot = Nominal Value Equivalent to 75 Units of the underlying index)	
Scenario 1	
On the date of settlement, the future price (closing spot price of the index)	10200
Profit for the scheme (10,200 – 10,110) * 100.75	675000
Scenario 2	
On the date of settlement, the future price (closing spot price of the index)	10050
Loss for the scheme (10050 - 10110) * 100 * 75	-450000

Risks associated with Future Contracts: 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 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. Additional risks could be on account of illiquidity and potential mispricing of the futures.

Options:

An option gives a person the right but not an obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

Example:

Call Option	
For e.g. Scheme buys 1 lot of Nifty Next 50 Index Call Option (1 lot = 75 units)	75
Spot Price	10000
Strike Price	10100
Premium	100
Total amount paid as premium (Rs) (100*75)	7500
Scenario 1: The Nifty Next 50 Index goes up (i.e. Nifty Next 50 Spot)	10250
a) Scheme has closed the position before expiry of the contract	

Choice
The Joy of Earning

Current Premium at the time of closing the trade (i.e. sale of the option)	200
Net Gain Rs. (200 Less 100)	100
Total gain on 1 lot of Nifty Next 50 (75 Units) Rs. (75 x 100)	7500
b) Scheme has closed the position (i.e. Nifty Next 50 Option) at Expiry	
Nifty Next 50 Spot on Expiry	10275
Premium Paid (Rs.)	100
Exercise Price	10100
Receivables on Exercise (10275 - 10100)	175
Total Gain (Rs.) (175-100) *75	5625
Scenario 2: The Nifty Next 50 Index moves to the level below 10,100	
Scheme does not gain anything but the loss to the scheme (limited to the actual premium paid)	***7500***
Put Option	
For e.g. Scheme buys 1 lot of Nifty Next 50 Index Put Option(1 lot = 75 units)	75
Spot Price	10000
Strike Price	9450
Premium	50
Total Amount Paid by the Scheme (75*50)	3750
Scenario 1: Nifty Next 50 Index Goes Down	
Scheme has closed before expiry of the contract	
Nifty Next 50 Spot	9300
Current Premium at the time of closing the contract	80
Premium Paid (Rs.)	50
Net Gain (Rs. 80 - Rs 50)	30
Total Gain on 1 lot of Nifty Next 50 (Rs.) (75*30)	2250
Scheme has reversed the position at expiry	
Nifty Next 50 spot	9375
Premium Paid (Rs.)	50
Exercise Price	9450
Gain on Exercise	75
Total Gain (75-50) *75)	1875
Scenario 2: If Nifty Next 50 Index Stays over the strike price of 9450	
Say Nifty Next 50 Spot	9500
Net Loss to the scheme will be premium paid	**3750**

Risks associated with Option Contracts: The option contracts give a person the right but not an obligation to buy or sell. The risk is potential mispricing and exposure to options can limit the profits from a genuine investment transaction.

	Additional Derivatives Strategies: 1. Index / Stock spot - Index / Stock Futures The pricing of futures contracts is derived from the spot price of the underlying index or stock. The relationship between futures prices and the underlying portfolio is governed by the cost of carry, which ensures that the value of the futures contract remains linked to the underlying asset. When discrepancies arise between the futures price and the spot price, arbitrage opportunities may emerge. The cost of carry connects the futures price to the price of the underlying asset and generally results in futures prices being higher than the corresponding spot prices at any given point in time. In theory, the fair value of a futures contract is equal to the spot price of the underlying asset plus the cost of carry, which reflects the prevailing interest rate for an equivalent credit risk. On certain occasions, cash-and-carry arbitrage transactions may yield returns exceeding prevailing interest rates, presenting opportunities to sell overvalued futures contracts while simultaneously purchasing the underlying portfolio. Conversely, an index or stock future may trade at a discount to its spot price. In such circumstances, the Scheme may purchase the futures contract and sell the underlying stock after borrowing it. These transactions shall be executed simultaneously. If the Scheme is required to unwind such positions prior to contract expiry due to redemptions or other considerations, the resultant returns will depend on the spread between the spot price and the futures price prevailing at the time of unwinding. Where the price differential between the spot and futures contracts of the subsequent maturity month is favourable near expiry, the Scheme may roll over the futures position and continue holding the corresponding exposure in the spot market. The Scheme shall seek to deploy its assets using such strategies, which may involve combinations of index futures and stock futures, or futures contracts on the same stock with different maturity dates. 2. Cash Futures Arbitrage Strategy The Fund may seek to identify arbitrage opportunities arising between the spot market and the futures market. A cash–futures arbitrage strategy may be employed when futures prices trade at a premium to the corresponding spot prices of the underlying stocks. Under such circumstances, the Fund would purchase the securities in the cash market and simultaneously sell the corresponding futures contracts in order to lock in the price spread. This strategy results in a hedged position, whereby the Fund's portfolio secures the spread and remains largely insulated from price movements in both the spot and futures markets. The arbitrage position may be maintained until the expiry of the futures contracts. Futures contracts are settled based on the weighted average price of trades executed in the cash market during the last half hour of trading. At expiry, convergence between the spot and futures prices enables the portfolio to realize the arbitrage return that was locked in at the time of initiating the strategy. The position may, however, be unwound prior to expiry if the price differential is realized earlier or if more attractive arbitrage opportunities emerge in other stocks or indices. The strategy is considered viable when the net price differential, after accounting for all associated

	costs, exceeds the investor’s cost of capital. Example of a Cash vs Futures Arbitrage Strategy: Buy 100 Shares of Company A at Rs 1000 and Sell the same quantity of stock’s futures of the Company X at Rs. 1100. 1. Market goes up and the price on the expiry day is Rs. 2000 At the end of the month (expiry day) the futures expire automatically: Settlement price of futures = closing spot price = Rs. 2000 Gain on stock is 100*(2000-1000) = Rs. 1,00,000 Loss on futures in 100*(1100-2000) = Rs. – 90,000 Net Gain is 100,000 – 90,000 = Rs 10,000 2. Market goes down and the price on the expiry day is Rs. 500. At the end of the month (expiry day) the futures expire automatically: Settlement price of futures = closing spot price = Rs 500 Loss on stock is 100*(500-1000) = Rs – 50,000 Gain on futures is 100*(1100-500) = Rs. 60,000 Net Gain is Rs 60,000 – Rs. 50,000 = Rs. 10,000 3. Unwinding the position Buy 100 shares of Company X at Rs 1000 and sell the same quantity of stock’s futures of the Company X at Rs 1100. The market goes up and at some point, of time during the month (before expiry) the stock trades at Rs 1200 and the futures trades at Rs 1190 then Fund Manager will unwind the position: Buy back the futures at Rs 1190: loss incurred is (1100- 1190) *100 = Rs – 9,000 Sell the stock at Rs 1200: gain realized: (1200-1000) *100 = Rs 20,000 Net gain is 20,000 – 9,000 = Rs 11,000 4. Rolling over the futures The Scheme may continue to stay invested in the stock in the Cash market. Close to expiry, if the stock’s price is at Rs 1500 then the stock’s futures is close to Rs 1500 as well. Also, if the price of the current month stock futures is below the current price of the next month stock futures, the scheme may roll over the futures position to the next expiry:

The price of the stock futures next month contract is at Rs 1510

The price of the stock futures current month contract is at Rs 1500

Then sell the futures next month contract at Rs 1510 and buy back current month futures contract at Rs 1500 = gain of 100*(1510-1500) = Rs 9,000 and the arbitrage position is rolled over.

Definition of Exposure in case of Derivative Positions

Every position undertaken in derivative instruments shall carry an associated exposure, as defined herein. Exposure represents the maximum potential loss that may arise from a given position. However, it is acknowledged that certain derivative positions may, in theory, entail an unlimited potential loss. The exposure for derivative positions shall be calculated in the manner set out below:

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

Position Limits for Mutual Fund & Its Scheme

Position Limit for Index Options & Index Futures Contracts	
Index Options Contract*	On a particular underlying index Rs. 500 Crore or 15% of the total open interest of the market in equity Index options contracts, whichever is higher.
Index Futures Contract**	On a particular underlying index Rs. 500 Crore or 15% of the total open interest of the market in equity Index futures contracts, whichever is higher.

* This limit would be applicable on open positions in all options contracts on a particular underlying index.

** This limit would be applicable on open positions in all futures contracts on a particular underlying index.

Additional Position Limit for Hedging	
In addition to the position limits as mentioned above, Mutual Funds may take exposure in equity index derivatives subject to the following	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.

limits:	

Position limit for Stock Options and Stock Futures Contracts

The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

This limit would be applicable on aggregate open positions in all futures and all option contracts on a particular underlying stock.

Position limit for each scheme of a Mutual Fund

The scheme-wise position limit requirements shall be:

1.For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:

a. 1% of the free float market capitalization (in terms of number of shares); or

b. 5% of the open interest in the derivative contracts on a particular underlying stock (in term of number of contracts)

2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

3. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

4. 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.

Risk associated with 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 the decision of the 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.

Trading in derivatives has the following risks:

1. An exposure to derivatives in excess of the hedging requirements can lead to losses.
2. An exposure to derivatives, when used for hedging purpose, can also limit the profits from a genuine investment transaction.

	3. Derivatives carry the risk of adverse changes in the market price. 4. Illiquidity Risk i.e., risk that a derivative trade may not be executed or reversed quickly enough at a fair price, due to lack of liquidity in the market. The Fund may use derivatives instruments like equity futures & options, or other derivative instruments as permitted under the Regulations and Guidelines. Usage of derivatives will expose the Scheme to liquidity risk, open position risk, and opportunities risk etc. Such risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. In case of the derivative strategies, it may not be possible to square off the cash position against the corresponding derivative position at the exact closing price available in the Value Weighted Average Period. Debt derivatives instruments like interest rate swaps, forward rate agreements or other derivative instruments also involve certain risks. **EXTENT AND MANNER OF PARTICIPATION IN DERIVATIVES** As part of the fund management process, the Trustee Company may allow the use of derivative instruments, including index futures, stock futures, options contracts, warrants, convertible securities, swap agreements, or any other derivative instruments that are permitted or may be permitted in the future under applicable regulatory provisions. All such investments shall be undertaken in accordance with the investment objectives of the Scheme. Index futures are intended to provide an efficient mechanism for buying or selling an index, as compared to transacting in a portfolio of physical shares representing the index, thereby facilitating ease of execution and settlement. The use of index futures may serve as an effective means of achieving the Scheme's investment objective and, notwithstanding pricing considerations, may assist in reducing the Scheme's tracking error. Additionally, index futures may eliminate the need to trade in individual index constituents, which may at times be constrained due to circuit filter limits and liquidity conditions in certain securities. The use of index futures may assist in reducing transaction and processing costs, as executing a single trade is operationally more efficient than executing multiple trades in the individual equity shares constituting the Nifty 50 Index. Additionally, index futures offer relative ease of settlement when compared to a physical portfolio of shares representing the index. Subject to prevailing and future regulatory frameworks, the Trustee Company may permit the Scheme to invest up to 100% of its assets in index futures, taking into account associated liquidity and settlement risks. In the case of investments in index futures, the risk–reward profile is expected to be comparable to that of a portfolio of shares replicating the index. However, the purchase of index futures may involve certain costs, and risks related to market liquidity and depth of the index futures segment may arise. Trading in index futures is not anticipated to result in any material investment loss for the Fund when compared to holding a physical portfolio of index constituents. The Fund shall not undertake any leveraged or speculative trading positions. The cost differential between investing in index futures and purchasing the 50 or 51 underlying stocks is influenced by factors such as carrying costs, interest income available to fund managers, and brokerage costs applicable in each case. Nevertheless, given the existing constraints in the Indian equity markets—such as limited liquidity in certain securities and the application of circuit breakers—index futures may enable the Fund to gain exposure to all index constituents at a marginal additional cost. This, in turn, may help fund managers minimize tracking error that could otherwise arise due to incomplete or inefficient execution

of trades.

Conversely, if execution and brokerage costs associated with index futures are high and returns on surplus funds are relatively low, investing in index futures may be less advantageous than purchasing the underlying 50 or 51 stocks. Actual returns may vary and will depend on prevailing market conditions, as well as the final guidelines, procedures, and trading mechanisms prescribed by stock exchanges and other regulatory authorities.

Trading in Derivatives by the Scheme

Subject to the provisions of the SEBI (Mutual Funds) Regulations, 1996, the Scheme may employ various techniques and instruments, including trading in derivative instruments, to hedge against risks arising from fluctuations in the value of its investment portfolio. In accordance with SEBI guidelines, exposure to derivative instruments shall be limited to the levels specified under the Scheme's asset allocation pattern. Derivatives are financial instruments whose value is derived from one or more underlying assets, which may include commodities, precious metals, bonds, currencies, or other financial instruments. Common examples of derivative instruments include, futures, and options.

a) The Scheme may utilize derivative instruments as part of its risk management strategy, including the purchase of call and put options on securities in which the Scheme invests, as well as on securities indices linked to such securities. Through the purchase and sale of futures contracts, along with related options, the Scheme may seek to hedge against a potential decline in the value of securities held in the portfolio or against an increase in the prices of securities that the Scheme proposes to acquire.
b) The Scheme may sell futures contracts on securities indices in anticipation of a decline in equity prices in order to offset a potential reduction in the value of its equity portfolio. Where such hedging strategies are effective, gains in the value of futures contracts may partially or fully offset losses in the investment portfolio, thereby limiting the impact on the Scheme's net asset value. Similarly, when the Fund is not fully invested and an upward movement in equity prices is anticipated, the Scheme may purchase futures contracts to obtain immediate market exposure, which may partially or fully offset the higher acquisition cost of equity securities that the Scheme intends to purchase.
c) Exposure to equity derivatives of the index itself or its constituent stocks may be undertaken when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period which shall not exceed 7 days. The exposure to derivatives will be rebalanced to align with the underlying index changes in weights or constituents.
d) Index futures/options are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement.
e) It can help in reducing the Tracking Error in the Scheme. Index futures/options may avoid the need for trading in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the individual stocks.
f) Index futures/options can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares comprising the underlying index and will be easy to settle compared to physical portfolio of shares representing the underlying index.
g) In case of investments in index futures/options, the risk/reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future/option. The Scheme will not maintain any leveraged or trading positions.

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Annexure 2

Liquidity/listing details	**Liquidity** The Scheme offers Units for Subscription and Redemption at NAV based prices on each Business Days on an ongoing basis, commencing not later than five business days from the date of allotment. **Listing** Since the Scheme is an open ended Funds of Funds scheme, Sale and Repurchase is available on a continuous basis and therefore, the Units of the Scheme are presently not proposed to be listed on any stock exchange. However, the Fund may at its sole discretion list the Units under the Scheme on one or more Stock Exchanges at a later date, and thereupon the Fund will make a suitable public announcement to that effect.
NAV disclosure	(Consolidated Std. Obs. 41) (Std. Obs. 17(a)) The AMC will calculate and disclose the first NAV within 5 Business Days from the date of allotment. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day. NAVs are determined for every Business Day except in special circumstances and calculated upto four decimal places. NAVs of the Scheme are made available on the website of AMFI (www.amfiindia.com) and the Mutual Fund (https://choicemf.com/) by 11.00 p.m. every Business day. The NAVs shall also be available on the call free number 1800 266 3866 and on the website of the Registrar CAMS (www.camsonline.com). In case of any delay in uploading on AMFI website, the reasons for such delay would be explained to AMFI and SEBI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.
Applicable timelines	**Dispatch of redemption proceeds:** The Fund shall dispatch the Redemption proceeds within 3 (three) Business Days from the date of acceptance of valid Redemption request at any of the Official Points of Acceptance of transactions. Further, Investors may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM- COR/ 74 / 2022-23 dated January 16, 2023 read with clause 14.2 of SEBI Master Circular dated June 27, 2024, the AMC may follow the additional timelines as prescribed. In case the Redemption proceeds are not made within 3 Business Days from the date of Redemption or Repurchase, interest will be paid @15% per annum or such other rate from the 4th day onwards, as may be prescribed by SEBI from time to time. Please refer to the SAI for details on exceptional scenarios. **Dispatch of IDCW:** Not Applicable.

Breakup of 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 Agent's fee, marketing and selling costs etc. as given in the table below.

The AMC has estimated that upto 1.00% (plus additional expenses as permitted under SEBI MF Regulations) of the daily net assets of the Scheme will be charged to the Scheme as expenses.

For the actual current expenses being charged, Investors should refer to the website of the Mutual Fund https://www.choicemf.com/daily-ter

Expense Head	% p.a. of daily Net Assets (Estimated p.a.)
Investment Management & Advisory Fee	Upto 1.00%
Audit fees/fees and expenses of trustees	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / Redemption cheques/ warrants	
Marketing & selling expenses including Agents' commission and statutory advertisement	
Listing and licensing fees	
Incentives to Market Makers	
Costs related to Investor communications	
Costs of fund transfer from location to location	
Cost towards Investor education & awareness^	
Goods & Services Tax on expenses other than investment and advisory fees@	
Brokerage and transaction cost (including GST) over and above 0.12% and 0.05% for cash and Derivative market trades respectively	
GST on brokerage and transaction cost	
Other Expenses*	
Maximum Total Expense Ratio (TER) permissible under Regulation 52 (6)(a)	Upto 1.00%
Additional expenses under Regulations 52(6A)(c)#	Upto 0.05%

* As permitted under Regulation 52 of the SEBI MF Regulations or such other basis as specified by SEBI from time to time.

	#In terms of clause 10.1.7 of Master Circular, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses. **^Investor Education and Awareness initiatives** (Consolidated Std. Obs. 43) As per clause 10.1.16 of Master Circular read with SEBI Circular No. SEBI/HO/IMD/PoD2/P/CIR/2024/183 dated December 31, 2024, the AMC shall set apart 5% of the total TER charged to Direct Plan, subject to maximum 0.5 bps of AUM under the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken. (Consolidated Std. Obs. 43) Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. as compared to the Regular Plan and no commission for distribution of Units will be paid/ charged under 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 Regular Plan. **@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. 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. The purpose of the above table is to assist the Investor in understanding the various costs and expenses that an Investor in the Plan(s) under the Scheme will bear directly or indirectly. The figures in the table above are estimates. The actual expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations. All scheme related expenses including commission paid to distributors, if any, by whatever name it may be called and in whatever manner it may be paid, shall necessarily paid from the scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustees or any other entity through any route in terms of SEBI circulars, subject to the clarifications provided by SEBI to AMFI vide letter dated February 21, 2019 as amended from time to time on implementation of clause 10.1.12 of Master Circular on Total Expense Ratio (TER) and performance disclosure for Mutual Fund. **Additional Expenses under Regulation 52 (6A):** (i) Brokerage and transaction cost incurred for the purpose of execution of trade shall be charged to the schemes as provided under Regulation 52 (6A) (a) upto 12 bps and 5 bps for cash market transactions and derivatives transactions (if permitted under the scheme)

respectively. Any payment towards brokerage and transaction costs, over and above the said 12 bps and 5 bps may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52.

(ii) Expenses not exceeding 0.05% p.a. of daily net assets towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of SEBI (MF) Regulations. Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable.

Additional incentives to distributors for onboarding new individual investors from B-30 cities and women investors

In order to encourage mutual fund distributors to expand their outreach and create awareness among new investors in terms of regulations 52(4A) of SEBI (MF) Regulations, 1996 the mutual fund distributors shall be eligible for additional commission in the following manner:
New individual investors (new PAN) from B-30 cities, at the mutual fund industry level
New women individual investors (new PAN) from both Top 30 and B-30 cities
Incentive Structure:

Sr	Investment Mode	Commission Structure
1	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
2	Systematic Investment Plan (SIP)	1% of the total investment made during the first year, subject to a maximum of ₹2,000

The additional distribution 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.

The additional commission specified above shall be in addition to the existing trail commission paid to the distributor from the scheme.

Distributors shall be eligible to receive the additional commission for mobilizing investments from new women investors from Top-30 cities and in cases where the commission for new investment from B-30 cities has not been claimed for the same woman investor/ investment. Dual incentives for the same investor/investment shall not be permitted. These provisions on additional incentive structure shall come into effect from March 01, 2026

Distributors shall be eligible to receive the additional commission for mobilizing investments from new women investors from Top-30 cities and in cases where the commission for new investment from B-30 cities has not been claimed for the same woman investor/ investment. Dual incentives for the same investor/investment shall not be permitted. These provisions on additional incentive structure shall come into effect from March 01, 2026 or any other effective date as communicated by SEBI from time to time.

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

All Scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily 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.

The AMC shall adhere to the provisions of Chapter 10 of the SEBI Master Circular dated June 27, 2024 and various guidelines specified by SEBI as amended from time to time, with reference to charging of fees and expenses. Expenses shall be charged / borne in accordance with the regulatory requirements as may be prevailing from time to time. Accordingly :

a. 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) can be paid out of AMC books at actual or not exceeding 2 bps of the AUM of the Scheme, whichever is lower.
b. The Fund / the AMC 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.
c. 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 Regular Plan.
d. No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the Investors.
e. List of such miscellaneous expenses as specified/amended by AMFI/SEBI from time to time.

Illustration in returns between Regular and Direct Plan (Consolidated Std. Obs. 44)

Particulars	Regular Plan	Direct Plan
Opening NAV (INR Rs) -> (a)	15	15
Scheme's Gross Return for the year -> (b)	10%	10%
Closing NAV before charging expenses -> (c)	16.5000	16.5000
Total Expense Charged in (INR Rs.) -> (d)	0.05	0.01
NAV after charging expenses -> (e) = (c) - (d)	16.4500	16.4900
Net Return to the investor	9.67%	9.93%

Note:

- *The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.*
- *It is assumed that the expenses charged are evenly distributed throughout the year. The expenses of the Direct Plan under the Scheme may vary with that of the Regular Plan under the Scheme.*
- *Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.*
- *Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each Investor is advised to consult his or her own financial advisor.*

For the actual current expenses being charged to the Scheme, the Investor should refer to the website of the Mutual Fund at https://www.choicemf.com/daily-ter. Any change in the expense ratio will be communicated to the Unit Holders through notice via SMS / e-mail at least three working days prior to the effective date of change. Such notice of change in TER shall also be

	updated on the AMC website at least three working days prior to effecting such change. **Total Expense Ratio(TER)** **TER for last 6 months and Daily TER** The AMC/Mutual Fund shall disclose the Total Expense Ratio(TER) of the Scheme on a daily basis on its website viz https://www.choicemf.com/daily-ter **Factsheet** The AMC on its website viz https://www.choicemf.com/disclosures/factsheets will provide a Factsheet of the Scheme on a monthly basis.
Definitions	Please refer the following link for Definitions/Interpretations : https://static.choicemf.com/Definitions_&_Interpretation.pdf
Risk factors	Scheme specific risk factors (Consolidated Std. Obs. 8) (Std. Obs. 2) The Scheme is subject to the specific risks that may adversely affect the Scheme's NAV, return and / or ability to meet its investment objective. The specific risk factors related to the Scheme include, but are not limited to the following: (i) Risks associated with Passive Investments: As the Scheme proposes to invest not less than 95% of the net assets in the securities of the Underlying Index in the same proportion, the Scheme will not be actively managed. Performance of the Underlying Index will have a direct bearing on the performance of the Scheme. The Scheme may be affected by a general decline in the Indian markets relating to its Underlying Index. The Scheme invests in the securities included in its Underlying Index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets. Further, it is pertinent to note that there is no element of research recommendations involved before the execution of trades in the Scheme. The decision of the Fund Manager to execute trades including rebalancing required will be purely driven by the inflows and outflows in the Scheme and composition of the Underlying Index. (ii) Tracking Error / Tracking Difference Risk: The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the Underlying Index due to certain factors such as the fees and expenses of the Scheme, corporate actions, cash balance, changes to the Underlying Index and regulatory policies which may affect AMC's ability to achieve close correlation with the Underlying Index of the Scheme. The Scheme's returns may therefore deviate from those of its Underlying Index. "Tracking Error" is defined as the standard deviation of the difference in daily returns between the Scheme and the Underlying Index annualized over 1 year period. Tracking difference is the

difference of returns between the Scheme and the index annualized over 1 year, 3 year, 5 year, 10 year and since the scheme inception period. Tracking Error / Tracking Difference may arise including but not limited to the following reasons: -

a. Expenditure incurred by the Scheme.
b. The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses. The Scheme may not be invested at all times as it may keep a portion of the funds in cash to meet redemptions or for corporate actions.
c. Securities trading may halt temporarily due to circuit filters.
d. Corporate actions such as debenture or warrant conversion, rights, merger, change in constituents etc.
e. Rounding off of quantity of shares in Underlying Index.
f. Dividend received from underlying securities.
g. Disinvestments by Scheme to meet redemptions, recurring expenses, etc.
h. Execution of large buy / sell orders
i. Transaction cost (including taxes and insurance premium), recurring expenses and other expenses, such as but not limited to brokerage, custody, trustee and investment management fees
j. Realisation of Unit holders' funds
k. The Scheme may not be able to acquire or sell the desired number of securities due to conditions prevailing in the securities market, such as, but not restricted to: circuit filters in the securities, liquidity and volatility in security prices.
l. The Index reflects the prices of securities at a point in time, which is the price at close of business day on BSE / National Stock Exchange of India Limited (NSE). The Scheme, however, may at times trade these securities at different points in time during the trading session and therefore the prices at which the Plan trade may not be identical to the closing price of each scrip on that day on the BSE / NSE. In addition, the Scheme may opt to trade the same securities on different exchanges due to price or liquidity factors, which may also result in traded prices being at variance, from BSE / NSE closing prices.
m. In case of investments in derivatives like index futures, the risk reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future. Further, there could be an element of settlement risk, which could be different from the risk in settling physical shares and there is a risk attached to the liquidity and the depth of the index futures market as it is relatively new market.

It will be the endeavour of the fund manager to keep the tracking error as low as possible. Under normal circumstances, such tracking error is not expected to exceed 2% per annum for daily 12 month rolling return. However, in case of corporate action events like, dividend received from underlying securities, rights issue from underlying securities or market events like circuit filters in the securities and market volatility during rebalancing of the portfolio following the rebalancing of the Underlying Index, etc. or in abnormal market circumstances, the tracking error may exceed the above limits. There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Index.

(iii) Stock Liquidity in the event of Circuit Filter

Liquidity of stocks which are available only in cash segment and not in F&O segment gets adversely impacted in the event of a circuit filter imposed by any of the stock exchanges. Further, this may result in gain/loss to existing unit holders when finally the purchase / sale of that stock is executed. This would also create tracking error while comparing returns with benchmark.

Transaction type	Upper circuit	Lower circuit
Subscription	The Scheme shall buy stocks as per basket wherever no circuit, In case of Circuit on any stock(s) in the basket, the Scheme shall: 1. Hold cash for stock(s) on circuit at the latest available price on the stock exchange when the circuit was triggered. 2. Buy the stock(s) immediately when circuit is open. This may impact performance and result in tracking error.	NA
Redemption	NA	The Scheme shall sell stocks as per basket if no circuit. In case of circuit on Stock(s) in the basket, the Scheme shall: 1. Pay from cash or cash equivalent or create cash to pay for stocks on circuit at the latest available price on the stock exchange when the circuit was triggered by selling other stocks which may impact performance and result in tracking error; 2. Sell stock immediately when circuit is open and re-balance portfolio which may impact performance and result in tracking error.

(iv) Risk factors associated with investing in equities and equity related instruments

- Equity shares and equity related instruments are volatile and prone to price fluctuations on a daily basis. Investments in equity shares and equity related instruments involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risks.
- 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. Investment in such securities may lead to increase in the scheme portfolio risk.
- 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 and may lead to the Scheme incurring losses till the security is finally sold.

- Scheme's performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.

(v) Risk factors associated with investing in Fixed Income Securities

The Scheme will invest not less than 95% of its corpus in the securities representing the Underlying Index as this Scheme endeavours to earn returns that correspond to the total returns represented by the Underlying Index. The Scheme will have insignificant cash or debt/money market investments. Therefore, the Scheme is not significantly susceptible to risks associated with debt/money markets.

The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market instruments, 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.

Money market instruments, 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.

Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.

Credit Risk: Investment in Debt instruments are subject to varying degree of credit risk or default (i.e. the risk of an issuer’s inability to meet interest or principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic or and political conditions specific to an issuer, all of which are factors that may have an adverse impact on an issuer’s credit quality and security values. The Investment Manager will endeavour to manage credit risk through in-house credit analysis. This may increase the risk of the portfolio.

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds and Money Market Instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Liquidity Risk: The Indian debt market is such that a large percentage of the total traded volumes on particular days might be concentrated in a few securities. Traded volumes for particular securities diff er significantly on a daily basis. Consequently, the scheme might have to incur a significant “impact cost” while transacting large volumes in a particular security.

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

Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. During the tenure of the security this spread may move adversely or favorably leading to fluctuations 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.

Risk of Rating Migration: It may be noted that the price of a rated security would be impacted with the change in rating and hence, there is risk associated with such migration.
Prepayment Risk: Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Scheme to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for 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.

Settlement risk: Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are uninvested, and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.

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. The price-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.

(vi) Risk factors associated with investment in TREPS Segments

As a member of the securities and TREPS segments of the Clearing Corporation of India (CCIL), all transactions of the Mutual Fund in Government Securities and in TREPS segments will be 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 of CCIL 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). The Mutual Fund will be exposed to the extent of its contribution to the default fund of CCIL at any given point in time. 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 allocated to the Scheme on a pro-rata basis.

(vii) General Risk Factors

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.

At times, due to the forces and factors affecting the capital market, the Scheme may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investments amounting to substantial reduction in the earning capability of the Scheme. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.

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 redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described under 'Right to Restrict Redemptions' in Section 'Restrictions, if any, on the right to freely retain or dispose of units being offered'.

Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

(viii) Risk factors associated with investing in Derivatives (Consolidated Std. Obs. 28) (Std. Obs. 5)

- The AMC, on behalf of the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance Unit holders' interest. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of 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. (Std. Obs. 5)

- Credit Risk: The credit risk in derivative transaction is the risk that the counter party will default on its obligations and is generally low, as there is no exchange of principal amounts in a derivative transaction.
- Market Risk: Market movements may adversely affect the pricing and settlement of derivatives.
- Illiquidity risk: This is the risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market. Lack of opportunity available in the market;
- 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.
- 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.
- Exchanges could raise 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.

(ix) Risks associated with Securities Lending (Std. obs. 6)

As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The scheme may not be able to sell lent out securities, which can lead to temporary illiquidity & loss of opportunity.

(x) Risk factors associated for investments in Mutual Fund Schemes

The Scheme may invest in units of Liquid and Overnight Schemes for liquidity purposes only.

1. Movements in the Net Asset Value (NAV) of these Schemes may impact the performance. Any change in the investment policies or fundamental attributes of these Schemes will affect the performance of the Scheme to the extent of investment in such schemes.
2. Redemptions by in these Schemes would be subject to applicable exit loads.

(xi) Risks relating to portfolio rebalancing:

In the event that the asset allocation of the scheme deviates from the ranges as provided in the asset allocation table in this SID, then the Fund Manager will rebalance the portfolio of the scheme to the position indicated in the asset allocation table.

(xii) Risks associated with segregated portfolio:

a. **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 will 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, the AMC shall list the units of the segregated portfolio on a recognized stock exchange within 10 working 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.

b. **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.

(xiii) Risks associated with investing in securitized debt:
The Scheme will not invest in securitized debt.

(xiv) Risks associated with investing in Foreign Securities:
The Scheme will not invest in Foreign Securities.

(xv) Risks associated with short selling:
The Scheme will not engage in short selling of securities.

Risk Management Strategies: (Consolidated Std. Obs. 9)

Risk Description	Risk Mitigants /management strategy
Equity Markets/ Equity Oriented Instruments	• Market Risk and Volatility: Market risk is a risk inherent to an equity scheme. Being a passively managed scheme, it will invest in the securities included in its Underlying Index. • Concentration / Sector Risk: Index Fund being a passive investment carries lesser risk as compared to active fund management. The portfolio follows the index and therefore the level of stock concentration in the portfolio and its volatility would be the same as that of the index, subject to tracking error. Thus, there is no additional element of volatility or stock concentration on account of fund manager decisions. The Risk Mitigation strategy revolves around minimizing the Tracking error through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Underlying Index as well as the

	incremental collections into / redemptions from the Scheme. • Liquidity Risks: As such the liquidity of some stocks that the scheme invests into could be relatively low. The fund will endeavor to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying stocks.
Market Risk / Interest Rate Risk As with all fixed income securities, changes in interest rates may affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.	The Scheme may invest in Money Market Instruments having relatively shorter maturity thereby mitigating the price volatility due to interest rate changes generally associated with long-term securities.
Liquidity risk 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 Scheme may invest in Money Market Instruments having relatively shorter maturity, which have low liquidity risk, as compared to medium to long maturity securities.
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).	Management analysis may be used for identifying company specific risks. Management's past track record may also be studied. Preference will be towards high quality instruments.
Derivatives	The Scheme may take an exposure to equity derivatives of constituents or index derivatives of the underlying index for short duration when securities of the index are unavailable, insufficient or for rebalancing at the time of change in index or in case of corporate actions, as permitted. All derivatives trade will be done only on the

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<tr><td></td><td>exchange with guaranteed settlement. Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID.</td></tr>
<tr><td>Securities Lending</td><td>The SLB shall be operated through Clearing Corporation/Clearing House of stock exchanges having nation-wide terminals who are registered as Approved Intermediaries (AIs).” The risk is adequately covered as Securities Lending & Borrowing (SLB) is an Exchange traded product. Exchange offers an anonymous trading platform and gives the players the advantage of settlement guarantee without the worries of counter party default. The fund manager will endeavor to recall the securities in case lent securities are to be sold.</td></tr>
<tr><td>Segregated Portfolio</td><td>In such an eventuality, it will be AMC’s endeavor to realise the segregated holding in the best interest of the investor at the earliest.</td></tr>
<tr><td>Tracking errors</td><td>Over a short period, the Scheme may carry the risk of variance between portfolio composition and Benchmark. The objective of the Scheme is to closely track the performance of the Underlying Index over the same period, subject to tracking error. The Scheme would endeavor to maintain a low tracking error by actively aligning the portfolio in line with the Index.</td></tr>
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<tr><td>Detailed disclosures regarding the index, index eligibility criteria, methodology, index service provider, index constituents, impact cost of the constituents</td><td>NIFTY 50 (Total Returns Index) (Consolidated Std. Obs. 25)

The NIFTY 50 Index is the flagship index on the National Stock Exchange of India Ltd. (NSE). The Index tracks the behavior of a portfolio of blue-chip companies, the largest and most liquid Indian securities. It represents the weighted average of 50 of the largest Indian companies listed on the NSE. Stocks are weighted using free float market capitalization methodology.

The review of NIFTY 50 is undertaken semi-annually based on data for six months ending January and July.

The Scheme proposes to invest in equity and equity related instruments of companies, which are constituents of the NIFTY 50 Index. Hence, it is an appropriate benchmark for the Scheme. Further, a Total Returns Index reflects the returns on the index from index gain/loss plus dividend payments by constituent index stocks. The performance will be benchmarked to the Total Returns Variant of the Index.

The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.

Portfolio Concentration Norms for Equity ETFs and Index Funds as per SEBI guidelines</td></tr>
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In accordance with clause 3.4 of Master Circular, the Index shall comply with the following portfolio concentration norms:
(a) The Index shall have a minimum of 10 stocks as its constituents.
(b) No single stock shall have more than 25% weight in the Index.
(c) The weightage of the top three constituents of the Index, cumulatively shall not be more than 65% of the Index.
(d) The individual constituent of the Index shall have a trading frequency greater than or equal to 80% and an average impact cost of 1% or less over previous six months.
The Scheme shall monitor compliance with the aforesaid norms by the Index at the end of every calendar quarter.
Further, the updated constituents of the Index will be made available on the website of the Fund.
Constituents Details as on February 27, 2026:

Sr. No.	Security Name	Weightage	Impact Cost
1	Adani Enterprises Ltd.	0.49	0.02
2	Adani Ports And Special Economic Zone Ltd.	0.98	0.03
3	Apollo Hospitals Enterprise Ltd.	0.70	0.01
4	Asian Paints Ltd.	0.94	0.02
5	Axis Bank Ltd.	3.46	0.02
6	Bajaj Auto Ltd.	0.96	0.02
7	Bajaj Finserv Ltd.	0.99	0.03
8	Bajaj Finance Ltd.	2.30	0.02
9	Bharat Electronics Ltd.	1.39	0.02
10	Bharti Airtel Ltd.	4.56	0.02
11	Cipla Ltd.	0.66	0.02
12	Coal India Ltd.	0.85	0.03
13	Dr. Reddy's Laboratories Ltd.	0.68	0.02
14	Eicher Motors Ltd.	0.96	0.01
15	Eternal Ltd.	1.54	0.03
16	Grasim Industries Ltd.	0.93	0.02
17	Hcl Technologies Ltd.	1.28	0.03
18	Hdfc Bank Ltd.	11.83	0.02

	19	Hdfc Life Insurance Company Ltd.	0.67	0.02
	20	Hindalco Industries Ltd.	1.17	0.02
	21	Hindustan Unilever Ltd.	1.81	0.02
	22	Icici Bank Ltd.	8.58	0.02
	23	Interglobe Aviation Ltd.	0.95	0.02
	24	Infosys Ltd.	3.97	0.02
	25	Itc Ltd.	2.63	0.03
	26	Jio Financial Services Ltd.	0.73	0.03
	27	Jsw Steel Ltd.	1.04	0.03
	28	Kotak Mahindra Bank Ltd.	2.66	0.02
	29	Larsen & Toubro Ltd.	4.38	0.02
	30	Mahindra & Mahindra Ltd.	2.64	0.02
	31	Maruti Suzuki India Ltd.	1.70	0.02
	32	Max Healthcare Institute Ltd.	0.71	0.03
	33	Nestle India Ltd.	0.81	0.03
	34	Ntpc Ltd.	1.58	0.03
	35	Oil & Natural Gas Corporation Ltd.	0.95	0.03
	36	Power Grid Corporation Of India Ltd.	1.18	0.03
	37	Reliance Industries Ltd.	8.20	0.01
	38	Sbi Life Insurance Company Ltd.	0.80	0.03
	39	State Bank Of India	4.34	0.02
	40	Shriram Finance Ltd.	1.32	0.02
	41	Sun Pharmaceutical Industries Ltd.	1.60	0.02
	42	Tata Consumer Products Ltd.	0.65	0.02
	43	Tata Steel Ltd.	1.53	0.02
	44	Tata Consultancy Services Ltd.	2.35	0.03

45	Tech Mahindra Ltd.	0.75	0.03
46	Titan Company Ltd.	1.56	0.02
47	Tata Motors Passenger Vehicles Ltd.	0.70	0.02
48	Trent Ltd.	0.75	0.02
49	Ultratech Cement Ltd.	1.31	0.02
50	Wipro Ltd.	0.50	0.02

List of official points of acceptance:	Please refer to the following link: https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fstatic.choicemf.com%2FCAMS%2BBranches.xlsx&wdOrigin=BROWSELINK
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	(Consolidated Std. Obs. 48 & Consolidated Std. Obs. 49)(Std. Obs. 20) Please refer to the following link: https://static.choicemf.com/Litigation.pdf
Investor services	Contact details for general service requests: Investors can enquire about NAVs, Unit holdings, valuation, IDCWs, etc or lodge any service request including change in the name, address, designated bank account number and bank branch, loss of Account Statement / Unit certificates, etc. to Computer Age Management Services Limited (CAMS) No.178/10, Ground floor, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai, Tamil Nadu 600034. Contact numbers : 18002663866 | E-Mail ID: enq_choicemf@camsonline.com |website: www.camsonline.com. Contact details for complaint resolution: Investor grievances are normally received at the Registered & Corporate Office of the AMC or at

	the Investor Service Centres or directly by the Registrar. All grievances are generally forwarded to the Registrar for necessary action. The complaints are closely followed up with the Registrar to ensure timely redressal and prompt investor service. The AMC will follow-up with the Investor Service Centres and Registrar on complaints and enquiries received from investors to resolve them promptly. Investors can also address their queries/grievances to Ms. Ratnavali Kalse, Choice AMC Private Limited Sunil Patodia Tower, Plot No 156-158 J.B. Nagar, Andheri (East), Mumbai 400099. Tel. No. : 69419999 – 902,Email - support@choicemf.com
Portfolio Disclosure	**Portfolio Disclosures:** The AMC shall disclose portfolio (along with ISIN) as on the last day of the quarter for the Scheme on the websites of the AMC (https://choicemf.com) and AMFI (www.amfiindia.com) within 10 days from the close of each quarter in a user-friendly and downloadable spreadsheet format. In case of unitholders whose email addresses are registered with the Fund, the portfolios disclosed as above shall be sent to the unitholders via email. The unitholders whose e-mail addresses are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database. **Portfolio Turnover:** As the Scheme follows a passive investment strategy, the endeavor is to minimize portfolio turnover subject to the exigencies and needs of the Scheme. Generally, as the Scheme is open-ended, turnover is confined to rebalancing of portfolio on account of new Subscriptions and Redemptions. A higher churning of the portfolio could attract high transactions of the nature of brokerage, custody charges, etc.
Detailed comparative table of the existing schemes of AMC	Not Applicable Presently Choice Mutual fund does not have any other Index Scheme.
Scheme performance	The Scheme is a new scheme and hence, this is currently not applicable
Periodic Disclosures such as Half yearly disclosures, half yearly results, annual report	(Consolidated Std. Obs. 38) **Quarterly Portfolio Disclosure** The AMC will disclose the scheme's portfolio on quarterly basis as on the last day of the quarter on or before 10th day from the close of each quarter in the prescribed format or within such timelines and manner as prescribed by SEBI from time to time on its website (https://choicemf.com) and on the website of AMFI (www.amfiindia.com). The same shall be send via email to the unitholders whose email addresses are registered with AMC/Mutual Fund. **Annual Report** The 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 account's year i.e. 31st March each year, whose e- mail address is registered with the Fund. The physical copies of the scheme wise Annual Report will be sent to those unitholders who have opted-in to receive physical copies, and the same will also be made available to the unitholders at the registered office of the AMC.

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 websites of the AMC and AMFI and the modes such as SMS, telephone, email or written request (letter), etc. through which Unit holders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof.

The physical copy of the scheme wise annual report or abridged summary shall be made available to the Investors at the registered office of the AMC. A link of the Scheme's annual report shall be displayed prominently on the website of the Mutual Fund (https://choicemf.com) and that of AMFI (www.amfiindia.com).

The AMC shall also provide a physical copy of an abridged summary of the annual report, without charging any cost, on specific request received from the unitholder.

Account Statements
Units issued by the AMC under the Scheme shall be credited to the Investor's beneficiary account with a Depository Participant (DP) of CDSL or NSDL. The AMC will endeavour to credit the units to the beneficiary account of the Unit holder within two Business Days from the date of receipt of credit of the funds.

Unit holders who have a Demat Account are requested to note the following :

Investors who have holdings in mutual funds and securities in their demat account shall receive a Consolidated Account Statement from the Depository.
• Consolidation of account statement shall be done on the basis of PAN. In case of multiple holdings, it shall be PAN of the first holder and pattern of holding.
• The CAS shall be generated on a monthly basis and shall be sent by the Depositories within twelve (12) days from the month end, to those Unit holder(s) who have opted for delivery via electronic mode and within fifteen (15) days from the month end, to those Unit holders who have opted for delivery via physical mode. The CAS as mentioned shall be sent to those Unit holders in whose folio(s)/demat account(s) transaction(s) has/have taken place during that month.
• As a green initiative measure, SEBI vide its circular no. SEBI/HO/MRD-PoD2/CIR/P/2024/93 dated July 1, 2024 has specified that the CAS shall be dispatched by e-mail to all the Investors whose e-mail addresses are registered with the Depositories and AMCs/MF-RTAs. However, where an Investor does not wish to receive CAS through e-mail, an option shall be given to the Investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs. The Depositories shall also intimate the Investor on a quarterly basis through the SMS mode specifying the e-mail id on which the CAS is being sent. In case there is no transaction in any of the mutual fund folios, then CAS detailing holdings of investments will be issued to Unit holders who have opted for delivery via electronic mode, on or before the eighteenth (18th) day of April and October and to Unit holders who have opted for delivery via physical mode, on or before the twenty-first (21st) day of April and October. However, where an Unit holder does not wish to receive CAS through e-mail, option shall be given to the Unit holder to receive the CAS in physical form at the address registered with the Depositories and the AMC/RTA.

Risk-o-meter:

	In accordance with paragraph 5.16 of SEBI Master Circular dated June 27, 2024, the AMC shall disclose: a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed b. risk-o-meter of the Scheme and benchmark while disclosing the performance of the Scheme vis-à-vis benchmark and c. details of the Scheme portfolio including the Scheme risk-o-meter, name of benchmark and risk-o- meter of benchmark while disclosing portfolio of the scheme. Risk-o-meter of the Scheme shall be evaluated on a monthly basis and shall be disclosed along with Scheme portfolio disclosure on the website of the Mutual Fund (https://choicemf.com) and that of AMFI (www.amfiindia.com) within 10 days from the close of each month. The AMC shall also disclose the risk level of its schemes as on March 31 of every year, along with the number of times the risk level has changed over the year, on its website and on AMFI's website. Any change in risk-o-meter of the Scheme shall be communicated by way of notice-cum-addendum and by way of an e-mail or SMS to the unitholders of the Scheme. **Scheme Summary Document** The scheme summary document for all the schemes of the Mutual Fund shall be disclosed on the websites of the AMC (https://choicemf.com), AMFI (www.amfiindia.com) and Stock Exchanges, containing details of the schemes including but not limited to scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. in 3 data formats i.e. PDF, spreadsheet and a machine readable format (either JSON or XML) on a monthly basis or whenever there is change in any of the specified fields, whichever is earlier, within 5 working days of such change. **Issuer / Group / Sector Disclosures:** The AMC shall disclose the following on monthly basis on its website on https://choicemf.com • Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme • Name and exposure to top 7 groups as a percentage of NAV of the scheme. • Name and exposure to top 4 sectors as a percentage of NAV of the scheme. Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of change.
Scheme factsheet	This is a new scheme, so link is currently not available. The AMC on its website viz https://choicemf.com/ will provide a Factsheet of the Scheme on a monthly basis.
Scheme specific disclosures	Please refer below following link for – Scheme Specific Disclosure Link will be created and provided at the time of launch of the scheme

Scheme Specific Disclosures

Portfolio Rebalancing	The Scheme, in general, will hold all the securities that comprise the underlying Index in the same proportion as the index. Expectation is that, over a period of time, the tracking error of the Scheme relative to the performance of the Underlying Index will be relatively low. The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible. Under normal market circumstances, such tracking error is not expected to exceed by 2% p.a. However, in case of events like, Income Distribution cum capital withdrawal issuance by constituent members, rights issuance by constituent members, corporate action, and market volatility during rebalancing of the portfolio following the rebalancing of the Underlying Basket, etc. or in abnormal market circumstances, the tracking error may exceed the above limits. The scheme will endeavor that at no point of time it deviate from the index. In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 calendar days. In the interest of investors, the AMC reserves the right to change the above asset allocation pattern due to corporate action activity undertaken in the underlying securities. In the event of involuntary corporate action, the fund shall dispose the security not forming part of the Underlying index within 7 calendar days from the date of allotment/ listing. **Portfolio rebalancing** As per SEBI Master Circular for Mutual Funds dated June 27, 2024, as amended from time to time, in case of change in constituents of the index due to periodic review, the portfolio of the scheme will be rebalanced within 7 calendar days. **Portfolio rebalancing in case of passive breaches :** In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 days. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. Any alteration in the investment pattern will be for short-term defensive consideration as per SEBI Master Circular for Mutual Funds dated June 27, 2024, the intention being at all times to protect the interests of the Unit Holders.
Disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions	Not applicable since the scheme is a new scheme. For detailed disclosure, kindly refer SAI
Investments of AMC in the Scheme Std. obs. 1	The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time and as specified In terms of sub-regulation 16(A) in Regulation 25 of SEBI (Mutual Funds) Regulations,1996 read along with clause 6.9 of SEBI Master Circular and AMFI Best Practice Guidelines circular No.100 /2022-23 on 'Alignment of interest of AMCs with the Unitholders of the Mutual Fund schemes', the AMC shall invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by the SEBI from time to time. However, as per the said guidelines, Index Fund scheme(s) are exempted from the purview of the aforesaid regulations and guidelines.

	In line with SEBI Regulations and circulars issued by SEBI from time to time, the AMC may invest its own funds in the scheme(s). Further, the AMC shall not charge any fees on its investment in the Scheme (s), unless allowed to do so under SEBI Regulations in the future. (consolidated std. obs. 58)
Taxation	For details on taxation please refer to the clause on Taxation in the SAI
Associate Transactions	This scheme is a new scheme and hence this disclosure is currently not available. For detailed disclosure, kindly refer SAI
Listing and transfer of units	Listing : Since the Scheme is an open ended scheme, Sale and Repurchase is available on a continuous basis and therefore, the Units of the Scheme are presently not proposed to be listed on any stock exchange. However, the Fund may at its sole discretion list the Units under the Scheme on one or more Stock Exchanges at a later date, and thereupon the Fund will make a suitable public announcement to that effect. Transfer : In accordance with clause 14.4.4 of SEBI Master Circular dated June 27, 2024, units of the Scheme that are held in electronic (demat) form, will be transferable and will be subject to the transmission facility in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time. If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence. The delivery instructions for transfer of units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode. Units held in non-demat form, unless otherwise restricted or prohibited, shall be freely transferable by act of parties or by operation of law. Transfer of Units will be subject to submission of valid documents and fulfillment of the eligibility requirements by the Unit holder/Investor as stated under AMFI best Practice guideline No.135/BP/ 116 /2024-25 dated August 14, 2024 and internal processes of the AMC, if any. For more details, please refer to the SAI.
Dematerialization of units	The AMC shall issue units in dematerialized form to a Unit holder in the Scheme within two Business Days of receipt of valid request from the Unit holder subject to receipt of complete documents and details from the Unit holder. In case, the Unit holder desires to hold the units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat (electronic) form or vice- versa should be submitted along with a Demat/Remat Request Form to their Depository Participants. Please refer to the SAI for further details.
Minimum Target amount (This is the minimum amount	The Scheme seeks to collect Rs. 5 crores as the minimum Subscription and would retain any excess Subscription collected. If the Scheme does not collect the minimum Subscription during the NFO, refund will be made within 5 Business Days from closure of the NFO.

required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	
Maximum Amount to be raised (if any)	There is no limit to the maximum amount that can be raised by the Scheme.
Dividend Policy (IDCW)	Not Applicable as Scheme currently does not offer IDCW Option.
Allotment (consolidated std. obs. 60) (Std. Obs. 18)	Subject to the receipt of the minimum subscription amount, allotment would be made to all the valid applications of the Unitholders received during the New Fund Offer (NFO) period. Full allotment will be made to all valid applications received during the New Fund Offer Period, subject to realization of funds. Allotment of Units shall be completed not later than 5 business days after the close of the New Fund Offer Period. Face value of units is Rs.10. On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of closure of NFO period will be sent to the Unitholders/ investors registered email address and/or mobile number. 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 asset management company 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 five working days from the date of closure of the initial subscription list or from the date of receipt of the application. In cases where the email does not reach the Unitholder/investor, the Fund/its Registrar & Transfer Agents will not be responsible, but the Unitholder/investor can request for fresh statement/ confirmation. The Unitholder/ investor shall from time to time intimate the Fund/its Registrar & Transfer Agents about any changes in his e-mail address. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonor of cheques issued by the investor for purchase of Units of the Scheme. Applicants under both the Direct and Regular Plan(s) offered under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in dematerialized form. (Consolidated Std. Obs. 57 (a)) Where investors/Unitholders have provided an email address, an account statement reflecting the units allotted to the Unitholder shall be sent by email on their registered email address.

	However, in case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement. Units in dematerialised form: (Consolidated Std. Obs. 57 (a) & (Consolidated Std. Obs. 57 (b)) Unit holders will have an Option to hold the units by way of an Account Statement or in Dematerialized ('Demat') form. Unit holders opting to hold the units in Demat form must provide their Demat Account details in the specified section of the application form. The Applicant intending to hold the units in Demat form are required to have a beneficiary account with a Depository Participant (DP) registered with NSDL / CDSL and will be required to indicate in the application the DP's name, DP ID Number and the Beneficiary Account Number of the applicant held with the DP at the time of purchasing Units. Unitholders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form or vice versa should be submitted to their Depository Participants. In case Unit holders do not provide their demat account details or the demat details provided in the application form are incomplete / incorrect or do not match with the details with the Depository records, the Units will be allotted in account statement mode provided the application is otherwise complete in all respect and accordingly an account statement shall be sent to them. **Post NFO allotment:** All Applicants whose cheques/payments towards purchase of Units have been realised will receive a full and firm allotment of Units, provided that the applications are complete in all respects and are found to be in order. Pursuant to Clause 8.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024, in respect of purchase of units of the Scheme, including switch-in and systematic transactions (Systematic Investment Plans (SIPs) and Systematic Transfer Plans (STPs)), the closing NAV of the day is applicable on which the funds are available for utilization irrespective of the size and time of receipt of such application. For further details, refer provisions specified under "Cut off timing for subscriptions/redemptions/switches" in this SID. Any redemption or switch out transaction in the interim is liable to be rejected at the sole discretion of the AMC. Subject to the SEBI Regulations, the AMC / Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in their sole discretion. The Mutual Fund reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by him/her/it for purchase of Units. No unit certificates will be issued.
Refund	If the application is rejected for any reason, full amount will be refunded within 5 Business Days from the date of Subscription as per the timestamp / Applicable NAV, where the application form / online transaction is received along with the payment and the funds have been realized. No interest will be payable on any Subscription money refunded within five Business Days as mentioned above. If refunded later than five Business Days, interest @15% p.a. for delay period will be paid to the applicant and charged to the AMC for the period from the day following the date of expiry of five Business Days until the actual date of the refund. Refund will be initiated in the name of the applicant in the case of a sole applicant and in the name of the first applicant in all other cases. In both cases, the bank account number and bank name, as specified in the application, will be considered for refund. The bank and/ or collection charges, if any, will be borne by the applicant. All the refund payments will be

	initiated in the manner as may be specified by SEBI from time to time. The bank and/ or collection charges, if any, will be borne by the applicant. All the refund payments will be sent by registered post or courier service or NEFT or RTGS or Direct credits or IMPS or any other electronic manner as required under the Regulations.
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 may apply for Subscription to the units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted under respective constitutions, relevant statutory regulations and with all applicable approvals): • Resident adult individuals either singly or jointly (not exceeding three) or on anyone or survivor basis. • Minor through parent/lawful guardian. • Companies, Bodies Corporate, Public Sector Undertakings, Co- operative societies, Association of Persons or Body of Individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions). • Charitable or religious trusts, wakf boards or endowments and registered societies (including registered co-operative societies) and private trusts authorized to invest in mutual fund schemes under their trust deeds. • Non-Government Organisations as may be permitted by their regulator. • Proprietorship in the name of the sole proprietor. • Partnership Firms and Limited Liability Partnerships (LLPs). • Hindu Undivided Family (HUF) in the name of Karta. • Banks (including Co-operative Banks and Regional Rural Banks), Financial Institutions and Investment Institutions. • Non-resident Indians/Persons of Indian origin residing abroad (NRIs) on full repatriation basis or on non-repatriation basis. • Foreign Portfolio Investors (FPIs) /sub-accounts registered with SEBI (subject to regulations / directions prescribed by the RBI/SEBI from time to time relating to FPI investments in mutual fund schemes) on repatriation basis. • Army, Air Force, Navy, para-military funds and other eligible institutions. • Scientific and Industrial Research Organizations. • Mutual funds / Alternative Investment Funds registered with SEBI. • Provident/Pension/Gratuity/Superannuation and such other retirement and employee benefit and other similar funds as and when permitted to invest. • International Multilateral Agencies or body corporates incorporated outside India approved by the Government of India/RBI. • Special Purpose Vehicles (SPVs) approved by appropriate authority (subject to RBI approval) • Unincorporated body of persons as may be accepted by the AMC/Trustee. • The Trustee, AMC or Sponsor of the Mutual Fund or their associates • Other schemes of Choice Mutual Fund, subject to the conditions and limits prescribed by SEBI and/or by the Trustee/ AMC. • Insurers, insurance companies / corporations registered with the Insurance Regulatory Development Authority. • Other categories of Investors who are permitted to invest in the Scheme as per their respective constitutions. The above list is indicative and the applicable law, if any, would supersede the above list. Investors are requested to ensure compliance with the regulatory guidelines applicable to them, while making such investments.
Who cannot invest	The following persons are not eligible to subscribe to the Units of the Scheme: • Residents in Canada. • United States Persons (U.S. Persons) and Non-resident Indians/Persons of Indian

	Origin residing in the United States and Canada. • Persons residing in the Financial Action Task Force (FATF) Non Compliant Countries and Territories (NCCTs). Any entity who is not permitted to invest in the Scheme as per its constitution / applicable regulations.
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.	The units under the Scheme once Repurchased, shall not be reissued.
Restrictions, if any, on the right to freely retain or dispose off units being offered.	The Units of the Schemes held in demat and non-demat mode may be transferable in line with applicable statutory requirements. In view of the same, additions/deletions of names will not be allowed under any folio of the scheme. However, the said provisions will not be applicable in case a person (i.e. a transferee) becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the units of the scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a unit holder (in respect of joint holdings) as this is treated as transmission of units and not transfer. Suspension of Sale and Redemption of Units: Suspension of Sale and Redemption of Units Suspension or restriction of repurchase/ redemption facility under any scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees and subject also to necessary communication of the same to SEBI. Pursuant to paragraph -No. 1.12 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, following requirements shall need to be observed before imposing restriction on redemptions: a) Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: I. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. II. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of

	transactions. Such unexpected events 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 black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems. b) Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. c) Any imposition of restriction would require specific approval of Board of AMC and Trustees and the same should be informed to SEBI immediately. d) When restriction on redemption is imposed, the following procedure shall be applied: 1. No redemption requests up to INR 2 lakh shall be subject to such restriction. 2. 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. The AMC / Trustee reserves the right to change / modify the provisions pertaining to the right to restrict Redemption of the Units in the Scheme(s) of the Fund in accordance with SEBI (Mutual Funds) Regulations.
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	The below cut-off timings and applicability of NAV shall be applicable in respect of valid applications received at the Official Point(s) of Acceptance on a Business Day: **A. Applicable NAV for Subscriptions / Switch-ins (irrespective of application amount):** 1. In respect of valid applications received upto 3.00 p.m. on a Business Day at the official point(s) of acceptance and funds received upto 3.00 p.m. for the entire amount of Subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme before the cut-off time on same day i.e. available for utilization before the cut-off time - the closing NAV of the day shall be applicable. 2. In respect of valid applications received after 3.00 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of Subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme either on same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable. 3. Irrespective of the time of receipt of application at the official point(s) of acceptance, where funds for the entire amount of Subscription/purchase (including switch-ins) as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable. **B. For Switch-ins of any amount:** For determining the applicable NAV, the following shall be ensured:

	Application for switch-in is received before the applicable cut-off time. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time. The funds are available for utilization before the cut-off time. In case of 'switch' transactions from one scheme to another, the allocation shall be in line with redemption payouts. In case of switches, the request should be received on a day which is a Business Day for the Switch-out scheme. Redemption for switch-out shall be processed at the applicable NAV as per cut-off timing. Switch-in will be processed at the Applicable NAV (on a Business Day) based on realization of funds as per the redemption pay-out cycle for the switch-out scheme. While the AMC will endeavour to deposit the payment instruments accompanying investment application submitted to it with its bank expeditiously, it shall not be liable for delay in realization of funds on account of factors beyond its control such as clearing / settlement cycles of the banks. 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. The aforesaid provisions shall also apply to systematic transactions i.e. Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP), etc. irrespective of the installment date. **C. Applicable NAV for Redemptions/Switch-outs :** In respect of valid applications received upto 3.00 p.m. on a Business Day by the Mutual Fund, the closing NAV of that same day shall be applicable. In respect of valid applications received after 3.00 p.m. on a Business Day by the Mutual Fund, the closing NAV of the next Business Day shall be applicable. "Switch Out" shall be treated as Redemption application and accordingly, closing NAV of the day will be applicable based on the cut- off time for Redemption followed for various type of schemes. "Switch In" shall be treated as purchase application and accordingly for unit allotment, closing NAV of the day will be applicable on which the funds are available for utilization.
Minimum balance to be maintained and consequence of non maintenance	Not Applicable. (Consolidated Std. Obs. 36)
Accounts Statements	The AMC shall send an allotment confirmation specifying the units allotted by way of e-mail and/or SMS within 5 working days of receipt of valid application/transaction to the Unit

	holder's registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form). A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent by the Depositories to the Unit holders in whose folio(s)/demat account(s), transaction(s) have taken place during the month, within twelve (12) days from the month end, to those Unit holders who have opted for delivery via electronic mode and within fifteen (15) days from the month end, to those Unit holders who have opted for delivery via physical mode. In case there is no transaction in any of the mutual fund folios / demat accounts of the Investor, half-yearly CAS with holding details shall be by the Depositories to those Investors that have opted for delivery via electronic mode, on or before the eighteenth (18th) day of April and October and to those Investors that have opted for delivery via physical mode, on or before the twenty-first (21st) day of April and October. However, where an Investor does not wish to receive CAS through e- mail, option shall be given to the Investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs. 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. For further details, refer SAI.
Dividend/ IDCW	Not applicable as Scheme currently does not offer IDCW Option
Redemption	The Redemption or Repurchase proceeds shall be dispatched to the unitholders within three working days from the date of Redemption or Repurchase. AMFI, in consultation with SEBI, has published a list of exceptional circumstances for schemes unable to transfer Redemption or Repurchase proceeds to Investors within the stipulated time as mentioned above, along with applicable time frame for transfer of Redemption or Repurchase proceeds to the unitholders in such exceptional circumstances. The said list is available on AMFI website. Investors are requested to note that it is mandatory to complete the KYC requirements for all Unit holders, including for all joint holders and the guardian in case of folio of a minor Investor. Accordingly, completion of KYC requirements shall be mandatory and all financial transactions (including Redemptions, switches etc.) will be processed only if the KYC requirements are completed. Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the designated Investor Service Centre of the Mutual Fund/CAMS.
Bank Mandate	As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications and therefore, Investors are requested to fill-up the appropriate box in the application form failing which applications are liable to be rejected. Additionally, if the bank details provided by Investors are different from the details available on instrument, the AMC may seek additional details from Investors to validate the bank details provided by Investors.
Delay in	The Asset Management Company shall be liable to pay interest to the unitholders @ 15%

payment of redemption / repurchase proceeds/dividend	per annum as specified vide paragraph 14.2 of the SEBI Master Circular dated June 27, 2024 for the period of such delay. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC/Trustee is required to obtain from the Investor/Unit holder, verification of identity or such other details relating to Subscription/Redemption for Units under any applicable law or as may be requested by a Regulatory Authority or any government authority, which may result in delay in processing the application.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount (Consolidated Std. Obs. 52)	The unclaimed Redemption amount may be deployed by the Mutual Fund in call money market, Money Market Instruments or separate plan of overnight scheme/ liquid scheme / money market mutual fund scheme floated specifically for deployment of the unclaimed amounts only. Provided that such schemes where the unclaimed Redemption and Dividend amounts are deployed shall be only those Overnight scheme/ Liquid scheme / 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 Investors who claim the unclaimed 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. Refer to SAI for full details.
Disclosure w.r.t investment by minors (Consolidated Std. Obs. 37)	A minor can invest through his/her parent/lawful guardian. Minors can complete their KYC requirements for their folio through guardians. Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor or from the joint account of the minor with parent or legal guardian. For further details, please refer to SAI.
Principles of incentive structure for market makers (for ETFs)	Not applicable
New Fund Offer Period	NFO opens on : March 19, 2026 NFO closes on : April 02, 2026 Minimum duration of the NFO will be 3 working days and will not be kept open for more than 15 days. Any changes in the NFO dates will be announced through an addendum uploaded on the AMC website (https://choicemf.com/). (Consolidated Std. Obs. 34)
New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10/- per unit.
Due diligence	

	i. The Scheme Information Document (SID) of Choice Nifty 50 Index Fund 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 launch of Nifty 50 Index Fund, as well as the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with. iii. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme. iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date. v. The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct. vi. A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/that there are no deviations from the SEBI MF Regulations. vii. Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable. viii. The Trustee (Choice Trustees Services Private Limited) has ensured that Choice Nifty 50 Index Fund, as approved by them, is a new product offered (NFO) by Choice Mutual Fund and is not a minor modification of any existing scheme/fund/product. Date : March 13, 2026 Name : Mayuresh Sonavane Place : Mumbai Designation : Compliance Officer
Fundamental Attribute (consolidated std. obs. 59) (Std.obs. 8)	Following are the “fundamental attributes” of the Scheme, in terms of in terms of clause 1.14 of SEBI Master Circular dated June 27, 2024: 1. Type of a scheme: An open-ended scheme replicating/tracking Nifty 50 Total Return Index. 2. Investment Objective • Main Objective: The investment objective of the Scheme is to generate returns that are commensurate with the performance of the NIFTY 50 Index (TRI), subject to tracking errors. The Total Returns Index is an index that reflects the returns on the index from index gain/ loss plus dividend payments by the constituent stocks.

	There is no assurance that the investment objective of the Scheme will be achieved Investment Pattern: Please refer SID (Asset Allocation) 3. Terms of Issue: • Listing: Please refer to Annexure 2 - Liquidity/listing details. • Redemption: Please refer to Section above. • Aggregate Fees and Expenses: Please refer to Annexure 2 - Break up of Annual Scheme Recurring Expenses. • Any safety net or guarantee provided- None. In accordance with Regulation 18(15A) and Regulation 25(26) of the SEBI (MF) Regulations and paragraph 1.14.1.4 of the SEBI Master Circular dated June 27, 2024, the Trustee shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s)/Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless: SEBI has reviewed and provided its comments on the proposal; A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and The Unit holders are given an option for a period of at least 30 calendar days to exit at the prevailing Net Asset Value without any Exit Load.
Investment restrictions (Std. obs. 11)	Pursuant to the SEBI MF Regulations as amended from time to time, the following investment restrictions are presently applicable: 1) The scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company. 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. 2) 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. 3) The Mutual Fund under all its scheme(s) shall not own more than ten percent of any company's paid up capital carrying voting rights. 4) The Scheme shall not invest more than 10% of its NAV in debt instruments comprising Money Market Instruments and non-Money Market Instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the SEBI Act as per the following matrix : a) 10% of its NAV in debt and money market securities rated AAA; or b) 8% of its NAV in debt and money market securities rated AA; or c) 6% of its NAV in debt and money market securities rated A and below issued by a single issuer. The above instrument limits may be extended by up to 2% of the NAV of the Scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of the Regulations.

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	Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and TREPs. Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with SEBI. Considering the nature of the Scheme, investments in such instruments will be permitted up to 5% of its NAV. 5) The Scheme shall not invest in unlisted commercial papers (CPs), other than (a) Government Securities, and (b) other Money Market Instruments. For the above purposes, listed instruments shall include listed and to be listed instruments. 6) The Scheme shall not invest more than 5% of its net assets in unrated Money Market Instruments, other than Government Securities, treasury bills, Derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. All such investments shall be made with the prior approval of the Boards of AMC and Trustee. Such investments would be made only 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. 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 a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the SEBI: Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the SEBI. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard. 8) The Scheme shall not make any investment in: i. any unlisted security of an associate or group company of the Sponsor; or ii. any security issued by way of private placement by an associate or group company of the Sponsor; or iii. the listed securities of group companies of the Sponsor which is in excess of 25 per cent of the net assets, except for investments made by the Scheme in compliance with such conditions as specified by SEBI. 9) The Fund shall get the securities purchased transferred in the name of the Fund on

account of the Scheme, wherever investments are intended to be of a long-term nature.

10) No loans for any purpose can be advanced by the Scheme.

11) The Scheme shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of Repurchase/Redemption of units or payment of interest and/or Dividend to the Unitholders, provided that the Scheme shall not borrow more than 20% of its net assets and the duration of the borrowing shall not exceed a period of 6 months.

12) Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park funds of the Scheme 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 the Scheme shall be treated as a period not exceeding 91 days.
- Such short-term deposits shall be held in the name of the Scheme.
- The Scheme shall not park more than 15% of its net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- The Scheme shall not park more than 10% of its 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 of a bank which has invested in the Scheme. The Boards of Trustee / AMC shall ensure that the bank in which the Scheme has short term deposit do not invest in the Scheme until the Scheme has short term deposit with such bank.
- The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

The above provisions will not apply to term deposits placed as margins for trading in cash market.

13) The Scheme shall not make any investment in a Fund of Funds scheme.

14) The scheme will also follow the following norms as specified by SEBI:

a) The Index shall have a minimum of 10 stocks as its constituents.
b) The weightage of the top three constituents of the index, cumulatively shall not be more than 65% of the Index.
c) The individual constituent of the index shall have a trading frequency greater than or equal to 80% and an average impact cost of 1% or less over previous six months.

The Scheme will comply with the relevant regulatory investment limits applicable to the investments of mutual funds from time to time. The Trustee may alter the above restrictions from time to time to the extent that changes in the relevant Regulations may allow and/or as deemed fit in the general interest of the Unitholders.

	All investment restrictions shall be applicable at the time of making the investment. There are no internal norms vis-à-vis limiting exposure to a particular scrip or sector, etc. apart from the aforementioned investment restrictions. (Consolidated Std. Obs. 19) (Std. obs. 13)
What are the Investment Strategies? (Consolidated Std. Obs. 28) (Std. obs. 7)	Choice NIFTY 50 Index Fund will be managed passively with investments in stocks comprising the Underlying Index subject to tracking error. The investment strategy would revolve around reducing the tracking error to the least possible extent through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections/redemptions in the Scheme. A part of the funds may be invested in debt and money market instruments, to meet liquidity requirements. Since the Scheme is index fund, it will only invest in securities constituting the Underlying Index. However, due to corporate action in companies comprising the index, the Scheme may be allocated/allotted securities which are not part of the index. Such holdings would be rebalanced within 7 Business Days from the date of allotment / listing of such securities. As part of the Fund Management process, the Scheme may use derivative instruments such as index futures and options, or any other derivative instruments that are permissible or may be permissible in future under applicable regulations. However, trading in derivatives by the Scheme shall be for restricted purposes as permitted by the Regulations. The investment strategy is to reflect or mirror the market returns with a minimum tracking error. The scheme may invest in derivative instruments for which investment strategy is given below: Tracking Error Tracking error is a measure of the difference in returns from the Scheme and the returns from the index. It is computed as the standard deviation of the difference between the daily returns of the underlying benchmark and the NAV of the Scheme on an annualized basis. Tracking error could be the result of a variety of factors including but not limited to: a) Delay in the purchase or sale of stocks within the benchmark due to: a. Illiquidity in the stock, b. Delay in realisation of sale proceeds, b) The scheme may buy or sell the stocks comprising the index at different points of time during the trading session at the then prevailing prices which may not correspond to its closing prices; c) The potential for trades to fail, which may result in the Scheme being not able to acquire the required stocks at a price necessary to track the benchmark price. d) The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses. e) Investment in Debt and money market instruments to meet redemption / other liquidity requirements. f) Addition or Removal of stocks from the index-by-index service provider g) Disinvestment to meet redemption, recurring expenses, income distribution cum capital withdrawal payouts etc. h) Execution of large buy / sell orders i) Transaction cost and recurring expenses; j) Delay in realisation of Unit holders' funds k) Levy of margins by exchanges The Scheme will endeavour to minimise the tracking error by: a) Rebalancing of the portfolio; b) Setting off of incremental subscriptions against redemptions; The annualized standard deviation of the difference between the daily returns of the underlying index and the Scheme's NAV, calculated on the basis of rolling data for the

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<td>preceding one-year period, shall not exceed 2%. In the event of unavoidable circumstances of a force majeure nature that are beyond the control of the AMC, the tracking error may exceed the 2% threshold. Any such deviation shall be reported to the Trustees, along with details of corrective measures undertaken by the AMC, if applicable.
For index fund in existence for a period of less than one year, the annualized standard deviation shall be calculated based on available data.
There can be no assurance or guarantee that the Scheme will achieve any particular level of tracking error relative to performance of the Index.
Tracking Difference
Tracking difference is the annualized difference of daily returns between the index and the NAV of the Index Fund.
Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the debt schemes of Mutual Funds in terms of the prevailing SEBI (MF) Regulations.
Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsor/Trustee does not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are offered under the Scheme. (Consolidated Std. Obs. 27)</td>
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<td>Who Manages the Scheme (Consolidated Std. Obs. 33) (Std. obs. 10)</td>
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<table>
<tr><th>Name</th><th>Age / Qualification</th><th>Brief Experience</th><th>Other schemes managed / co-managed</th></tr>
<tr>
<td>Mr. Rochan Pattnayak</td>
<td>47

M.B.A. (Indian School of Business, Hyderabad)</td>
<td>Mr. Rochan Pattnayak has over 15 years of work experience in the financial services industry.

Please find below brief details of his experience:

1. 2020-2024: Head of Institutional Research – Choice Equity Broking.
2. 2019-2020: Fund Manager – Quant Capital Finance & Investments Private Limited
3. 2017-2019: Sr. Investment Analyst - Edelweiss Asset Management
4. 2011-2016: Research Analyst – Indus Equity Advisors
5. 2008-2010: Trading Analyst – Wolverine Equities & Markets UK</td>
<td>• Choice Gold ETF</td>
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<td>Where will the scheme invest? (Consolidated Std. Obs. 29)</td>
<td>The Choice Nifty 50 Index Fund is a passively managed scheme that primarily invests in equity shares of companies that form part of the Nifty 50 Index, as constituted from time to time. Since the scheme follows a passive investment approach, it does not involve active stock selection and instead holds securities in the same weightage as the Nifty 50 Index,</td>
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(Std. obs. 15)	irrespective of their individual investment attractiveness. As a passive index fund, the scheme seeks to replicate the performance of the Nifty 50 Index by maintaining an identical portfolio composition, with returns subject to tracking error. The corpus of the Scheme can be invested in any (but not exclusively) of the following securities / instruments : 1) Equity and equity related instruments of the Underlying Index 2) Reverse Repo and/or Tri-Party Repo on Government Securities and/or Treasury bills 3) Cash & Cash Equivalents which include Government Securities, T-bills and Repo on Government Securities having residual maturity of less than 91 days. 4) Money Market Instruments which 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, and any other like instruments as specified by the Reserve Bank of India from time to time to meet the liquidity requirements. 5) Units of money market / liquid mutual fund schemes/ Overnight Schemes, subject to requisite regulatory guidelines. 6)Debt Securities • Non-Convertible Debentures. • Bonds; • Secured Premium Notes; • Zero Interest Bonds; • Deep Discount Bonds; • Floating Rate Bond/Notes; • Non-Convertible Preference Shares • Any other domestic fixed income security 7) Derivatives & Hedging Products As part of its investment strategy, the Scheme may engage in transactions involving derivative instruments such as index futures, stock futures, options contracts, warrants, convertible securities, swap agreements, or any other derivative instruments that are permitted or may be permitted in the future under applicable regulatory frameworks. All such investments shall be undertaken in line with the investment objectives of the Scheme. The risk–reward profile associated with index futures would be comparable to that of a portfolio of equity shares representing an index. However, the purchase of index futures may involve certain costs. In addition, there may be settlement risks associated with derivative transactions, which could differ from the risks involved in the settlement of physical shares. Such settlement risks are expected to be mitigated where the exchange functions as the clearing corporation and counterparty to the transaction. Further, risks related to the liquidity and depth of the index futures market may arise. Trading in index futures is not expected to result in any material investment loss for the Fund as compared to holding a portfolio of shares replicating the index. The Fund shall not undertake any leveraged or speculative trading positions. The scheme will comply with all applicable circulars issued by SEBI as regard to derivatives viz. provision no. 7.5,7.6,12.24 and 12.25 of SEBI Master Circular on Mutual Fund dated June 27, 2024. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. (Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: Government Securities, T-Bills & Repo on Government Securities). **Options**

An option gives a person the right but not an obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.
An option contract may be of two kinds:

a) Call option: An option that provides the buyer the right to buy is a call option. The buyer of the call option can call upon the seller of the option and buy from him the underlying asset at the agreed price. The seller of the option has to fulfil the obligation upon exercise of the option.

b) Put option: The right to sell is called a put option. Here, the buyer of the option can exercise his right to sell the underlying asset to the seller of the option at the agreed price.

Option contracts are classified into two styles:

a) European Style: In a European option, the holder of the option can only exercise his right on the date of expiration only.

American Style: In an American option, the holder can exercise his right anytime between the purchase date and the expiration date.

8) Any other securities / instruments as may be permitted by SEBI from time to time, subject to requisite regulatory approvals, if any.

The securities mentioned above could be privately placed, secured, unsecured and of any maturity.
The securities may be acquired through secondary market operations, private placement, rights offers or negotiated deals.

- 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 under clause 12.16 of the SEBI Master Circular dated June 27, 2024. 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.

INVESTMENT IN DERIVATIVE INSTRUMENTS
As part of the fund management process, the Trustee Company may allow the use of derivative instruments, including index futures, stock futures, options contracts, warrants, convertible securities, swap agreements, or any other derivative instruments that are permitted or may be permitted in the future under applicable regulatory provisions. All such investments shall be undertaken in accordance with the investment objectives of the Scheme.
Index futures are intended to provide an efficient mechanism for buying or selling an index, as compared to transacting in a portfolio of physical shares representing the index, thereby facilitating ease of execution and settlement. The use of index futures may serve as an effective means of achieving the Scheme's investment objective and, notwithstanding pricing considerations, may assist in reducing the Scheme's tracking error. Additionally, index futures may eliminate the need to trade in individual index constituents, which may at times be constrained due to circuit filter limits and liquidity conditions in certain securities.

	The use of index futures may assist in reducing transaction and processing costs, as executing a single trade is operationally more efficient than executing multiple trades in the individual equity shares constituting the Nifty 50 Index. Additionally, index futures offer relative ease of settlement when compared to a physical portfolio of shares representing the index. Subject to prevailing and future regulatory frameworks, the Trustee Company may permit the Scheme to invest up to 100% of its assets in index futures, taking into account associated liquidity and settlement risks. In the case of investments in index futures, the risk–reward profile is expected to be comparable to that of a portfolio of shares replicating the index. However, the purchase of index futures may involve certain costs, and risks related to market liquidity and depth of the index futures segment may arise. Trading in index futures is not anticipated to result in any material investment loss for the Fund when compared to holding a physical portfolio of index constituents. The Fund shall not undertake any leveraged or speculative trading positions. The cost differential between investing in index futures and purchasing the 50 or 51 underlying stocks is influenced by factors such as carrying costs, interest income available to fund managers, and brokerage costs applicable in each case. Nevertheless, given the existing constraints in the Indian equity markets—such as limited liquidity in certain securities and the application of circuit breakers—index futures may enable the Fund to gain exposure to all index constituents at a marginal additional cost. This, in turn, may help fund managers minimize tracking error that could otherwise arise due to incomplete or inefficient execution of trades. Conversely, if execution and brokerage costs associated with index futures are high and returns on surplus funds are relatively low, investing in index futures may be less advantageous than purchasing the underlying 50 or 51 stocks. Actual returns may vary and will depend on prevailing market conditions, as well as the final guidelines, procedures, and trading mechanisms prescribed by stock exchanges and other regulatory authorities. **Trading in Derivatives by the Scheme** Subject to the provisions of the SEBI (Mutual Funds) Regulations, 1996, the Scheme may employ various techniques and instruments, including trading in derivative instruments, to hedge against risks arising from fluctuations in the value of its investment portfolio. In accordance with SEBI guidelines, exposure to derivative instruments shall be limited to the levels specified under the Scheme's asset allocation pattern. Derivatives are financial instruments whose value is derived from one or more underlying assets, which may include commodities, precious metals, bonds, currencies, or other financial instruments. Common examples of derivative instruments include interest rate swaps, forward rate agreements, futures, and options. a) The Scheme may utilize derivative instruments as part of its risk management strategy, including the purchase of call and put options on securities in which the Scheme invests, as well as on securities indices linked to such securities. Through the purchase and sale of futures contracts, along with related options, the Scheme may seek to hedge against a potential decline in the value of securities held in the portfolio or against an increase in the prices of securities that the Scheme proposes to acquire. b) The Scheme may sell futures contracts on securities indices in anticipation of a decline in equity prices in order to offset a potential reduction in the value of its equity portfolio. Where such hedging strategies are effective, gains in the value of futures contracts may partially or fully offset losses in the investment portfolio, thereby limiting the impact on the Scheme's net asset value. Similarly, when the Fund is not fully invested and an upward movement in equity prices is anticipated, the Scheme may purchase futures

	contracts to obtain immediate market exposure, which may partially or fully offset the higher acquisition cost of equity securities that the Scheme intends to purchase. c) Exposure to equity derivatives of the index itself or its constituent stocks may be undertaken when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period which shall not exceed 7 days. The exposure to derivatives will be rebalanced to align with the underlying index changes in weights or constituents. d) Index futures/options are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. e) It can help in reducing the Tracking Error in the Scheme. Index futures/options may avoid the need for trading in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the individual stocks. f) Index futures/options can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares comprising the underlying index and will be easy to settle compared to physical portfolio of shares representing the underlying index. g) In case of investments in index futures/options, the risk/reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future/option. The Scheme will not maintain any leveraged or trading positions. ***Example: Please note that below mentioned examples are purely for illustration purpose only and actual exposure may vary to a greater extend in line with the regulatory directives.*** Subject to SEBI (Mutual Fund) Regulations, 1996, The Scheme may invest in Derivative Instruments to the extent permitted under provision no. 7.5,7.6,12.24 and 12.25 of SEBI Master Circular on Mutual Fund dated June 27, 2024. a) The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme. b) For other option contracts, the total exposure related to option premium paid will not exceed 20% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. (Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: Government Securities, T-Bills & Repo on Government Securities. c) Exposure due to hedging positions shall not be included in the above-mentioned limits subject to the following: (i) Hedging positions are the derivatives positions that reduce possible losses on an existing position in securities and till existing position remains.

(ii) Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall have to be added and treated under the limits mentioned above.

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

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

(v) Mutual funds are allowed to 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: (Portfolio Modified Duration * Market Value of the Portfolio) / Futures Modified Duration * Futures Price or PAR).

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

Definition of Exposure in case of Derivative Positions
Every position undertaken in derivative instruments shall carry an associated exposure, as defined herein. Exposure represents the maximum potential loss that may arise from a given position. However, it is acknowledged that certain derivative positions may, in theory, entail an unlimited potential loss. The exposure for derivative positions shall be calculated in the manner set out below:

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

Position Limits for Mutual Fund & Its Scheme

Position Limit for Index Options & Index Futures Contracts	
Index Options Contract*	On a particular underlying index Rs. 500 Crore or 15% of the total open interest of the market in equity Index options contracts, whichever is higher.
Index Futures Contract**	On a particular underlying index Rs. 500 Crore or 15% of the total open interest of the market in equity Index futures contracts, whichever is higher.

** This limit would be applicable on open positions in all options contracts on a particular*

underlying index.
*** This limit would be applicable on open positions in all futures contracts on a particular underlying index.*

Additional Position Limit for Hedging	
In addition to the position limits as mentioned 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.
Position limit for Stock Options and Stock Futures Contracts	
The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL). This limit would be applicable on aggregate open positions in all futures and all option contracts on a particular underlying stock.	

Position limit for each scheme of a Mutual Fund
The scheme-wise position limit requirements shall be:

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
    a. 1% of the free float market capitalization (in terms of number of shares); or
    b. 5% of the open interest in the derivative contracts on a particular underlying stock (in term of number of contracts)

2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

3. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

4. 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.

Derivative Instruments and Related Examples:
A futures contract represents an agreement between a buyer and a seller to purchase or

sell a specified asset at a predetermined price on a specified future date. The price at which the underlying asset will be exchanged is fixed at the time the contract is entered into. The actual transfer of the underlying asset, including the payment of cash and delivery, occurs only on the contract's designated settlement date.

A futures contract imposes a binding obligation on both parties to perform in accordance with the terms of the contract. At present, futures contracts typically have a maximum maturity cycle of three months. A futures contract based on a stock market index provides the holder with both the right and the obligation to buy or sell a portfolio of stocks represented by the index. Stock index futures are settled in cash and therefore do not involve the physical delivery of the underlying securities.

Example:

Index Future	
Assume, 1-month Nifty 50 Future Price on Day 1	10110
Scheme Buys	100
(1 lot = Nominal Value Equivalent to 75 Units of the underlying index)	
Scenario 1	
On the date of settlement, the future price (closing spot price of the index)	10200
Profit for the scheme (10,200 – 10,110) * 100.75	675000
Scenario 2	
On the date of settlement, the future price (closing spot price of the index)	10050
Loss for the scheme (10050 - 10110) * 100 * 75	-450000

Risks associated with Future Contracts: 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 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. Additional risks could be on account of illiquidity and potential mispricing of the futures.

Options:

An option gives a person the right but not an obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

Example:

Call Option	
For e.g. Scheme buys 1 lot of Nifty 50 Index Call Option (1 lot = 75 units)	75
Spot Price	10000
Strike Price	10100

Premium	100
Total amount paid as premium (Rs) (100*75)	7500
Scenario 1: The Nifty 50 Index goes up (i.e. Nifty 50 Spot)	10250
a) Scheme has closed the position before expiry of the contract	
Current Premium at the time of closing the trade (i.e. sale of the option)	200
Net Gain Rs. (200 Less 100)	100
Total gain on 1 lot of Nifty 50 (75 Units) Rs. (75 x 100)	7500
b) Scheme has closed the position (i.e. Nifty 50 Option) at Expiry	
Nifty 50 Spot on Expiry	10275
Premium Paid (Rs.)	100
Exercise Price	10100
Receivables on Exercise (10275 - 10100)	175
Total Gain (Rs.) (175-100)*75	5625
Scenario 2: The Nifty 50 Index moves to the level below 10,100	
Scheme does not gain anything but the loss to the scheme (limited to the actual premium paid)	***7500***

Put Option	
For e.g. Scheme buys 1 lot of Nifty 50 Index Put Option(1 lot = 75 units)	75
Spot Price	10000
Strike Price	9450
Premium	50
Total Amount Paid by the Scheme (75*50)	3750
Scenario 1: Nifty 50 Index Goes Down	
Scheme has closed before expiry of the contract	
Nifty 50 Spot	9300
Current Premium at the time of closing the contract	80
Premium Paid (Rs.)	50
Net Gain (Rs. 80 - Rs 50)	30
Total Gain on 1 lot of Nifty 50 (Rs.) (75*30)	2250
Scheme has reversed the position at expiry	
Nifty 50 spot	9375
Premium Paid (Rs.)	50
Exercise Price	9450
Gain on Exercise	75
Total Gain (75-50)*75)	1875

Scenario 2: If Nifty 50 Index Stays over the strike price of 9450	
Say Nifty 50 Spot	9500
Net Loss to the scheme will be premium paid	**3750**

Risks associated with Option Contracts: The option contracts give a person the right but not an obligation to buy or sell. The risk is potential mispricing and exposure to options can limit the profits from a genuine investment transaction.

Additional Derivatives Strategies:

1. Index / Stock spot - Index / Stock Futures

The pricing of futures contracts is derived from the spot price of the underlying index or stock. The relationship between futures prices and the underlying portfolio is governed by the cost of carry, which ensures that the value of the futures contract remains linked to the underlying asset. When discrepancies arise between the futures price and the spot price, arbitrage opportunities may emerge.

The cost of carry connects the futures price to the price of the underlying asset and generally results in futures prices being higher than the corresponding spot prices at any given point in time. In theory, the fair value of a futures contract is equal to the spot price of the underlying asset plus the cost of carry, which reflects the prevailing interest rate for an equivalent credit risk. On certain occasions, cash-and-carry arbitrage transactions may yield returns exceeding prevailing interest rates, presenting opportunities to sell overvalued futures contracts while simultaneously purchasing the underlying portfolio.
Conversely, an index or stock future may trade at a discount to its spot price. In such circumstances, the Scheme may purchase the futures contract and sell the underlying stock after borrowing it. These transactions shall be executed simultaneously.
If the Scheme is required to unwind such positions prior to contract expiry due to redemptions or other considerations, the resultant returns will depend on the spread between the spot price and the futures price prevailing at the time of unwinding. Where the price differential between the spot and futures contracts of the subsequent maturity month is favourable near expiry, the Scheme may roll over the futures position and continue holding the corresponding exposure in the spot market.
The Scheme shall seek to deploy its assets using such strategies, which may involve combinations of index futures and stock futures, or futures contracts on the same stock with different maturity dates.

2. Cash Futures Arbitrage Strategy

The Fund may seek to identify arbitrage opportunities arising between the spot market and the futures market. A cash–futures arbitrage strategy may be employed when futures prices trade at a premium to the corresponding spot prices of the underlying stocks. Under such circumstances, the Fund would purchase the securities in the cash market and simultaneously sell the corresponding futures contracts in order to lock in the price spread. This strategy results in a hedged position, whereby the Fund's portfolio secures the spread and remains largely insulated from price movements in both the spot and futures markets. The arbitrage position may be maintained until the expiry of the futures contracts. Futures contracts are settled based on the weighted average price of trades executed in the cash market during the last half hour of trading. At expiry, convergence between the spot and futures prices enables the portfolio to realize the arbitrage return that was locked in at the

time of initiating the strategy.
The position may, however, be unwound prior to expiry if the price differential is realized earlier or if more attractive arbitrage opportunities emerge in other stocks or indices. The strategy is considered viable when the net price differential, after accounting for all associated costs, exceeds the investor's cost of capital.

Example of a Cash vs Futures Arbitrage Strategy:
Buy 100 Shares of Company A at Rs 1000 and Sell the same quantity of stock's futures of the Company X at Rs. 1100.

1. **Market goes up and the price on the expiry day is Rs. 2000**

At the end of the month (expiry day) the futures expire automatically:
Settlement price of futures = closing spot price = Rs. 2000
Gain on stock is 100*(2000-1000) = Rs. 1,00,000
Loss on futures in 100*(1100-2000) = Rs. – 90,000
Net Gain is 100,000 – 90,000 = Rs 10,000

2. **Market goes down and the price on the expiry day is Rs. 500.**

At the end of the month (expiry day) the futures expire automatically:
Settlement price of futures = closing spot price = Rs 500
Loss on stock is 100*(500-1000) = Rs – 50,000
Gain on futures is 100*(1100-500) = Rs. 60,000
Net Gain is Rs 60,000 – Rs. 50,000 = Rs. 10,000

3. **Unwinding the position**

Buy 100 shares of Company X at Rs 1000 and sell the same quantity of stock's futures of the Company X at Rs 1100.
The market goes up and at some point, of time during the month (before expiry) the stock trades at Rs 1200 and the futures trades at Rs 1190 then
Fund Manager will unwind the position:
Buy back the futures at Rs 1190: loss incurred is (1100- 1190) *100 = Rs – 9,000
Sell the stock at Rs 1200: gain realized: (1200-1000) *100 = Rs 20,000
Net gain is 20,000 – 9,000 = Rs 11,000

4. **Rolling over the futures**

The Scheme may continue to stay invested in the stock in the Cash market. Close to expiry, if the stock's price is at Rs 1500 then the stock's futures is close to Rs 1500 as well. Also, if the price of the current month stock futures is below the current price of the next month stock futures, the scheme may roll over the futures position to the next expiry:
The price of the stock futures next month contract is at Rs 1510
The price of the stock futures current month contract is at Rs 1500
Then sell the futures next month contract at Rs 1510 and buy back current month futures contract at Rs 1500 = gain of 100*(1510-1500) = Rs 9,000 and the arbitrage position is rolled over.

Computation of NAV

The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time:

Market or Fair Value of Scheme's investments	+	Current Assets	-	Current Liabilities and Provisions

No. of Units outstanding under the Scheme

The Units are available at the Applicable NAV based prices.
The NAV of the Scheme will be calculated and disclosed at the close of every Business Day.
The NAV of the Scheme will be calculated upto 4 decimals. Units will be allotted upto 3 decimals.

The Net Asset Value (NAV) of the Units of the Scheme will be computed by dividing the Net Assets of the Scheme by the total number of Units outstanding on the valuation date.

Illustration for Computation of NAV:

NAV for the Scheme shall be calculated as shown below:

Particulars	**Amount (In INR)**
Assets	
Investments (at Market Value)	15,000
(Equity/Debt/Derivatives)	
Current Assets	
Interest receivable Dividend Receivables Trades Receivables	1,000 550 1,500
Total Assets (A)	18,050
Current Liabilities	
Trade Payables Expense Payable Dividend payable	3005 85 110
Total Liabilities (B)	3,200
Net Assets I (A – B)	14,850
Units Outstanding (D)	1,000
NAV per unit (C/D)	₹ 14.85

METHODOLOGY FOR CALCULATION OF SALE AND REPURCHASE PRICE

Ongoing Price for subscription (purchase)/ switch-in (from other schemes/ plans of the mutual fund) by investors. (This is the price you need to pay for purchase/ switch-in):

	The Sale Price for a valid purchase will be the Applicable NAV. i.e. Sale Price = Applicable NAV For a valid purchase request of Rs. 10,000 where the applicable NAV is Rs. 11.1234, the units allotted will be: = 10,000 (i.e. purchase amount) 11.1234 (i.e. applicable NAV) = 899.006 units (rounded to three decimals) **Charges/expenses, if any, borne by the investors have not been considered in the above illustration.** **Ongoing Price for redemption (sale)/ switch-outs (to other schemes/plans of the mutual fund) by investors. (This is the price you will receive for redemptions/ switch-outs):** The Repurchase Price for a valid repurchase will be the applicable NAV reduced by any exit load (say 1%). i.e. applicable NAV – (applicable NAV X applicable exit load). For a valid repurchase request where the applicable NAV is Rs. 12.1234, the repurchase price will be: = 12.1234 – (12.1234 X 1.00%) = 12.1234 – 0.1212 = Rs. 12.0022 Therefore, for a repurchase of 899.006 units, the proceeds received by the investor will be – = 899.006 (units) * 12.0022 (Repurchase price) = Rs. 10,790.02 (rounded to two decimals) **Charges/expenses, if any, borne by the investors have not been considered in the above illustration.** While determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 97 per cent of the Net Asset Value. For other details such as policies with respect to computation of NAV, rounding off, procedure in case of delay in disclosure of NAV etc. refer to SAI.