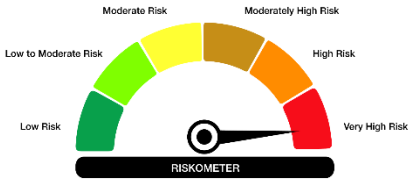
**SCHEME INFORMATION DOCUMENT**

**SECTION I**

**JioBlackRock Life Cycle Fund 2056**

(An open ended fund with attributes of pre-determined maturity and glide path for goal based investing)

| **This product is suitable for investors who are seeking*** | **Risk-o-meter of the Scheme:** | **Risk-o-meter of the Benchmark: Nifty 500 TRI (70%) + Nifty Composite Debt Index (25%) + Domestic Price of Gold (3%) + Domestic Price of Silver (2%) (As per AMFI Tier I Benchmark)** |
|---|---|---|
| • Long-Term Capital Appreciation aligned with target year (2056)<br>• Investment in a portfolio where the asset allocation follows a pre-defined glide path by investing across asset classes, i.e. Equity, Debt, Commodity and other instruments |  <br>The risk of the scheme is Very High | <br>The risk of the benchmark is High |
| ***Investors should consult their financial advisers 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 an internal assessment of the Scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

**Offer for Units of INR 10/- each during the New Fund Offer and Continuous Offer for Units at NAV based prices**

| | | |
|---|---|---|
| **New Fund Offer Opens on** | : | [●] |
| **New Fund Offer Closes on** | : | [●] |
| **Scheme re-opens on** | : | Within five business days of allotment date |

| | | |
|---|---|---|
| **Name of Mutual Fund** | : | Jio BlackRock Mutual Fund (referred as 'JioBlackRock Mutual Fund') |
| **Name of Asset Management Company** | : | Jio BlackRock Asset Management Private Limited (referred as 'JioBlackRock AMC') |
| **Name of Trustee Company** | : | Jio BlackRock Trustee Private Limited (referred as 'JioBlackRock Trustee') |
| **Addresses, Website of the entities** | : | Unit No. 1301, 13th Floor, Altimus Building, Plot No. 130, Worli Estate, Pandurang Budhkar Marg, Worli, Mumbai – 400018, Maharashtra, India.<br>Website: www.jioblackrockamc.com |

**The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, [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 investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

**The investors are advised to refer to the Statement of Additional Information (SAI) for details of JioBlackRock Mutual Fund, standard risk factors, special considerations, tax and legal issues and general information on www.jioblackrockamc.com.**

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

**The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.**

This Scheme Information Document is dated [●].

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## PART I. HIGHLIGHTS/SUMMARY OF THE SCHEME

| Sr. No. | Title | Description |
|---|---|---|
| I. | **Name of the Scheme** | JioBlackRock Life Cycle Fund 2056 |
| II. | **Category of the Scheme** | Life Cycle Funds |
| III. | **Scheme type** | An open ended fund with attributes of pre-determined maturity and glide path for goal based investing |
| IV. | **Scheme code** | Will be provided at the time of final filing |
| V. | **Investment objective** | The investment objective of the Scheme is to generate long term capital appreciation through a pre-defined glide path by investing across asset classes, i.e. Equity, Debt, Commodity and other instruments.<br><br>There is no assurance that the investment objective of the Scheme will be achieved. |
| VI. | **Liquidity/Listing Details** | The Scheme is an open-ended scheme. Being an open-ended Scheme, the Scheme will be open for purchase/redemption on all business days at NAV based prices, subject to provisions of exit load, if any.<br><br>Redemption proceeds shall be transferred within 3 (three) business days from the date of redemption request. In case of delay beyond 3 (three) business days, the AMC is liable to pay interest to the investors at the rate of 15% per annum. However, in case of exceptional circumstances mentioned in para 15.3.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026, redemption or repurchase proceeds will be transferred to investors within the timeframe prescribed for such exceptional circumstances. The Scheme shall redeem at the end of 30 years. Additionally, as the Scheme reaches less than 1 year to maturity, it may be merged with other nearest maturity Life Cycle Fund of Jio BlackRock Mutual Fund with positive consent from the unitholders.<br><br>The Scheme is not listed on any of the stock exchanges. The AMC, at its sole discretion, can undertake listing on any of the stock exchange(s) at a later date. |
| VII. | **Benchmark (Total Return Index)** | Tier I Benchmark: Nifty 500 TRI (70%) + Nifty Composite Debt Index (25%) + Domestic Price of Gold (3%) + Domestic Price of Silver (2%)<br><br>The composition of the benchmark is in line with the intended asset allocation and investment objective of the Scheme. Hence, the benchmark Index is an appropriate benchmark for the Scheme.<br><br>Tier II Benchmark: Not Applicable<br><br>The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the compliance with Regulations/ circulars issued by SEBI and AMFI in this regard from time to time. |
| VIII. | **NAV Disclosure** | The AMC shall update the NAVs on website of the Association of Mutual Funds in India – AMFI (www.amfiindia.com) and on the website of AMC by 11.00 p.m. on every Business Day.<br><br>For further details, please refer Section II. |

| | | |
|---|---|---|
| **IX.** | **Applicable timelines** | **Timeline for transfer of redemption proceeds:**<br><br>Redemption proceeds shall be transferred within 3 (three) business days from the date of redemption request. In case of delay beyond 3 (three) business days, the AMC is liable to pay interest to the investors at the rate of 15% per annum. However, in case of exceptional circumstances mentioned in para 15.3.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026, redemption or repurchase proceeds will be transferred to investors within the timeframe prescribed for such exceptional circumstances.<br><br>For further details, investors are requested to refer to Statement of Additional Information (SAI). |
| **X.** | **Plans and Options**<br>Plans/Options and sub options under the Scheme | The Scheme shall offer two plans viz. Regular Plan and Direct Plan.<br><br>The portfolio of the Scheme under both these Plans will be common.<br><br>Each Plan will offer only Growth Option and that will be default Option.<br><br>**Scenario** / **Broker Code mentioned by the investor** / **Plan mentioned by the investor** / **Default Plan to be captured**<br>1 / Not mentioned / Not mentioned / Direct Plan<br>2 / Not mentioned / Direct / Direct Plan<br>3 / Not mentioned / Regular / Direct Plan<br>4 / Mentioned / Direct / Direct Plan<br>5 / Direct / Not mentioned / Direct Plan<br>6 / Direct / Regular / Direct Plan<br>7 / Mentioned / Regular / Regular Plan<br>8 / Mentioned / Not Mentioned / Regular Plan<br><br>In case of wrong/invalid/incomplete ARN code mentioned on the application form, the application will be processed under Direct Plan. In case of transactions received from the stock exchange platforms or through any other online platforms with invalid ARN*, then the transaction shall be rejected instead of processing under Direct Plan. In case the EUIN is invalid / missing, the transaction shall be processed in Regular / Existing plan and the distributor / investor shall be given the period of 30 days from the date of transaction for remediation of EUIN and investor shall provide either different EUIN linked to the ARN or switch to Direct Plan.<br><br>*Invalid ARN has been defined to include ARN validity period expired, ARN cancelled /terminated, ARN suspended, ARN Holder deceased, Nomenclature change (as required pursuant to SEBI (Investment Advisers) Regulations, 2013) and not complied by the Mutual Fund Distributor ('MFD'), MFD is debarred by SEBI, ARN not present in AMFI ARN database, ARN not empanelled with AMC.<br><br>The AMC/Trustee may introduce further Plan/s and Option/s in future, subject to regulations.<br><br>For detailed disclosure on default plans/options, kindly refer SAI. |

<table>
<tr><td>XI.</td><td>Load Structure</td><td>Exit Load:<br><br><table><tr><th>Period of Holding</th><th>Exit Load Applicable</th></tr><tr><td>Upto 1 Year</td><td>3%</td></tr><tr><td>More than 1 year and upto 2 years</td><td>2%</td></tr><tr><td>More than 2 years and upto 3 years</td><td>1%</td></tr><tr><td>More than 3 years</td><td>Nil</td></tr></table><br>The AMC reserves the right to modify the Exit Load/Fee mentioned above at any time in future on a prospective basis, subject to the limits prescribed under the SEBI Regulations.</td></tr>
<tr><td>XII.</td><td>Minimum Application Amount / switch in</td><td><u>During NFO:</u><br><br>Minimum Application Amount (Lumpsum): Rs. 500/- and any amount thereafter.<br><br>Minimum Amount for switch-in to the Scheme: Rs. 500/- and any amount thereafter.<br><br>Minimum Amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re. 1/- thereafter.<br><br><u>On a continuous basis:</u><br><br>Minimum Amount for Purchase (Lumpsum): Rs. 500/- and any amount thereafter.<br><br>Minimum Amount for switch-in to the Scheme: Rs. 500/- and any amount thereafter.<br><br>Minimum Amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re. 1/- thereafter.<br><br>Note: For mandatory investments made by designated employees of AMC in terms of para 7.14 of SEBI Master Circular for Mutual Funds dated March 20, 2026, requirement for minimum application/ redemption amount will not be applicable.</td></tr>
<tr><td>XIII.</td><td>Minimum Additional Purchase Amount</td><td>Rs. 500/- and any amount thereafter.<br><br>Note: The minimum additional purchase amount will not be applicable for investment made in schemes in line with para 7.14 of SEBI Master Circular for Mutual Funds dated March 20, 2026.</td></tr>
<tr><td>XIV.</td><td>Minimum Redemption / switch out amount</td><td>‘Any amount’ or ‘any number of units’ as requested by the investor.<br><br>The Redemption would be permitted to the extent of credit balance in the investor’s account of the Scheme (subject to release of pledge / lien or other encumbrances). The Redemption request can be made by specifying the rupee amount or by specifying the number of units to be redeemed.</td></tr>
<tr><td>XV.</td><td>New Fund Offer Period<br><br>This is the period during which a new scheme sells its units to the investors.</td><td>NFO opens on: [●]<br>NFO closes on: [●]<br><br>As permitted by SEBI, NFO shall remain open for subscription for a minimum period of 3 business days but not more than 15 calendar days. Any extension or change to the NFO dates will be subject to the requirement of NFO period</td></tr>
</table>

| | | |
|---|---|---|
| | | not exceeding 15 calendar days. Any changes in dates of NFO will be published through notice on website of the AMC i.e. https://www.jioblackrockamc.com/statutory-disclosure/addendum-and-notices/notice-cum-addendums. |
| **XVI.** | **New Fund Offer Price:**<br><br>This is the period during which a new scheme sells its units to the investors. | INR 10/- per Unit |
| **XVII.** | **Segregated portfolio / side pocketing disclosure** | Pursuant to clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the AMC has the provision to create segregated portfolio of debt and money market instruments under certain circumstances.<br><br>Kindly refer SAI for more details. |
| **XVIII.** | **Swing pricing disclosure** | Not Applicable. |
| **XIX.** | **Stock lending / short selling** | Pursuant to clause 13.6 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Scheme may engage in securities lending / short selling in accordance with the framework specified by SEBI.<br><br>Kindly refer to SAI for more details. |
| **XX.** | **How to apply** | Investors can undertake transactions in the Schemes of JioBlackRock Mutual Fund either through physical, online / electronic mode or any other mode as may be prescribed from time to time.<br><br>**Physical Transactions**<br><br>For subscription / redemption / switches, application form and Key Information Memorandum may be obtained from the Official Points of Acceptance (OPAs) of the AMC / RTA/Distributor or downloaded from the website of the AMC. (https://www.jioblackrockamc.com/statutory-disclosure/disclosures).<br><br>**Online / Electronic Transactions**<br><br>Investors can undertake transactions via electronic mode through various online facilities offered by JioBlackRock AMC/ other platforms specified by the AMC from time to time.<br><br>During the New Fund Offers (NFO) period, investors applying under the Demat mode have the option to apply through Applications Supported by Blocked Amount (ASBA) facility. Investors will be required to submit ASBA form to the respective banks, which in turn will block the amount in their account as per authority contained in the ASBA form. ASBA applications can be submitted only at Self-Certified Syndicate Banks (SCSBs) at their designated branches. The list of SCSBs and their designated branches shall be displayed on the SEBI's website (www.sebi.gov.in). ASBA form should not be submitted at locations other than SCSB as it will not be processed. For details on the ASBA process, please refer to the ASBA application form.<br><br>Please refer to Section II and the SAI for further details. |
| **XXI.** | **Where can applications for subscription/redemption/ switches be submitted** | For details, please refer section XX - "How to Apply". |

<table>
<tr><td>XXII.</td><td>Investor services</td><td>

**Contact details for general service requests**:

- Post feedback/suggestions on our website www.jioblackrockamc.com
- Investors may call at: +91 22-35207700 & +91 22-69987700 during business hours.
- Email – service@jioblackrockamc.com

**Contact details for complaint resolution**:

**Mr. Manish Kanchan**

**Investor Relations Officer**

JioBlackRock Asset Management Private Limited,

Unit no:1301, 13th Floor, Altimus building,

Plot no.130, Worli Estate,

Pandurang Budhkar Marg, Worli,

Mumbai - 400018, Maharashtra, India

For any grievances with respect to transactions through **NSE/BSE**, the Investor should approach the investor grievance cell of the respective stock exchange.

**MFU Customer Care:** For transactions related to MFU, Investors may contact the customer care of MFU on 022-71791111 (business hours on all days except Sunday and Public Holidays) or can raise a query or lodge a complaint by selecting the 'Help & Support' option on www.mfuindia.com.

</td></tr>
<tr><td>XXIII.</td><td>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes)</td><td>The Scheme shall necessarily redeem at the end of 30 years. Additionally, as the Scheme reaches less than 1 year to maturity, it may be merged with other nearest maturity Life Cycle Fund of Jio BlackRock Mutual Fund with positive consent from the unitholders.</td></tr>
<tr><td>XXIV.</td><td>Special product/facility available during the NFO and on ongoing basis</td><td>

The facilities/products available are:

**Systematic Investment Plan (SIP)**

Investors of the Scheme can invest through SIP. SIP allows an investor to invest a specified sum of money at regular intervals. SIP facility will be available during NFO period and on an On-going basis.

The minimum amount per SIP installment and Minimum number of installments under all frequencies of SIP are as follows:

<table>
<tr><th>Frequency under SIP Facility</th><th>Minimum Installments</th><th>Minimum Amount and in multiples of</th></tr>
<tr><td>Weekly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr>
<tr><td>Monthly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr>
<tr><td>Quarterly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr>
</table>

**SIP Top-Up Facility**

Investors may avail SIP Top-up facility where they have options to increase the SIP Installment at pre-defined intervals. This will enhance the flexibility of the

</td></tr>
</table>

investor to invest higher amounts during the tenure of the SIP. The SIP Top-up facility will be available during NFO period and on an On-going basis.

Investors can utilize the Top-up facility to increase their SIP installment amount by investing a minimum of Rs. 50 and in multiples of Rs. 50. Alternatively, investors can increase the SIP installment amount by 10% and in multiples of 5%. The Top-Up amount will be rounded off to the nearest multiple of Re.1. The Weekly and Monthly SIP offers top-up frequency at Half-yearly and Yearly intervals. For Quarterly SIP, the top-up frequency is available on a Yearly basis.

**SIP Pause Facility**

SIP Pause facility allows investors to pause their existing SIP for a temporary period, without discontinuing the existing SIP and SIP would restart from the immediate next installment after completion of the pause period specified by the investor. SIP Pause can be for a minimum period of 1 month to a maximum period of 6 months. SIP Pause facility will be available only on an On-going basis.

**Systematic Transfer Plan (STP)**

STP is a facility wherein unitholders can opt to transfer a fixed amount at regular intervals to another designated open-ended scheme of JioBlackRock Mutual Fund. STP facility will only be available on an on-going basis and will not be available during the NFO period.

The minimum amount per STP installment and minimum number of installments under all frequencies of STP are as follows:

| Frequency under STP Facility | Minimum Installments | Minimum Amount and in multiples of |
|---|---|---|
| Daily | 6 | Rs. 100 and in multiples of Re. 1/- thereafter |
| Weekly | 6 | Rs. 100 and in multiples of Re. 1/- thereafter |
| Monthly | 6 | Rs. 100 and in multiples of Re. 1/- thereafter |
| Quarterly | 6 | Rs. 100 and in multiples of Re. 1/- thereafter |

**Systematic Withdrawal Plan (SWP)**

Investors of the Scheme have the facility of enrolling themselves in a Systematic Withdrawal Plan (SWP). The SWP facility allows the investor to withdraw a specified sum of money periodically from their investments in the scheme. An SWP is ideal for investors seeking a regular inflow of funds for their needs. A fixed sum will be paid to the investor from their investments and the remaining part of the corpus will continue to earn returns. SWP facility will only be available on an on-going basis and will not be available during the NFO period.

<table>
<tr><td></td><td></td><td>The minimum amount per SWP installment and minimum number of installments under all frequencies of SWP are as follows:<br><br><table><tr><th>Frequency under SWP Facility</th><th>Minimum Installment</th><th>Minimum Amount and in multiples of</th></tr><tr><td>Weekly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr><tr><td>Monthly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr><tr><td>Quarterly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr></table><br>For more details on the above special products and facilities, please refer to the SAI.</td></tr>
<tr><td>XXV.</td><td>Weblink</td><td>The Total Expense Ratio (TER) shall be made available to the investors on the website of the AMC at https://www.jioblackrockamc.com/ter.<br><br>The Scheme factsheet shall be made available to investors on the website of the AMC at https://www.jioblackrockamc.com/statutory-disclosure/fund-documents/factsheet.</td></tr>
<tr><td>XXVI.</td><td>Nomination and KYC</td><td>For details on nomination and KYC, refer SAI.</td></tr>
</table>

## DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

(i) The draft Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 2026 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well-informed decision regarding investment in the 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) The AMC has complied with the compliance checklist applicable for Scheme Information Document and that there are no deviations from the Regulations.

(vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.

(viii) The Trustees have ensured that JioBlackRock Life Cycle Fund 2056 approved by them is a new product offered by JioBlackRock Mutual Fund and is not a minor modification of any existing scheme/fund/product.

**Sd/-**

**Date: [●]**

**Name: Siddharth Swaminathan**

**Place: Mumbai**

**Designation: Managing Director and Chief Executive Officer**

**Sd/-**

**Name: Garima Nahar**

**Designation: Chief Compliance Officer and General Counsel**

## PART II. INFORMATION ABOUT THE SCHEME

### A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The below table includes asset allocation giving the broad classification of assets and indicative exposure level in percentage terms. The Asset Allocation Pattern of the Scheme under normal circumstances would be as under:

| Years to Maturity | Investment in Equity (% of total assets) | | Investment in Debt (% of total assets) | | Investment in Gold*/Silver ETFs/ ETCDs /InvITs (% of total assets) | |
|---|---|---|---|---|---|---|
| | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum |
| 15-30 Years | 65 | 95 | 5 | 25 | 0 | 10 |
| 10-15 Years | 65 | 80 | 5 | 25 | 0 | 10 |
| 5-10 Years | 50 | 65 | 5 | 25 | 0 | 10 |
| 3-5 Years | 35 | 50 | 25 | 50 | 0 | 10 |
| 1-3 Years | 20 | 35 | 25 | 65** | 0 | 10 |
| < 1 Years | 5 | 20 | 25 | 65** | 0 | 10 |

* Exposure to Gold ETFs shall be at a maximum of 5% of the AUM or such other limit as may be permitted under applicable regulations from time to time.

**Exposure in debt instruments shall be limited to AA & above rated instruments with residual maturity less than the target maturity of the scheme.

ETCDs shall be based only on Gold/Silver.

For years to maturity less than 10 years, the Scheme may take equity arbitrage exposure upto 50% in addition to the investment range specified for equity while ensuring that total investment in equity and equity related instruments remains within 65%-75% in the scheme.

The exposure to derivative is exposure taken against the underlying equity investments i.e. in case the Scheme have a long position in a security and a corresponding short position in the same security, then the exposure for the purpose of asset allocation will be counted only for the long position. The intent is to avoid double counting of exposure and not to take additional asset allocation with the use of derivative. If suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may hedge the equity portfolio by using derivatives or may invest in short term debt / money market instruments.

The notional value of exposure in equity derivatives would be reckoned for equity securities exposure. The notional value of exposure in debt derivatives would be reckoned for debt exposure.

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

- As per Clause 13.6 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time, the Scheme may engage in securities lending subject to a maximum of 20% in aggregate, of the net assets of the Scheme and 5% of the net assets of the Scheme in the case of a single intermediary.
- As per Clause 8.5, 8.6 and 13.15 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Scheme may invest in Equity / Debt Derivatives (Hedging and Non-hedging) up to 50% of the net assets of the Scheme.
- Pursuant to para 13.8.6.(a) of SEBI Master Circular for Mutual Funds dated March 20, 2026 read with SEBI Letter No. SEBI/HO/ IMD-II/DOF3/OW/P/2021/31487/1 dated November 3, 2021, cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: a) Government Securities; b) T-Bills; and c) Repo on Government securities.
- As per Clause 13.16.9 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Scheme may invest in Exchange Traded Commodity Derivatives (ETCDs) upto 10% of the net assets of the Scheme. Further, as the Scheme participating in ETCDs may hold the underlying goods in case of physical settlement of contracts, in that case the Scheme shall dispose of such goods from the books of the scheme, at the earliest, not exceeding the timeline prescribed below

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

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

  The following exposures shall not be considered in the cumulative gross exposure:
  a. Short position in Exchange Traded Commodity Derivatives (ETCDs) not exceeding the holding of the underlying goods received in physical settlement of ETCD contracts
  b. Short position in ETCDs not exceeding the long position in ETCDs on the same goods.
  c. Further, the mutual funds shall not write options, or purchase instruments with embedded written options in goods or on commodity futures.

- As per Clause 13.13.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, Investment in InVIT shall be:
  a) Upto 10% of its NAV in the units of InVIT.
- b) Upto 5% of its NAV in the units of InVIT at single issuer level.
- As per Clause 3 of the Sixth Schedule of SEBI (Mutual Funds) Regulations, 2026 read with Clause 13.14 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Scheme may invest in other scheme(s) under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all Schemes under the same AMC or in Schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund. Further, the Scheme shall not invest in any fund of funds scheme.
- As per item no.2 of Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, investments in Securitised debt will be upto 20% of net asset of the Scheme.
- As per item no. 9 of Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the investment limits of mutual funds in Instruments with Special Features such as AT1 and AT2 Bonds shall be as under:

a. No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer;
b. A Mutual Fund scheme shall not invest:
   i. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
   ii. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.

The above investment limit shall be within the overall limit for debt instruments issued by a single issuer as specified at item No. 2 under Paragraph 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

- As per item no. 10 of paragraph 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the investment of the Scheme in the debt instruments having structured obligations / credit enhancements shall not exceed 10% of the debt portfolio of the Scheme and the Group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme.
- As per Clause 13.8 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the investment in Repo / Reverse Repo in Corporate debt securities (listed AA and above rated corporate debt securities and Commercial Papers (CPs) and Certificate of Deposits (CDs)) shall be up to 10% of the net assets of the Scheme.
- As per clause 6 of Sixth Schedule of the SEBI (Mutual Funds) Regulations, 2026 read with paragraph 13.6.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Scheme may engage in short selling of securities in accordance with the applicable guidelines / regulations.
- As per clause 13.17.3.(g) of SEBI Master Circular for Mutual Funds dated March 20, 2026, investment in Credit Default Swaps shall be upto 10% of the AUM of the Scheme and shall be within the overall limit of derivatives exposure.
- The Scheme may invest in Tri-party Repo on Government Securities or Treasury Bills upto 35% of the net assets of the Scheme. The exposure to TREPS may exceed the limit at the time of building up the portfolio of the Scheme post New Fund Offer and also pending deployment of new inflows received in the Scheme on an ongoing basis or on account of any adverse market situation.
- As per item no. 4 of Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, investment in unrated debt and money market instruments shall not exceed 5% of net assets, subject to approval of the Board of AMC and the Board of Trustees.
- As per item no. 3 of Clause 13.1 of SEBI Master Circular dated March 20, 2026, investment in unlisted non-convertible debentures (NCDs) shall not exceed 10% of the debt portfolio of the Scheme. Further, such investments shall be NCDs having a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
- The cumulative gross exposure through equity, equity-related instruments, Debt and Debt related instruments, Gold ETFs, Silver ETFs, Units issued by InvITs, ETCDs and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme as per clause 13.18.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026.
- Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme as stated above, the funds of the Scheme may be invested in short term deposits of scheduled commercial banks in accordance with Clause 13.7 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

- In line with para 7.24.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, deployment of the funds garnered in an NFO shall be made within 30 business days from the date of allotment of units. In an exceptional case, if the AMC is not able to deploy the funds in 30 business days, reasons in writing, including details of efforts taken to deploy the funds, shall be placed before the Investment Committee. 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 under clause (f) of para 7.24.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

**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 | a. Upto 20% of the net assets<br>b. Upto 5% of the net assets at single intermediary i.e. broker level | Clause 13.6 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 2. | Equity / Debt Derivatives (Hedging and Non-hedging) | Upto 50% of the net assets | Clause 8.5, 8.6 and 13.15 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 3. | Gold ETF and Silver ETF and ETCDs (Gold and Silver based) | Upto 10% of the net assets<br><br>Subject to regulatory limits (ETCD):<br>• Exposure to ETCDs of any single commodity shall not exceed 10% of the NAV of the Scheme.<br><br>ETCDs shall be based on Gold and Silver only. | In accordance with Clause 13.16 of the SEBI Master Circular March 20, 2026 and SEBI (Mutual Funds) Regulations, 2026. |
| 4. | InVITs | a) Upto 10% of its NAV in the units of InVIT<br>b) Upto 5% of its NAV in the units of InVIT at single issuer level. | Clause 13.13.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 5. | Mutual Fund Units | The Scheme may invest in units of overnight, liquid and money market schemes of JioBlackRock Mutual Fund and/or any other mutual fund subject to the overall limit of upto 5% of the net asset value of the mutual fund. | Clause 3 of the Sixth Schedule of SEBI (Mutual Funds) Regulations, 2026. |
| 6. | Covered Call | Total notional value of call options written shall not exceed 15% of the total market value of equity shares held in the scheme;<br>Shares underlying the call options written shall not exceed 30% of the unencumbered shares of a | Clause 13.15.1 read with clause 13.18.6(c) of the SEBI Master Circular for Mutual Funds dated March 20, 2026 |

| Sl. No. | Type of Instrument | Percentage of exposure | Circular references |
|---|---|---|---|
| | | particular company held in the scheme.<br>Call options may be written only under a covered call strategy, on constituent stocks of NIFTY 50 and BSE SENSEX. | |
| 7. | Securitized Debt | Upto 20% of the net assets | Item no. 2 of Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 8. | Instruments with Special Features such as AT1 and AT2 Bonds | a) Upto 10% of its NAV of the debt portfolio of the Scheme and<br>b) Upto 5% of its NAV of the debt portfolio of the Scheme at single issuer level. | Item no. 9 of Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 9. | Debt instruments having Structured Obligations / Credit Enhancements | Upto 10% of the debt portfolio assets and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme | Item no. 10 of paragraph 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 10. | Repo / Reverse Repo in Corporate Debt Securities | Upto 10% of the net assets | Clause 13.8 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 11. | Short Selling | The Scheme may engage in short selling in accordance with the applicable SEBI guidelines / regulations. | Clause 6 of Sixth Schedule of the SEBI (Mutual Funds) Regulations, 2026 and read with paragraph 13.6.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 12. | Credit Default Swaps | Upto 10% of the AUM of the Scheme | Clause 13.17.3.(g) of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 13. | Tri-party Repo on Government Securities or Treasury Bills | Upto 35% of the net assets<br><br>The exposure to TREPS may exceed the limit at the time of building up the portfolio of the Scheme post New Fund Offer and also pending deployment of new inflows received in the Scheme on an ongoing basis or on account of any adverse market situation. | - |
| 14. | Unrated debt and money market instruments | Upto 5% of the net assets | Item no. 4 of paragraph 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |
| 15. | Unlisted Non-convertible debentures (NCDs) | Upto 10% of the debt portfolio of the Scheme | Item no. 3 of paragraph 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |

| Sl. No. | Type of Instrument | Percentage of exposure | Circular references |
|---|---|---|---|
| 16. | Short Term Deposits | Upto 15% of net assets of all scheduled commercial banks put together and up to 10% of net assets in single scheduled commercial bank. | Clause 13.7 of SEBI Master Circular for Mutual Funds dated March 20, 2026 |

**The Scheme will not invest into the following instruments**

| Sr. no. | Type of Instrument |
|---|---|
| 1. | Overseas Securities and ETFs |

**Short-Term Defensive Considerations:**

Subject to SEBI (MF) Regulations, the asset allocation indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the investors. As per clause 1.9.1.(b) of SEBI Master Circular for Mutual Funds dated March 20, 2026, as may be amended from time to time, such changes in the investment pattern will be for short term and for defensive consideration only.

In the event of change in the asset allocation, the Fund Manager will carry out portfolio rebalancing within 30 calendar days from the date of such deviation or such other timeline as may be prescribed by SEBI from time to time.

**Portfolio Rebalancing due to passive breaches**:

In the event of any deviations from the mandated asset allocation as mentioned above due to passive breaches, portfolio rebalancing will be carried out by the AMC/Fund Manager within 30 business days of the date of the said deviation. This rebalancing will be subject to prevailing market conditions and in the interest of the investors. In case the portfolio of the Scheme is not rebalanced within the period of 30 business days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to 60 business days from the date of completion of mandated rebalancing period. Further, in case the portfolio is not rebalanced within the aforementioned mandated plus extended timelines, the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in para 3.11.3 and 3.11.4 of SEBI Master Circular on Mutual Funds dated March 20, 2026.

As and when there is corresponding change in the Asset Allocation with respect to the years to maturity, the fund manager can align the portfolio up to one month before the Scheme enters next maturity cycle.

**B. WHERE WILL THE SCHEME INVEST?**

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

a) Equity and Equity related instruments include (but not limited to) convertible debentures, equity warrants, convertible preference shares, equity derivatives and units of Real Estate Investment Trust (REITs)

b) Securities issued by Government of India. Repos/ Reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
c) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
d) Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
e) Repo / Reverse Repo transactions in corporate debt securities
f) Money Market Instruments include but not limited to Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Triparty Repo, Repo/ Reverse repo in government securities, Government securities with an unexpired maturity up to 1 year, Call or notice money, Usance Bills, and any other short-term instruments allowed under current Regulations
g) Units of Mutual Fund Schemes (including units of liquid schemes or overnight schemes or money market schemes or such other mutual fund schemes as may be permitted by SEBI from time to time)
h) Derivative instruments including but not limited to Futures & Options, Interest Rate Swaps, Forward Rate Agreements, Interest Rate Futures, and such other derivative instruments permitted by SEBI/ RBI
i) Units of InvITs
j) Gold and Silver Instruments include Gold and Silver ETFs, Gold and Silver ETCDs & any other such instruments as permitted by SEBI from time to time
k) Cash & cash equivalents
l) Debt Instruments include but not limited to Non-convertible debentures, Bonds, Secured premium notes, Zero interest bonds, Deep discount bonds, Floating rate bond / notes.
m) Securitized debt
n) Debt Instruments with special features (AT1 and AT2 Bonds)
o) Debt instruments having Structured Obligations / Credit Enhancements
p) Short Term Deposits of Scheduled Commercial Banks
q) Credit Default Swaps
r) Any other instruments permitted by SEBI/ RBI from time to time, subject to requisite approvals, if any

Note: The securities/instruments mentioned above could be listed or unlisted, secured or unsecured, rated or unrated and of varying maturities and other terms of issue. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals.

The inter Scheme transfer of investments shall be in accordance with the provisions contained in Clause 13.19 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, pertaining to Inter-Scheme transfer of investments.

Transfers of investments from one scheme to another scheme in the Mutual Fund shall be allowed only if
a. Such transfers are done at the prevailing market price for quoted instruments on spot basis;
b. The securities so transferred shall be in conformity with the investment objectives and policies of the scheme to which such transfer is made.

Further, Para 13.19 of the SEBI Master Circular prescribes detailed guidelines for inter-scheme transfer of securities (IST), key extracts of which are as follows:

a. IST shall be permitted only after other resources such as cash and cash equivalents, market borrowing, and sale of securities in the market are exhausted.
b. IST shall be permitted for portfolio rebalancing only in case of passive breach of regulatory limits or where duration, issuer, sector, or group rebalancing is required in both transferor and transferee schemes.
c. No IST of a security shall be allowed if there is negative news or rumours in mainstream media or an alert is generated based on internal credit risk assessment.
d. If the security is downgraded within four months of such transfer, the fund manager of the buying scheme shall provide detailed justification to the trustees.

**C. WHAT ARE THE INVESTMENT STRATEGIES?**

The Scheme shall seek to generate long-term capital appreciation with a progressive reduction in portfolio risk over time by investing in a diversified portfolio across multiple asset classes, including equity and equity-related instruments, debt and money market instruments, units of gold and silver exchange traded funds and/or exchange traded commodity derivatives (restricted to gold and silver), and units of Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), or such other instruments as may be permitted under the SEBI (Mutual Funds) Regulations from time to time.

The Scheme shall follow a lifecycle-based investment approach, wherein the asset allocation shall evolve in accordance with a pre-defined glide path, with relatively higher allocation to equity and growth-oriented assets during the initial years and a gradual shift towards debt and income-oriented instruments, with an increased focus on wealth creation and liquidity as the Scheme approaches its target maturity. The glide path allocations may be informed by asset allocation inputs, research and insights, including those provided by entities of BlackRock group.

The asset allocation of the Scheme shall be dynamically managed within the limits specified in the asset allocation table, considering prevailing market conditions, macroeconomic factors including interest rates and inflation, liquidity conditions, and other relevant considerations. While the glide path provides a strategic framework for allocation, the Fund Manager shall have the discretion to actively manage exposures across asset classes within the permissible limits to optimize risk-adjusted returns.

The portfolio construction process is powered by BlackRock's technology platform - Aladdin, which has been licensed to JioBlackRock AMC. Final investment decisions continue to rest with the Fund Managers based on the data referenced above but may also factor in specific subjective analysis of underlying securities.

Equity and equity-related investments shall form a key component of the portfolio, particularly during the earlier phases of the Scheme. The investible universe of the Scheme is defined by the Fund Managers based on inputs from the Investment Team to limit investments into stocks of issuers based on a comprehensive evaluation of their track record pertaining to governance, debt servicing, regulatory compliance or market perceptions and such other pertinent parameters. The Scheme shall follow an active investment strategy which adopts a systematic approach to stock selection and portfolio construction and may also leverage data-driven models, signal-based research frameworks, advanced analytics and insights provided by entities of BlackRock group, where available, to aid investment decisions.

As the Scheme progresses along its lifecycle, the allocation to debt and money market instruments is expected to increase. Investments in debt and money market instruments shall be guided by considerations

of credit quality, liquidity, interest rate outlook, and the residual maturity profile of the Scheme. The Scheme may invest in a range of fixed income instruments, including government securities, treasury bills, corporate bonds, commercial paper, certificates of deposit, and such other instruments as may be permitted under the Regulations. The Fund Manager may actively manage duration and credit exposure within the overall investment objective and regulatory framework, with an emphasis on capital preservation and stability in the later stages of the Scheme.

The Scheme may also invest in units of gold and silver exchange traded funds and/or exchange traded commodity derivatives, restricted to gold and silver, with a view to providing diversification benefits and acting as a potential hedge against inflation and market volatility. Further, the Scheme may invest in units of REITs and InvITs, subject to applicable regulatory limits, to enhance portfolio diversification and provide exposure to alternative income-generating assets.

The Scheme may also undertake equity arbitrage strategies and other permitted strategies, from time to time, within the overall limits specified and in accordance with regulatory provisions. The use of derivatives and such strategies shall be subject to inherent risks and the ability of the Fund Manager to identify and execute such opportunities.

The final investment decisions shall be the responsibility of the Fund Manager, who may also consider qualitative factors and subjective judgment in the decision-making process.

The Scheme shall be actively managed, and the portfolio shall be monitored on an ongoing basis, with periodic rebalancing undertaken as considered necessary by the Fund Manager to align the portfolio with the intended asset allocation, market conditions and the investment objective of the Scheme. The Fund Manager may, from time to time, review and modify the investment approach, models and processes, including the glide path allocations, in response to evolving market dynamics, data availability and regulatory requirements, while remaining within the prescribed asset-allocation ranges and applicable SEBI requirements.

**Derivatives Strategy**

The Scheme may take exposure to derivatives for the purpose of hedging / non-hedging, portfolio rebalancing and other purposes as permitted by regulations from time to time. Such exposure to derivative instruments will be in line with the investment objective and overall strategy of the scheme. 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.

For detailed derivative strategies, please refer to SAI.

**Portfolio Turnover**

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. The Scheme being an open ended scheme, it is expected that there would be frequent subscriptions and redemptions. Hence, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. If trading is done frequently there may be an increase in transaction cost such as brokerage paid etc. The fund manager will manage the portfolio turnover in an

endeavour to balance the objectives of generating returns and managing risks, while also considering the costs associated with transactions. However, there is no assurance that this strategy will result in higher gains or lower risks.

**Risk Control**

Investments made by the Scheme would be in accordance with the investment objective of the Scheme and provisions of SEBI (MF) Regulations. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves identifying relevant risks and taking measures for the same. The Scheme may also use various derivatives products for the purpose of trading, hedging and portfolio rebalancing from time to time, with an attempt to protect the value of the portfolio and protect investors' interest. While these strategies are expected to mitigate risk to a certain extent, the AMC provides no assurance that these risks will be completely eliminated.

## D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Scheme's benchmark would be Nifty 500 TRI (70%) + Nifty Composite Debt Index (25%) + Domestic Price of Gold (3%) + Domestic Price of Silver (2%).

The composition of the benchmark is in line with the intended asset allocation and investment objective of the Scheme. Hence, the benchmark Index is an appropriate benchmark for the Scheme. The benchmark index is designed to reflect the behavior and performance of all these asset classes. The asset allocation in the benchmark may be in accordance with the expected average allocation to each asset class Tier II Benchmark: Not Applicable

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

## E. WHO MANAGES THE SCHEME?

| Name of the Fund Manager & Age | Educational Qualification | Brief Experience (last 10 years) | Other schemes under his/her management |
|---|---|---|---|
| Ms. Tanvi Kacheria<br><br>Age: 36 Years<br><br>(Managing the Scheme since inception.) | • CFA Charter Holder from Chartered Financial Analyst Institute.<br>• BA in Biological Sciences with minor in Business Administration from University of Southern California. | • JioBlackRock Asset Management Private Limited (Fund Management) - December 01, 2024 - Present.<br><br>• Jio Financial Services Limited (Special Projects) – April 10, 2024 – November 30, 2024.<br><br>• BlackRock Financial Management Inc. (Portfolio Management) – July 3, 2017 – August 26, 2023.<br><br>• Los Angeles Capital Management (Quantitative Institutional Asset Manager) – | • JioBlackRock Nifty 50 Index Fund<br>• JioBlackRock Nifty Smallcap 250 Index Fund<br>• JioBlackRock Nifty Next 50 Index Fund<br>• JioBlackRock Nifty Midcap 150 Index Fund<br>• JioBlackRock Flexi Cap Fund<br>• JioBlackRock Sector Rotation Fund |

| Name of the Fund Manager & Age | Educational Qualification | Brief Experience (last 10 years) | Other schemes under his/her management |
|---|---|---|---|
| | | July 20, 2011 – June 15, 2017. | • JioBlackRock Large Cap Fund<br>• JioBlackRock Nifty 50 ETF<br>• JioBlackRock Balanced Advantage Fund |
| Mr. Sahil Chaudhary<br><br>Age: 35 Years<br><br>(Managing the Scheme since inception.) | • Bachelor of Technology (ICT) from Dhirubhai Ambani Institute of Information and Communication Technology | • JioBlackRock Asset Management Private Limited (Fund Management) - December 01, 2024 - Present.<br>• BlackRock Services India Pvt Ltd. (Investments – MultiAsset Research & Portfolio Management) – June 24, 2019 – November 30, 2024.<br>• FIL Research (India) Private Limited (Investment – Equities Product Specialist) - January 09, 2017 - June 21, 2019.<br>• Evalueserve Private Limited (Investments - Equity Research) – June 23, 2014 – January 02, 2017<br>• Sapient Consulting Limited (Technology) – August 01, 2011 – June 13, 2014 | • JioBlackRock Flexi Cap Fund<br>• JioBlackRock Sector Rotation Fund<br>• JioBlackRock Large Cap Fund<br>• JioBlackRock Balanced Advantage Fund |
| Mr. Virendra Kumar<br><br>Age: 39 Years<br><br>(Managing the Scheme since inception.) | • Master of Science (Integrated), Mathematics and Scientific Computing, IIT Kanpur, 2012<br>• Certificate in Quantitative Finance (CQF), 2025 | • JioBlackRock Asset Management Private Limited (Fund Management) - December 23, 2025 - Present.<br>• InCred Alternative Investments Private Limited (Fund Manager) – September 02, 2022 to December 22, 2025.<br>• Aditya Birla Sun Life AMC Ltd.<br>• (Portfolio Manager –Alternate Business) – April 1, 2022 to August 26, 2022.<br>• (Quantitative Analyst) - January 9, 2015 to March 31, 2022. | • JioBlackRock Balanced Advantage Fund |
| Mr. Arun Ramachandran<br><br>Age: 42 Years<br><br>(Managing the Scheme since inception) | Financial Risk Management (2010)<br><br>• Post Graduate Diploma in Business Administration (Mumbai Education Trust – 2006) | • JioBlackRock AMC (Fund Manager – Fixed Income) – December 27, 2024 – Present.<br><br>• SBI Funds Management Limited (Fund Manager – Fixed Income) – March 02, 2009 – December 26, 2024. | • JioBlackRock Liquid Fund<br><br>• JioBlackRock Money Market Fund<br><br>• JioBlackRock Overnight Fund<br><br>• JioBlackRock Nifty |

| Name of the Fund Manager & Age | Educational Qualification | Brief Experience (last 10 years) | Other schemes under his/her management |
|---|---|---|---|
| | | | 8-13 yr G-Sec Index Fund<br>• JioBlackRock Arbitrage Fund<br>• JioBlackRock Short Term Fund<br>• JioBlackRock Ultra Short to Short Term Fund<br>• JioBlackRock Balanced Advantage Fund |
| Mr. Vikrant Mehta<br><br>Age: 54 Years<br><br>(Managing the Scheme since inception) | M.S. (Engineering) from Kiev Polytechnical Institute, Ukraine<br><br>Chartered Financial Analyst, Institute of Chartered Financial Analysts of India (ICFAI) | • JioBlackRock AMC (Senior Fund Manager) - December 02, 2024 – Present.<br>• ITI Asset Management Limited (Head – Fixed Income and Portfolio Manager) – January 15, 2021 – November 14, 2024.<br>• Indiabulls Asset Management Company Limited (Head – Fixed Income and Portfolio Manager) – January 28, 2019 – May 31, 2020.<br>• PineBridge India Private Limited (Vice President – Fixed Income) – December 04, 2006 – December 31, 2018. | • JioBlackRock Liquid Fund<br>• JioBlackRock Money Market Fund<br>• JioBlackRock Overnight Fund<br>• JioBlackRock Nifty 8-13 yr G-Sec Index Fund<br>• JioBlackRock Short Term Fund<br>• JioBlackRock Ultra Short to Short Term Fund<br>• JioBlackRock Balanced Advantage Fund |
| Mr. Siddharth Deb<br><br>Age: 41 Years<br><br>(Managing the Scheme since inception) | MMS Finance from University of Mumbai<br><br>B.Sc. (Zoology) from University of Kolkata | • JioBlackRock AMC (Senior Fund Manager) – May 01, 2025 – Present.<br>• Nippon Life India Asset Management Limited (Fund Manager) – November 2016 – April 2025.<br>• Goldman Sachs Asset Management India (Fund Manager) – August 2011 – November 2016. | • JioBlackRock Liquid Fund<br>• JioBlackRock Money Market Fund<br>• JioBlackRock Overnight Fund<br>• JioBlackRock Nifty 8-13 yr G-Sec Index Fund |

| Name of the Fund Manager & Age | Educational Qualification | Brief Experience (last 10 years) | Other schemes under his/her management |
|---|---|---|---|
| | | | • JioBlackRock Arbitrage Fund<br>• JioBlackRock Short Term Fund<br>• JioBlackRock Ultra Short to Short Term Fund<br>• JioBlackRock Balanced Advantage Fund |

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

For details of the scheme differentiation, please visit https://www.jioblackrockamc.com/statutory-disclosure/fund-documents/scheme-differentiation.

## G. HOW HAS THE SCHEME PERFORMED?

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

## H. ADDITIONAL SCHEME RELATED DISCLOSURES

### i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors including detailed description.)

Not Applicable as this is a new Scheme.

### ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds including detailed description.

Not Applicable as this not an index fund / ETF.

### iii. Functional website link for Portfolio Disclosure

The Mutual Fund / AMC will disclose the portfolio (along with ISIN and other prescribed details) of the Scheme in the prescribed format on a Monthly basis on its website - https://www.jioblackrockamc.com/statutory-disclosure/disclosures/monthly-portfolio-disclosure.

### iv. Functional website link to the respective addendums to the SID after the last update of SID-

https://www.jioblackrockamc.com/statutory-disclosure/addendum-and-notices/notice-cum-addendums.

**v. Portfolio Turnover Ratio.**

Not Available as this is a new Scheme.

**vi. Aggregate investment in the Scheme by:**

| Sr. No. | Category of Persons | Net Value* | | Market Value (in Rs.) |
|---|---|---|---|---|
| | Concerned scheme's Fund Manager(s) | Units | NAV per Unit | |
| Not Applicable | | | | |

**includes mandatory investments under SEBI guidelines, if any.*

The above disclosures are not applicable since this Scheme is a new scheme and does not contain any details.

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard, kindly refer SAI.

**vii. Investments of AMC in the Scheme**

Subject to the SEBI (MF) Regulations, the sponsors and investment companies managed by them, their associate companies, subsidiaries and affiliates of the sponsors, the funds managed by associates and/or the AMC may acquire a substantial portion of the scheme. Accordingly, redemption of units held by such funds, associates and sponsors may have an adverse impact on the units of the scheme because the timing of such redemption may impact the ability of other investors to redeem their units.

Pursuant to Regulation 22(3)(a) of the SEBI (MF) Regulations, 2026, the AMC shall invest in the Scheme based on the risk associated with the Scheme as specified in para 7.13 of the SEBI Master Circular for Mutual Funds dated March 20, 2026 and any other circulars issued there under, from time to time.

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

The investors can refer to the investments made by the AMC in the Scheme on the website of the Company at https://www.jioblackrockamc.com/statutory-disclosure/disclosures/mandatory-investment-by-amc.

## PART III. OTHER DETAILS

### A. COMPUTATION OF NAV

The NAV of the units of the Scheme would be computed by dividing the net assets of the Scheme by the number of outstanding units on the valuation date. The AMC shall value the investments according to the valuation norms, as specified in the SEBI (MF) Regulations. All expenses and incomes accrued up to the

valuation date shall be considered for computation of NAV. The NAV of the Scheme would be calculated up to four decimal places and would be declared on each business day.

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

NAV (Rs.) =

$$\frac{\text{Market or Fair Value of Scheme's investments + Current Assets including Accrued Income - Current Liabilities and Provision including accrued expenses}}{\text{No. of units outstanding under the Scheme on the Valuation Day}}$$

Illustration on Computation of NAV: If the net assets of the Scheme are INR 10,55,55,550.00 and units outstanding are 1,00,00,000 then the NAV per unit will be computed as follows:

10,55,55,550.00 / 1,00,00,000 = INR. 10.5556 per unit (up to four decimals).

Methodology of calculating the sale price:
The price or NAV an investor is charged while investing in an open-ended scheme is called sale / subscription price. Pursuant to clause 11.7.1 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, no entry load will be charged by the Scheme to the Investors.

Therefore, Sale / Subscription price = Applicable NAV

Methodology of calculating the repurchase price

Repurchase or redemption price is the price or NAV at which an open -ended scheme purchases or redeems its units from the investors. It may include exit load, if applicable. The exit load, if any, shall be charged as a percentage of Net Assets Value (NAV) i.e. applicable load as a percentage of NAV will be deducted from the 'Applicable NAV' to calculate the repurchase price.

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

For example, if the Applicable NAV of the Scheme is Rs. 10 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the Investor redeems units before completion of 1 year, then the repurchase/redemption price will be: = Rs. 10*(1-0.01) = Rs. 9.90

The Repurchase Price will not be lower than 97% of the NAV.

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

**B. NEW FUND OFFER (NFO) EXPENSES**

These are the expenses incurred for the purpose of new fund offer of the scheme including marketing, advertising, communication, registrar expenses, statutory expenses, printing expenses, stationery expenses, bank charges, exchange related charges, service provider related charges etc. As required in SEBI

Regulations, all NFO expenses will be borne only by the AMC and not by the Scheme. Accordingly, the NFO expenses would be incurred from AMC books and not from Scheme books.

## C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include investment management and advisory fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc.

Total Expense Ratio = Base Expense Ratio (BER) + Brokerage Cost + Transaction Cost incurred for the purpose of execution of trade + Statutory levies (including GST).

The AMC has estimated that up to 2.10% of the daily net assets of the Scheme will be charged to the Scheme as expenses, during equity oriented phase of the glide path (equity allocation of 65% and above). For the actual current expenses being charged, the investor should refer to the website of Mutual Fund at www.jioblackrockamc.com/ter

| Expense Head | % p.a. of daily Net Assets (Estimated p.a.) |
|---|---|
| Investment Management & Advisory Fee | Up to 2.10% |
| Audit fees / fees and expenses of trustees[3] | |
| Custodial Fees | |
| Registrar & Transfer Agent Fees including cost of providing account statements/ IDCW/ redemption cheques/ warrants | |
| Marketing & Selling Expenses including fees, commission and charges towards distribution of mutual fund scheme | |
| Costs related to investor communications | |
| Costs of fund transfer from location to location | |
| Cost towards investor education, awareness and financial inclusion[1] | |
| Brokerage & Transaction cost pertaining to execution of trade [2] | |
| Cost of statutory advertisements | |
| Other Expenses (as specified under Reg 66 of SEBI (MF) Regulations, 2026) | |
| **Maximum Base expenses ratio (BER) permissible under Regulation 66** | Up to 2.10% |
| Statutory levies (including GST) on all expenses excluding brokerage and transaction cost [4] | GST at 18% or any other rate as may be levied from time to time on the taxable amount<br>Additionally, levies such as Stamp Duty, STT, CTT etc. charged on transaction value of securities at the prescribed rates.<br>(These figures are calculated based on actuals and then annualised accordingly for daily disclosure of TER) |

| Expense Head | % p.a. of daily Net Assets (Estimated p.a.) |
|---|---|
| Statutory levies (including GST) on brokerage and transaction cost [4] | Levies such as GST, etc. charged on brokerage and various transaction cost at prescribed rates.<br>(These figures are calculated based on actuals and then annualised accordingly for daily disclosure of TER) |

As per the Regulations, the maximum recurring expenses that can be charged to equity Schemes shall be subject to a percentage limit of daily net assets as in the table below:

| First INR 500 Crore | Next INR 250 Crore | Next INR 1250 Crore | Next INR 3000 Crores | Next INR 5000 Crores | Next INR 40000 Crores | On balance of the assets |
|---|---|---|---|---|---|---|
| 2.10% | 1.90% | 1.60% | 1.50% | 1.40% | Expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof. | 0.95% |

Investors are requested to note that the expense ratio of the Scheme may vary depending on the applicable phase of the glide path, in accordance with the provisions of the Scheme Information document of this Scheme. The following shall be base expense ratio charged to other than equity oriented schemes [*As per Regulation 2 (n) of SEBI (Mutual Funds) Regulations, 2026 "equity oriented schemes"means a scheme other than an index fund scheme or an exchange traded fund, where, the scheme invests a minimum of sixty-five per cent of its net assets in equity and equity related instruments]*

| Expense Head | % p.a. of daily Net Assets (Estimated p.a.) |
|---|---|
| Investment Management & Advisory Fee | Up to 1.85% |
| Audit fees / fees and expenses of trustees[3] | |
| Custodial Fees | |
| Registrar & Transfer Agent Fees including cost of providing account statements/ IDCW/ redemption cheques/ warrants | |
| Marketing & Selling Expenses including fees, commission and charges towards distribution of mutual fund scheme | |
| Costs related to investor communications | |
| Costs of fund transfer from location to location | |
| Cost towards investor education, awareness and financial inclusion[1] | |
| Brokerage & Transaction cost pertaining to execution of trade [2] | |
| Cost of statutory advertisements | |
| Other Expenses (as specified under Reg 66 of SEBI (MF) Regulations, 2026) | |
| **Maximum Base expenses ratio (BER) permissible under Regulation 66** | Up to 1.85% |

| Expense Head | % p.a. of daily Net Assets (Estimated p.a.) |
|---|---|
| Statutory levies (including GST) on all expenses excluding brokerage and transaction cost [4] | GST at 18% or any other rate as may be levied from time to time on the taxable amount.<br>Additionally, levies such as Stamp Duty, STT, CTT, etc. charged on transaction value of securities at the prescribed rates.<br>(These figures are calculated based on actuals and then annualised accordingly for daily disclosure of TER.) |
| Statutory levies (including GST) on brokerage and transaction cost [4] | Levies such as GST, etc. charged on brokerage and various transaction cost at prescribed rates.<br>(These figures are calculated based on actuals and then annualised accordingly for daily disclosure of TER.) |

As per SEBI Regulations, the maximum recurring expenses that can be charged to other than equity oriented Scheme, shall be subject to a percentage limit of daily net assets as in the table below:

| First INR 500 Crore | Next INR 250 Crore | Next INR 1250 Crore | Next INR 3000 Crores | Next INR 5000 Crores | Next INR 40000 Crores | On balance of the assets |
|---|---|---|---|---|---|---|
| 1.85% | 1.65% | 1.40% | 1.25% | 1.15% | Expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof. | 0.70% |

[1]Investor Education, Awareness and financial inclusion initiatives: As per clause 11.9 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the AMC shall annually set apart 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of the Plan(s) under the Scheme within the maximum base expense ratio limits prescribed under Regulation 66(7) of SEBI (MF) Regulations, 2026 for investor education, awareness and financial inclusion initiatives undertaken.

[2] Additional Expenses under Regulation 66: The scheme may charge expense incurred towards brokerage, for the purpose of execution of trade, over and above the base expense ratio subject to a maximum of 0.06 per cent of trade value in case of cash market transactions and 0.02 per cent of trade value in case of derivatives transactions. Expense charged towards brokerage, over and above the specified limit, shall be part of the base expense ratio limit specified under sub-regulation (7) of regulation 66 of SEBI (MF) Regulations, 2026.

Pursuant to Regulation 66 (10), Transaction cost incurred for the purpose of execution of a trade shall mean regulatory levies and any other expenses charged by the stock exchanges, clearing corporation, and clearing house, as applicable. Such transaction costs shall not form part of the base expense ratio.

The distributors shall be eligible for additional commission as specified under para 11.6 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

**Additional Incentives to distributors for onboarding new individual investors from B-30 cities and women investors:**

In line with para 11.6 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the AMC shall pay additional commission in the following manner:

1. Additional commission is payable to distributors for onboarding new eligible investors as follows:
   a. New individual investors (new PAN) from B-30 cities at the mutual fund industry level;
   b. New women individual investors (new PAN) from both Top 30 and B-30 cities.

The top 30 cities shall mean top 30 cities based on AMFI data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

2. The structure of additional commission will be as follows:

- Lumpsum Investments: 1% of amount of the first application subject to a maximum of ₹2,000, provided the investor remains invested for a minimum period of one year.
- Systematic Investment Plan, 1% of the total investment made during the first year, subject to a maximum of ₹2,000.

3. 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 and will be subject to adequate claw back provisions.
4. The additional commission will be in addition to the existing trail commission paid to the distributor from the investment strategy.
5. Distributor will be eligible to receive additional commission for mobilizing investment from new women investors from Top-30 cities and in cases where the commission for new investments from B-30 cities has not been claimed for the same women investors/investments. Dual incentives for the same investor/investment shall not be permitted.
6. Payment of additional commission will be applicable as per stipulated timelines and will be subject to implementation standards as may be prescribed by AMFI vide email dated December 27, 2025.

[3]**Trusteeship fees**:

Trustee Fees will be ascertained and payable in the manner at the rate as may be decided by the Trustee Board from time to time, within the overall limits of the regulatory BER.

[4] Statutory levy (clause yy of sub regulation 1 of Regulation 2) means levy imposed by state government and central government.

The total expenses (excluding brokerage & transaction cost and statutory levies) charged to the Scheme shall not exceed the limits stated in Regulation 66 of the SEBI (MF) Regulations, 2026 and as permitted under SEBI Circulars issued from time to time.

All scheme related expenses 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 associate, sponsor, trustee or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses can be paid out of AMC's books at actuals or not exceeding 2 bps of respective scheme AUM, whichever is lower.

The Mutual Fund would update the notice of change in base expense ratio (BER) on the website – https://www.jioblackrockamc.com/statutory-disclosure/disclosures/notice-change-in-base-expense-ratio, at least three working days prior to the effective date of the change and update the TER under the Section titled "Statutory Disclosures" under sub- section titled "Total Expense Ratio of Mutual Fund Schemes".

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.

Illustration:

Impact of Expense Ratio on Scheme's return: To further illustrate the above in rupees terms, for the Scheme under reference, suppose an Investor invested INR 10,000/- (after deduction of stamp duty and transaction charges, if any) the impact of expenses charged will be as under:

| Particulars | Direct Plan | Regular Plan |
|---|---|---|
| Amount invested at the beginning of the year (INR) | 10,000 | 10,000 |
| Returns before expenses (INR) | 1,500 | 1,500 |
| Expenses other than Distribution expenses (INR) | 50 | 50 |
| Distribution expenses (INR) | - | 100 |
| Returns after expenses at the end of the year (INR) | 1450 | 1350 |
| Returns (in %) | 14.50% | 13.50% |

Note(s):

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

## D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the Scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC at www.jioblackrockamc.com or may call at Contact Center no.- +91 22-35207700 & +91 22-69987700 during business hours or contact your distributor.

| Type of Load | Load chargeable (as %age of NAV) | |
|---|---|---|
| Exit | **Period of Holding** | **Exit Load Applicable** |
| | Upto 1 Year | 3% |

| | | |
|---|---|---|
| | More than 1 year and upto 2 years | 2% |
| | More than 2 years and upto 3 years | 1% |
| | More than 3 years | Nil |

As per Reg 44(4) of SEBI Mutual Funds Regulations, 2026, the exit load of the scheme shall not exceed three per cent of the Net Asset Value of the scheme.

Subject to the 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:

Switches of following kind within the Scheme will also not attract any exit load :

(i) switch from Direct Plan to Regular Plan or vice versa;

(ii) within different Options (Income Distribution cum Capital Withdrawal /growth), if any of the same Plan (Direct/Regular) of the Scheme.

i. The addendum detailing the changes will be attached to Scheme Information Documents and Key Information Memorandum.

ii. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.

iii. 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.

iv. 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.

v. A public notice shall be provided on the website of the AMC in respect of such changes.

vi. Any other measures which the mutual fund may feel necessary.

The AMC reserves the right to modify the Exit Load/Fee mentioned above at any time in future on a prospective basis, subject to the limits prescribed under the SEBI Regulations.

## SECTION II

### I. Introduction

### A. Definitions/interpretation:

The investors may refer to the website of the Company at link https://www.jioblackrockamc.com/statutory-disclosure/fund-documents/scheme-related-documents-active-schemes for the definitions of terms used in this Scheme Information Document.

### B. Risk factors:

### a) Standard Risk Factors:

- Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rate of the securities in which the Scheme invests fluctuates, the value of your investment in the scheme can go up or down depending on various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor (s)/ AMC/ Mutual Fund does not guarantee the future performance of the Scheme.
- The name of the Scheme does not in any manner indicate its quality or its future prospects and returns.
- The Sponsor(s) are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh each made by it towards setting up the Fund.
- The present Scheme is not a guaranteed or assured return scheme.

Please refer SAI for details.

### b) Scheme Specific Risk Factors:

**Risk associated with Life Cycle Funds**:

1. Non-Discretionary Glide Path Risk: The Scheme follows a pre-determined, rule-based glide path and the Fund Manager has no discretion to deviate from the prescribed asset allocation at any phase, irrespective of prevailing market conditions, which may result in sub-optimal risk-adjusted returns during certain market cycles.

2. Fixed Maturity and Exit Load Risk: The Scheme's strategy is calibrated to a fixed maturity date along with a graded exit load which may constrain investor liquidity and materially affect effective returns on premature withdrawals before the Scheme's designated maturity year.

3. Credit and Interest Rate Risk in Terminal Phase: Allocation shifts towards debt instruments nearer to the target date, increasing its sensitivity to credit events and interest rate movements. However, the Scheme is limited by the regulatory requirement that permissible debt investments be restricted to instruments rated

AA and above, with residual maturity not exceeding the target maturity of the Scheme thereby mitigating potential credit events.

4. Portfolio Transition and Market Impact Risk: Mandatory glide path rebalancing may require liquidation of equity positions and reinvestment into debt instruments at predetermined intervals without regard to prevailing market conditions, potentially resulting in crystallization of losses and market impact costs adversely affecting investor returns.

5. Pre-Maturity Merger and Reinvestment Risk: When the residual tenor falls below one year, the Scheme may be merged with the nearest available maturity Life Cycle Fund, which may alter the investor's maturity profile and applicable glide path. Upon scheduled maturity, reinvestment opportunities may not offer comparable risk-return characteristics. The requirement of affirmative unitholder consent prior to any such merger ensures that investors retain the right to evaluate and accept or reject the proposed change before its implementation.

6. Fund Manager Change: A change in fund manager may result in a strategy drift wherein the incoming manager adjusts the asset allocation and rebalancing approach which may alter the risk-return profile of the fund.

**Risk factors associated with investments in Gold & Gold ETFs and Silver & Silver ETFs:**

• Gold/Silver Price Risk: Fluctuations in the price of Gold/Silver could adversely affect investment value of the Scheme. The factors that may affect the price of Gold/Silver, inter alia, include demand & supply, economic and political developments, changes in interest rates and perceived trends in bullion prices, exchange rates, inflation trends, market movements, and trade restrictions on import/export of Gold/Silver.

• Liquidity Risk: The scheme has to sell Gold/Silver only to bullion bankers/traders who are authorized to buy Gold/Silver. The Scheme may have to resort to distress sale of Gold/Silver if there is no or low demand for Gold/Silver to meet its cash needs of redemption or expenses.

• Currency Risk: The formula for deriving the NAV of the units of the scheme is based on the imported (landed) value of the Gold/Silver, which is computed by multiplying international market price by US Dollar value. Hence the value of NAV of Gold/Silver will depend upon the conversion value and attracts all the risk associated with such conversion.

**Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives (ETCDs):**

• Commodity risks: The Scheme may invest in commodities markets and may therefore have investment exposure to the commodities markets, which may subject the Scheme to greater volatility than investments in traditional securities, such as stocks and bonds.

• Price risk: ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrages can occur between the price of the physical commodity and the ETCD.

• Settlement risk: ETCDs can be settled either through the exchange or physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement.

• Liquidity Risk: While ETCDs that are listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges.

**Risk factors associated with investment in InvITs:**

•Market Risk–Units of InvITs are subject to market and other risks. The value of these units can go up or down because of various factors that affect the capital market in general, such as, but not limited to, changes in interest rates, government policy and volatility in the capital markets.

•Liquidity Risk-Liquidity in units of InvITs maybe affected by trading volumes, settlement periods and transfer procedures. These factors may also affect the Scheme's ability to make intended purchases/sales, cause potential losses to the Scheme and result in the Scheme missing certain investment opportunities. These factors can also affect the time taken by the Mutual Fund for redemption of Units, which could be significant in the event of receipt of a very large number of redemption requests or very large value redemption requests. In view of this, redemption may be limited or suspended after approval from the Boards of Directors of the AMC and the Trustee, under certain circumstances as described in the Statement of Additional Information. InvITs currently have relatively higher liquidity in primary market. As such, in absence of a deep secondary market, it may be challenging to redeem the invested units except where the issuer is offering a buyback or delisting the units.

•Re-investment Risk–Investments in InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or IDCW pay-outs, etc. Consequently, the proceeds may get invested at a lower rate.

•Performance Risk-InvITs carry a performance risk by way of repayment of principal or of interest by the borrower. InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre-scheduled.

The above are some of the common risks associated with investments in InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital.

**Risks associated with investment in Equity and Equity related instruments:**

- Equity and Equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors.

- The NAVs of Scheme to the extent invested in equity will fluctuate as the daily prices of the individual securities in which they invest fluctuate and the units when redeemed may be worth more or less than their original cost.

- The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the units of the Scheme may fluctuate and can go up or down.

- While the securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. The liquidity of the Scheme's investments is inherently restricted by trading volumes in which it invests.

- In respect of investments in equity and equity related instruments, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity related securities. In the event of inordinately large number of redemptions or of a restructuring of the scheme's investment portfolio, there may be delays in the redemption of units.

- Within the regulatory limits, the Fund Manager may choose to invest in listed or to be listed securities that offer attractive yields. 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 or offer other exit options to the investor, including a put option. This may however increase the risk of the portfolio. The liquidity and valuation of the Scheme's investments due to their holdings of listed or to be listed securities may be affected if they have to be sold prior to their target date of disinvestments.

- Investment made in listed or to be listed equity or equity related securities may only be realizable upon listing of these securities. Settlement problems could cause the Scheme to miss certain investment opportunities.

- Investors may note that dividend is due only when declared and there is no assurance that a company (even though it may have a track record of payment of dividend in the past) may continue paying dividend in future. As such, the Scheme is vulnerable to instances where investments in securities may not earn dividend or where lesser dividend is declared by a company in subsequent years in which investments are made by Scheme. As the profitability of companies are likely to vary and have a material bearing on their ability to declare and pay dividend, the performance of the Scheme may be adversely affected due to such factors.

- Investors may note that Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

- In case of abnormal circumstances, it will be difficult to complete the square off transaction due to liquidity being poor in stock futures/spot market. However, fund will aim at taking exposure only into liquid stocks where there will be minimal risk to square off the transaction.

**Volatility and Economic Risks:**

The value of investments in the Scheme may fluctuate due to various factors, including price and volume volatility in the equity markets, interest rates, currency exchange rates, and broader economic and political developments. Changes in government policies, taxation laws, or regulations by appropriate authorities may also impact the scheme's performance. The NAV of the Scheme can rise or fall in response to these factors, and investors should be prepared for potential fluctuations in their investment value.

**Liquidity Risks and Trading Volumes:**

Trading volumes, settlement periods, and transfer procedures may limit the liquidity of the investments held by the Scheme. Different segments of the financial markets have varying settlement periods, and unforeseen circumstances could extend these periods, leading to delays in the receipt of proceeds from the sale of securities. Additionally, the absence of a well-developed and liquid

secondary market for certain securities may restrict the scheme's ability to execute transactions, potentially causing the scheme to miss investment opportunities or realize losses.

The liquidity of the investments made by the Scheme may sometimes be constrained by trading volumes and settlement periods. In situations where there is an unusually large number of redemption requests or a need to restructure the Scheme, the time required by the Mutual Fund to process redemptions may be significant. Given these circumstances, the Trustee reserves the right, at its sole discretion, to limit or suspend redemptions under certain conditions, as detailed in the section 'Right to Restrict Redemptions' under 'Restrictions, if any, on the right to freely retain or dispose of units being offered.'

At times, the Scheme may face a large number of redemption requests, which could lead to an asset-liability mismatch. This situation may force the investment manager to undertake a distress sale of securities, resulting in a realignment of the portfolio and potentially leading to investments in more liquid instruments which may be lower yielding.

The liquidity of stocks available only in the cash segment, and not in the F&O segment, can be negatively impacted when a circuit filter is imposed by any stock exchange. This situation may lead to gains or losses for existing investors once the purchase or sale of that stock is eventually executed. Such circumstances can also contribute to tracking error when comparing the Scheme's returns with its benchmark.

Subscription (Upper Circuit):

The Scheme will purchase stocks according to the basket allocation when no circuit is imposed.
If a circuit filter is triggered on any stock(s) in the basket:

1. The Scheme will hold cash for the stock(s) on circuit at the last available price on the stock exchange when the circuit was triggered.
2. The stock(s) will be purchased immediately when the circuit opens.

This process may impact performance and result in tracking error.

Redemption (Lower Circuit):

The Scheme will sell stocks according to the basket allocation if no circuit is imposed.
If a circuit filter is triggered on any stock(s) in the basket:

1. The Scheme will pay from cash or cash equivalents, or create cash by selling other stocks at the last available price on the stock exchange when the circuit was triggered. This action may impact performance and result in tracking error.
2. The stock(s) will be sold immediately when the circuit opens, and the portfolio will be rebalanced, which may also impact performance and result in tracking error.

**Taxation Risks:**

The Trustee, AMC, Fund, their directors, or their employees shall not be liable for any tax consequences that may arise in the event that the Scheme is wound up for reasons specified in the Scheme Information Document (SID) and Statement of Additional Information (SAI). Investors

should be aware that changes in the fundamental attributes of the scheme or other factors leading to redemption by the investor may entail tax consequences. The Trustee, AMC, Fund, their directors, or their employees shall not be responsible for any tax implications arising from such actions. Furthermore, tax benefits described in the SAI and SID are based on the current taxation laws, which may change. Investors should consult their tax advisors, as the tax position prevailing at the time of investment may not endure indefinitely.

Redemption by the investor, whether due to a change in the fundamental attributes of the Scheme or for any other reason, may have tax implications. The Trustee, AMC, Fund, their directors, or employees shall not be held liable for any tax consequences that may arise from such redemptions.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE (applicable to the facility to transact in the Units of the Scheme through the Stock Exchange mechanism provided by the AMC), allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

**Risks associated with investing in Fixed Income securities:**

·**Market Risk:** The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.

·**Liquidity Risk:** Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold. The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.
·**Credit Risk:** Investments in Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.

·**Price Risk:** Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. 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 local-currency credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.
Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or

unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.

·**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:** The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Schemes' portfolio due to the extraneous factors that may impact liquidity would result, at times, in potential losses to the Plan, in case of a subsequent decline in the value of securities held in the Schemes' portfolio.

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

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

Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds are comparatively less risky than AA rated bonds.

·The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
·As zero-coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates and are subject to issuer default risk. Therefore, the interest rate risk of zero-coupon securities is higher. The AMC may choose to invest in zero-coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest.

It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero-coupon securities are generally more volatile than the market prices of securities that pay interest periodically.

**Duration Risk:** Duration risk refers to the movement in price of the underlying invested money market / debt instruments due to movement/change in interest rates over different durations of maturity of instruments. In a portfolio of debt assets, the duration risk is measured by the average duration of the portfolio. Duration, expressed in years, is used as a measure of the sensitivity of the fixed income instrument to a change in interest rates. Usually, individual duration of fixed income instruments in the portfolio is calculated and the portfolio duration is weighted average of such individual instrument duration. A longer portfolio duration is associated with greater price fluctuations. A rise in interest rates could normally lead to decrease in prices and generally negatively affects portfolios having longer duration vis-a-vis portfolios having shorter duration. A fall in interest rate generally benefits portfolio having longer duration. A longer duration portfolio is also generally associated with greater volatility vis-a-vis a shorter duration portfolio.

**Sovereign Risk:** Sovereign risk is the likelihood that a government will default on its loan obligation by failing to meet its principal payments or interest. It comes in different forms and may result in losses to investors in addition to negative political consequences. The Central Government of a country is the issuer of the local currency in that country. The Government (Central / State) raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since payment of interest and principal amount has a sovereign status implying no default, such securities are known as securities with sovereign credit. For domestic borrowers and lenders, the credit risk on such sovereign credit is minimal, even lower than a security with "AAA" rating and hence commands a yield, which is lower than a yield on "AAA" security.

**Risks associated with investment in unlisted securities:**

Except for any security of an associate or group company, the Scheme may invest in securities which are not listed on a stock exchange ("unlisted Securities") which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid secondary market and there can be no assurance that the Scheme will realize their investments in unlisted securities at a fair value. The AMC may choose to invest in unlisted securities that offer attractive yields, which could increase the risk of the portfolio.

**Risks associated with Investing in Derivatives (Equities and Fixed Income):**

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 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. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. The Scheme may invest in derivative products in accordance

with and to the extent permitted under SEBI MF Regulations and by SEBI. 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. 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. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme. The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values. The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place. The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue. The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However, the gains of an options writer are limited to the premiums earned. Since in case of the Scheme all option positions will have underlying assets, all losses due to price movement beyond the strike price will actually be an opportunity loss. The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio. Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks. The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme. The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Other risks associated with investments in Derivatives are as follows:

• **Valuation Risk:** The risk in valuing the debt & equity derivative products due to inadequate trading data with good volumes. Derivatives with longer duration would have higher risk vis-à-vis the shorter duration derivatives.

• **Mark to Market Risk**: The day-to-day potential for an investor to experience losses from fluctuations in underlying stock prices and derivatives prices.

• **Systematic Risk**: The risks inherent in the capital market due to macro-economic factors like inflation, GDP and global events.

• **Liquidity Risk**: The risks stemming from the lack of availability of derivatives products across different maturities and with various risk appetite.

• **Implied Volatility**: The estimated volatility in an underlying security's price and derivative price.

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

• **Counterparty Risk (Default Risk)**: Default risk is the risk that losses will be incurred due to the default by the counterparty for over-the-counter derivatives.

• **System Risk:** The risk arising due to failure of operational processes followed by the exchanges and OTC participants for the derivatives trading.

As and when the Scheme trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk 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. 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. This also includes the risk associated with imperfect hedging.

**a) Risk associated with imperfect hedging includes:**

i. Basis Risk: The risk arises when the price movements in derivative instrument used to hedge the underlying assets does not match the price movements of the underlying assets being hedged. Such difference may potentially amplify the gains or losses, thus adding risk to the position.

ii. Price Risk: The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

iii. Risk of mismatch between the instruments: The risk arises if there is a mismatch between the prices movements in derivative instrument used to hedge, compared to the price movement of the underlying assets being hedged. For example, when IRF, which has government security as underlying is used to hedge a portfolio that contains corporate debt securities.

**b) Risk associated with Interest Rate Future (IRF)**

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

i. Market risk: Derivatives carry the risk of adverse changes in the market price.

ii. Price Risk-The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

iii. Liquidity risk –This occurs where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.

iv. Model Risk -The risk of mispricing or improper valuation of derivatives.

v. Basis Risk –This risk arises when the instrument used as a hedge does not match the movement

in the instrument/ underlying asset being hedged.

The risks may be inter-related also; for e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets. Correlation weakening and consequent risk of regulatory breach:
SEBI Regulations mandates minimum correlation criterion of 0.9 (calculated on a 90-day basis) between the portfolio being hedged and the derivative instrument used for hedging. In cases where the correlation falls below 0.9, a rebalancing period of 5 (five) Business Days has been permitted. Inability to satisfy this requirement to restore the correlation level to the stipulated level, within the stipulated period, due to difficulties in rebalancing would lead to a lapse of the exemption in gross exposure computation. The entire derivative exposure would then need to be included in gross exposure, which may result in gross exposure in excess of 100% of net asset value.

**c) Risk factors associated with Interest Rate Swaps**

Investing in interest rate swaps can involve several risks including but not limited to below risks:

1. **Interest Rate Risk:** This is the primary risk, arising from fluctuations in market interest rates. If interest rates move unfavourably, the value of the swap can decrease.

2. **Counterparty Risk:** This is the risk that the other party in the swap agreement may default on their payment obligations. This risk can be mitigated through collateral requirements and central clearing.

3. **Liquidity Risk:** Interest rate swaps can sometimes be difficult to unwind or sell before their maturity, which can pose liquidity challenges for the mutual fund.

4. **Valuation Risk:** Accurately valuing interest rate swaps can be complex and may require sophisticated models and assumptions. Incorrect can lead to mispricing and potential losses.

5. **Operational Risk:** This includes the risk of errors in the execution, management, or with investment in Tri-Party Repo through settlement of the swap transactions.

**d) Risk pertaining to covered call strategy**

Writing call options are highly specialized activities and entail higher than ordinary investment risks. In such investment strategy, the profits from call option writing are capped at the option premium, however the downside depends upon the increase in value of the underlying equity shares.

The Scheme may write covered call option only in case it has adequate number of underlying equity shares as per regulatory requirement. This would lead to setting aside a portion of investment in underlying equity shares. If covered call options are sold to the maximum extent allowed by regulatory authority, the scheme may not be able to sell the underlying equity shares immediately if the view changes to sell and exit the stock.

The covered call options need to be unwound before the stock positions can be liquidated. This may lead to a loss of opportunity or can cause exit issues if the strike price at which the call option contracts have been written become illiquid. Hence, the scheme may not be able to sell the underlying equity

shares, which can lead to temporary illiquidity of the underlying equity shares and result in loss of opportunity.

The writing of covered call option would lead to loss of opportunity due to appreciation in value of the underlying equity shares. Hence, when the appreciation in equity share price is more than the option premium received, the scheme would be at a loss.

The total gross exposure related to option premium paid and received must not exceed the regulatory limits of the net assets of the scheme. This may restrict the ability of Scheme to buy any options.

**Risk Associated with investment in Instruments having Special Features**

**Credit Risk / Principal at Risk:** Instruments such as AT1 and AT2 bonds are unsecured and subordinated. The issuer has the option to write off the principal in times of severe financial stress. Investors have no recourse or only limited recourse to recover their investment if the principal is written off. These bonds may also be converted into equity upon the occurrence of certain pre-defined trigger events. The Central Bank may instruct the issuer to write down the entire value of outstanding AT1 or AT2 bonds if it determines that the bank has reached the Point of Non-Viability (PONV) or requires capital infusion to remain a going concern. Additionally, interest payments especially on AT1 bonds may be skipped under certain conditions and are non-cumulative, meaning they cannot be recovered later.

**Interest Rate Risk:** Instruments without a defined maturity may yield lower returns in a rising interest rate environment, leading to opportunity loss.

**Liquidity Risk:** There is no assurance that the bondholder will receive the principal on the call date, as the issuer may choose to extend the bond's tenure. While these bonds can be sold in the secondary market, they may trade at a discount to the purchase price. Moreover, some of these bonds are thinly traded, making it difficult to find buyers.

**Risk associated with investing in Securitised Debt**

A securitization transaction involves sale of receivables by the originator (a bank, non-banking finance company, housing finance company, microfinance companies or a manufacturing/service company) to a Special Purpose Vehicle (SPV), typically set up in the form of a trust. Investors are issued rated Pass Through Certificates (PTCs), the proceeds of which are paid as consideration to the originator. In this manner, the originator, by selling his loan receivables to an SPV, receives consideration from investors much before the maturity of the underlying loans. Investors are paid from the collections of the underlying loans from borrowers. Typically, the transaction is provided with a limited amount of credit enhancement (as stipulated by the rating agency for a target rating), which provides protection to investors against defaults by the underlying borrowers. Generally available asset classes for securitization in India are:

- Commercial vehicles
- Auto and two wheeler pools
- Mortgage pools (residential housing loans)
- Personal loan, credit card and other retail loans

- Corporate loans/receivables
- Microfinance receivables

In pursuance to SEBI communication dated: August 25, 2010, given below are the requisite details relating to investments in Securitized debt.

**Risk profile of securitized debt vis-à-vis risk appetite of the scheme**

The Scheme aims to provide reasonable returns to investors with a long-term investment horizon. Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity which would match with the long-term investment horizon of these investors. Investment in these instruments may help the fund in aiming at reasonable returns. These returns come with a certain degree of risks which are covered separately in the Scheme Information Document. Accordingly, the medium risk profile of the securitized debt instruments matches that of the prospective investors of these schemes.

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

**Risk mitigation strategies for investments with each kind of originator**

For a complete understanding of the policy relating to selection of originators, the AMC has first analyzed below risks attached to a securitization transaction.

In terms of specific risks attached to securitization, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher, which helps in making their overall risks comparable to other AAA/AA rated asset classes.

The Scheme may invest in securitized debt assets. These assets would be in the nature of Asset Backed Securities (ABS) and Mortgage Backed Securities (MBS) with underlying pool of assets and receivables like housing loans, auto loans and single corporate loan originators. The Scheme intends to invest in securitized instruments rated AAA/AA by a SEBI recognized credit rating agency.

Before entering into any securitization transaction, the risk is assessed based on the information generated from the following sources:
(1) Rating provided by the rating agency
(2) Assessment by the AMC

**(1) Assessment by a Rating Agency**
In its endeavor to assess the fundamental uncertainties in any securitization transaction, a credit rating agency normally takes into consideration following factors:

**Credit Risk:** Credit risk forms a vital element in the analysis of securitization transaction. Adequate credit enhancements to cover defaults, even under stress scenarios, mitigate this risk. This is done by evaluating following risks:

Asset risk
Originator risk
Portfolio risk
Pool risks

The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

**Counterparty Risk**

There are several counterparties in a securitization transaction, and their performance is crucial. Unlike in the case of credit risks, where the risks emanate from a diversified pool of retail assets, counterparty risks result in either performance or non-performance. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. The risks assessed under this category include:
Servicer risk
Commingling risk
Miscellaneous other counterparty risks

**Legal Risks**

The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised, and relevant protection and safeguards are built into the transaction.

**Market Risks**

Market risks represent risks not directly related to the transaction, but other market related factors, stated below, which could have an impact on transaction performance, or the value of the investments to the investors.

- Macro-economic risks
- Prepayment risks
- Interest rate risks

**Other Risks associated with investment in securitized debt and mitigation measures:**
**Limited Liquidity and Price Risk**

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell them. Risk Mitigation: Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity. The liquidity risk and HTM nature is taken into consideration at the time of analyzing the appropriateness of the securitization.

**Limited Recourse, Delinquency and Credit Risk**

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

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

**Risks due to possible prepayments: Weighted Tenor / Yield**
Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. Full prepayment of underlying loan contract may arise under any of the following circumstances; o Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or o Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to that Receivable; or o The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same o In the event of prepayments, investors may be exposed to changes in tenor and yield.

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

**Bankruptcy of the Originator or Seller**

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale, then an Investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a “True Sale”. Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the

Investors, as envisaged herein, would constitute a true sale. Risk Mitigation: Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.

**Bankruptcy of the Investor's Agent**

If Investor's agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor's Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent. Legal opinion is normally obtained to the effect that the Investors Agent's recourse to assets/receivables is restricted in its capacity as agent and trustee and not in its personal capacity.

**Risk Mitigation:** All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent

**Risk of Co-mingling**

With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

**(2) Assessment by the AMC**

· **Track record**
The AMC ensures that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc.

· **Willingness to pay**
As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool / loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank, guarantee etc. is obtained, as a risk mitigation measure.

· **Ability to pay**
This assessment is based on a strategic framework for credit analysis, which entails a detailed financial risk assessment. Management analysis is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record

and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality. Business risk assessment, wherein following factors may be considered: o Outlook for the economy (domestic and global) o Outlook for the industry o Company specific factors. In addition, a detailed review and assessment of rating rationale is done including interactions with the company as well as agency

**Critical Evaluation Parameters (For Pool Loan and Single Loan Securitization Transactions)**

Typically, the AMC would avoid investing in securitization transaction (without specific risk mitigant strategies / additional cash/security collaterals/ guarantees) if there are concerns on the following issues regarding the originator / underlying issuer:

· High default track record/ frequent alteration of redemption conditions / covenants
· High leverage ratios – both on a standalone basis as well on a consolidated level/ group level
· Higher proportion of re-schedulement of underlying assets of the pool or loan, as the case may be
· Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
· Poor reputation in market
· Insufficient track record of servicing of the pool or the loan, as the case may be.

Table below illustrates the framework that may be applied while evaluating investment decision relating to a pool securitization transaction:

| **Characteristics/Type of Pool** | **Mortgage Loan** | **Commercial Vehicle and Construction Equipment** | **CAR** | **2 wheelers** | **Micro Finance Pools** | **Personal Loans** |
|---|---|---|---|---|---|---|
| Approximate Average maturity (in Months) | 36-120 months | 12- 60 months | 12-60 months | 15-48 months | 15-80 weeks | 5 months -3 years |
| Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche) | 3-10% | 4-12% | 4-13% | 4-15% | 5-15% | 5-15% |
| Average Loan to Value Ratio | 75%-95% | 80%-98% | 75%-95% | 70%-95% | Unsecured | Unsecured |
| Average seasoning of the Pool | 3-5 months | 3-6 months | 3-6 months | 3-5 months | 2-7 weeks | 1-5 months |
| Maximum single exposure range | 4-5% | 3-4% | NA (Retail Pool) | NA (Retail Pool) | NA (Very Small Retail loan) | NA (Retail Pool) |
| Average single exposure range % | 0.5%-3% | 0.5%-3% | <1% of the Fund size | <1% of the Fund size | <1% of the Fund size | <1% of the Fund size |

Notes:
1. Retail pools are the loan pools relating to Car, 2 wheelers, micro finance and personal loans, wherein the average loan size is relatively small and spread over large number of borrowers.

2. Information illustrated in the Tables above, is based on the current scenario relating to Securitized Debt market and is subject to change depending upon the change in the related factors.

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

4. Majority of our securitized debt investments shall be in asset backed pools wherein the AMC may have underlying assets as Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment etc. Where the AMC invests in Single Loan Securitization, as the credit is on the underlying issuer, the AMC focuses on the credit review of the borrower.

In addition to the framework as per the table above, the AMC also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:
· Size of the Loan
· Average Original Maturity of the Pool
· Delinquency Distribution
· Geographical Distribution
· Loan to Value Ratio
· Average seasoning of the pool

**Risk Tranching**
Typically, the AMC may avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate tranche, without specific risk mitigant strategies / additional cash / security collaterals/ guarantees, etc.

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

Investments made by the scheme in any asset are done based on the requirements of the scheme and in accordance with the investment policy. All Investments are made entirely at an arm's length basis with no consideration of any existing / consequent investments by any party related to the transaction (originator, issuer, borrower etc.). Investments made in Securitized debt are made as per the Investment pattern of the Scheme and are done after detailed analysis of the underlying asset. There might be instances of Originator investing in the same scheme but both the transactions are at arm's length and avoid any conflict of interest.

**In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt.**

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is similar to any other credit. The investments in securitized debt are done after appropriate research. The ratings are monitored for any movement.

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

**Risk factors associated with investment in unrated securities**

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

**Risks Associated with Securities Lending and short selling**

As with other forms of credit extension, securities lending carries inherent risks, including the possibility that the counterparty, in this case the approved intermediary, may fail to fulfill the terms of the agreement with the Scheme, which is the lender of the securities. Such a failure could result in the potential loss of rights to the collateral provided by the borrower, the inability of the approved intermediary to return the securities lent by the Scheme, and the potential loss of any benefits accruing to the lender from those securities. A loss situation can arise in case the borrower of the security goes bankrupt. Additionally, the Scheme may face temporary illiquidity and loss of investment opportunities if it is unable to sell the lent-out securities.

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Short selling of securities (i.e. sale of securities without owning them) entails the risk of the security price going up there by decreasing the profitability of the short position. Short selling is subject to risks related to fluctuations in market price, and settlement/liquidity risks.

**Risk Factors associated with schemes investing in Gilt Securities**

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 prices is a function of the existing coupon, days to maturity and the increase or decrease in interest rates. Price risk is not unique to government securities but is true for all fixed income securities. The default risk, however, in respect of Government securities is zero. Therefore, their prices are influenced only by movement in interest rates in the financial system. On the other hand, in the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced by credit standing of the issuer as well as the general level of interest rates. Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.

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

In addition to the risk factors associated with debt instruments, below are the risks factors for the Structured Obligations & Credit Enhancement:

•Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms such as guarantee, shortfall undertaking, letter of comfort, pledge of shares listed on stock exchanges etc. from the issuers, promoters or another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating.

•SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of loan receivables, securities backed by trade receivables, credit card receivables etc. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.

•Liquidity Risk: SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is low as compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the scheme to sell such debt instruments and generate liquidity for the scheme or higher impact cost when such instruments are sold. Where equity shares are provided as collateral there is the risk of sharp price volatility of underlying securities which may lead to erosion in value of collateral as also low liquidity of the
underlying shares which may affect the ability of the fund to enforce collateral and recover capital and interest obligations.

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

**Risk factors associated with REITs**

•Market Risk–Units of REITs are subject to market and other risks. The value of these units can go up or down because of various factors that affect the capital market in general, such as, but not limited to, changes in interest rates, government policy and volatility in the capital markets

•Liquidity Risk-Liquidity in units of REITs maybe affected by trading volumes, settlement periods and transfer procedures. These factors may also affect the Scheme's ability to make intended purchases/sales, cause potential losses to the Scheme and result in the Scheme missing certain investment opportunities. These factors can also affect the time taken by the Fund for redemption of

Units, which could be significant in the event of receipt of a very large number of redemption requests or very large value redemption requests. In view of this, redemption may be limited or suspended after approval from the Boards of Directors of the AMC and the Trustee, under certain circumstances as described in the Statement of Additional Information. REITs currently only have a nascent primary market. As such, in absence of the secondary market, the invested units cannot be redeemed except where the issuer is offering a buyback or delisting the units.

•Re-investment Risk–Investments in REITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or IDCW pay-outs, etc. Consequently, the proceeds may get invested at a lower rate.

•Performance Risk- REITS carry a performance risk by way of repayment of principal or of interest by the borrower. REITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre-scheduled.

The above are some of the common risks associated with investments in REITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital.

**Risks Associated with Investing in other Mutual Fund Schemes**

Investing in mutual funds involves risks, including the potential impact of fluctuations in the Net Asset Value (NAV) of the underlying funds on the Scheme's performance. Changes in the investment strategies, objectives, or fundamental attributes of these funds can also affect the performance of the Scheme. Additionally, any redemptions from these funds may be subject to exit loads, which could further impact returns. Furthermore, the underlying funds may carry specific risks related to their own portfolios, such as market, credit, or liquidity risks, which may indirectly affect the Scheme's overall risk profile.

**Risks associated with investment in Credit Default Swap**

Mutual Fund schemes can buy Credit Default Swap (CDS) to hedge credit risk of corporate bond holdings in the portfolio. Below are the risks associated with investment in CDS:

Counterparty Risk: This is the risk that the seller of the CDS might default on their obligation. If the counterparty fails to pay in the event of a default by the bond issuer, the mutual fund could face significant losses.

Market Liquidity Risk: The CDS market can become illiquid during periods of financial stress. This means that mutual funds might find it difficult to buy or sell CDS contracts at favorable prices when required.

Regulatory Risk: SEBI has specific guidelines for mutual fund schemes participating in buying/selling CDS. Any changes in these regulations could impact the mutual fund's ability to effectively use CDS for hedging

Credit Risk of the CDS Seller: The creditworthiness of the CDS seller is crucial. If the seller's credit rating deteriorates, the protection offered by the CDS might become less reliable.

**Risks Associated with Repo Transactions in Corporate Debt Securities**

The Scheme may be exposed to counterparty risk in the event that the counterparty fails to honor its obligations under a repurchase agreement (repo). This risk arises when the counterparty does not repurchase the securities at the agreed-upon price and time, potentially leading to financial losses for the Scheme. However, in repo transactions, the risk is mitigated by the underlying collateral provided by the counterparty. In the event of default, the Scheme can sell the collateral to recover the repo amount. A loss would only be realized if the sale price of the collateral is lower than the amount lent in the repo transaction.

Over-collateralization is a strategy that is used to further reduce risk. The value of the collateral provided by the counterparty exceeds the amount of the repo. This cushion provides additional protection against potential declines in the collateral's value, ensuring that the Scheme has adequate security even in adverse market conditions. This approach helps safeguard the scheme's assets and mitigate the impact of any counterparty default.

**Risks associated with segregated portfolio**

Investors should be aware that while the creation of a segregated portfolio is intended to isolate distressed or illiquid assets in exceptional situations such as credit events or issuer defaults, it comes with its own set of risks:

**Limited Liquidity**: Units in a segregated portfolio may have limited liquidity, as they are typically not available for subscription or redemption. Investors holding such units may face difficulties in exiting their investments until the underlying assets are recovered or resolved.

**Valuation Uncertainty**: The valuation of assets in a segregated portfolio may fluctuate due to their illiquid or distressed nature. As a result, the NAV of the segregated portfolio may be highly volatile, and there is no assurance that the portfolio will recover its full value over time.

**Recovery Risk**: There is no guarantee that the segregated assets will recover their value or that any recovery will occur within a specified timeframe. In certain cases, the realization of value may take an extended period, or there may be no recovery at all, resulting in potential losses for investors.

**Credit and Default Risk**: Segregated portfolios are typically created in response to credit events or issuer defaults. As such, the assets in the portfolio may continue to carry a high degree of credit risk, including the possibility of further downgrades, defaults, or adverse actions affecting the underlying securities.

**Market and Legal Risks**: The resolution of segregated portfolio assets may be influenced by legal, regulatory, or market conditions. Unfavorable changes in the legal environment or prolonged market disruptions may further delay or reduce the recovery of the segregated assets.

Investors are strongly advised to consult their financial advisors and carefully consider the associated risks before making any investment decisions related to schemes that may create segregated portfolios in the event of a credit event or other exceptional circumstances.

**Risk factors associated with investment in Tri-Party Repo**

All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus, reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are

required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL).
As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus, the Scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

**Risks associated with Passive Breach of Investment Limits**

The Scheme's portfolio may inter alia passively breach prescribed investment limits due to external factors such as market fluctuations, corporate actions (e.g., mergers), or significant investor redemptions, and not due to a new investment by the AMC. In such an event, the AMC will take corrective action to rebalance the portfolio within the timeline stipulated by SEBI and will refrain from making further investments in the specific security or sector until the breach is rectified.

**Other Scheme Specific Risk factors:**

a) 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, limits on redemptions (including suspending redemptions) may be invoked under certain circumstances, as described under 'Restrictions on Redemptions of Units' under Other Scheme Specific Disclosures section. Any Redemption or suspension of Redemption of the Units in the scheme(s) of the Fund shall be implemented only after prior approval of the Board of Directors of the AMC and Trustee Company and subsequently informing the same to SEBI immediately.

b) Although, the objective of the Fund is to generate optimal returns, the objective may or may not be achieved. The investors may note that if the AMC/Investment Manager is not able to make right decision regarding the timing of increasing exposure in debt securities in times of falling equity market, it may result in negative returns. Given the nature of scheme, the portfolio turnover ratio may be on the higher side commensurate with the investment decisions and Asset Allocation of the Scheme. At times, such churning of portfolio may lead to losses due to subsequent negative or unfavorable market movements.

c) Credit And Rating Downgrade Risk, Prepayment and Foreclosures Risk for Senior PTC (Pass Through Certificate) Series, Prepayment and Foreclosures Risk for Senior PTC Series, Servicing Agent Risk, Co-mingling Risk, and Bankruptcy of the Seller.

d) The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.

e) 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 or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.

f) Investment decisions made by the AMC may not always be profitable, even though it is intended to generate capital appreciation and maximize the returns by actively investing in equity and equity related securities.

The tax benefits available under the scheme are as available under the present taxation laws and are available only to certain specified categories of investors and that is subject to fulfillment of the relevant conditions. The information given is included for general purposes only and is based on advice that the AMC has received regarding the law and the practice that is currently in force in India and the Investors should be aware that the relevant fiscal rules and their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor is advised to consult his/her own professional tax advisor.

**Risk mitigation strategies:**

The Scheme by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity and debt markets. The risk control process involves identifying & measuring the risk through various risk measurement tools. The Scheme has identified following risks of investing in equity and debt securities and designed risk management strategies, which are embedded in the investment process to manage such risks:

| **Risks associated with Equity investment** | |
|---|---|
| **Risk** | **Risk Mitigation Strategy** |
| **Market Risk**<br>The scheme is vulnerable to movements in the prices of securities invested by the scheme, which could have a material bearing on the overall returns from the scheme. | Market risk is a risk which is inherent to an equity scheme. The Scheme may use derivatives to limit this risk. |
| **Liquidity risk**<br>The liquidity of the scheme's investments is inherently restricted by trading volumes in the securities in which it invests. | As such the liquidity of stocks that the fund invests into could be relatively low, the fund will try to maintain a proper asset-liability match to ensure redemption / Maturity payments are made on time and not affected by illiquidity of the underlying stocks. |
| **Concentration Risk**<br>Concentration risk represents the probability of loss arising from heavy exposure to a particular group of sectors or securities | Sector allocation will be dynamically managed based on macroeconomic trends and market outlook, with internal thresholds to prevent concentration in any single sector or stock. The portfolio will be rebalanced periodically to align with the Scheme's investment strategy. |
| **Derivatives Risk** | The Scheme may invest in derivative for the purpose of hedging/non-hedging, portfolio |

| Risks associated with Equity investment | |
|---|---|
| **Risk** | **Risk Mitigation Strategy** |
| As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. | balancing and other purposes as may be permitted under the Regulations. Derivatives will be used in the form of Index Options, Index Futures, Stock Options and Stock Futures and other instruments as may be permitted by SEBI. All derivatives trade will be done only on the exchange with guaranteed settlement. Fund managers will endeavor to use derivatives which are relatively liquid and traded frequently on the exchanges. Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID. No OTC contracts will be entered into. |

| Risks associated with Debt investment | |
|---|---|
| **Risk** | **Risk Mitigation Strategy** |
| **Market Risk**<br>As with all debt 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 ates 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 will undertake the active portfolio management as per the investment objective to reduce the marker risk. In a rising interest rates scenario the Scheme may increase its investment in money market securities whereas if the interest rates are expected to fall the allocation to debt securities with longer maturity may be increased thereby mitigating risk to that extent. |
| **Liquidity or Marketability Risk**<br>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 government securities, corporate bonds and money market instruments. While the liquidity risk for government securities, money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. Liquidity risk is today characteristic of the Indian fixed income market. The fund will however, endeavor to minimise liquidity risk by investing in securities having a liquid market. |
| **Credit Risk**<br>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 will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken. |
| **Reinvestment Risk**<br>This risk refers to the interest rate levels at which cash flows received from the securities in the scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed. | Reinvestment risks will be limited to the extent of coupons received on debt instruments, which will be a very small portion of the portfolio value. |

| Risks associated with Debt investment | |
|---|---|
| **Risk** | **Risk Mitigation Strategy** |
| **Derivatives Risk**<br>As and when the scheme trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. | The Scheme has provision for using derivative instruments for portfolio rebalancing and hedging/non-hedging purposes. Interest Rate Swaps will be done with approved counter parties under pre-approved ISDA agreements. Interest rate swaps and other derivative instruments will be used as per local (RBI and SEBI) regulatory guidelines. |
| **Instruments having Special Features** | In case of investment in instruments having special features, Investment may be done in Additional Tier I bonds, and Tier 2 bonds issued under Basel III framework as permitted under SEBI Mutual Fund Regulations. |
| **Structured Obligation (SO) & Credit Enhancement (CE) rated securities** | Scheme wise investments as prescribed by the regulations limits the exposure to such securities. Additionally, covenants of such structured papers are reviewed periodically for adequate maintenance of covers as prescribed in the Information Memorandum of such papers. |

## II. Information about the scheme:

### A. Where will the scheme invest?

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

a) Equity share is a security that represents an ownership interest in a company. It is issued to those who have contributed capital in setting up an enterprise.

b) Equity Related Instruments are securities that give the holder of security the right to receive equity shares on pre agreed terms. It includes convertible debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives, REITs and such other instruments as may be specified by the SEBI from time to time.

c) Money Market Instruments include but not limited to Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Triparty Repo, Repo/ Reverse repo in government securities, Government securities with an unexpired maturity upto 1 year, Call or notice money, Usance Bills, and any other short-term instruments allowed under current Regulations.

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

A Commercial Bill is a short-term, negotiable instrument (also known as a bill of exchange) used by firms to finance their working capital, typically arising from sales on credit.

Commercial Paper (CPs): CP is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. They are issued at a discount to the face value as may be determined by the issuer. CP is traded in secondary market and can be freely bought and sold before maturity.

Bills Re-discounting is an instrument where a financial institution discounts the bills of exchange that it has discounted previously with another financial institution.

A Usance bill is a financial instrument where payment is not due immediately, but rather at a predetermined future date.

d) Debt Instruments include but not limited to non-convertible debentures, bonds, secured premium notes, zero interest bonds, deep discount bonds, floating rate bond / notes, Non-Convertible Preference Shares (NCPS), etc. These are financial instruments issued by companies (both public and private) to raise long-term funds through public issues. They are generally rated by credit rating agencies.

e) "InvIT" or "Infrastructure Investment Trust" shall mean the trust registered as such under SEBI (Infrastructure Investment Trusts) Regulations, 2014

f) Cash and cash equivalents

g) Units of Mutual Fund- Mutual fund means a fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities, money market instruments, gold or gold related instruments, silver or silver related instruments, real estate assets and such other assets and instruments as may be specified by the SEBI from time to time.

h) Derivative is a financial instrument whose value is based upon the value of an underlying instruments. Derivative instruments include but not limited to Futures & Options, Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI from time to time.

- Futures - Futures Contract means a legally binding agreement to buy or sell the underlying security / indices on a future date at an agreed price.

- Options - Options Contract is a type of Derivatives Contract which gives the buyer/holder of the contract the right (but not the obligation) to buy/sell the underlying asset at a predetermined price within or at end of a specified period. The buyer / holder of the option purchases the right from the seller/writer for a consideration which is called the premium. The seller/writer of an option is obligated to settle the option as per the terms of the contract when the buyer/holder exercises his right. The underlying asset could include securities, an index of prices of securities etc.
- Interest Rate Swap: An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

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

- Exchange Traded Commodity Derivatives (ETCDs) are financial instruments that track the performance of a commodity or commodity index and traded on stock exchanges.

i) Securities issued by Government of India. Repos/reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

Repo

As per Section 45U (c) of RBI Act, 1934, "repo" means an instrument for borrowing funds by selling securities with an agreement to repurchase the securities on a mutually agreed future date at an agreed price which includes interest for the funds borrowed.

Reverse repo

As per Section 45U (c) of RBI Act, 1934, "reverse repo" means an instrument for lending funds by purchasing securities with an agreement to resell the securities on a mutually agreed future date at an agreed price which includes interest for the funds lent.

Triparty Repo

According to Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018, triparty repo means a repo contract where a third entity (apart from the borrower and lender), called a Triparty Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody, and management during the life of the transaction.

j) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

A Government Security (G-Sec) is a tradeable instrument issued by the Central Government or the State Governments of India. It acknowledges the Government's debt obligation. They are generally long term with maturity of one year or more. In India, the Central Government issues both, treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs). G-Secs carry practically no risk of default and, hence, are called risk-free gilt-edged instruments. Repos / Reverse Repos enables collateralized short-term borrowing and lending through sale/purchase operations in such government securities.

k) Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.

l) Securitised Debt Obligations including but not limited to Pass through certificates, asset-backed securities, mortgage-backed securities

m) Repo / Reverse Repo transactions in corporate debt securities

n) Short Term Deposits are offered by Scheduled Commercial Banks (both public and private sector banks) with a fixed/floating interest rate and maturity date.

o) Credit Default Swaps - A credit default swap (CDS) is a financial derivative that enables investors to transfer or hedge their credit risk by exchanging it with another party.

p) Debt Instruments with special features (AT1 and AT2 Bonds)

Additional Tier 1 (AT1) bonds are a type of perpetual bonds. Banks use these bonds to increase their core equity base. AT1 bonds never mature, implying that the bond issuers will never repay the principal. However, banks pay regular interest. But, if the bank's capital ratio falls below a specific percentage or if the bank is making losses, the interest payments can be skipped.

Banks issue Subordinated Tier 2 bonds to meet their Tier 2 capital requirements. These have to be for a minimum period of 5 years at the time of issue. They are unsecured and subordinated in claims to depositors, unsecured creditors and senior bonds of the bank.

q) Debt Instruments with SO / CE rating Debt instruments with Structured Obligation (SO) or Credit Enhancement (CE) ratings are bonds or loans that have been enhanced with additional credit support to reduce default risk. SO ratings indicate that the instrument's creditworthiness is improved through structural mechanisms like collateral, guarantees, or insurance. CE ratings signify that external support, such as a third-party guarantee or letter of credit, bolsters the instrument's credit profile. These enhancements provide greater security to investors, often resulting in higher credit ratings and lower interest rates compared to non-enhanced debt instruments.

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

The Fund Manager reserves the right to invest in any other securities that may be permitted from time to time and that align with the Scheme's investment objectives. Any change in the asset allocation affecting the investment profile of the Scheme will be effected only in accordance with SEBI (Mutual Funds) Regulations.

Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured and of varying maturity. The securities may be acquired through public offer, secondary market operations, private placement, rights issue or negotiated deals. Further, the Scheme intend to participate in securities lending/short selling as permitted under the Regulations. The Scheme may also enter into repurchase and reverse repurchase in various securities as per the guidelines and regulations applicable to such transactions.

**Debt Markets in India:**

**What is a Debt Instrument?**

A Debt Instrument is a borrowing obligation which the borrower has to service for mutually agreed period and rate of interest.

There are a huge variety of debt or fixed income instruments, as they are usually called. The sheer variety in these instruments mean that they can be classified on the basis of any of these features.

List of Features (list is indicative)

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

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

Government securities include central, state and quasi govt issues. The main instruments in this market are dated securities (fixed or floating) and Treasury bills (Discounted Papers). These securities are generally issued through auctions on the basis of 'uniform price' method or 'multiple price' method.

Corporate Debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs), public financial institutions (PFIs) and development financial institutions (DFIs). These instruments carry a variety of ratings based on the credit profile evaluated by the rating agency and are priced accordingly. These bonds too can be fixed or floating.

Debt derivatives market comprises mainly of Forward Rate Agreements, Interest rate Futures, Interest rate Swap. Banks and corporates are major players here and of late mutual funds have also started hedging their exposures through these products.

The following table gives approximate yields prevailing during the 30-day period ending October 10, 2026, on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy.

| Instrument | Yield Range (% per annum) |
|---|---|
| Interbank Call Money | 4.55-5.55 |
| 91 Day Treasury Bill | 5.19-5.60 |
| 364 Day Treasury Bill | 5.89-6.35 |
| A1 + Commercial Paper 90 Days | 6.00-6.75 |
| 5 Year Government of India Security | 6.57-7.11 |
| 10 Year Government of India Security | 6.96-7.30 |
| 15 Year Government of India Security | 7.11-7.49 |
| 1 Year Corporate Bond - AAA Rated | 7.30-7.72 |
| 3 Year Corporate Bond - AAA Rated | 7.60-7.96 |
| 5 Year Corporate Bond - AAA Rated | 7.66-7.99 |

Source: RBI, CCIL & NSE Cogencis

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

**B. What are the investment restrictions?**

Pursuant to the Regulations and amendments thereto and subject to the asset allocation pattern of the Scheme, following investment restrictions are applicable:

- The Fund under all its schemes shall not own more than 10% of any company's paid-up capital carrying voting rights or ten per cent of units of REITs issued by a single issuer, as the case may be. Provided that investment in asset management company or the trustee company of a mutual fund shall be governed by regulation 6(1)(a) of the Regulations.

- 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 Act. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Board of Trustees and Board of Directors of the AMC.

The Scheme shall not invest more than:
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 investment 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.

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

Such limit shall also be applicable to mortgage backed securitized debt which are rated not below investment grade by a credit rating agency registered with the SEBI.

Such limit shall not be applicable for investments in debt exchange traded funds, Government Securities, treasury bills and triparty repo on Government securities or treasury bills.

Such limit is not applicable for investment in securitized debt (mortgage backed securities and asset backed securities), at the originator level.

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

- The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities, other money market instruments and derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging. However, the Scheme may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the Scheme subject to such conditions as may be specified by SEBI. Additionally, the norms for investments by the Scheme in unrated debt instruments shall be specified by SEBI from time to time.

Note:
a) Item no. 3 and 4 of para 13.1 of SEBI Master Circular on Mutual Funds dated March 20, 2026, has issued following guidelines w.r.t. investment in unlisted debt & unrated money market instruments.
b) The Scheme may invest in unlisted non-convertible debentures (NCDs) that have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.

Investment restrictions as given below: -

a) Maximum investment in unlisted NCDs will be 10 % of the debt portfolio of the Scheme.
b) Investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by the Scheme shall be subject to the following:
   I. Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 2026 and various Circulars issued thereunder.
   II. Exposure of the Scheme in such instruments, shall not exceed 5% of the net assets of the Scheme.
   III. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.
   IV. The single issuer limit and the group exposure limit shall be calculated at the issuing bank level as Bill Rediscounting Schemes (BRDS) are issued with recourse to the issuing bank.

- The investment of the Scheme in the following instruments as per para 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme:

  Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade; and

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

  The above limits shall not be applicable on investments in securitized debt instruments. Investment by the Scheme in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares. Further, the investment in debt instruments having credit enhancements should be sufficiently covered to address the market volatility and reduce the inefficiencies of invoking of the pledge or cover, whenever required, without impacting the interest of the investors. In case of fall in the value of the cover below the specified limit, AMCs will initiate necessary steps to ensure protection of the interest of the investors.

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

- 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. The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Further, the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI. Additionally, the sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by RBI in this regard.

- The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned scheme, except in respect of such securities as may be specified by the SEBI from time to time.

- The Fund shall settle their transactions only in dematerialised securities except for such instruments as may be specified by SEBI from time to time.

- The Scheme shall not make any investment in any unlisted security of an associate or Group Company of the sponsors; or any security issued by way of private placement by an associate or group company of the sponsors. Investment in the listed securities of group companies of the sponsor shall not exceed 25% of the NAV.

- Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if:

  (a) such transfers are done at the prevailing market price for quoted instruments on spot basis. Explanation – "spot basis" shall have same meaning as specified by stock exchange for spot transactions.
  (b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

  The AMC shall comply with the guidelines issued under SEBI Master Circular for Mutual Funds dated March 20, 2026, and such other guidelines as may be notified from time to time.

- The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any entity.

- In terms of Clause 1 of Sixth Schedule to MF Regulations read with clause 13.20.1 of SEBI Master Circular for Mutual Funds, 2026, in case of IPO of equity shares and equity related instruments, scheme of the Mutual Funds can only participate in the Anchor investor portion or in the public issue.

**Limits for investment in derivatives instruments**

In accordance with Para 8.5 and 13.15 of SEBI Master Circular for Mutual Funds dated March 20, 2026; the following conditions shall apply to the Scheme's participation in the derivatives market. The investment restrictions applicable to the Scheme's participation in the derivatives market will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time.

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

   a. The Mutual Fund position limit in all equity index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in equity index option contracts, whichever is higher,
   b. This limit as prescribed by SEBI from time to time would be applicable on open positions in all options contracts on a particular underlying index.

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

The Mutual Fund position limit in all equity index futures/stock futures contracts on a particular underlying index shall be Rs. 500 crore; or

15% of the total open interest in the market in equity index futures/stock futures contracts, whichever is higher,

This limit as prescribed by SEBI from time to time would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging.

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

Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.

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

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

The combined futures and options position limit shall be 20% of applicable MWPL

v. Position limit for the Scheme

The position limits for the Scheme and disclosure requirements are as follows–

For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of the Mutual Fund shall not exceed the higher of: 1% of the free float market capitalisation (in terms of number of shares).

Or

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

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

For index based contracts, the Mutual Fund 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.

**Exposure Limits:**

As per Para 13.18 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the limits for exposure towards derivatives are as under:

1. The cumulative gross exposure through equity, equity-related instruments, debt and money market instruments, repo / reverse repo in corporate debt securities, derivative positions (equity, fixed income derivatives), units of mutual funds, securitized debt, instruments with special features, credit enhancement and structured Obligations and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme as per Clause 13.18 of SEBI Master Circular for Mutual Funds dated March 20, 2026.
2. Mutual Funds shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following: -
   a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
   b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
   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.
6. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.

7. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
8. Exposure in derivative positions shall be computed as follows:

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

**Writing of Covered Call Options by Mutual Fund Schemes**

- Mutual funds shall not write options or purchase instruments with embedded written options except for the covered call strategy.
- Mutual Fund schemes (except Index Funds and ETFs) may write call options only under a covered call strategy for constituent stocks of NIFTY 50 and BSE SENSEX subject to the following:
  a) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
  b) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered

shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.

- At all points of time the Mutual Fund scheme shall comply with the provisions at paragraph (a) and (b) above. In case of any passive breach of the requirement at paragraph (a), the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.
- In case a Mutual Fund scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (a) and (b) above while selling the securities.
- In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
- The total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
- The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of Para 13.8.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026.
- The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the scheme until the position is closed or expired.

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

- Pending deployment of funds of a Scheme in terms of investment objectives of the Scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to clause. 13.7 of SEBI Master Circular on Mutual Fund dated March 20, 2026.

  a. The term 'short term' for parking of funds shall be treated as a period not exceeding 91 calendar days.
  b. Such deposits shall be held in the name of each Scheme.
  c. Each Scheme shall not park more than 15% of its net assets in the short-term deposit(s) of all the scheduled commercial banks. However, it may be raised to 20% with the prior approval of the Trustee. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
  d. Each 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.
  e. Trustees /AMC will ensure that no funds of a scheme is parked in short term deposit of a bank which has invested in that scheme and the bank in which a scheme has short term deposit do not invest in that scheme until the scheme has short term deposit with such bank.

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

- The Scheme will not advance any loan for any purpose.

- The Scheme shall not borrow except to meet temporary liquidity needs of the Mutual Fund for the purpose of repurchase/ redemption of Units or payment of interest or Income Distribution cum Capital Withdrawal payout to the Investors. Such borrowings shall not exceed more than 20% of the

net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.

- Conditions for undertaking repo in corporate debt securities: i. The gross exposure of any mutual fund scheme to repo transactions in corporate debt securities including Commercial Papers (CPs) and Certificate of Deposits (CDs) shall not be more than 10 % of the net assets of the concerned scheme. ii. The cumulative gross exposure through equity, equity-related instruments, Debt and Debt related instruments, Gold ETFs, Silver ETFs, Units issued by InvITs, ETCDs and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme as per Clause 13.8 of SEBI Master Circular for Mutual Funds dated March 20, 2026. iii. The scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months. iv. The exposure limit/investment restrictions prescribed under the Sixth Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate debt securities. v. Counterparty selection & credit rating:
  Mutual funds shall participate in repo transactions on following Corporate Debt securities; 1) listed AA and above rated corporate debt securities and 2) Commercial Papers (CPs) and Certificate of Deposits (CDs). • Mutual funds shall ensure compliance with the Sixth Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities including Commercial Papers (CPs) and Certificate of Deposits (CDs). However, for transactions where settlement is guaranteed by a Clearing Corporation, the exposure shall not be considered for the purpose of determination of investment limits for single issuer, group issuer and sector level limits.

- The AMC can deploy the NFO proceeds in Tri-Party Repo on Government securities or Treasury Bills before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds so deployed during the NFO period. The appreciation received from such investment shall be passed on to investors.

- The Scheme may invest in the units of InvITs as per para 13.13.5 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, subject to the following:

  a. No mutual fund under all its schemes shall own more than 10% of units issued by a single issuer of InvIT; and

  b. A mutual fund scheme shall not invest:

  i. more than 10% of its NAV in the units of InvIT; and

  ii. more than 5% of its NAV in the units of InvIT issued by a single issuer

- Participation of mutual funds in ETCDs shall be subject to the following investment limits:
  a. Mutual funds are permitted to participate in ETCDs in India, except in commodity derivatives on 'Sensitive Commodities'.
  b. Mutual fund schemes shall participate in ETCDs of a particular goods (single), not exceeding 10% of net asset value of the scheme.
  c. The exposure to ETCDs shall not be more than 10 % of the net asset value of the scheme
  d. The cumulative gross exposure through equity, debt and derivative positions (including commodity derivatives) shall not exceed 100% of net asset value of the scheme.
  e. No mutual fund scheme shall have net short positions in ETCDs on any particular good, considering its positions in physical goods as well as ETCDs, at any point of time.

- Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable to debt instruments under para 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

- As per clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time, no Mutual Fund under all its schemes shall own more than 10% of instruments issued by a single issuer in debt instruments with special features such as subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption ("hereinafter referred to as "perpetual debt instruments"). Further, a Mutual Fund scheme shall not invest - a) more than 10% of its NAV of the debt portfolio of the scheme in perpetual debt instruments; and b) more than 5% of its NAV of the debt portfolio of the scheme in perpetual debt instruments issued by a single issuer. The limit mentioned at a) and b) above shall be within the overall limit for debt instruments issued by a single issuer and other prudential limits with respect to the debt instruments.

- As per Clause 13.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the investment limits of mutual funds in Instruments with Special Features such as AT1 and AT2 Bonds shall be as under:
  a. No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer;
  b. A Mutual Fund scheme shall not invest
     i. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
     ii. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.

     Additional Tier I bonds and Tier 2 bonds issued under Basel III framework may be considered as some instruments having special features.

     The debt instruments having such special features, which otherwise are Non-Convertible Debentures, may be treated as debt instruments until converted to equity.

  The above investment limit shall be within the overall limit for debt instruments issued by a single issuer as specified at Item No. 2 under Paragraph 13.1, and other prudential limits with respect to the debt instruments.

Apart from the above investment restrictions, the Scheme follows certain internal norms vis-à-vis limiting exposure to scrips, sectors etc, within the above mentioned restrictions, and these are subject to review from time to time.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time.

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

The Trustee/AMC may alter the above-stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 2026 change or as deemed fit in the general interest of the unitholders, so as to permit the Scheme to make their investments in the full spectrum of permitted investments in order to achieve their investment objective.

## C. Fundamental Attributes

Following are the Fundamental Attributes of the Scheme, in terms of Clause 1.9 of SEBI Master Circular for Mutual Funds dated March 20, 2026:

(i) **Type of a scheme:** Please refer to point no. III of 'Part I. Highlights/Summary of the Scheme'.

(ii) **Investment Objective:** Please refer to point no. V of 'Part I. Highlights/Summary of the Scheme' and point no. A of 'Part II. Information about the Scheme'.

(iii) **Terms of Issue**

- **Liquidity provisions such as listing, repurchase, redemption:**

  Being an open-ended Scheme under which sale and repurchase of Units will be made on continuous basis by the Mutual Fund, the Units of the Scheme are generally not proposed to be listed on any stock exchange. However, the AMC / Trustees may at its sole discretion, list the Units under the Scheme on one or more stock exchanges at a later date, if deemed necessary. For details on repurchase, redemption, please refer section 'Other Scheme Specific Disclosures'.

- **Aggregate fees and expenses charged to the scheme:**

  The provisions in respect of fees and expenses are as indicated in this SID. Please refer to section "Part III - Other Details".

- **Any safety net or guarantee provided:**

  This Scheme is not a guaranteed or an assured return scheme.

In accordance with Regulation 22(9)(c) of the SEBI (MF) Regulations and Paragraph 1.9.2 of SEBI Master Circular for Mutual Funds for Mutual Funds dated March 20, 2026, the Trustees and the AMC shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Investors is carried out unless:

- SEBI has reviewed and provided its comments on the proposal
- written communication (including digital modes such as email/sms etc.) about the proposed change is sent to each unit holder; details, as specified by SEBI, are appropriately displayed on the website of asset management company; and
- The Unitholders are given an option for a period of atleast 30 calendar days to exit at the prevailing NAV without any exit load

## D. Index methodology (for index funds, ETFs and FOFs having one underlying domestic ETF)

Not Applicable.

**E. Principles of incentive structure for market makers (for ETFs)**

Not Applicable.

**F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 14.5.1 of SEBI Master Circular for Mutual Funds dated March 20, 2026(only for close ended debt schemes)**

Not Applicable.

**G. Other Scheme Specific Disclosures:**

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| **Listing and transfer of units** | The Scheme is an open ended scheme and will not be listed on any of the stock exchanges. However, the AMC may, at its discretion, list the Units under the Scheme on one or more stock exchange at a later date.<br><br>The Units of the Scheme can be transferred in demat form in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time and as stated in Clause 15.2 of SEBI Master Circular for Mutual Funds dated March 20, 2026. Further, for the procedure of release of lien, the investors shall contact their respective Depository Participant.<br><br><u>Transfer of Units:</u><br><br>There are no restrictions on transfer of Units of the scheme whether held in Statement of Account (physical / non-demat) mode or dematerialised mode. Units held in dematerialized form can be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time and units held in Statement of Account (physical / non- demat) mode can be transferred by investors under resident / non- resident individual category for the reasons like transfer to siblings, gifting of units, transfer of units to third party and addition / deletion of unitholders, in accordance with the AMFI Best Practices Guidelines Circular No.116/ 2024-25 dated August 14, 2024 read with AMFI Best Practices Guidelines Circular No. 135/BP/119/2025-26 dated May 08, 2025. For further details, please refer SAI.<br><br>In case a person (i.e. a transferee) becomes a holder of the Units by operation of law or upon enforcement of pledge then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the scheme.<br><br>Additions / deletions of names of Unit holders will be allowed only in folio held in the name of individual investor(s). Further, addition of names in the folio will also be allowed under the following 2 (two) scenarios subject to compliance with AMFI Best Practices Guidelines Circular No.116/ 2024-25 dated August 14, 2024 read |

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| | with AMFI Best Practices Guidelines Circular No. 135/BP/119/2025-26 dated May 08, 2025:<br>i. Surviving joint unitholder who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s).<br>ii. A minor unitholder, who has turned a major and has changed his / her status from minor to major, wants to add joint holder(s) in the folio.<br><br>The facility for transfer of units held in SoA mode shall be available only through online mode including the transaction portals of the RTAs and the MF Central.<br><br>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.<br><br>Redemption of the transferred units shall be subject to cooling period of 10 business days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently.<br><br>Please refer SAI for further details. |
| **Dematerialization of units** | The applicants are given an Option to subscribe to/hold the units by way of an Account Statement or in Dematerialized ('Demat') form.<br><br>The applicants intending to hold Units in demat mode would be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and would be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during the NFO.<br><br>In case, the Investor desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in Account Statement (non- demat) mode into electronic (demat) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participant(s). Investors should ensure that the combination of names in the account statement is the same as that in the demat account.<br><br>For further details, please refer SAI. |
| **Minimum Target amount**<br><br>**(This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)** | INR 10,00,00,000 (Rupees Ten Crores) |
| **Maximum Amount to be raised (if any)** | Not Applicable |
| **Dividend (IDCW) Policy** | The Scheme is currently not offering IDCW option. |

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| | However, the said option may be introduced at later date. |
| **Allotment (Detailed procedure)** | All Applicants whose monies towards purchase of Units have been realised by the Fund on or before the allotment date, will receive a full and firm allotment of Units, provided also the applications are complete in all respects and are found to be in order. Any application for subscription of Units may be rejected if found invalid or incomplete.<br><br>For applicants applying through 'APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA)', during NFO, under the Demat mode, on or before allotment, the amount will be unblocked in their respective bank accounts and account will be debited only to the extent required to pay for allotment of Units applied in the application form.<br><br>Units will be allotted up to 3 decimals. Face Value per Unit of all Plans/ Options under the Scheme is INR 10/-.<br><br>Post-NFO, on an ongoing basis, units will be allotted for purchases, switch-ins, and SIP installments at the applicable NAV (subject to applicable cut-off timings and realization of funds).<br><br>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and their holding at the end of the month shall be sent to the Investors in whose folios transactions have taken place during the month by email on or before the 12th day of the succeeding month and by physical means on or before the 15th day of the succeeding month.<br><br>The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically.<br><br>Investors have the option to hold units in dematerialized (demat) form. Allotment in demat form will be made within 2 working days from the date of receipt of all necessary documents and realization of funds. Investors must provide their DP ID and Client ID along with relevant supporting documents while applying under the demat mode.<br><br>Note: Allotment of Units will be done after deduction of applicable stamp duty and statutory charges, if any. Applicants under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in dematerialized form. Accordingly, the AMC shall allot Units either in physical form (i.e. account statement) or in dematerialized form within 5 Business Days from the date of closure of the NFO period. |
| **Refund** | The Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable |

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| | to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time.<br><br>The bank and/ or collection charges, if any, will be borne by the applicant.<br><br>Refunds may be made through electronic modes such as RTGS, NEFT, IMPS, Direct Credits or through Cheques as applicable. |
| **Who can invest**<br><br>This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile. | The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to subscription of Units of Mutual Fund being permitted under relevant statutory regulations):<br>• Resident Indian adult individual either singly or jointly (not exceeding three)<br>• Minor through parent/lawful guardian<br>• Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860 (so long as the subscription of units is permitted under their respective constitutions)<br>• Religious and Charitable Trusts under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961 read with Rule 17C of Income-tax Rules, 1962<br>• Trustees of private trusts authorised to invest in mutual fund schemes under their trust deeds.<br>• Partnership Firms<br>• Hindu Undivided Family (HUF) through Karta;<br>• Proprietorship in the name of the sole proprietor<br>• Banks and Financial Institutions<br>• Non-resident Indians (NRI)/Persons of Indian Origin (PIO)/ Overseas Citizen of India (OCI) residing abroad on full repatriation basis or on non repatriation basis<br>• Army, Air Force, Navy and other para-military funds<br>• Scientific and Industrial Research Organizations<br>• Other Mutual Funds registered with SEBI<br>• Foreign Portfolio Investor subject to the applicable regulations<br>• International Multilateral Agencies approved by the Government of India<br>• Universities and Educational Institutions<br>• Any other category of investor so long as wherever applicable they are in conformity with applicable SEBI Regulations/RBI, etc.<br><br>Every investor, depending on any of the above category under which he/she/it/they fall are required to provide relevant documents along with the application form as may be prescribed by AMC.<br><br>All applicants should be KYC compliant with valid PAN (except for Micro investments/ PAN exempt category). For complete details on KYC and PAN requirements refer SAI. |

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| | Subject to the Regulations, any application for subscription of Units may be accepted or rejected if found incomplete or due to unavailability of underlying securities, etc. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Investors, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Investors to accept such an application. |
| **Who cannot invest** | The following persons are not eligible to invest in the scheme and apply for subscription to the units of the Scheme:<br>1 Overseas Corporate Bodies, as defined under the Foreign Exchange Management Act, 1999.<br>2 Investor residing in any Financial Action Task Force (FATF) designated High Risk jurisdiction.<br>3 A person who is resident of Canada;<br>4 United States Person (U.S. person*) as defined under the extant laws of the United States of America, except the following:<br>• NRIs/PIOs may invest/transact, in the Scheme, when physically present in India, upon submission of such documents/undertakings, etc., as may be stipulated by AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations.<br>• FPIs may invest in the Scheme through submission of physical form in India, subject to compliance with all applicable laws and regulations and the terms, conditions, and documentation requirements stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations.<br><br>The Trustee/AMC reserves the right to put the transaction requests received from such U.S. person on hold or reject the transaction request and redeem the units, if allotted, as the case may be, as and when identified by the Trustee / AMC that the same is not in compliance with the applicable laws and/or not fulfilled the terms and conditions stipulated by Trustee/AMC from time to time. Such redemptions will be subject to applicable taxes and exit load, if any. The application form(s) for transactions (in non-demat mode) from such U.S. person will be accepted ONLY at the Investor Service Centers (ISCs) of the AMC.<br><br>*The term "U.S. person" means any person that is a U.S. person within the meaning of Regulations under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc., as may be in force from time to time.<br><br>The Fund reserves the right to include / exclude new / existing categories of investors who can invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, as applicable. |

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| | The AMC/ Trustee shall not be liable for any loss or expenses incurred in respect of those transaction requests / allotted units which have been kept on hold or rejected or reversed. |
| **How to Apply and other details** | Investors can undertake transactions in the Schemes of JioBlackRock Mutual Fund either through physical, online / electronic mode or any other mode as may be prescribed from time to time.<br><br>**Physical Transactions**<br>For subscription / redemption / switches, application form and Key Information Memorandum may be obtained from the Official Points of Acceptance (OPAs) of AMC / RTA/ Distributor or downloaded from the website of AMC (https://www.jioblackrockamc.com/statutory-disclosure/disclosures).<br><br>**Online / Electronic Transactions**<br>Investors can undertake transactions via electronic mode through various online facilities offered by JioBlackRock AMC / other platforms specified by JioBlackRock AMC from time to time.<br>Refer back cover page for contact details of Registrar and Transfer Agent (CAMS), brief details various official points of acceptance, collecting bankers during NFO (if any), etc. The list of the ISCs/ OPAs, of JioBlackRock Asset Management Private Limited is provided on the website of the AMC. i.e. https://www.jioblackrockamc.com/statutory-disclosure/disclosures/official-points-of-acceptance.<br><br>Please refer to the SAI and Application form for the instructions. |
| **Where can you submit the filled up application** | Investors can submit the duly filled application forms at any Official Points of Acceptance (OPAs) of JioBlackRock AMC. The list of OPAs is available on AMC website (https://www.jioblackrockamc.com/statutory-disclosure/disclosures/official-points-of-acceptance.).<br><br>**AMC and RTA branches**<br>Investors may submit their applications at any branches of JioBlackRock Asset Management Private Limited. The updated list of AMC branches is available on AMC website (https://www.jioblackrockamc.com/statutory-disclosure/disclosures/official-points-of-acceptance). Investors can also submit their applications at the Registrar's - Computer Age Management Services Limited (CAMS) branches. The updated list of CAMS branches is available on CAMS website (www.camsonline.com).<br><br>**JioBlackRock AMC Website and Mobile App**<br>Investor can also subscribe to the Units of the Scheme through our website (www.jioblackrockamc.com) or our mobile app by downloading from the Google Play Store or Apple Store.<br><br>**CAMS (RTA) Website and Mobile App**<br>Investor can also subscribe to the Units of the Scheme through the website of CAMS (www.camsonline.com) or through their mobile |

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| | app (myCAMS) by downloading from the Google Play Store or Apple Store.<br><br>**Stock Exchanges**<br>Investors can also subscribe to the Units of the Scheme on BSE StAR MF Platform, MFSS and NSE NMF II.<br><br>**MF Utilities (MFU)**<br>Investors may purchase units of the Plan(s) under the Scheme through MFU. All financial and non-financial transactions pertaining to Schemes of JioBlackRock Mutual Fund can also be submitted through MFU either electronically or physically through the authorized Points of Service ("POS") of MFU. The list of POS of MFU is published on the website of MFU at www.mfuindia.com and may be updated from time to time.<br><br>**MFCentral**<br>Investor can also submit their applications through MFCentral, a unified platform for mutual fund transactions and services.<br><br>The servers including email servers (maintained at various locations) of AMC, CAMS, and the servers of any other service provider/transaction platform with whom the AMC has tied up for this purpose will be the official point of acceptance for all online / electronic transactions mentioned above. For the purpose of, determining the applicability of NAV, the time when the request for purchase / sale / switch of units is received in the servers of AMC/ RTA or such other service provider/ transaction platform, shall be considered.<br><br>**Channel Partners / Execution Only Platforms (EOP):** In addition to the existing Official Point of Acceptance of transactions, the server(s) of CAMS, shall be an OPA for electronic transactions received from the Channel Partners / EOP with whom the AMC has entered or may enter specific arrangements for all financial transactions relating to the units of mutual fund schemes.<br><br>For more details, please refer to SAI |
| **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.** | Not applicable |
| **Restrictions, if any, on the right to freely retain or dispose of units being offered.** | The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time and as stated in.<br><br>Additions/ deletion of names will not be allowed under any folio of the Scheme except for approved categories.<br><br>Refer section of **Listing and transfer of units**. |

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**Restrictions on Redemptions of Units**

The Fund shall at its sole discretion reserves the right to restrict Redemption (including switch-out) of the Units (including Plan/Option) of the scheme(s) of the fund on the occurrence of the below mentioned event for a period not exceeding ten (10) business days in any ninety (90) days period. The restriction on the Redemption (including switch-out) shall be applicable where the Redemption (including switch-out) request is for a value above Rs. 2,00,000/- (Rupees Two Lakhs). Further, no restriction shall be applicable for the Redemption/switch-out request upto Rs. 2,00,000/- (Rupees Two Lakhs). Further, in case of redemption request beyond Rs. 2,00,000/- (Rupees Two Lakhs), no restriction shall be applicable for first Rs. 2,00,000/- (Rupees Two Lakhs).

The restriction on redemption of the units of the Scheme 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. A list of such circumstances are as follows:

- Liquidity issues: when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
- 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.
- Operational issues - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
- If so directed by SEBI

Since the occurrence of the abovementioned eventualities have the ability to impact the overall market and liquidity situations, the same may result in exceptionally large number of Redemption being made and in such a situation the indicative timeline mentioned by the Fund in the scheme offering documents, for processing of request of Redemption may not be applicable.

Any restriction on Redemption or suspend Redemption of the Units in the scheme(s) of the Fund shall be made applicable only after prior approval of the Board of Directors of the AMC and Trustee Company and thereafter, immediately informing the same to SEBI.

Refer SAI for further details.

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**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.

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Cut off timing for subscriptions/ redemptions/ switches:

In case of Subscription/Switch-in for any amount (duly time stamped): Cut off timing 3.00 p.m.

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<td>Valid applications received up to 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the</td>
<td>The closing NAV of the same day</td>
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| Scheme/Mutual Fund before the cut-off time. | |
| Valid applications received after 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the Scheme /Mutual Fund either on the 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. |
| Irrespective of time of receipt of application, where the funds for the entire amount are available for utilisation before the cut-off time on any subsequent business day | The closing NAV of such subsequent Business Day. |

Realisation of funds means funds available for utilization and not date and time of debit from investor's account.

In case application is time stamped after cut off timing on any day, the same will be considered as deemed to be received on the next Business Day.

In case funds are realised after cut-off timing on any day, the same will be considered as deemed to be realised / available for utilisation on the next Business Day.

In case of investments through Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), other methods as may be offered by the AMC etc. the Units would be allotted as per the closing NAV of the day on which the funds are available for utilization irrespective of the installment date of the SIP, STP, etc.

Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators/Banks/Exchanges etc), it may happen that the investor's account is debited, but the money is not credited within cut-off time on the same date to the Scheme's bank account, leading to a gap/delay in Unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment.

Redemptions including switch-outs:

In respect of valid applications received up to 3.00 pm on a Business Day by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after the cut off time by the Mutual Fund, the closing NAV of the next Business Day shall be applicable.

Demand Drafts/ Outstation Cheques will not be accepted.

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| | Valid application for "switch out" shall be treated as redemption and for "switch in" shall be treated as purchases and the relevant NAV of "Switch in" and "Switch Out" shall be applicable accordingly. |
| **Where can the applications for purchase/redemption switches be submitted?** | Please refer the AMC website www.jioblackrockamc.com/disclosure for the list of official points of acceptance.<br><br>For further details, kindly refer section 'Other Scheme Specific Disclosures' – 'How to apply' and / or SAI<br><br>It is mandatory for applicants to mention their bank account numbers in their applications for subscription or redemption of Units of the Scheme. If the investor fails to provide the bank mandate, the request for redemption would be considered as not valid and the Scheme retains the right to withhold the redemption until a proper bank mandate is furnished. Any provision with respect to penal interest in such cases will not be applicable. |
| **Minimum amount for purchase/redemption/switches** | • Minimum amount for Purchase (lumpsum): Rs. 500/- and any amount thereafter.<br>• The minimum redemption amount shall be 'any amount' or 'any number of units' as requested by the investor at the time of redemption.<br>• Redemption would be permitted to the extent of credit balance in the Investor's account of the Scheme (subject to release of pledge / lien or other encumbrances). The Redemption request can be made by specifying the rupee amount or by specifying the number of Units to be redeemed.<br>• Minimum amount for Switch-in to the Scheme: Rs. 500/- and any amount thereafter.<br>• Minimum amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re.1 thereafter.<br>• Minimum amount for Systematic Transfer Plan (STP): Rs. 100/- and in multiples of Re. 1/- thereafter<br>• Minimum amount for Systematic Withdrawal Plan (SWP): Rs. 500/- and in multiples of Re. 1/- thereafter |
| **Minimum balance to be maintained and consequences of non-maintenance** | There is no minimum balance requirement. |
| **Accounts Statements** | The AMC shall send an allotment confirmation specifying the units allotted by way of email and / or SMS to the investor's registered email ID and / or mobile number within 5 business days of receipt of valid application / transaction and realization of funds towards purchase of units, whichever is later.<br><br>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and their holding at the end of the month shall be sent to the Investors in whose folio(s) transaction(s) have taken place during the month by email on or before 12th day of the succeeding month and physical by 15th day of the succeeding month. |

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| | Half-yearly physical CAS shall be issued at the end of every six months (i.e. April and October) on or before 21st day of succeeding month and e-CAS will be issued on or before 18th day of succeeding month to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable.<br><br>The Investor may request for a physical account statement without any charges by writing to/calling the AMC/ISC/RTA. The Mutual Fund/ AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the Investor.<br><br>For further details, please refer to the SAI. |
| **Dividend/ IDCW** | Not Applicable<br><br>The AMC / Trustee at its discretion may introduce IDCW Option in future. |
| **Redemption** | The redemption or repurchase proceeds shall be dispatched to the investors within 3 (three) Business Days from the date of redemption or repurchase.<br><br>For list of exceptional circumstances refer para 15.3.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026. |
| **Bank Mandate** | It is mandatory for the investors to mention their bank account details in the applications. Investors are requested to provide the full particulars of their Bank Account i.e., Name, Account Number, 11-digit IFSC, branch address in the specified fields in the application form.<br><br>For detailed information, please refer SAI.<br><br>The AMC reserves the right to call for any additional documents as may be required, for processing of such transactions with missing/incomplete/invalid bank account details. The AMC also reserves the right to reject such applications. |
| **Delay in payment of redemption / repurchase proceeds / dividend** | Redemption shall be processed by the AMC within 3 (three) Business Days of the receipt of redemption request.<br><br>The AMC shall be liable to pay interest to the investors at rate (currently 15% per annum) as specified vide clause 15.4 of SEBI Master Circular for Mutual Funds dated March 20, 2026 by SEBI for the period of such delay.<br><br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEMCOR/ 74 / 2022-23 dated January 16, 2023 read with clause 15.3.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the AMC may not be liable to adhere with the timelines prescribed above.<br><br>Please refer SAI for details. |

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| **Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount** | Unclaimed Redemptions are those amounts that are processed and released but not encashed by/credited to the bank account of the unitholders of the schemes of JioBlackRock Mutual Fund.<br><br>The list of name(s) and addresses of investors of the Fund in whose folios there are unclaimed redemption is available on the AMC's website (www.jioblackrockamc.com) and AMFI website – www.amfiindia.com. An investor can obtain details after providing his/her proper credentials (like PAN, date of birth etc.) along with other security controls. Further, the process for claiming the unclaimed redemption amounts, and necessary forms/documents required for the same are also made available on the AMC's and AMFI website.<br><br>Investors have to submit request to redeem unclaimed units. Investors can either submit 'Financial Transaction Form' OR simple request letter for claiming of unclaimed units at any of our OPAs. The form needs to be duly signed as per the mode of holding.<br><br>To process the claim, valid bank account details are required. Investors are requested to get the bank account updated in their folio prior submitting the claim request.<br><br>Please refer to SAI for details. |
| **Disclosure w.r.t investment by minors** | Payment for investment by means of cheque, or any other mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian only, else the transaction is liable to get rejected. However, irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian.<br><br>For systematic transactions in a minor folio, AMC would register standing instructions till the date of the minor attaining majority OR till the end date of the Systematic plan, whichever is earlier.<br><br>Upon attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account. All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major.<br><br>For more details, please refer to SAI. |

## III. Other Details

### A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund

Not Applicable.

### B. Periodic Disclosures such as monthly portfolio disclosures, half yearly results, annual report:

#### I. Scheme Portfolio

Portfolio shall be disclosed (along with ISIN) as on the last day of the month within 10 calendar days from the close of each month. Portfolio shall be disclosed on AMC website https://www.jioblackrockamc.com/statutory-disclosure/disclosures/monthly-portfolio-disclosure and on AMFI website www.amfiindia.com. Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format. Portfolio shall also be sent by e-mail to all investors by the AMC/Mutual Fund. Physical copy of the scheme portfolio shall be provided to investors on receipt of specific request from the investor, without charging any cost.

#### II. Half Yearly Financial Results

The AMC / Mutual Fund shall within one month from the close of each half year, that is on March 31 and on September 30, host a soft copy of its unaudited financial results on the AMC website in a user-friendly, downloadable and machine readable format The unaudited financial results would be displayed on AMC website https://www.jioblackrockamc.com/statutory-disclosure/disclosures/half-yearly-financials and AMFI website www.amfiindia.com.

#### III. Annual Report

Scheme wise annual report or an abridged summary thereof shall be mailed to all Investors whose email addresses are registered with the Mutual Fund, within four months from the date of closure of the relevant financial year i.e. 31st March each year.

The annual report would be displayed on the website of the AMC https://www.jioblackrockamc.com/statutory-disclosure/disclosures/scheme-annual-report and AMFI website www.amfiindia.com. The physical copy of the scheme-wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC.

#### IV. Disclosure on Risk-o-meters

In accordance with para 6.16 of SEBI Master Circular for Mutual Funds dated March 20, 2026, Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on their respective website [www.jioblackrockamc.com/disclosure] and on AMFI website within 10 days from the close of each month. Further, any change in risk-o-meter and / or risk-o-meter of its benchmark shall be

communicated by way of Notice cum Addendum and by way of an e-mail or SMS to investors of that scheme.

**V. Disclosure on Scheme Summary Document (SSD)**

A Scheme Summary Document (SSD) of the Scheme which contains details such as Scheme features, Fund Manager details, investment details, investment objective, expense ratio etc. will be made available on the website of the AMC https://www.jioblackrockamc.com/statutory-disclosure/fund-documents and AMFI https://www.amfiindia.com.

**C. Transparency/NAV Disclosure (Details with reference to information given in Section I):**

The AMC will calculate and disclose the first NAV up to four decimal places of the Scheme within a period of 5 Business Days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs up to four decimal places on all business days.

The AMC shall update the NAVs on website of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) and on the website of AMC (www.jioblackrockamc.com/nav) by 11.00 p.m. on every Business Day.

Disclosure timings in case of investments in ETCD -The AMC shall calculate and disclose the NAV on the website of Association of Mutual Funds in India –AMFI and on website of the Mutual Fund by 9.00 a.m. on following business day

The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, by contacting the AMC Contact Center no.- +91 22-35207700 & +91 22-69987700 during business hours or by approaching any of the CAMS Investor Service Centres at various locations.

If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons for the delay and explaining when the Mutual Fund would be able to publish the NAV. Further, as per SEBI Regulations, the repurchase price shall not be lower than 97% of the NAV.

**D. Transaction charges and stamp duty:**

No transaction charges will be levied on the investor as payment of transaction charges to the distributors has been discontinued..

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty at the rate of 0.005% of the transaction value would be levied on applicable mutual fund investment transactions such as purchases (including switch-in) with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, Systematic Investment Plan (SIP) installments, Systematic Transfer Plan (STP-ins) installments etc. to the unit holders would be reduced to that extent.

For further details, refer SAI.

**E. Associate Transactions:**

Please refer to Statement of Additional Information (SAI).

**F. Taxations:**

For details on taxation as per the provisions of the Income-tax Act, 2025 ('the Act'), please refer to the clause on Taxation in the SAI apart from the following:

| **Particulars** | **Tax rates applicable for Resident Investors** | **Tax rates applicable for Non-Resident Investors** | **Tax rates applicable for Mutual Fund[2]** |
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| **Dividend income** | | | |
| Withholding tax rate | 10% on income (in excess of INR 10,000) | 20%[3] + applicable surcharge + 4% cess[4] | Nil |
| Tax rates | Individual / HUF – Income tax rate applicable to the Unit holders as per their income slabs[5]<br><br>Domestic Company - 30% + surcharge as applicable + 4% cess[4]<br><br>25%[6] + surcharge as applicable + 4% cess[4]<br><br>22%[7] + 10% surcharge + 4% cess[4]<br><br>15%[7] + 10% surcharge + 4% cess[4] | NRI – Income tax rate applicable to the Unit holders as per their income slabs[5]<br><br>Foreign Institutional Investors (FII)* – 20% + applicable surcharge + 4% cess[4] | Nil |
| **Equity Oriented Fund[1(a)] (=> 65% of investment in the equity shares of domestic companies listed on a recognised stock exchange)** | | | |
| **Long term capital gain** (held for more than 12 months)** | 12.5% (Exceeding INR 1.25 Lakhs) in case of redemption of units where STT is paid on transfer (u/s 198) + applicable surcharge + 4% cess[4] | 12.5% (Exceeding INR 1.25 Lakhs) in case of redemption of units where STT is paid on transfer (u/s 198) + applicable surcharge + 4% cess[4] | Nil |
| **Short term capital gain** (held for not more than 12 months) | 20% on redemption of units where STT is paid on transfer (u/s 196) + applicable surcharge + 4% cess[4] | 20% on redemption of units where STT is paid on transfer (u/s 196) + applicable surcharge + 4% cess[4] | Nil |
| **Other than Equity Oriented Fund and Specified Mutual Fund[1(b)] (if < 65% is invested in listed domestic equities and debt instruments)** | | | |

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| **Long Term Capital Gains**<br><br>(period of holding more than 12 months for listed units and more than 24 months for unlisted units) | 12.5% + applicable surcharge + 4% cess[4] | 12.5% + applicable surcharge + 4% cess[4]<br><br>(without foreign currency fluctuation benefits) | Nil |
| **Short Term Capital Gains**<br><br>(period of holding less than or equal to 12 months for listed units and less than or equal to 24 months for unlisted units) | Individual / HUF – Income tax rate applicable to the Unit holders as per their income slabs[5]<br><br>Domestic Company - 30% + surcharge as applicable + 4% cess[4]<br><br>25%[6] + surcharge as applicable + 4% cess[4]<br><br>22%[7] + 10% surcharge + 4% cess[4]<br><br>15%[7] + 10% surcharge + 4% cess[4] | Non-resident (other than Foreign Company) – Income tax rate applicable to the Unit holders as per their income slabs[5]<br><br>Foreign Company - 35% + Surcharge as applicable + 4% cess[4]<br><br>FII* – 30% + Surcharge as applicable + 4% cess[4] | Nil |

Equity Scheme(s) will also attract Securities Transaction Tax (STT) at applicable rates[13]

* As per Notification No. 9/2014 dated 22 January 2014, the Central Government has specified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as 'Foreign Institutional Investor' for the purposes of clause (a) of the Explanation to section 115AD of the Income tax Act, 1961 ['the Old Act'] (corresponding to section 210 of the Act).

** Aggregate long term capital gains exceeding one lakh twenty-five thousand rupees in a tax year, arising from the transfer of units of an 'equity oriented fund', equity shares and units of business trust are chargeable to tax at 12.5 per cent (plus the applicable surcharge, health and education cess).

**Notes:**

1. Based on the actual investment allocation of the Scheme, it may be classified either as an "equity-oriented fund" or as "a fund other than an equity-oriented fund and a specified mutual fund" under the provisions of the Act.

   **1(a)** – As per section 198(8) of the Act, an "Equity oriented fund" has been defined to mean a fund set up under a scheme of a mutual fund specified under provisions of Section 11(3) read with Schedule VII [S. no. 20] of the Act and, —

   (i) in a case where the fund invests in the units of another fund which is traded on a recognized stock exchange, —

   (A) a minimum of 90% of the total proceeds of such fund is invested in the units of such other fund; and
   (B) such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on a recognized stock exchange; and

(ii) in any other case, a minimum of 65% of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognized stock exchange

Further it is stated that the percentage of equity shareholding or unit held in respect of the fund, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

**1(b)** – As per section 76 of the Act, "specified mutual fund" means a Mutual Fund by whatever name called, which invests more than 65% of its total proceeds in debt and money market instruments; or a fund which invests 65% or more of its total proceeds in units of such Mutual Fund, subject to the following;

(i) the percentage of investment in debt and money market instruments or in units of a fund, shall be computed with reference to the annual average of the daily closing figures.

(ii) "debt and money market instruments" shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.

2. Income of the Mutual Fund is exempt from income tax in accordance with the provisions of Section 11(3) read with Schedule VII [S. no. 20] of the Act.

3. The withholding tax would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty, subject to eligibility and compliance with applicable conditions.

   Under Section 393(2)[Table: S. No. 15] of the Act, a 20% withholding tax rate (plus applicable surcharge and cess) applies to income from securities referred to in section 210(1) [Table: S. No. 1] paid to FII. However, tax treaty benefits can be claimed at the time of withholding tax on income with respect to securities, if the FII provides a tax residency certificate and other necessary documents required to claim treaty benefits. As per Section 393(4) [Table: S. No. 16], no withholding is required for capital gains from the transfer of securities as specified under Section 210 of the Act.

4. Health and Education Cess shall be applicable at 4% on aggregate of base tax and surcharge.

5. The slab rates as prescribed under section 202 of the Act are as under:

| **Total Income** | **Tax rates (excluding surcharge and cess)** |
|---|---|
| Up to INR 4,00,000 | Nil |
| From INR 4,00,001 to INR 8,00,000 | 5% |
| From INR 8,00,001 to INR 12,00,000 | 10% |
| From INR 12,00,001 to INR 16,00,000 | 15% |
| From INR 16,00,001 to INR 20,00,000 | 20% |
| From INR 20,00,001 to INR 24,00,000 | 25% |
| Above INR 24,00,000 | 30% |

However, the taxpayers have the option to opt out of new tax regime and choose to be taxed under old tax regime. The slab rates as per the old tax regime are as under:

| Total Income | Tax rates (excluding surcharge and cess) |
|---|---|
| Up to INR 2,50,000** | Nil |
| From INR 2,50,001 to INR 5,00,000 | 5% |
| From INR 5,00,001 to INR 10,00,000 | 20% |
| INR 10,00,001 and above | 30% |

** In case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is INR 3,00,000. In case of a resident individual of the age of 80 years or more, the basic exemption limit is INR 5,00,000.

6. A tax rate of 25% (plus applicable surcharge and health and education cess) is applicable for the tax year 2026-27 in the case of domestic companies having total turnover or gross receipts not exceeding Rs. 400 crores in the tax year 2024-25.

7. Domestic companies may opt for a lower tax rate of 22% (plus fixed surcharge at the rate of 10% and health and education cess) (as per section 200 of the Act), subject to fulfillment of prescribed conditions. Further, new domestic manufacturing companies may opt for a lower tax rate of 15% (plus fixed surcharge at the rate of 10% and health and education cess) (as per section 201 of the Act), subject to fulfillment of prescribed conditions.

8. Short term/ long term capital gain tax will be deducted at the time of redemption of units in case of non-resident investors only. However, as per section 393(2) [Table: S. No. 10] of the Act, withholding tax on any income in respect of units of a Mutual Fund would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty subject to fulfilment of certain conditions for being able to avail benefits under the tax treaty viz. obtain a valid tax residency certificate (TRC) and electronically file Form 41.

9. If the total income of a resident investor (being individual or HUF) [without considering such Long-term capital Gains / short term capital gains] is less than the basic exemption limit, then such Long-term capital gains/short-term capital gains should be first adjusted towards basic exemption limit and only excess should be chargeable to tax.

10. Non-resident investors may be subject to a separate tax regime / eligible to benefits under Tax Treaties, depending upon the facts of the case. The same has not been captured above.

11. In case of resident individuals opting out from section 202 of the Act, a rebate of up to Rs. 12,500 is available if total income does not exceed Rs. 500,000.

12. As per section 156 of the Act, where the total income of a resident individual assessee for any tax year is chargeable to tax under section 202(1), then from income-tax (computed before allowing the deduction under this section) following deductions shall be allowed, if:
    (i) the income does not exceed twelve lakh rupees, 100% of the income-tax payable or ₹ 60000, whichever is less;
    (ii) the total income exceeds twelve lakh rupees and the income-tax payable on such total income exceeds the amount by which the total income is in excess of twelve lakh rupees, an amount equal to the amount by which the income-tax payable on such total income is in excess of the amount by which the total income exceeds twelve lakh rupees.

Further, such rebate of income-tax will not be available on tax on incomes chargeable to tax at special rates (for e.g.: capital gains u/s 196, 197, 198 etc.)

13. Tabulated below are the STT rates applicable on sale/purchase of various securities:

| Transactions/Particulars | Payable by Purchaser | Payable by Seller |
|---|---|---|
| Delivery based purchase/sale transaction in equity shares entered into in a recognized stock exchange | 0.1% | 0.1% |
| Non-delivery-based sale transaction in equity shares or units of equity-oriented fund entered in a recognised stock exchange | N.A. | 0.025% |
| Delivery based sale transaction of unit of equity-oriented fund | N.A. | 0.001% |
| Sale of options in securities | 0.15% of the difference between the strike price and settlement price of the option (In case option is exercised) (As amended vide Finance Act, 2026) | 0.15% (As amended vide Finance Act, 2026) |
| Sale of futures in securities | N.A. | 0.05% (As amended vide Finance Act, 2026) |
| Sale of unlisted shares under an offer for sale to the public | N.A. | 0.2% |
| Sale of a unit of an equity-oriented fund to the Mutual Fund | N.A. | 0.001% |

**For further details on taxation please refer to the Section 'Taxation On Investing In Mutual Funds' Statement of Additional Information ('SAI').**

## G. Rights of Unitholders:

Please refer to SAI for details.

## H. List of official points of acceptance:

The details pertaining to official points of acceptance of AMC and RTA are available on the website of the AMC at https://www.jioblackrockamc.com/statutory-disclosure/disclosures/official-points-of-acceptance.

**Details of the Registrar and Transfer Agent:**

| | |
|---|---|
| **Name** | Computer Age Management Services Limited (CAMS) |
| **Address** | Rayala Towers, 158, Anna Salai, Chennai – 600 002. |
| **Website Address** | www.camsonline.com |
| **Email id** | service@jioblackrockamc.com |
| **Contact no.** | 18004192267 |

**I. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations for which action may have been taken or is in the process of being taken by any regulatory authority:**

There have been no penalties or pending litigation on the AMC since its incorporation.

The investors may refer to the details on the website of the Company at link: https://www.jioblackrockamc.com/statutory-disclosure/fund-documents/scheme-related-documents-active-schemes .

**Notes:**

The Scheme under this Scheme Information Document was approved by the Trustees on July 14, 2026.

**Notwithstanding anything contained in the Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines thereunder shall be applicable.**

**For and on behalf of the Board of Directors of Jio BlackRock Asset Management Private Limited**

**Sd/-**

**Siddharth Swaminathan**
**Managing Director and Chief Executive Officer**

**Place: Mumbai**
**Date: _____**