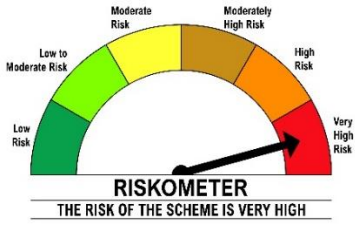
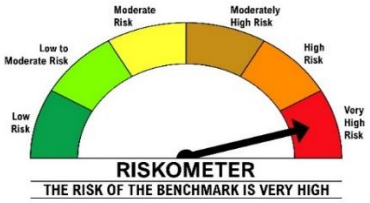
DSP MUTUAL FUND

DRAFT SCHEME INFORMATION DOCUMENT

SECTION I

DSP REITs & Real Estate Fund

(An open ended equity scheme investing in real estate sector)

This product is suitable for investors who are seeking*:	**Scheme Riskometer#**	**Benchmark Riskometer#** Nifty REITs & Realty Index
• Long-term capital appreciation • Investment predominantly in equity and equity related instruments (including REITs) of entities engaged in and/ or expected to benefit from the growth in the real estate sector *Investors should consult their financial advisers if in doubt about whether the Scheme is suitable for them.		

#The actual Risk-o-meter will be decided at the time of launch based on the portfolio of the scheme.

(For latest Riskometers, investors may refer on the website of the Fund viz. www.dspim.com)

(The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made)

Offer for Units of Rs. 10 each for cash during the New Fund Offer and Continuous offer for Units at NAV based prices

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 for continuous sale and repurchase within five Business Days from the date of allotment

Name of Mutual Fund	DSP Mutual Fund
Name of Asset Management Company	DSP Asset Managers Private Limited

CIN of Asset Management Company	(U65990MH2021PTC362316)
Name of Trustee Company	DSP Trustee Private Limited
CIN of Trustee Company	(U65991MH1996PTC100444)
Addresses of the entities	The Ruby, 25th Floor, 29, Senapati Bapat Marg, Dadar (West), M - 400028
Website of the entities	www.dspim.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 DSP Mutual Fund, Standard Risk factors, Special Considerations, Tax and Legal issues and general information on www.dspim.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, www.dspim.com.

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

This draft Scheme Information Document is dated November 20, 2026.

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PART I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr.No	Title	Description
I.	**Name of the Scheme**	DSP REITs & Real Estate Fund
II.	**Category of the Scheme**	Sectoral Fund
III.	**Scheme Type**	An open ended equity scheme investing in real estate sector.
IV.	**Scheme Code**	(To be inserted before launch of scheme)
V.	**Investment Objective**	To provide long-term capital appreciation by investing predominantly in equity and equity related instruments (including REITs) of entities engaged in and/or expected to benefit from the growth in the real estate sector. There is no assurance or guarantee that the investment objective of the Scheme will be realized.
VI.	**Liquidity/listing details**	**Liquidity Details-** Liquidity details: As per Paragraph 15.3.1 of SEBI Master Circular, redemption proceeds shall be dispatched within 3 (three) Working Days from the date of redemption. Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with Paragraph 15.3.3 of SEBI Master Circular No. HO/24/13/11(1)2026-IMD-POD-1/I/7602/2026 dated March 20, 2026 (SEBI Master Circular), the AMC may not be able to adhere with the timelines prescribed above. **Listing details** The Scheme is open ended and the Units are not proposed to be listed on any stock exchange. However, the Mutual Fund may, at its sole discretion, list the Units on one or more Stock Exchanges at a later date, and thereupon the Mutual Fund will make suitable public announcement to that effect.
VII.	**Benchmark Index (Total Return Index)**	• Benchmark of the Scheme - Nifty REITs & Realty Index • Justification – Nifty REITs & Realty Indexis a sectoral index that tracks the performance of securities comprising of publicly listed REITs and stocks belonging to the 'Realty' sector.. It is an appropriate benchmark for the Scheme, as it closely reflects the Scheme's investment universe and aligns with its investment objective. SEBI vide its circular had provided guiding principles for bringing uniformity in benchmarks of mutual fund schemes & accordingly introduced a two-tiered structure for benchmarking of schemes for categories of mutual fund schemes. AMFI has published the first tier benchmarks to be used by the AMCs for all open-ended debt schemes as per the PRC Matrix. Accordingly, the benchmark is selected from the benchmarks notified by AMFI for the category of scheme in line with the Scheme's PRC level/credit risk level/ Macaulay's duration (as available for the benchmark). The Trustee may change the benchmark for any of the Schemes in future, if a benchmark better suited to the investment objective of

<table>
<tr><td></td><td></td><td>that Scheme is available at such time and as per the guidelines and directives issued by SEBI from time to time.

• Second tier benchmark – Not applicable</td></tr>
<tr><td>VIII.</td><td>NAV Disclosure</td><td>The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 10 a.m. of the immediately succeeding Business Day.

The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centres at various locations. The NAV of the Scheme will also be updated on the AMFI website www.amfiindia.com and on www.dspim.com.

Further Details in Section II.</td></tr>
<tr><td>IX.</td><td>Applicable timelines</td><td>Timeline for

1. Dispatch of redemption proceeds –

As per para 15.3.1 of SEBI Master Circular, the Mutual Fund shall dispatch the redemption proceeds within 3 (three) working days from the date of acceptance of redemption request.

Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with Paragraph 15.3.3 of SEBI Master Circular No. HO/24/13/11(1)2026-IMD-POD-1/I/7602/2026 dated March 20, 2026 (SEBI Master Circular), the AMC may not be able to adhere with the timelines prescribed above.

2. Dispatch of Income Distribution cum Capital Withdrawal ('IDCW') - IDCW warrants shall be dispatched to the Unit Holders within 7 Working days from the record date for declaration of the IDCW.

In the event of delay/failure to despatch the IDCW warrants within the aforesaid period, the AMC will be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (currently @ 15% per annum)</td></tr>
<tr><td>X.</td><td>Plans and Options</td><td>Plans and Options:

<table>
<tr><th>Plan</th><th>Options</th><th>Sub-Option</th><th>Income Distribution cum Capital Withdrawal Frequency/Record Date</th></tr>
<tr><td rowspan="2">Regular Plan and Direct Plan</td><td>Growth</td><td>-</td><td></td></tr>
<tr><td>Income Distribution cum Capital Withdrawal (IDCW)</td><td>Payout of IDCW & Reinvestment of IDCW</td><td>At the discretion of Trustee</td></tr>
</table>
</td></tr>
</table>

Investors may note that under Income Distribution cum Capital Withdrawal options the amounts can be distributed out of investor's capital (Equalization Reserve), which is part of sale price that represents realized gains.

#In case the Record Date falls on a non Business Day, the immediate next Business Day shall be considered as the Record Date.

All the Plans and option under the Scheme will have common portfolio.

Default option-

Investors should indicate the Scheme / Plan and / or Option / Sub Option, wherever applicable, for which the subscription is made by mentioning the full name of Scheme/ Plan/ option or sub option in the appropriate space provided for this purpose in the application form. In case of valid applications received, without indicating the Scheme / Plan and / or Option etc. or where the details regarding Plan and/or Option are not clear or ambiguous, the following defaults will be applied:

If no indication is given under the following	**Default**
Option - Growth/Income Distribution cum Capital Withdrawal (IDCW)	Growth Option
Sub-option - Payout of Income Distribution cum Capital Withdrawal (IDCW)/ Reinvestment of Income Distribution cum Capital Withdrawal (IDCW)	Payout of Income Distribution cum Capital Withdrawal (IDCW)

In case an investor/Unit Holder fails to mention the plan and broker details in the application form, then the application shall be processed under respective option/sub-option under Direct Plan of the Scheme

Processing of Application Form/Transaction Request: The below table summarizes the procedures which would be adopted while processing application form/transaction request by the AMC.

Sr. No.	**AMFI Registration Number (ARN) Code/Direct/Blank as mentioned in the application form/ transaction request**	**Plan as selected in the application form/ transaction request**	**Transaction shall be processed and Units shall be allotted under**
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not mentioned	Direct Plan
6	Direct	Regular	Direct Plan

		7 | Mentioned | Regular | Regular Plan 8 | Mentioned | Not mentioned | Regular Plan In cases of wrong/ invalid/ incomplete ARN, any purchase or switch-in or SIP & STP registration shall be processed under Direct Plan or rejected depending on the mode of the transaction. "Invalid ARNs" shall include ARN validity period expired, ARN cancelled /terminated, ARN suspended, ARN Holder deceased, Nomenclature change, as required pursuant to SEBI (Investment Advisers) Regulations, 2013, 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. Notes: a. Investors should provide details/instructions only in the space provided in the form. Any details/notings/information/ instruction provided at a non -designated area of the standard form being used, or any additional details, for which space is not designated in the standard form, may not be executed and the AMC will not be liable for the same. b. Applications not specifying Schemes/Plans/Options and/ or accompanied by cheque/demand drafts/account to account transfer instructions favouring Schemes/Plans/Options other than those specified in the application form are liable to be rejected. c. Where the Scheme name as written on the application form and on the payment instrument differs, the proceeds may, at the discretion of the AMC be allotted in the Scheme as mentioned on the application form. d. Investors shall note that once Units are allotted, AMC shall not entertain requests regarding change of Plan/Option, with a retrospective effect. e. Any change in IDCW sub option due to additional investment or customer request will be applicable to all existing Units in the IDCW option of the scheme concerned. f. The AMC and its Registrar reserve the right to disclose the details of investors and their transactions to third parties viz. banks, distributors, Registered Investment Advisors from whom applications of investors are received and any other organization for the purpose of compliance with legal and regulatory requirements or for complying with antimony laundering requirements. g. Returned cheques are liable not to be presented again for collection, and the accompanying application could also be rejected. In case returned cheques are presented, the necessary charges including returned charges may be debited to the investor. For detailed disclosure on default plans and options, kindly refer SAI
XI.	**Load Structure**	**Exit Load**: Nil <u>Note:</u> No exit load shall be levied In case of switch of investments from Direct Plan to Regular Plan and vice versa. In respect of Systematic Transactions such as SIP, STPs etc., Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.
XII.	**Minimum Application Amount/switch in**	• During NFO: Rs. 100/- and any amount thereafter • On continuous basis: Rs. 100/- and any amount thereafter Note: The minimum application amount will not be applicable for investment made in schemes in line with SEBI guidelines on Alignment

		of interest of Designated Employees of AMC.
XIII.	**Minimum Additional Purchase Amount**	Rs. 100/- and any amount thereafter
XIV.	**Minimum Redemption/switch out amount**	Not applicable
XV.	**New Fund Offer Period** This is the period during which a new scheme sells its units to the investors.	**NFO for DSP REITs & Real Estate Fund** **Opens on: _____** **Closes on: _____** As per Paragraph 1.7.1 of SEBI Master Circular, the NFO shall remain open for subscription for a minimum period of 3 Working Days and not more than 15 calendar days. **Extension or Termination of NFO Period** In case the NFO Opening/ Closing Date is subsequently declared as a non-Business Day, the following Business Day will be deemed to be the NFO Opening/ Closing Date. The AMC/Trustee reserves the right to change the New Fund Offer Period, subject to the condition that the subscription list of the New Fund Offer Period shall not be kept open for more than 15 calendar days. An addendum shall be uploaded on the AMC website i.e. www.dspim.com notifying the change in the NFO Dates / Period.
XVI.	**New Fund Offer Price:** This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10/- per unit during the New Fund Offer.
XVII.	**Segregated portfolio/side pocketing disclosure**	As per Paragraph 5.5 of the SEBI Master Circular, the scheme is enabled for segregated portfolio. For Details, kindly refer SAI.
XVIII.	**Swing pricing disclosure**	Swing pricing framework is not applicable.
XIX.	**Stock lending/short selling**	Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Scheme may engage in stock lending. For Details, kindly refer SAI. 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.
XX.	**How to Apply and other details**	Investors have different options to transact for their investments. Investors intending to invest in physical mode can submit their transaction request to AMC Offices or Investor Service Centres of CAMS. Investors can also transact digitally on AMC/RTA website or through Stock Exchange Platforms, MF Utilities Pvt Ltd. Investor can reach out to their investment advisor for transacting on digital platforms. Financial transactions through email in respect of non- individual investors shall be accepted in terms of AMFI Best Practice Guidelines (BPG) no. 118/ 2024-25 dated January 31, 2025. For the terms and conditions of for availing the facility to transact through electronic mail, please refer SAI. Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or RTA or Distributors or can be downloaded from our website www.dspim.com Investors intending to apply through ASBA will be required to submit ASBA form to their 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 SCSB at their designated branches. 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 location other than SCSB as it will not be processed. For details on ASBA process please refer the ASBA application form. Please refer further details in section II.
XXI.	**Investor services**	Contact details for general service requests: Investors may contact any of the AMC's Investor Service Centers or call on Toll Free number 1800-208-4499 or 1800-200-4499 for any queries. E-mail: service@dspim.comservice@dspim.com Contact details for complaint resolution: **Mr. Santosh Pandey** **Investor Relations Officer** The Ruby, 25th Floor, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400028, Tel.: 022 – 67178000 **Stock Exchange Transactions:** For grievances related to stock exchange transactions, contact either the stockbroker or the investor grievances cell of the respective stock exchange. **MFU Customer Care:** For transactions related to MFU, Investors may contact the customer care of MFUI on 1800-266-1415 (business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfuindia.comclientservices@mfuindia.com.
XXII.	**Specific attribute of the scheme (such as lock in, duration in case of target Maturity scheme/close ended schemes) (as applicable)**	Not applicable
XXIII.	**Special product/facility available during the NFO and on ongoing basis**	**Special product/facility available during NFO:** **1. Switching:** During the NFO period (switch request will be accepted upto 3.00 p.m. on the last day of the NFO), the Unit holders will be able to invest into the NFO of the Scheme by switching part or all of their Unit holdings held in the existing schemes of the Mutual Fund. A switch has the effect of redemption from one scheme/plan/ option and a purchase in the other scheme/plan/option to which the switching has been done. The price at which the units will be switched-out will be based on the redemption price of the scheme from which switch-out is done and the proceeds will be invested into the Scheme at the NFO Price Unit holders are requested to note that application for switch-out for units for which funds are not realized via purchase or switch-in in the scheme of the Fund shall be liable to be rejected. In other, switch out of units will be processed only if the funds for such units are realized

		in the scheme by a way of payment instructions/ transfer or switch-in funding process. Further, all switch funding shall be in line with redemption funding timelines adopted by the concerned scheme i.e. if a scheme follows T+3 payout for redemption, the switch out funding should also be made on the T+3 and not earlier or later than T+3, where T is the day of transaction. The funds from the switch out schemes into the switch in scheme should be received till allotment date. If the NFO of the scheme is called off for any reason whatsoever, the Switch Out amount from other schemes to the NFO scheme will be paid to the investor within 5 Business Days of the closure of the NFO, similar to a redemption from Switch out scheme. Investors should note that the Switch transaction will not be nullified and the switch amount will be paid out as redemption. Further, such payments will not qualify as delayed payments and no interest will be payable by the Fund/AMC/RTA in such cases where the payment date is beyond 10 days of the switch out date, as the switch transactions are accepted from the first day of the entire NFO period and the NFO may be called off after the closure of NFO **2. Systematic Investment Plan (SIP)** Investors can, during the NFO, benefit by investing Rupee amounts periodically for a continuous period through SIP. SIP allows investors to invest a fixed amount of Rupees on daily (business days) or specific dates every month or quarter by purchasing Units of the Scheme at the Purchase Price prevailing at such time. Investors can enroll themselves for SIP (minimum 12 installments) by ticking the appropriate box in the application form and filling up the relevant SIP form specifying the amount, period and SIP date. The detailed terms and conditions are mentioned in the SIP Auto Debit Form. SIP through post-dated cheques will not be accepted during NFO. **3. Applications Supported by Blocked Amount (ASBA) facility** ASBA facility will be provided to the investors subscribing to NFO of the Scheme. It shall co-exist with the existing process, wherein cheques/ demand drafts are used as a mode of payment. Please refer ASBA application form for detailed instructions. **Please refer the SAI and ASBA application form for complete details on ASBA.** **<u>Special product/facility available on ongoing basis</u>:** **1. Systematic Investment Plan (SIP):** SIP allows investing fixed amounts regularly on specific dates monthly or quarterly by purchasing Units of the Scheme at applicable Net Asset Value (NAV). • **Daily SIP facility**: Under Daily SIP, the Unit Holder can invest a fixed amount into the scheme on a daily basis. Daily SIP installment shall be processed only when it is a Business Day for the scheme. It is to be noted that allotment of units are subject to realization of credit in the scheme. In case, if more than one SIP instalments credits are realized on a particular day, both the instalments will be processed for the applicable NAV in terms of the provisions of the Scheme Information Document.

		• **Weekly SIP Facility**: Under Weekly SIP, the Unit Holder can invest a fixed amount into the scheme on a weekly basis (i.e. any business day during the week). If a scheduled SIP instalment falls on a non-business day, the transaction will be processed on the immediate next business day. It is to be noted that allotment of units is subject to realization of credit in the scheme. In case, if more than one SIP instalments credits are realized on a particular day, both the instalments will be processed for the applicable NAV in terms of the provisions of the Scheme Information Document. • **SIP TOP-UP facility**: The facility provides flexibility to the investors to increase the SIP installment over the tenure of the SIP. SIP Top-Up facility will be available under scheme offering SIP facility. SIP Top-Up frequency in case of investors availing this facility will be half yearly and yearly. If the SIP Top-Up frequency is not indicated for SIP under frequencies daily or monthly or quarterly, it will be considered as yearly interval. The AMC may change the terms and conditions for SIP TOP-UP facility from time to time, due to changing market and operational conditions. Investors are advised to check the latest terms and conditions from any of the offices of the AMC, before investing same is available on www.dspim.com • **SIP Pause facility**: Under the SIP pause facility, the investor can stop the running SIP for certain period and Restart the SIP again (at a folio level) by filling up a designated form. Investors who wish to Pause their SIP instalments debit for a certain period. SIP Pause can be for a minimum period of 1 month to a maximum period of 6 months. SIP Pause request should be submitted 15 days before the next SIP instalment date. **2. Systematic Transfer Plan (STP):** STP allows investing fixed amounts regularly on specific dates monthly or quarterly by transferring Units from one scheme to another scheme at applicable Net Asset Value (NAV). • **Daily STP facility**: Under Daily STP, the Unit Holder can switch a fixed amount from any one Scheme (Source Scheme) to any other Scheme (Target Scheme) on a daily basis subject to exit load as applicable. The minimum period for Daily STP shall be 6 days and maximum for any period subject to the end period being year 2099. STP installment shall be processed only when it is a Business day for both source and target Scheme. In case the start date is not mentioned, the Daily STP shall start from the 7th day from the date of submission of valid STP registration form. In case the end date is not mentioned, the STP shall be registered for a period of one year. • **Flex Systematic Transfer Plan ('Flex STP'):** Flex STP Facility, is a facility wherein Unit holder(s) of designated open-ended Scheme of the Fund can opt to systematically transfer amount(s), which may vary based on the value of investments already made/transferred under this facility, on the date of transfer at predetermined intervals from designated open-ended Scheme of the Fund [hereinafter referred to as "Transferor Scheme"] to the 'Growth Option' only, of designated open-ended scheme of the Fund [hereinafter referred to as "Transferee Scheme"]. Transferor Scheme means all scheme of the Fund currently having STP facility and Transferee Scheme means growth option of all scheme of the

		Fund. All other terms and conditions applicable to STP facility will be applicable to Flex STP. For general terms and conditions and more information, Unit holder(s) are requested to read Terms and Conditions available on www.dspim.com. • **Value Systematic Transfer Plan ('Value STP'):** Value STP facility, is a facility wherein Unit holder(s) of designated open-ended scheme of the Fund can opt to systematically transfer amount(s), which may vary based on the value of investments already made/transferred under this facility, on the date of transfer at predetermined intervals from designated open-ended scheme of the Fund [hereinafter referred to as "Transferor Scheme"] to the 'Growth Option' only of designated open-ended Scheme of the Fund [hereinafter referred to as "Transferee Scheme"], including a feature of 'Reverse Transfer' from Transferee Scheme into the Transferor Scheme, in order to achieve the Target Market Value on each transfer date in the Transferee Scheme, subject to the terms and conditions of Value STP. **3. Systematic Withdrawal Plan (SWP):** SWP allows redeeming fixed amounts of money regularly on specific dates monthly or quarterly from a specified scheme. **4. Switching:** A switch has the effect of redemption from one scheme/ plan/option and a purchase in the other scheme/plan/ option to which the switching has been done. To effect a switch, a Unit Holder must provide clear instructions. Such instructions may be provided in digital platforms or in writing or by completing the transaction slip/form attached to the account statement. The switch request can be made for any amount of Rs. 100/- or more. A Unit Holder may request switch of a specified amount or a specified number of Units only. If the Unit Holder has specified both the amount (in Rs.) and the number of Units, switch-out of units will be carried out based on the number of units specified by the Unit Holder. **5. Pledge of Units for Loans:** Units can be pledged by the Unit Holders as security for raising loans, subject to any rules / restrictions that the Trustee may prescribe from time to time. For Units held in demat form, the rules of the respective DP will be applicable for pledge of the Units. Units held in demat form can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system. In case of Units held in physical form, the Registrar will note and record such pledge. A standard form for this purpose is available at any of the official points of acceptance of transactions and on www.dspim.com. **6. One time mandate facility:** This Facility enables the Unit Holder/s of DSP - Mutual Fund ('Fund') to transact with in a simple, convenient and paperless manner by submitting OTM - One Time Mandate registration form to the Fund which authorizes his/her bank to debit their account up to a certain specified limit per transaction, as and when they wish to transact with the Fund, without the need of submitting cheque or fund transfer letter with every transaction thereafter. This Facility enables Unit holder(s) of the Fund to start Systematic Investment Plan (SIP) or invest lump sum amounts in any Scheme of the Fund by sending instructions through Transaction

		forms, and online facility specified by the AMC. It is to be noted that allotment of units are subject to realization of credit in the scheme **7. Transfer of Income Distribution cum Capital Withdrawal plan (IDCW):** Unit holders under the Regular Plan & Direct Plan (wherever applicable) and IDCW Options(s) (other than Daily IDCW Reinvest sub-option) of all the open ended Scheme of the Mutual Fund can opt to transfer their IDCW to any other option under the Regular Plan & Direct Plan (wherever applicable) (other than Daily IDCW Reinvest sub-option) of all the open- ended Scheme of the Mutual Fund by availing the facility of IDCW Transfer Plan (DTP). Under DTP, IDCW as & when declared (as reduced by the amount of applicable statutory levy) in the transferor Scheme (subject to minimum of Rs.100/-) will **be** automatically invested without any exit load into the transferee Scheme, as opted by the Unit holder. Such transfer will be treated as fresh subscription in the transferee Scheme and invested at the Applicable NAV on the Business Day immediately following the record date, subject to terms and conditions applicable to the transferee Scheme. Investors are requested to note that the AMC may change the terms and conditions for SWP facility from time to time, due to changing market and operational conditions. Investors are advised to check the latest terms and conditions from any of the offices of the AMC, before investing same is available on www.dspim.com. For further details, please refer SAI.
XXIV.	**Weblink**	• Link for TER for last 6 months and Daily TER- https://www.dspim.com/mandatory-disclosures/ter • Link for Scheme factsheet- https://www.dspim.com/insights-and-downloads/literature-and-insights/factsheets
XXV.	**Minimum installment Amount for Systematic Investment Plan (SIP)**	Rs. 100/- and any amount thereafter
XXVI.	**Minimum installment Amount for Systematic Withdrawal Plan (SWP)/Systematic Transfer Plan (STP)**	Rs. 100/- and any amount thereafter
XVII.	**Minimum balance to be maintained and consequences of non maintenance**	Not applicable

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 draft 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 draft 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 draft 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 draft Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.
(vii) Notwithstanding anything contained in this draft Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.

Date: November 20, 2026 **Name: Dr. Pritesh Majmudar**
Place: Mumbai **Designation: Head – Legal and Compliance**

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation will be as follows:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Equity and Equity related instruments (including REITs) of companies/entities involved in real estate sector	80%	100%
Other equity and equity related instruments, Money Market Securities / Invits / Gold ETF/ Silver ETF / Liquid Instruments / Units of Domestic Mutual Funds^	0%	20%

^Any other security as may be permitted by SEBI/ RBI from time to time.
Other Liquid instruments includes cash, bank deposits with Scheduled Commercial Banks, Government Securities, Treasury bills, Repo on Government securities and any other instruments as specified by the SEBI.
The scheme may invest in the units of Overnight Fund, Money Market Fund & Liquid Fund (including Liquid ETFs) of Domestic Mutual Fund.

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	Upto 20% (upto 5% for any single single intermediary)	Paragraph 13.6 of the SEBI Master Circular
2.	Short Selling	In accordance with guidelines issued by SEBI	Regulation 41 (7) of SEBI (Mutual Funds) Regulations, 2026
3.	Derivatives	Upto 80% of total assets	Paragraph 13.15 and 13.18.2 of the SEBI Master Circular
4.	Equity Derivatives for non-hedging purposes	Upto 80%	-
5.	Overseas Securities	Upto 20%	Paragraph 13.11 of the SEBI Master Circular
6.	Securitized Debt	Nil	-
7.	Debt Instruments with special features (AT1 and AT2 Bonds)	Nil	Sr. No. 9 of table under Paragraph 13.1 of the SEBI Master Circular
8.	Debt Instruments with SO / CE rating	Nil	Sr. No. 10 of table under Paragraph 13.1 of the SEBI Master Circular
9.	Tri-party repos (including Reverse repo in T-bills and G-sec)	Upto 20%	-
10.	Other / own mutual funds	Upto 5 % of AUM of mutual fund level	Paragraph 3 of the Sixth Schedule of SEBI (Mutual Funds) Regulations, 2026
11.	Repo/ reverse repo transactions in corporate debt securities	Nil	Paragraph 13.8 of the SEBI Master Circular
12.	Credit Default Swap transactions	Nil	Paragraph 13.17 of the SEBI Master Circular
13.	Covered call option	Refer note 1	Paragraph 13.15 of the SEBI Master Circular
14.	Unrated debt instruments	Upto 5% (refer Note 2)	Sr. No. 4 of table under Paragraph 13.1 of the SEBI Master Circular
15.	InvITs	Upto 10% (upto 5%- single issuer) of the NAV	Paragraph 3.8.1(c) and Paragraph 13.13 of the SEBI Master Circular
16.	Short Term Deposit	Refer Note 3	Paragraph 13.7 of the SEBI Master Circular

Indicative table is subset of primary asset allocation table mentioned above, and both shall be read in conjunction.

Note 1-

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.

c. At all points of time the Mutual Fund scheme shall comply with the provisions at (a) and (b) above. In case of any passive breach of the requirement at (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.

d. In case a Mutual Fund scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with (a) and (b) above while selling the securities.

e. In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts

f. The premium received shall be within the requirements prescribed in terms of Paragraph 13.18.3 of SEBI Master Circular i.e. the total gross exposure related to option premium paid and received shall not exceed 20% of the net assets of the scheme.

g. The exposure on account of the call option written under the covered call strategy shall not be considered as exposure.

Note 2-
All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

Note 3 - Investment in Short-Term Deposits-

Pending deployment of the funds of the Scheme shall be in terms of Paragraph 13.7 of the SEBI Master Circular, the AMC may invest funds of the Scheme in short term deposits of scheduled commercial banks, subject to following conditions:

1. The term 'short term' for parking of funds shall be treated as a period not exceeding 91 days.
2. Such deposits shall be held in the name of the Scheme.
3. The Scheme shall not park more than 15% of its net assets in the short term deposit(s) of all the scheduled commercial banks put together. 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.
4. The Scheme shall not park more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.
5. The Trustee/AMC shall ensure that the funds of the Scheme are not parked in the short term deposits of a bank which has invested in that Scheme.
6. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
7. The Trustee/AMC shall also ensure that the bank in which a scheme has short term deposits do not invest in the scheme until the scheme has short term deposits with such bank.

In accordance with Paragraph 13.7.6 of the SEBI Master Circular, investments made in short-term deposits pending deployment of funds shall be recorded and reported to the Trustees including the reasons for the investment especially comparisons with interest rates offered by other scheduled commercial banks.

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

Cumulative Gross Exposure

As per Paragraph 13.18.1 of the SEBI Master Circular, the cumulative gross exposure through equity, money market securities, derivative positions (including fixed income derivatives), repo transactions, Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the scheme. Cash and cash equivalents as per SEBI letter no. SEBI/HO/ IMD-II/DOF3/ OW/P/ 2021/ 31487 / 1 dated November 03, 2021 which includes T-bills, Government Securities, Repo on Government Securities and any other securities as may be allowed under the SEBI MF Regulations prevailing from time to time subject to the regulatory approval, if any, having residual maturity of less than 91 Days, shall not be considered for the purpose of calculating gross exposure limit.

Timelines for deployment of funds collected in NFO -

In line with Paragraph 7.24 of the SEBI Master Circular, 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.

Change in Investment Pattern

Portfolio Rebalancing of deviation due to short term defensive consideration:

Due to market conditions, the AMC may invest beyond the range set out in the asset allocation. Such deviations shall normally be for a short term and defensive considerations in line with Paragraph 1.9.1(b) of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall rebalance the portfolio within 30 calendar days from the date of such deviation.

It may be noted that no prior intimation/indication will be given to investors when the composition/asset allocation pattern under the Scheme undergoes changes within the permitted band as indicated above.

Portfolio rebalancing in case of passive breach:

As per Paragraph 3.11 of SEBI Master circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation or any prescribed regulatory limit, as maybe applicable to the scheme, passive breaches (i.e. occurrence of instances not arising out of omission and commission of AMC), shall be rebalanced within 30 business days. Where the portfolio is not rebalanced within above mentioned period, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before Investment Committee.

The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period.

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 Paragraph 3.11 of the SEBI Master Circular.

B. WHERE WILL THE SCHEME INVEST?

Subject to the SEBI MF Regulations and the disclosures as made under the section "How the Scheme will allocate its Assets", the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Equity and equity related Instruments (including REITs)
2. Equity Derivatives, which are financial instruments, generally traded on the stock exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity

indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
3. Overseas securities/Funds/ETFs/ADRs and GDRs
4. Units of Mutual funds (including Commodity ETFs) as may be permitted by regulations
5. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills);
6. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills);
7. Fixed Income Securities of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee;
8. Money market instruments as permitted by SEBI/RBI.
9. Tri-party repos (including reverse repo in T-bills and G-sec).
10. Short-Term Deposits
11. Units of Infrastructure Investment Trusts ('InvITs')
12. Any other domestic fixed income securities as permitted by SEBI/ RBI/such other Regulatory Authority from time to time.

For Detailed definition and applicable regulations/guidelines for each instrument please refer **Section-II**

C. WHAT ARE THE INVESTMENT STRATEGIES?

Investment Strategy for Equity Investments

The Fund seeks to follow a combination of top-down and bottom-up investment approaches to identify attractive opportunities across the real estate sector. The portfolio shall consist of REITs, real estate companies/entities, and InvITs, with exposure to InvITs limited to up to 10% of the portfolio, subject to applicable regulations.

Portfolio allocation shall be guided by a range of factors, including the prevailing macroeconomic environment, interest rate outlook, real estate cycle, sectoral demand-supply dynamics, dividend/rental yields, cash flow yields, valuations, and relative risk-reward opportunities. The Fund shall generally seek to maintain a preference for real estate entities that offer stable and favourable rental or dividend yields, supported by sustainable cash flows and sound business fundamentals.

Security selection shall be supported by in-house research and a detailed assessment of each entity. This may include evaluation of its historical and current financial condition, balance sheet strength, cash flow profile, business prospects, quality of assets, strength and depth of management, responsiveness to changing business conditions, brand equity, market share, competitive positioning, technological advantage, and standards of corporate governance and transparency.

A key focus area of the investment process will be the quality, credibility, and execution capability of management, given its importance in capital allocation, asset monetisation, leverage management, tenant relationships, and long-term value creation.

Strategy for Fixed Income Securities
The Investment Manager will invest only in those debt securities that are rated investment grade by a domestic credit rating agency such as CRISIL, ICRA, CARE, FITCH etc. or in unrated debt securities which the Investment Manager believes to be of equivalent quality. In the case of unrated debt securities, the approval of the Board of Directors of the AMC and Trustee shall be obtained prior to investment.

Trading in Derivatives
The Scheme may use various techniques/strategies using derivative instruments for hedging as well as non-hedging purpose. Below is summary of some of the instruments / techniques which fund can employ. Please refer to Statement of Additional Information (SAI) for detailed description of derivative strategies.

Equity Derivatives

1) **Index/ Stock spot – Index/ Stock Futures:**

- The Fund would sell futures contracts on securities/indices in anticipation of a fall in stock prices, to offset a decline in the value of its equity portfolio
- Similarly, when the Fund is not fully invested, and an increase in the price of equities is expected, the Fund would purchase futures contracts to gain rapid market exposure that may partially or entirely offset increase in the cost of the equity securities it intends to purchase

2) Index/ Stock options

- The Scheme may purchase put and call stock/index options to hedge against a decline in securities owned by the Fund or an increase in the prices of securities which the Fund plans to purchase.

3) Stock Arbitrage

- This strategy is employed when the price of the future is trading at a premium to the price of its underlying in spot market. The Scheme shall buy the stock in spot market and endeavour to simultaneously sell the future at a premium on a quantity neutral basis. In this way scheme shall lock in a spread which is not affected by the price movement of cash market and futures market.

4) Index Arbitrage:

- Index arbitrage opportunity exists when Index future is trading at a discount to the index (spot) and the futures of the constituent stocks are trading at a cumulative premium.
- The investment manager shall endeavour to capture such arbitrage opportunities by taking long positions in the Nifty Index futures and short positions in the synthetic index (constituent stock futures). Based on the opportunity, the reverse position can also be initiated

5) Portfolio Hedging:

This strategy will be adopted:

- If in an already invested portfolio of a Scheme, the Investment Manager is expecting a market correction, the Investment Manager may sell Index Futures to insulate the portfolio from the market related risks.
- If there are significant inflows to the Scheme and the market expectations are bullish, the Investment Manager may buy Index Futures to continue participation in the equity markets. This strategy is used to reduce the time to achieve the desired invested levels.

6) Covered Call

- The covered call strategy can be followed by the Fund Manager in order to hedge risk thereby resulting in better risk adjusted returns of the Scheme. This strategy is also employed when the Fund Manager has a short-term neutral view on the asset and for this reason holds the asset long and simultaneously takes a short position via covered call option strategy to generate income from the option premium.

Fixed Income Derivatives

1) Interest Rates Swap

- The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure

2) Interest Rate Futures (IRF)

- IRFs can be used for hedging the underlying cash positions.

3) **Forward Rate Agreement (FRA)**

- An FRA is an off-balance sheet agreement to pay or receive on an agreed future date, the difference between an agreed interest rate and the interest rate actually prevailing on that future date, calculated on an agreed notional principal amount.
- FRAs are purchased to hedge the interest rate risk; an investor facing uncertainty of the interest rate movements can fix the interest costs by purchasing an FRA.

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.

Portfolio Turnover

Portfolio turnover is defined as the lower of the aggregate value of purchases or sales as a percentage of the corpus of a scheme during a specified period of time. This will exclude purchases and sales of money market securities. The Scheme is open ended, with subscriptions and redemptions expected on a daily basis, resulting in net inflow/outflow of funds, and on account of the various factors that affect portfolio turnover; it is difficult to give an estimate, with any reasonable amount of accuracy.

Therefore, the Scheme has no specific target relating to portfolio turnover.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Benchmark (Total Returns Index): Nifty REITs & Realty Index

Justification:
Nifty REITs & Realty Index is a sectoral index that tracks the performance of securities comprising of publicly listed REITs and stocks belonging to the 'Realty' sector. It is an appropriate benchmark for the Scheme, as it closely reflects the Scheme's investment universe and aligns with its investment objective.

SEBI vide its circular had provided guiding principles for bringing uniformity in benchmarks of mutual fund schemes & accordingly introduced a two-tiered structure for benchmarking of schemes for categories of mutual fund schemes. AMFI has published the first tier benchmarks to be used by the AMCs for all open-ended debt schemes as per the PRC Matrix. Accordingly, the benchmark is selected from the benchmarks notified by AMFI for the category of scheme in line with the Scheme's PRC level/credit risk level/ Macaulay's duration (as available for the benchmark).

The Trustee may change the benchmark for any of the Schemes in future, if a benchmark better suited to the investment objective of that Scheme is available at such time, subject to the guidelines and directives issued by SEBI from time to time.

E. WHO MANAGES THE SCHEME?

Fund Manager	Age	Tenure	Qualifications	Brief Experience	Other Scheme managed
Ms. Aparna Karnik	46	NA	B.Com, M.M.S. (Mumbai University)	Over 21 years of experience as under: From April 2023 to present: DSPAM- Senior Vice President, Head - Quantitative Investments and Analytics. From May 2022 to March 2023: DSPIM- Senior Vice President, Head - Quantitative Investments and Analytics From May 2010 to April 2022: DSPIM – Senior Vice President and Head – Risk & Quantitative Analysis	DSP Business Cycle Fund DSP Quant Fund DSP Multi Asset Allocation Fund

Fund Manager	Age	Tenure	Qualifications	Brief Experience	Other Scheme managed
				From April 2007 to May 2010: CRISIL Ltd, Senior Manager, Corporate & Infrastructure Ratings From August 2004 to March 2007: CRISIL Ltd, Manager, Structured Finance Ratings	
Mr. Vivekanand Ramakrishnan	58	NA	PhD, University of Southern California, 1993 BTECH, IIT Madras 1988	Over 28 years of experience: From April 01, 2023 onwards- Fund manager- DSP Asset Managers Private Limited From July 17, 2021 to March 31, 2023- Fund manager- DSP Investment Managers Private Limited From October 2019- July 16, 2021- Head- Credit Analysis- DSP Investment Managers Private Limited From August 2004 to September 2019- Standard Chartered Bank- Executive Director & Head, NBFC and PSDO (2012-2019), Director Capital Markets (2008-2011), Head, Fixed Income Credit Analysis (2004-2008)	DSP Credit Risk Fund DSP Corporate Bond Fund DSP Bond Fund

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

List of other existing Equity oriented Schemes:

1. DSP Arbitrage Fund
2. DSP Dynamic Asset Allocation Fund
3. DSP Aggressive Hybrid Fund
4. DSP Equity Savings Fund
5. DSP Multi Asset Allocation Fund
6. DSP Banking & Financial Services Fund
7. DSP ELSS Tax Saver Fund
8. DSP Large & Mid Cap Fund
9. DSP Flexi Cap Fund
10. DSP Focused Fund
11. DSP Healthcare Fund
12. DSP India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund)
13. DSP Midcap Fund
14. DSP Multicap Fund
15. DSP Natural Resources and New Energy Fund
16. DSP Quant Fund
17. DSP Small Cap Fund
18. DSP Large Cap Fund
19. DSP Value Fund
20. DSP Business Cycle Fund

For details please refer - https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/scheme-comparison

G. HOW HAS THE SCHEME PERFORMED

This 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)

This is a new Scheme and hence this is not available.

ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of N AV of the scheme-

This is a new Scheme and hence this is not available.

iii. Functional Website link for portfolio disclosure –

This is a new Scheme and hence this is not available.

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

This is a new Scheme and hence this is not applicable.

v. Portfolio Turnover Rate – This is a new Scheme and hence this is not available

vi. Expense ratio of underlying scheme(s): Not Applicable

vii. Aggregate investment in the Scheme by: (Details are as on _____)

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.)
	Fund Manager	Units	NAV per unit	
1	Ms. Aparna Karnik	This being a new Scheme, this is not available.		
2	Mr. Vivekanand Ramakrishnan			

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

viii. Investments of AMC in the Scheme – Sub-regulation 3(a) in Regulation 22 of SEBI (Mutual Funds) Regulations, 2026 read along with Paragraph 7.13 of SEBI Master Circular, the AMC shall invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by the SEBI from time to time.

However, mandatory contribution in terms of units (including past and future corporate actions thereon) in the scheme already made by AMC pursuant to regulation 22(3)(a) of SEBI (MF) Regulations read with Paragraph 7.13.4 of SEBI Master Circular shall not be withdrawn.

For details of investments of AMC in the scheme (Refer link - https://www.dspim.com/mandatory-disclosures/amcs-investments-in-schemes)

Part III- OTHER DETAILS

A. COMPUTATION OF NAV

The NAV of the Units of a Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date.

NAV of Units under each Scheme may be calculated by either of the following methods shown below:

$$\text{NAV Per Unit (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments + Current Assets - Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme on the Valuation Date}}$$

The numerical illustration of the above method is provided below.

Market or Fair Value of Scheme's investments (Rs.) = 11,42,53,650.00
Current Assets (Rs.) = 10,00,000.00
Current Liabilities and Provisions (Rs.) = 5,00,000.00
No. of Units outstanding under the Scheme = 1,00,00,000

$$\textbf{NAV Per Unit (Rs.)} = \frac{\textbf{11,42,53,650.00 + 10,00,000.00 - 5,00,000.00}}{\textbf{1,00,00,000}} = \textbf{11.4754}$$

N.B.: The aforesaid provisions pertaining to "Calculation of NAV" shall apply in respect of each individual Scheme and/or plan as the case may be. The NAV Per Unit above is rounded off to four decimals.

The NAV will be calculated as of the close of every Business Day.

NAVs will be rounded off to four decimal places. The valuation of the Schemes' assets and calculation of the Schemes' NAVs shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

Note: In respect of Schemes having Growth and IDCW Options, there will be more than one NAV, one for each Option, after the declaration of the first IDCW by that Scheme.

While determining the price of the units, the mutual fund shall ensure that the repurchase price shall not be lower than 97% of the NAV. For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

Ongoing price for subscription (Purchase Price) / switch-in from other schemes/ plans by investor
(This is the price you need to pay for purchase/switch-in)

The Purchase Price of the Units on an ongoing basis will be calculated as described below, which is based on the Applicable NAV

Purchase Price = Applicable NAV

Illustration:

Say, Applicable NAV = Rs. 12/-
Therefore, Purchase Price = Rs.12/-

Ongoing price for redemption (sale) /switch outs (to other Scheme/plans of the Mutual Fund)/intra-Plan switching by investors (Redemption Price)
(This is the price you will receive for redemptions/switch outs)

The Redemption Price of the Units will be calculated on the basis of the Applicable NAV subject to prevailing Exit Load, if any. In the case of Schemes which currently have no Exit Load, the Redemption Price will be the Applicable NAV. In the case of Schemes having an Exit Load or in which an Exit Load is introduced, the Redemption Price will be calculated as under:

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

Illustration:

Say, Applicable NAV = Rs. 12.0000 and the Exit Load is 0.50%,
Redemption Price = 12 x (1-0.005) = Rs. 11.9400.

Investors may note that the Trustee has the right to modify the existing Load Structure in any manner or introduce an Exit Load or a combination or Exit Load and/or any other Load subject to a maximum as prescribed under the SEBI (MF) Regulations. Should the Trustee on any date, impose or enhance any load, such imposition or enhancement shall be applicable on prospective investment only.

For details on load structure please see Load Structure.

While determining the price of the units, the mutual fund shall ensure that the repurchase price of Scheme is not be lower than 97% Net Asset Value as provided under SEBI (MF) Regulations. For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

B. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The entire NFO expenses will be borne by the AMC.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses incurred for operating the Scheme. These expenses include and are not limited to Investment Management and Advisory Fee charged by the AMC, Registrar's fee, Marketing and selling costs etc., as given in the **Table 2** which summarizes estimated annualized recurring expenses as a % of daily net assets of the Scheme.

This section outlines various expenses that will be borne by the Scheme. The information provided below would assist the investor in understanding the expense structure of the Scheme, types of different fees / expenses, their percentage the investor is likely to incur on purchasing and selling the Units of the Scheme.

The AMC has estimated that upto 2.10 % of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Operating & recurring expenses under regulation 66:
The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited.

Table 1: Limit for Base Expense ratio as prescribed under regulation 66 (7) (c) of SEBI MF regulations for equity-oriented scheme:

Slab Rates	As a % of daily net assets as per Regulation 66 (7) (c)
on the first Rs.500 crores of the daily net assets	2.10%
on the next Rs.250 crores of the daily net assets	1.90%
on the next Rs.1,250 crores of the daily net assets	1.60%
on the next Rs.3,000 crores of the daily net assets	1.50%
on the next Rs.5,000 crores of the daily net assets	1.40%
On the next Rs.40,000 crores of the daily net assets	Expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof
On balance of the assets	0.95%

Notes to Table:

In addition to base expenses as permissible under Regulation 66 (7) (c), the AMC may also charge the following to the Scheme under Regulation 66 (9) & 66(10):

a. A mutual fund 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.

b. Transaction costs incurred for the purpose of execution of trade 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.

c. All statutory levies will be over and above the base expense ratio limits as defined in regulation 66(7).

Total Expense Ratio (TER'):

'Total expense ratio' means the ratio of total of all expenses charged to the investors of the scheme to the total asset under management of the scheme, as may be specified by SEBI.

As per Regulation 67(1), the total of all expenses charged to the investors of the scheme, shall be total of expense charged within the base limit specified under sub-regulation 7 of regulation 66, brokerage cost permitted under sub-regulation 9 of regulation 66, transaction cost incurred for the purpose of execution of trade as referred under sub-regulation 10 of regulation 66, and statutory levies charged to the investors.

Statutory Levy: "statutory levy" means levy imposed by state government and central government.

Others:

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustees or any other entity through any route in terms of SEBI circulars, subject to the clarifications provided by SEBI to AMFI vide letter dated February 21, 2019 on implementation of clause 11.3 of Master Circular.

Provided that the expenses that are very small in value but high in volume (as provided by AMFI in consultation with SEBI) 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 the Scheme AUM, whichever is lower.

Further with regards to the cost of borrowings in terms of Regulation 42, the same shall be adjusted against the portfolio yield of the Scheme and borrowing costs in excess of portfolio yield, if any, shall be borne by the AMC.

Disclosure of Total Expense Ratio:

In accordance with clause 11.2 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website www.dspim.com and on website of AMFI.

Change in Base Expense Ratio ('BER'):

In accordance with clause 11.4 of the SEBI Master Circular, changes in the BER (i.e. expenses as provided in Regulation 66(7) of SEBI (Mutual Funds) Regulations, 2026) in comparison to previous BER charged to any scheme/plan shall be communicated to investors of the scheme/plan through notice via email or SMS at least three working days prior to effecting such change.

The notices of change in BER shall be updated on the website at least three working days prior to effecting such change provided that the prior intimation/notice shall not be required for any increase or decrease in BER due to change in AUM and any decrease in BER due to various regulatory requirements.

illustrative example for estimating expenses for a scheme with corpus of 100 crores:

The AMC in good faith has estimated and summarized in the below table for each Scheme, the expenses on a corpus size of Rs. 100 crores. The actual total expenses may be more or less than as specified in the table below. The below expenses are subject to inter-se change and may increase/decrease as per actuals, and/or any change in the Regulations.

Table 2: The estimated total expenses as a % of daily net assets of the Scheme are as follows:

Expense Head	% of daily net assets
Investment Management and Advisory Fee	Upto 2.10%
Audit fees/fees and expenses of trustees*	
Custodian fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing and selling expenses including fees, commission and charges towards distribution of mutual fund schemes	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost towards investor education, awareness and financial inclusion (as per applicable rates in force) ^^^	
brokerage cost incurred towards execution of trades in addition to limits prescribed in regulation 66(9)	
Costs of statutory advertisements;	
Other Expenses (such other expenses as may be specified or approved by the Board)	
Maximum Base Expense Ratio (BER) permissible under Regulation 66 (7) (c)	**Upto 2.10%**
Statutory levies (including GST) on all expenses	**As per rates in force**
Brokerage Cost for trade execution as per regulation 66(9)	**At actuals**
Transaction Cost for trade execution as per regulation 66(10)	**At actuals**

*The Trusteeship fees as per the provisions of the Trust Deed are subject to a maximum of 0.02% of the average net Trust Funds per annum. It has been decided by the Trustee to charge the Trusteeship Fees in proportion to the net assets of each of the Scheme of the Mutual Fund. The Trustee reserves the right to change the method of allocation of Trusteeship fees for the Scheme, from time to time.

^^^ Additional incentives to distributors

As per As per clause 11.6 of master circular HO/24/13/11(1)2026-IMD-POD-1/I/7602/2026 dated March 20, 2026, effective March 1, 2026 additional incentives to distributors for onboarding new individual investors from B-30 cities and women investors shall be paid from amount mandated to be set apart annually by AMCs for investor education, awareness and financial inclusion initiatives, subject to adequate claw back provisions as per the terms and condition as mentioned therein. For detailed methodology for determination of additional incentive, please refer SAI.

Expense Structure for Direct Plan

Direct Plan will have lower expense ratio than Regular Plan of the Scheme. The expenses under Direct Plan shall exclude the distribution and commission expenses. All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a Regular Plan.

The above expense structures are indicative in nature. Actual expenses could be lower than mentioned above.

The purpose of the above table is to assist the investor in understanding the various costs & expenses that the investor in the Scheme will bear directly or indirectly.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

Illustration of impact of expense ratio on scheme's returns:

Particulars	Regular Plan	Direct Plan
Amount invested at the beginning of the year (₹)	10,000	10,000
Annual income accrued to the scheme (₹)	1,000	1,000
Expenses other than Distribution expenses (₹)	75	75
Distribution expenses (₹)	25	-
Returns after expenses at the end of the year (₹)	900	925
Returns after expenses at the end of the year (in %)	9.00%	9.25%

Link for TER disclosure: https://www.dspim.com/mandatory-disclosures/ter

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 (www.dspim.com) or may call at (toll free no. 1800 208 4499 or 1800 200 4499) or your distributor.

Type of Load	Load chargeable (as %age of NAV)
Exit Load (as a % of Applicable NAV)	Nil

Note on load exemptions:

1. There will be no Exit Load on inter-option switching.
2. No load will be charged on issue of bonus Units and Units allotted on reinvestment of IDCW for existing as well as prospective investors.
3. No exit load shall be levied in case of switch of investments from Direct Plan to Regular Plan and vice versa

Investors may note that the Trustee has the right to modify exit load subject to a maximum as prescribed under the SEBI (MF) Regulations. Any imposition or enhancement in the load shall be applicable on prospective investments only. At the time of changing the load structure, the AMC shall consider the following measures to avoid complaints from investors about investment in the Scheme without knowing the loads:

(i) Addendum detailing the changes will be attached to the SID and Key Information Memorandum (KIM). The addendum may be circulated to all the distributors/brokers so that the same can be attached to all SIDs and KIMs already in stock.
(ii) Arrangements will be made to display the addendum to the SID in the form of an addenda in all the ISCs/offices of the AMC/Registrar.
(iii) The introduction of the Exit Load along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and will also be disclosed in the statement of accounts issued after the introduction of such load.

Investors are requested to check the prevailing load structure of the Schemes before investing.

Exit load charged shall be credited to the scheme. The GST on exit load shall be paid out of the exit load proceeds and exit load net of GST shall be credited to the concerned scheme.

Section II

I. Introduction

A. Definitions/interpretation

Business Day/Working Day	A day other than (i) Saturday and Sunday, (ii) a day on which the National Stock Exchange is closed and (iii) a day on which Sale and Redemption of Units are suspended. (iv) In case of overseas listed securities (including ETFs), such day, as maybe declared by AMC as a Non-Business Day, in accordance with the internal materiality norms which are drawn up basis the percentage of exposure to a particular jurisdiction/country the scheme has. Further such disclosure can be accessed by clicking the given link- https://www.dspim.com/non-business-days. The AMC reserves the right to declare any day as a non-business day at any of its locations at its sole discretion
Custodian	The Hongkong and Shanghai Banking Corporation Limited, acting as a custodian to the Scheme, or any other Custodian who is approved by the Trustee.
DSPR&REF / Scheme/The Scheme	DSP REITs & Real Estate Fund
NRI	Non Resident Indian.
PIO	Person of Indian Origin.
Scheme Information Document/SID	This document issued by DSP Mutual Fund, offering Units of DSP REITs & Real Estate Fund.

For common definitions, please refer website Link- https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/definitions-interpretation

ABBREVIATIONS & INTERPRETATIONS

In this SID, the following abbreviations have been used:

AMC:	Asset Management Company	**MBS:**	Mortgaged Backed Securities
AMFI :	Association of Mutual Funds in India	**MFSS:**	Mutual Fund Service System
AML:	Anti-Money Laundering	**MFU:**	MF Utilities India Private Limited
ABS:	Asset Backed Securities	**NAV:**	Net Asset Value
ASBA:	Application Supported by Blocked Amount	**NEFT:**	National Electronic Funds Transfer
AOP:	Association of Person	**NFO:**	New Fund Offer
BSE:	BSE Limited	**NRI:**	Non-Resident Indian
BSE StAR MF:	BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds	**NRE:**	Non Resident External
CAS:	Consolidated Account Statement	**NRO:**	Non Resident Ordinary
CAMS:	Computer Age Management Services Limited	**NSE / National Stock Exchange:**	National Stock Exchange of India Limited
CDSL:	Central Depository Services (India) Limited	**NSDL:**	National Securities Depository Limited
DFI:	Development Financial Institutions	**OTC:**	Over the Counter

DP:	Depository Participant	**OTM:**	One Time Mandate
ECS:	Electronic Clearing System	**POA:**	Power of Attorney
EFT:	Electronic Funds Transfer	**PIO:**	Person of Indian Origin
FPI:	Foreign Portfolio Investor	**PMLA:**	Prevention of Money Laundering Act, 2002
FRA:	Forward Rate Agreement	**POS:**	Points of Service
FIRC:	Foreign Inward Remittance Certificate	**PSU:**	Public Sector Undertaking
FOF:	Fund of Funds	**RBI:**	Reserve Bank of India
FPI:	Foreign Portfolio Investor	**REITs:**	Real Estate Investment Trusts
FATCA:	Foreign Account Tax Compliance Act	**RTGS:**	Real Time Gross Settlement
Flex STP:	Flex Systematic Transfer Plan	**SEBI:**	Securities and Exchange Board of India
HUF:	Hindu Undivided Family	**SI:**	Standing Instructions
IDCW:	Income Distribution cum Capital Withdrawal	**SIP:**	Systematic Investment Plan
IMA:	Investment Management Agreement	**SWP:**	Systematic Withdrawal Plan
InvITs:	Infrastructure Investment Trusts Investment Trusts	**STP:**	Systematic Transfer Plan
IRS:	Interest Rate Swap	**STT:**	Securities Transaction Tax
ISC:	Investor Service Centre	**SCSB:**	Self Certified Syndicate Bank
KYC:	Know Your Customer	**SLR:**	Statutory Liquidity Ratio
LTV:	Loan to Value Ratio	**UBO:**	Ultimate Beneficial Ownership
TREPS:	Tri-party REPOs	**Value STP :**	Value Systematic Transfer Plan

INTERPRETATION

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

- The terms defined in this SID include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to "US$" refer to United States Dollars and "Rs." refer to Indian Rupees. A "Crore" means "ten million" and a "Lakh" means a "hundred thousand".

  References to times of day (i.e. a.m. or p.m.) are to Indian Standard Time (IST) times and references to a day are to a calendar day including non-Business Day.

B. Risk factors

Scheme Specific Risk Factors

Risk of substantial redemption:

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

The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances beyond the influence of the AMC. The inability of the Scheme to sell intended securities due to liquidity & settlement problems, could cause delay for processing the large number of redemptions. The Trustee, in the general interest of the Unit holders of the Schemes offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Working Day depending on the total "Saleable Underlying Stock" available with the Fund.

Risks associated with Equity and Equity-related securities / investments:

i. **Price Risk:**

Equity shares and equity related instruments are volatile and prone to price fluctuations on a daily basis. The value of the Schemes' equity investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Investments in equity shares and equity related instruments involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risks.

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 schemes. 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.

Changes in government policy in general and changes in tax benefits applicable to Mutual Funds may impact the returns to investors in the Schemes

ii. **Liquidity Risk for listed securities:**

While securities that are listed on the stock exchange carry lower liquidity risk, the ability to execute investment strategies or sell these investments could be limited by the overall trading volume, settlement periods, transfer cycles on the stock exchanges and may lead to the Scheme not realizing desired price and may incur losses till the security is finally sold. Although the investment universe constitutes securities which will have high market liquidity, there is a possibility that market liquidity could get impacted on account of company/sector/general market related events and there could be a price impact on account of portfolio rebalancing and/or liquidity demands on account of redemptions

iii. **Liquidity Risk on account of unquoted and unlisted securities**:

Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk. Within the Regulatory limits, the AMC may choose to invest in unlisted securities or may receive such securities as a part of corporate action. The Schemes may not be able to immediately sell certain types of illiquid Securities. The prices and subsequent valuation of restricted and illiquid Securities may reflect a premium / discount, which may be significant, from the market price of comparable Securities for which a liquid market exists.

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

The AMC cannot give assurance but will endeavor to liquidate any illiquid securities not a part of the investment strategy or underlying index at the earliest with least possible price impact.

Risks associated with mid-cap and small-cap companies:

Investment in mid-cap and small-cap companies are based on the premise that these companies have the ability to increase their earnings at a faster pace as compared to large- cap companies and grow into larger, more valuable companies. However, as with all equity investments, there is a risk that such companies may not achieve their expected earnings results, or there could be an unexpected change in the market, both of which may adversely affect investment results.
Historically, it has been observed that as you go down the capitalization spectrum i.e. from large-cap

stocks to mid-cap stocks and beyond, there are higher risks in terms of volatility and market liquidity. Scheme also invests in mid-cap and small-cap companies and hence is exposed to associated risks.

Risk Factors associated with investments in Money Market Securities:

- **Price-Risk or Interest-Rate Risk:** Fixed income securities such as commercial papers/certificate of deposits etc.. run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. However, certain securities may be intended to be held till maturity. For such securities held till maturity, there will not be any interest rate risk at the end of the tenure. Duration risk refers to the movement in price of the invested fixed income instruments due to change in interest rates over different durations of maturity of instruments. Duration of portfolio is expressed over the years and should be used as a measure of the sensitivity of the fixed income instrument to a change in interest rates. 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.

- **Term Structure of Interest Rates (TSIR) Risk:** The Net Asset Value (NAV) of the Scheme(s), to the extent invested in Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme(s) 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.

- **Credit Risk:** Investments in fixed income 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. Different types of securities in which the Scheme would invest as given in the SID carry different levels of credit risk. Accordingly, the Scheme' risk may increase or decrease depending upon their investment patterns. E.g., commercial paper carry a higher amount of risk than Government Treasury bill. Further, even among fixed income securities, securities which are rated AAA are comparatively less risky than securities which are AA rated. Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.

- **Rating Migration Risk:** Fixed income securities are exposed to rating migration risk, which could impact the price on account of change in the credit rating. For example: One notch downgrade of a AAA rated issuer to AA+ will have an adverse impact on the price of the security and vice-versa for an upgrade of a AA+ issuer.

- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be purchased or sold at or near to its valuation Yield-to-Maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The liquidity of investments made in the Scheme may be restricted by trading volumes besides operational issues like settlement periods and transfer procedures. Different segments of the Indian financial markets have different settlement processes & periods and such periods may be extended significantly by unforeseen circumstances. There have been times in the past, when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct further transactions. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are not invested and no return is earned thereon. The inability of the Scheme to make intended securities purchases or sale could cause the Scheme to miss certain investment opportunities due to the absence of a well-developed and liquid secondary market for debt securities which would result at times, in potential underperformance in the Scheme.

- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. Investments in fixed income securities may carry reinvestment risk as the cash flows received may get invested at a lower rate of interest prevailing on the date of investment of cash flows viz. interest or redemptions received during the tenure of the scheme.

- **Pre-payment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.

Risks associated with investing in Tri Party Repo (TREPS):

DSP mutual fund is a member of Securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India Limited (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally by CCIL which helps reduce the settlement and counterparty risks for these transactions. CCIL manages the risks through its risk management processes such that the ultimate risk to its members from fails is either eliminated or reduced to the minimum. CCIL thus maintains margin and default fund contributions of each member for various business segments as per the terms of its Bye Laws, Rules and Regulations to cover potential losses arising from the default member.

In an event of any clearing member failing to honor settlement obligations, the margin and default Fund is utilized to complete the settlement. As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been utilized, CCIL's own contribution is used to meet the losses and thereafter any residual loss is appropriated from the contributions of the non-defaulting members.

Thus the scheme is subject to risk of the margin and default fund contribution being appropriated in the case of failure of any settlement obligations. Further, the scheme's contribution may be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.

Risks Associated With Transaction in Units Through Stock Exchange Mechanism

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

Risk associated with favorable taxation of certain scheme in India:

In any event beyond the control of AMC if the scheme is not able to invest the minimum % of the threshold that it is required to invest in eligible asset classes as per the domestic income tax regulation and rule, the benefit of lower tax, if any, on income distribution or capital gains may not be available to the Unit Holders.

The summary of tax implications given in the taxation section (Units and Offer Section) is based on the existing provisions of the tax laws. The current taxation laws may change due to change in the domestic Tax Act or any subsequent changes / amendments in Finance Act / Rules / Regulations. Such change may entail a higher tax to the scheme or to the investors by way of any tax as made applicable thus adversely impacting the scheme.

The investor is requested to consult their tax counsel for detail understanding of the tax laws and the risk factor associated with such tax laws.

Risk factors related to Taxation of overseas investments:

Investment in U.S. Based Mutual Fund

(i) Capital Gains
As already noted, under Code Section 865(a)(2), income from the sale of personal property by a non-U.S resident is sourced outside of the U.S. Thus, generally capital gains derived by a non-U.S. investor from the sale of an investment in a U.S based mutual fund should not be subject tax in the U.S. However, if the mutual fund that is sold is a USRPHC, then the gain is considered to be effectively connected with a U.S. trade or business and thus subject to U.S net taxation, unless the mutual fund whose shares are sold is (a)publicly traded and the investor held an interest of 5% or less in the mutual fund at all times during the year preceding the sale or (b) the mutual fund is a domestically controlled qualified investment entity.

(ii) Income distributions from U.S mutual funds
Generally, under Code Section 881(a)(1)(A), dividend income received by a foreign corporation from sources within the U.S is subject to 30% withholding tax. A mutual fund that is not subject to the USRPHC-related rules described above may distribute ordinary dividends which should be subject to 30% withholding tax. Dividends designated by a Regulated Investment Company ("RIC") (e.g. a mutual fund) as capital gain dividends are treated as long term capital gains in the hands of the shareholders. Except as described above for mutual funds that otherwise qualify as USRPHCs, because long-term capital gains are sourced to the domicile of the recipient, such capital gain dividends should not be U.S source if the recipient is a non-U.S person, and thus would not be subject to U.S taxation

Code Section 881(e)(1) excludes interest-related dividends received from a RIC from the tax imposed by Code Section 881(a)(1). Under Code Section 881(e)(2), short-term capital gain dividends received from a RIC are also excluded from the tax imposed by Section 881(a)(1). A RIC will designate by written notice mailed to its shareholders whether a dividend (or part thereof) is a capital gain dividend, or, with respect to prior years, an interest related dividend or a short-term capital gain dividend.

Notwithstanding the foregoing, as noted above, under Code Section 897(h)(1), any distribution to a foreign person or other qualified investment entity by a qualified investment entity to the extent attributable to gain from sales or exchanges by the qualified investment entity of USRPIs, is treated as gain from the sale or exchange of a USRPI by the foreign person unless such distribution is with respect to stock that is publicly traded on a U.S exchange and the foreign person did not own more than 5% (or in the case of a REIT, no more than 10%) of such class of stock at any time during the 1 year period ending on the date of distribution. Where the distribution is treated as gain from the sale or exchange of a USRPI, the distribution is treated as income effectively connected to a U.S trade or business, subject to tax at U.S corporate tax rates and withheld on at a rate of 21% of the distribution. The total amount in tax paid should not exceed the liability as determined by applying the U.S corporate rate.

In addition, where distributions from the mutual fund are characterized as gain from the sale of a USRPI due to Code Section 897(h) discussed above, the income is considered effectively connected with the conduct of a U.S trade or business such that the branch profits tax provisions must be considered. Under Code Section 884(a), dividend equivalent amounts are subject to tax at a rate of 30%. The dividend equivalent amount is equal to a foreign corporation's effectively connected earnings and profits as determined under Code Section 884(b). Code Section 884(d)(2)(C) excludes gain on the disposition of an interest in a USRPHC from the definition of effectively connected earnings and profits. Thus, where Code Section 897(h) applies to treat a dividend distribution as the sale of a USRPI and subject it to withholding, there is branch profits tax as well unless the distribution/gain is related to the sale of USRPHC shares by the qualified investment entity. For detailed tax benefits, investors are requested to refer para on "Tax benefits of investing in Mutual Fund" as mentioned in the Statement of Additional Information.

Risks Associated with Trading in Equity Derivatives

Derivatives require the maintenance of adequate controls to monitor the transactions and the embedded market risks that a derivative adds to the portfolio. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives. There may be additional cost attached to buying index futures or other derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares

Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. 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.

Some of the other risks in using derivatives include but are not limited to:

i. Counterparty Risk - this occurs when a counterparty fails to abide by its contractual obligations and therefore, the Schemes are compelled to negotiate with another counter party, at the then prevailing (possibly unfavourable) market price. For exchange traded derivatives, the risk is mitigated as the exchange provides the guaranteed settlement but one takes the performance risk on the exchange.

ii. Market Liquidity risk where the derivatives cannot be transacted at prices that reflect the underlying assets, rates and indices.

iii. Model Risk, the risk of mis-pricing or improper valuation of derivatives.

iv. Basis 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 therefore besides the price of the underlying, the tenor, the volatility & interest rates may influence the prices of the derivative instruments.

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 investment manager to identify such opportunities. Identification and execution of the strategies to be pursued by the investment manager involve uncertainty and decision of investment manager may not always be profitable. No assurance can be given that the investment 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.
Derivative trades involve execution risks, whereby the rates seen on the screen may not be the rate at which ultimate execution takes place.

i. The option buyer’s risk is limited to the premium paid.

ii. 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.

iii. Risk of loss in trading in futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and potential high volatility of the futures markets.

Risks associated with Covered Calls

A call option gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset to generate an income stream. The Scheme may write call options under covered call strategy, as permitted by the regulations. Risks associated thereto are mentioned below:

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

ii. The Scheme may write covered call option only in case it has adequate number of underlying equity shares as per regulatory requirement. This wouldlead 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.

iii. 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.

iv. 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.

Risks associated with Securities Lending & Borrowing and Short Selling

Securities Lending and Borrowing ("SLB") is an exchange traded product in India, with trades done on order matching platforms setup by the clearing corporation/house of recognized stock exchanges. In accordance with SEBI guidelines, there is a robust risk management system and safeguards exercised by the clearing corporation/house, which also guarantee financial settlement hence eliminating counterparty risk on borrowers.

The Scheme may participate as a lender in the SLB market and lend securities held in the portfolio for earning fees from such lending to enhance revenue of the Scheme. The key risk to the Scheme is creation of temporary illiquidity due to the inability to sell such lent securities, till the time such securities are returned on the contractual settlement date or on exercise of early recall.

The Scheme may enter into short selling transactions in accordance with the guidelines prescribed by SEBI. The key risk to the Scheme is increase in the price of such securities, requiring the Scheme to purchase the securities sold short to cover the position even at unreasonable prices resulting in a huge loss to the Scheme.

Risk associated with investments in Gold ETF's and Silver ETFs:

i. **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, movement/trade of Gold / Silver that may be imposed by RBI, trade and restrictions on import/export of Gold / Silver or Gold / Silver jewellery etc. The returns 53 from physical Gold / Silver may underperform returns from any other asset class. Investors should be aware that there is no assurance that Gold / Silver will maintain its long-term value in terms of purchasing power in the future. In the event that the price of Gold / Silver declines, the value of investment is expected to decline proportionately.

Governments, central banks and various world institutions, owns significant % of the world gold holdings. If any one or more decides to liquidate in large quantity it can cause a decline in world gold prices and schemes returns would be adversely affected.

ii. **Liquidity Risk:** The scheme has to sell Gold / Silver only to bullion bankers/ traders who are authorized to buy Gold / Silver. Though, there are adequate number of players (commercial or bullion bankers) to whom the Scheme can sell Gold / Silver. However, 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. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.

iii. **Risks associated with handling, storing and safekeeping of physical Gold / Silver:** There is a risk that part or all of the Scheme's Gold / Silver could be lost, damaged or stolen. Access to the Scheme's Gold / Silver could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the scheme and consequently on investment in units.

iv. **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 or Gold / Silver will depend upon the conversion value and attracts all the risk associated with such conversion.

v. **Physical Gold / Silver:** There is a risk that part or all of the Scheme's Gold / Silver could be lost, damaged or stolen. Access to the Scheme's Gold / Silver could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the scheme and consequently on investment in units.

vi. **Indirect taxation:** For the valuation of Gold / Silver by the Scheme, indirect taxes like customs duty, VAT, etc. would also be considered. Hence, any change in the rates of indirect taxation / applicable taxes would affect the valuation of the Scheme.

vii. **Counter party Risk:** There is no Exchange for physical Gold / Silver in India. The Scheme may have to buy or sell Gold / Silver from the open market, which may lead to counter party risks for the Mutual Fund for trading and settlement.

viii. **Risks Related to the Custody of Gold / Silver:** The Custodian is responsible for the safekeeping of the Gold / Silver bullion and also facilitates the transfer of Gold / Silver bullion into and out of the vault. Although the Custodian is a market maker, clearer and approved weigher under the rules of the LBMA (which sets out good practices for participants in the bullion market), the LBMA is not an official or governmental regulatory body. Accordingly, the Scheme is dependent on the Custodian to comply with the best practices of the LBMA and to implement satisfactory internal controls for its Gold / Silver bullion custody operations in order to keep the Gold / Silver bullion secure. The Custodian is responsible for loss or damage to the Gold / Silver only under limited circumstances. The AMC does not insure its Gold / Silver (Underlying Gold / Silver of the scheme). The Custodian maintains insurance on such terms and conditions as it considers appropriate in connection with its custodial obligations under the Custodian Agreement and is responsible for all costs, fees and expenses arising from the insurance policy or policies. The AMC is not a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of coverage. Therefore, Shareholders cannot be assured that the Custodian maintains adequate insurance or any insurance with respect to the Gold / Silver held by the Custodian on behalf of the Trust.

ix. **Operational Risks:** Gold / Silver Exchange Traded Funds are relatively new products and their value could decrease if unanticipated operational or trading problems arise. Gold / Silver Exchange Traded Fund, an open ended Exchange Traded Fund, is therefore subject to operational risks.

x. The scheme may invest in Gold / Silver ETFs. The units may trade above or below their NAV. The NAV of the 54 Scheme will fluctuate with changes in the market value of the holdings. The trading prices will fluctuate in accordance with changes in their NAV as well as market supply and demand. The units of the ETFs will be valued at the market price of the said units on the principal exchange. The valuation price may be at a variance to the underlying NAV of the fund, due to market expectations, demand supply of the units, etc. However, given that units can be created and redeemed in Creation Units, it is expected that large discounts or premiums to the NAV will not sustain due to arbitrage opportunity available.

xi. In case of investment in Gold / Silver ETFs, the scheme will subscribe to the units of Gold / Silver ETFs according to the value equivalent to unit creation size as applicable. When subscriptions received are not adequate enough to invest in creation unit size, the subscriptions may be deployed in debt and money market instruments which will have a different return profile compared to Gold / Silver returns profile

xii. **Tracking Error:** "Tracking Error" i.e. the annualised standard deviation of the difference in daily returns between physical Gold / Silver and the NAV of Gold / Silver ETF may arise including but not limited to the following reasons: - a. Expenditure incurred by the fund. b. Available funds may not be invested at all times as the Scheme may keep a portion of the funds in cash to meet Redemptions, for corporate actions or otherwise. c. Securities trading may halt temporarily due

to circuit filters. d. Disinvestments to meet redemptions, recurring expenses, etc. e. Execution of large buy / sell orders f. Transaction cost (including taxes and insurance premium) and recurring expenses g. Realisation of Unit holders' funds h. Accounting for indirect taxes including tax reclaims i. SEBI Regulations (if any) may impose restrictions on the investment and/or disvestment activities of the Scheme. Such restrictions are typically outside the control of the AMC and may cause or exacerbate the Tracking Erro

Risks associated with Investments in REITs and InvITs

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

ii. **Liquidity Risk:** As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk. The fund will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying units.

iii. **Reinvestment Risk:** Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns. However, the reinvestment risk will be limited as the proceeds are expected to be a small portion of the portfolio value.

iv. **Risk of lower-than-expected distributions:** The distributions by the REIT or InvIT will be based on the net cash flows available for distribution. The amount of cash available for distribution principally depends upon the amount of cash that the REIT/INVIT receives as dividend or the interest and principal payments from portfolio assets. The cash flows generated by portfolio assets from operations may fluctuate based on, among other things
   a. Economic viability of tenants and success of off-takers
   b. Economic cycles and inherent business risk negatively impacting valuations, returns and profitability of assets
   c. Force majeure events such as earthquakes, floods etc. rendering the assets inoperable
   d. Fluctuations in the working capital & Debt service requirements and other liabilities of the portfolio assets
   e. Ability to borrow funds and access capital markets
   f. Changes in applicable laws and regulations, which may restrict the payment of IDCW
   g. Capital expenditures on portfolio assets
   h. Restrictive Insurance policies not providing adequate protection against various risks natural disasters, accidents, etc.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

Risks associated with Overseas Securities:

Subject to necessary approvals, in terms of all applicable guidelines issued by SEBI and RBI from time to time and within the investment objectives of the Schemes, the Schemes may invest in overseas markets and securities which carry a risk on account of fluctuations in the foreign exchange rates, nature of securities market of the country concerned, repatriation of capital due to exchange controls and political circumstances. Further, the scheme may not be able to invest in overseas markets if overseas limits as per RBI and SEBI circulars are exhausted at AMC or industry level which may negatively impact the

performance of the schemes.

i. **Currency Risk**: The scheme may invest in overseas securities and the income from those securities may be quoted in currencies which are different from the schemes base currency. The performance of the scheme may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the schemes base currency and hence there can be the prospect of additional loss or gain for the Unit Holder than what may be normally derived from the assets in which the scheme invests. The performance of the scheme fund may also be subject to exchange control regulations. Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed. Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations. Movements in currency exchange rates can adversely affect the return of your investment.

ii. **Risks arising from exhaustion of overseas limits as per applicable SEBI and RBI circulars:** The schemes capability to invest in overseas securities is subject to the limits assigned by the SEBI & RBI from time to time basis. In case of exhaustion of the limits to invest in overseas securities is exhausted either at an individual Mutual Fund level or at Industry level or otherwise as restricted by SEBI or RBI, the scheme may not be able to allocate and invest in overseas securities and the AMC will suitably reallocate the proceeds to other investments as permissible under the asset allocation specified in the scheme document.

Risk associated with investments in overseas mutual funds / ETFs / Index Funds:

Subject to necessary approvals, in terms of all applicable guidelines issued by SEBI and RBI from time to time and within the investment objectives of the Scheme, the Scheme may invest in overseas ETFs/index funds which carry a risk on account of fluctuations in the foreign exchange rates, nature of securities market of the country concerned, repatriation of capital due to exchange controls and political circumstances. Further, the scheme may not be able to invest in overseas markets if overseas limits as per RBI and SEBI circulars are exhausted at AMC or industry level which may negatively impact the performance of the schemes. Risks related to investments in overseas ETFs/index funds include:

iii. **Financial Markets, Counterparties and Service Providers:** The underlying ETFs/index funds may be exposed to finance sector companies that act as a service provider or as counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse effect on the returns. Regulators and self-regulatory organisations and exchanges are 40tabilize40 to take extraordinary actions in the event of market emergencies. The effect of any future regulatory actions could be substantial and adverse**.**

iv. **Global Financial Market Crisis and Governmental Intervention:** Since 2007, global financial markets have undergone pervasive and fundamental disruption and suffered significant instability which has led to governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of emergency regulatory measures. Government and regulatory interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the ability to implement a Fund's investment objective. Whether current undertakings by governing bodies of various jurisdictions or any future undertakings will help 40tabilize the financial markets is unknown. The Fund Managers cannot predict how long the financial markets will continue to be affected by these events and cannot predict the effects of these – or similar events in the future – on an ETF/index fund or global economy and the global securities markets. The Fund Managers are monitoring the situation. Instability in the global financial markets or government intervention may increase the volatility of the ETFs and hence the risk of loss to the value of your investment.

v. **Liquidity Risk:** Trading volumes in the underlying investments of the Underlying ETFs/index funds may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Underlying ETFs/index funds may become less liquid in response to market developments, adverse investor perceptions or regulatory and government intervention

(including the possibility of widespread trading suspensions implemented by domestic regulators). In extreme market conditions, there may be no willing buyer for an investment and so that investment cannot be readily sold at the desired time or price, and consequently the relevant ETF/index fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of assets can have a negative impact of the value of the Underlying ETF/index fund or prevent the relevant Underlying ETFs/index funds from being able to take advantage of other investment opportunities.

vi. Similarly, investment in equity securities issued by unlisted companies, small and mid-capitalisation companies and companies based in emerging countries are particularly subject to the risk that during certain market conditions, the liquidity of particular issuers or industries, or all securities within a particular investment category, will reduce or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse market sentiment.

vii. Liquidity risk also includes the risk that relevant Underlying ETFs/index funds may be forced to defer redemptions, issue in specie redemptions or suspend dealing because of stressed market conditions, an unusually high volume of redemption requests, or other factors beyond the control of the investment manager. To meet redemption requests, the Underlying schemes may be forced to sell investments at an unfavorable time and/or conditions, which may have a negative impact on the value of the Scheme.

viii. **Credit Risk & Market Risk:** To the extent that the underlying ETFs/index funds invest in corporate debt securities, they are subject to the risk of an issuer's inability to meet interest and principal payments on its debt obligations (credit risk). Debt securities may also be subject to price volatility due to factors such as changes in credit rating, interest rates, general level of market liquidity and market perception of the creditworthiness of the issuer among others (market risk).

ix. **Term Structure of Interest Rates (TSIR) Risk:** To the extent that the underlying ETFs/index funds are invested in fixed income securities, the NAV of the Units issued under the ETFs is likely to be affected by changes in the general level of interest rates. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of a portfolio of fixed income securities can be expected to decline.

x. **Country Risks:**
The value of the underlying ETF's/index funds assets may be affected by uncertainties such as changes in a country's government policies, taxation, restrictions on foreign investment, currency decisions, applicable laws and regulations, together with any natural disasters or political upheaval, which could weaken a country's securities markets

xi. **Equity Risks:** The values of equities fluctuate daily and an ETF/index fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

xii. **Smaller Capitalisation Companies:** Securities issued by small companies may be riskier, more volatile or less liquid than those of large companies. They are often new companies with shorter track records, less extensive financial resources, and less established markets. They may not have as many tradable shares compared with large companies, therefore, they tend to be less liquid.

xiii. **Emerging Markets:** Emerging markets are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. Amongst these, those which exhibit the lowest levels of economic and/or capital market development may be referred to as frontier markets, and the below mentioned risks may be amplified for these markets. Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk

common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and inadequate financial systems also presents risks in certain countries, as do environmental problems. In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes on foreign investors.

xiv. Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material nonpublic information by certain categories of investor. The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of an ETF's/index funds acquisition or disposal of securities.

xv. Practices in relation to the settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because of the need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable.

xvi. Delays in settlement could result in investment opportunities being missed if an ETF/index fund is unable to acquire or dispose of a security. The Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with applicable law and regulation. In certain emerging markets, registrars are not subject to effective government supervision nor are they always independent from issuers. Investors should therefore be aware that the ETFs/index fund concerned could suffer loss arising from these registration problems.

xvii. **Risk of Investing in Specific Sectors and Themes:** Where investment is made in one or in a limited number of market sectors, Underlying ETFs/index funds may be more volatile than other more diversified Schemes. The companies within these sectors may have limited product lines, markets, or financial resources, or may depend on a limited management group. Such ETFs/index funds may also be subject to rapid cyclical changes in investor activity, regulatory changes and / or the supply of and demand for specific products and services. As a result, a stock market or economic downturn in the relevant specific sector or sectors or a regulatory change having disproportionate impact on the specific sector would have a larger impact on an ETF/index fund that concentrates its investments in that sector or sectors than on a more diversified Fund.

xviii. **Depositary Receipts Risk:** the issuers of certain depositary receipts are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities. Investment in depositary receipts may be less liquid than the underlying shares in their primary trading market. Depositary receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. In addition, the issuers of the stock underlying unsponsored depositary receipts are not obligated to disclose material information in the United States.

xix. **Restrictions on Foreign Investment:** Some countries prohibit or impose substantial restrictions on investments by foreign entities such as a Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of an Underlying

ETF/index fund . For example, an Underlying ETF/index fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Underlying ETF/index fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which an Underlying ETF/index fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where an Underlying ETF places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Underlying ETF/index fund of the ability to make its desired investment at the time.

xx. Substantial limitations may exist in certain countries with respect to an Underlying ETFs/index funds ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. An Underlying ETF/index fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Underlying ETF/index fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed-end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If an Underlying ETF/index fund acquires shares in closed-end investment companies, shareholders would bear both their proportionate share of expenses in the ETF/index fund (including management fees) and, indirectly, the expenses of such closed end investment companies. In addition, certain countries such as India and the PRC implement quota restrictions on foreign ownership of certain onshore investments. These investments may at times be acquired only at market prices representing premiums to their net asset values and such premiums may ultimately be borne by the relevant Underlying ETF/index fund.

xxi. **Taxation of underlying ETFs/index funds and assets:** Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. As a result, the Underlying ETF/index fund (and therefore the Scheme) could become subject to additional taxation in such countries.

xxii. Investors should note that there may be additional taxes, charges or levies applied in respect of the ETF's investments depending on the location of the assets of the Underlying ETF/index fund and the jurisdiction in which the Underlying ETF/index fund is located, registered or operated. Investors should also note that the Underlying ETF's/index funds investment managers and the ETF's/index funds ability to provide tax information and audited accounts in respect of the Underlying ETF/index fund to Unit Holders of the Scheme is dependent on the relevant tax and other information being provided in timely fashion. Accordingly, delays may occur in respect of delivery of such information to the Scheme's Unit Holders.

xxiii. **Currency Risk**: The assets in which the Underlying ETF/index fund is invested and the income from the assets may be quoted in currencies which are different from the Underlying ETF's/index funds base currency. The performance of the Underlying ETF/index fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the Underlying ETF's/index funds base currency and hence there can be the prospect of additional loss or gain for the Unit Holder than what may be normally derived from the assets in which the Underlying ETF/index fund invests. The performance of the Underlying ETF/index fund may also be affected by changes in exchange control regulations. Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed. Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations. Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimize the effect of currency fluctuations may not always be successful.

xxiv. **Valuation Risk:** The price the underlying ETF/index fund could receive upon the sale of a security or other asset may differ from the underlying ETF's/index funds valuation of the security or other asset and from the value used by the Underlying Index, particularly for securities or other assets that trade in low volume or volatile markets or that are valued using a fair value

methodology as a result of trade suspensions or for other reasons. The underlying ETF's/index funds ability to value investments may be impacted by technological issues or errors by pricing services or other thirdparty service providers.

xxv. **Risks Associated with Derivatives**: The Underlying ETF/index fund may use derivatives in connection with its investment strategies. 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 investment manager of the Underlying ETF/index fund to identify such opportunities. Identification and execution of the strategies to be pursued by the investment manager of the Underlying ETF/index fund involve uncertainty and decision of the investment manager of may not always be profitable. No assurance can be given that the investment manager of the Underlying ETF/index fund will be able to identify or execute such strategies.

xxvi. 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. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in the losses that significantly exceed the Underlying ETF's/index funds original investment. Certain derivatives may give rise to a form of leverage. Due to the low margin deposits normally required in trading financial derivative instruments, an extremely high degree of leverage is typical for trading in financial derivative instruments. As a result, the Underlying ETF/index fund may be more volatile than if the Underlying ETF/index fund had not been leveraged. A relatively small price movement in a derivative contract may result in substantial losses to the investor.

xxvii. Derivatives are also subject to the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. The use of derivatives for hedging or risk management purposes or to increase income or gain may not be successful, resulting in losses to the Underlying ETF/index fund and the cost of such strategies may reduce the Underlying ETF's/index funds returns and increase the Underlying ETF's/index funds potential for loss.

xxviii. The Underlying ETF/index fund may take short positions on a security through the use of financial derivative instruments in the expectation that their value will fall in the open market. The possible loss from taking a short position on a security differs from the loss that could be incurred from a cash investment in the security; the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of the cash investment. The short selling of investments may also be subject to changes in regulations, which could impose restrictions that could adversely impact returns to investors.

xxix. **Risks of Exchange Traded Derivative Transactions:** The securities exchange on which the shares of the Underlying ETF/index fund may be listed may have the right to suspend or limit trading in all securities which it lists. Such a suspension would expose the Underlying ETF/index fund to losses and delays in its ability to redeem shares.

xxx. **Legal risk** – OTC Derivatives, Repurchase and Reverse Repurchase Transactions, Securities Lending and Re-used Collateral: There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, an underlying ETF/index fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may for example be governed by English or Luxembourg law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.

xxxi. **Securities Lending:** The underlying ETFs/index funds may engage in securities lending. The underlying ETFs/index funds engaging in securities lending will have a credit risk exposure to the counterparties to any securities lending contract. Fund investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the underlying ETFs/index funds.

xxxii. **Infectious Illness Risk.** An outbreak of an infectious respiratory illness, COVID 19, caused by a novel coronavirus has resulted in travel restrictions, disruption of healthcare systems, prolonged quarantines, cancellations, supply chain disruptions, lower consumer demand, layoffs, ratings downgrades, defaults and other significant economic impacts. Certain markets have experienced temporary closures, extreme volatility, severe losses, reduced liquidity and increased trading costs. Such events can have an impact on the underlying ETFs/index funds and could impact their ability to purchase or sell securities or cause elevated tracking error and increased premiums or discounts to the NAV. Other infectious illness outbreaks in the future may result in similar impacts.

xxxiii. **Operational Risk.** The underlying ETFs/index funds are exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the service providers, counterparties or other third-parties, failed or inadequate processes and technology or systems failures.

xxxiv. **Counterparty Risk:** An underlying ETF/index fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the relevant underlying ETF/index fund. This would include the counterparties to any derivatives, repurchase / reverse repurchase agreement or securities lending agreement that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure.

Additional Risk associated with investing in underlying ETFs:

i. In addition to the recurring expenses of the Scheme, the Unit Holders shall also bear the applicable expenses of the Underlying ETF/index fund. Therefore, the returns that the Unit Holder of the Scheme may receive may be impacted or may, at times, be lower than the returns that a Unit Holder, who is directly investing in the same Underlying ETF/index fund, could obtain.

ii. Index-Related Risk. There is no guarantee that the underlying ETF's/index funds investment results will have a high degree of correlation to those of the Underlying Index or that the underlying ETF/index fund will achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the underlying ETF's/index funds ability to adjust its exposure to the required levels in order to track the Underlying Index. Errors in index data, index computations or the construction of the Underlying Index in accordance with its methodology may occur from time to time and may not be identified and corrected by the Index Provider for a period of time or at all, which may have an adverse impact on the underlying ETF/index fund. Unusual market conditions may cause the Index Provider to postpone a scheduled rebalance, which could cause the Underlying Index to vary from its normal or expected composition

iii. Passive Investment Risk. The underlying ETF/index fund is not actively managed, and the fund manager generally does not attempt to take defensive positions under any market conditions, including declining markets

iv. Tracking Error Risk. The underlying ETF/index fund may be subject to tracking error, which is the divergence of its performance from that of the Underlying Index. Tracking error may occur because of differences between the securities and other instruments held in the ETF/index fund portfolio and those included in the Underlying Index, pricing differences (including, as applicable, differences between a security's price at the local market close and the ETF's/index funds valuation of a security at the time of calculation of the Fund's NAV), transaction costs incurred by the ETF/index fund, the holding of uninvested cash, differences in timing of the accrual of or the valuation of dividends or interest, the requirements to maintain pass through tax treatment, portfolio transactions carried out to minimize the distribution of capital gains to shareholders, acceptance of custom baskets, changes to the Underlying Index or the costs to the ETF/index fund of complying with various new or existing regulatory requirements. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also may result because the ETF/index fund incurs fees and expenses, while the Underlying Index does not.

- **Risk of Investing in Specific Sectors:**

  Where investment is made in one or in a limited number of market sectors, Underlying schemes may be more volatile than other more diversified Schemes. The companies within these sectors may have limited product lines, markets, or financial resources, or may depend on a limited management group. Such Schemes may also be subject to rapid cyclical changes in investor activity, regulatory changes and / or the supply of and demand for specific products and services. As a result, a stock market or economic downturn in the relevant specific sector or sectors or a regulatory change having disproportionate impact on the specific sector would have a larger impact on a Scheme that concentrates its investments in that sector or sectors than on a more diversified Fund.

- **Risks associated with segregated portfolio**

  - Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer
  - Security comprises of segregated portfolio may not necessarily realise desired value
  - Listing of units of segregated portfolio on recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV

- **Risk associated with principles of efficient portfolio management:**

  The Scheme may use models, techniques and instruments for efficient portfolio management and may also attempt to hedge or reduce the risk. The Scheme's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is further dependent on the ability to predict movements in the prices of securities being hedged and movements in macro variables such as interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Thus due to mentioned bottleneck these techniques and instruments if imperfectly used have the risk of the Scheme incurring losses due to mismatches particularly in a volatile market. There could be possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an exchangeS.

  Further the returns from the types of securities or assets in which the scheme invests may under perform returns of general Securities markets or different asset classes. Different types of Securities tend to go through cycles of out-performance and under-performance in comparison of Securities markets.

a) **Risks associated with Depository Receipts**

i. Liquidity Risk: Depositary receipts may not be as liquid as the underlying shares in the foreign company. This means that it may be difficult to buy or sell the depositary receipt at a favorable price.

ii. Political risk: Political instability in a foreign country can also affect the value of depositary rec eipts. This can include changes in government policies, civil unrest, or even war. For example, i f a company's operations are disrupted due to political unrest in the country where it operates, the value of its depositary receipts may decline.

C. Risk Mitigation Strategies

Risks associated with Equity investments:

i. **Liquidity Risk:** The liquidity risk will be managed and/or sought to be addressed by creating a portfolio which has adequate access to liquidity. The Investment Manager will select securities, which have or are expected to have good secondary market liquidity. Market Liquidity Risk will be managed actively within the portfolio liquidity limits by maintaining proper asset-liability match to ensure payout of the obligations. The first access to liquidity will be through cash and fixed income securities if any.

ii. **Concentration Risk:** The Scheme will try and mitigate this risk by investing across large number of companies/sectors and endeavor to keep stock-specific concentration risk relatively low.

iii. **Market Risk:** The Investment Manager endeavors to invest in companies, where adequate due diligence and research has been performed by the Investment Manager. As not all these companies are very well researched by third-party research companies, the Investment Manager also relies on its own research. This involves one-to-one meetings with the management of companies, attending conferences and analyst meets and also tele-conferences. The company-wise analysis will focus, amongst others, on the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know- how and transparency in corporate governance. The investment manager may use derivatives to hedge and limit the inherent market risk in scheme

Risks associated with favorable taxation of equity-oriented Scheme:
Investment Manager regular monitor's equity exposure of equity oriented Scheme of the Fund to ensure compliance with the relevant regulation.

Risks associated with Stock Lending:
The investment managers will ensure adherence to the limits assigned for stock lending and will ensure that the liquidity Risk is managed actively within the portfolio liquidity limits by maintaining proper asset-liability match to ensure payout of the obligations. Also to ensure that the counterparty risk is limited the AMC will participate in stock lending only through exchange mechanism where the settlement is guaranteed.

Risks associated with Equity Derivative investments:
The investment managers will invest only in exchange traded derivatives (settlement guaranteed) and the investment shall be in line with guidelines and regulatory limits as specified by regulators & scheme documents. No investment will be made in OTC derivative contracts for equity derivatives.

Risks associated with fixed income Derivative investments:
Investment managers will ensure adherence to the limits and the guidelines as issued by SEBI / RBI from time to time for forward rate agreements and interest rate swaps and other fixed income derivative products.

Risks associated with Money Market Securities:

i. **Market Liquidity Risk:** The liquidity risk will be managed and/or sought to be addressed by creating a portfolio which has adequate access to liquidity. The Investment Manager will select fixed income securities, which have or are expected to have high secondary market liquidity. Market Liquidity Risk will be managed actively within the portfolio liquidity limits by maintaining proper asset-liability match to ensure payout of the obligations.

   Amongst all the segments of the fixed income market in India, the government securities market demonstrates the highest market liquidity. The liquidity varies from security to security with benchmark securities showing relatively higher market liquidity. With time, the benchmark government security changes and thus hence liquidity propagates from one security to the other.

ii. **Credit Risk:** Credit Risk associated with fixed income securities will be managed by making investments in securities issued by borrowers post detailed credit review internally. The credit research process includes a detailed in-house analysis and due diligence where limits are assigned for each of the issuer (other than government of India) for the amount as well as maximum permissible tenor. The credit process ensures that issuer limits are reviewed periodically by taking into consideration the financial statements and operating strength of the issuer.

iii. **Rating Migration Risk:** The endeavor is to invest in well researched issuers. The due diligence performed by the fixed income team before assigning credit limits and the periodic credit review and monitoring should help keep the rating migration risk low for company-specific issues.

iv. **Interest Rate Risk:** The investment managers will endeavor to keep the duration within the permissible limit as defined by the scheme document and based on the investment objectives.

v. **Re-investment Risk:** The Investment Manager will endeavor that besides the tactical and/or strategic interest rate calls, the portfolio is fully invested.

vi. **Term Structure of Interest Rates (TSIR) Risk:** The Scheme is expected to have duration based on the investment objective and limits defined in the scheme documents. Depending on the nature of the scheme, the Term Structure of Interest Rates (TSIR) Risk cannot be eliminated and it exists as a primary feature of the scheme.

Risks associated with Investments in REITs and InvITs:

The Investment Manager endeavours to invest in REITS/InvITs, where adequate due diligence and research has been performed by the Investment Manager. The Investment Manager also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also tele-conferences. The analysis will focus, amongst others, on the predictability and strength of cash flows, value of assets, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, etc.

Risk Associated with overseas mutual funds / ETFs and Index securities:

i. **Liquidity Risk on account of investments in overseas funds:** The investments are made in international funds, which provide daily liquidity.

ii. **Expense Risks associated with investments in overseas funds:** The aggregate of expenses incurred by the Indian Fund-of-Funds scheme and the underlying international funds is subject to limits prescribed by SEBI.

iii. **Portfolio Disclosure Risks associated with investments in overseas fund:** Although full portfolio disclosure is not available at the end of each month, top ten holdings as well as sector holdings are made available at the end of each month for the overseas fund. Full portfolio holdings can be obtained from underlying Overseas funds generally with a three-month lag i.e. March portfolio can be obtained at the end of June

iv. **Investment Policy and/or fundamental attribute change risks associated with investments in overseas funds:** Investments are made in such international funds, which have similar investment objectives to the domestic fund in India. However, there exists possibility that there is a change in the fundamental attributes of the international fund. In such circumstances, the Investment Manager will seek to invest in other international funds, which have the same investment objective as the domestic fund.

v. Monitoring overseas investment limits:

The Investment Manager will keep monitoring the overseas investments limits. In case of an adverse event the Investment Manager may initiate appropriate action like investing across other areas as permitted by the scheme document or any other action to ensure that the investor interest is safeguarded.

vi. **Risk management for risk associated with Depository Receipts**

Should there be investments in ADRs/GDRs of Indian companies or foreign securities, the investment process of the fund manager will ensure that a comprehensive company specific due diligence is performed.

II. Information about the scheme:

A. Where will the scheme invest

Subject to the Regulations and the disclosures as made under the section "How the Scheme will allocate its Assets", the corpus of the Scheme can be invested in any of the following securities:

1. Equity and equity related instruments (including REITs)

   Equity Related Instruments include REITs, convertible debentures, convertible preference shares, dividend warrants, warrants carrying the right to obtain equity shares, equity derivatives and such other instrument as may be specified by the Board from time to time.

2. Equity Derivatives

   Financial instruments, generally traded on the stock exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.

3. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills);

   (a) A zero-coupon bond is a type of debt security that does not pay periodic interest (coupons). Instead, it is issued at a significant discount to its face value and matures at its full face value. Return from the bond is the difference between the purchase price and the amount received at maturity.

   (b) Treasury bills (T-bills) are short-term government securities issued at a discount to their face value and mature within one year. They do not pay periodic interest but provide returns by maturing at their full face value, with the difference between the purchase price and the maturity value representing the investor's earnings. T-bills are considered low-risk investments due to government backing.

   (c) Coupon-bearing bonds are debt securities that pay periodic interest payments, known as coupons, to bondholders based on a fixed or variable interest rate. These bonds have a predetermined maturity date, at which the issuer repays the principal amount to the bondholder. The coupon rate is typically stated as a percentage of the bond's face value and determines the amount of interest paid to the bondholder at each coupon payment date. They are commonly issued by governments, municipalities, corporations, and other entities to raise capital for various projects and operations.

   (d) Repos & Reverse Repos
   Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds.

4. Overseas securities /ADRs/GDRs –

   (i) Overseas securities refers to securities which are domiciled in a country other than India

   (ii) American Depositary Receipts (ADRs)

   American Depositary Receipts (ADRs) are negotiable securities issued by a U.S. depositary bank representing ownership of shares in a foreign company. ADRs facilitate the trading of foreign stocks in U.S. markets without the need for investors to directly hold the underlying foreign shares. Each ADR typically represents one or more shares of the foreign company's stock, and they are traded on U.S. stock exchanges like regular stocks. ADRs provide U.S. investors with easier access to

international investment opportunities and allow foreign companies to raise capital from U.S. investors without listing their shares on U.S. stock exchanges.

(iii) Global Depositary Receipts (GDRs)

Global Depositary Receipts (GDRs) are negotiable financial instruments issued by international depositary banks representing shares in foreign companies. These receipts facilitate the trading of these shares on international stock exchanges, typically in Europe and Asia, without the need for investors to directly hold the underlying foreign shares. GDRs provide a way for companies to access global capital markets and for investors to diversify their portfolios with international stocks. Each GDR represents a specific number of underlying shares and offers benefits like simplified trading and potential exposure to global growth opportunities.

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

6. Fixed Income Securities of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee;

   Fixed income securities issued by domestic government agencies and statutory bodies are debt instruments that provide regular interest payments and return the principal amount at maturity. These securities are typically considered low-risk investments due to the backing of government-related entities. Examples include bonds issued by public sector undertakings (PSUs), municipal bonds, and securities from other government-affiliated organizations.

7. Tri-party repos (including reverse repo in T-bills and G-sec)

   TREPs is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available upto 1 year. Central Government securities including T-bills are eligible securities that can be used as collateral for borrowing through TREPs.

8. Short-Term Deposits

   Pending deployment of funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI.

9. Corporate debt (of both public and private sector undertakings);

   Corporate debt refers to bonds or other forms of debt securities issued by companies to raise capital. Investors lend money to the corporation in exchange for periodic interest payments and the return of the principal amount at maturity. This type of debt is used by companies to fund operations, expansions, or other financial needs.

10. Money market instruments as permitted by SEBI/RBI;

    Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments having maturity upto 1 year

11. Commodity ETFs

    Commodity ETFs for this scheme shall include Gold ETFs & Silver ETFs and such other ETFs as may be permitted by SEBI and/or AMFI from time to time.

12. Repo/reverse repo transactions in corporate debt securities

    Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds.

13. Derivative instruments like Interest Rate Swaps, Forward Rate Agreements, Interest Rate Derivatives, currency derivatives and such other derivative instruments permitted by SEBI/RBI.

(a) Interest Rate Swap

An interest rate swap (IRS) is a derivative contract where two parties exchange interest payments based on a notional amount. One party typically pays a fixed rate, while the other pays a floating rate pegged to a benchmark. IRS help manage interest rate risk or speculate on future rate movements.

(b) Forward rate Agreement

A forward rate agreement (FRA) is a short-term interest rate locking mechanism. Two parties agree on a fixed rate for a future loan or deposit, protecting them from interest rate changes. The difference between the agreed rate and the market rate at settlement is settled in cash, making FRAs a popular hedging tool in the OTC market.

(c) Interest rate derivatives

Interest rate derivatives are contracts linked to future interest rate movements. Used for hedging or speculation, they allow parties to lock in rates (e.g., swaps) or bet on rate changes (e.g., options). Common types include interest rate swaps, forward rate agreements, and options. These are complex instruments with risks, requiring careful understanding and risk management.

14. Units of Infrastructure Investment Trust ('InvIT')

InvIT of Infrastructure Investment Trust is a trust registered with SEBI to carry out the activity prescribed under SEBI (Infrastructure Investment Trusts) Regulations, 2014. An InvIT raises funds by issuing units to investors and invests those funds primarily in assets in infrastructure sector. The investment in such assets can be made directly or through SPV/Holding Company by the InvIT. Investors who hold units in an InvIT are called unit holders. The income generated from the underlying assets of the InvIT are regularly distributed to the unit holders.

15. Units of Mutual funds as may be permitted by regulations

Units of mutual funds represent an investor's share in a mutual fund scheme. When investors buy mutual fund units, they pool their money with other investors to collectively invest in a diversified portfolio of assets such as stocks, bonds, or other securities. Each unit reflects the proportionate ownership of the fund's assets. The value of these units, known as the Net Asset Value (NAV), fluctuates based on the performance of the underlying assets.

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

The securities mentioned in, "Where will the Scheme(s) invest?", could be listed, to be listed, unlisted, privately placed, secured, unsecured, rated or unrated (subject to the rating or equivalency requirements discussed above) and of any maturity. The securities may be acquired through secondary market operations, primary issues/offerings, other public offers, Private Placement and negotiated deals amongst other mechanisms.

Investment in units of schemes of own/other Mutual Fund

The Scheme may invest in other Schemes managed by the AMC or in the Schemes of any other Mutual Fund(s), provided such investment is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments and the aggregate inter-scheme investment made by all Schemes of the Mutual Fund or in the Scheme under the management of other asset management companies shall not exceed 5% of the net asset value of the Mutual Fund.

Inter scheme asset transfer

Transfer of investments from one Scheme to another Scheme in the Mutual Fund shall be allowed as per guidelines prescribed under Paragraph 13.19 of the SEBI Master Circular and amendments made from time to time. Further, Paragraph 10.13 of the SEBI Master Circular, has prescribed the methodology for determination of price to be considered for inter-scheme transfers.

Investment in Short-Term Deposits

Pending deployment of the funds of the Scheme shall be in terms of Paragraph 13.7 of the SEBI Master Circular, the AMC may invest funds of the Scheme in short term deposits of scheduled commercial banks, subject to following conditions:

1. The term 'short term' for parking of funds shall be treated as a period not exceeding 91 days.
2. Such deposits shall be held in the name of the Scheme.
3. The Scheme shall not park more than 15% of its net assets in the short term deposit(s) of all the scheduled commercial banks put together. 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.
4. The Scheme shall not park more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.
5. The Trustee/AMC shall ensure that the funds of the Scheme are not parked in the short term deposits of a bank which has invested in that Scheme.
6. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
7. The Trustee/AMC shall also ensure that the bank in which a scheme has short term deposits do not invest in the scheme until the scheme has short term deposits with such bank.

In accordance with Paragraph 13.7.6 of the SEBI Master Circular, investments made in short-term deposits pending deployment of funds shall be recorded and reported to the Trustees including the reasons for the investment especially comparisons with interest rates offered by other scheduled commercial banks.

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

Trading in Derivatives-

The Mutual Fund may use various derivatives and hedging products/ techniques, in order to seek to generate better returns for the Scheme. Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index. The Scheme while investing in equities shall transact in exchange traded equity derivatives only and these instruments may take the form of Index Futures, Index Options, Futures and Options on individual equities/securities and such other derivative instruments as may be appropriate and permitted under the SEBI Regulations and guidelines from time to time.

Advantages of Trading in Derivatives

Advantages of derivatives are many. The use of derivatives provides flexibility to the Schemes to hedge whole or part of the portfolio. The following section describes some of the more common derivatives transactions along with their benefits:

Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index, such as interest rates, exchange rates, commodities and equities.

Advantages of derivatives are many. The use of derivatives provides flexibility to the Schemes to hedge whole or part of the portfolio. The following section describes some of the more common derivatives transactions along with their benefits:

Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index, such as interest rates, exchange rates, commodities and equities.

Futures

A futures contract is a standardized contract between two parties where one of the parties commits to sell, and the other to buy, a stipulated quantity of a security at an agreed price on or before a given date in future.

Currently, futures contracts have a maximum expiration cycle of 3 months. Three contracts are available for trading, with 1 month, 2 months and 3 months expiry respectively. A new contract is introduced on the next trading day following the expiry of the relevant monthly contract. Futures contracts typically expire on the last Thursday of the month. For example a contract with the June 2022 expiration expires on the last Thursday of June 2022 (June 30, 2022).

Basic Structure of an Index Future

The Stock Index futures are instruments designed to give exposure to the equity markets indices. The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) have trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index and short-term interest rates. Index futures are cash settled, there is no delivery of the underlying stocks.

Example using hypothetical figures to understand risk & returns from trading in derivative futures:

1-month ABC Index Future
If the Scheme buys 2,000 futures contracts, each contract value is 50 times the futures index price.

- Purchase Date : June 01, 2022
- Spot Index : 13,800.00
- Futures Price : 13,900.00
- Date of Expiry : June 30, 2022
- Number of Futures Contracts: 2,000
- Contract Value: 50 × Futures Index Price
- Total Margin Requirement: 10% × 13,900 × 2,000 × 50 = ₹1,390,000,000 (provided in eligible securities and/or cash)

Assuming the exchange imposes a total margin of 10%, the Investment Manager will be required to provide a total margin of approx. Rs. 1390,000,000 (i.e. 10%*13900*2000*50) through eligible securities and cash.

Assuming on the date of expiry, i.e. June 30, 2022,

1. ABC Index closes at 13950, the net impact will be a profit of Rs. 5,000,000 for the Scheme, i.e. futures expiry prices reduced by futures purchase price i.e. (13950-13900)*2000*50
   Profits for the Scheme = (13950-13900) * 2000*50 = Rs. 5,000,000.

2. Alternatively, If the closing index price on expiry is 13,850 instead, the Scheme will incur losses, i.e. futures purchase prices reduced by futures expiry price i.e. (13,850 – 13,900)* 2,000*50
   Loss for the scheme = -₹5,000,000 loss.

(Futures price = Closing spot price = Rs. 13950.00)

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity.

The net impact for the Scheme will be in terms of the difference of the closing price of the index and cost price. Thus, it is clear from the above example that the profit or loss for the Scheme will be the difference between the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures.

Basic Structure of a Stock Future

A futures contract on a stock gives its owner the right and obligation to buy or sell stocks. Single Stock Futures traded on NSE (National Stock Exchange) are physically settled; on the expiration day, depending upon the side of the trade, security is either delivered or received against the payment. A purchase or sale of futures on a security gives the trader essentially the same price exposure as a purchase or sale of the security itself. In this regard, trading stock futures is no different from trading the security itself.

Example using hypothetical figures:

The Scheme holds shares of XYZ Ltd., the current price of which is Rs. 500 per share. The Scheme sells one month futures on the shares of XYZ Ltd. at the rate of Rs. 540.

If the price of the stock falls, the Mutual Fund will suffer losses on the stock position held. However, in such a scenario, there will be a profit on the short futures position.

At the end of the period, the price of the stock falls to Rs. 450 and this fall in the price of the stock results in a fall in the price of futures to Rs. 470. There will be a loss of Rs. 50 per share (Rs. 500 - Rs. 450) on the holding of the stock, which will be offset by the profits of Rs. 70 (Rs. 540 - Rs. 470) made on the short futures position.

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Certain factors like margins and other related costs have been ignored. The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures.

2. Options

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

An option contract may be of two kinds:

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

2) Put option

The right to sell is called a put option. Here, the buyer of the option can exercise his right to sell the underlying asset to the seller of the option at the agreed price.
Option contracts are classified into two styles:
(a) European Style
In a European option, the holder of the option can only exercise his right on the date of expiration only.
(b) American Style
In an American option, the holder can exercise his right anytime between the purchase date and the expiration date.

Basic Structure of an Equity Option
In India, options contracts on indices and stocks are European style and physically settled

Example using hypothetical figures to understand risk & returns from trading in derivative options:

Market type : N

Instrument Type : OPTSTK
Underlying : XYZ Ltd. (XYZ)
Purchase date : June 1, 2022
Expiry date : June 30, 2022
Option Type : Put Option (Purchased)
Strike Price : Rs. 5,750.00
Spot Price : Rs. 5,800.00
Premium : Rs. 200.00
Lot Size : 100
No. of Contracts : 50

Say, the Mutual Fund purchases on June 1, 2022, 1 month Put Options on XYZ Ltd. (XYZ) on the NSE i.e. put options on 5000 shares (50 contracts of 100 shares each) of XYZ.

If the share price of XYZ Ltd. falls to Rs. 5,500 /- on June 30, 2022 and the Investment Manager decides to exercise the option, the impact will be as Follows:

Premium Expense = Rs. 200 * 50 * 100 = Rs. 10, 00,000/-
Stocks to be given at = Rs. 5,750/-
Profits for the Mutual Fund = (5,750.00-5,500.00)*50*100 = Rs. 12, 50,000/-
Net Profit = Rs. 12, 50,000 - Rs. 10,00,000 = Rs. 2,50,000/-

In the above example, the Investment Manager hedged the market risk on 5000 shares of XYZ Ltd. by purchasing put options.

Loss Scenario –

1. Option Expires Worthless

If on June 30, 2022, XYZ Ltd. closes at **₹5,760** or higher:

- The put option will have no intrinsic value (because market price > strike price).
- The Mutual Fund will **not exercise** the option.
- **Total Loss = Premium Paid = ₹10,00,000**.

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2. Price Falls, But Not Enough to Cover Premium

If on expiry the stock closes at **₹5,700**:

- Intrinsic Value per share = ₹5,750 – ₹5,700 = ₹50
- Total Gain from Option = ₹50 × 50 × 100 = ₹2,50,000
- Net Result = ₹2,50,000 – ₹10,00,000 = **-₹7,50,000 Loss**

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Certain factors like margins have been ignored. The purchase of Put Options does not increase the market risk in the Mutual Fund as the risk is already in the Mutual Fund's portfolio on account of the underlying asset position (in his example shares of XYZ Ltd.). The Premium paid for the option is treated as an expense and added to the holding cost of the relevant security. Additional risks could be on account of illiquidity and potential mis-pricing of the options.

Exposure to Equity Derivatives:

i. Position limit for the Mutual Fund in index options contracts:
At each PAN level, derivative exposure for Mutual Funds are capped at:
Net End-of-Day FutEq OI: ₹1,500 crore
Gross End-of-Day FutEq OI (long + short): ₹10,000 crore
Future Equivalent open interest (FutEq OI) is Gross addition of such net Delta adjusted open positions

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

a. The position limits of Trading members in equity index futures contracts is higher of Rs.7500 crores or 15% of the total open interest in the market and for FPIs (Category I) / Mutual Funds in equity index futures contracts is higher of Rs.500 crores or 15% of the total open interest

in the market index futures contracts. This limit is 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, Fund may take exposure in equity index derivatives subject to the following limits:

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

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

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

The position limits of Trading members / FPIs (Category I) / Mutual Funds in individual stocks is related to the market-wide position limit for the individual stocks. The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

v. Other **Position limit for the Scheme:**

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

a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of 1% of free float market capitalization (in terms of number of shares).
   Or
   5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
b. This position limit shall be applicable on the combined position in all derivative contracts on a underlying stock at a Stock Exchange.
c. 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.

The aforementioned limits are indicative, and Investors may refer to the circular SEBI/HO/MRD/TPD-1/P/CIR/2025/79 dated May 29, 2025 or subsequent circular as issued by SEBI from time to time on the topic to better apprehend and understand various definitions and limits applicable. As and when SEBI notifies amended limits or methodology for restricting position limits for exchange traded derivative contracts in future, the aforesaid position limits or methodology, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits or methodology.

Exposure Limits:

With respect to investments made in derivative instruments, the Scheme shall comply with the following exposure limits in line with paragraph 13.18 of the SEBI Master Circular:

1. The cumulative gross exposure through equity, money market securities, derivative positions, Infrastructure Investment Trusts (InvITs), and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the scheme. However, the following shall not be considered while calculating the gross exposure:
   a. Security-wise hedged position and
   b. Exposure in cash or cash equivalents with residual maturity of less than 91 days.

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

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

4. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
   a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.

b. Hedging positions 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.

5. (a) Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.
(b) In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and 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.

6. 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.

7. Definition of Exposure in case of Derivative Positions:
Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

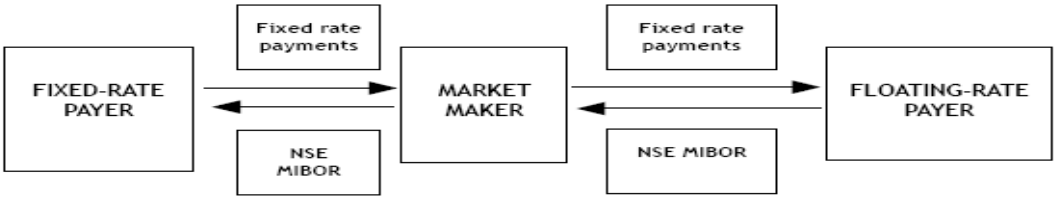
Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option Bought	Option Premium Paid * Lot Size * Number of Contracts

3. Interest Rate Swap (IRS)

Any swap is effectively an exchange of one set of cash-flows for another considered to be of equal value. If the exchange of cash flows is linked to interest rates, it becomes an interest rate swap.
An interest rate swap is an agreement between two parties to exchange future payment streams based on a notional amount. Only the interest on the notional amount is swapped, and the principal amount is never exchanged.
In a typical interest rate swap, one party agrees to pay a fixed rate over the term of the agreement and to receive a variable or floating rate of interest. The counterparty receives a stream of fixed rate payments at regular intervals as described in the agreement and pays the floating rate of interest. A fixed/ floating interest rate swap is characterized by:

1. Fixed interest rate;
2. Variable or floating interest rate, which is periodically reset;
3. Notional principal amount upon which total interest payments are based; and
4. The terms of the agreement, including a schedule of interest rate reset dates, payment dates and termination date.

The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure. An illustration could be an institution having long-term fixed rate assets (longer tenor securities receiving fixed rate) in a rising interest rate environment; it can hedge the interest rate exposure by purchasing an interest rate swap where the institution receives floating interest rate and pays fixed rate. In this case, an interest rate swap is likely to reduce the duration and interest rate volatility of the fund.



Example:
Terms:

Fixed Interest Rate	:	8.50% p.a.
Variable Interest Rate	:	NSE Over-Night MIBOR reset daily and compounded daily
Notional Principal Amount	:	Rs.100 Crore
Period of Agreement	:	1 year
Payment Frequency	:	Semi-annual

Now, suppose the six-month period from the effective date of the swap to the first payment date comprises 182 days and the daily compounded NSE Over-Night MIBOR is 8.15% p.a. on the first payment date, then the fixed and variable rate payment on the first payment date would be as follows:

Fixed rate payment:
Rs. 4,23,83,562 = (Rs.100,00,00,000) x (8.50%) x (182 Days / 365 Days)

Variable rate payment:
Rs. 4,06,38,356 = (Rs.100,00,00,000) x (8.15%) x (182 Days / 365 Days)
Often, a swap agreement will call for only the exchange of net amount between the counterparties. In the above example, the fixed-rate payer will pay the variable-rate payer a net amount of Rs. 17,45,205 = Rs. 4,23,83,562 - Rs. 4,06,38,356.
The second and final payment will depend on the daily NSE MIBOR compounded daily for the remaining 183 days. The fixed rate payment will also change to reflect the change in holding period from 182 days to 183 days.

4. Forward Rate Agreement (FRA)

An FRA is an off balance sheet agreement to pay or receive on an agreed future date, the difference between an agreed interest rate and the interest rate actually prevailing on that future date, calculated on an agreed notional principal amount. It is settled against the actual interest rate prevailing at the beginning of the period to which it relates rather than paid as a gross amount.
An FRA is referred to by the beginning and end dates of the period covered. Thus a 5x8 FRA is one that covers a 3-month period beginning in 5-months and ending in 8-months. FRAs are purchased to hedge the interest rate risk; an investor facing uncertainty of the interest rate movements can fix the interest costs by purchasing an FRA.
An illustration could be a corporation having floating rate debt linked to an index such as say, 3-Month MIBOR. If the existing interest cost is at 8% on Rs.100 Crore for the next three months, the corporation can purchase a 3x6 FRA @ 8.1% on Rs.100 Crore and fix the interest cost for the 3-6 months period. If the actual 3-Month MIBOR after 3-months is at 8.25%, the corporation has saved 15 bps in interest cost. As the settlement is done at the beginning of the period, the savings in interest expense are discounted to a present value using a 3-month rate to calculate the actual settlement amount.
The flows for the institution will be, as follows:
Interest Savings = Rs. 100 Crore * 15 bps * 92/365
(assuming 92 days in the 3 month FRA period and 365 days in the conventional year)
= Rs.3,78,082.19
Settlement Amount = Rs.3,78,082.19/ (1+8.25%*92/365)
Please note that the above examples are hypothetical in nature and the figures are assumed.

5. Interest Rate Futures

An Interest Rate Futures ('IRF') contract is "an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today." The underlying security for Interest Rate Futures is either Government Bond or T-Bill. Interest Rate Futures are Exchange traded and standardized contracts based on 6 year, 10 year and 13 year Government of India Security and 91-day Government of India Treasury Bill (91DTB). These future contracts are cash settled. These instruments can be used for hedging the underlying cash positions.

For example, assume a portfolio has Rs. 100 crores of Government security 7.59% GOI 2026 with face value Rs. 100/-. The bond is currently trading in market at 105.00.
The futures on 7.59% GOI 2026, expiring on 26th October 2018 is trading on exchange at 105.10.

Instead of exiting the cash position, the fund manager can decide to hedge the position by selling the same quantity in futures. Since one contract of IRF has a notional of Rs. 2 lakhs, in this example the fund manager sells Rs. 100 crores/2 lakhs = 5000 contracts, to hedge his position.

At maturity, the settlement price of the futures will be almost same as closing price of the underlying security.

At maturity of the Interest Rate Futures

Case 1: At maturity Bonds close higher than the price at which fund manager hedged the position, but below the futures price at which he hedged

Closing price of Bonds on day of maturity of futures = 105.05
Settlement price of futures = 105.05
MTM gain on the underlying bond = (105.05-105.00) * 100 crores / 100 (i.e. face value of bond)
= Rs. 5,00,000
The profit on the futures leg is = 5000*2lakhs *(105.10-105.05)/ 100 (i.e. face value of bond)
= Rs 5,00,000
Overall profit to the fund = Rs 10,00,000

Case 2: At maturity bonds close higher than the level at which futures were sold

In case, the closing price of bonds on the day of maturity of futures = 105.20,
Settlement price of futures = 105.20

The MTM gain on bonds = (105.20-105.00) * 100 crores /100 (i.e. face value of bond)
= Rs. 20,00,000
Loss on futures leg = 5000*2 lakhs * (105.10-105.20) /100 (i.e. face value of bond)
= (Rs 10,00,000)
Total Profit to the fund = Rs 10,00,000

Case 3: At maturity bonds sells off from levels were hedges were initiated

In case, the closing price of bonds on the day of maturity of futures = 104.80,
Settlement price of futures = 104.80

The MTM loss on bonds = (104.80-105.00) * 100 crores
= (Rs. 20,00,000)
Profit on futures leg = 5000*2 lacs * (105.10-104.80)
= Rs 30,00,000
Total Profit to the fund = Rs 10,00,000

Investments in units of InvIT -

1. The Mutual Fund under all its schemes shall not invest more than 10% of units issued by a single issuer of InvIT.

2. The Scheme shall not invest:
   - ✓ more than 10% of its NAV in the units of InvITs; and

- ✓ more than 5% of its NAV in the units of InvITs issued by a single issuer.

Stock lending-

Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Mutual Fund may engage in stock lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Stock lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period.

The Investment Manager will apply the following limits, should it desire to engage in Stock Lending:

1. Not more than 20% of the net assets of a Scheme can generally be deployed in Stock Lending.

2. Not more than 5% of the net assets of a Scheme can generally be deployed in Stock Lending to any single intermediary.

Investment in unrated instruments-

As per Sr. No. 4 of table under Paragraph 13.1 of the SEBI Master Circular, 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. shall be subject to the following:

a. 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.

b. Exposure of mutual fund schemes in such instruments shall not exceed 5% of the net assets of the schemes.
All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

Overview of Money Market in India

Money market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. Money market assets are liquid and actively traded segment of fixed income markets.
Treasury bills are issued by the Government of India through regular weekly auctions, while Cash Management Bills are issued on an ad-hoc basis. They are mostly subscribed by banks, state governments, mutual funds and other entities. They are normally available for up to 365 days tenor. Certificate of deposits issued by public sector banks are normally rated A1+ (highest short-term rating) by various rating agencies.
Commercial Papers are issued by corporate entities for their short-term cash requirements. Commercial Papers are normally rated A1+ (highest short-term rating).
Call Money, TREPS and CROMS are mainly used by the borrowers to borrow a large sum of money on an over-night basis. While Call Money is an unsecured mode of borrowing, TREPS and CROMS are secured borrowing backed by collaterals approved by the Clearing Corporation of India.

B. What are the investment restrictions?

As per the Trust Deed read with the SEBI (MF) Regulations, the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with the investment objective; asset allocation and where the scheme will invest, described earlier, as well as the SEBI (MF) Regulations, including Schedule VI thereof, as amended from time to time.

Subject to the asset allocation table mentioned in asset allocation pattern of this document, the following investment restrictions are presently applicable:

1. The Mutual Fund under all its Scheme shall not own more than 10% of any company's paid up capital carrying voting rights.

2. (i) The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the SEBI Act 1992. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of AMC.

   Paragraph 13.1 of the SEBI Master Circular introduced following norms for credit rating based single issuer limit for actively managed mutual fund schemes.

   A 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.

   Provided that such limit shall not be applicable for investments in Government securities, T-Bills and triparty repo on Government securities or treasury bills.

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

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

   (ii) The Scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.

   (iii) Investment in unrated money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. shall be subject to the following:
   a. 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.
   b. Exposure of mutual fund schemes in such instruments shall not exceed 5% of the net assets of the schemes.

   All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

1. Transfer of investments from one Scheme to another Scheme in the Mutual Fund shall be allowed as per guidelines prescribed in Paragraph 13.19 of the SEBI Master Circular. Further, Paragraph 10.13 of the SEBI Master Circular, has prescribed the methodology for determination of price to be considered for inter-scheme transfers.

2. The Scheme may invest in another scheme (except fund of funds Schemes) under the AMC or any other mutual fund without charging any fees, provided that the aggregate inter-scheme investment

made by all schemes under the same management or in scheme under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund.

3. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.

   Provided that the Mutual Fund may engage in securities lending and borrowing in accordance with the framework specified by SEBI.

   Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

   Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the RBI in this regard.

4. The Mutual Fund shall get the securities purchased/transferred in the name of the Mutual Fund on account of the Scheme, wherever the instruments are intended to be of a long term nature.

5. No Scheme shall invest more than 10% of its NAV in the equity shares/equity related instruments of any company or listed securities or units of venture capital funds. Provided that the limit of 10% shall not be applicable for investments in the case of index fund or sector or industry specific Scheme.

6. Mutual Fund schemes (excluding ETFs and Index funds) can write Call options under a covered 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.
   c) The premium received shall be within the requirements prescribed in terms of Paragraph 13.18.3 of the SEBI Master Circular i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.

7. All investments by a mutual fund scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed.

8. The Fund under all its Schemes shall not own more than 10% of any company's paid up capital carrying voting rights.

   Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of Regulation 6.

9. The Scheme will not invest in any fund of funds Scheme, foreign and domestic securitized debt, debt instruments with special features as per Paragraph 13.1 of the SEBI Master Circular, Debt Instruments with SO / CE rating, Repo/ reverse repo transactions in corporate debt securities and credit default swaps.

10. Pending deployment of funds of the Scheme, the AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the following conditions issued by SEBI vide Paragraph 13.7 of the SEBI Master Circular:
    i. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
    ii. Such short-term deposits shall be held in the name of the Scheme.
    iii. The Scheme shall not park more than 15% of their net assets in the short term deposit(s) of all the scheduled commercial banks put together. 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.

iv. The Scheme shall not park more than 10% of their net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.
v. The Trustee/AMC shall ensure that the funds of the Scheme are not parked in the short term deposits of a bank which has invested in the Scheme.
vi. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
vii. The Trustee/AMC shall also ensure that the bank in which a scheme has short term deposits do not invest in the scheme until the scheme has short term deposits with such bank.

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

11. The Scheme shall not make any investment in:
    - any unlisted security of any 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; or
    - the listed securities of group companies of the Sponsors, which is in excess of 25% of the net assets except for investments by equity oriented exchange traded funds and index funds and subject to such conditions as may be specified by the SEBI.

12. No sponsor of a mutual fund, its associate or group company including the asset management company of the fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, have -
    - 10% or more of the share-holding or voting rights in the asset management company or the trustee company of any other mutual fund; or
    - representation on the board of the asset management company or the trustee company of any other mutual fund.

13. Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose and the Mutual Fund shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of payment of interest or IDCW to Unit Holders, provided that the Mutual Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of such borrowing shall not exceed a period of six months.

14. The Scheme being sectoral in nature, the upper ceiling on investments made will be in accordance with their weightage in the Benchmark Index or 10% of the NAV of the Scheme, whichever is higher.

15. If any company invests more than 5 percent of the NAV of any of the Scheme, investment made by that Scheme or any other Scheme of the Mutual Fund in that company or its subsidiaries will be disclosed in accordance with the SEBI (MF) Regulations.

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

    (ii) The investments by debt mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees.

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

17. The Mutual Fund under all its schemes shall not invest more than 10% of units issued by a single issuer of InvIT.

18. The Scheme shall not invest:
    (i) more than 10% of its NAV in the units of InvITs; and
    (ii) more than 5% of its NAV in the units of InvITs issued by a single issuer.

19. As per Paragraph 13.18 of the SEBI Master Circular, the cumulative gross exposure through equit,y money market securities, derivative positions (including fixed income derivatives), repo transactions, Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme. However, the following shall not be considered while calculating the gross exposure:
    - Security-wise hedged position and
    - Exposure in cash or cash equivalents with residual maturity of less than 91 days.

20. Mutual Fund schemes (excluding ETFs and Index funds) can write Call options under a covered 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.
    c) The premium received shall be within the requirements prescribed in terms of Clause 13.18.3 of the SEBI Master Circular i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.

21. Stock Lending

Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Mutual Fund may engage in stock lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Stock lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period.

The Investment Manager will apply the following limits, should it desire to engage in Stock Lending:

Not more than 20% of the net assets of a Scheme can generally be deployed in Stock Lending.

Not more than 5% of the net assets of a Scheme can generally be deployed in Stock Lending to any single intermediary

22. <u>Investment in Overseas Financial Assets/Foreign Securities</u>

According to Paragraph 13.11 of the SEBI Master Circular mutual funds can invest in ADRs/GDRs/other specified foreign securities and such investments are subject to maximum of US $ 1 billion per Mutual Fund and overall limit of US$ 7 billion for all mutual funds put together. The overall ceiling for investment in overseas ETFs that invest in securities is US$ 1 billion subject to a maximum of US$ 300 million per mutual fund.

Further, in accordance with Paragraph 13.11.9, mutual funds may also invest in overseas Mutual Funds ('Overseas MF')/Unit Trusts ('UT') that have exposure to Indian securities, provided that the total exposure to Indian securities by these overseas Mutual Funds/Unit Trusts shall not be more than 25% of their assets. In case the exposure exceeds 25%, the Scheme shall liquidate such investment within next 6 months ('liquidation period') after an observance period of 6 months [observance period will start from the date of publicly available information of such breach (e.g. portfolio disclosures)]. After liquidation period, if the Scheme fails to liquidate the investment it shall not be permitted to accept any fresh subscriptions in the Scheme, to launch any new scheme, levy exit load, if any, on the investors exiting such scheme(s).
Rebalance of portfolio of the Scheme (for any change in underlying overseas MF/UT) to comply above mentioned clause will not treat fundamental attribute change if:
- The underlying overseas MF/UT exceeds 25% exposure to Indian securities, and;

- The Scheme intends to invest in other Overseas MF/UT with similar investment objectives, and;
- A notice cum addendum is issued to the investors.

The fund manager appointed for making overseas investments by the Mutual Fund will be in accordance with the applicable requirements of SEBI.

Further, SEBI vide its letter no. SEBI/HO/OW/IMD-II/DOF3/P /25095/2022 dated June 17, 2022 had advised AMFI that Mutual Fund schemes may resume subscriptions and make investments in overseas funds/securities upto the headroom available, without breaching the overseas investment limits as of end of day of February 01, 2022 at Mutual Fund level.

SEBI vide email dated March 19, 2024, and AMFI email dated March 20, 2024, has directed AMCs to suspend subscriptions intending to invest in overseas ETFs w.e.f April 01, 2024. The investment in overseas securities (in other overseas schemes – other than overseas ETFs) may continue till further communication from SEBI.

In terms of paragraph 13.11.3 of the SEBI Master Circular, scheme shall invest in overseas securities in accordance with the limit specified in indicative asset allocation table.

Further, on an ongoing basis, the AMC is allowed to invest in overseas securities upto 20% of the average Asset Under Management ('AUM') in overseas securities of the previous three calendar months subject to maximum limit of USD 1 billion at Fund house level. Note to Paragraph 13.11.4 of the SEBI Master Circular has clarified that the aforesaid 20% limit for ongoing investment in overseas securities will be soft limit for purpose of reporting only on a monthly basis to SEBI.

23. Investment in unrated instruments

As per Sr. No. 4 of table under Paragraph 13.1 of SEBI Master Circular, 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. shall be subject to the following:

a. 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.
b. Exposure of mutual fund schemes in such instruments shall not exceed 5% of the net assets of the schemes.
c. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

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

These investment limitations/parameters as expressed (linked to the Net Asset/Net Asset Value/capital) shall, in the ordinary course, apply as at the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any Scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Mutual Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, the AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unit Holders.

Apart from the Investment Restrictions prescribed under the SEBI (MF) Regulations, there are internal risk parameters for limiting exposure to a particular security, country or sector. Such parameters are prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The Trustee /AMC may alter the above stated limitations from time to time, and also to the extent the SEBI (MF) Regulations change, so as to permit the Scheme to make their investments in the full spectrum of permitted investments in order to achieve their investment objective.

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

C. Fundamental Attributes

Following are the Fundamental Attributes of the scheme, in terms of Paragraph 1.9 of SEBI Master Circular:

(i) Type of a scheme

An open ended equity scheme investing in real estate sector.

(ii) Investment Objective

- Main Objective – Please refer "HIGHLIGHTS/SUMMARY OF THE SCHEME – Investment Objective
- Investment pattern – Please refer **"How will the Scheme allocate its assets?"**

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption. Please refer, "Part I. Highlights/summary of the scheme."
- Aggregate fees and expenses charged to the Scheme. Please refer, "Section- Annual scheme recurring Expenses."
- Any safety net or guarantee provided – Not applicable

In accordance with Regulation 22(9)(c) of the SEBI (MF) Regulations and Paragraph 1.9.2 of SEBI Master Circular, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and t he Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which w ould modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholder s is carried out unless:

- SEBI has reviewed and provided its comments on the proposal
- A written communication (including digital modes such as email/sms etc.) about the proposed change is sent to each Unitholder and details as specified by SEBI are appropriately displayed on the website of the AMC; and
- details, as specified by the Board, 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 Net Asset Value without any exit load.

D. Index Methodology (for index funds, ETFs and FOFs having one underlying domestic ETF) – Not applicable

E. Principles of incentive structure for market makers (for ETFs) – Not Applicable

F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per Paragraph 14.5.1 of SEBI master circular for mutual funds (only for close ended debt schemes) - Not applicable

G. Other Scheme Specific Disclosures:

Listing and transfer of units	The Scheme is open ended and the Units are not proposed to be listed on any stock exchange. However, the Mutual Fund may, at its sole discretion, list the Units on one or more Stock Exchanges at a later date, and thereupon the Mutual Fund will make suitable public announcement to that effect. The Mutual Fund will offer and redeem the Units on a continuous basis during the Continuous Offer Period.

	The Unit holders are given an option to hold the Units by way of an Account Statement (physical form) or in Dematerialized (demat form). Transfer of Units is possible in Demat and as well as in non-demat. **Transfer of Units in demat mode** Units held in Demat form are 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. Transfer can be made only in favor of transferees who are capable of holding Units and having a Demat Account. The delivery instructions for transfer of Units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode. Further, for the procedure of release of lien, the investors shall contact their respective DP. However, if a person becomes a holder of the Units consequent to operation of law or upon enforcement of a pledge, the Mutual Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Mutual Fund subject to production of satisfactory evidence. **Transfer of units held in Non-Demat [Statement of Account ('SOA')] mode:** As per the AMFI Best Practices Guidelines Circular No.116 /2024-25 dated August 14, 2024 on 'Standard Process for Transfer of Units held in Non-Demat (SoA) mode', units held by individual unitholders in Non-Demat ('SoA') mode can be transferred only in following cases- a. Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s). b. A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee. c. A minor unitholder who has turned a major and has changed his/her status from minor to major, wants to add the name of the parent / guardian, sibling, spouse etc. in the folio as joint holder(s). Partial transfer of units held in a folio shall be allowed. If the request for transfer of units is lodged on the record date, the IDCW payout/ reinvestment shall be made to the transferor. Redemption of the transferred units shall not be allowed for 10 days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently. <u>Mode of submitting the Transfer Request Non-Demat (SOA) mode</u> The facility for transfer of units held in SoA mode shall be available only through online mode via the transaction portals of the RTAs and the MF Central, i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper-based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc. For details on pre-requisites, payment of stamp duty on transfer of units, please refer SAI.

Dematerialization of units	The Unit holders would have an option to hold the Units in demat form or account statement (non-demat) form. Units held in Demat Form are freely transferable. The Applicant intending to hold Units in demat form will be required to have a Demat account with a Depository Participant (DP) of the NSDL/ CDSL and will 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. For further details, please refer SAI.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	The Mutual Fund seeks to collect a minimum subscription amount of Rs. 10 crore in the Scheme during the NFO period. In the event this amount is not raised during the NFO period, the amount collected under the Scheme will be refunded to the applicants as mentioned in the section, **'Refund'.**
Maximum Amount to be raised (if any)	There is no maximum subscription amount for the Scheme to be raised and therefore, subject to the applications being in accordance with the terms of this offer, full allotment will be made to the applicants. Any application for subscription of units may be rejected if found incomplete or due to unavailability of underlying securities, etc.
Dividend Policy (IDCW)	**(i) Growth Option** The Mutual Fund will not declare any IDCWs under this option. The income earned under this Option will remain invested in the option and will be reflected in the NAV. This option is suitable for investors who are not looking for current income but who have invested with the intention of capital appreciation. **(ii) Income Distribution cum Capital Withdrawal option (IDCW)** The above Option is suited for investors seeking income through IDCWs declared by the Scheme. Only Unit Holders opting for the IDCW Option (Option B) will receive IDCWs. The Trustee, in its sole discretion, may also declare interim IDCWs. This Option in turn offers two sub-options i.e. "Payout IDCW" and "Reinvest IDCW", as under: • **Payout IDCW** As per the SEBI (MF) Regulations, the Mutual Fund shall dispatch IDCW proceeds to the Unit Holders within 7 Working Days of the record date of the IDCW. IDCWs will be paid by cheque, net of taxes, as may be applicable. Unit Holders will also have the option of direct payment of IDCW to the bank account. The cheques will be drawn in the name of the sole/first holder and will be posted to the registered address of the sole/first holder as indicated in the original application form. **To safeguard the interest of Unit Holders from loss or theft of IDCW cheques, investors should provide the name of their bank, branch and account number in the application form. IDCW cheques will be sent to the Unit Holder after incorporating such information.** **If the IDCW amount payable (net of tax deducted at source, wherever applicable) under the IDCW Payout sub-option of the Scheme is for an amount equal to or less than (i) Rs. 100/- in the then such IDCW will compulsorily and automatically reinvested in the Scheme/Plan by issuing additional Units of the Scheme under Regular Plan/ Direct Plan at the Applicable NAV on the next Business day after the Record Date. There shall be no load on IDCW so reinvested.**

	• **Reinvest IDCW** Under this sub-option, IDCWs are reinvested by way of allotment of additional Units of the Scheme, instead of receiving IDCW payout. Such additional Units by way of reinvestment of IDCWs will be at the Applicable NAV on the next Business day after the Record Date. Transfer of the additional Units issued under this sub-option shall be deemed to be Short Term Capital Gains. **Effect of IDCW:** The NAV of the Unit Holders in IDCW Option will stand reduced by the amount of IDCW declared. On declaration of IDCW, the NAV of the IDCW option will further stand reduced by the applicable statutory levy/surcharge/cess/ any other levy payable by the scheme in respect of separate category of investors if any. Notwithstanding varying rates of statutory levies, the ex- IDCW NAV will remain the same for all categories of investors in a particular option, though the amount of IDCW received by Unit Holders may vary depending on the category of each Unit Holder. For details on taxation of IDCW please refer the SAI. **For details on taxation of IDCW please refer the SAI.** **Notes:** The Trustee may decide to declare distributions under the IDCW Option of the Scheme subject to availability of distributable surplus. There is no assurance or guarantee to the Unit Holders as to the rate of IDCW will be regularly paid, though it is the intention of the Scheme to make IDCW distribution under the respective plan/options of the Scheme. For IDCW Options having a defined frequency, the Trustee at its sole discretion may also declare interim distributions between two successive record dates. The declaration/actual payment of IDCW and the frequency thereof will depend on the availability of distributable surplus computed in accordance with SEBI (MF) Regulations. The decision of the Trustee in this regard shall be final. An investor on record of the CAMS / Statement of Beneficiary Owners maintained by the Depositories for the purpose of IDCW distribution is an investor who is a Unit Holder/ Beneficial Owners as on the Record Date. In order to be a Unit Holder, an investor has to be allocated Units representing receipt of clear funds by the Scheme. IDCW, if declared, will be paid (subject to deduction of tax at source, if any) to those Unit holders whose names appear in the Register of Unit holders on the record date. In case of units held in dematerialized mode, the Depositories (NSDL/CDSL) will provide the list of eligible demat account holders and the number of units held by them in electronic form on the Record date to the Registrars and Transfer Agent of the Mutual Fund. On payment of IDCW, the NAV will stand reduced by the amount of IDCW and statutory levy (if applicable) paid. The Trustee/AMC reserves the right to change the record date from time to time. **<u>IDCW Distribution Procedure</u>** In accordance with Paragraph 12.5.1 of Master Circular, the procedure for IDCW Distribution would be as under:

	a. Quantum of IDCW and the record date will be fixed by the Trustee. IDCW so decided shall be paid, subject to availability of distributable surplus. Further, with respect to declaration of IDCW upto monthly frequency, the trustees can delegate to the officials of AMC to declare and fix the record date as well as decide the quantum of IDCW subject to the conditions as laid under Paragraph 12.5.2(b) of Master Circular b. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the display the decision including the record date on the website of the AMC. c. The Record Date will be 2 working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. Record date shall be the date which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders maintained by the Mutual Fund/statement of beneficial ownership maintained by the Depositories, as applicable, for receiving IDCW. d. The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). e. The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date. f. Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever, will be issued by Mutual Fund
Allotment (Detailed procedure)	Allotment will be completed after due reconciliation of receipt of funds for all valid applications within 5 Business Days from the closure of the NFO period. Clear funds should be available to the Fund on the date of allotment in respect of all purchase applications received during the NFO period. All cases where clear funds have not been identified or received for whatsoever reasons, including technical clearing reasons, will not be considered for allotment and the amount will be refunded to the investor in due course. The AMC will not entertain any claims of allotment or compensation in such cases. Full allotment will be made to all valid applications received. Allotment to NRIs/FIIs will be subject to RBI approval, if required. Subject to the SEBI (MF) Regulations, the Trustee may reject any application received in case the application is found invalid/incomplete or for any other reason in the Trustee's sole discretion. All allotments will be provisional, subject to realization of payment instrument and subject to the AMC having been reasonably satisfied about receipt of clear funds. Any redemption or switch out transaction in the interim is liable to be rejected at the sole discretion of the AMC. In case of cheque returns, the Mutual Fund will send the copy of the returned cheque and bank return memo by normal post within 15 days of the Registrar having received, at its registered office, the physical and the return memo. The Mutual Fund will not be responsible for any loss or damage to the applicant on account of any delay in informing him/her/it about the return of the cheque,

	where such delay is caused by the clearing mechanisms of banks and clearing houses involved in realization of cheques. It is mandatory for NRIs to attach a copy of the payment cheque/FIRC/Debit Certificate to ascertain the repatriation status of the amount invested. NRI applicants should also clearly tick on account type as NRE or NRO or FCNR to determine the repatriation status of the investment amount. The AMC and the Registrar may ascertain the repatriation status purely based on the details provided in the application form under 'Investment and payment details' and will not be liable for any incorrect information provided by the applicants. Applicants will have to coordinate with their authorized dealers and banks to repatriate the investment amount as and when needed. Allotment confirmation specifying the number of Units allotted shall be sent to the Unit holders at their registered e-mail address and/or mobile number by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request. All applications and/or refunds that are rejected for any reason whatsoever will be returned through instruments or payment channels such as RTGS, NEFT, IMPS, direct credit, etc. or any other mode allowed by Reserve Bank of India from time to time, for payments including refunds to unitholders in form of the cheque, demand draft. Further, AMCs may also use modes of despatch such as speed post, courier etc. for payments including refunds to unitholders in addition to the registered post with acknowledgement due within 15 days to the address as mentioned by the applicant. The Mutual Fund reserves the right to recover from an investor any loss caused to the Scheme on account of dishonor of cheques issued by him/her/it for purchase of Units. For investors who have given demat account details, the Units will be credited to the investor's demat account after due verification and confirmation from NSDL/CDSL of the demat account details and only after the funds are credited into the Mutual Fund's scheme(s) account to the satisfaction of the AMC. Allotment confirmation specifying the number of Units allotted shall be sent to the Unit holders at their registered e-mail address and/or mobile number by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request. Note: Allotment of units will be done after deduction of applicable stamp duty.
Refund	a. If the Scheme fail to collect the minimum subscription amount of Rs. 10 Crore, the Mutual Fund shall be liable to refund the money to the applicants. b. Refund of subscription money to applicants whose applications are invalid for any reason whatsoever, will commence immediately after the closure of the NFO subject to receipt of funds. c. Refunds will be completed within 5 Business Days from the closure of the New Fund Offer Period. If the Mutual Fund refunds the amount after 5 Business Days, interest as specified by SEBI (currently, 15% per annum) shall be paid by the AMC. AMC may also use instruments or payment channels such as RTGS, NEFT, IMPS, direct credit, etc. or any other mode allowed by Reserve Bank of India from time to time, for payments including refunds to unitholders in addition to the cheque, demand draft. As per the directives issued by SEBI, it is mandatory for Applicants to mention

	their bank account numbers in their applications for purchase of Units. Further, AMCs may also use modes of despatch such as speed post, courier etc. for payments including refunds to unitholders in addition to the registered post along with due acknowledgement.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The following persons (subject to, wherever relevant, purchase of units of mutual fund being permitted under respective constitutions and relevant statutory regulations) are eligible and may apply for subscription to the Units of the Scheme: a. Indian Resident Adult Individuals either singly or jointly (not exceeding three) b. Minors through parent/legal guardian c. Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions) d. Religious, Charitable and Private Trusts, under the provisions of Section 350 read with Sch. XVI para 1(13) of Income Tax Act, 2025 (subject to receipt of necessary approvals as "Public Securities", where required and conditions mentioned in their respective Trust Deeds) e. Trustee of private trusts authorised to invest in mutual fund Scheme under the Trust Deed f. Partnership Firms and Limited Liability Partnerships (LLPs) g. Karta of Hindu Undivided Family (HUF) h. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions i. NRIs/Persons of Indian origin residing abroad on full repatriation basis (subject to RBI approval, if any) or on non-repatriation basis j. Foreign Portfolio Investors (FPI) as defined in Regulation 2(1) (h) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 k. Army, Air Force, Navy and other para-military units and bodies created by such institutions l. Scientific and Industrial Research Organisations m. International Multilateral Agencies approved by the Government of India n. Non-Government Provident/Pension/Gratuity funds as and when permitted to invest o. Others who are permitted to invest in the Scheme as per their respective constitutions p. Mutual Funds registered under the SEBI (Mutual Funds) Regulations, 2026 q. A Scheme of the DSP Mutual Fund, subject to the conditions and limits prescribed in SEBI (MF) Regulations and/or by the Trustee, AMC or Sponsors (The AMC shall not charge any fees on such investments). r. The AMC (No fees shall be charged on such investments). All category of investors (whether existing or new) as permitted above are eligible to subscribe under Direct Plan. Investments under the Direct Plan can be made through various mode offered by the Fund for investing directly in the Fund. **Applicability and provisions of Foreign Account Compliance Act (FATCA)**

	For further details relating to FATCA, investors are requested to refer SAI which is available on the website viz. www.dspim.com
Who cannot invest	**Non-acceptance of subscriptions from U.S. Persons and Residents of Canada in the Scheme** United States Person (U.S. Person), corporations and other entities organized under the applicable laws of the U.S. and Residents of Canada as defined under the applicable laws of Canada should not invest in units of any of the Schemes of the Fund and should note the following: a. No fresh purchases /additional purchases/switches in any Schemes of the Fund would be allowed. However, existing Unit Holder(s) will be allowed to redeem their units from the Schemes of the Fund. If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Scheme of the Fund. However, subscription (including systematic investments) and switch transactions requests received from U.S. persons who are Non-resident Indians (NRIs) /Persons of Indian origin (PIO) and at the time of such investment, are present in India and submit a physical transaction request along with such documents as may be prescribed by the AMC/ Trustee Company from time to time shall be accepted. The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC/ Trustee Company. The investor shall be responsible for complying with all the applicable laws for such investments. The AMC reserves the right to reject the transaction request or redeem with applicable exit load and TDS or reverse allotted units, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard. b. For transaction from Stock Exchange platform, while transferring units from the broker account to investor account, if the investor has U.S./Canadian address then the transactions, subject to the abovementioned conditions, may be rejected. **c.** In case the AMC/Fund subsequently identifies that the subscription amount is received from U.S. Person(s) or Resident(s) of Canada, in that case the AMC/Fund at its discretion shall redeem all the units held by such person from the Scheme of the Fund at applicable Net Asset Value.”
How to Apply and other details	Application form and Key Information Memorandum may be obtained from Official Points of Acceptance (OPAs) / Investor Service Centres (ISCs) of the AMC or RTA or Distributors or can be downloaded from our website www.dspim.com. Please refer to the SAI and Application form for further details and the instructions. Applications can be submitted at any of the official points of acceptance of transactions, the addresses of which are given at the end of this SID and updated list is available on the website of the Fund and the registrar. Investors can log on to www.camsonline.com for details of various offices/ISCs of Registrar.

	Stock brokers registered with recognized stock exchange and empaneled with the AMC shall also be considered as 'official point of Acceptance of Transaction'. It is mandatory for every applicant to provide the name of the bank, branch, address, account type and account number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected. Financial transactions through email in respect of non- individual investors shall be accepted in terms of AMFI Best Practice Guidelines (BPG) no. 118/ 2024-25 dated January 31, 2025. For the terms and conditions of for availing the facility to transact through electronic mail, please refer SAI. For detailed disclosure, kindly refer 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 Trustee may, in the general interest of Unit Holders, keeping in view the unforeseen circumstances/unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme (or such higher percentage as the Trustees may determine). Any Units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Redemption Price of the Business Day or Non Business Day (if and as applicable) on which redemption is made. Under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day(s). Also, in the event of an order being received from any regulatory authority/body, directing attachment of the Units of any investor, redemption of Units will be restricted in due compliance of such order. **Restriction on Redemption of Units of the Scheme** Subject to the approval of the Boards of the AMC and of the Trustee and subject also to necessary communication of the same to SEBI, the redemption of / switch-out of Units of Scheme(s) of the Fund, may be temporarily suspended/ restricted. In accordance with Paragraph 5.3 of the SEBI Master Circular and subject to prevailing regulations, restriction on/suspension of redemptions / switch-out of Units of the Scheme(s) of the Fund, may be imposed when there are circumstances leading to systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: a) Liquidity issues: when market at large becomes illiquid affecting

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<td>almost all securities rather than any issuer specific security;
b) 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;
c) Operational issues: when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
Restriction on / suspension of redemption of Units of the Scheme(s) may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
When restriction on / suspension of redemption of Units of the Scheme(s) is imposed, the following procedure shall be applied:
i. No redemption / switch-out requests upto Rs. 2 lakhs shall be subject to such restriction.
ii. Where redemption / switch-out requests are above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without such restriction and remaining part over and above Rs. 2 lakhs shall be subject to such restriction.</td>
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<td>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.</td>
<td>Applicable NAV and Cut-off time

Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which a valid application is accepted and time stamped. An application will be considered accepted on a Business Day, subject to it being complete in all respects and received and time stamped upto the relevant cut-off time as specified below, at any of the official points of acceptance of transactions. Applications received via post or courier at any of the centres will be accepted on the basis of when the application is time stamped by the centre and not on the basis of date and time of receipt of the post or the courier.

In accordance with Sr. no. 4 of table under Paragraph 9.4.3 of SEBI Master Circular, in respect of purchase of units of mutual fund schemes (except liquid and overnight schemes), closing NAV of the day shall be applicable on which the funds are available for utilization irrespective of the size and time of receipt of such application.

Pursuant to above, the NAV applicability for purchase/switch-in/ subscription in the Scheme will be subject to following clauses:

1. Application for purchase/subscription/switch-in is received before the applicable cut-off time on a Business Day.
2. Funds for the entire amount of purchase/subscription/switch-in as per the application is credited before the cut-off time to the bank account of the Scheme in which subscription is made.
3. The funds are available for utilization before the cut-off time the Scheme.

<table>
<tr><td colspan="2">(a) Purchase and Switch-in</td></tr>
<tr><td>Particulars</td><td>Applicable NAV</td></tr>
<tr><td>Where the valid application is received</td><td>Closing NAV of</td></tr>
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upto cut-off time of 3.00 p.m. on a business day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase are available for utilization upto 3.00 p.m. on the same Business Day.	same Business Day shall be applicable
Where the valid application is received upto cut-off time of 3.00 p.m. on a business day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase are available for utilization after 3.00 p.m. on the same Business Day or on any subsequent Business Day	Closing NAV of such subsequent Business Day on which the funds are available for utilization prior to 3.00 p.m.
Where the valid application is received after cut-off time of 3.00 p.m. on a business day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase/switch-in are available for utilization upto 3.00 p.m. on the same Business Day.	Closing NAV of subsequent Business Day shall be applicable

(b) Redemption and Switch-out

Particulars	**Applicable NAV**
Where the application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.	NAV of the same day
Where the application is received after 3.00 p.m.	NAV of the next Business Day.

With respect to investors who transact through the stock exchange, Applicable NAV shall be reckoned on the basis of the time stamping as evidenced by confirmation slip given by stock exchange mechanism.

Applicable Net Asset Value in case of Multiple applications/transactions received under all open-ended Schemes of the Fund: All transactions as per conditions mentioned below shall be aggregated and closing NAV of the day on which funds for respective transaction (irrespective of source of funds) are available for utilization.

1. All transactions received on same Business Day (as per cut-off timing and Time stamping rule).
2. Aggregation of transactions shall be applicable to the Scheme.
3. Transactions shall include purchases, additional purchases and exclude Switches, SIP/STP and trigger transactions.
4. Aggregation of transactions shall be done on the basis of investor/s/Unit Holder/s Permanent Account Number (PAN). In case of joint holding in folios, transactions with similar holding pattern will be aggregated. The principle followed for such aggregation will be similar as applied for compilation of Consolidated Account Statement

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<td>(CAS).
5. All transactions will be aggregated where investor holding pattern is same as stated in point no.4 above.
6. Only transactions in the same Scheme of the Fund shall be clubbed. It will include transactions at Plans/Options level (i.e. Regular Plan, Direct Plan, IDCW Option, Growth Option, etc).
7. Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. However, two or more transactions in folios of a minor received through same guardian will be considered for aggregation.
8. In the case funds are received on separate days and are available for utilization on different business days before the cut off time, the applicable NAV shall be of the Business day/s on which the cleared funds are available for utilization for the respective application amount.
9. Irrespective the date and time of debit to the customer bank accounts, the date and time of actual credit in the Scheme's bank account, which could be different due settlement cycle in the banking industry, would be considered for applicability of NAV.
10. Investors are advised to make use of digital/electronic payment to transfer the funds to the Scheme's bank account.

Transaction through online facilities/ electronic mode: The time of transaction done through various online facilities/electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request of purchase/sale/switch of units is received in the servers of AMC/RTA as per terms and conditions of such facilities.

Note for switching:
Where there is a switch application from one scheme to another, 'Switch out' shall be treated as redemption in one scheme and the Applicable NAV based on the cut off time for redemption and payout rules shall be applied. Similarly, the 'switch in' shall be treated as purchase and the Applicable NAV based on the cut off time for purchase and realization of funds by the 'switch in' scheme related rules shall be applied.

Where an application is received and time stamping is done after the cut-off time, the request will be deemed to have been received on the next Business Day.</td>
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<td>Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as
may be applicable, for direct subscription/redemption with AMC.</td>
<td>
<table>
<tr><td>Minimum amount for Purchase

(Including Subsequent Purchase/SIP Purchase)</td><td>Rs. 100/- and any amount thereafter

Note: The minimum application amount will not be applicable for investment made in schemes in line with SEBI guidelines on Alignment of interest of Designated Employees of AMC.</td></tr>
<tr><td>Minimum amount for Redemption</td><td>Not Applicable</td></tr>
<tr><td>Minimum amount for Switches</td><td>Rs. 100/- and any amount thereafter</td></tr>
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*In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform.
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Accounts Statements	The AMC shall send an allotment confirmation specifying the number of Units allotted shall be sent to the Unit holders at their registered e-mail address and/or mobile number by way of email and/or SMS within 5 working Days from the date of receipt of the valid application/transaction. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month. eCAS will be sent on or before 12th of the succeeding month and physical CAS will be sent on or before 15th of the succeeding month. However, if the investor wishes to opt for physical copy may request for the same. Half-yearly CAS shall be issued at the end of every six months (i.e. April and October). eCAS shall be sent on or before 18th day of succeeding month and physical CAS shall be sent on or before 21st day of succeeding month to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable. For further details, refer SAI.
Dividend/ IDCW	The IDCW proceeds will be paid directly into the Unitholder's bank account through various electronic payout modes such as Direct credit/NEFT/RTGS and cheques as applicable within 7 working days of the record date of IDCW In the event of delay/failure to despatch the IDCW warrants within the aforesaid period, interest for the period of delay in transfer of IDCW shall be paid by AMC to unitholders at the rate of 15% per annum along with the proceeds of IDCW.
Redemption	Units can be redeemed (sold back to the Mutual Fund) at the relevant Redemption Price. The redemption requests can be made on the pre-printed forms (transaction slip/common transaction form) or by using the form at the bottom of the account statement. The redemption request can be submitted at any of the Official Points of Acceptance of transaction, the details of which are mentioned at the end of this SID. As all allotments are provisional, subject to realization of payment instrument and subject to the AMC having been reasonably satisfied that the Mutual Fund has received clear funds, any redemption or switch out transaction in the interim is liable to be rejected at the sole discretion of the AMC. A unit Holder may request redemption of a specified amount or a specified number of Units only. If the redemption request is made for a specified amount and the number of Units is also specified by the Unit Holder, the number of Units specified will be considered for deciding the redemption amount. Unit Holders may also request for redemption of their entire holding and close the account by indicating the same at an appropriate place in the transaction slip/common transaction slip.

	It may, however, be noted that in the event of death of the Unit Holder, the nominee or legal heir, (subject to production of requisite documentary evidence to the satisfaction of the AMC) as the case may be, shall be able to redeem the investment. In case an investor has purchased Units on more than one day (either under the NFO Period or through subsequent purchases) the Units purchased first (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first, i.e. on a First-In-First-Out basis. In case the Units are standing in the names of more than one Unit Holder, where mode of holding is specified as Joint redemption requests will have to be signed by all joint holders. However, in cases of holding specified as 'Anyone or Survivor', any one of the Unit Holders will have the power to make redemption requests, without it being necessary for all the Unit Holders to sign. However, in all cases, the proceeds of the redemption will be paid to the first-named holder only. The Redemption or repurchase proceeds shall be dispatched to Unit Holders within three Working Days from the date of acceptance of redemption or repurchase. Investor may note that in case of exceptional scenorios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with Paragraph 15.3.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above. Unit Holders are encouraged and advised to submit their requests for bank mandate/ Multiple Bank Accounts Registration request atleast 10 business days prior to date of redemption / IDCW payment, if any. The AMC reserves the right to extend/modify the timelines on a case to case basis. The redemption payment will be issued in favour of the sole/ first Unit Holder's registered name and bank account number, if provided. Payment via cheque, where issued, will be sent to the address of the sole/first Holder registered with the fund at the time of dispatch entirely at the risk of the unit holder. The redemption cheque/demand draft will be payable at par at all the places where the official points of acceptance of transaction are located. Bank charges for collection of redemption proceeds will be borne by the Unit Holder. With a view to safeguarding their interest, it is mandatory that Unit Holders indicate their Bank Account No., name of the bank and branch in the application for purchasing Units of the Scheme. A fresh account statement will also be sent/emailed to redeeming investors, indicating the new balance to the credit in the account, along with the redemption cheque. Unit holders are requested to note that application for redemption or switch out for units for which funds are not realized via purchase or switch-in in the Scheme of the Fund shall be liable to be rejected. In other words, redemption of units will be processed only if the funds for such units are realized in the Scheme by a way of payment instructions/transfer or switch-in funding process. The proceeds towards redemptions and IDCW will be dispatched by a reasonable mode of dispatch like courier, speed post, UCP, etc. in case of cheque/demand draft or directly credited to the bank account (as per the details mentioned by the investor), entirely and solely at the risk of

	the investor. The Mutual Fund will endeavour to remit redemption proceeds via electronic means, as made available by RBI. Where such electronic means are not available or feasible under any circumstances, the Mutual Fund will remit the redemption proceeds by way of cheques. The investor will not hold the Mutual Fund or the AMC or the Registrar responsible for any non-receipt or delay of receipt of redemption & IDCW proceeds due to any negligence or deficiency in service by the courier company, postal authorities or the bank executing direct credits, or due to incorrect bank account details provided by the investor. In case of redemptions, Unit holders should note that Two Factor Authentication [2FA] is mandatory for all redemption / switches including STP/SWP submitted through electronic mode. OTP will be sent to either email id or mobile number registered in the folio and the Unit holder have to confirm on the OTP received. On successful validation only, the redemptions will be accepted and processed. **Redemption by NRIs and FPIs** Credit balances in the account of an NRI/FPI investor may be redeemed by such investors in accordance with the procedure described above and subject to the procedures laid down by RBI, if any. Such redemption proceeds will be paid by means of a Rupee cheque payable to the NRI's/FPIs or by a foreign currency draft drawn at the then rates of exchange less bank charges, subject to RBI procedures and approvals. **Effect of Redemption** On redemption, the unit capital and reserves will stand reduced by an amount equivalent to the product of the number of Units redeemed and the Redemption Price as on the date of redemption. Units once redeemed will be extinguished and will not be re-issued. **Fractional Units** Since a request for purchase is generally made in Rupee amounts and not in terms of number of Units of the Scheme, a Unit Holder may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places. However, fractional Units will, in no way, affect the Unit Holder's ability to redeem the Units, either in part or in full, standing to his/her/its credit. **Redemption by investors transacting through the Stock Exchange mechanism** Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their Depository Participant on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/BSE, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the Depository Participant. **Redemption by investors who hold Units in dematerialized form** Redemption request for Units held in demat mode shall not be accepted at the offices of the Mutual Fund/AMC/Registrar. Unit holders shall submit such request only through their respective Depository Participant.

	Redemptions only for Available & Clear Units Further, if an investor makes a redemption request few days after purchase of Units, till clearance of funds is identified, the Mutual Fund shall have the right to reject the redemption request until such time as the Mutual Fund ensures that the amount remitted by the investor (for purchase of Units) is realized and that the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.
Bank Mandate	It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per requirements laid down by SEBI and any other requirements stated in the Application Form. Applications without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar/AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number. Investor/s or /Unit Holder/s are requested to note that any one of the following documents shall be submitted by the investor/s or /Unit Holder/s, in case the cheque provided along with fresh subscription/new folio creation does not belong to the bank mandate specified in the application form: a. Original cancelled cheque having the First Holder Name printed on the cheque [or] b. Original bank statement reflecting the First Holder Name, Bank Account Number and Bank Name as specified in the application [or] c. Photocopy of the bank statement / bank pass book duly attested by the bank manager and bank seal preferably with designation and employee number [or] d. Photocopy of the bank statement / passbook / cancelled cheque copy duly attested by the AMC/ RTA branch officials after verification of original bank statement / passbook / cheque shown by the investor or their representative [or] e. Confirmation by the bank manager with seal, on the bank's letter head with name, designation and employee number confirming the investor details and bank mandate information. Where such additional documents are not provided for the verification of bank account for redemption or IDCW payment, the AMC reserves the right to capture the bank account used towards subscription payment for the purpose of redemption and IDCW payments. For more details on Multiple Bank Accounts Registration Facility, Bank Account Details, Change of Bank, please refer SAI.
Delay in payment of redemption / repurchase proceeds/dividend	As per SEBI (MF) Regulations, the Mutual Fund shall transfer the redemption proceeds within 3 Working Days from the date of redemption/repurchase. In the event of delay/failure to transfer the redemption/repurchase proceeds within the aforesaid 3 Working Days, the AMC will be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (currently @ 15% per annum). Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23

	dated January 16, 2023 read with Paragraph 15.3.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above. IDCW warrants shall be dispatched to the Unit Holders within 7 Working Days of the date of record date of IDCW. In the event of delay/failure to despatch the IDCW warrants within the aforesaid 7 Working Days, the AMC will be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (currently @ 15% per annum). The interest on delayed payment would be computed from the record date for IDCW. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unit holders verification of identity or such other details relating to subscription for Units under any applicable law or as may be required by a regulatory body or any government authority, which results in delay in processing the application.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	The treatment of unclaimed redemption and IDCW amounts shall be in terms of Paragraph 15.5 of SEBI Master Circular, as amended from time to time and the same is specified in SAI.
Disclosure w.r.t investment by minors	Where the investment is on behalf of minor by the guardian, please note the following important points. a. The minor shall be the sole and only first holder in the account. Nomination facility is not available for applications/ folios on behalf of a minor. Joint holders' details and nomination details, even if mentioned and signed will not be considered. b. Guardian of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. c. Details like minor's date of birth, Guardian's relation with Minor, Guardian name, PAN, KYC are mandatory, along with supporting documents. Photo copy of the document evidencing the date of birth of minor like i. Birth certificate of the minor, or ii. School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or iii. Passport of the minor, or iv. any other suitable proof should be attached with the application form. d. Where the guardian is not a natural guardian (father or mother) and is a court appointed legal guardian, suitable supporting documentary evidence should be provided. e. If the mandatory details and/or documents are not provided, the application is liable to be rejected without any information to the applicant. f. Payment towards subscription/investment through any mode in units of the schemes of Fund shall be accepted from the bank account of the minor, bank account of the parent or legal guardian of the minor, or from a joint bank account of the minor with parent or legal guardian. g. All redemption proceeds shall be credited only in the verified bank account of the minor or a joint bank account of the minor with the parent or legal guardian after completing all KYC formalities.

	A minor Unit Holder, on becoming major, may inform the Registrar about attaining majority, and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card, KYC details and such other details as may be asked by AMC from time to time to enable the Registrar to update records and allow the minor turned major to operate the account in his own right. Further, all other requirement for investments by minor and process of transmission shall be followed in line with Paragraph 15.3 of SEBI Master Circular.
Requirement of Minimum Investors in the Schemes	The Scheme shall have a minimum of 20 investors each and no single investor shall account for more than 25% of the corpus of the Scheme. These conditions shall be complied with, in each calendar quarter on an average basis, as specified by SEBI. In case of non-fulfillment of the condition of 20 investors in a calendar quarter, the provisions of Regulation 36(2)(c) of the SEBI (MF) Regulations shall become applicable automatically without any reference from SEBI, and accordingly the Scheme shall be wound up and the units redeemed at the relevant applicable NAV. If there is breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be available and thereafter, the investor who is in breach of the rule, shall be given 15 days' notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.
Transactions through Channel Distributors	Investors may enter into an agreement with certain distributors (with whom AMC also has a tie up) referred to as "Channel Distributors" who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic means or through Power of Attorney in favour of the Channel Distributor, as the case may be. Under such arrangement, the Channel Distributors will aggregate the details of transactions (viz. subscriptions/ redemptions/switches) of their various investors and forward the same electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes. The Channel Distributor is required to send copy of investors' KYC and agreement entered into between the investor & distributor to the RTA (one time for central record keeping) as also the transaction documents / proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. Normally, the subscription proceeds, when invested through this mode, are by way of direct credits to the specified bank account of DSP Mutual Fund. The redemption proceeds (subject to deduction of tax at source, if any) and IDCW payouts, if any, are paid by the AMC to the investor directly through direct credit in the bank account of the investor specified by the distributor or through issuance of payment instrument, as applicable. In case KYC and other necessary documents are not furnished within the stipulated timeline, the transaction request shall be liable to be rejected or the folio will be locked for future subscriptions/ switches. The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors or as provided by the distributors through the above mode. It may be noted that investors investing through this mode may also

	approach the AMC / ISC directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by the AMC.
Subscription of Units through Electronic Mode	Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar ("Recipient") may accept transactions through any electronic mode (fax/web/ electronic transactions) ("Electronic Transactions"). The acceptance of Electronic Transactions will be solely at the risk of the investor and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the investor directly or indirectly, as a result of the investor sending or purporting to send such transactions including where such transaction sent / purported to be sent is not processed on account of the fact that it was not received by the Recipient. The investor acknowledges that Electronic Transaction is not a secure means of giving instructions / transactions requests and that the investor is aware of the risks involved including those arising out of such transmission being inaccurate, imperfect, ineffective, illegible, having a lack of quality or clarity, garbled, altered, distorted, not timely etc. The investor's request to the Recipient to act on Electronic Transaction is for the investor's convenience and the Recipient is not obliged or bound to act on the same. The investor authorizes the recipient to accept and act on any Electronic Transaction which the recipient believes in good faith to be given by the investor and the recipient may at its discretion treat any such transaction as if the same was given to the recipient under the investor's original signature. In case there is any difference between the particulars mentioned in the fax/ web/ electronic transmission received as against the original document which may be received thereafter, the Recipient shall not be liable for any consequences arising therefrom. The investor agrees that the recipient may adopt additional security measures including signature verification, telephone call backs or a combination of the same, which may be recorded and the investor consents to such recording and agrees to co-operate with the recipient to enable confirmation of such transaction requests. In consideration of the Recipient from time to time accepting and at its sole discretion (including but not limited to the AMC extending / discontinuing such facilities from time to time) acting on any Electronic Transaction request received / purporting to be received from the investor, the investor agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Mutual Fund and Trustees from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on Electronic Transaction requests including relying upon such transaction requests purporting to come from the investor even though it may not come from the Investor. The AMC reserves the right to modify the terms and conditions or to discontinue the facility at any point of time. Unit holders should note that Two Factor Authentication [2FA] is mandatory for all subscriptions including SIP registration submitted through electronic mode. OTP will be sent to either email id or mobile number registered in the folio and the Unit holder have to confirm on the

	OTP received. On successful validation only, the subscriptions / systematic registration will be accepted and processed.
Process for change of address	Investors who wish to change their address have to get their new address updated in their KYC records. Investor will have to submit a KYC Change Request Form in case of individual investors and KYC form in case of non individual investors along with proof of address and submit to any of the AMC Offices or CAMS Investor Service Centers. Based on the new address updated in the KYC records, the same will be updated in the investor folio. Where such additional documents are not provided for the verification of bank account for redemption or IDCW payment, the AMC reserves the right to capture the bank account used towards subscription payment for the purpose of redemption and IDCW payments.
Trading in Units through Stock Exchange mechanism	The facility of transacting through the stock exchange mechanism enables investors to buy and sell the Units of the Scheme(s) through the stock brokers registered with the BSE and/or NSE in accordance with the guidelines issued by SEBI and operating guidelines and directives issued by NSE, BSE or such other recognized stock exchange in this regard and agreed with the Asset Management Company/ Registrar and Transfer Agent. The investor shall be serviced directly by such stock brokers/ Depository Participant. The Mutual Fund will not be in a position to accept any request for transactions or service requests in respect of Units bought under this facility in demat mode. This facility will be offered to investors who wish to hold Units in dematerialized form or in physical mode. Further, the minimum purchase/ redemption amount in the respective plan / option of such notified Schemes of the Fund will be applicable for each transaction. This facility will currently not support transactions done through switches or facilities such as SWP and STP. In case of non-financial requests/applications such as change of address, change of bank details, etc., investors should approach the respective Depository Participant(s). Unit holders may have/open a beneficiary account with a Depository Participant of a Depository and choose to hold the Units in dematerialized mode. The Unit holders have the option to dematerialize the Units as per the account statement sent by the Registrar by making an application to the AMC/registrar for this purpose. Rematerialization of Units can be carried out in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time. Investors, who wish to get back their securities in physical form, may request their respective Depository Participant for rematerialization of Units in their beneficiary accounts. The Depository Participant will generate a rematerialization request number and the request will be dispatched to the AMC/ Registrar. On acceptance of request from the Depository Participant, the AMC/Registrar will dispatch the account statement to the investor and will also send confirmation to the Depository participant. Transactions conducted through the Stock Exchange mechanism shall be governed by the SEBI (Mutual Funds) Regulations 2026 and operating guidelines and directives issued by NSE, BSE or such other recognized exchange in this regard. Further, in line with SEBI circular No.

	SEBI/HO/MRD1/DSAP/CIR/P/2020/29 dated February 26, 2020 as amended from time to time, investors can directly buy/redeem units of the Scheme through stock exchange platform.
Third Party Payment Avoidance & additional documents/ declaration required	To safeguard the interests of applicant/investors and avoid fraudulent transactions in any other name, the Mutual Fund does not accept Third Party Payments. In case of subscriptions, the Mutual Fund shall verify the bank account from which the funds have been paid for the subscription. In case it is identified that the funds have not come from the investor's bank account, the subscription will be rejected. Please refer SAI for details.
Cash Investments in mutual funds	In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI has permitted receipt of cash transactions for fresh purchases/ additional purchases to the extent of Rs. 50,000/- per investor, per financial year shall be allowed subject to: i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and ii. sufficient systems and procedures in place. However, payment towards redemptions, IDCW, etc. with respect to aforementioned investments shall be paid only through banking channel. The Fund/AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.
Facility to transact in units of the Schemes through MF Utility portal & MFUI Points of Services pursuant to appointment of MF Utilities India Private Limited	The AMC has entered into an Agreement with MF Utilities India Private Limited (**MFUI**), for usage of MF Utility **("MFU")** - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple schemes of various Mutual Funds with a single form and a single payment instrument. Investors can execute financial and non-financial transactions pertaining to Schemes of the Fund electronically on the MFU portal i.e. www.mfuonline.com as and when such a facility is made available by MFUI. The MFU portal i.e. www.mfuonline.com will be considered as Official Point of Acceptance for such transactions. The Points of Service **("POS")** of MFUI with effect from the respective dates as published on MFUI website i.e. www.mfuindia.com against the POS locations will be considered as Official Point of Acceptance/ Investor Services Centre where application for financial transactions in schemes of the Fund will be accepted on an ongoing basis. Further, investors can also submit their non-financial transaction requests at the POS. The salient features of the facility to transact in units of the Schemes through MFU are given below: 1. **Common Account Number ("CAN")**: Investors are required to submit duly filled in CAN Registration Form ("**CRF**") and prescribed

	documents at the MFUI POS to obtain CAN. The CRF can be downloaded from MFUI website i.e. www.mfuindia.com or can be obtained from MFUI POS. CAN is a single reference number for all investments in the Mutual Fund industry, for transacting in multiple schemes of various Mutual Funds through MFU and to map existing investments, if any. MFU will map the existing folios of investors in various schemes of Mutual Funds to the CAN to enable transacting across schemes of Mutual Funds through MFU. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU. CAN registered investors can transact in physical mode through MFUI POS by submitting relevant Common Transaction Form prescribed by MFUI. 2. CAN registered investors can transact through electronic mode through MFU portal i.e. www.mfuonline.com as and when such a facility is made available to them by MFUI. The time of transaction submission done through MFU portal i.e. www.mfuonline.com and the successful receipt of the same in the servers of MFUI would be the time-stamp for the transaction. 3. Investors not registered with MFUI can also submit their financial & non-financial transactions request at MFUI POS by giving reference of their existing folio number allotted by the Fund. 4. The transactions on the MFU portal shall be subject to the terms & conditions as may be stipulated by MFUI / Mutual Fund / the AMC from time to time. 5. All other terms and conditions of offering of the Scheme as specified in the SID, KIM and SAI shall be applicable to transaction through MFUI.
Redemptions only for Available & Clear Units	If an investor makes a redemption request few days after purchase of Units, till clearance of funds is identified, the Mutual Fund shall have the right to reject the redemption request until such time as the Mutual Fund ensures that the amount remitted by the investor (for purchase of Units) is realized and that the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.
KYC Requirements	Investor are requested to take note that it is mandatory to complete the KYC requirements (including updation of Permanent Account Number) for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests are liable to be rejected, if the unit holders have not completed the KYC requirements. Notwithstanding in the above cases, the AMC reserves the right to ask for any requisite documents before processing of financial and non-financial transactions or freeze the folios as appropriate. Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA-KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar

	and Transfer Agent their PAN information along with the folio details for updation in our records.
Facility to transact in units of the Schemes through MF Central	MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable Terms & Conditions of the Platform from time to time. MF Central will be enabling various features and services in a phased manner. MF Central may be accessed using https://mfcentral.com/ and a Mobile App in future.
Nomination for Mutual Fund Unit Holders	Pursuant to Paragraph 15.14 of the SEBI Master Circular with respect to nomination for unitholders, the following shall be considered: 1. **New Investors:** Investors who are subscribing to units of DSP Mutual Fund solely, shall submit either the nomination form or the prescribed declaration form for opting out of nomination in physical or online as per the choice of the unit holder(s). The requirement of nomination shall be optional for jointly held folio(s). 1. In case of physical option: The forms shall carry the wet signature of all the unit holder(s). 2. In case of online option: (1) The unit holder(s) shall validate the forms by using e-Sign facility recognized under Information Technology Act, 2000 or (2) Through two factor authentication (2FA) in which one of the factor shall be a One-Time Password sent to the unit holders at their email/phone number registered with the KYC Registration Authority or AMC. **Implication of failure with respect to nomination:** New investors subscribing solely, the application will be rejected if the applicant does not provide nomination or does not provide declaration form for opting out of nomination, duly signed in physical form or through online modes. 1. **Existing Unitholders:** The existing individual unitholders of DSP Mutual Fund are encouraged, in their own interest, to provide the nomination/ opting out of nomination duly signed in physical form or through online modes for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. 2. **Who cannot nominate:** The nomination can be made only by individuals applying for/holding units on their own behalf singly or jointly. Non-individuals including a Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu undivided family, a Power of Attorney holder and/or Guardian of Minor unitholder Holder of Power of Attorney (POA) cannot nominate. The application will be rejected if the holder aforesaid non individual sign the nomination form.
Payment details	The cheque or demand draft should be drawn in favour of the 'Scheme Name', as the case may be, and should be crossed Account Payee Only. Applications not specifying Schemes/Plans/Options and/or accompanied by cheque/demand drafts/account to account transfer instructions favouring Schemes/Plans/Options other than those specified in the application form are liable to be rejected.

	Further, where the Scheme name as written on the application form and on the payment instrument differs, the proceeds may, at the discretion of the AMC be allotted in the Scheme as mentioned on the application form. Pursuant to the circular issued by the SEBI titled 'Adoption of Standardised, Validated and Exclusive UPI IDs for Payment Collection by SEBI Registered Intermediaries from Investors" dated June 11, 2025, SEBI-validated UPI ID has been obtained and payment option with valid UPI ID has been enabled. For more details, please refer our website link: https://www.dspim.com/faqs#Purchase-transactions#What-is-UPI-Payment-

III. Other Details

A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund should be provided- Not Applicable.

B. Periodic Disclosures-

Monthly Portfolio Disclosure	Mutual Funds/ AMC shall disclose portfolio (along with ISIN) of the Scheme as on the last day of the month on the website and on the website of AMFI within 10 calendar days from the close of each month in a user-friendly and downloadable spreadsheet format. In case of unit holders whose e-mail addresses are registered, AMC shall send such monthly statements of scheme portfolio to such unitholders via email wherein a link shall be provided to investors to their registered email to enable the investor to directly view/download only the portfolio of schemes subscribed by the said investor, along with the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark. The link to access Scheme Portfolio is as follows: AMC website: https://www.dspim.com/mandatory-disclosures/portfolio-disclosures AMFI website: https://www.amfiindia.com/online-center/portfolio-disclosure The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a unitholder.
Monthly Average Asset under Management (Monthly AAUM) Disclosure	The Mutual Fund/AMC shall disclose the Monthly AAUM under different categories of Schemes as specified by SEBI in the prescribed format on a monthly basis on its website and forward to AMFI within 7 working days from the end of the month. The link to access Monthly AAUM is as follows: AMC website: https://www.dspim.com/mandatory-disclosures/aum-disclosure
Half Yearly Financial Results	The Mutual Fund/AMC shall, within one month from the close of each half-year ending on 31st March and 30th September, host the unaudited financial results of their schemes on their website and on the website of AMFI. Further, written communication (including digital modes such as email/SMS etc.) shall be sent to unitholders by the AMC about the availability of financials. The link to access unaudited Half yearly Financials is as follows:

	AMC website: https://www.dspim.com/mandatory-disclosures/fund-financials AMFI website: https://www.amfiindia.com/research-information/other-data/accounts-data
Annual Report	The Mutual Fund/ AMC shall send the digital copy of the scheme-wise Annual Report of a mutual fund or an abridged summary thereof to all unitholders within four months from the date of closure of the relevant financial year, in the manner specified by the Board from time to time. The scheme wise Annual report or Abridged Summary, in machine readable format, shall be hosted on the website of the AMC www.dspim.com and on the website of AMFI www.amfiindia.com. Mutual Fund shall send an email/SMS to all unitholders regarding the hosting of scheme wise annual report on the website and on the website of AMFI Mutual Fund shall provide physical copy of the abridged summary of the Annual Report, without any cost, if a request is received from a unitholder. Mutual Fund may provide physical copy of the Annual Report to the unitholders on payment of such nominal fees as may be specified by the mutual fund. The link to access Annual Report is as follows: AMC website: https://www.dspim.com/mandatory-disclosures/annual-reports AMFI website: https://www.amfiindia.com/otherdata/accounts
Dashboard	In accordance with paragraph 6.8.2 of the SEBI Master Circular, the AMC has developed a dashboard on its website to enable investors to access information relating to scheme's AUM, investment objective, expense ratios, portfolio details and past performance of each scheme. The disclosures w.r.t. expense ratio, returns and/or yield of the schemes are made separately for regular plan and direct plans. The link to access Dashboard is as follows: AMC website: https://www.dspim.com/mandatory-disclosures/dashboard
Performance disclosure	In accordance with paragraph 6.9.1 of the SEBI Master Circular, the AMC shall disclose the performance of all schemes on the website of AMFI on a daily basis. The link to access performance disclosure is as follows: AMFI website: https://www.amfiindia.com/otherdata/fund-performance
Risk-o-Meter	Risk-o-meter shall have following six levels of risk for the Scheme: i. Low risk ii. Low to Moderate risk iii. Moderate risk iv. Moderately High risk v. High risk and vi. Very High risk In accordance with Paragraph 6.16 of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMC shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMC website and on AMFI website within 10 days from the close of each month. The link to access Risk-o-Meter is as follows: AMC website: https://www.dspim.com/mandatory-disclosures/portfolio-disclosures AMFI website: https://www.amfiindia.com/online-center/risk-o-meter

<table>
<tr><td></td><td>Mutual Fund/AMC shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMC website and AMFI website.

<table><tr><td>AMC website</td><td>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</td></tr><tr><td>AMFI website</td><td>https://www.amfiindia.com/online-center/risk-o-meter</td></tr></table>
Investors may note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.

Any change in risk-o-meter of the Scheme or its benchmark shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme.

Further, in accordance with para 6.17 of SEBI Master Circular, the AMC shall disclose:
a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed.
b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.
c. The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark.</td></tr>
<tr><td>Scheme Summary Document</td><td>A Scheme Summary Document (SSD) of the Scheme which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, etc. Scheme summary document is uploaded on the websites of AMC, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML).

The link to access Scheme summary document is as follows:

<table><tr><td>AMC website</td><td>https://www.dspim.com/mandatory-disclosures/scheme-summary-document</td></tr><tr><td>AMFI website</td><td>https://www.amfiindia.com/otherdata/scheme-details</td></tr></table></td></tr>
<tr><td>Information Ratio</td><td>As per Paragraph 6.10 of the SEBI Master Circular, Mutual Funds/ AMC shall disclose IR of a scheme portfolio on their website along with performance disclosure, on a daily basis.

The link to access Information ratio is as follows:
<table><tr><td>AMC website</td><td>https://www.dspim.com/mandatory-disclosures/information-ratio</td></tr><tr><td>AMFI Link</td><td>https://www.amfiindia.com/otherdata/fund-performance</td></tr></table></td></tr>
<tr><td>Portfolio Overlap</td><td>The AMC shall disclose the category-wise portfolio overlap levels, i.e., equity schemes vis-à-vis other equity schemes, debt schemes vis-à-vis other debt schemes, and hybrid schemes vis-à-vis other hybrid schemes. Such disclosure shall be published on the AMC’s website on a monthly basis for investor communication. AMC Website Link- https://www.dspim.com/mandatory-disclosures</td></tr>
<tr><td>Disclosure w.r.t. distribution of Dividend/ Income Distribution cum Capital Withdrawal (IDCW) in IDCW options/plans of applicable schemes of the Fund in term of</td><td>For details relating to the distribution of IDCW under the respective IDCW Plans/options, including the IDCW track record, investors are requested to visit the Fund's website.

The link to access IDCW details is as follows:

<table><tr><td>AMC website</td><td>https://www.dspim.com/investor-centre/idcw</td></tr></table></td></tr>
</table>

SEBI Letter no. HO/24/12/14(6)2026-IMD SEC4/I/11436/2026 dated May 13, 2026	
Special Consideration	The AMC provides investment management and trade execution related services to offshore sovereign funds. The AMC also provides a non- binding advisory services to the offshore funds/ offshore investment manager, who is managing an offshore fund which will invest through FPI route. The AMC also provides investment management advice and execution services to DSP ICAV, an umbrella type Irish Collective Asset-management Vehicle. The AMC is the holding company to DSP Pension Fund Managers Private Limited (DSPPFM) and it acts as a Sponsor to DSPPFM pursuant to Pension Fund Regulatory and Development Authority Regulations, 2015 (PFRDA Regulations) and PFRDA letter dated July 10, 2023, and in accordance with SEBI approval dated January 03, 2013, under Regulation 21 (b) of SEBI (Mutual Fund) Regulations, 2026. Further, in terms of Regulation 21(b) (erstwhile Regulation 24b) of the Regulations, SEBI has granted no objection to DSPAM to undertake the business of point of presence (POP) through its subsidiary, that is DSPPFM. The AMC, in accordance with SEBI approval, acts as Investment Managers to DSP Alternative Investment Fund Category III (DSPAIF – C - III) (SEBI registration no. IN/AIF3/13-14/0059) and DSP Alternative Investment Fund - Category II (DSPAIF – C - II) (SEBI registration no. IN/AIF2/25-26/2063). Further, DSP Trustee Private Limited, act as Trustees to the DSPAIF - C – III and DSPAIF – C - II. Further, the AMC is the holding company to DSP Fund Managers IFSC Private Limited ('DSP IFSC'). Pursuant to SEBI approval dated February 08, 2023 and September 24, 2024, read with IFSC approval dated August 31, 2023 and other applicable regulatory approvals, DSP IFSC provides investment management and/or advisory services to the Funds set up under IFSCA (Fund Management) Regulations, 2025. The said funds could be: (a) Foreign Portfolio Investors ('FPIs') operating within or outside IFSC-GIFT and falling under the categories as specified under paragraph 22.2.1 of SEBI Master Circular. (b) Appropriately regulated and broad based entities (not being FPIs) based within or outside IFSC-GIFT or investment manager managing such funds or entities and investing in overseas or unlisted Indian securities (c) Other broad-based funds (not being FPIs) investing in overseas securities. The AMC provides non- binding advisory services to a DSP IFSC in accordance with Regulation 21(b) of the Regulations. The AMC has systems in place to ensure that there is no conflict of interest between the aforesaid activities. For more details kindly refer SAI. Investor are requested to read special consideration section in SAI.

C. Transparency/NAV Disclosure:

The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 10 a.m. of the immediately succeeding Business Day.

The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on any day, by calling the office of the AMC or any of the Investor Service Centres at various locations. The NAV of the Scheme will also be updated on the AMFI website www.amfiindia.com and on www.dspim.com.

In case of delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs of the Scheme are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons for the delay and explaining when the Fund would be able to publish the NAVs.

If the NAVs of the Scheme for a business day (Day T) is not published till 3.00 p.m. on the following business day (T+1) due to any reason, the Investment Manager shall temporary suspend all

transactions (subscription/redemption) from T+2 business day onwards, till NAVs of the Scheme for Day T and Day T+1 are published.

In case NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, NAV declaration timing for Mutual Fund Schemes holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day.

Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. Refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com

D. Transaction charges and stamp duty:

- Transaction Charge – In line with Paragraph 16.6.1(d)(ii)(III) of SEBI Master Circular, transaction charges paid to Mutual Fund distributors has been discontinued.

- Stamp duty - Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.

For more details, investors are requested to refer SAI.

Standard Operating Procedure for nomination for demat accounts and Mutual Fund (MF) folios in the Indian Securities Market.

SEBI vide its Circular SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/01650 dated January 10, 2025 and February 28, 2025, revised the norms for nomination for demat accounts and Mutual Fund (MF) folios in the Indian Securities Market.

In order to have uniformity in dealing with incapacitated investors and those with special needs or sick or old investors in the securities market, SEBI has mandated the Depositories and AMFI to put in place common Standard Operating Procedure (SOP).The detailed note is available in DSP Website (https://www.dspim.com/downloads/sop-for-incapacitated-investor.pdf).
This process is proposed to be implemented with effect from December 15, 2025.

E. Associate Transactions- Please refer to Statement of Additional Information (SAI)

F. Taxation-

The information provided is as per the provisions of the Income-tax Act, 2025 ("the Act"), as amended by the Finance Act, 2026. The information is provided for general information only. It does not purport to be a complete analysis of all relevant tax considerations; nor does it purport to be a complete description of all potential tax costs, tax incidence and risks for the investors. In view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Schemes. It is assumed that units of mutual fund are held as capital asset by the investors.

$Non Equity Oriented Funds

Particulars	Resident Investors		NRI/PIOs & Other Non- resident Investors other than FPI		FPI Investors		Mutual Fund
	Tax Rates	TDS Rates	Tax Rates	TDS Rates	Tax Rates	TDS Rates	Tax / TDS Rates

Tax on Income Distributed by Mutual Funds	Taxable at normal rates of tax applicable to the assessee	10% [As per SI. No. 4(i) of Section 393(1)]	i.In respect of non-resident non-corporate Taxable at normal rates of tax applicable to the assessee (other than units purchased in foreign currency) ii.In respect of non-resident (not being company) or foreign corporates -20% (for units purchased in foreign currency)	20% [As per SI. No. 10 of Section 393(2)] or as per applicable DTAA whichever is lower	20% (u/s 210)	20% [As per SI. No. 15 of Section 393(2)] or as per applicable DTAA whichever is lower	NIL [Sch.VII(20)]
Capital Gains							
Long Term:							
Listed units of a non-equity oriented Scheme	12.5% (u/s 197)	NIL	12.5% (u/s 197)	12.5% [As per SI. No. 17 of Section 393(2)]	12.5% without exchange fluctuation (u/s 210)	NIL	NIL [Sch.VII(20)]
Unlisted units of a non-equity oriented Scheme	12.5% (u/s 197)	NIL	12.5% without exchange fluctuation (u/s 197)	12.5% without exchange fluctuation [As per SI. No. 17 of Section 393(2)]	12.5% without exchange fluctuation (u/s 210)	NIL	NIL [Sch.VII(20)]
Short Term:							
Units of a non-equity oriented Scheme	Taxable at normal rates of tax applicable to the assessee	NIL	In respect of non-resident non-corporate Taxable at normal rates of tax applicable to the assessee. In respect of non-resident corporates: 35%	In respect of non-resident non corporates - 30% In respect of non-resident corporates(u/s 393): 35%	30% (u/s 210)	NIL	NIL [Sch.VII(20)]

[$]Non Equity oriented funds are funds other than Equity oriented funds and Specified Mutual Funds:

“equity oriented fund” has been defined to mean a fund set up under a scheme of a mutual fund specified under Sch VII(20 & 21) of the Act and—
a) In a case where the fund invests in the units of another fund which is traded on a recognized stock exchange- (I) a minimum of 90 per cent. of the total proceeds of such fund is invested in the units of such other fund; and (II) such other fund also invests a minimum of 90 per cent of its total proceeds in the equity shares of domestic companies listed on recognized stock exchange; and
b) in any other case, a minimum of 65 per cent of the total proceeds of such fund is invested in the equity shares of domestic companies listed on recognized stock exchange.

"Specified Mutual Fund" means, a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent of its total proceeds in debt and money market instruments; or b) a fund which invests sixty-five per cent 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, as the case may be, in respect of the Specified Mutual 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

Additional Notes:

1 Income of Mutual Fund is exempt from tax as per Sch VII(20) of the Act.
2 Based on the investment objectives of the scheme as defined in this document, the scheme will potentially be classified as "Non Equity oriented Fund (other than Specified Mutual Fund)" for the purpose of taxation. Accordingly, the applicable rates have been covered above.
3 These rates should also be applicable to units acquired in case of consolidation of options under any scheme of a mutual fund (in the absence of any specific exemption provision in the Income-tax Act, 2025)
4 Capital gains on redemption of listed units held for a period of more than 12 months from the date of allotment & capital gains on redemption of unlisted units held for a period of more than 24 months from the date of allotment shall be treated as Long Term Capital Gains.
5 The above rates are subject to surcharge as applicable (refer table below for rates) and Health and Education cess at the rate of 4% on income tax and surcharge.

Particulars	Income > 50 lakhs and upto 1 crores(in Rs)	Income > 1 cr and upto 2 cr(in Rs)	Income > 2 cr and upto 5 cr(in Rs)	Income > 5 cr and upto 10 cr(in Rs)	Income exceeding 10 cr(in Rs)
Resident and Non Resident Individuals / HUFs / BOIs / AOPs and Artificial juridical persons - Long Term Capital Gains	10%	15%	15%	15%	15%
Non Resident Individuals / HUFs / BOIs / AOPs and Artificial juridical persons - Short Term Capital Gains and	10%	15%	25%	25%[&]	25%[&]

Income Distribution					
Firms, Local authorities	-	12%	12%	12%	12%
Co-operative societies		7%	7%	7%	12%
Co-operative societies ++(New regime under section 203)	10%	10%	10%	10%	10%
Domestic Company	-	7%	7%	7%	12%
Domestic Company ++(New regime under section 200)	10%	10%	10%	10%	10%
FII/ FPI, Foreign company	-	2%	2%	2%	5%
Please note surcharge is not applicable in case of TDS deducted on income distributed to resident investors as per as per Sl. No. 4(i) of Section 393(1)					

[&] The maximum rate of surcharge for individuals and HUFs or association of persons [other than cooperative society], or body of individuals, whether incorporated or not, or an artificial juridic person referred to in sub clause (g) of clause (77) of section 2 who opt for the new tax regime unc section 202, shall be 25% instead of 37% under normal provisions (Old tax regime). The new tax regir would be the default tax regime.

++ In case company/co-operative society opts for new regime of taxation, then the surcharge would be applicable at the rate of 10% irrespective of the taxable income.

6 Any person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XIX (hereafter referred to as deductee), shall furnish his valid and operative Permanent Account Number to the person responsible for deducting such tax (hereafter referred to as deductor), failing which tax shall be deducted at the higher of the following rates, namely:

(i) at the rate specified in the relevant provision of this Act; or

(ii) at the rate or rates in force; or

(iii) at the rate of twenty per cent.

The aforesaid provision dealing with higher taxation in the absence of furnishing Permanent Account Number shall not apply to a non-resident with effect from 1st June, 2016 on furnishing the following details and documents by such non-resident:

(i) name, e-mail id, contact number;

(ii) address in the country or specified territory outside India of which the non-resident is a resident;

(iii) a certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate;

(iv) Tax Identification Number of the non-resident in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the non-resident is identified by the Government of that country or the specified territory of which he claims to be a resident.

In case of investments by NRIs in closed ended funds during NFO, at the time of redemption of units, TDS will be deducted at the applicable rate. However, in respect of those Unit Holders who have acquired the units on the Stock Exchange post listing of units, the Unit Holders would need to provide a certificate from a Chartered Accountant certifying the details of acquisition of units to the Fund within two days of maturity of the Scheme, so as to enable the Fund to deduct TDS at the applicable rates. In the event of such details not being provided, the Fund would deduct TDS on the redemption proceeds at the highest rate of TDS applicable.

7 For detailed tax implications, please refer to 'SECTION VIII – TAX & LEGAL & GENERAL INFORMATION' provided in 'Statement of Additional Information ('SAI')'.

G. Rights of Unitholders - Please refer to SAI for details.

H. List of official points of acceptance: https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/list-of-investor-service-centers-iscs-official-points-of-official-points-of-acceptance-collecting-banker-details

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 -

To refer penalties, pending litigation etc. for the last 5 financial years and wherever the amount of penalty is more than 5 lakhs, investors are requested to refer AMC website- https://www.dspim.com/mandatory-disclosures/disclosures-under-offer-documents/penalties-pending-litigation-or-proceedings-findings-of-inspections-or-investigations

Undertaking from Trustees

The Trustees have ensured that DSP REITs & Real Estate Fund, approved by them, is a new product offered by DSP Mutual Fund. DSP REITs & Real Estate Fund has been approved by the Trustees on July 15, 2026.

Notwithstanding anything contained in this SID, the provisions of the SEBI (MF) Regulations, 2026 and the guidelines there under shall be applicable.

For DSP Trustee Private Limited
Trustee: DSP Mutual Fund

Sd/-
Ms. Pravin Tripathi
Director

Place: Mumbai
Date: November 20, 2026