# **KEY INFORMATION MEMORANDUM CUM APPLICATION FORM**

DSP MUTUAL FUND

Investment Manager : DSP Asset Managers Private Limited

Offer of Units at NAV based prices

#### **EQUITY FUNDS:**

DSP Banking & Financial Services Fund DSP ELSS Tax Saver Fund DSP Equity Opportunities Fund DSP Flexi Cap Fund DSP Focus Fund DSP Healthcare Fund DSP India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund) DSP Midcap Fund DSP Multicap Fund DSP Natural Resources and New Energy Fund DSP Quant Fund DSP Small Cap Fund DSP Small Cap Fund DSP TOP 100 Equity Fund DSP Value Fund

PRODUCT LABELLING & SUITABILITY, RISK-O-METER OF SCHEMES, RISK-O-METER AND NAME OF BENCHMARK FOR SCHEMES

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

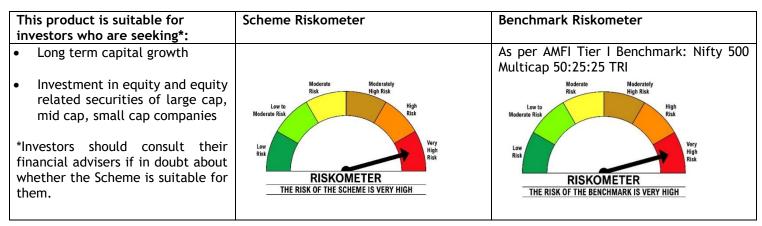
The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.



#### Product labelling & Risk-o-meter of Equity Schemes

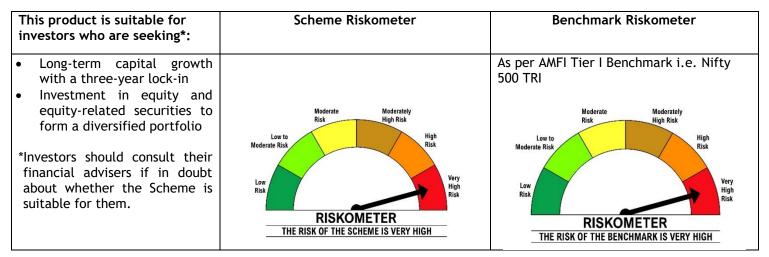
1. DSP Multicap Fund

An open ended equity scheme investing across large cap, mid cap, small cap stocks



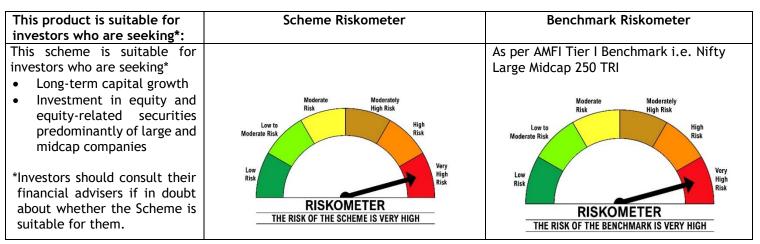
## 2. DSP ELSS Tax Saver Fund

An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit



## 3. DSP Equity Opportunities Fund

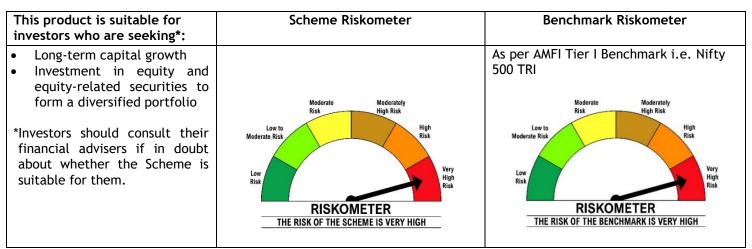
Large & Mid Cap Fund-An open ended equity scheme investing in both large cap and mid cap stocks





## 4. DSP Flexi Cap Fund

An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks



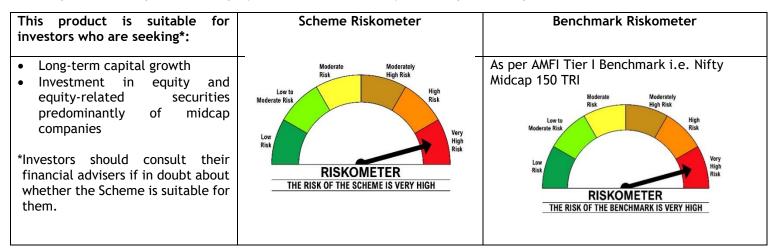
## 5. DSP Focus Fund

An open ended equity scheme investing in maximum 30 stocks. The Scheme shall focus on multi cap stocks

| This product is suitable for investors who are seeking*:  | Scheme Riskometer   | Benchmark Riskometer                               |
|---|---|--|
| <ul> <li>Long-term capital growth<br/>with exposure limited to a<br/>maximum of 30 stocks<br/>from a multi cap<br/>investment universe</li> <li>Investment in equity and<br/>equity-related securities<br/>to form a concentrated<br/>portfolio</li> <li>*Investors should consult<br/>their financial advisers if in<br/>doubt about whether the<br/>Scheme is suitable for them.</li> </ul> | Low to<br>Noderate Risk<br>Low to<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk | As per AMFI Tier I Benchmark i.e. Nifty 500<br>TRI |

## 6. DSP Mid Cap Fund

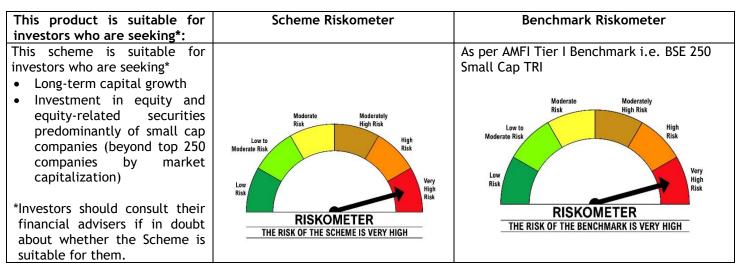
Mid Cap Fund - An Open Ended Equity Scheme Predominantly Investing in Mid Cap Stocks



## DSP MUTUAL FUND

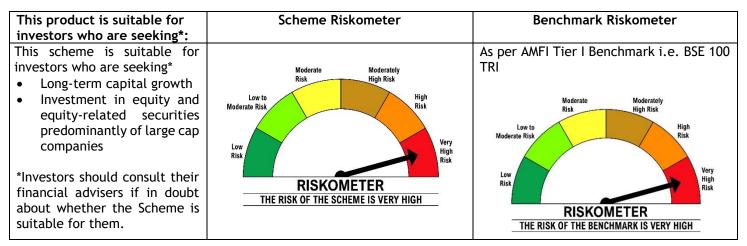
7. DSP Small Cap Fund

Small Cap Fund - An open ended equity scheme predominantly investing in small cap stocks



## 8. DSP Top 100 Equity Fund

Large Cap Fund - An open ended equity scheme predominantly investing in large cap stocks



## 9. DSP Banking & Financial Services Fund

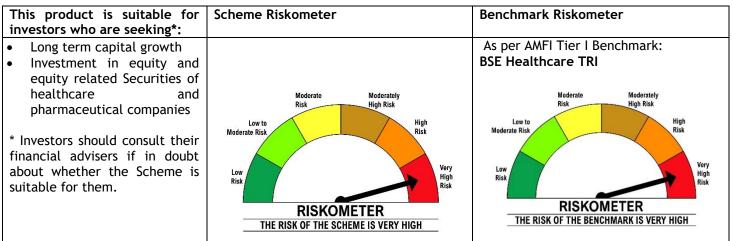
An open ended equity scheme investing in banking and financial services sector

| This product is suitable for investors who are seeking*:   | Scheme Riskometer   | Benchmark Riskometer  |
|--|---|---|
| Long-term capital growth   |   | As per AMFI Tier I Benchmark:   |
|  |   | Nifty Financial Services TRI  |
| <ul> <li>Investment in equity and<br/>equity related securities of<br/>banking and financial services<br/>companies</li> <li>* Investors should consult their<br/>financial advisers if in doubt<br/>about whether the Scheme is<br/>suitable for them.</li> </ul> | Low to<br>Noderate Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk | Low to<br>Moderate<br>Nisk<br>High Risk<br>High<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk |

#### 10. DSP Healthcare Fund

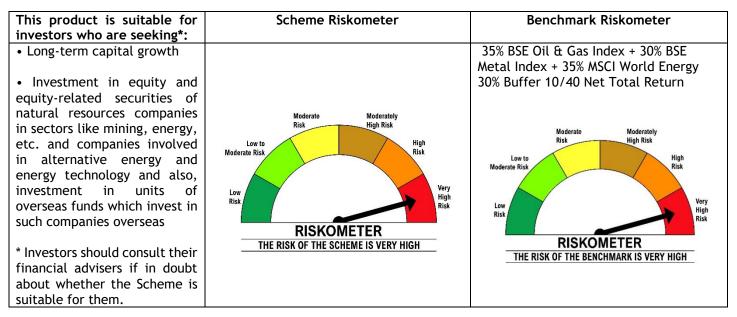
An open ended equity scheme investing in healthcare and pharmaceutical sector





## 11. DSP Natural Resources and New Energy Fund

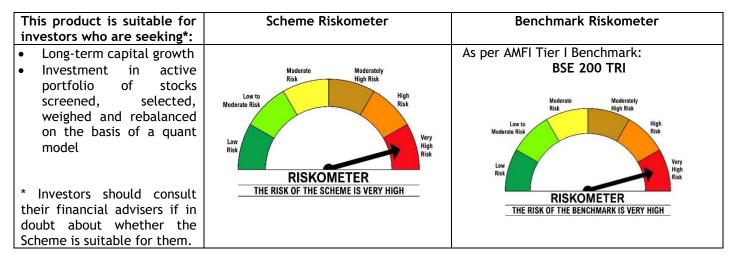
An open ended equity scheme investing in Natural Resources and Alternative Energy sector





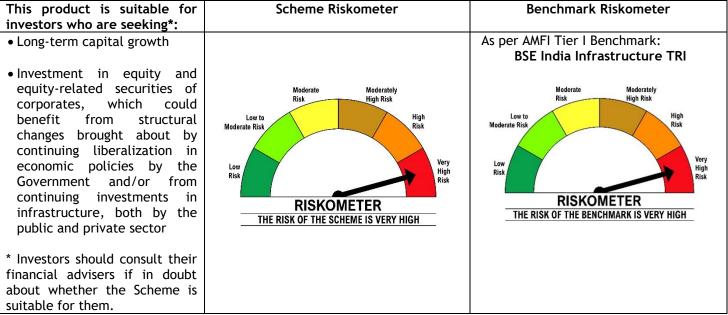
## 12. DSP Quant Fund

## An Open Ended Equity Scheme investing based on a quant model theme



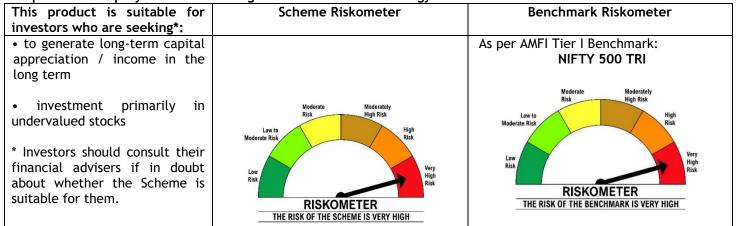
## 13. DSP India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund)

An open ended equity scheme following economic reforms and/or Infrastructure development theme



14. DSP Value Fund

#### An open ended equity scheme following a value investment strategy



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

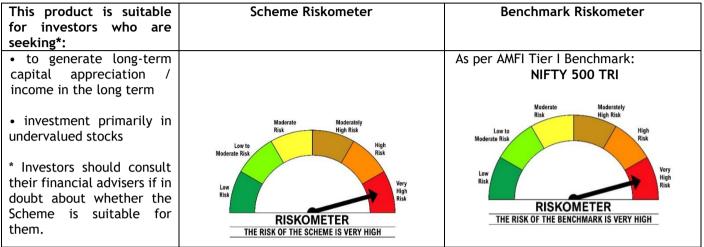
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**KEY INFORMATION MEMORANDUM** 

#### **DSP VALUE FUND**

#### An open ended equity scheme following a value investment strategy



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

#### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                               | DSPM/O/E/VAF/19/11/0042   |  |                     |  |  |  |  |  |
|---|---|--|---------------------|--|--|--|--|--|
| Investment Objective                      | The primary investment objective of the scheme is to seek to generate consistent return<br>by investing in equity and equity related or fixed income securities which are current<br>undervalued.<br>However, there is no assurance that the investment objective of the scheme will b<br>achieved. |  |                     |  |  |  |  |  |
| Asset Allocation<br>Pattern of the Scheme | Under normal circumstances, it be as follows:   | Under normal circumstances, it is anticipated that the asset allocation of the Scheme shall be as follows:     |                     |  |  |  |  |  |
|   | Instrum   | Indicative allocations<br>(% of total assets)  |                     |  |  |  |  |  |
|   | A Equity & Equity related   | d instruments including  | Minimum             | Maximum  |  |  |  |  |
|   | A. Equity & Equity related<br>derivatives\$<br>B. Debt, securitized debt  | _  | 65%                 | 100%   |  |  |  |  |
|   | instruments   | t and money market   | 0%                  | 35%  |  |  |  |  |
|   | C. Units issued by REITs & Inv  | vITs   | 0%                  | 10%  |  |  |  |  |
|   | Indicative Table (Actual instru<br>circulars):  |  |                     |  |  |  |  |  |
|   | Type of Instrument  | Percentage of exposure   | 5                   | Circular<br>references   |  |  |  |  |
|   | Securities Lending  | Upto 50% (upto 5% for a intermediary)  | any single          | Clause 12.1<br>the SEBI Mas<br>Circular  |  |  |  |  |
|   | Derivatives   | upto 100%  |                     | Clause 12.2<br>the SEBI Mas<br>Circular  |  |  |  |  |
|   | Equity Derivatives for non-   |  |                     | Circulai   |  |  |  |  |
|   | hedging purposes  | upto 100%  |                     | -  |  |  |  |  |
|   | Debt Instruments with SO /<br>CE rating   | Upto 10% of the debt p<br>the group exposure in s<br>instruments shall not e<br>the debt portfolio             | such                | -<br>Clause 12.3<br>the SEBI Ma:   |  |  |  |  |
|   | Debt Instruments with SO /  | Upto 10% of the debt p<br>the group exposure in s<br>instruments shall not e                                   | such                | -<br>Clause 12.3<br>the SEBI Ma:   |  |  |  |  |
|   | Debt Instruments with SO /<br>CE rating   | Upto 10% of the debt p<br>the group exposure in s<br>instruments shall not e<br>the debt portfolio             | such                | -<br>Clause 12.3<br>the SEBI Mas<br>Circular<br>-<br>Clause 12.1<br>the SEBI Mas<br>Circular |  |  |  |  |
|   | Debt Instruments with SO /<br>CE rating<br>Securitized Debt   | Upto 10% of the debt p<br>the group exposure in s<br>instruments shall not e<br>the debt portfolio<br>Upto 10% | such<br>xceed 5% of | -<br>Clause 12.3<br>the SEBI Mas<br>Circular<br>-<br>Clause 12.1<br>the SEBI Mas<br>Circular |  |  |  |  |

| Tri-party repos (including<br>reverse repo in T-bills and G-<br>sec)   | Upto 35%                                     | -   |
|--|--|---|
| Other / own mutual funds   | Upto 5 % of AUM of mutual fund<br>level      | Clause 4 of the<br>Seventh<br>Schedule of<br>SEBI (Mutual<br>Funds)<br>Regulations,<br>1996 |
| Repo/ reverse repo<br>transactions in corporate debt<br>securities and money market<br>instruments (except for Repo<br>in Government Securities &<br>Treasury Bills) | Upto 10%                                     | Clause 12.18 of<br>the SEBI Master<br>Circular  |
| Credit Default Swap<br>transactions  | Nil  | -   |
| Covered call option  | Nil  | -   |
| Foreign Securitized debt   | Nil  | -   |
| unrated debt and money<br>market instruments   | Upto 5% (refer Note-1)                       | Clause 12.1 of<br>the SEBI Master<br>Circular   |
| Short Selling  | In terms of guidelines prescribed by<br>SEBI | Regulation 45<br>(2) of SEBI<br>(Mutual Funds)<br>Regulations,<br>1996                      |
| Short Term Deposit   | Refer Note 2                                 | Clause 12.16 of<br>the SEBI Master<br>Circular  |

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

#### Note-

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

#### 2. Short Term Deposit

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 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 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.

|                     | T  |
|---------------------|--|
|                     | <ol> <li>The Trustee shall also ensure that the bank in which a scheme has short term deposits<br/>do not invest in the scheme until the scheme has short term deposits with such bank.</li> <li>AMC will not charge any investment management and advisory fees for parking of funds<br/>in short term deposits of scheduled commercial banks.</li> </ol>   |
|                     | The above provisions do not apply to term deposits placed as margins for trading in cash and derivative market.  |
|                     | Cumulative Gross Exposure  |
|                     | As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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. |
|                     | 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.  |
|                     | 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 Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.  |
| Investment Strategy | Investment Strategy for Equity Investments   |
|                     | The Scheme is an open-ended Scheme that aims to provide long term capital growth by investing primarily in a well-diversified portfolio of companies that are selected based on the criteria of Value Investing. Value investing is an investment strategy where stocks are selected that trade for less than their intrinsic values.  |
|                     | The Scheme proposes to carefully accumulate a portfolio of stocks, which are available at<br>a discount to its intrinsic value through a process of Discovery. The Discovery Process would<br>be through identification of such stocks, which have attractive valuations in relation to<br>earnings or book value or current and/or future IDCWs and are available at a price, which<br>can be termed as a bargain. This may constitute stocks, which have depreciated for a short   |

period due to some exceptional circumstance or due to market correction phase or due to lack of interest in investing in a sector, which has significantly underperformed the market. Such stocks are considered to have intrinsic value because of their business models and show potential for smart growth in the future. Intrinsic value of a stock is determined through analyzing the financial statements of the companies and parameters such as EPS (Earnings per Share), the Book Value per share, free cashflow yield relative to repo rate, replacement cost, EV/EBITDA multiple which is available at significant discount to their historical averages, understanding the competition land-scape and business structure of these companies. The universe of stocks for this Scheme will be defined as those stocks whose prices are low relative to their fundamentals, their historic performance, their book values, their earnings and cash flow potential, current and/or future IDCWs, having positive earnings momentum.

For investment, AMC would use industry specific valuation measures to evaluate companies in every sector in order to select the most attractive companies for the portfolio.

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 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 endeavor 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) Corporate Action / Event Driven Strategies:
  - A. IDCW Arbitrage
    - At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.

| B. Buy-Back/ Open Offer Arbitrage  |   |
|--|---|
| <ul> <li>When the Company announces the buy-back or oper<br/>there could be opportunities due to price different<br/>traded price.</li> </ul>  |   |
| C. Merger  |   |
| <ul> <li>When the Company announces any merger, amale<br/>merger, etc, there could be opportunities due to<br/>cash and the derivative market.</li> </ul>  |   |
|  |   |
| 6) Portfolio Hedging:<br>This strategy will be adopted:  |   |
| <ul> <li>If in an already invested portfolio of a Scheme, the<br/>expecting a market correction, the Investment n<br/>Futures to insulate the portfolio from the market r</li> </ul>   | nanager may sell Index<br>related risks.  |
| <ul> <li>If there are significant inflows to the Scheme and t<br/>are bullish, the Investment manager may buy Inc<br/>participation in the equity markets. This strategy is<br/>to achieve the desired invested levels</li> </ul>  | lex Futures to continue   |
| 7) Reverse Arbitrage:  |   |
| <ul> <li>This strategy will be adopted if the cash price of<br/>reasonably greater than single stock futures of<br/>Investment Manager may sell cash position in XY<br/>futures of XYZ. In this case the Investment Manag<br/>long-term view on the stock XYZ but is able to mini<br/>of XYZ</li> </ul>  | of XYZ, and then the<br>Z and buy single stock<br>fer will still be having a                              |
|  |   |
| Fixed Income Derivatives   |   |
| <ul> <li>1) Interest Rates Swap         <ul> <li>The primary reason for engaging in an interest rate interest rate exposure</li> </ul> </li> </ul>   | te swap is to hedge the   |
| 2) Interest Rate Futures (IRF)   |   |
| IRFs can be used for hedging the underlying cash p   | ositions.   |
| 3) Forward Rate Agreement (FRA)  |   |
| <ul> <li>An FRA is an off balance sheet agreement to pay of<br/>future date, the difference between an agreed<br/>interest rate actually prevailing on that future<br/>agreed notional principal amount.</li> </ul>  | interest rate and the   |
| <ul> <li>FRAs are purchased to hedge the interest rate in<br/>uncertainty of the interest rate movements can f<br/>purchasing an FRA.</li> </ul>   |   |
| Derivative products are leveraged instruments and can provide di<br>well as disproportionate losses to the investor. Execution of such s<br>the ability of the fund manager to identify such opportunities. Iden<br>of the strategies to be pursued by the fund manager involve unce<br>fund manager may not always be profitable. No assurance can<br>manager will be able to identify or execute such strategies.<br>The risks associated with the use of derivatives are different from o | strategies depends upon<br>tification and execution<br>ertainty and decision of<br>be given that the fund |
| the risks associated with investing directly in securities and other t   |   |
| For detailed derivative strategies, please refer to SAI.   |   |
| Strategy for Fixed Income Securities   |   |
| The Investment Manager will conduct in-house research in ord<br>investment opportunities. The company-wise analysis will focus,<br>historical and current financial condition of the comp  | amongst others, on the  |

| -                          | 1   |
|----------------------------|---|
|                            | creation/unlocking of value and its impact on earnings growth, capital structure, business<br>prospects, policy environment, strength of management, responsiveness to business<br>conditions, product profile, brand equity, market share, competitive edge, research,<br>technological knowhow and transparency in corporate governance. The Investment<br>Manager will invest only in those debt securities that are rated investment grade by a<br>domestic credit rating agency such as CRISIL, ICRA, CARE, FITCH etc. or in unrated debt<br>securities which the Investment Manager believes to be of equivalent quality. In the case<br>of unrated debt securities, the approval of the Board of Directors of the AMC and Trustee<br>shall be obtained prior to investment.<br><b>Portfolio Turnover</b>   |
|                            | 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.  |
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.   |
|                            | Scheme specific Risk Factors are summarized below:  |
|                            | 1) Risk of substantial redemption, 2) Risks associated with segregated portfolio, 3) Risks associated with transacting in scheme units through stock exchange mechanism, 4) Risk associated with principles of efficient portfolio management 5) Risk factors related to Taxation of overseas investments 6) Risks associated with Equity and Equity-related securities / investments, 7) Risk associated with Securities Lending & Borrowing and Short Selling, 8) Risks Associated with Trading In Equity Derivatives, 9) Risks associated with investments in REITs & InvITs, 10) Risk Factors associated with investments in Debt Securities and Money Market Securities, 11) Risk factors associated with investment in debt instruments having structured obligations /credit enhancements, 12) Risk factors associated with investment in special feature bonds, 14) Risk factors associated with investment in Tri-Party Repo, 15) Risk associated with investments in Perpetual Debt Instrument (PDI), 17) Risks associated with fixed income Derivatives, 20) Risk factors with respect to imperfect hedging using interest rate futures, 21) Risks associated with Depository Receipts, 22) Risk management for risk associated with Depository Receipts |
|                            | For details on risk factors and risk mitigation measures, please refer SID.   |
|                            | Risk Mitigation Strategies:   |
|                            | I. Risks associated with Equity investments:  |
|                            | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed<br>by creating a portfolio which has adequate access to liquidity. The Investment<br>Manager will select securities, which have or are expected to have good secondary<br>market liquidity. Market Liquidity Risk will be managed actively within the portfolio<br>liquidity limits by maintaining proper asset-liability match to ensure payout of the<br>obligations. The first access to liquidity will be through cash and fixed income<br>securities if any.   |
|                            | ii. <b>Concentration Risk:</b> 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

## II. 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.

#### III. 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.

#### IV. 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.

#### V. 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.

#### VI. Risks associated with Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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.

#### VII. 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.

#### VIII. Risk associated with investments in repo of corporate debt securities

The Investment Manager will endeavor to manage counterparty risk in corporate debt repos by dealing only with counterparties having strong credit profiles or through triparty corporate repos done on the exchange platforms. The collateral risk is mitigated by restricting participation in repo transactions only in AA and above rated money market and corporate debt securities, where potential for downgrade/default is low. In addition, appropriate haircuts are applied on the market value of the underlying securities to adjust for the illiquidity and interest rate risk on the underlying instrument.

- IX. 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,

|                   | international fu<br>invest in other i<br>the domestic fun<br>v. Monitoring over<br>The Investment<br>case of an adver<br>like investing act<br>action to ensure<br>X. Risk management<br>Should there be investm | nd. In such circumstances, the<br>nternational funds, which have<br>a seas investment limits:<br>Manager will keep monitoring<br>rese event the Investment Man<br>ross other areas as permitted by<br>that the investor interest is s<br>c for risk associated with Dep<br>ents in ADRs/GDRs of Indian co<br>be fund manager will ensure the |   |
|-------------------|--|--|---|
| Plans and options |  |  |   |
|                   | Plan   | Options Available  | Sub-Option  |
|                   | Regular Plan and   | Growth   | -   |
|                   | Direct Plan  | Income Distribution cum<br>Capital Withdrawal(IDCW)  | Payout of Income Distribution<br>cum Capital Withdrawal (IDCW)<br>&   |
|                   |  |  | Reinvestment of Income<br>Distribution cum Capital<br>Withdrawal (IDCW)<br>n Capital Withdrawal options the   |
|                   | of sale price that repres<br>Default Option-<br>Investors should indicate<br>form. In case of valid ap   | ents realized gains.<br>the name of the Scheme and/<br>plications received, without ir<br>ils regarding option are not   | Equalization Reserve), which is part<br>for Option, clearly in the application<br>ndicating the Scheme and/or Option<br>clear or ambiguous, the following |
|                   |  | n under the following  | Default   |
|                   | Option - Growth / IDC  |  | Growth  |
|                   | In case an investor/Un application form, then  |  | he plan and broker details in the<br>essed under respective option/sub-   |
| Applicable NAV    | valid application is accept<br>on a Business Day, sub-<br>stamped upto the releva<br>acceptance of transaction<br>will be accepted on the<br>not on the basis of date  | oted and time stamped. An applect to it being complete in<br>ant cut-off time as specified bons. Applications received via<br>basis of when the application<br>and time of receipt of the pos  |   |
|                   |  |  | er Circular, in respect of purchase of rnight 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 cutoff 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.

| Particulars  | Applicable NAV<br>Closing NAV of<br>same Business Day<br>shall be applicable  |  |  |
|--|---|--|--|
| Where the valid application is received upto cut-<br>off time of 3.00 p.m. on a business day at the<br>official point(s) of acceptance and funds for the<br>entire amount of subscription/purchase are<br>available for utilization upto 3.00 p.m. on the<br>same Business Day.                                  |   |  |  |
| Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase are available for<br>utilization after 3.00 p.m. on the same Business Day<br>or on any subsequent Business Day | Closing NAV of such<br>subsequent<br>Business Day or<br>which the fund<br>are available fo<br>utilization prior to<br>3.00 p.m. |  |  |
| Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase/switch-in are<br>available for utilization upto 3.00 p.m. on the same<br>Business Day.                        | Closing NAV o<br>subsequent<br>Business Day shal<br>be applicable   |  |  |
| (b) Redemption and Switch-out  |   |  |  |
| Particulars  | Applicable NAV  |  |  |
| Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.  |   |  |  |
| Where the valid application is received after 3.00 p.m.  | NAV of the nex<br>Business Day.   |  |  |

**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.

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 u<br>all open-ended Schemes of the Fund: All transactions as per conditions mentioned b<br>shall be aggregated and closing NAV of the day on which funds for respective transac<br>(irrespective of source of funds) are available for utilization.  |   |   |  |  |
|--|--|---|---|--|--|
|  | a. All transactions received stamping rule).   | d on same Business Day  | as per cut-off timing and Time  |  |  |
|  | b. Aggregation of transaction  | ons shall be applicable to  | the Scheme.   |  |  |
|  | c. Transactions shall includ<br>SIP/STP and trigger trans  | • • •   | ourchases and exclude Switches,   |  |  |
|  | Permanent Account Num<br>with similar holding pat  | ber (PAN). In case of join<br>tern will be aggregated.  | basis of investor/s/Unit Holder/s<br>nt holding in folios, transactions<br>The principle followed for such<br>ilation of Consolidated Account |  |  |
|  | e. All transactions will be ag<br>in point no.4 above.   | ggregated where investor  | holding pattern is same as stated   |  |  |
|  | -  |   | shall be clubbed. It will include<br>Plan, Direct Plan, IDCW Option,  |  |  |
|  | with the transaction in  | the name of same gu   | n guardian will not be aggregated<br>ardian. However, two or more<br>same guardian will be considered   |  |  |
|  | h. 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.   |   |   |  |  |
|  | i. Irrespective the date and time of debit to the customer bank accounts, the data<br>and time of actual credit in the Scheme's bank account, which could be different<br>due settlement cycle in the banking industry, would be considered for applicability<br>of NAV.   |   |   |  |  |
|  | <ol> <li>Investors are advised to make use of digital/electronic payment to transfer the<br/>funds to the Scheme's bank account.</li> </ol>  |   |   |  |  |
|  | 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 I   | been received on the nex  | t Business Day.   |  |  |
| Minimum Application<br>Amount /Number of |  |   |   |  |  |
| Units                                    | Purchase   | Additional Purchase   | Redemption*   |  |  |
|  | Rs. 100/- and any amount Rs. 100/- and any N.A. thereafter.  |   |   |  |  |
|  | *In case of Units held in demate<br>with DPs or on Stock exchange F  |   | nption request can be given only<br>ber of Units.   |  |  |
|  |  | 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 |   |  |  |
| L  | <u> </u>   |   |   |  |  |

|   |  |   |   |  | 1  |  |
|---|--|---|---|--|--|--|
| Minimum installment<br>Amount for Systematic<br>Investment Plan (SIP)                                       | Rs. 100/- and any amount thereafter  |   |   |  |  |  |
| Minimum installment<br>Amount for Systematic<br>Withdrawal Plan (SWP)/<br>Systematic Transfer<br>Plan (STP) | Rs. 100/- and any amount thereafter  |   |   |  |  |  |
| Dispatch of Repurchase<br>(Redemption) Request  | Redemption within the authorised cent  |   | the acceptance of Fund.   | the redemption   | n request at any of  |  |
|   | 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 clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above. |   |   |  |  |  |
| Benchmark Index   | NIFTY 500 TRI  |   |   |  |  |  |
| IDCW Policy   | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.  |   |   |  |  |  |
| Name & tenure of the<br>Fund Manager  | Ms. Aparna Karnik<br>Tenure: 2 Years anc   | l 6 Months (Manag   | ing this Scheme since   | e May 2022)  |  |  |
|   | Ms. Kaivalya Nadkar<br>Tenure: 1 Month (M  |   | ne since Oct 2024)  |  |  |  |
| Name of the Trustee<br>Company  | DSP Trustee Private  | e Limited   |   |  |  |  |
| Performance of the<br>Scheme  | (a) Compounded An  | nualised Returns  | as of September 30  | ), 2024  |  |  |
|   | Period   | DSP Value<br>Fund -<br>Direct<br>Plan -<br>Growth<br>option                   | NIFTY 500 TRI   |  |  |  |
|   | Last 1 Year  | 43.00%  | 41.27%  | 44.11%   | 41.27%   |  |
|   | Last 3 Year  | 17.74%  | 18.42%  | 18.64%   | 18.42%   |  |
|   | Last 5 Year  |   |   |  |  |  |
|   | Since Inception<br>NAV/ Index  | 22.48%  | 23.94%  | 23.41%   | 23.94%   |  |
|   | value  | 21.6430   | 38,261.39   | 22.2800  | 38,261.39  |  |
|   | Date of 10-Dec-20 10-Dec-20 allotment  |   |   |  |  |  |
|   | Note: As per the SEB<br>calculated on Rs. 10<br>to be the date of<br><b>performance may o</b> r<br><b>comparison with otl</b><br>The Regular Plan and<br>their returns are exp   | /- invested at ince<br>allotment. The<br>r may not be sust<br>her investments | eption. For this purp<br>"Returns" shown a<br>ained in future and | ose the incepti<br>re for the gro<br><b>should not be</b><br>ve a common p | on date is deemed<br>owth option. Past<br>used as a basis for<br>portfolio; however, |  |

|  | *All benchmark                     | returns are co                    | mputed basis                             | Total Return               | Index.   |  |
|--|------------------------------------|-----------------------------------|--|----------------------------|--|--|
|  |                                    | Returns for eac                   |  |                            |  |  |
|  | 50.00%                             |                                   |  |                            |  | 39.47%<br>3.41%<br>40.49%                              |
|  | 40.00% -                           |                                   | und - Dir - Growth<br>und - Reg - Growth |                            |  | 39.47%   |
|  | 30.00% -                           | ■ NIFTY 500 T                     | RI                                       | 19.45%<br>18.54%<br>22.29% |  |  |
|  | 20.00% -                           |                                   | 10.77%<br>10.51%<br>10.78%               |                            |  |  |
|  | 10.00% -                           |                                   |  |                            | <b>1</b> .68%<br>0.92%                             |  |
|  | 0.00%                              | 1                                 |  |                            |  | 1.22%  |
|  | -10.00%                            | FY20                              | FY21 (10/Dec-<br>31/Mar)                 | FY22                       | FY23   | FY24   |
|  |                                    |                                   |  |                            |  | on and computed fro<br>the respective financi          |
| Additional Scheme<br>Related Disclosures | variou                             |                                   | tps://www.ds                             |                            |  | und allocation toward<br>closures/top-10-issuer        |
|  |                                    | sure of name a<br>ntage of NAV of |  |                            |  | roups and sectors as                                   |
|  |                                    | te link for Po<br>//www.dspim.    |  |                            |  | Aonthly/ Half Yearly<br><u>disclosures</u>             |
|  | iv. Portfo                         | lio Turnover Ra                   | ate - 1.1000 T                           | imes                       |  |  |
| Expenses of the<br>Scheme                | Holding period                     | d from the date                   | of allotment:                            |                            |  |  |
| (i) Load Structure                       | <ul><li>&gt; 12 months -</li></ul> |                                   |  |                            |  |  |
| (as %age to NAV)                         |                                    | load shall be<br>Ind vice versa.  | levied in case                           | e of switch of             | f investment                                       | ts from Direct Plan t                                  |
| (ii) Recurring Expenses                  | Slab Rates                         |                                   | assets                                   | as per T<br>on 52(6) R     | dditional<br>ER as per<br>egulation<br>2 (6A) (c)^ | Additional TER<br>as per<br>Regulation 52<br>(6A) (b)^ |
|  | on the first<br>the daily ne       | Rs.500 crores                     |  |                            | .05%   | 0.30%  |
|  |                                    | Rs.250 crores                     | of 2.00%                                 | 0                          | .05%   | 0.30%  |
|  |                                    | t Rs.1,250 cro                    | res 1.75%                                | 0                          | .05%   | 0.30%  |

| on the next Rs.3,000 crores of the daily net assets     | 1.60%  | 0.05% | 0.30% |
|---|--|-------|-------|
| on the next Rs.5,000 crores<br>of the daily net assets  | 1.50%  | 0.05% | 0.30% |
| On the next Rs.40,000 crores<br>of the daily net assets | Total expense<br>ratio reduction of<br>0.05% for every<br>increase of<br>Rs.5,000 crores of<br>daily net assets or<br>part thereof | 0.05% | 0.30% |
| On balance of the assets                                | 1.05%  | 0.05% | 0.30% |

## Notes to Table:

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

Expense Structure for Direct Plan -

|   | under Direct Plan sha<br>expenses for gross nev<br>expenses charged in a   | ower expense ratio than Regular Plan of the Scheme. The expenses<br>ll exclude the distribution and commission expenses and additional<br>v flows from specified cities under regulation 52(6A)(b). All fees and<br>direct plan (in percentage terms) under various heads including the<br>bry fee shall not exceed the fees and expenses charged under such<br>n.            |
|---|--|---|
|   | For the actual curren of the Mutual Fund (w                                | t expenses being charged, the investor should refer to the website <a href="http://www.dspim.com">www.dspim.com</a> ) .   |
|   |  | e previous financial year (2023-2024):<br>ar Plan   |
|   | per Regulation 52 of   | recurring expenses that can be charged to the Scheme would be as<br>the SEBI (MF) Regulation, 1996. Investors are requested to read<br>me Recurring Expenses" in the SID.   |
| Tax treatment for the<br>Investors (Unit Holders) | Investors are advised t<br>also independently ref                          | o refer to the details in the Statement of Additional Information and<br>Fer to his tax advisor.  |
| Daily Net Asset Value<br>(NAV) Publication        |  | ne/plans will be calculated by the Mutual Fund on each Business Day<br>lable by 8:30 p.m. of the immediately succeeding Business Day.   |
|   | day, by calling the of locations. The NAV                                  | Vs of the Scheme/plans may be obtained by the Unit Holders, on any ifice of the AMC or any of the Investor Service Centres at various of the Scheme will also be updated on the AMFI website nd on <a href="http://www.dspim.com">www.dspim.com</a> .   |
|   | specific request in thi  | s shall be available to unitholders through SMS, upon receiving a s regard. Refer relevant disclosures mentioned in the Statement of ('SAI') available on AMC website i.e. <u>www.dspim.com</u>   |
| For Investor Grievances<br>please contact         | Name and Address<br>of Registrar   | Computer Age Management Services Limited (CAMS)<br>Address - Computer Age Management Services Limited, No.<br>178/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>Palmgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>Website -<br>https://www.camsonline.com/Investors/Support/Grievances  |
|   | Name and Address<br>of Investor<br>Relations Officer of<br>DSP Mutual Fund | Mr. Prakash Pujari<br>Investor Relations Officer<br>DSP Asset Managers Private Limited, Natraj, Office Premises<br>No. 302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri<br>(East), Mumbai - 400069, Tel.: 022 - 67178000<br>E-mail: <u>service@dspim.com</u>   |
| Unit Holders<br>Information                       | allotted shall I<br>mobile numbe   | ements: Allotment confirmation specifying the number of Units<br>be sent to the Unit holders at their registered e-mail address and/or<br>r by way of email and/or SMS within 5 working Days from the date of<br>valid application/transaction.   |
|   | mutual funds (<br>the end of t<br>transaction(s)<br>15th of the su         | d Account Statement (CAS) detailing all the transactions across all<br>(including transaction charges paid to the distributor) and holding at<br>he month shall be sent to the Unit holders in whose folio(s)<br>have taken place during the month by mail or email on or before<br>cceeding month. However, if the investor wishes to opt for physical<br>lest for the same. |

|                 | Half-yearly CAS shall be issued at the end of every six months (i.e. September/<br>March) on or before 21st day of succeeding month, to all investors providing the<br>prescribed details across all schemes of mutual funds and securities held in<br>dematerialized form across demat accounts, if applicable.   |
|-----------------|--|
|                 | For further details, please refer SAI.   |
|                 | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website www.amfiindia.com and website of AMC viz. www.dspim.com on or before the 10th day of succeeding month.   |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | 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.   |
|                 | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |
|                 | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.dspim.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year. |
|                 | In case of unit holders whose email addresses are not available with the Fund, the<br>AMC shall send physical copies of scheme annual reports or abridged summary to<br>those unitholders who have 'opted-in' to receive physical copies. The opt-in<br>facility to receive physical copy of the scheme-wise annual report or abridged<br>summary thereof shall be provided in the application form for new subscribers.   |
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com  |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| 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   |
|                 |  |

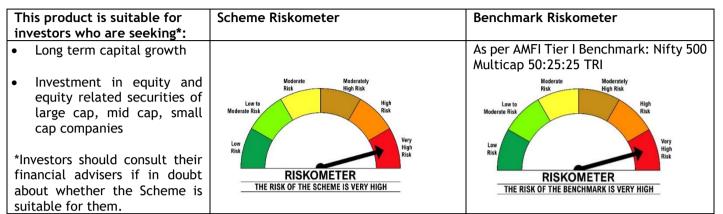
|                            | The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.: Not Applicable.  |
|----------------------------|--|
| Risk-o-Meter<br>Disclosure | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|                            | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:   |
|                            | <ul> <li>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.</li> </ul>  |
|                            | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.  |
|                            | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall<br>be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters<br>along with portfolio disclosure for their schemes on AMCs website and on AMFI website<br>within 10 days from the close of each month (For AMC Refer Link-<br><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI-<br>refer link- <u>https://www.amfiindia.com/investor-corner/online-<br/>center/riskmeterinformation</u> ). |
|                            | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ).  |
|                            | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |
| Stamp Duty                 | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.   |
|                            | For further details, please refer SAI.   |



#### **KEY INFORMATION MEMORANDUM**

#### **DSP Multicap Fund**

#### (An open ended equity scheme investing across large cap, mid cap, small cap stocks)



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

#### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                               | DSPM/O/                            | E/MCF/23/07/0071   |                     |   |  |
|---|------------------------------------|--|---------------------|---|--|
| Investment Objective                      |                                    | stment objective of the schen<br>ortfolio of equity and equity re  |                     |   |  |
|   | There is                           | no assurance that the invest   | ment ol             | bjective of the Schem                                       | e will be achieved.  |
| Asset Allocation<br>Pattern of the scheme | Under no                           | ormal circumstances, the asset   | allocat             | ion of the Scheme will                                      | be as follows:   |
|   | Instru                             | ments  | Indicat             | tive Allocations (% of                                      | total assets)  |
|   |                                    |  | Minim               | um Maximun  | 1  |
|   | Equity<br>of whi                   | and equity related securities ch#:   | 75%                 | 100%  |  |
|   | -                                  | Large cap companies  | 25%                 | 50%   |  |
|   | -                                  | Mid cap companies  | 25%                 | 50%   |  |
|   | -                                  | Small cap companies  | 25%                 | 50%   |  |
|   | Equity<br>securi                   | and equity related overseas  | 0%                  | 25%   |  |
|   | Debt<br>Instrui                    | and Money Market<br>ments*   | 0%                  | 25%   |  |
|   | Units i                            | ssued by REITs & InvITs  | 0%                  | 10%   |  |
|   | *Includes<br>party rep<br>to time. | ap" shall consist of 251st comp<br>only government securities, t<br>oos and other like instruments a<br><b>re Table (Actual instrument/p</b> | reasury<br>as speci | bills, reverse repos in <u>s</u><br>fied by the Reserve Bar | overnment securities, tri-<br>k of India/ SEBI from time                         |
|   | circulars                          |  |                     |   |  |
|   | Sl. No                             | Type of Instrument   |                     | Percentage of exposure                                      | Circular references  |
|   | 1.                                 | Securities Lending   |                     | 20       %       (Single<br>intermediary 5%)                | Clause 12.11 of the SEBI<br>Master Circular                                      |
|   | 2.                                 | Derivatives  |                     | Upto 50%  | Clause 12.25 of the SEBI<br>Master Circular                                      |
|   | 3.                                 | Equity Derivatives for non-<br>purposes  | nedging             | Upto 50%  | Clause 12.25 of the SEBI<br>Master Circular                                      |
|   | 4.                                 | Securitized Debt   |                     | NIL   | -  |
|   | 5.                                 | Overseas Securities  |                     | Upto 25%<br>NIL Foreign debt<br>Securities                  | Clause 12.19 of the SEBI<br>Master Circular                                      |
|   | 6.                                 | ReITS and InVITS   |                     | Upto 10%  | Clause 13 in the Seventh<br>Schedule of SEBI (Mutual<br>Funds) Regulations, 1996 |
|   | 7.                                 |  | special             | NII   | -  |
|   |                                    |  | •                   |   |  |
|   | 8.                                 | Debt Instruments with<br>features (AT1 and AT2 Bonds<br>Debt Instruments with SO / C   | )                   |   | -  |

| 10. | Other / own mutual funds           | Upto 25% in DSP        | Clause 4 of the Seventh    |
|-----|------------------------------------|------------------------|----------------------------|
|     |                                    | Mutual Fund subject to | Schedule of SEBI (Mutual   |
|     |                                    | overall limit of 5%    | Funds) Regulations, 1996   |
|     |                                    | Mutual fund level      |                            |
| 11. | Repo/ reverse repo transactions in | NIL                    | -                          |
|     | corporate debt securities          |                        |                            |
| 12. | Credit Default Swap transactions   | Nil                    | -                          |
|     | •                                  |                        |                            |
| 13. | Writing of call options under      | Refer note 1           | Clause 12.25.8 of the SEBI |
|     | covered call strategy              |                        | Master Circular            |
| 14. | unrated debt and money market      | Upto 5% (refer Note 2) | -                          |
|     | instruments                        |                        |                            |
| 15. | Short Selling                      | In terms of guidelines | -                          |
|     | -                                  | prescribed by SEBI     |                            |
| 16. | Short Term Deposit                 | Refer Note 3           | Clause 12.16 of the SEBI   |
|     | -                                  |                        | Master Circular            |

**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 Clause 12.25.2 of 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.

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

h. The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

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

Note 3 -Pending deployment of the funds of the Scheme:

Pending deployment of the funds of the Scheme shall be in terms of clause 12.16 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. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
- 2. Such short-term deposits shall be held in the name of the Scheme.
- 3. The Scheme shall not invest 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, investing 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 invest more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.
- 5. The Trustee shall ensure that the funds of the Scheme are not invested in the short term deposits of a bank which has invested in the 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 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. Such deposits shall be held in the name of the Scheme.

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

## Stock Lending:

In accordance with clause 12.11 of the SEBI Master Circular, 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.

#### Cumulative gross exposure -

As per clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through Equity & equity related instruments, Debt, Money market instruments, units of REITs & InvITs, derivative positions and other permitted securities/assets and such other securities/assets as may be permitted by the Board/SEBI from time to time should 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 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.

#### 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 on defensive considerations in accordance with clause 1.14.1.2 of the SEBI Master Circular. The intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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 clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/<br>SEBI from time to time, in the event of deviation from mandated asset allocation mentioned,<br>passive breaches (i.e. occurrence of instances not arising out of omission and commission of<br>AMC), shall be rebalanced within 30 business days. Where the portfolio is not rebalanced within<br>above mentioned period, justification in writing, including details of efforts taken to rebalance<br>the portfolio shall be placed before Investment Committee. The Investment Committee, if so<br>desires, can extend the timelines up to sixty (60) business days from the date of completion of<br>mandated rebalancing period.<br>In case the portfolio is not rebalanced within the aforementioned mandated plus extended<br>timelines the AMC shall comply with the prescribed restrictions, the reporting and disclosure<br>requirements as specified in Clause 2.9.3 and 2.9.4 of the SEBI Master Circular. |
| Investment Strategy | Investment Strategy for Equity Investments  |
|                     | The investment objective of the Scheme is to generate long term capital appreciation by actively investing in equity and equity related securities of large cap, mid cap and small cap companies. The Scheme will maintain a minimum exposure of 25% of its total assets in each market cap category viz. Large cap, Mid cap & Small cap. The Scheme may also invest upto 25% of its total assets in debt and money market securities. The Scheme will remain diversified across key sectors and economic variables. Currently the large cap companies are the 1st-100th, mid cap companies are 101st - 250th and small cap companies are 251st company onwards in terms of full market capitalisation. The list of stocks would be as per the list published by AMFI in accordance with the said circular and updated on half yearly basis.  |
|                     | The portfolio construction will be based on a "bottom up" approach as well as a "top down" approach.  |
|                     | <ul> <li>From a bottom up standpoint, the fund Manager will evaluate amongst other things</li> <li>The business environment that a company operates in</li> <li>The opportunity for growth in its chosen areas</li> <li>Capital efficiency</li> <li>capability of the management to execute and scale up the business</li> <li>capital allocation strategy and</li> <li>valuation of the company based on fundamentals like discounted cash flows, PE ratios, EV/ Sales multiples and various other valuations tools.</li> </ul>  |
|                     | From a top down standpoint, the fund manager will evaluate mega trends, changes, reforms expected to be witnessed in India and evaluate investment opportunities that could benefit from these trends over the long term.   |
|                     | 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.  |
|                     | Derivative Strategy   |
|                     | 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) Reverse Arbitrage:

This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

## 7) 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.

For detailed derivative strategies, please refer to SAI.

| Risk Profile of the<br>scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read<br>the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are<br>summarized below:   |
|-------------------------------|--|
|                               | 1) Risks associated with transacting in scheme units through stock exchange mechanism, 3) Risk associated with principles of efficient portfolio management, 4) Risk associated with favorable taxation of certain scheme in India, 5) Risk factors related to Taxation of overseas investments 6) Risks associated with Equity and Equity-related securities / investments, 7) Risk associated with Securities Lending & Borrowing and Short Selling, 8) Risks Associated with Trading In Equity Derivatives, 9) Risks associated with Covered Calls Strategy, 10) Risks associated with investments in REITs & InvITs, 11) Risk Factors associated with investments in Debt Securities and Money Market Securities, 12) Risk factors associated with investment in Tri-Party Repo, 13 Risks associated with segregated portfolio, 14) Risks associated with Overseas Securities, 15 Risk associated with investments in overseas mutual funds / ETFs / Index Funds, 16) Additiona Risk associated with investing in underlying ETFs, & 17) Risks associated with Depositor Receipts. |
|                               | For details on risk factors and risk mitigation measures, please refer SID.  |
|                               | Risk Mitigation Strategies   |
|                               | Risks associated with Equity investments:  |
|                               | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed by cr<br>ating a portfolio which has adequate access to liquidity. The Investment Manager will<br>elect securities, which have or are expected to have good secondary market liquidity<br>Market Liquidity Risk will be managed actively within the portfolio liquidity limits by r<br>aintaining proper asset-liability match to ensure payout of the obligations. The first a<br>cess to liquidity will be through cash and fixed income securities if any.  |
|                               | ii. <b>Concentration Risk:</b> The Scheme will try and mitigate this risk by investing across lar e number of companies/sectors and endeavor to keep stock-specific concentration ris relatively low.  |
|                               | iii. <b>Market Risk:</b> 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 Intersement 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 talle-conferences. The company- wise analysis will focus, amongst others, on the historial and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, police environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological knowow 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<br>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 b   |
|                               | maintaining proper asset-liability match to ensure payout of the obligations. Also to ensure tha 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 Debt Securities and Money Market Securities:

i. **Market Liquidity Risk:** The liquidity risk will be managed and/or sought to be addresse d by creating a portfolio which has adequate access to liquidity. The Investment Manag er will select fixed income securities, which have or are expected to have high second ary market liquidity. Market Liquidity Risk will be managed actively within the portfoli o liquidity limits by maintaining proper asset-liability match to ensure payout of the ob ligations.

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 for the reference tenors like 10 years, 5 years etc. 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 ma king investments in securities issued by borrowers post detailed credit review internall y. The credit research process includes a detailed in-house analysis and due diligence w here 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 l imits are reviewed periodically by taking into consideration the financial statements a nd operating strength of the issuer.
- iii. **Rating Migration Risk:** The endeavor is to invest in well researched issuers. The due di ligence performed by the fixed income team before assigning credit limits and the peri odic credit review and monitoring should help keep the rating migration risk low for co mpany-specific issues.
- iv. Interest Rate Risk: The investment managers will endeavor to keep the duration withi n the permissible limit as defined by the scheme document and based on the investme nt objectives.
- v. **Re-investment Risk:** The Investment Manager will endeavor that besides the tactical a nd/or strategic interest rate calls, the portfolio is fully invested.
- vi. **Term Structure of Interest Rates (TSIR) Risk:** The Scheme is expected to have duratio n based on the investment objective and limits defined in the scheme documents. Dep ending on the nature of the scheme, the Term Structure of Interest Rates (TSIR) Risk c annot 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 wit                                     | h overseas mutual fur  | nds / ETFs and Index s   | securities:   |                                  |
|-------------------|---|--|--|---|----------------------------------|
|                   |   | <b>sk on account of inves</b><br>onal funds, which provi   |  | nds: The investments are  | made                             |
|                   | expenses in   |  | nd-of-Funds scheme a   | seas funds: The aggrega<br>nd the underlying interna  |                                  |
|                   | portfolio dis<br>as sector ho<br>Full portfoli          | sclosure is not availabl<br>Idings are made availa   | e at the end of each n<br>Ible at the end of eacl<br>ined from underlying (                  | <b>in overseas fund:</b> Althoug<br>nonth, top ten holdings as<br>h month for the overseas<br>Overseas funds generally v<br>the end of June                             | s well<br>fund.                  |
|                   | investment<br>which have<br>exists poss<br>internationa | s in overseas funds:<br>similar investment obj<br>ibility that there is<br>al fund. In such circum | Investments are mad<br>ectives to the domesti<br>a change in the fu<br>stances, the Investme | hange risks associated<br>e in such international f<br>c fund in India. However,<br>indamental attributes of<br>ent Manager will seek to i<br>ment objective as the don | unds,<br>there<br>f the<br>nvest |
|                   | v. Monitoring   | overseas investment l  | imits:   |   |                                  |
|                   | of an adve<br>investing ac                              | rse event the Investr  | nent Manager may in<br>rmitted by the scheme   | eas investments limits. In<br>itiate appropriate actior<br>document or any other a  | n like                           |
|                   | Risk management fo                                      | or risk associated with  | Depository Receipts  |   |                                  |
|                   | the investm   |  | d manager will ensure  | ompanies or foreign secur<br>that a comprehensive con   |                                  |
| Plans and options | Plan  | Options Available  | Sub-Option   | IDCW<br>Frequency/Record<br>Date  |                                  |
|                   | Regular Plan and<br>Direct Plan                         | Growth<br>Income Distribution<br>cum Capital<br>Withdrawal<br>('IDCW')                             | -<br>*Payout of Income<br>Distribution cum<br>Capital Withdrawal<br>('IDCW') &               | -<br>At the discretion of<br>Trustee  |                                  |
|                   |   |  | Reinvestment of<br>Income Distribution<br>cum Capital<br>Withdrawal<br>('IDCW')              |   |                                  |
|                   | *Default Option   |  |  |   |                                  |
|                   |   | out of investor's capit  |  | /ithdrawal options the am<br>/e), which is part of sale   |                                  |
|                   | Notes:  |  |  |   |                                  |

| for<br>opt<br>val<br>the<br>be | estors should indicate the Scheme / Plan and / or Option<br>which the subscription is made by mentioning the full na<br>ion in the appropriate space provided for this purpose<br>id applications received, without indicating the Scheme /<br>details regarding Plan and/or Option are not clear or am<br>applied:<br>no indication is given under the following   | me of Scheme/ Plan/ option or su<br>in the application form. In case of<br>Plan and / or Option etc. or wher   |
|--------------------------------|---|--|
|                                |   |  |
|                                | ption - Growth/ Income Distribution cum Capital Withdray<br>DCW)  | wal Growth   |
| W                              | ub-option - Payout of Income Distribution cum Capi<br>ithdrawal (IDCW)/ Reinvestment of Income Distribution c<br>apital Withdrawal (IDCW)   |  |
| Ple                            | ase refer SID for more details.   |  |
| Bus<br>the<br>tra<br>the       | blication is accepted and time stamped. An application<br>ness Day, subject to it being complete in all respects ar<br>relevant cut-off time as specified below, at any of the<br>nesactions. Applications received via post or courier at any<br>basis of when the application is time stamped by the c<br>time of receipt of the post or the courier.   | nd received and time stamped upt<br>ne official points of acceptance of<br>of the centres will be accepted o   |
|                                | (a) Purchase and Switch-in  |  |
|                                |   |  |
|                                | Particulars   | Applicable NAV   |
|                                |   | Closing NAV of same Business   |
|                                | Particulars<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization  | Closing NAV of same Business<br>Day shall be applicable<br>Closing NAV of such subsequent<br>Business Day on which the funds<br>are available for utilization  |
|                                | Particulars<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>upto 3.00 p.m. on the same Business Day.<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any   | Closing NAV of same Business<br>Day shall be applicable<br>Closing NAV of such subsequent<br>Business Day on which the funds<br>are available for utilization<br>prior to 3.00 p.m.<br>Closing NAV of subsequent   |
|                                | Particulars<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>upto 3.00 p.m. on the same Business Day.<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any<br>subsequent Business Day<br>Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase/switch-in are available for  | Closing NAV of same Business<br>Day shall be applicable<br>Closing NAV of such subsequent<br>Business Day on which the funds<br>are available for utilization<br>prior to 3.00 p.m.<br>Closing NAV of subsequent   |
|                                | Particulars<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>upto 3.00 p.m. on the same Business Day.<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any<br>subsequent Business Day<br>Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase/switch-in are available for<br>utilization upto 3.00 p.m. on the same Business Day.                                  | Closing NAV of same Business<br>Day shall be applicable<br>Closing NAV of such subsequent<br>Business Day on which the funds<br>are available for utilization<br>prior to 3.00 p.m.<br>Closing NAV of subsequent   |
|                                | Particulars<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>upto 3.00 p.m. on the same Business Day.<br>Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any<br>subsequent Business Day<br>Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase/switch-in are available for<br>utilization upto 3.00 p.m. on the same Business Day.<br>(b) Redemption and Switch-out | Closing NAV of same Business<br>Day shall be applicable<br>Closing NAV of such subsequent<br>Business Day on which the funds<br>are available for utilization<br>prior to 3.00 p.m.<br>Closing NAV of subsequent<br>Business Day shall be applicable<br>Applicable NAV |

In accordance with with clause 8.4.6.2 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 cutoff 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. The funds are available for utilization before the cut-off time the Scheme. 3. 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. 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 openended 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 (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). Transactions in the name of minor received through guardian will not be aggregated 7) 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. In the case funds are received on separate days and are available for utilization on 8) 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. 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 applicatior will be deemed to ha   |                                   |                           |  | t-off time, the request  |
|--|---|-----------------------------------|---------------------------|--|--|
| Minimum Application<br>Amount /Number of       |   | Ad                                | ditional Purchase         | Redem                                  | otion*   |
| Units  | Rs. 100/- and an thereafter.  |                                   | . 100/- and any ereafter. | amount N.A.                            |  |
|  | *In case of Units hel<br>DPs or on Stock exch   |                                   |                           |  | can be given only with   |
|  | Note: The minimum in line with SEBI guid  |                                   |                           |  | ment made in schemes<br>oyees of AMC.                                      |
| Minimum installment<br>Amount for SIP          | Rs. 100/- and any an  | nount thereafte                   | er.                       |  |  |
| Minimum installment<br>Amount for SWP/STP      | Rs. 100/- and any an  | nount thereafte                   | er.                       |  |  |
|  | SWP and STP facilitie mechanism.  | es are not avail                  | able for transaction      | s carried out thro                     | ugh the stock exchange   |
| Dispatch of Repurchase<br>(Redemption) Request | Redemption within 3 working days of the acceptance of the redemption request at any of the authorised centres of DSP Mutual Fund.   |                                   |                           |  |  |
|  | communication no. A   | MFI/ 35P/ MEN                     | -COR/ 74 / 2022-23        | dated January 16                       | bed by AMFI vide its<br>, 2023 read with clause<br>here with the timelines |
| Benchmark Index                                | As per AMFI Tier I B  | enchmark: Nift                    | y 500 Multicap 50:2       | 25:25 TRI                              |  |
| IDCW Policy                                    | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme. |                                   |                           |  |  |
| Name & tenure of the<br>Fund Manager           | e Mr. Chirag Dagli, 45 years; Tenure: 9 Months (Managing scheme from January 30, 2024)  |                                   |                           |  | nuary 30, 2024)  |
| Name of the Trustee<br>Company                 | DSP Trustee Private Limited   |                                   |                           |  |  |
| Performance of the<br>Scheme                   | (a) Compounded Anr  | ualised Retur                     | าร                        |  |  |
|  | As per SEBI guidelines, if the scheme is in existence for less than one year, absolute results shall be provided. Below are the details of <b>absolute returns of scheme as on Septembe 2024</b>                    |                                   |                           |  |  |
|  |   | DSP Multi<br>Fund - Reg<br>Growth |                           | DSP Multicap<br>Fund - Dir ·<br>Growth |  |
|  | Since meepelon  | 28.29%                            | 25.34%                    | 29.64%                                 | 25.34%   |
|  | nutri index rutue   | 12.8290                           | 21,877.62                 | 12.9640                                | 21,877.62  |
|  | Date of 3<br>allotment  | 30-Jan-24                         |                           | 30-Jan-24                              |  |

|  | sustained in                                  | future and                                  |  | as a basis for c                                     | omparison wi   | ce may or may not b<br>th other investments |
|--|---|---|--|--|----------------|---|
|  | (b) Absolute                                  | Returns fo                                  | r each financial yea                                       | ar for the last 5                                    | years          |   |
|  | 0.05  |   |  |  |                |   |
|  | 0.03  | -   | ulticap Fund - Dir - Growth<br>ulticap Fund - Reg - Growth |  |                | 2.03%                                       |
|  | 0.01<br>يو                                    |   | 500 Multicap 50:25:25 TRI                                  |  |                |   |
|  | Setums<br>-0.01                               | -   |  |  |                | -0.28%                                      |
|  | -0.03   | -   |  |  |                |   |
|  | -0.05   | FY20  | FY21   | FY22   | FY23           | FY24 (30/Jan-                               |
|  |   |   |  |  |                | 28/Mar)                                     |
| Additional Scheme<br>Related Disclosures     | January, 20<br>be used as<br>i. Sche<br>vario | 24. Past pe<br>a basis for o<br>me's portfo | <ul> <li>https://www.ds</li> </ul>                         | may not be sust<br>her investment<br>0 holdings by i | sined in futu  |   |
|  | ii. Discl                                     | osure of na                                 | _  |  | s, stocks, gro | oups and sectors as a                       |
|  |   |   | for Portfolio Discl<br>pim.com/mandator                    |  |                | onthly/ Half Yearly<br>sures                |
|  | iv. Port                                      | <sup>f</sup> olio Turnov                    | er Rate - 0.0711 ti  | mes  |                |   |
| Expenses of the Scheme<br>(i) Load Structure | Exit Load<br>of Applica                       |   | Holding period fro   | m date of allot                                      | ment:          |   |
|  | #Applicable                                   | for investme                                | >=12 month - Nil<br>ents made through r                    | ormal purchase                                       | and SIP/STP/   | SWP transactions                            |
|  |   | t load shall                                | •  | •  |                | Direct Plan to Regula                       |
| (ii) Recurring Expenses                      | Slab Rates                                    |   | As a % of daily r<br>assets as p<br>Regulation 52(6)       | er per Regula  |                | tional TER as per<br>Ilation 52 (6A) (b)^   |
|  |   | irst Rs.500<br>he daily net                 |  | 0.05%  | 0.30           | %   |

| on the next Rs.250<br>crores of the daily net<br>assets    | 2.00%   | 0.05% | 0.30% |
|--|---|-------|-------|
| on the next Rs.1,250<br>crores of the daily net<br>assets  | 1.75%   | 0.05% | 0.30% |
| on the next Rs.3,000<br>crores of the daily net<br>assets  | 1.60%   | 0.05% | 0.30% |
| on the next Rs.5,000<br>crores of the daily net<br>assets  | 1.50%   | 0.05% | 0.30% |
| On the next Rs.40,000<br>crores of the daily net<br>assets | Total expense ratio<br>reduction of 0.05%<br>for every increase<br>of Rs.5,000 crores<br>of daily net assets<br>or part thereof | 0.05% | 0.30% |
| On balance of the assets                                   | 1.05%   | 0.05% | 0.30% |

## Notes to Table 1:

<sup>^</sup>In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
- i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
- ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

## GST on investment and advisory fees:

- a) AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- b) GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).

## Others:

In accordance with Clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with Clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

## A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100 crores:</u>

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:

| Indicative Expense Heads  | % of daily net assets                 |
|---|---------------------------------------|
| Investment Management & Advisory Fee  |                                       |
| Audit fees/fees and expenses of trustees  |                                       |
| Custodial Fees  |                                       |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants  |                                       |
| Marketing & Selling Expenses including Agents Commission and statutory advertisement  |                                       |
| Cost related to investor communications   |                                       |
| Cost of fund transfer from location to location   | Upto 2.25%                            |
| Cost towards investor education & awareness (at least 0.02 percent)   |                                       |
| Brokerage & transaction cost pertaining to distribution of units  |                                       |
| GST on expenses other than investment and advisory fees   |                                       |
| GST on brokerage and transaction cost   |                                       |
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively.  |                                       |
| Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)   | Upto 2.25%                            |
| Additional expenses under regulation 52 (6A) (c)\$  | Upto 0.05%                            |
| Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)  | Up to 0.30%                           |
| he Trusteeship fees as per the provisions of the Trust Deed are subject to a<br>the average net Trust Funds per annum. It has been decided by the Tru<br>usteeship Fees in proportion to the net assets of each of the Scheme of the<br>ustee reserves the right to change the method of allocation of Truste<br>heme, from time to time. | istee to charge t<br>e Mutual Fund. 1 |

The nature of expenses can be any permissible expenses including management fees. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c) shall not be charged to the schemes where the exit load is not levied or applicable

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

|   | Particulars  |  | Degular Diar   | Direct Dian                        |
|---|--|--|--|------------------------------------|
|   | Particulars  | having of the year   | Regular Plan   | Direct Plan                        |
|   | Amount invested at the I<br>Annual income accrued t  |  | 10,000   | 10,000                             |
|   |  |  | 1,000  | 1,000                              |
|   | Expenses other than Dist   | induction expenses   | 75   | 75                                 |
|   | Distribution expenses  | t the and of the year  | 25   | 025                                |
|   | Returns after expenses a   | ·  | 900  | 925                                |
|   | % Returns after expenses   | s at the end of the year   | 9.00%  | 9.25%                              |
|   | Link for TER disclosure: <u>htt</u><br>For the actual current expe<br>mutual fund.   | enses being charged, the   | investor should refer  |                                    |
|   | Actual expenses for the predimensionDirect PlanRegular Plan0.70%2.26%The maximum limit of recurrenceRegulation 52 of the SEBIAnnual Scheme Recurring E   | an<br>urring expenses that can b<br>(MF) Regulation, 1996. I   | pe charged to the Scl  |                                    |
| Tax treatment for the<br>Investors (Unit Holders) | Investors are advised to refer to the details in the Statement of Additional Information and also  |  |  |                                    |
| Daily Net Asset Value<br>(NAV) Publication        | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 11 p.m. of the same Business Day.<br>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. Th NAV of the Scheme will also be updated on the AMFI website <u>www.amfiindia.com</u> and o <u>www.dspim.com</u> .  |  |  |                                    |
|   | Latest available NAVs shall be available to unitholders through SMS, upon receiving a speci request in this regard. Refer relevant disclosures mentioned in the Statement of Addition Information ('SAI') available on AMC website i.e. <u>www.dspim.com</u> |  |  |                                    |
| For Investor Grievances please contact            | Name and Address of Registrar  | Computer Age Managem   | nent Services Limite   | d (CAMS)                           |
| -   |  | Address - Computer Age<br>178/10 Kodambakkam H<br>Palmgrove, Nungambakk<br>Website<br><u>https://www.camsonline</u>  | ligh Road, Ground fl<br>a, Chennai, Tamil Nac                    | oor, Opp. Hotel<br>lu 600034.<br>- |
|   | Name and Address of<br>Investor Relations<br>Officer of DSP Mutual<br>Fund   | Mr. Prakash Pujari<br>Investor Relations Offic<br>Address - DSP Asset Man<br>Premises No. 302, 3rd<br>Highway, Andheri (East<br>67178000<br>E-mail: <u>service@dspim.c</u> | agers Private Limited<br>Floor, M V Road J<br>t), Mumbai - 40006 | lunction. W. E.                    |

| Unit        | Holders    | • Account Statements: Allotment confirmation specifying the number of Units allotted  |
|-------------|------------|---|
| Information | i loidei s | • Account statements. Automent commutation spectrying the number of onits autoted 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 (including transaction charges paid to the distributor) 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 by mail or email 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. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable.   |
|             |            | For further details, please refer SAI.  |
|             |            | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.com</u> and website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month.  |
|             |            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|             |            | 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.  |
|             |            | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.  |
|             |            | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.  |
|             |            | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.  |
|             |            | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|             |            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|             |            | 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.  |

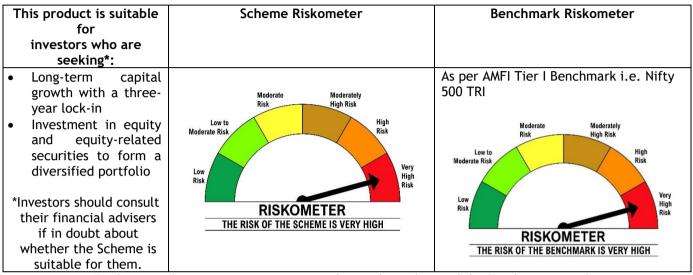
|                 | Refer to AMC website (link- https://www.dspim.com/mandatory-<br>disclosures/portfolio-disclosures ), AMFI website (link-<br>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure ) for<br>further details.<br>Investors are requested to register their e-mail addresses with Mutual Fund.   |  |  |  |
|-----------------|---|--|--|--|
| 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.   |  |  |  |
| Risk-o-Meter    | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05<br>2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate<br>Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted usin<br>a colour scheme.  |  |  |  |
|                 | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC, based on internal assessment, shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:<br>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed.<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.<br>The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark.   |  |  |  |
|                 | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month ( For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) ( For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website ( For AMC refer link- <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) ( for AMFI - refer Link <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) ( for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure. |  |  |  |
| Stamp Duty      | <b>Stamp Duty:</b> Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.   |  |  |  |
|                 | For more details, please refer SAI.   |  |  |  |
|                 |   |  |  |  |



#### **KEY INFORMATION MEMORANDUM**

## DSP ELSS TAX SAVER FUND

An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit



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

## Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                            |   | /E/ELS/06/11/0016  |  |      |                               |  |
|--|---|--|--|------|-------------------------------|--|
| Investment<br>Objective                | The primary investment objective of the Scheme is to seek to generate medium to long-<br>term capital appreciation from a diversified portfolio that is substantially constituted of<br>equity and equity related securities of corporates, and to enable investors avail of a<br>deduction from total income, as permitted under the Income Tax Act, 1961 from time<br>to time.<br>There is no assurance that the investment objective of the Scheme will be achieved. |  |  |      |                               |  |
| Asset                                  | Under n   | ormal circumstances, it  |  |      |                               |  |
| Allocation<br>Pattern of<br>the Scheme |   | as follows:  |  |      | Indicative a                  |  |
|  | Instru  | ments  |  | ┝    | (% of total a<br>Minimum      | ssets)<br>Maximum                        |
|  | Eauity  | and equity related secu  | rities   |      | 80%                           | 100%                                     |
|  |   | ch Investments in ADRs   |  | uity | 0%                            | 20%                                      |
|  |   | securitised debt and mo  | ney market securities  |      | 0%                            | 20%                                      |
|  | Indicati<br>circulars   | ve Table (Actual instrui<br>5)<br>Type of Instrument                                   | ment/percentages may   | -    | subject to a                  |  |
|  | 51. 110   | Type of instrument   | exposure   | CII  |                               | ices                                     |
|  | 1.  | Securities Lending   | Upto 20% (upto 5%<br>for any single<br>intermediary)   |      | ause 12.11<br>Ister Circular  | of the SEBI                              |
|  | 2.  | Derivatives  | Nil  | -    |                               |  |
|  | 3.  | Equity Derivatives<br>for non- hedging<br>purposes                                     | Nil  | -    |                               |  |
|  | 4.  | Securitized debt   | Upto 10%   | -    |                               |  |
|  | 5.  | Overseas Securities  | Upto 20%   |      | ause 12.19<br>Ister Circular  | of the SEBI                              |
|  | 6.  | ReITS and InVITS   | Nil  | -    |                               |  |
|  | 7.  | Debt Instruments<br>with special features<br>(AT1 and AT2 Bonds)                       | Upto 10% (upto 5%-<br>single issuer) of the<br>debt portfolio  |      | ause 12.2 d<br>Ister Circular | of the SEBI                              |
|  | 8.  | Debt Instruments<br>with SO / CE rating  | Upto 10% of the<br>debt portfolio and<br>the group exposure<br>in such instruments<br>shall not exceed 5%<br>of the debt portfolio |      | ause 12.3 d<br>Ister Circular | of the SEBI                              |
|  | 9.  | Tri-party repos<br>(including reverse<br>repo in T-<br>bills/Government<br>securities) | Upto 20%   | -    |                               |  |
|  |   | Other / own mutual<br>funds  | Upto 5% of AUM of the Mutual Fund  | Scl  |                               | the Seventh<br>EBI (Mutual<br>ions, 1996 |
|  | 11.   | Repo/ reverse repo<br>transactions in  | Nil  | -    |                               |  |

| 1   |   |                              |  |
|-----|---|------------------------------|--|
|     | corporate debt<br>securities                              |                              |  |
| 12. | Credit Default Swap<br>transactions                       | Nil                          | -  |
| 13. | Writing of call<br>options under<br>covered call strategy | Nil                          | -  |
| 14. | Short selling   | As per prescribed guidelines | Regulation 45 (2) of SEBI<br>(Mutual Funds) Regulations,<br>1996 |
| 15. | Foreign Securitized debt                                  | Nil                          | -  |
| 16. | Unrated debt and<br>money market<br>instruments           | Upto 5% (refer Note<br>1)    | Clause 12.1 of the SEBI<br>Master Circular                       |
| 17. | Short Term Deposit  | Refer Note 2                 | Clause 12.16 of the SEBI<br>Master Circular                      |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees

## Note 2 -Investment in Short-Term Deposits-

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 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 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. The Trustee 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.
- 7. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

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

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

#### Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt 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. 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 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.

|            | <b>Stock lending</b><br>Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Mutual<br>Fund may engage in stock lending. The AMC shall comply with all reporting requirements<br>and the Trustee shall carry out periodic review as required by SEBI guidelines. Stock<br>lending means the lending of stock to another person or entity for a fixed period of time,<br>at a negotiated compensation. The securities lent will be returned by the borrower on<br>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.   |
|            | Portfolio Rebalancing:   |
|            | a. <u>Action with respect to passive breaches:</u>   |
|            | As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.  |
|            | b. Action with respect to breaches arising due to 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.  |
| Investment | Strategy for Equity Securities   |
| Strategy   | The Investment Manager will select equity securities on a bottom-up, stock-by-stock basis, with consideration given to low price-to-earnings, price to-book, and price-to-sales ratios, as well as improving margins, asset turns, and cash flows, amongst others.   |
|            | The Investment Manager will use a disciplined quantitative analysis of financial operating statistics. In picking out individual investment opportunities for the portfolio, among the defined universe eligible for investment, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the long term growth potential of a company is not fully reflected in the market price of the company's securities and which potential it seeks to better every year capitalising on its various strengths, which could mean strong brand equity, growing market share, strong management and technological excellence, among others. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. The super-normal growth could be due to a new product, a new process, growing market share, stronger |

|                                  | brand equity, technological breakthrough and unique or predominant position in a market, among other factors.   |
|----------------------------------|---|
|                                  | The Investment Manager will conduct in-house research in order to identify various investment opportunities. 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.   |
|                                  | Under normal market conditions, at least 80% of the portfolio of the Scheme will be<br>invested in equity and equity related securities. The remaining portion of the portfolio<br>of the Scheme will be invested in debt securities and money market securities. This<br>component of the portfolio will provide the necessary liquidity to meet redemption<br>needs and other liquidity requirements of the Scheme. Debt securities include, but are<br>not limited to, non-convertible debentures, zero coupon securities, non-convertible<br>portion of convertible debentures, floating rate bonds, debt instruments, and any other<br>such instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority<br>from time to time.   |
|                                  | Strategy for Fixed Income Securities  |
|                                  | The Investment Manager will invest only in those debt securities that are rated<br>investment grade by a domestic credit rating agency such as CRISIL, ICRA, CARE, FITCH<br>etc. or in unrated debt securities which the Investment Manager believes to be of<br>equivalent quality. In the case of unrated debt securities, the approval of the Board of<br>Directors of the AMC and Trustee shall be obtained prior to investment.  |
|                                  | Portfolio Turnover  |
|                                  | Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.   |
|                                  | The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts). |
| Risk Profile<br>of the<br>scheme | Mutual Fund Units involve investment risks including the possible loss of principal.<br>Please read the SID carefully for details on risk factors before investment. Scheme<br>specific Risk Factors are summarized below:  |
|                                  | Scheme specific risk factors are summarized below:  |
|                                  | Risks associated with transacting in scheme units through stock exchange mechanism,<br>efficient portfolio management, favorable taxation of certain scheme in India, Taxation<br>of overseas investments, Equity and Equity-related securities / investments, Securities<br>Lending & Borrowing and Short Selling, , Debt Securities and Money Market Securities,<br>debt instruments having structured obligations /credit enhancements, unrated<br>securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI),   |

Securitized Assets, , Overseas Securities, overseas mutual funds / ETFs / Index Funds, mid-cap and small-cap companies, Depository Receipts.

For detailed risk factors, refer SID.

**RISK MITIGATION STRATEGIES:** 

Risks associated with Equity investments:

- i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addresse d by creating a portfolio which has adequate access to liquidity. The Investmen t Manager will select securities, which have or are expected to have good seco ndary market liquidity. Market Liquidity Risk will be managed actively within th e 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 acr oss large number of companies/sectors and endeavor to keep stock-specific co ncentration 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 Ma nager. As not all these companies are very well researched by third-party resea rch companies, the Investment Manager also relies on its own research. This in volves one-to-one meetings with the management of companies, attending con ferences and analyst meets and also tele-conferences. The company- wise anal ysis 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, str ength of management, responsiveness to business conditions, product profile, b rand equity, market share, competitive edge, research, technological know- ho w 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 Debt Securities and Money Market Securities:

i. **Market Liquidity Risk:** The liquidity risk will be managed and/or sought to be a ddressed by creating a portfolio which has adequate access to liquidity. The In vestment Manager will select fixed income securities, which have or are expect ed to have high secondary market liquidity. Market Liquidity Risk will be manag ed actively within the portfolio liquidity limits by maintaining proper asset-liab ility 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 for the reference tenors like

10 years, 5 years etc. showing relatively higher market liquidity. With time, the benchmark government security changes and thus hence liquidity propagates from one security to the other. **Credit Risk:** Credit Risk associated with fixed income securities will be manage d by making investments in securities issued by borrowers post detailed credit r

- ii. **Credit Risk:** Credit Risk associated with fixed income securities will be manage d by making investments in securities issued by borrowers post detailed credit r eview internally. The credit research process includes a detailed in-house anal ysis and due diligence where limits are assigned for each of the issuer (other th an government of India) for the amount as well as maximum permissible tenor. The credit process ensures that issuer limits are reviewed periodically by takin g into consideration the financial statements and operating strength of the issu er.
- iii. **Rating Migration Risk:** The endeavor is to invest in well researched issuers. Th e due diligence performed by the fixed income team before assigning credit lim its and the periodic credit review and monitoring should help keep the rating m igration risk low for company-specific issues.
- iv. Interest Rate Risk: The investment managers will endeavor to keep the duratio n within the permissible limit as defined by the scheme document and based o n the investment objectives.
- v. **Re-investment Risk:** The Investment Manager will endeavor that besides the ta ctical 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 d ocuments. Depending on the nature of the scheme, the Term Structure of Inter est Rates (TSIR) Risk cannot be eliminated and it exists as a primary feature of the scheme.

## 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<br>or any other action to ensure that the investor interest is safeguarded.  |  |   |  |  |  |
|-------------------|---|--|---|--|--|--|
|                   | Risk management for risk associated with Depository Receipts  |  |   |  |  |  |
|                   | investment  |  | manager will ensure that  | nies or foreign securities, the<br>a comprehensive company                 |  |  |
| Plans and options | Plan  | Options Available                                | Sub-Option  | Income Distribution<br>cum Capital Withdrawal<br>Frequency/Record<br>Date* |  |  |
|                   | Regular   | Growth   | -   |  |  |  |
|                   | Plan and<br>Direct<br>Plan^^  | Income<br>Distribution cum<br>Capital Withdrawal | Payout of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) |  |  |  |
|                   | ^^The reir  |  | is discontinued wef Febru   | Jary 6, 2015   |  |  |
|                   |   | ne Record Date falls o<br>considered as the Rec  |   | mmediate next Business Day   |  |  |
|                   | Investors may note that under Income Distribution cum Capital Withdrawal o<br>amounts can be distributed out of investor's capital (Equalization Reserve)<br>part of sale price that represents realized gains.   |  |   |  |  |  |
|                   | All the Plan  | s and option under th                            | e Scheme will have comm   | on portfolio.  |  |  |
|                   | Default Option-   |  |   |  |  |  |
|                   | Investors should indicate the Scheme / Plan and / or Option / Sub Option<br>applicable, for which the subscription is made by mentioning the full name of<br>Plan/ option or sub option in the appropriate space provided for this purp<br>application form. In case of valid applications received, without indicating t<br>/ Plan and / or Option etc. or where the details regarding Plan and/or Opti-<br>clear or ambiguous, the following defaults will be applied:  |  |   |  |  |  |
|                   | If no ind   | lication is given unde                           | er the following  | Default  |  |  |
|                   | Option -  | Growth/ IDCW                                     | (   | Growth Option  |  |  |
|                   | In case an investor/Unit Holder fails to mention the plan and broker detai<br>application form, then the application shall be processed under respective opt<br>option under Direct Plan of the Scheme.   |  |   |  |  |  |
|                   | For more de   | etails refer SID.                                |   |  |  |  |
| Applicable<br>NAV | Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which<br>a valid application is accepted and time stamped. An application will be considered<br>accepted on a Business Day, subject to it being complete in all respects and received<br>and time stamped upto the relevant cut-off time as specified below, at any of the<br>official points of acceptance of transactions. Applications received via post or courier<br>at any of the centres will be accepted on the basis of when the application is time<br>stamped by the centre and not on the basis of date and time of receipt of the post or<br>the courier. |  |   |  |  |  |
|                   |   |  |   | ar, in respect of purchase of schemes), closing NAV of the                 |  |  |

| Schem<br>1. Ar<br>cu<br>2. Fu<br>ar<br>in              | size and time of receipt of such application.<br>suant to above, the NAV applicability for purchase/switch-in/ subscription is<br>eme will be subject to following clauses:<br>Application for purchase/subscription/switch-in is received before the applic<br>cut-off time on a Business Day.<br>Funds for the entire amount of purchase/subscription/switch-in as pe<br>application is credited before the cut-off time to the bank account of the Sc<br>in which subscription is made.<br>The funds are available for utilization before the cut-off time the Scheme. |  |
|--|---|--|
|  | (a) Purchase and Switch-in  |  |
|  | Particulars   | Applicable NAV   |
|  | Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>upto 3.00 p.m. on the same Business Day.   | Closing NAV of<br>same Business<br>Day shall be<br>applicable                            |
|  | Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any<br>subsequent Business Day  | such subsequent<br>Business Day on<br>which the funds<br>are available for               |
|  | Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire amount<br>of subscription/purchase/switch-in are available for<br>utilization upto 3.00 p.m. on the same Business Day.  | subsequent<br>Business Day<br>shall be   |
|  | (b) Redemption and Switch-out   |  |
|  | Particulars   | Applicable NAV   |
|  | Where the valid application is received on any Business<br>Day at the official points of acceptance of transactions<br>upto 3.00 p.m.   |  |
|  | Where the valid application is received after 3.00 p.m.   | NAV of the next<br>Business Day.   |
| throug<br>of de<br>purcha<br>condit<br>With I<br>shall | action through online facilities/ electronic mode: The<br>sh various online facilities/electronic modes offered by<br>termining the applicability of NAV, would be the tim<br>ase/sale/switch of units is received in the servers of AA<br>ions of such facilities.<br>respect to investors who transact through the stock ex-<br>be reckoned on the basis of the time stamping as evi-<br>ven by stock exchange mechanism.   | the AMC, for the pur<br>ne when the reques<br>MC/RTA as per terms<br>achange, Applicable |

|  | <ul> <li>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.</li> <li>1. All transactions received on same Business Day (as per cut-off timing and Time stamping rule).</li> <li>2. Aggregation of transactions shall be applicable to the Scheme.</li> <li>3. Transactions shall include purchases, additional purchases and exclude Switches SIP/STP and trigger transactions.</li> <li>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 (CAS).</li> <li>5. All transactions will be aggregated where investor holding pattern is same as stated.</li> </ul> |  |  |
|--|---|--|--|
|  | <ul><li>in point no.4 above.</li><li>6. Only transactions in the</li></ul>  | same Scheme of the Fund sh                                   | all be clubbed. It will include<br>n, Direct Plan, IDCW Option,                              |
|  | 7. Transactions in the name with the transaction in   | the name of same guard                                       | uardian will not be aggregated<br>ian. However, two or more<br>e guardian will be considered |
|  | <ol> <li>In the case funds are received on separate days and are available for utilization on<br/>different business days before the cut off time, the applicable NAV shall be of the<br/>Business day/s on which the cleared funds are available for utilization for the<br/>respective application amount.</li> </ol>   |  |  |
|  | <ol> <li>Irrespective the date and time of debit to the customer bank accounts, the date and<br/>time of actual credit in the Scheme's bank account, which could be different due<br/>settlement cycle in the banking industry, would be considered for applicability of<br/>NAV.</li> </ol>  |  |  |
|  | 10. Investors are advised to make use of digital/electronic payment to transfer the funds to the Scheme's bank account.   |  |  |
|  | For Switching:<br>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<br>for redemption and payout rules shall be applied. Similarly, the 'switch in' shall be<br>treated as purchase and the Applicable NAV based on the cut off time for purchase and<br>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,<br>the request will be deemed to have been received on the next Business Day.  |  |  |
| Minimum<br>Application                       | Purchase  | Additional Purchase  | Redemption*  |
| Amount<br>/Number of<br>Units<br>(subject to | Rs. 500/- and any amount thereafter.  | Rs. 500/- and any amount thereafter.                         | N.A.   |
| lock-in period<br>of minimum 3<br>years)     |   | materialized mode, the rede<br>cchange Platform; and only in | emption request can be given number of Units.  |
|  | 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 Employee of AMC.   |  |  |

|   |  |   |                      |  | 1                 |
|---|--|---|----------------------|--|-------------------|
|   | The Trustee shall have absolute discretion to reject any application for purchase of<br>Units, if in its opinion, increasing the size of the Unit Capital is not in the general<br>interest of the Unit Holders, or if for any other reason it does not believe it would be<br>in the best interest of the Scheme or its Unit Holders to accept such an application. |   |                      |  |                   |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment<br>Plan (SIP)  | Rs. 500/- and any amount thereafter. (subject to completion of 3 years Lock-in Period)   |   |                      |  |                   |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal<br>Plan (SWP)/<br>Systematic<br>Transfer Plan<br>(STP) | Rs. 500/- and any amount thereafter. (subject to completion of 3 years Lock-in Period)   |   |                      |  |                   |
| Dispatch of   | Redemption: within   | 3 Working Days fro  | om the date of acce  | ptance of redem  | nption request.   |
| Repurchase<br>(Redemption)<br>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 clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.   |   |                      |  |                   |
| Benchmark<br>Index  | Nifty 500 TRI  |   |                      |  |                   |
| IDCW Policy   | The Trustee reserves the right to declare a IDCW and the actual distribution thereof<br>and the frequency of distribution are entirely at the discretion of the Trustee. For<br>more details refer the SID of the Scheme.  |   |                      |  |                   |
| Name &<br>tenure of the<br>Fund<br>Manager  | Mr. Rohit Singhania<br>Tenure: 9 years 4 months (Managing the Scheme from July 2015)   |   |                      |  |                   |
| Name of the<br>Trustee<br>Company   | DSP Trustee Private Limited  |   |                      |  |                   |
| Performance<br>of the Scheme  | (a) Compounded Ar  | nualised Returns  | as of September 3    | 0, 2024  |                   |
|   | Period   | DSP ELSS Tax<br>Saver Fund -<br>Regular Plan -<br>Growth option | Nifty 500 TRI*       | DSP ELSS<br>Tax Saver<br>Fund -<br>Direct Plan<br>- Growth<br>option | Nifty 500<br>TRI* |
|   | Last 1 Year  | 49.09%  | 41.27%               | 50.46%   | 41.27%            |
|   | Last 3 Year  | 21.04%  | 18.42%               | 22.18%   | 18.42%            |
|   | Last 5 Year  | 23.97%  | 22.25%               | 25.14%   | 22.25%            |
|   | Since Inception  | 16.27%  | 12.99%               | 19.77%   | 16.10%            |
|   | Nav/ Index<br>value  | 144.4760  | 38,261.39            | 159.2690   | 38,261.39         |
|   | Date of<br>allotment   | 18-J  | an-07                | 01-Ja  | ın-13             |
|   | *All benchmark retu  | rns are computed  | basis Total Return I | ndex.  |                   |
|   |  |   |                      |  |                   |

|  | Note: As per the SEBI standards for performance reporting, the "since inception" return<br>are calculated on Rs. 10/- invested at inception. For this purpose the inception date i<br>deemed to be the date of allotment. The "Returns" shown are for the growth option<br>Past performance may or may not be sustained in future and should not be used as a<br>basis for comparison with other investments<br>(b) Absolute Returns for each financial year for the last 5 years   |  |  |
|--|---|--|--|
|  | 100.00% - Solution S |  |  |
|  | P %00.08  |  |  |
|  | -20.00%   |  |  |
|  | FY20 FY21 FY22 FY23 FY24<br>Returns are for Direct/Regular Plan of the scheme for Growth option and computed from<br>the date of Allotment/1st April, as the case may be, to 31st March of the respective<br>financial year   |  |  |
| Additional<br>Scheme<br>Related<br>Disclosures | <ul> <li>i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) - <u>https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sector-allocation</u></li> <li>ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme - Not applicable</li> </ul>   |  |  |
|  | <ul> <li>iii. Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly-<br/><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosure</u></li> <li>iv. Portfolio Turnover Rate - 0.3697 times</li> </ul>  |  |  |
| Expenses of<br>the Scheme                      | Exit Load: Holding Period from the date of allotment: Not applicable  |  |  |
| (i) Load<br>Structure                          | Note: No exit load shall be levied in case of switch of investments from Direct Plan to Regular Plan and vice versa.  |  |  |
| (ii) Recurring<br>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 <b>Table 2</b> which summarizes estimated annualized recurring expenses as a % of daily net assets of the Scheme.  |  |  |
|  | The AMC has estimated that upto 2.25 % of the daily average 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.   |  |  |
|  | 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.

Operating & recurring expenses under regulation 52 (6) & 52 (6A):

The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the Scheme shall be subject to the following limits, defined under Regulation 52 of SEBI MF regulations:

Table 1: Limit as prescribed under regulation 52 of SEBI MF regulations for equity oriented scheme:

| Slab Rates   | As a % of daily net<br>assets as per<br>Regulation 52(6) (c)  | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^ | Additional<br>TER as per<br>Regulation<br>52 (6A) (b)^ |
|--|---|--|--|
| on the first Rs.500 crores of the daily net assets         | 2.25%   | 0.05%  | 0.30%  |
| on the next Rs.250<br>crores of the daily net<br>assets    | 2.00%   | 0.05%  | 0.30%  |
| on the next Rs.1,250<br>crores of the daily net<br>assets  | 1.75%   | 0.05%  | 0.30%  |
| on the next Rs.3,000<br>crores of the daily net<br>assets  | 1.60%   | 0.05%  | 0.30%  |
| on the next Rs.5,000<br>crores of the daily net<br>assets  | 1.50%   | 0.05%  | 0.30%  |
| On the next Rs.40,000<br>crores of the daily net<br>assets | Total expense ratio<br>reduction of 0.05% for<br>every increase of<br>Rs.5,000 crores of daily<br>net assets or part<br>thereof | 0.05%  | 0.30%  |
| On balance of the assets                                   | 1.05%   | 0.05%  | 0.30%  |

## Notes to Table:

<sup>^</sup>In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
- i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
- ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

## GST on investment and advisory fees:

- a) AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- b) GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).

## Others:

In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

## A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100</u> <u>crores:</u>

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 Heads  | % of daily ne assets |  |
|--|----------------------|--|
| Investment Management and Advisory Fee   |                      |  |
| Audit fees /Fees and expenses of trustees*   |                      |  |
| Custodial fees   |                      |  |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants           |                      |  |
| Marketing & Selling expense including agent commission and Statutory advertisement   |                      |  |
| Cost related to investor communications  |                      |  |
| Cost of fund transfer from location to location  | Upto 2.25%           |  |
| Cost towards investor education & awareness (at least 0.02 percent)  |                      |  |
| Brokerage & transaction cost pertaining to distribution of units   |                      |  |
| Goods & Services Tax on expenses other than investment and advisory fees   |                      |  |
| Goods & Services Tax on brokerage and transaction cost   |                      |  |
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively. |                      |  |
| Maximum total expense ratio (TER) permissible under  | Upto 2.25%           |  |
| Regulation 52 (6) (c)  | Upto 0.05%           |  |
| <b>Regulation 52 (6) (c)</b><br>Additional expenses under regulation 52 (6A) (c)\$   | υριο 0.05%           |  |

\*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.

|  | <ul> <li>Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.</li> <li>The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.</li> <li><b>Expense Structure for Direct Plan</b></li> <li>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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.</li> <li>The above expense structures are indicative in nature. Actual expenses could be lower than mentioned above.</li> <li>The purpose of the above table is to assist the investor in understanding the various costs &amp; expenses that the investor in the Scheme will bear directly or indirectly.</li> </ul> |       |       |
|--|--|-------|-------|
|  | For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.       II.         II.       Illustration of impact of expense ratio on scheme's returns:         Particulars       Regular Plan  |       |       |
|  |  |       | Plan  |
|  | Amount invested at the beginning of the year 10,000 10,0   |       |       |
|  | Annual income accrued to the scheme  | 1,000 | 1,000 |
|  | Expenses other than Distribution expenses7575  |       |       |
|  | Distribution expenses 25 -   |       |       |
|  | Returns after expenses at the end of the year  | 900   | 925   |
|  | % Returns after expenses at the end of the year  | 9.00% | 9.25% |
| Tax  | Link for TER disclosure: <u>https://www.dspim.com/mandatory-disclosures/ter</u><br>Actual expenses for the previous financial year (2023-2024):<br>Direct Plan Regular Plan<br>0.76% 1.68%   |       |       |
| Tax<br>treatment for<br>the Investors<br>(Unit<br>Holders) | Investors are advised to refer to the details in the Statement of Additional Information<br>and also independently refer to his tax advisor.   |       |       |
| Daily Net<br>Asset Value<br>(NAV)<br>Publication           | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business<br>Day and will be made available by 11 p.m. of the same Business Day.<br>The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on<br>any day, by calling the office of the AMC or any of the Investor Service Centres at various<br>locations. The NAV of the Scheme will also be updated on the AMFI website<br>www.amfiindia.com and on www.dspim.com.   |       |       |

|   | Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. Refer relevant disclosures mentioned in the Statement of Additional Information ('SAI') available on AMC website i.e. <a href="https://www.dspim.com">www.dspim.com</a>   |  |  |
|---|--|--|--|
| For Investor<br>Grievances<br>please<br>contact | Name<br>Addressand<br>of<br>RegistrarComputer Age Management Services Limited (CAMS)Addressof<br>Address - Computer Age Management Services Limited, No. 178/10<br>Kodambakkam High Road, Ground floor, Opp. Hotel Palmgrove,<br>Nungambakk, Chennai, Tamil Nadu 600034.<br>Website<br>https://www.camsonline.com/Investors/Support/Grievances   |  |  |
|   | NameandMr. Prakash PujariAddressofInvestor Relations OfficerInvestorDSP Asset Managers Private Limited, Natraj, Office Premises No.Relations302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri (East),Officer of DSPMumbai - 400069, Tel.: 022 - 67178000Mutual FundE-mail: service@dspim.com   |  |  |
| Unit Holders<br>Information                     | • Account Statements: 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<br>mutual funds (including transaction charges paid to the distributor) and holding at<br>the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s)<br>have taken place during the month by mail or email on or before 15th of the<br>succeeding month. However, if the investor wishes to opt for physical copy may<br>request for the same. |  |  |
|   | Half-yearly CAS shall be issued at the end of every six months (i.e. September/<br>March) on or before 21st day of succeeding month, to all investors providing the<br>prescribed details across all schemes of mutual funds and securities held in<br>dematerialized form across demat accounts, if applicable.   |  |  |
|   | For further details, please refer SAI.   |  |  |
|   | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also havailable in a user-friendly and downloadable spreadsheet format on the AMF website www.amfiindia.com and website of AMC viz. www.dspim.com on or befor the 10th day of succeeding month.           |  |  |
|   | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |  |  |
|   | 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.   |  |  |
|   | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |  |  |
|   | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not   |  |  |

|                    | later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.   |
|--------------------|---|
|                    | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.  |
|                    | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|                    | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                    | Investors are requested to register their e-mail addresses with Mutual Fund.  |
| Payment<br>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.   |
| Stamp Duty         | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.  |
|                    | For further details, please refer SAI.  |
| Risk-o-Meter       | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|                    | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                    | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme<br>vis-à-vis that of the benchmark is disclosed.  |
|                    | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|                    | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link-<br>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures) (For AMFI- refer link-<br>https://www.amfiindia.com/investor-corner/online-   |

| <u>center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of schemes<br>as on March 31 of every year, along with number of times the risk level has changed<br>over the year, on AMCs website and AMFI website (For AMC refer link-<br><u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for<br>AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-</u> |
|---|
| <u>center/riskmeterinformation</u> ).<br>Investors may please note that the Risk-o-meter disclosed is basis internal assessment<br>of the scheme portfolio as on the date of disclosure.  |



## **KEY INFORMATION MEMORANDUM**

# DSP EQUITY OPPORTUNITIES FUND

# Large & Mid Cap Fund-An open ended equity scheme investing in both large cap and mid cap stocks

| This product is suitable<br>for<br>investors who are<br>seeking*:  | Scheme Riskometer   | Benchmark Riskometer  |
|--|---|---|
| <ul> <li>This scheme is suitable for investors who are seeking*</li> <li>Long-term capital growth</li> <li>Investment in equity and equity-related securities predominantly of large and midcap companies</li> </ul> | Low to<br>Noderate Risk<br>Noderate Risk<br>Noderate Risk<br>Noderate Risk<br>Nery<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>THE RISK OF THE SCHEME IS VERY HIGH | As per AMFI Tier I Benchmark i.e. Nifty<br>Large Midcap 250 TRI |
| *Investors should consult<br>their financial advisers if<br>in doubt about whether<br>the Scheme is suitable for<br>them.  |   | RISKOMETER<br>THE RISK OF THE BENCHMARK IS VERY HIGH            |

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

## Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

|  | D3PM/U  | /E/LMF/00/02/0007   |  |  |  |   |                   |
|--|---|---|--|--|--|---|-------------------|
| Investment<br>Objective                      | The primary investment objective is to seek to generate long term capital appreciation is portfolio that is substantially constituted of equity and equity related securities of large midcap companies. From time to time, the fund manager will also seek participation in equity and equity related securities to achieve optimal portfolio construction.<br>There is no assurance that the investment objective of the Scheme will be achieved. |   |  |  |  |   | irge ar<br>in oth |
|  |   |   | -  |  |  |   |                   |
| Asset Allocation<br>Pattern of the<br>Scheme | as follow   |   | is anticipated that the as   | sset au  |  | the scheme  | Shall I           |
|  | Instruments   |   |  | (  | Indicative allocations<br>(% of total assets)  |   |                   |
|  | 1 (2)   | Fauity & aquity relate  | d instruments of large   |  | Minimum  | Maximum   |                   |
|  | compa   | anies#  | d instruments of large   |  | 35%  | 65%   |                   |
|  | compa   | anies <sup>\$</sup>   | d instruments of mid   |  | 35%  | 65%   |                   |
|  |   | Investment in other ements  | equity and equity rela   | ated   | 0%   | 30%   |                   |
|  |   | bt and Money Market Sec   | urities  |  | 0%   | 30%   |                   |
|  | 3. Uni  | its of REITs and InvITs   |  |  | 0%   | 10%   |                   |
|  | circulars   |   | ent/percentages may vai  | iy subj  | jeer to app  | ICADIC JEDI   |                   |
|  |   | . jpe er met antente  | Percentage of  | Circula  | ar reference   | es  |                   |
|  | 1.  |   | exposure   | Circula  | ar reference   | es  |                   |
|  |   | Securities Lending  | 5  | Clause   |  | es<br>f the SEBI  |                   |
|  | 2.  | Securities Lending<br>Derivatives   | exposure<br>Upto 20% (upto 5%<br>for any single  | Clause<br>Maste<br>Clause  | e 12.11 o<br>r Circular  |   |                   |
|  |   | Derivatives<br>Equity Derivatives for<br>non- hedging   | exposure<br>Upto 20% (upto 5%<br>for any single<br>intermediary)                                       | Clause<br>Maste<br>Clause<br>Maste<br>Clause   | e 12.11 o<br>r Circular<br>e 12.25 o<br>r Circular   | f the SEBI  |                   |
|  | 2.  | Derivatives<br>Equity Derivatives for   | exposure<br>Upto 20% (upto 5%<br>for any single<br>intermediary)<br>Upto 100%                          | Clause<br>Maste<br>Clause<br>Maste<br>Clause<br>Maste  | e 12.11 o<br>r Circular<br>e 12.25 o<br>r Circular<br>e 12.25 o<br>r Circular  | f the SEBI<br>f the SEBI<br>f the SEBI  |                   |
|  | 2.  | Derivatives<br>Equity Derivatives for<br>non- hedging<br>purposes   | exposure<br>Upto 20% (upto 5%<br>for any single<br>intermediary)<br>Upto 100%<br>Upto 100%             | Clause<br>Maste<br>Clause<br>Maste<br>Clause<br>Maste  | e 12.11 o<br>r Circular<br>e 12.25 o<br>r Circular<br>e 12.25 o<br>r Circular  | f the SEBI<br>f the SEBI  |                   |
|  | 2.<br>3.<br>4.  | Derivatives<br>Equity Derivatives for<br>non- hedging<br>purposes<br>Securitized Debt   | exposure<br>Upto 20% (upto 5%<br>for any single<br>intermediary)<br>Upto 100%<br>Upto 100%<br>Upto 30% | Clause<br>Maste<br>Clause<br>Maste<br>-<br>Clause<br>Maste<br>Clause<br>Sched                    | e 12.11 o<br>or Circular<br>e 12.25 o<br>or Circular<br>e 12.25 o<br>or Circular<br>e 12.19 o<br>o <u>r Circular</u><br>e 12.19 o<br><u>r Circular</u><br>e 13 in th | f the SEBI<br>f the SEBI<br>f the SEBI<br>f the SEBI<br>he Seventh<br>EBI (Mutual |                   |
|  | 2.<br>3.<br>4.<br>5.  | Derivatives<br>Equity Derivatives for<br>non-hedging<br>purposes<br>Securitized Debt<br>Overseas Securities<br>ReITS and InVITS | exposureUpto 20% (upto 5%<br>for any single<br>intermediary)Upto 100%Upto 100%Upto 30%Upto 25%         | Clause<br>Maste<br>Clause<br>Maste<br>-<br>Clause<br>Maste<br>Clause<br>Sched<br>Funds<br>Clause | e 12.11 o<br>or Circular<br>e 12.25 o<br>or Circular<br>e 12.25 o<br>or Circular<br>e 12.19 o<br>or Circular<br>e 13 in the<br>lule of SE<br>o) Regulatio            | f the SEBI<br>f the SEBI<br>f the SEBI<br>f the SEBI<br>he Seventh<br>EBI (Mutual |                   |

|     |  | shall not exceed 5%                  |   |
|-----|--|--------------------------------------|---|
|     |  | of the debt portfolio                |   |
| 9.  | Tri-party repos<br>(including reverse<br>repo in T-<br>bills/Government<br>securities) | Upto 30%                             | -   |
| 10. | Other / own mutual<br>funds  | Upto 5% of AUM of<br>the Mutual Fund | Clause 4 of the Seventh<br>Schedule of SEBI (Mutual<br>Funds) Regulations, 1996 |
| 11. | Repo/reverserepotransactionsincorporatedebtsecurities                                  | Nil                                  |   |
| 12. | Credit Default Swap<br>transactions  | Nil                                  |   |
| 13. | Writing of call<br>options under<br>covered call strategy                              | Nil                                  | Clause 12.25.8 of the SEBI<br>Master Circular                                   |
| 14. | Short selling  | As per prescribed guidelines         | Regulation 45 (2) of SEBI<br>(Mutual Funds) Regulations,<br>1996                |
| 15. | Foreign Securitized debt   | Nil                                  | -   |
| 16. | Unrated debt and<br>money market<br>instruments  | Upto 5% (refer Note<br>1)            | Clause 12.1 of the SEBI<br>Master Circular                                      |
| 17. | Short Term Deposit   | Refer Note 2                         | Clause 12.16 of the SEBI<br>Master Circular                                     |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

## Note 2 -Investment in Short-Term Deposits-

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 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 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. The Trustee 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.
- 7. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

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

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

## Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.

## 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.

## 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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:

## a. Action with respect to passive breaches:

As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.

b. Action with respect to breaches arising due to defensive consideration:

|            | Due to market conditions, the AMC may invest beyond the range set out in the asset allocation.<br>Such deviations shall normally be for a short term on defensive considerations as per Clause<br>1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of<br>the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar<br>days.<br>It may be noted that no prior intimation/indication will be given to investors when the<br>composition/asset allocation pattern under the Scheme undergoes changes within the<br>permitted band as indicated above.  |
|------------|---|
|            | The classification of stocks based on market capitalisation shall be as per the list prepared by AMFI which would be updated every six months based on the data as on the end of June and December of each year. Subsequent to any updation in the list, the Scheme shall rebalance its portfolio (if required), in line with updated list, within a period of one month.   |
| Investment | Strategy for Equity Securities  |
| Strategy   | The investment direction will be in line with the Investment Manager's views on the macro economy with a particular focus on the micro impact of economic reforms, restructuring and mergers & acquisition activity. The aim of this Scheme is to strongly outperform plain vanilla equity funds which are far more diversified in their portfolio weightage, to minimise risk. It is the Investment Manager's belief that though such concentrated investments could be subject to considerable risks, they present attractive long term investment opportunity.   |
|            | The Investment Manager prefers adopting a top-down approach with regard to investment in equity and equity related securities. This approach encompasses an evaluation of key economic trends and a diligent study of various investment opportunities within the specified sectors in each Scheme. In picking out individual investment opportunities for the portfolio, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the inherent worth or long-term growth potential of a company is not fully reflected in the share price of the company. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. Such growth in earnings could be due to a new product, a new process, growing market share, stronger brand equity, technological breakthrough and unique or predominant position in a market, among other factors. |
|            | The Investment Manager will conduct in-house research in order to identify value and growth stocks. The analysis will focus, among other things, on the historical and current financial condition of the company, capital structure, business prospects, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research and technological know-how and transparency in corporate governance. The quality or strength or management would be a key focus area.  |
|            | 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, 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.  |
|            | Fixed Income research by the Investment Manager will emphasise credit analysis, in order to determine credit risk. Credit analysis will focus on the issuer's historical and current financial condition, current and anticipated cash flow and borrowing requirements, value of assets in relation to historical cost, strength of management, responsiveness to business conditions, credit standing, future business prospects as well as current and anticipated operating results, among other things. The Investment Manager will also analyse various economic trends in seeking to determine the likely future course of interest rates.  |
|            | Derivative 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 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.

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 techniques which fund can employ.

## 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 endeavor 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) Corporate Action / Event Driven Strategies:

## I. IDCW Arbitrage

• At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.

## II. Buy-Back/ Open Offer Arbitrage

- When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.
- III. Merger

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• When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

## 6) 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

## 7) Reverse Arbitrage:

• This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

## 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 interest rate exposure.

#### 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.

For detailed derivative strategies, please refer to SAI.

## Portfolio Turnover

Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.

The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts).

| Risk Profile of<br>the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:  |
|-------------------------------|---|
|                               | Scheme specific risk factors are summarized below:  |
|                               | Risks associated with transacting in scheme units through stock exchange mechanism, efficient portfolio management, favorable taxation of certain scheme in India, Taxation of overseas investments, Equity and Equity-related securities / investments, Securities Lending & Borrowing and Short Selling, Equity Derivatives, REITs & InvITs, Debt Securities and Money Market Securities, debt instruments having structured obligations /credit enhancements, unrated securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI), Securitized Assets, fixed income Derivatives, imperfect hedging using interest rate futures, Overseas Securities, overseas mutual funds / ETFs / Index Funds, mid-cap and small-cap companies, Depository Receipts.  |
|                               | For detailed risk factors, refer SID.   |
|                               | Risk Mitigation Strategies:   |
|                               | Risks associated with Equity investments:   |
|                               | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed by cr<br>eating a portfolio which has adequate access to liquidity. The Investment Manager will<br>select securities, which have or are expected to have good secondary market liquidity<br>. Market Liquidity Risk will be managed actively within the portfolio liquidity limits by<br>maintaining proper asset-liability match to ensure payout of the obligations. The first<br>access to liquidity will be through cash and fixed income securities if any.  |
|                               | ii. <b>Concentration Risk:</b> The Scheme will try and mitigate this risk by investing across larg<br>e number of companies/sectors and endeavor to keep stock-specific concentration risk<br>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 als o tele-conferences. The company- wise analysis will focus, amongst others, on the hist orical and current financial condition of the company, potential value creation/unlock ing 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 k now- how and transparency in corporate governance. The investment manager may us e derivatives to hedge and limit the inherent market risk in scheme |
|                               | <b>Risks associated with favorable taxation of equity-oriented Scheme:</b><br>Investment Manager regular monitor's equity exposure of equity oriented Scheme of the Fund<br>to ensure compliance with the relevant regulation.  |
|                               | <b>Risks associated with Stock Lending:</b><br>The investment managers will ensure adherence to the limits assigned for stock lending and will<br>ensure that the liquidity Risk is managed actively within the portfolio liquidity limits by<br>maintaining proper asset-liability match to ensure payout of the obligations. Also to ensure that<br>the counterparty risk is limited the AMC will participate in stock lending only through exchange<br>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 Debt Securities and Money Market Securities:

i. Market Liquidity Risk: The liquidity risk will be managed and/or sought to be address ed by creating a portfolio which has adequate access to liquidity. The Investment Man ager will select fixed income securities, which have or are expected to have high seco ndary market liquidity. Market Liquidity Risk will be managed actively within the portf olio 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 for the reference tenors like 10 years, 5 years etc. 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 m aking investments in securities issued by borrowers post detailed credit review interna lly. 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 t he amount as well as maximum permissible tenor. The credit process ensures that issu er limits are reviewed periodically by taking into consideration the financial statement s and operating strength of the issuer.
- iii. Rating Migration Risk: The endeavor is to invest in well researched issuers. The due di ligence performed by the fixed income team before assigning credit limits and the per iodic credit review and monitoring should help keep the rating migration risk low for c ompany-specific issues.
- iv. Interest Rate Risk: The investment managers will endeavor to keep the duration withi n the permissible limit as defined by the scheme document and based on the investme nt objectives.
- v. **Re-investment Risk:** The Investment Manager will endeavor that besides the tactical a nd/or strategic interest rate calls, the portfolio is fully invested.
- vi. **Term Structure of Interest Rates (TSIR) Risk:** The Scheme is expected to have durati on based on the investment objective and limits defined in the scheme documents. De pending 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:

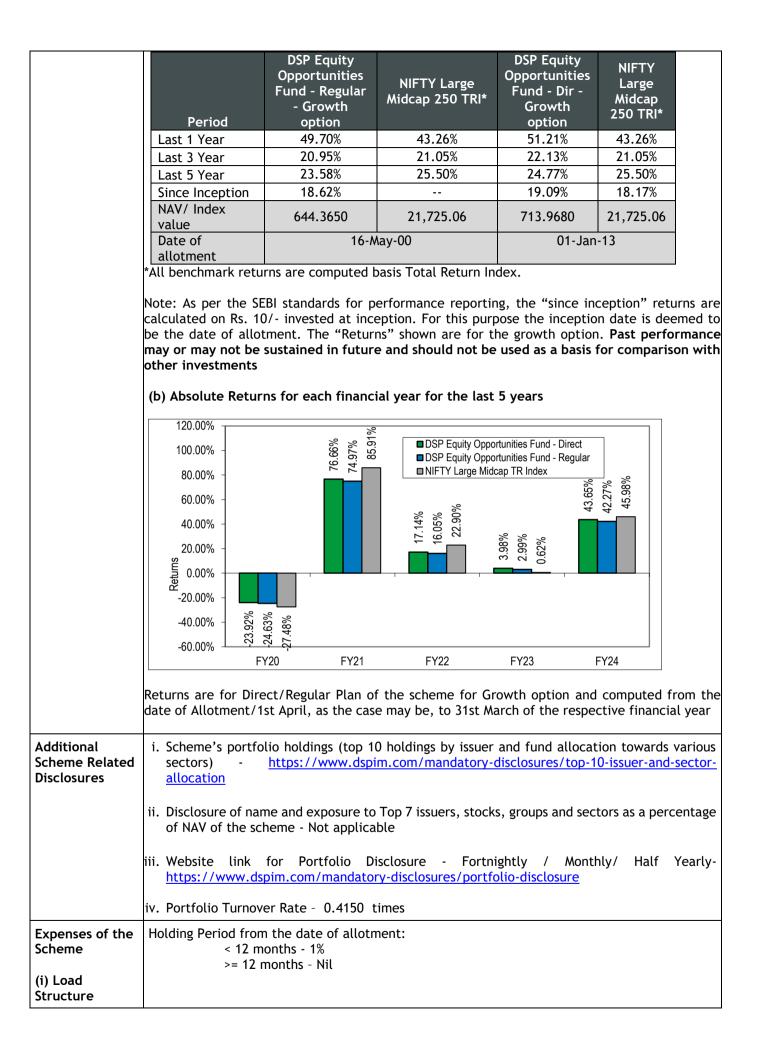
The Investment Manager endeavours to invest in REITS/InvITs, where adequate due diligence and research has been performed by the Investment Manager. The Investment Manager also relies on its own research as well as third party research. This involves one-to-one meetings

|                      | The analysis of assets, ca     | will focus, amongst of  | others, on the predictaness prospects, policy   | ability and                                | ets and also tele-confe<br>d strength of cash flow<br>ent, strength of manag  | s, value                                 |  |
|----------------------|--------------------------------|---|---|--|---|--|--|
|                      | Risk Associa                   | <ul> <li>Risk Associated with overseas mutual funds / ETFs and Index securities:         <ol> <li>Liquidity Risk on account of investments in overseas funds: The investments are made in international funds, which provide daily liquidity.</li> <li>Expense Risks associated with investments in overseas funds: The aggregate o expenses incurred by the Indian Fund-of-Funds scheme and the underlying international funds is subject to limits prescribed by SEBI.</li> </ol> </li> </ul> |   |  |   |  |  |
|                      |                                |   |   |  |   |  |  |
|                      | exp                            |   |   |  |   |  |  |
|                      | full<br>well<br>func           | portfolio disclosure is<br>as sector holdings a<br>I. Full portfolio holdii   | s not available at the<br>re made available at t<br>ngs can be obtained fr                            | end of ea<br>he end of<br>om under         | s in overseas fund: A<br>ch month, top ten hole<br>f each month for the c<br>lying Overseas funds ge<br>ned at the end of June                          | dings as<br>overseas<br>enerally         |  |
|                      | inve<br>whice<br>exise<br>inte | estments in overseas<br>th have similar invest<br>ts possibility that t<br>rnational fund. In suc<br>ther international fun   | <b>s funds:</b> Investments<br>ment objectives to the<br>here is a change in<br>ch circumstances, the | are made<br>domestic<br>the fu<br>Investme | nange risks associate<br>e in such international<br>fund in India. Howeve<br>ndamental attributes<br>nt Manager will seek to<br>nent objective as the d | l funds<br>r, there<br>of the<br>o inves |  |
|                      | v. Mon                         | itoring overseas inve   | estment limits:   |  |   |  |  |
|                      | of a<br>inve                   | an adverse event the<br>sting across other are  | e Investment Manage   | r may ini<br>e scheme                      | eas investments limits.<br>itiate appropriate act<br>document or any othe   | ion like                                 |  |
|                      | Risk manage                    | Risk management for risk associated with Depository Receipts  |   |  |   |  |  |
|                      | investment                     |   |   |  | or foreign securities, th<br>rehensive company spo  |  |  |
| Plans and<br>options | Plan                           | Options Available   | Sub-Option  |  | Income<br>Distribution cum<br>Capital<br>Withdrawal<br>Frequency/Record<br>Date*  |  |  |
|                      | Regular                        | Growth  | -   | _  | -   |  |  |
|                      | Plan and<br>Direct<br>Plan     | Income<br>Distribution cum<br>Capital Withdrawal<br>(IDCW)  | Payout of<br>Distribution cum<br>Withdrawal (IDCW)  | Income<br>Capital                          | At the discretion of<br>Trustee   |  |  |
|                      |                                |   | Reinvestment of<br>Distribution cum<br>Withdrawal (IDCW)  | Income<br>Capital                          |   |  |  |
|                      |                                | he Record Date falls (<br>lered as the Record D   |   | the imm                                    | ediate next Business D  | ay shal                                  |  |

| Investors may note that under Income Distribution cum Capital Withdrawal options<br>can be distributed out of investor's capital (Equalization Reserve), which is part<br>that represents realized gains.  |  |   |  |
|--|--|---|--|
| All the Plans and option under the Scheme will have co   | io.  |   |  |
| Default Option-  |  |   |  |
| Investors should indicate the Scheme / Plan and / or Option / Sub Option, wherever applicat<br>for which the subscription is made by mentioning the full name of Scheme/ Plan/ option or<br>option in the appropriate space provided for this purpose in the application form. In cas<br>valid applications received, without indicating the Scheme / Plan and / or Option etc. or wh<br>the details regarding Plan and/or Option are not clear or ambiguous, the following defaults<br>be applied:  |  |   | on or sub<br>n case of<br>or where   |
| If no indication is given under the following  | Default  |   |  |
| Option - Growth/ IDCW  | Growth Op  | otion   |  |
| Sub-option - Payout of IDCW/ Reinvestment of IDCW  | Payout of  | IDCW  |  |
| In case an investor/Unit Holder fails to mention the plan and broker details in the app form, then the application shall be processed under respective option/sub-option unde Plan of the Scheme.  |  |   |  |
| For more details refer SID.  |  |   |  |
| <ul> <li>application is accepted and time stamped. An applica Business Day, subject to it being complete in all respect the relevant cut-off time as specified below, at any of transactions. Applications received via post or courier on the basis of when the application is time stamped by and time of receipt of the post or the courier.</li> <li>In accordance with clause 8.4.6.2 of the SEBI Master Cirmutual fund schemes (except liquid and overnight scheapplicable on which the funds are available for utilizative receipt of such application.</li> <li>Pursuant to above, the NAV applicability for purchase/will be subject to following clauses:</li> <li>Application for purchase/subscription/switch-in is time and a Puriners Day.</li> </ul>  | ts and receive<br>of the officia<br>at any of the<br>the centre an<br>cular, in resp<br>emes), closin<br>on irrespection<br>'switch-in/ su | ed and time stam<br>I points of accep<br>e centres will be a<br>nd not on the basi<br>ect of purchase o<br>g NAV of the day<br>ve of the size and<br>ubscription in the | ped upto<br>tance of<br>accepted<br>s of date<br>f units of<br>shall be<br>d time of<br>Scheme |
| <ol> <li>time on a Business Day.</li> <li>Funds for the entire amount of purchase/subscript credited before the cut-off time to the bank accou is made.</li> <li>The funds are available for utilization before the cut-off the cut-off time to the bank account the funds are available for utilization before the cut-off time to the cut-of</li></ol> | nt of the Sch  | eme in which sub  |  |
|  |  |   | -  |
| (a) Purchase and Switch-in   |  |   | _  |
| Particulars  |  | Applicable NAV  |  |
| Where the valid application is received upto cu<br>3.00 p.m. on a business day at the official<br>acceptance and funds for the entire  |  |   | 5  |

|  | subscription/purchase are available for utilization upto 3.00 p.m. on the same Business Day.   |  |   |
|--|--|--|---|
|  | 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  | such subsequent<br>Business Day on<br>which the funds<br>are available for   |   |
|  | 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.   | subsequent<br>Business Day<br>shall be   |   |
|  | (b) Redemption and Switch-out  | I  |   |
|  | Particulars  | Applicable NAV   |   |
|  | Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.  |  |   |
|  | Where the valid application is received after 3.00 p.m.  | NAV of the next<br>Business Day.   |   |
| var<br>the   | ansaction through online facilities/ electronic mode: The time of<br>rious online facilities/electronic modes offered by the AMC, for the<br>e applicability of NAV, would be the time when the request of pure  | ne purpose of dete<br>chase/sale/switch  | rmir  |
| var<br>the<br>is r<br>With<br>be<br>sto<br>App<br>ope<br>agg                                 | tious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of the respect to investors who transact through the stock exchance reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transacen-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.   | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>onfirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres   | rmir<br>of u<br><b>V sl</b><br><b>iven</b><br>nder<br>shal                                      |
| var<br>the<br>is r<br>With<br>be<br>sto<br>App<br>ope<br>agg                                 | tious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of th respect to investors who transact through the stock exchance reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transace-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.   | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>onfirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres   | rmir<br>of u<br><b>V s</b> l<br><b>iver</b><br>n <b>der</b><br>shal                             |
| var<br>the<br>is r<br>With<br>be<br>sto<br>Appl<br>ope<br>agg<br>of s                        | rious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of th respect to investors who transact through the stock exchange reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transacen-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.<br>All transactions received on same Business Day (as per cut-off trule).<br>Aggregation of transactions shall be applicable to the Scheme.<br>Transactions shall include purchases, additional purchases and ended set of the set   | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>confirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres<br>timing and Time st  | rmir<br>of u<br>V sl<br>iven<br>nder<br>shall<br>pect   |
| var<br>the<br>is r<br>With<br>be<br>sto<br>App<br>ope<br>agg<br>of 1.<br>2.<br>3.<br>4.      | rious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of the respect to investors who transact through the stock exchange reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transaten-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.<br>All transactions received on same Business Day (as per cut-off trule).<br>Aggregation of transactions shall be applicable to the Scheme.<br>Transactions shall include purchases, additional purchases and e and trigger transactions.<br>Aggregation of transactions shall be done on the basis of Permanent Account Number (PAN). In case of joint holding in similar holding pattern will be aggregated. The principle follower be similar as applied for compilation of Consolidated Account Sta   | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>confirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres<br>timing and Time st<br>exclude Switches,<br>investor/s/Unit H<br>ofolios, transactio<br>d for such aggregat<br>atement (CAS).  | rmir<br>of u<br>V sl<br>iver<br>shal<br>pec<br>SIP/<br>slP/<br>olde<br>ns v<br>ion              |
| var<br>the<br>is r<br>With<br>be<br>sto<br>App<br>ope<br>age<br>of s<br>1.<br>2.<br>3.       | rious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of th respect to investors who transact through the stock exchange reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transaten-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.<br>All transactions received on same Business Day (as per cut-off trule).<br>Aggregation of transactions shall be applicable to the Scheme.<br>Transactions shall include purchases, additional purchases and e and trigger transactions.<br>Aggregation of transactions shall be done on the basis of Permanent Account Number (PAN). In case of joint holding in similar holding pattern will be aggregated. The principle followed  | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>confirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres<br>timing and Time st<br>exclude Switches,<br>investor/s/Unit H<br>ofolios, transactio<br>d for such aggregat<br>atement (CAS).  | rmir<br>of u<br>V sl<br>iver<br>shal<br>pec<br>SIP/<br>slP/<br>olde<br>ns v<br>ion              |
| var<br>the<br>is r<br>With<br>be<br>sto<br>App<br>ope<br>agg<br>of :<br>1.<br>2.<br>3.<br>4. | rious online facilities/electronic modes offered by the AMC, for the applicability of NAV, would be the time when the request of purce received in the servers of AMC/RTA as per terms and conditions of th respect to investors who transact through the stock exchant reckoned on the basis of the time stamping as evidenced by cock exchange mechanism.<br>plicable Net Asset Value in case of Multiple applications/transaten-ended Schemes of the Fund: All transactions as per conditions gregated and closing NAV of the day on which funds for respective source of funds) are available for utilization.<br>All transactions received on same Business Day (as per cut-off trule).<br>Aggregation of transactions shall be applicable to the Scheme.<br>Transactions shall include purchases, additional purchases and e and trigger transactions.<br>Aggregation of transactions shall be done on the basis of Permanent Account Number (PAN). In case of joint holding in similar holding pattern will be aggregated. The principle followed be similar as applied for compilation of Consolidated Account Sta All transactions will be aggregated where investor holding pattern will b | ne purpose of dete<br>chase/sale/switch<br>such facilities.<br>nge, Applicable NA<br>confirmation slip g<br>ctions received un<br>mentioned below<br>e transaction (irres<br>timing and Time st<br>exclude Switches,<br>investor/s/Unit H<br>ofolios, transactio<br>d for such aggregat<br>atement (CAS).<br>n is same as stated<br>clubbed. It will | rmir<br>of u<br>V sl<br>iven<br>shal<br>pect<br>camp<br>SIP/<br>lolde<br>ns v<br>in po<br>in cl |

|  | <ul><li>business days before the which the cleared funds a</li><li>9. Irrespective the date and of actual credit in the S cycle in the banking indu</li></ul>   | cut off time, the applicable I<br>are available for utilization fo<br>I time of debit to the custom<br>cheme's bank account, whic<br>stry, would be considered for | e available for utilization on different<br>NAV shall be of the Business day/s on<br>or the respective application amount.<br>er bank accounts, the date and time<br>h could be different due settlement<br>r applicability of NAV.<br>payment to transfer the funds to the |
|--|---|--|---|
| Minimum<br>Application   | Purchase  | Additional Purchase  | Redemption*   |
| Amount<br>/Number of<br>Units  | Rs. 100/- and any amount thereafter.  | Rs. 100/- and any amount thereafter.   | N.A.  |
|  |   | aterialized mode, the redem<br>atform; and only in number o  | ption request can be given only with<br>f Units.  |
|  |   | ion amount will not be applic<br>n Alignment of interest of De   | able for investment made in schemes<br>signated Employees of AMC.   |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment Plan<br>(SIP) | Rs. 100/- and any amount th   | ereafter.  |   |
| Minimum<br>installment   | Rs. 100/- and any amount the  | ereafter.  |   |
|  | mechanism.  | t available for transactions ca  | rried out through the stock exchange  |
| Dispatch of<br>Repurchase  | Redemption: within 3 Workin   | g Days from the date of acce   | ptance of redemption request.   |
| (Redemption)<br>Request  | communication no. AMFI/ 35F   | P/ MEM-COR/ 74 / 2022-23 dat   | ios as prescribed by AMFI vide its<br>ted January 16, 2023 read with clause<br>be able to adhere with the timelines   |
| Benchmark<br>Index   | Nifty Large Midcap 250 TRI  |  |   |
| IDCW Policy  | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme. |  |   |
| Name & tenure<br>of the Fund<br>Manager  | Mr. Rohit Singhania<br>Tenure: 9 years and 5 month  | s (Managing the Scheme since   | e June 2015)  |
| Name of the<br>Trustee<br>Company  | DSP Trustee Private Limited   |  |   |
| Performance of<br>the Scheme   | (a) Compounded Annualised   | Returns as of September 30   | , 2024  |



|                            |   |  |  | <b>T</b> IA  |
|----------------------------|---|--|--|--|
| (ii) Recurring<br>Expenses | These are the fees and expenses incurred for operating the Scheme. These expenses include<br>and are not limited to Investment Management and Advisory Fee charged by the AMC<br>Registrar's fee, Marketing and selling costs etc., as given in the <b>Table 2</b> which summarize<br>estimated annualized recurring expenses as a % of daily net assets of the Scheme. |  |  |  |
|                            | This section outlines variou<br>provided below would assist<br>types of different fees / exp<br>and selling the Units of the  | the investor in understand<br>benses, their percentage th  | ding the expense s   | tructure of the Sch  |
|                            | The AMC has estimated that<br>to the scheme as expenses.<br>refer to the website of the r   | For the actual current exp   |  |  |
|                            | Operating & recurring expe  | enses under regulation 52  | 2 (6) & 52 (6A):   |  |
|                            | The Scheme may charge ex<br>those expenses which are sp<br>of the Scheme shall be subj<br>regulations:<br>Table 1: Limit as prescribe<br>scheme:  | becifically prohibited. The ect to the following limits  | e annual total of a<br>5, defined under R  | Il charges and expe<br>Regulation 52 of SER  |
|                            | Slab Rates  | As a % of daily net  | Additional TER   | Additional   |
|                            |   |  |  |  |
|                            |   | assets as per<br>Regulation 52(6) (c)  | as per<br>Regulation 52  | TER as per<br>Regulation   |
|                            | on the first Rs.500 crores  | assets as per<br>Regulation 52(6) (c)  | as per   | TER as per   |
|                            | on the first Rs.500 crores<br>of the daily net assets<br>on the next Rs.250<br>crores of the daily net  | assets as per<br>Regulation 52(6) (c)<br>2.25%   | as per<br>Regulation 52<br>(6A) (c)^   | TER as per<br>Regulation<br>52 (6A) (b)^   |
|                            | on the first Rs.500 crores<br>of the daily net assets<br>on the next Rs.250   | assets as per<br>Regulation 52(6) (c)<br>2.25%<br>2.00%<br>1.75%   | as per<br>Regulation 52<br>(6A) (c)^<br>0.05%  | TER as per<br>Regulation<br>52 (6A) (b)^<br>0.30%  |
|                            | on the first Rs.500 crores<br>of the daily net assets<br>on the next Rs.250<br>crores of the daily net<br>assets<br>on the next Rs.1,250<br>crores of the daily net   | assets as per<br>Regulation 52(6) (c)<br>2.25%<br>2.00%<br>1.75%   | as per<br>Regulation 52<br>(6A) (c)^<br>0.05%<br>0.05%   | TER as per<br>Regulation<br>52 (6A) (b)^<br>0.30%  |
|                            | on the first Rs.500 crores<br>of the daily net assets<br>on the next Rs.250<br>crores of the daily net<br>assets<br>on the next Rs.1,250<br>crores of the daily net<br>assets<br>on the next Rs.3,000<br>crores of the daily net<br>assets<br>on the next Rs.5,000<br>crores of the daily net<br>assets   | assets as per<br>Regulation 52(6) (c)<br>2.25%<br>2.00%<br>1.75%<br>1.60%<br>1.50%   | as         per           Regulation         52           (6A) (c)^         0           0.05%         -           0.05%         -           0.05%         -           0.05%         -           0.05%         -           0.05%         -           0.05%         - | TER as per<br>Regulation<br>52 (6A) (b)^<br>0.30%<br>0.30%   |
|                            | on the first Rs.500 crores<br>of the daily net assets<br>on the next Rs.250<br>crores of the daily net<br>assets<br>on the next Rs.1,250<br>crores of the daily net<br>assets<br>on the next Rs.3,000<br>crores of the daily net<br>assets<br>on the next Rs.5,000<br>crores of the daily net   | assets       as       per         Regulation 52(6) (c)       2.25%         2.00%       1.75%         1.75%       1.60%         1.50%       Total       expense | as         per           Regulation         52           (6A) (c)^         0.05%           0.05%         -           0.05%         -           0.05%         -   | TER as per         Regulation         52 (6A) (b)^         0.30%         0.30%         0.30%         0.30% |

| It is clarified that the brokerage and transaction cost incurred for the purpose of<br>execution of trade over and above the said 0.12 percent and 0.05 percent for cash<br>market transactions and derivatives transactions respectively may be charged to the<br>Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under<br>regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.                 |
|--|
| <ul> <li>b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least: <ol> <li>30 per cent of gross new inflows from retail investors* in the concerned Scheme, or;</li> </ol> </li> </ul>   |
| ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.  |
| Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.   |
| * Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.   |
| The additional expenses charged shall be utilized for distribution expenses incurred for<br>bringing inflows from such cities. The additional expense charged to the Scheme on<br>account of inflows from such cities shall be credited back to the concerned Scheme in<br>case such inflows are redeemed within a period of one year from the date of<br>investment.  |
| Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard. |
| c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable  |
| GST on investment and advisory fees:   |
| a) AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).  |
| b) GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).   |
| c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).  |
| <u>Others:</u>   |
| In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.   |
| 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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

# A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100 crores:</u>

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 Heads  | % of daily net assets |
|--|-----------------------|
| Investment Management and Advisory Fee   |                       |
| Audit fees /Fees and expenses of trustees*   |                       |
| Custodial fees   |                       |
| Registrar & Transfer Agent Fees including cost of providing<br>account statements / IDCW / redemption cheques/ warrants<br>Marketing & Selling expense including agent commission and<br>Statutory advertisement |                       |
| Cost related to investor communications  |                       |
| Cost of fund transfer from location to location  |                       |
| Cost towards investor education & awareness (at least 0.02 percent)  | Upto 2.25%            |
| Brokerage $\pounds$ transaction cost pertaining to distribution of units   |                       |
| Goods & Services Tax on expenses other than investment and advisory fees   |                       |
| Goods & Services Tax on brokerage and transaction cost   |                       |
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively.   |                       |
| Maximum total expense ratio (TER) permissible under<br>Regulation 52 (6) (c)   | Upto 2.25%            |
| Additional expenses under regulation 52 (6A) (c)\$   | Upto 0.05%            |

Additional expenses for gross new inflows from specified cities Up to 0.30% under regulation 52(6A)(b)

\*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.

\$The nature of expenses can be any permissible expenses including management fees. Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

| Particulars                                     | Regular Plan | Direct<br>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 | 9.00%        | 9.25%          |

### II. Illustration of impact of expense ratio on scheme's returns:

Tax treatment<br/>for the Investors are advised to refer to the details in the Statement of Additional Information and also<br/>independently refer to his tax advisor.(Unit Holders)

| Daily Net Asset<br>Value (NAV)<br>Publication | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day an will be made available by 11 p.m. of the same Business Day.  |  |
|---|---|--|
|   | The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on any da 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 <a href="http://www.amfiindia.com">www.amfiindia.com</a> and a <a href="http://www.amfiindia.com"></a> www.amfiindia.com"//www.amfiindia.com <a href="http://www&lt;/td&gt;&lt;/tr&gt;&lt;tr&gt;&lt;td&gt;&lt;/td&gt;&lt;td colspan=2&gt;Latest available NAVs shall be available to unitholders through SMS, upon receiving a spec request in this regard. Refer relevant disclosures mentioned in the Statement of Addition Information ('SAI') available on AMC website i.e. &lt;a href=" http:="" www.dspim.com"="">www.dspim.com</a> |  |
| For Investor<br>Grievances<br>please contact  | Name       and       Computer Age Management Services Limited (CAMS)         Address       of         Registrar       Address - Computer Age Management Services Limited, No. 178/10         Kedembeldern       Virb  |  |
|   | Kodambakkam High Road, Ground floor, Opp. Hotel Palmgrove,<br>Nungambakk, Chennai, Tamil Nadu 600034.<br>Website -<br><u>https://www.camsonline.com/Investors/Support/Grievances</u>  |  |
|   | Nameand<br>AddressMr. Prakash Pujari<br>Investor Relations OfficerInvestorDSP Asset Managers Private Limited, Natraj, Office Premises No.<br>302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri (East),<br>Murbai - 400069, Tel.: 022 - 67178000<br>E-mail: <a href="mailto:service@dspim.com">service@dspim.com</a>   |  |
| Unit Holders<br>Information                   | <ul> <li>Account Statements: Allotment confirmation specifying the number of Units allotted be sent to the Unit holders at their registered e-mail address and/or mobile number of email and/or SMS within 5 working Days from the date of receipt of the application/transaction.</li> <li>A Consolidated Account Statement (CAS) detailing all the transactions across all funds (including transaction charges paid to the distributor) and holding at the end month shall be sent to the Unit holders in whose folio(s) transaction(s) have taked during the month by mail or email on or before 15th of the succeeding month. How the investor wishes to opt for physical copy may request for the same.</li> </ul>  |  |
|   | Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) or before 21st day of succeeding month, to all investors providing the prescribed deta across all schemes of mutual funds and securities held in dematerialized form across dem accounts, if applicable.   |  |
|   | For further details, please refer SAI.  |  |
|   | • Half yearly Portfolio: In case of unit holders whose email address are registered w<br>Fund, the AMC shall send half yearly portfolio via email within 10 days from the end<br>half-year. The half yearly portfolio of the Scheme shall also be available in a user-f<br>and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.co</u><br>website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month  |  |
|   | The advertisement in this reference will be published by the Fund in all India edition atleast two daily newspapers, one each in English and Hindi.   |  |
|   | The AMC shall provide a physical copy of the statement of the Scheme portfolio, witho charging any cost, on specific request received from a unitholder.  |  |
|   | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolidisclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/onlincenter/portfoliodisclosure</u> ) for further details.  |  |

|                 | -  |
|-----------------|--|
|                 | <ul> <li>Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.</li> <li>In case of unit holders whose email addresses are not available with the Fund, the AMC shall</li> </ul> |
|                 | send physical copies of scheme annual reports or abridged summary to those unitholders<br>who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy<br>of the scheme-wise annual report or abridged summary thereof shall be provided in the<br>application form for new subscribers.   |
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. <u>www.dspim.com</u>                                 |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| 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.  |
| Stamp Duty      | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty<br>@ 0.005% of the amount invested.  |
|                 | For further details, please refer SAI.   |
| Risk-o-Meter    | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|                 | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:   |
|                 | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-<br>vis that of the benchmark is disclosed.  |
|                 | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.  |
|                 | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) (For AMFI- refer link- <u>https://www.amfiindia.com/investor-</u>   |

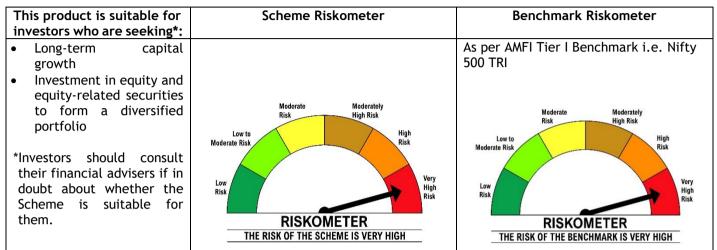
| <u>corner/online-center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of<br>schemes as on March 31 of every year, along with number of times the risk level has changed<br>over the year, on AMCs website and AMFI website (For AMC refer link-<br><u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI -<br>refer Link <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). |
|---|
| Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.  |



#### **KEY INFORMATION MEMORANDUM**

# **DSP FLEXI CAP FUND**

#### An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks



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

#### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code              | DSPM/O  | /E/FCF/97/03/0001   |   |                    |                                       |  |                 |       |
|--------------------------|---|---|---|--------------------|---------------------------------------|--|-----------------|-------|
| Investment Objective     | The primary investment objective of the Scheme is to seek to generate long term capir<br>appreciation, from a portfolio that is substantially constituted of equity securities a<br>equity related securities of issuers domiciled in India. This shall be the fundamen<br>attribute of the Scheme.<br>There is no assurance that the investment objective of the Scheme will be achieved |   |   |                    |                                       |  | ies an<br>menta |       |
| Asset Allocation         |   | ormal circumstances, t  | -   |                    |                                       |  |                 |       |
| Pattern of the<br>Scheme | Instrur   | nents   |   | (% o               | cative allocations<br>f total assets) |  |                 |       |
|                          |   | and equity related sec  |   | 65%                | mum                                   | Maximum<br>100%                          |                 |       |
|                          |   | nd Money Market Secur<br>/e Table (Actual instru<br>:)                |   | <u>0%</u><br>ay va | ry subj                               | 35%<br>ect to appli                      | cable           | SEBI  |
|                          | Sl. no  | Type of Instrument  | Percentage<br>exposure                                    | of                 | Circula                               | ar reference                             | 25              |       |
|                          | 1.  | Securities Lending  | Upto 20% (upto 5%<br>any sing<br>intermediary)            |                    |                                       | e 12.11 of<br>r Circular                 | the             | SEBI  |
|                          | 2.  | Derivatives   | Upto 100%   |                    |                                       | e 12.25 of<br>r Circular                 | the             | SEBI  |
|                          | 3.  | Equity Derivatives<br>for non- hedging<br>purposes                    | Upto 100%   |                    |                                       | e 12.25 of<br>r Circular                 | the             | SEBI  |
|                          | 4.  | Securitized debt  | Upto 35%  |                    | -                                     |  |                 |       |
|                          | 5.  | Overseas Securities   | Nil   |                    | -                                     |  |                 |       |
|                          | 6.  | ReITS and InVITS  | Nil   |                    | -                                     |  |                 |       |
|                          | 7.  | Debt Instruments<br>with special<br>features (AT1 and<br>AT2 Bonds)   | Upto 10% (upto 5<br>single issuer) of t<br>debt portfolio |                    |                                       | e 12.2 of<br>r Circular                  | the             | SEBI  |
|                          | 8.  | Debt Instruments<br>with SO / CE rating                               | •   | the<br>in<br>Iall  |                                       | e 12.3 of<br>r Circular                  | the             | SEBI  |
|                          | 9.  | Tri-partyrepos(includingreverserepoinT-bills/Governmentsecurities)    | Upto 35%  |                    | -                                     |  |                 |       |
|                          | 10.   | Other / own mutual<br>funds   | Upto 5% of AUM of t<br>Mutual Fund                        | the                | Sched                                 | e 4 of the<br>ule of SEB<br>) Regulation | I (M            | utual |
|                          |   | Repo/ reverse repo<br>transactions in<br>corporate debt<br>securities | Nil   |                    | -                                     |  |                 |       |
|                          | 12.   | Credit Default Swap   | Nil   |                    | -                                     |  |                 |       |

|     | transactions                                    |                              |  |
|-----|---|------------------------------|--|
| 13. | Covered call option                             | Nil                          | -  |
| 14. | Short selling                                   | As per prescribed guidelines | Regulation 45 (2) of SEBI<br>(Mutual Funds) Regulations,<br>1996 |
| 15. | Foreign Securitized debt                        | Nil                          | -  |
| 16. | Unrated debt and<br>money market<br>instruments | Upto 5% (refer Note 1)       | Clause 12.1 of the SEBI<br>Master Circular                       |
| 17. | Short Term Deposit                              | Refer Note 2                 | Clause 12.16 of the SEBI<br>Master Circular                      |

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

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

Note 2 -Investment in Short-Term Deposits-

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 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 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. The Trustee 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.
- 7. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of 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 Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, 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. 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 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.

### Stock lending-

|                     | Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Mutual<br>Fund may engage in stock lending. The AMC shall comply with all reporting requirements<br>and the Trustee shall carry out periodic review as required by SEBI guidelines. Stock<br>lending means the lending of stock to another person or entity for a fixed period of time,<br>at a negotiated compensation. The securities lent will be returned by the borrower on<br>expiry of the stipulated period.<br>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.   |
|                     | Portfolio Rebalancing:   |
|                     | a. <u>Action with respect to passive breaches:</u>   |
|                     | As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.  |
|                     | b. Action with respect to breaches arising due to 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.  |
|                     | 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.  |
| Investment Strategy | Strategy for Equity Securities   |
|                     | The Investment Manager will be adopting a top down approach, which will encompass<br>an evaluation of key economic trends, the analysis of various sectors in the economy<br>leading to an outlook on their future prospects and a diligent study of various investment<br>opportunities within the favoured sectors. In picking out individual investment<br>opportunities for the portfolio, the Investment Manager will seek both value and growth.<br>Value is discerned when the Investment Manager believes that the long-term growth<br>potential of a company is not fully reflected in the market price of the company's<br>securities and which potential it seeks to better every year capitalising on its various<br>strengths, which could mean strong brand equity, high market share, strong<br>management and technological excellence among others. Such companies are core<br>holdings in any equity portfolio since they seldom fail to deliver good returns over the<br>long term. Growth stocks, as the term suggests, are those stocks that are currently in<br>the growth phase. The super-normal growth could be due to a new product, a new |

process, growing market share, stronger brand equity, technological breakthrough and unique or predominant position in a market, among other factors.

The Investment Manager will conduct in-house research in order to identify value and growth stocks. The analysis will focus, among others, on the historical and current financial condition of the company, capital structure, business prospects, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research and technological know-how and transparency in corporate governance. The quality or strength of management would be a key focus area.

#### 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 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.

#### **Derivative 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 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.

The Mutual Fund may use the following strategies while trading in derivatives for the purpose of efficient portfolio management:

### **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:

|                            | <ul> <li>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.</li> <li>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.</li> </ul>   |
|----------------------------|--|
|                            | 5) Reverse Arbitrage:<br>This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably<br>greater than single stock futures of XYZ, and then the Investment Manager may sell<br>cash position in XYZ and buy single stock futures of XYZ. In this case the Investment<br>Manager will still be having a long-term view on the stock XYZ but is able to minimize<br>the cost of holding of XYZ.  |
|                            | <ul> <li>6) Portfolio Hedging:<br/>This strategy will be adopted:</li> <li>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.</li> <li>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.</li> </ul>   |
|                            | <ul> <li>Fixed Income Derivatives</li> <li>1) Interest Rates Swap <ul> <li>The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure</li> </ul> </li> </ul>  |
|                            | <ul> <li>2) Interest Rate Futures (IRF)</li> <li>IRFs can be used for hedging the underlying cash positions.</li> </ul>  |
|                            | <ul> <li>3) Forward Rate Agreement (FRA)</li> <li>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.</li> <li>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.</li> </ul>   |
|                            | For detailed derivative strategies, please refer to SAI.   |
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal.<br>Please read the SID carefully for details on risk factors before investment. Scheme<br>specific Risk Factors are summarized below:   |
|                            | Scheme specific risk factors are summarized below:   |
|                            | Risks associated with transacting in scheme units through stock exchange mechanism, efficient portfolio management, favorable taxation of certain scheme in India, Taxation of overseas investments, Equity and Equity-related securities / investments, Securities Lending & Borrowing and Short Selling, Equity Derivatives, Debt Securities and Money Market Securities, debt instruments having structured obligations /credit enhancements, unrated securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI), segregated portfolio, Securitized Assets, fixed income Derivatives, mid-cap and small-cap companies, Depository Receipts. |

For details on risk factors and risk mitigation measures, please refer SID.

RISK MITIGATION STRATEGIES:

# Risks associated with Equity investments:

- i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addresse d by creating a portfolio which has adequate access to liquidity. The Investmen t Manager will select securities, which have or are expected to have good seco ndary market liquidity. Market Liquidity Risk will be managed actively within th e 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 acr oss large number of companies/sectors and endeavor to keep stock-specific co ncentration 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 Ma nager. As not all these companies are very well researched by third-party resea rch companies, the Investment Manager also relies on its own research. This in volves one-to-one meetings with the management of companies, attending con ferences and analyst meets and also tele-conferences. The company- wise anal ysis 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, str ength of management, responsiveness to business conditions, product profile, b rand equity, market share, competitive edge, research, technological know- ho w 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  $\pounds$  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 Debt Securities and 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

|                   |                                     |   |  | 11   |
|-------------------|-------------------------------------|---|--|--|
|                   |                                     |   | vithin the portfolio liquidity<br>I to ensure payout of the oblig  | limits by maintaining proper<br>gations.   |
|                   | secu<br>fron<br>10 y<br>bene        | rities market de<br>n security to secu<br>ears, 5 years etc                                   | monstrates the highest marke<br>urity with benchmark securitie<br>c. showing relatively higher ma<br>nent security changes and the   | rket in India, the government<br>t liquidity. The liquidity varies<br>is for the reference tenors like<br>arket liquidity. With time, the<br>us hence liquidity propagates   |
|                   | d by<br>evie<br>ysis<br>an g<br>The | making investm<br>w internally. Th<br>and due diligend<br>overnment of In<br>credit process e | nents in securities issued by bo<br>ne credit research process incl<br>ce where limits are assigned fo<br>dia) for the amount as well as<br>ensures that issuer limits are r | ome securities will be manage<br>prowers post detailed credit r<br>udes a detailed in-house anal<br>or each of the issuer (other th<br>s maximum permissible tenor.<br>eviewed periodically by takin<br>operating strength of the issu |
|                   | e du<br>its a                       | e diligence perf<br>and the periodic  | ormed by the fixed income tea  | in well researched issuers. Th<br>am before assigning credit lim<br>should help keep the rating m  |
|                   | n wi                                |   | sible limit as defined by the s  | endeavor to keep the duratio<br>cheme document and based o   |
|                   |                                     |   | : The Investment Manager wil<br>gic interest rate calls, the por   | l endeavor that besides the ta<br>tfolio is fully invested.  |
|                   | dura<br>ocur<br>est                 | ation based on the<br>ments. Dependir   | ne investment objective and l<br>ng on the nature of the schem   | e Scheme is expected to have<br>imits defined in the scheme d<br>e, the Term Structure of Inter<br>exists as a primary feature of  |
|                   | Risk manage                         | ement for risk as   | sociated with Depository Rece  | hipts  |
|                   | investment                          |   | fund manager will ensure that  | anies or foreign securities, the<br>at a comprehensive company   |
| Plans and options | Plan                                | Options   | Sub-Option   | Income Distribution cum  |
|                   |                                     | Available   |  | Capital Withdrawal<br>Frequency/Record Date*   |
|                   | Regular                             | Growth  | -  | ····   |
|                   | Plan and<br>Direct<br>Plan          | Income<br>Distribution<br>cum Capital<br>Withdrawal<br>(IDCW)                                 | Payout of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) &<br>Reinvestment of Income<br>Distribution cum Capital<br>Withdrawal (IDCW)                               | At the discretion of<br>Trustee  |
|                   |                                     | ne Record Date fa   | alls on a non Business Day, the<br>e Record Date.  | e immediate next Business Day  |

|                | Investors may note that under Income Distribution cum C<br>amounts can be distributed out of investor's capital (Ed<br>part of sale price that represents realized gains.<br>All the Plans and option under the Scheme will have com<br>Default Option-<br>Investors should indicate the Scheme / Plan and / or O<br>applicable, for which the subscription is made by mentio  | mon portfolio.<br>ption / Sub Option, wherever<br>ning the full name of Scheme/   |  |  |  |
|----------------|--|---|--|--|--|
|                | Plan/ option or sub option in the appropriate space pro<br>application form. In case of valid applications received,<br>/ Plan and / or Option etc. or where the details regardi<br>clear or ambiguous, the following defaults will be applied   | without indicating the Scheme<br>ng Plan and/or Option are not  |  |  |  |
|                | If no indication is given under the following  | Default   |  |  |  |
|                | Option - Growth/ IDCW  | Growth Option   |  |  |  |
|                | Sub-option - Payout of IDCW/ Reinvestment of IDCW  | Payout of IDCW  |  |  |  |
|                | In case an investor/Unit Holder fails to mention the p<br>application form, then the application shall be processed<br>option under Direct Plan of the Scheme. For more details  | under respective option/sub-  |  |  |  |
| Applicable NAV | <ul> <li>a valid application is accepted and time stamped. An a accepted on a Business Day, subject to it being complete and time stamped upto the relevant cut-off time as spofficial points of acceptance of transactions. Application at any of the centres will be accepted on the basis of stamped by the centre and not on the basis of date and the courier.</li> <li>In accordance with clause 8.4.6.2 of the SEBI Master Circunits of mutual fund schemes (except liquid and overnigh day shall be applicable on which the funds are available the size and time of receipt of such application.</li> </ul> | e in all respects and received<br>becified below, at any of the<br>is received via post or courier<br>when the application is time<br>time of receipt of the post or<br>ular, in respect of purchase of<br>t schemes), closing NAV of the |  |  |  |
|                | Pursuant to above, the NAV applicability for purchase/switch-in/ subscription in the Scheme will be subject to following clauses:  |   |  |  |  |
|                | <ol> <li>Application for purchase/subscription/switch-in is received before the applicable cut-off time on a Business Day.</li> <li>Funds for the entire amount of purchase/subscription/switch-in as per the</li> </ol>   |   |  |  |  |
|                | 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.   |   |  |  |  |
|                | (a) Purchase and Switch-in   |   |  |  |  |
|                | Particulars  | Applicable NAV  |  |  |  |
|                | Where the valid application is received upto cut<br>time of 3.00 p.m. on a business day at the of<br>point(s) of acceptance and funds for the entire am<br>of subscription/purchase are available for utiliza-<br>upto 3.00 p.m. on the same Business Day.   | icial same Business<br>Ount Day shall be  |  |  |  |

| point(s) of acceptance and funds for the entire amount<br>of subscription/purchase are available for utilization<br>after 3.00 p.m. on the same Business Day or on any | Closing NAV of<br>such subsequent<br>Business Day on<br>which the funds<br>are available for<br>utilization prior<br>to 3.00 p.m. |
|--|---|
| point(s) of acceptance and funds for the entire amount   | Closing NAV of<br>subsequent<br>Business Day<br>shall be<br>applicable  |
| (b) Redemption and Switch-out  |   |
| Particulars  | Applicable NAV  |
| Where the valid application is received on any Business<br>Day at the official points of acceptance of transactions<br>upto 3.00 p.m.                                  |   |
|  | NAV of the next<br>Business Day.  |

**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.

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 (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 vultization on different business days body 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, 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, 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.       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 purchase and treatization of funds by the 'switch in' scheme related rules shall be applied.         Whinthum Application Anount /Number of Links.       Purchase       Additional Purchase       Redemption*         Minimum Application Anount /Number of Units.       Not.       The minimum application amount Rs. 100/ and any amount it thereafter.       Not.         *In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units.       Not.         Note: The minimum application amount will not be applicable for investment made in schemes in line with SEBI guidelines on Alignment of i   | Ι  | 0 In the four laser   | trad as assured as the second                                |  |  |  |
|---|--|---|--|--|--|--|
| winnum       Application         Amount       /Number of<br>Units         Minimum       Application         Amount       for any amount thereafter.         Minimum       installment         Minimum       for is store of the solute discretion to reject any application for purchase of<br>Units, if in its opinion, increasing the size of the size of the solute discretion to reject any application for<br>mean any amount thereafter.         Minimum       for Switching:         Where there is a switch application from one scheme to another, 'Switch out' shall be<br>treated as redemption in one scheme and the Applicable NAV based on the cut off time<br>for redemption and payour rules shall be applied.         Minimum       Application         Amount       /Number of<br>Units         Minimum       Application<br>Amount         Ass. 100/- and any amount<br>thereafter.       Rs. 100/- and any amount<br>thereafter.         "In case of Units held in dematerialized mode, the redemption request can be given<br>only with DPs or on Stock exchange Platform; and only in number of Units.         Note: The minimum application amount will not be applicable for investment made in<br>schemes in line with SEBI guidelines on Alignment of interest of Designated Employees<br>of AMC.         Minimum       installment<br>for<br>Systematic       Rs. 100/- and any amount thereafter.         Minimum       for application for<br>purchase       Rs. 100/- and any amount thereafter.         Minimum       for<br>Sys   |  | <ul><li>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.</li><li>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</li></ul> |  |  |  |  |
| to the Scheme's bank account.         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 redemption in one scheme 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.         Minimum       Application       Purchase and the Applicable NAV based on the cut-off time, the request will be deemed to have been received on the next Business Day.         Minimum       Application       Purchase       Additional Purchase       Redemption*         Minimu       Application       Rs. 100/- and any amount       Rs. 100/- and any amount       N.A.         thereafter.       In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units.       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.         Minimum       installment Amount for Systematic Investment Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum installment Amount for Systematic Investment Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum installment Request of Plan (SIP)       Redemption: within 3 Working Days from the date of acceptance of redemption request.   |  |   |  |  |  |  |
| 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.         Minimum Application //Number of Units       Purchase       Additional Purchase       Redemption*         Minimum installment Amount //Number of Units       Purchase in line with SEBI guidelines on Alignment of interest of Designated Employees of AAC.       The Trustee shall have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Scheme or its Unit Holders to accept such an application.         Minimum installment Amount for Systematic Investment for Systematic Investment Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum installment Repurchase (Redemption) Request       Redemption: within 3 Working Days from the date of acceptance of redemption request. Repurchase (Redemption) Request         Minimum installment Repurchase (Redemption) Request       Redemption: within 3 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 clause No. 14.1.3 of the SEBI Master Circu |  |   |  | payment to transfer the funds                              |  |  |
| Minimum Application<br>Amount /Number of<br>Units       Purchase       Additional Purchase       Redemption*         Rs. 100/- and any amount<br>Units       Rs. 100/- and any amount<br>Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any amount<br>Rs. 100/- and any amount<br>thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given<br>only with DPs or on Stock exchange Platform; and only in number of Units.       Note: The minimum application amount will not be applicable for investment made in<br>schemes in line with SEBI guidelines on Alignment of interest of Designated Employees<br>of AMC.         The Trustee shall have absolute discretion to reject any application for purchase of<br>Units, if in its opinion, increasing the size of the Unit Capital is not in the general<br>interest of the Unit Holders, or if for any other reason it does not believe it would be<br>in the best interest of the Scheme or its Unit Holders to accept such an application.         Minimum installment<br>Amount for<br>Systematic<br>Investment Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum for<br>Systematic<br>(Redemption) Request<br>(Redemption) Request       Redemption: within 3 Working Days from the date of acceptance of redemption request.<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI / 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.  |  | Where there is a switch application from one scheme to another, 'Switch or<br>treated as redemption in one scheme and the Applicable NAV based on the<br>for redemption and payout rules shall be applied. Similarly, the 'switch<br>treated as purchase and the Applicable NAV based on the cut off time for p   |  |  |  |  |
| Amount /Number of Units       Rs. 100/- and any amount Rs. 100/- and any amount thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units.       N.A.         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.       The Trustee shall have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit Holders, or if for any other reason it does not believe it would be in the best interest of the Scheme or its Unit Holders to accept such an application.         Minimum installment Amount for Systematic Investment for Systematic Withdrawal Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum installment (SWP)/ Systematic (Redemption) Request       Redemption: within 3 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 clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.   |  |   |  |  |  |  |
| Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any amount<br>thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given<br>only with DPs or on Stock exchange Platform; and only in number of Units.         Note: The minimum application amount will not be applicable for investment made in<br>schemes in line with SEBI guidelines on Alignment of interest of Designated Employees<br>of AMC.         The Trustee shall have absolute discretion to reject any application for purchase of<br>Units, if in its opinion, increasing the size of the Unit Capital is not in the general<br>interest of the Unit Holders, or if for any other reason it does not believe it would be<br>in the best interest of the Scheme or its Unit Holders to accept such an application.         Minimum installment<br>Amount for<br>Systematic<br>Investment Plan (SIP)       Rs. 100/- and any amount thereafter.         Minimum installment<br>Repurchase<br>(Redemption) Request       Redemption: within 3 Working Days from the date of acceptance of redemption request.<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.  | Amount /Number of  | Purchase  | Additional Purchase  | Redemption*  |  |  |
| only with DPs or on Stock exchange Platform; and only in number of Units.Note: The minimum application amount will not be applicable for investment made in<br>schemes in line with SEBI guidelines on Alignment of interest of Designated Employees<br>of AMC.The Trustee shall have absolute discretion to reject any application for purchase of<br>Units, if in its opinion, increasing the size of the Unit Capital is not in the general<br>interest of the Unit Holders, or if for any other reason it does not believe it would be<br>in the best interest of the Scheme or its Unit Holders to accept such an application.Minimum installment<br>Amount for<br>Systematic<br>Investment Plan (SIP)Rs. 100/- and any amount thereafter.Minimum installment<br>(SWP)/ Systematic<br>Transfer Plan (STP)Rs. 100/- and any amount thereafter.Dispatch of<br>Repurchase<br>(Redemption) RequestRedemption: within 3 Working Days from the date of acceptance of redemption request.<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.  | Units  |   |  | N.A.   |  |  |
| Units, if in its opinion, increasing the size of the Unit Capital is not in the general<br>interest of the Unit Holders, or if for any other reason it does not believe it would be<br>in the best interest of the Scheme or its Unit Holders to accept such an application.Minimum installment<br>Amount for<br>Systematic<br>Investment Plan (SIP)Rs. 100/- and any amount thereafter.Minimum installment<br>Amount for<br>Systematic<br>Transfer Plan (STP)Rs. 100/- and any amount thereafter.Minimum installment<br>Amount for<br>Systematic<br>Transfer Plan (STP)Rs. 100/- and any amount thereafter.Dispatch of<br>Repurchase<br>(Redemption) RequestRedemption: within 3 Working Days from the date of acceptance of redemption request.<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.  |  | only with DPs or on Stock exchange Platform; and only in number of Unit<br>Note: The minimum application amount will not be applicable for invest<br>schemes in line with SEBI guidelines on Alignment of interest of Designa   |  |  |  |  |
| AmountforSystematicInvestment Plan (SIP)Minimum installmentAmountforSystematicWithdrawalPlan(SWP)/SystematicTransfer Plan (STP)Dispatch ofRepurchase(Redemption) RequestRedemption RequestRedemption on 0. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 readwith clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adherewith the timelines prescribed above.  |  | Units, if in its opinion, incre<br>interest of the Unit Holders,  | easing the size of the Unit<br>or if for any other reason it | Capital is not in the general does not believe it would be |  |  |
| Amountfor<br>SystematicWithdrawalPlan<br>(SWP)/SystematicTransfer Plan (STP)Dispatch of<br>Repurchase<br>(Redemption) RequestInvestor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.  | Amount for<br>Systematic   | Rs. 100/- and any amount th   | ereafter.  |  |  |  |
| Repurchase<br>(Redemption) Request<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read<br>with clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere<br>with the timelines prescribed above.   | Amount for<br>Systematic<br>Withdrawal Plan<br>(SWP)/ Systematic | Rs. 100/- and any amount the  | ereafter.  |  |  |  |
| Benchmark Index Nifty 500 TRI   | Repurchase   | nvestor may note that in case of exceptional scenarios as prescribed by AMFI vide its ommunication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read vith clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere   |  |  |  |  |
|   |  |   |  | AC may not be able to adhere                               |  |  |

| IDCW Policy                              | The Trustee reserves the right to declare IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.   |  |  |  |  |  |
|--|---|--|--|--|--|--|
| Name & tenure of the<br>Fund Manager     | Mr. Bhavin Gandhi<br>Tenure: 8 months (Managing the Scheme from March 2024)   |  |  |  |  |  |
| Name of the Trustee<br>Company           | DSP Trustee Private   | Limited  |  |  |  |  |
| Performance of the<br>Scheme             | (a) Compounded Anr  | ualised Returns a  | s of Sentemb   | or 30 2024   |  |  |
| cheme                                    |   |  |  |  |  |  |
|  | Period  | DSP Flexi Cap<br>Fund - Regular<br>Plan - IDCW<br>Reinvest<br>option   | Nifty 500<br>TRI   | DSP Flexi Cap<br>Fund - Direct<br>Plan - Growth<br>option  | Nifty 500 TRI  |  |
|  | Last 1 Year   | 40.02%   | 41.27%   | 41.46%   | 41.27%   |  |
|  | Last 3 Year   | 16.87%   | 18.42%   | 18.14%   | 18.42%   |  |
|  | Last 5 Year   | 21.19%   | 22.25%   | 22.47%   | 22.25%   |  |
|  | Since Inception   | 19.68%   | 15.57%   | 17.38%   | 16.10%   |  |
|  | Nav/ Index value  | 72.2779  | 38,261.39  | 118.7430   | 38,261.39  |  |
|  | Date of allotment<br>All benchmark return   | 29-April   |  |  | an-13  |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison  | te of allotment.<br>ay or may not be s<br>with other invest  | The "Returns"<br>sustained in fo<br>tments   | uture and should   | ne growth option   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns  | ate of allotment.<br>ay or may not be<br>with other invest<br>s for each financia  | The "Returns"<br>sustained in fo<br>tments   | this purpose the<br>shown are for th<br>uture and should   | ne growth option   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison  | te of allotment.<br>ay or may not be s<br>with other invest  | The "Returns"<br>sustained in fo<br>tments<br>al year for the<br>DSP File<br>DSP File  | this purpose the<br>shown are for th<br>uture and should   | ne growth option   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns<br>100.00%<br>80.00%<br>60.00%<br>40.00%<br>20.00%   | ate of allotment.<br>ay or may not be<br>with other invest<br>s for each financia  | The "Returns"<br>sustained in fo<br>tments<br>al year for the<br>DSP File<br>DSP File  | this purpose the<br>shown are for th<br>uture and should<br>e last 5 years<br>exi Cap Fund - Direct<br>exi Cap Fund - Regular - II                 | ne growth option   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns<br>(b) Absolute Returns<br>100.00% -<br>60.00% -<br>40.00% -<br>20.00% -<br>-20.00% -<br>-40.00% -<br>9, 0, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,  | ate of allotment.<br>ay or may not be<br>with other invest<br>s for each financia  | The "Returns"<br>sustained in fo<br>tments<br>al year for the<br>DSP File<br>NIFTY   | this purpose the<br>shown are for th<br>uture and should<br>e last 5 years<br>exi Cap Fund - Direct<br>exi Cap Fund - Regular - II                 | ne growth option<br>not be used as a   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(c) Absolut | ate of allotment. The second s   | The "Returns"<br>sustained in fo<br>tments<br>al year for the<br>DSP File<br>NIFTY   | this purpose the<br>shown are for th<br>uture and should<br>e last 5 years<br>exi Cap Fund - Direct<br>exi Cap Fund - Regular - II<br>500 TR Index | ne growth option   |  |
|  | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns<br>100.00%<br>80.00%<br>-0.00%<br>-20.00%<br>-20.00%<br>-40.00%<br>-40.00%<br>-60.00%  | te of allotment.<br>ay or may not be s<br>with other invest<br>s for each financia<br>%2712<br>FY21<br>t/Regular Plan of   | The "Returns"<br>sustained in for<br>tments<br>al year for the<br>DSP File<br>DSP File<br>000 51<br>000 51<br>000 51<br>FY22<br>the scheme for                           | this purpose the<br>shown are for th<br>uture and should<br>e last 5 years<br>exi Cap Fund - Direct<br>exi Cap Fund - Regular - II<br>500 TR Index | not be used as a<br>DCW %6F0F<br>%6F0F<br>%6F0F<br>%6F0F<br>FY24               |  |
| Additional Scheme<br>Related Disclosures | deemed to be the da<br>Past performance ma<br>basis for comparison<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(b) Absolute Returns<br>(c) Absolute Returns<br>(c  | TY21<br>The second | The "Returns"<br>sustained in for<br>tments<br>al year for the<br>DSP File<br>DSP File<br>NIFTY<br>%67 22<br>FY22<br>the scheme for<br>e case may be<br>0 holdings by is | this purpose the<br>shown are for th<br>uture and should<br>e last 5 years<br>exi Cap Fund - Direct<br>exi Cap Fund - Regular - II<br>500 TR Index | DCW %67 07<br>%67 07<br>%97 22<br>FY24<br>d computed from<br>of the respective |  |

|   | percentage of NAV of the  | scheme - Not applicable  |  |  |  |
|---|---|--|--|--|--|
|   | iii. Website link for Portfo  |  |  |  |  |
|   | iv. Portfolio Turnover Rate -   | 0.3010 times   |  |  |  |
| Expenses of the<br>Scheme<br>(i) Load Structure | Exit load: Holding Period fro<br>< 12 months - 1<br>>= 12 months -<br>Note: No exit load shall be l<br>Regular Plan and vice versa.   | %<br>Nil<br>.evied in case of switch of  | investments fron   | n Direct Plan to   |  |
| (ii) Recurring<br>Expenses                      | include and are not limited t<br>AMC, Registrar's fee, Marke<br>summarizes estimated annu<br>Scheme.  | o Investment Management<br>ting and selling costs etc<br>alized recurring expenses | and Advisory Fee<br>., as given in the<br>as a % of daily no | e charged by the<br><b>Table 2</b> which<br>et assets of the |  |
|   | This section outlines various<br>provided below would assist<br>Scheme, types of different<br>incur on purchasing and selli   | the investor in understand<br>fees / expenses, their pe                            | ding the expense<br>rcentage the inve                        | structure of the   |  |
|   | The AMC has estimated that upto 2.25 % 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 52 (6) & 52 (6A):   |  |  |  |  |
|   | The Scheme may charge exp<br>except those expenses which<br>and expenses of the Schem<br>Regulation 52 of SEBI MF reg<br>Table 1: Limit as prescribe<br>oriented scheme:  | n are specifically prohibite<br>le shall be subject to the<br>sulations:           | d. The annual tot<br>following limits,                       | al of all charge<br>defined unde                             |  |
|   | Slab Rates  | As a % of daily net<br>assets as per Regulation<br>52(6) (c)                       | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^       | Additional<br>TER as per<br>Regulation<br>52 (6A) (b)^       |  |
|   | on the first Rs.500 crores<br>of the daily net assets   | 2.25%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.250<br>crores of the daily net<br>assets   | 2.00%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.1,250<br>crores of the daily net<br>assets   | 1.75%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.3,000<br>crores of the daily net<br>assets   | 1.60%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.5,000<br>crores of the daily net<br>assets   | 1.50%  | 0.05%  | 0.30%  |  |
|   | On the next Rs.40,000<br>crores of the daily net<br>assets  | Total expense ratio<br>reduction of 0.05% for<br>every increase of                 | 0.05%  | 0.30%  |  |

|   |   | net assets or part<br>thereof   |   |  |
|---|---|---|---|--|
|   | On balance of the assets  | 1.05%   | 0.05%   | 0.30%  |
| ~ | <b>lotes to Table:</b><br>In addition to expenses as p<br>harge the following to the S                      |   |   |  |
|   | of trade up to 0.12 p   | action costs which are incu<br>per cent of trade value in<br>trade value in case of de  | case of cash mar  | ket transaction                                      |
|   | of execution of trade<br>cash market transa<br>charged to the Scher   | e brokerage and transact<br>e over and above the said<br>ctions and derivatives to<br>me within the maximum l<br>regulation 52 of the SEBI                        | 0.12 percent and (<br>ransactions respe<br>imit of Total Expe | 0.05 percent fo<br>ctively may be<br>ense Ratio (TER |
|   | Schemes of the Fun<br>Regulations from tim<br>i. 30 per cent of gr<br>Scheme, or;<br>ii. 15 per cent of the | s up to 0.30 per cent of o<br>d if new inflows from su<br>ne to time are at least:<br>oss new inflows from re<br>e average assets under m                         | ch cities as may<br>stail investors* in                       | be specified by<br>the concerned                     |
|   | Provided that if inf  | , whichever is higher.<br>lows from such cities is l<br>uch expenses on daily net<br>proportionate basis.   |   |  |
|   |   | upto Rs 2,00,000/- per tr<br>as inflows from "retail inv  |   | vidual investor                                      |
|   | incurred for bringing to the Scheme on ac   | enses charged shall be u<br>g inflows from such cities<br>count of inflows from suc<br>ne in case such inflows are<br>of investment.                              | . The additional e<br>ch cities shall be c                    | xpense charge<br>credited back to                    |
|   | SEBI/HO/IMD-SEC-3/<br>with AMFI communi<br>additional expenses<br>March 01, 2023 from                       | the directions received<br>P/OW/2023/5823/1 date<br>cation dated March 02,<br>shall be charged on the<br>specified cities as per Reg<br>from SEBI in this regard. | ed February 24, 2<br>2023, w.e.f Mare<br>new inflows recei    | 023 read alon<br>ch 01, 2023 no<br>ved on or afte    |
|   | per Regulation 52(6   | not exceeding 0.05 % of<br>A)(c). Provided that such<br>mes where the exit load is  | additional expension  | ses shall not b                                      |
|   | GST on investment and   | advisory fees:  |   |  |
|   |   | on investment and advise<br>it of TER as per the Regul  |   |  |
|   | on expenses other t   | er than investment and ac<br>than investment and adv<br>I limit of TER as per the R   | isory fees of the   | Scheme, if an  |

c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).

### Others:

In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

#### A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100</u> <u>crores:</u>

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 Heads  | % of daily net assets |
|--|-----------------------|
| Investment Management and Advisory Fee   |                       |
| Audit fees /Fees and expenses of trustees*   |                       |
| Custodial fees   |                       |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants | Upto 2.25%            |
| Marketing & Selling expense including agent commission and Statutory advertisement                                   |                       |

| Cost related to investor communications  |             |
|--|-------------|
| Cost of fund transfer from location to location  |             |
| Cost towards investor education & awareness (at least 0.02 percent)  |             |
| Brokerage & transaction cost pertaining to distribution of units   |             |
| Goods & Services Tax on expenses other than investment and advisory fees   |             |
| Goods & Services Tax on brokerage and transaction cost   |             |
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively. |             |
| Maximum total expense ratio (TER) permissible under<br>Regulation 52 (6) (c)   | Upto 2.25%  |
| Additional expenses under regulation 52 (6A) (c) \$  | Upto 0.05%  |
| Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)                                     | Up to 0.30% |

\*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.

\$The nature of expenses can be any permissible expenses including management fees. Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

### 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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

### II. Illustration of impact of expense ratio on scheme's returns:

| Particulars                                  | Regular Plan | Direct<br>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 e  | vnenses at the   | e end of the year  | 900   | 925               |
|--|--|--|--|---|-------------------|
|  |  |  | he end of the year   | 9.00%   | 9.25%             |
|  |  |  |  | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,           | 7.23/0            |
|  | Link for TER disclosure: <u>https://www.dspim.com/mandatory-disclosures/ter</u>  |  |  |   | <u>/ter</u>       |
|  | Actual expenses for the previous financial year (2023-2024):   |  |  |   |                   |
|  |  | Regular Plan   |  |   |                   |
|  | 0.74%  | 1.77%  |  |   |                   |
| Tax treatment for the<br>Investors (Unit<br>Holders) |  |  | to the details in the Sta<br>o his tax advisor.  | tement of Addition                                | al Information    |
| Daily Net Asset Value<br>(NAV) Publication           | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business<br>Day and will be made available by 11 p.m. of the same Business Day.<br>The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on<br>any day, by calling the office of the AMC or any of the Investor Service Centres at various<br>locations. The NAV of the Scheme will also be updated on the AMFI website<br>www.amfiindia.com and on www.dspim.com.<br>Latest available NAVs shall be available to unitholders through SMS, upon receiving a<br>specific request in this regard. Refer relevant disclosures mentioned in the Statement<br>of Additional Information ('SAI') available on AMC website i.e. www.dspim.com |  |  |   |                   |
|  |  |  |  | ntres at various                                  |                   |
|  |  |  |  | the Statement                                     |                   |
| For Investor   | Name and   | Computer A   | ge Management Servic   | es Limited (CAMS)                                 |                   |
| Grievances<br>please contact                         | Address of<br>Registrar  | Kodambakka<br>Nungambakk<br>Website                        | mputer Age Manageme<br>m High Road, Ground<br>, Chennai, Tamil Nadu<br>v.camsonline.com/Inve                             | floor, Opp. Hote<br>600034.                       | l Palmgrove,<br>- |
|  | Name and<br>Address of<br>Investor<br>Relations<br>Officer of DSP<br>Mutual Fund   | Investor Rel<br>DSP Asset N<br>302, 3rd Flo<br>Mumbai - 40 | Pujari<br>ations Officer<br>lanagers Private Limite<br>or, M V Road Junction.<br>0069, Tel.: 022 - 67178<br>ce@dspim.com | W. E. Highway, Ar                                 |                   |
| Unit Holders<br>Information                          | • Account Statements: Allotment confirmation specifying the number allotted shall be sent to the Unit holders at their registered e-mail addre mobile number by way of email and/or SMS within 5 working Days from th receipt of the valid application/transaction.  |  | address and/or   |   |                   |
|  | A Consolidated Account Statement (CAS) detailing all the transactions<br>mutual funds (including transaction charges paid to the distributor) and<br>the end of the month shall be sent to the Unit holders in whose folio(s) transaction<br>have taken place during the month by mail or email on or before 11<br>succeeding month. However, if the investor wishes to opt for physical<br>request for the same.<br>Half-yearly CAS shall be issued at the end of every six months (i.e. So<br>March) on or before 21st day of succeeding month, to all investors pro-<br>prescribed details across all schemes of mutual funds and securitie<br>dematerialized form across demat accounts, if applicable.                                  |  |  | and holding at<br>transaction(s)<br>e 15th of the |                   |
|  |  |  |  | providing the                                     |                   |
|  | For further o  | details, please  | refer SAI.   |   |                   |

| <ul> <li>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.</li> <li>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.</li> <li>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.</li> <li>Mutual fund units issued against Purchase transactions would be subject to levy of stamp</li> </ul> |
|--|
| 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.<br>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   |
| The cheque or demand draft should be drawn in favour of the 'Scheme Name', as the  |
|  |
| Investors are requested to register their e-mail addresses with Mutual Fund.   |
| The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
| Unitholders who still wish to receive physical copies of the annual report/abridged<br>summary notwithstanding their registration of e-mail addresses with the Fund, may<br>indicate their option to the AMC in writing and AMC shall provide abridged summary<br>of annual report without charging any cost. Physical copies of the report will also<br>be available to the unitholders at the registered offices at all times. For request on<br>physical copy refer relevant disclosures mentioned in the SAI available on AMC<br>website i.e. www.dspim.com  |
| In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.   |
| • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.   |
| Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |
| 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.   |
| The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
| • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.com</u> and website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month.   |
|  |

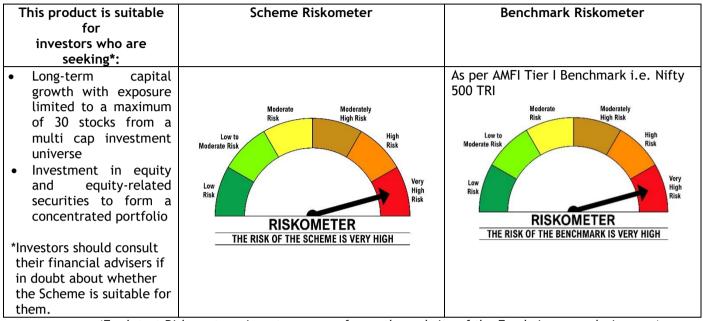
| Risk-o-Meter | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|--------------|--|
|              | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:   |
|              | 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.   |
|              | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.  |
|              | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link-<br>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures) (For AMFI- refer link-<br>https://www.amfiindia.com/investor-corner/online-<br>center/riskmeterinformation). Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link-<br>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure) (for AMFI - refer Link https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure) (for AMFI - refer Link https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation). |
|              | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |



#### **KEY INFORMATION MEMORANDUM**

### **DSP FOCUS FUND**

#### An open ended equity scheme investing in maximum 30 stocks. The Scheme shall focus on multi cap stocks



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

### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                                  | DSPM/O/E/FOC/10/03/0022  |  |   |   |   |      |
|--|--|--|---|---|---|------|
| Investment<br>Objective                      | The primary investment objective of the Scheme is to generate long-term capital growth for<br>a portfolio of equity and equity-related securities including equity derivatives. The portf<br>will consist of multi cap companies by market capitalisation. The Scheme will hold equity<br>equity-related securities including equity derivatives, of upto 30 companies. The Scheme r<br>also invest in debt and money market securities, for defensive considerations and/or<br>managing liquidity requirements. |  |   |   | rtfo<br>ty a<br>e m   |      |
|  | There is no assurance that the investment objective of the Scheme will be achieve  |  |   |   |   |      |
| Asset Allocation<br>Pattern of the<br>Scheme | Under r<br>as follo  | normal circumstances, it is<br>ws:   | s anticipated that the ass  | set allocation o  |   | nall |
|  | Instru   | ments  | -   | (% of tota  | al assets)  |      |
|  | <b>F</b> aults   | C. a suitu valatad instrum   | <b>t</b> -  | Minimum   | Maximum   |      |
|  |  | <u>r &amp; equity related instrum</u><br>and Money Market Securiti   |   | 65%<br>0%   | 100%<br>35%   |      |
|  |  | issued by REITs & InvITs   | C3  | 0%  | 10%   |      |
|  | Units  | ISSUED BY NETTS & INVITS   |   | 070   | 10/0  |      |
|  | Indicati<br>circular   | i <b>ve Table</b> (Actual instrume<br>s)   | ent/percentages may var   | y subject to ap   | oplicable SEBI  |      |
|  | C1   |  |   |   |   |      |
|  | SI. NO   | Type of Instrument   | Percentage of exposure  | Circular refe   | erences   |      |
|  | 1.   | Type of Instrument Securities Lending  | -   |   | 1 of the SEBI   |      |
|  |  |  | exposure<br>Upto 20% (upto 5% for<br>any single   | Clause 12.1<br>Master Circu   | 1 of the SEBI<br>Jlar<br>5 of the SEBI  |      |
|  | 1.   | Securities Lending<br>Derivatives  | exposure<br>Upto 20% (upto 5% for<br>any single<br>intermediary)  | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu  | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI   |      |
|  | 1.<br>2.   | Securities Lending<br>Derivatives<br>Equity Derivatives for  | exposure<br>Upto 20% (upto 5% for<br>any single<br>intermediary)<br>Upto 50%  | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2   | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI   |      |
|  | 1.<br>2.<br>3.   | Securities Lending<br>Derivatives<br>Equity Derivatives for<br>non- hedging purposes   | exposure<br>Upto 20% (upto 5% for<br>any single<br>intermediary)<br>Upto 50%<br>Upto 50%  | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2<br>Master Circu   | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>9 of the SEBI  |      |
|  | 1.<br>2.<br>3.<br>4.   | Securities Lending<br>Derivatives<br>Equity Derivatives for<br>non- hedging purposes<br>Securitized debt   | exposureUpto 20% (upto 5% for<br>any single<br>intermediary)Upto 50%Upto 50%Upto 35%  | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2<br>Master Circu<br>-<br>Clause 12.1<br>Master Circu<br>Clause 13 in<br>Schedule of  | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>9 of the SEBI  |      |
|  | 1.<br>2.<br>3.<br>4.<br>5.   | Securities Lending<br>Derivatives<br>Equity Derivatives for<br>non- hedging purposes<br>Securitized debt<br>Overseas Securities  | exposureUpto 20% (upto 5% for<br>any single<br>intermediary)Upto 50%Upto 50%Upto 35%Upto 25%  | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2<br>Master Circu<br>-<br>Clause 12.1<br>Master Circu<br>Clause 13 in<br>Schedule of<br>Funds) Regu   | 1 of the SEBI<br>ular<br>5 of the SEBI<br>ular<br>5 of the SEBI<br>ular<br>9 of the SEBI<br>ular<br>n the Seventh<br>5 SEBI (Mutual<br>ulations, 1996<br>2 of the SEBI                                  |      |
|  | 1.<br>2.<br>3.<br>4.<br>5.<br>6.   | Securities Lending<br>Derivatives<br>Equity Derivatives for<br>non- hedging purposes<br>Securitized debt<br>Overseas Securities<br>ReITS and InVITS<br>Debt Instruments with<br>special features (AT1  | exposureUpto 20% (upto 5% for<br>any single<br>intermediary)Upto 50%Upto 50%Upto 35%Upto 25%Upto 10%Upto 10% (upto 5%-<br>single issuer) of the<br>debt portfolioUpto 10% of the debt<br>portfolio and the<br>group exposure in<br>such instruments shall<br>not exceed 5% of the | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2<br>Master Circu<br>-<br>Clause 12.1<br>Master Circu<br>Clause 13 in<br>Schedule of<br>Funds) Regu<br>Clause 12.2<br>Master Circu                | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>9 of the SEBI<br>Jlar<br>9 of the SEBI<br>Jlar<br>n the Seventh<br>5 SEBI (Mutual<br>Jlations, 1996<br>2 of the SEBI<br>Jlar |      |
|  | 1.<br>2.<br>3.<br>4.<br>5.<br>6.<br>7.   | Securities Lending<br>Derivatives<br>Equity Derivatives for<br>non- hedging purposes<br>Securitized debt<br>Overseas Securities<br>ReITS and InVITS<br>Debt Instruments with<br>special features (AT1<br>and AT2 Bonds)<br>Debt Instruments with<br>SO / CE rating<br>Tri-party repos<br>(including reverse repo<br>in T-bills/Government<br>securities) | exposureUpto 20% (upto 5% for<br>any single<br>intermediary)Upto 50%Upto 50%Upto 35%Upto 25%Upto 10% (upto 5%-<br>single issuer) of the<br>debt portfolioUpto 10% of the debt<br>portfolio and the<br>group exposure in<br>such instruments shall                                 | Clause 12.1<br>Master Circu<br>Clause 12.2<br>Master Circu<br>Clause 12.2<br>Master Circu<br>-<br>Clause 12.1<br>Master Circu<br>Clause 13 in<br>Schedule of<br>Funds) Regu<br>Clause 12.2<br>Master Circu<br>Clause 12.3 | 1 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>5 of the SEBI<br>Jlar<br>9 of the SEBI<br>Jlar<br>9 of the SEBI<br>Jlar<br>n the Seventh<br>5 SEBI (Mutual<br>Jlations, 1996<br>2 of the SEBI<br>Jlar |      |

|    | funds   | Mutual Fund                  | Schedule of SEBI (Mutual<br>Funds) Regulations, 1996             |
|----|---|------------------------------|--|
| 11 | Repo/ reverse repo<br>transactions in<br>corporate debt<br>securities | Nil                          | -  |
| 12 | Credit Default Swap<br>transactions                                   | Nil                          | -  |
| 13 | Writing of call options<br>under covered call<br>strategy             | Nil                          | -  |
| 14 | Short selling   | As per prescribed guidelines | Regulation 45 (2) of SEBI<br>(Mutual Funds)<br>Regulations, 1996 |
| 15 | Foreign Securitized debt  | Nil                          | -  |
| 16 | Unrated debt and<br>money market<br>instruments                       | Upto 5% (refer Note 1)       | Clause 12.1 of the SEBI<br>Master Circular                       |
| 17 | Short Term Deposit  | Refer Note 2                 | Clause 12.16 of the SEBI<br>Master Circular                      |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees

Note 2 -Investment in Short-Term Deposits-

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 of the SEBI Master Circular. The AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the 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 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 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.

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

# Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. Cash and cash equivalents as per SEBI letter no. SEBI/HO/ IMD-II/DOF3/ OW/P/ 2021/

|                        | <ul> <li>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 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.</li> <li>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.</li> <li>The Investment Manager will apply the following limits, should it desire to engage in Stock Lending: <ol> <li>Not more than 20% of the net assets of a Scheme can generally be deployed in Stock Lending to any single intermediary.</li> </ol> </li> <li>Portfolio Rebalancing: <ol> <li>Action with respect to passive breaches:</li> </ol> </li> <li>Action with respect to passive breaches:</li> <li>As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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.</li> <li>In case the portfolio is not rebalanced within the aforementioned mandated plus extended timelines the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in para 2.9.3 and 2.9.4 of SEBI Master Circular.</li> </ul> |
|------------------------|--|
|                        | b. Action with respect to breaches arising due to defensive consideration:   |
|                        | Due to market conditions, the AMC may invest beyond the range set out in the asset allocation.<br>Such deviations shall normally be for a short term on defensive considerations as per Clause<br>1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of<br>the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar<br>days.<br>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.  |
| Investment<br>Strategy | Strategy for Equity Securities   |
| ~                      | The Scheme will have a "non-diversified" portfolio and will invest primarily in the common<br>stocks of companies that are selected for their growth potential and which are valued at a<br>reasonable price. The Fund Manager will use a combination of top-down and bottom-up analysis<br>to identify sector and stock weightages in the portfolio. Top down analysis involves an analysis<br>of the macro-environment in order to understand the business cycle that various sectors are<br>exposed to. It also involves understanding sector trends such as scale of opportunity, pricing<br>power, volume changes, government policy, international trends etc. Bottom-up analysis<br>involves an analysis of company specific factors such as size, competitive position, scalability,<br>management quality, operational efficiency, financial parameters, valuation, etc. The Fund   |

Manager will also consider the prevailing stock market conditions in the overall portfolio construction process.

## Strategy for Debt and Money Market Securities

The Fund 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 Fund 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. The securities mentioned above could 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 maybe acquired through Initial Public Offerings (IPOs), secondary market operations, private placements, rights offers or through negotiated deals.

At the discretion of the Fund Manager, the Scheme may also make investments in ADR/GDR and Foreign Securities in accordance with and upto the limits specified by RBI and SEBI from time to time, subject to all approvals vide clause 12.19 of the SEBI Master Circular and all applicable regulations/guidelines/directives/notifications, as may be stipulated by SEBI from time to time.

# **Derivatives 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 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.

The Mutual Fund may use the following strategies while trading in derivatives for the purpose of efficient portfolio management:

### 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  |
|--|
| <ul> <li>5) Reverse Arbitrage:</li> <li>This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.</li> </ul>  |
| 6) Portfolio Hedging:  |
| <ul> <li>This strategy will be adopted:</li> <li>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.</li> <li>If there are significant inflows to the Scheme and the market expectations are bullish, the</li> </ul>  |
| Investment Manager may buy Index Futures to continue participation in the equity markets.<br>This strategy is used to reduce the time to achieve the desired invested levels.  |
| <ul> <li>Fixed Income Derivatives</li> <li>1) Interest Rates Swap <ul> <li>The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure</li> </ul> </li> </ul>  |
| <ul> <li>2) Interest Rate Futures (IRF)</li> <li>IRFs can be used for hedging the underlying cash positions.</li> </ul>  |
| <ul> <li>3) Forward Rate Agreement (FRA)</li> <li>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.</li> <li>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.</li> </ul>   |
| For detailed derivative strategies, please refer to SAI.   |
| Portfolio Turnover   |
| Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.  |
| The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts). The portfolio turnover of the Scheme is expected to be high as the Scheme will be making investments using equity derivatives, which would require frequent transactions (including rollovers) on account of the tenor of contracts. There is however no specific target relating to portfolio turnover. |
|  |

| Risk Profile of<br>the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:   |
|-------------------------------|--|
|                               | Scheme specific risk factors are summarized below:   |
|                               | Risks associated with transacting in scheme units through stock exchange mechanism, efficient<br>portfolio management, favorable taxation of certain scheme in India, Taxation of overseas<br>investments, Equity and Equity-related securities / investments, Securities Lending & Borrowing<br>and Short Selling, Equity Derivatives, REITs & InvITs, Debt Securities and Money Market<br>Securities, debt instruments having structured obligations /credit enhancements, unrated<br>securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI), Securitized<br>Assets, fixed income Derivatives, imperfect hedging using interest rate futures, Overseas<br>Securities, overseas mutual funds / ETFs / Index Funds, mid-cap and small-cap companies<br>investing in underlying ETFs, Depository Receipts, Security Concentration Risk.   |
|                               | RISK MITIGATION STRATEGIES   |
|                               | <ul> <li>Risks associated with Equity investments: <ol> <li>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.</li> <li>Concentration Risk: The Scheme will try and mitigate this risk by investing across large e number of companies/sectors and endeavor to keep stock-specific concentration risk relatively low.</li> <li>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 nvestment 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 hist orical and current financial condition of the company, potential value creation/unloching 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 us e derivatives to hedge and limit the inherent market risk in scheme</li> </ol> </li> </ul> |
|                               | <b>Risks associated with favorable taxation of equity-oriented Scheme:</b><br>Investment Manager regular monitor's equity exposure of equity oriented Scheme of the Func   |
|                               | to ensure compliance with the relevant regulation.   |
|                               | <b>Risks associated with Stock Lending:</b><br>The investment managers will ensure adherence to the limits assigned for stock lending and will<br>ensure that the liquidity Risk is managed actively within the portfolio liquidity limits by<br>maintaining proper asset-liability match to ensure payout of the obligations. Also to ensure that<br>the counterparty risk is limited the AMC will participate in stock lending only through exchange<br>mechanism where the settlement is guaranteed.  |
|                               | <b>Risks associated with Equity Derivative investments:</b><br>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:

i.

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 Debt Securities and Money Market Securities:

**Market Liquidity Risk:** The liquidity risk will be managed and/or sought to be address ed by creating a portfolio which has adequate access to liquidity. The Investment Man ager will select fixed income securities, which have or are expected to have high seco ndary market liquidity. Market Liquidity Risk will be managed actively within the portf olio 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 for the reference tenors like 10 years, 5 years etc. 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 m aking investments in securities issued by borrowers post detailed credit review interna lly. 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 t he amount as well as maximum permissible tenor. The credit process ensures that issu er limits are reviewed periodically by taking into consideration the financial statement s and operating strength of the issuer.
- iii. **Rating Migration Risk:** The endeavor is to invest in well researched issuers. The due di ligence performed by the fixed income team before assigning credit limits and the per iodic credit review and monitoring should help keep the rating migration risk low for c ompany-specific issues.
- iv. Interest Rate Risk: The investment managers will endeavor to keep the duration withi n the permissible limit as defined by the scheme document and based on the investme nt objectives.
- v. **Re-investment Risk:** The Investment Manager will endeavor that besides the tactical a nd/or strategic interest rate calls, the portfolio is fully invested.
- vi. **Term Structure of Interest Rates (TSIR) Risk:** The Scheme is expected to have durati on based on the investment objective and limits defined in the scheme documents. De pending 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:

|                   | <ol> <li>Liquidity Risk on account of investments in overseas funds: The investments are<br/>made in international funds, which provide daily liquidity.</li> </ol>   |   |   |  |           |  |
|-------------------|---|---|---|--|-----------|--|
|                   | ii. <b>Expense Risks associated with investments in overseas funds:</b> The aggregate of expenses incurred by the Indian Fund-of-Funds scheme and the underlying international funds is subject to limits prescribed by SEBI.   |   |   |  |           |  |
|                   | ful<br>we<br>fur  | iii. <b>Portfolio Disclosure Risks associated with investments in overseas fund:</b> 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 |   |  |           |  |
|                   | inv<br>wh<br>exi<br>int<br>int  |   |   |  |           |  |
|                   | v. Mo   | nitoring overseas i   | nvestment limits:   |  |           |  |
|                   | of<br>inv   | an adverse event<br>resting across other  | the Investment Manager m  | overseas investments limits<br>nay initiate appropriate ac<br>cheme document or any othe<br>I. | tion like |  |
|                   | Risk manag  | gement for risk ass   | ociated with Depository Re  | ceipts   |           |  |
|                   | investment  | 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.  |   |  |           |  |
|                   | Risk factor associated with security concentration:   |   |   |  |           |  |
|                   | This Scheme has a security concentration risk as it will normally hold equity and equity-related securities including equity derivatives, of upto 30 companies. The intrinsic nature of the portfolio will represent high conviction portfolio weights. The primary nature of the Scheme is to have high conviction portfolio, which may introduce higher security concentration risk. Although the Scheme is less diversified in terms of the number of securities, the Scheme has the flexibility of investing in diverse sectors. This would provide diversification across sectors and the Investment Manager would have the flexibility to diversify the holdings and mitigate risks. The Investment Manager will endeavour to achieve diversification through non-similar stocks and/or factors that could impact the underlying portfolio. |   |   |  |           |  |
| Plans and options |   |   |   |  |           |  |
| options           | Plan     Options     Sub-Option     IDCW Frequency/Record       Available     Date*   |   |   |  |           |  |
|                   | Regular<br>Plan and<br>Direct<br>Plan   | Growth<br>Income<br>Distribution cum<br>Capital<br>Withdrawal<br>(IDCW)   | -<br>Payout of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) &<br>Reinvestment of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) | -<br>At the discretion of<br>Trustee   |           |  |
|                   | * In case the Record Date falls on a non Business Day, the immediate next Business Day shall be considered as the Record Date.  |   |   |  |           |  |

|                | Investors may note that under Income Distribution of<br>can be distributed out of investor's capital (Equal<br>that represents realized gains.   |  |  |  |  |  |
|----------------|--|--|--|--|--|--|
|                | All the Plans and option under the Scheme will hav   | e common portfolio.  |  |  |  |  |
|                | Default Option-  |  |  |  |  |  |
|                | Investors should indicate the Scheme / Plan and / or Option / Sub Option, wherever applicate<br>for which the subscription is made by mentioning the full name of Scheme/ Plan/ option or so<br>option in the appropriate space provided for this purpose in the application form. In case<br>valid applications received, without indicating the Scheme / Plan and / or Option etc. or whe<br>the details regarding Plan and/or Option are not clear or ambiguous, the following defaults v<br>be applied:  |  |  |  |  |  |
|                | If no indication is given under the following  | Default  |  |  |  |  |
|                | Option - Growth/ IDCW  | Growth Option  |  |  |  |  |
|                | Sub-option - Payout of IDCW/ Reinvestment of I   | DCW Payout of IDCW   |  |  |  |  |
|                | In case an investor/Unit Holder fails to mention th<br>form, then the application shall be processed unde<br>Plan of the Scheme. For more details, refer SID.  |  |  |  |  |  |
| Applicable NAV | <ul> <li>Applicable NAV is the Net Asset Value per Unit at the application is accepted and time stamped. An application is accepted and time stamped. An application is curve of the relevant cut-off time as specified below, at transactions. Applications received via post or courrent on the basis of when the application is time stamped and time of receipt of the post or the courier.</li> <li>In accordance with clause 8.4.6.2 of the SEBI Master mutual fund schemes (except liquid and overnight applicable on which the funds are available for util receipt of such application.</li> <li>Pursuant to above, the NAV applicability for purchase/subscription/switchtime on a Business Day.</li> <li>Funds for the entire amount of purchase/subscription before the cut-off time to the bank at is made.</li> <li>The funds are available for utilization before the cut-off time to the bank at is made.</li> </ul> | plication will be considered accesspects and received and time states any of the official points of accession of the official points of accession of the centres will be by the centre and not on the been by the centre and not on the been cercircular, in respect of purchases as schemes), closing NAV of the centres witch in respective of the size of the s | epted on a<br>amped upto<br>ceptance o<br>be accepted<br>asis of data<br>e of units o<br>lay shall be<br>and time o<br>the Scheme<br>able cut-of<br>oplication i |  |  |  |
|                | (a) Purchase and Switch-in   |  |  |  |  |  |
|                | Particulars  | Applicable NAV   |  |  |  |  |
|                | Where the valid application is receive<br>time of 3.00 p.m. on a business day<br>point(s) of acceptance and funds for the<br>of subscription/purchase are available<br>upto 3.00 p.m. on the same Business Da  | at the official same Busines<br>entire amount<br>for utilization   | s  |  |  |  |

| 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 | Closing NAV of<br>such subsequent<br>Business Day on<br>which the funds<br>are available for<br>utilization prior<br>to 3.00 p.m. |
|---|---|
| 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 | Closing NAV of<br>subsequent<br>Business Day<br>shall be<br>applicable  |
| (b) Redemption and Switch-out   |   |
| Particulars   | Applicable NAV  |
| Where the valid application is received on any Business<br>Day at the official points of acceptance of transactions<br>upto 3.00 p.m.                             |   |
| Where the valid application is received after 3.00 p.m.   | NAV of the next<br>Business Day.  |

**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.

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 (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.

|   | <ul> <li>9. Irrespective the date and time of debit to the customer bank accounts, the date and t of actual credit in the Scheme's bank account, which could be different due settlem cycle in the banking industry, would be considered for applicability of NAV.</li> <li>10. Investors are advised to make use of digital/electronic payment to transfer the funds to Scheme's bank account.</li> <li>For Switching:</li> <li>Where there is a switch application from one scheme to another, 'Switch out' shall be treat 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 the Applicable NAV based on the cut off time for funds by 'switch in' scheme related rules shall be applied.</li> <li>Where an application is received and time stamping is done after the cut-off time, request will be deemed to have been received on the next Business Day.</li> </ul> |   |  |                     |
|---|--|---|--|---------------------|
| Minimum<br>Application  | Purchase   | Additional Purchase   | Redemption*  |                     |
| Amount<br>/Number of<br>Units   | Rs. 100/- and any amount thereafter.   | Rs. 100/- and any amount thereafter.  | N.A.   |                     |
|   | DPs or on Stock exchange Pla<br>Note: The minimum application<br>in line with SEBI guidelines of<br>The Trustee shall have absolutits opinion, increasing the st   | atform; and only in number or<br>ion amount will not be applica<br>n Alignment of interest of De<br>ute discretion to reject any a<br>ize of the Unit Capital is not<br>reason it does not believe it | able for investment made in schen  | nes<br>f in<br>Init |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment Plan<br>(SIP)  | Rs. 100/- and any amount th  | ereafter.   |  |                     |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal Plan<br>(SWP)/<br>Systematic<br>Transfer Plan<br>(STP) | Rs. 100/- and any amount the   | ereafter.   |  |                     |
| Dispatch of<br>Repurchase<br>(Redemption)<br>Request  | Investor may note that in communication no. AMFI/ 35F  | case of exceptional scenar<br>P/ MEM-COR/ 74 / 2022-23 dat  | ptance of redemption request.<br>ios as prescribed by AMFI vide<br>ted January 16, 2023 read with clau<br>be able to adhere with the timelin | use                 |
| Benchmark<br>Index  | Nifty 500 TRI  |   |  |                     |

| IDCW Policy                             | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme. |  |  |  |                            |
|---|---|--|--|--|----------------------------|
| Name & tenure<br>of the Fund<br>Manager | Mr. Vinit Sambre<br>Tenure: 4 Years and 5 months (Managing the Scheme from June 2020)<br>Mr. Bhavin Gandhi<br>Tenure: 9 months (Managing the Scheme from February 2024)   |  |  |  |                            |
| Name of the<br>Trustee<br>Company       | DSP Trustee Private Limited   |  |  |  |                            |
| Performance of<br>the Scheme            | (a) Compounded Ann  | ualised Returns as                                 | of September 30, 20                              | )24  |                            |
|   | Period  | DSP Focus<br>Fund Regular<br>Plan—Growth<br>option | NIFTY 500 TRI*                                   | DSP Focus<br>Fund - Direct<br>Plan -<br>Growth<br>option | NIFTY 500<br>TRI*          |
|   | Last 1 Year   | 44.84%   | 41.27%   | 46.36%   | 41.27%                     |
|   | Last 3 Year   | 17.90%   | 18.42%   | 19.15%   | 18.42%                     |
|   | Last 5 Year   | 18.90%   | 22.25%   | 20.17%   | 22.25%                     |
|   | Since Inception   | 12.85%   | 14.25%   | 15.72%   | 16.10%                     |
|   | Nav/ Index value  | 56.4780  | 38,261.39  | 62.5390  | 38,261.39                  |
|   | Date of allotment   | 10-  | Jun-10   | 01-Ja  | an-13                      |
|   | may or may not be su<br>other investments<br>(b) Absolute Returns   |  | and should not be use<br>l year for the last 5 y |  | comparison wit             |
|   |   |  |  |  |                            |
|   | 120.00%   | % %  | DSP Focus Fu                                     | nd - Dir - Growth  |                            |
|   | 100.00% -   | 69.99%<br>68.18%<br>77.58%                         | DSP Focus Fu                                     | nd - Growth  |                            |
|   | 80.00% -  |  | NIFTY 500 TR                                     |  | 0%<br>9%                   |
|   | 60.00% -  |  | 8  |  | 41.20%<br>39.74%<br>40.49% |
|   | <u>ب</u> 40.00% -   |  | 12.59%<br>11.40%<br>22.29%                       | Г  |                            |
|   | 40.00% -<br>++++++++++++++++++++++++++++++++++++  |  |  |  |                            |
|   | 0.00%   |  |  |  |                            |
|   | -20.00% -<br>-40.00% -<br>-60.00% -<br>FY20   | -26.62%  |  | -2.83%<br>-3.87%<br>-1.22%                               |                            |
|   | -60.00% <u>- 워</u> 주<br>FY20  | <del>හි</del><br>FY21                              | FY22   | FY23   | FY24                       |
|   | Returns are for Direct<br>date of Allotment/1st   | /Regular Plan of t                                 | the scheme for Growt                             | h option and co  | nputed from th             |
|   |   |  |  | fund allocation  |                            |

|                            | ii. Disclosure of name and ex<br>of NAV of the scheme - N   |  | cocks, groups and                                      | sectors as a percentage                                |  |  |
|----------------------------|---|--|--|--|--|--|
|                            |   | tfolio Disclosure - Fo<br>/mandatory-disclosures/po  |  |  |  |  |
|                            | iv. Portfolio Turnover Rate -   | 0.3384 times   |  |  |  |  |
| Expenses of the<br>Scheme  | Exit Load: Holding Period fro<br>< 12 months - 1<br>>= 12 months -  | %  |  |  |  |  |
| (i) Load<br>Structure      | Note: No exit load shall be l<br>Plan and vice versa.   | evied in case of switch of   | investments from                                       | Direct Plan to Regular                                 |  |  |
| (ii) Recurring<br>Expenses | These are the fees and expenses incurred for operating the Scheme. These expenses include<br>and are not limited to Investment Management and Advisory Fee charged by the AMC,<br>Registrar's fee, Marketing and selling costs etc., as given in the <b>Table 2</b> which summarizes<br>estimated annualized recurring expenses as a % of daily net assets of the Scheme. |  |  |  |  |  |
|                            | This section outlines variou<br>provided below would assist<br>types of different fees / exp<br>and selling the Units of the S  | the investor in understand enses, their percentage th  | ing the expense st                                     | ructure of the Scheme,                                 |  |  |
|                            | The AMC has estimated that<br>to the scheme as expenses.<br>refer to the website of the r   | For the actual current exp   |  |  |  |  |
|                            | Operating & recurring expe  | enses under regulation 52  | 2 (6) & 52 (6A):                                       |  |  |  |
|                            | those expenses which are sp   | The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the Scheme shall be subject to the following limits, defined under Regulation 52 of SEBI MF regulations: |  |  |  |  |
|                            | Table 1: Limit as prescribed scheme:  | d under regulation 52 of   | SEBI MF regulatio                                      | ons for equity oriented                                |  |  |
|                            | Slab Rates  | As a % of daily net<br>assets as per Regulation<br>52(6) (c)   | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^ | Additional<br>TER as per<br>Regulation<br>52 (6A) (b)^ |  |  |
|                            | on the first Rs.500 crores of the daily net assets  | 2.25%  | 0.05%  | 0.30%  |  |  |
|                            | on the next Rs.250<br>crores of the daily net<br>assets   | 2.00%  | 0.05%  | 0.30%  |  |  |
|                            | 0.30%   |  |  |  |  |  |
|                            | assets<br>on the next Rs.3,000<br>crores of the daily net<br>assets   | 1.60%  | 0.05%  | 0.30%  |  |  |
|                            | on the next Rs.5,000 1.50% 0.05% 0.30% crores of the daily net assets   |  |  |  |  |  |
|                            | On the next Rs.40,000<br>crores of the daily net<br>assets  | Total expense ratio<br>reduction of 0.05% for<br>every increase of   | 0.05%  | 0.30%  |  |  |

|  | Pc 5 000 crores of daily   |  |   | 7                      |
|--|--|--|---|------------------------|
|  | Rs.5,000 crores of daily net assets or part  |  |   |                        |
|  | thereof  |  |   |                        |
| On balance of the assets   | 1.05%  | 0.05%  | 0.30%   |                        |
|  | of the Fund under Regula<br>on costs which are incurre<br>ade value in case of cash  | tion 52 (6A):<br>ed for the pu                     | rpose of execution  | of trade               |
| of trade over and above t<br>and derivatives transac   | okerage and transaction c<br>the said 0.12 percent and (<br>tions respectively may<br>Expense Ratio (TER) as pr<br>ns, 1996.                 | 0.05 percent f<br>be charged t                     | or cash market tra<br>the Scheme w                            | nsactions<br>ithin the |
|  | ch cities as may be specif<br>w inflows from retail inve<br>erage assets under manag   | ied by Regula<br>stors* in the o                   | tions from time to<br>concerned Scheme,                       | time are<br>or;        |
|  | rom such cities is less thar<br>y net assets of the co   |  |   |                        |
| * Inflows of amount upt<br>considered as inflows fro   | o Rs 2,00,000/- per tran<br>m "retail investors.   | saction, by i                                      | ndividual investors   | shall be               |
| bringing inflows from suc<br>of inflows from such citi   | charged shall be utilize<br>h cities. The additional ex<br>ies shall be credited back<br>thin a period of one year                           | <pre>kpense charge k to the conc</pre>             | d to the Scheme or<br>erned Scheme in c                       | n account              |
| 3/P/OW/2023/5823/1 da<br>March 02, 2023, w.e.f M<br>inflows received on or af                  | irections received from S<br>ated February 24, 2023 re<br>arch 01, 2023 no additior<br>fter March 01, 2023 from<br>nce is received from SEBI | ad along with<br>nal expense sl<br>specified citie | AMFI communicati<br>hall be charged on<br>es as per Regulatio | on dated<br>the new    |
| Additional expenses not exce<br>52(6A)(c). Provided that suc<br>the exit load is not levied or | h additional expenses sha  |  |   |                        |
| GST on investment and advi   | isory fees:  |  |   |                        |
|  | n investment and advisor<br>per the Regulation 52(6)   |  | Scheme in additic   | on to the              |
|  | an investment and adviso<br>nd advisory fees of the Sch<br>n under 52(6) and (6A).   |  |   |                        |
| c) GST on brokerage & traincurred for the purpose<br>the Regulation 52(6) and                  | of execution of trade, w   |  |   |                        |

#### Others:

In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

#### A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100 crores:</u>

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   |                       |
| Audit fees /Fees and expenses of trustees*   |                       |
| Custodial fees   |                       |
| Registrar & Transfer Agent Fees including cost of providing<br>account statements / IDCW / redemption cheques/ warrants<br>Marketing & Selling expense including agent commission and<br>Statutory advertisement | Upto 2.25%            |
| Cost related to investor communications  |                       |
| Cost of fund transfer from location to location  |                       |
| Cost towards investor education & awareness (at least 0.02 percent)  |                       |
| Brokerage & transaction cost pertaining to distribution of units   |                       |

| Goods & Services Tax on expenses other than investment and advisory fees                   |             |
|--|-------------|
| Goods & Services Tax on brokerage and transaction cost                                     |             |
| Brokerage & transaction cost over and above 0.12 percent and                               |             |
| 0.05 percent for cash and derivative market trades, respectively.                          |             |
| Maximum total expense ratio (TER) permissible under<br>Regulation 52 (6) (c)               | Upto 2.25%  |
| Additional expenses under regulation 52 (6A) (c)\$   | Upto 0.05%  |
| Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b) | Up to 0.30% |

\*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.

\$The nature of expenses can be any permissible expenses including management fees. Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

## 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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

| Particulars                                     | Regular Plan | Direct<br>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 | 9.00%        | 9.25%          |

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

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

Actual expenses for the previous financial year (2023-2024):

|  | Direct Plan F   | Regular Plan  |  |  |  |  |
|--|---|---|--|--|--|--|
|  |   | 2.09%   |  |  |  |  |
| Tax treatment<br>for the Investors<br>(Unit Holders) | Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.               |   |  |  |  |  |
| Daily Net Asset<br>Value (NAV)<br>Publication        | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 11 p.m. of the same Business Day. |   |  |  |  |  |
|  | by calling the off<br>NAV of the Sche<br><u>www.dspim.com</u> .   | 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 <a href="http://www.amfiindia.com">www.amfiindia.com</a> and on <a href="http://www.amfiindia.com">www.amfiindia.com</a> and |  |  |  |  |

| r               |   |
|-----------------|---|
|                 | 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.  |
|                 | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.  |
|                 | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.  |
|                 | In case of unit holders whose email addresses are not available with the Fund, the AMC shall<br>send physical copies of scheme annual reports or abridged summary to those unitholders<br>who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy<br>of the scheme-wise annual report or abridged summary thereof shall be provided in the<br>application form for new subscribers.  |
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.  |
| 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.   |
| Stamp Duty      | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty<br>@ 0.005% of the amount invested.   |
|                 | For further details, please refer SAI.  |
| Risk-o-Meter    | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|                 | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                 | <ul> <li>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-<br/>vis that of the benchmark is disclosed.</li> </ul>  |

The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.

Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link-<u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u>) (For AMFI- refer link-<u>https://www.dspim.com/mandatory-corner/online-center/riskmeterinformation</u>). Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link-<u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u>) (for AMFI - refer Link <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u>) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u>).

Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.



#### **KEY INFORMATION MEMORANDUM**

#### DSP MID CAP FUND

#### Mid Cap Fund - An Open Ended Equity Scheme Predominantly Investing in Mid Cap Stocks

| This product is suitable<br>for<br>investors who are<br>seeking*:   | Scheme Riskometer   | Benchmark Riskometer                                      |
|---|---|---|
| <ul> <li>Long-term capital<br/>growth</li> <li>Investment in equity<br/>and equity-related<br/>securities<br/>predominantly of<br/>midcap companies</li> <li>*Investors should consult<br/>their financial advisers<br/>if in doubt about<br/>whether the Scheme is<br/>suitable for them.</li> </ul> | Low to<br>Noderate Risk<br>Low to<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk | As per AMFI Tier I Benchmark i.e. Nifty<br>Midcap 150 TRI |

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

#### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                        | DSPM/O  | /E/MIF/06/09/0014  |   |  |  |  |
|------------------------------------|---|--|---|--|--|--|
| Investment<br>Objective            | The primary investment objective is to seek to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of midcap companies. From time to time, the fund manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction.<br>There is no assurance that the investment objective of the Scheme will be achieved. |  |   |  |  |  |
| Asset Allocation<br>Pattern of the | Under n<br>be as fo   | ormal circumstances, it is<br>llows:                             | anticipated tha   | t the asset allocation of              | the Scheme shall                       |  |
| Scheme                             |   | Instruments  |   | Indicative allocations assets)         | `                                      |  |
|                                    |   |  |   | Minimum                                | Maximum                                |  |
|                                    |   | luity & equity related inst<br>mpanies <sup>#</sup>              | ruments of mid  | 65%                                    | 100%                                   |  |
|                                    |   | ther equity & equity relat                                       | ed instruments  | 0%                                     | 35%                                    |  |
|                                    |   | t and Money Market Secur   |   | 0%                                     | 35%                                    |  |
|                                    |   | s issued by REITs & InvITs                                       |   | 0%                                     | 10%                                    |  |
|                                    | circulars   | 5)<br>Type of Instrument<br>Securities Lending                   | Percentage<br>exposure<br>Upto 20% (upt<br>for any s  | cingle   Clause 12.11 of               | ces<br>the SEBI Master                 |  |
|                                    | 2.  | Derivatives  | intermediary)   | Circular                               | the SEBI Master                        |  |
|                                    |   | Derivatives  | 0000 100%   | Circular                               |  |  |
|                                    | 3.  | Equity Derivatives for<br>non-hedging purposes                   | Upto 100%   | Clause 12.25 of<br>Circular            | the SEBI Master                        |  |
|                                    | 4.  | Securitized Debt   | Upto 35%  | -                                      |  |  |
|                                    | 5.  | Overseas Securities  | Upto 25%  | Circular                               | the SEBI Master                        |  |
|                                    | 6.  | ReITS and InVITS   | Upto 10%  |  | the Seventh<br>II (Mutual Funds)<br>96 |  |
|                                    | 7.  | Debt Instruments with<br>special features (AT1<br>and AT2 Bonds) | Upto 10% (upt<br>single issuer) o<br>debt portfolio   |  | the SEBI Master                        |  |
|                                    | 8.  | Debt Instruments with<br>SO / CE rating                          | Upto 10% of<br>debt portfolic<br>the group exp<br>in such instrum<br>shall not excee<br>of the<br>portfolio | o and<br>osure<br>nents Clause 12.3 of | the SEBI Master                        |  |
|                                    | 9.  | Tri-party repos<br>(including reverse<br>repo in T-              | Upto 35%  | -                                      |  |  |

|     | bills/Government<br>securities)                           |                                      |   |
|-----|---|--------------------------------------|---|
| 10. | Other / own mutual<br>funds                               | Upto 5% of AUM of<br>the Mutual Fund | Clause 4 of the Seventh<br>Schedule of SEBI (Mutual Funds)<br>Regulations, 1996 |
| 11. | Repo/reverserepotransactionsincorporatedebtsecurities     | Nil                                  | -   |
| 12. | Credit Default Swap<br>transactions                       | Nil                                  | -   |
| 13. | Writing of call options<br>under covered call<br>strategy | Nil                                  | -   |
| 14. | Short selling   | As per prescribed guidelines         | Regulation 45 (2) of SEBI<br>(Mutual Funds) Regulations,<br>1996                |
| 15. | Foreign Securitized debt                                  | Nil                                  | -   |
| 16. | Unrated debt and<br>money market<br>instruments           | Upto 5% (refer Note<br>1)            | Clause 12.1 of the SEBI Master<br>Circular                                      |
| 17. | Short Term Deposit  | Refer Note 2                         | Clause 12.16 of the SEBI Master<br>Circular                                     |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

#### Note 2 - Investment in Short-Term Deposits-

Pending deployment of the funds of the Scheme shall be in terms of clause 12.16 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 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 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.

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

#### Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.

#### 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.

## Portfolio Rebalancing:

a. <u>Action with respect to passive breaches:</u>

As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.

b. Action with respect to breaches arising due to 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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.

The classification of stocks based on market capitalisation shall be as per the list prepared by AMFI which would be updated every six months based on the data as on the end of June and December of each year. Subsequent to any updation in the list, the Scheme shall rebalance its portfolio (if required), in line with updated list, within a period of one month.

| Investment |  |
|------------|--|
| Strategy   |  |

# Strategy for Equity Securities

The Investment Manager will select equity securities on a bottom-up, stock-by-stock basis, with consideration given to low price-to- earnings, price-to-book, and price-to-sales ratios, as well as growth, improving margins, asset turns, and cash flows, amongst others. The Investment Manager will use a disciplined quantitative analysis of financial operating statistics. In picking out individual investment opportunities for the portfolio, among the defined universe eligible for investment, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the long term growth potential of a company is not fully reflected in the market price of the company's securities and which potential it seeks to better every year capitalising on its various strengths, which could mean strong brand equity, growing market share, strong management and technological excellence, among others. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. The super-normal growth could be due to a new product, a new process, growing market share, stronger brand equity, technological breakthrough and unique position in a market, among other factors. The endeavor of the Investment Manager will be to pick stocks which could become potential leaders in their respective fields in the future.

## Strategy for Fixed Income Securities

The Investment Manager will conduct in-house research in order to identify various investment opportunities. 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 knowhow and transparency in corporate governance.

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.

# **Derivative 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 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.

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 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 endeavor 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) Reverse Arbitrage:

• This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

## 6) Corporate Action / Event Driven Strategies:

#### I. IDCW Arbitrage

• At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.

#### II. Buy-Back/ Open Offer Arbitrage

• When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.

#### III. Merger

• When the Company announces any merger, amalgamation, hive off, demerger, etc, there could be opportunities due to price differential in the cash and the derivative market.

#### 7) 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

#### 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.   |
|                            | <ul> <li>3) Forward Rate Agreement (FRA)</li> <li>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.</li> <li>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.</li> </ul>  |
|                            | For detailed derivative strategies, please refer to SAI.  |
|                            | Portfolio Turnover  |
|                            | Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.   |
|                            | The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts). |
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:  |
|                            | Scheme specific risk factors are summarized below:  |
|                            | Risks associated with transacting in scheme units through stock exchange mechanism, efficient portfolio management, favorable taxation of certain scheme in India, Taxation of overseas investments, Equity and Equity-related securities / investments, Securities Lending & Borrowing and Short Selling, Equity Derivatives, REITs & InvITs, Debt Securities and Money Market Securities, debt instruments having structured obligations /credit enhancements, unrated securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI), Securitized Assets, fixed income Derivatives, imperfect hedging using interest rate futures, Overseas Securities, overseas mutual funds / ETFs / Index Funds, underlying ETFs, mid-cap and small-cap companies, Depository Receipts.   |
|                            | For details on Risk Factors, please refer SID.  |
|                            | RISK MITIGATION STRATEGIES:<br>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 oneto-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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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<br>diligence where limits are assigned for each of the issuer (other than government of<br>India) for the amount as well as maximum permissible tenor. The credit process<br>ensures that issuer limits are reviewed periodically by taking into consideration the<br>financial statements and operating strength of the issuer.  |
|-------------------------------|---|
| 111.                          | 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.   |
| ۷.                            | 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<br>based on the investment objective and limits defined in the scheme documents.<br>Depending on the nature of the scheme, the Term Structure of Interest Rates (TSIR)<br>Risk cannot be eliminated and it exists as a primary feature of the scheme.   |
| Risks a                       | ssociated with Investments in REITs and InvITs:   |
| and<br>als<br>me<br>cor<br>of | vestment Manager endeavours to invest in REITS/InvITs, where adequate due diligence<br>d research has been performed by the Investment Manager. The Investment Manager<br>o relies on its own research as well as third party research. This involves one-to-one<br>eetings with the managements, attending conferences and analyst meets and also tele-<br>nferences. The analysis will focus, amongst others, on the predictability and strength<br>cash flows, value of assets, capital structure, business prospects, policy environment,<br>ength of management, responsiveness to business conditions, etc. |
| Risk As                       | sociated 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<br>portfolio disclosure is not available at the end of each month, top ten holdings as well<br>as sector holdings are made available at the end of each month for the overseas fund.<br>Full portfolio holdings can be obtained from underlying Overseas funds generally with<br>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<br>of an adverse event the Investment Manager may initiate appropriate action like<br>investing across other areas as permitted by the scheme document or any other action   |

|                   |  |  | interest is safeguarded   |   |   |  |
|-------------------|--|--|---|---|---|--|
|                   | Risk management for risk associated with Depository Receipts<br>Should there be investments in ADRs/GDRs of Indian companies or foreign securities, the<br>investment process of the fund manager will ensure that a comprehensive company specific<br>due diligence is performed. |  |   |   |   |  |
| Plans and options | Plan   | Options Available  | Sub-Option  | Income<br>Distribution cum<br>Capital<br>Withdrawal<br>Frequency/Record<br>Date*  |   |  |
|                   | Regular<br>Plan and<br>Direct<br>Plan  | Growth<br>Income<br>Distribution cum<br>Capital<br>Withdrawal (IDCW)   | <ul> <li>Payout of In Distribution cum Ca Withdrawal (IDCW)</li> <li>Reinvestment of In</li> </ul>  | θ.<br>Έ   | -   |  |
|                   | * In case th   | - Record Data falls on   | Distribution cum Ca<br>Withdrawal (IDCW)  |   |   |  |
|                   | amounts can<br>sale price tha<br>All the Plans<br>Default Optic<br>Investors sho<br>applicable, fo<br>option or sul<br>form. In case<br>Option etc. o<br>following def   | be distributed out of<br>at represents realized<br>and option under the son-<br>ould indicate the Sch<br>or which the subscriptio<br>o option in the approp<br>e of valid applications | investor's capital (Equa<br>gains.<br>Scheme will have comm<br>eme / Plan and / or<br>on is made by mentioni<br>priate space provided f<br>received, without indi-<br>garding Plan and/or Opt | n Capital Withdrawal optic<br>alization Reserve), which is<br>non portfolio.<br>Toption / Sub Option, which<br>ing the full name of Scheme<br>for this purpose in the appl<br>cating the Scheme / Plan a<br>cion are not clear or ambigue | part o<br>hereve<br>/ Plan<br>licatio<br>nd / o |  |
|                   | Option - Growth/ IDCW     Growth Option       Sub-option - Payout of IDCW/ Reinvestment of IDCW     Payout of IDCW   |  |   |   |   |  |
|                   | In case an investor/Unit Holder fails to mention the plan and broker details in the applicatio form, then the application shall be processed under respective option/sub-option under Direc Plan of the Scheme. For more details, please refer SID.                                |  |   |   |   |  |
| Applicable NAV    | valid applica<br>on a Business<br>upto the rele<br>of transaction<br>on the basis  | tion is accepted and t<br>Day, subject to it bein<br>want cut-off time as sp<br>ns. Applications receive   | ime stamped. An applic<br>ng complete in all respe-<br>becified below, at any o<br>ed via post or courier at<br>on is time stamped by   | ose of the Business Day on v<br>cation will be considered ac<br>ects and received and time st<br>of the official points of acce<br>any of the centres will be ac<br>the centre and not on the b   | cepteo<br>tampeo<br>eptance<br>cepteo           |  |

In accordance with clause 8.4.6.2 of the 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.

| Particulars   | Applicable NAV  |
|---|---|
| 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 upto 3.00 p.m. on the same Business Day.                                   | Closing NAV of<br>same Business<br>Day shall be<br>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<br>such subsequent<br>Business Day or<br>which the funds<br>are available for<br>utilization prior<br>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<br>subsequent<br>Business Day<br>shall be<br>applicable  |
| (b) Redemption and Switch-out   |   |
| Particulars   | Applicable NAV  |
| Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.   | NAV of the same<br>day  |
| Where the valid application is received after 3.00 p.m.   | NAV of the next<br>Business Day.  |

**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.

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 i  | in case of Multiple application                              | ons/transactions received ur  | der all            |  |  |
|----------------------------|---|--|---|--------------------|--|--|
|                            | <b>open-ended Schemes of the Fund:</b> All transactions as per conditions mentioned below sha be aggregated and closing NAV of the day on which funds for respective transactio (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 transaction   |  |   |                    |  |  |
|                            | <ol> <li>Transactions shall include<br/>and trigger transactions.</li> </ol>  |  | nases and exclude Switches, S   | SIP/STP            |  |  |
|                            | Permanent Account Num<br>similar holding pattern v  | nber (PAN). In case of joint<br>will be aggregated. The prin | basis of investor/s/Unit He<br>holding in folios, transaction<br>ciple followed for such aggre<br>ated Account Statement (CAS | ns with<br>egation |  |  |
|                            | 5. All transactions will be a point no.4 above.   | aggregated where investor h                                  | olding pattern is same as sta   | ated in            |  |  |
|                            | 6. Only transactions in the   |  | d shall be clubbed. It will in, Direct Plan, IDCW Option, (   |                    |  |  |
|                            | 7. Transactions in the name the transaction in the name   |  | guardian will not be aggregate<br>er, two or more transactions i<br>onsidered for aggregation.                                |                    |  |  |
|                            | 8. In the case funds are r<br>different business days b   | received on separate days a efore the cut off time, the ap   | and are available for utilizat<br>oplicable NAV shall be of the B<br>for utilization for the resp                             | usiness            |  |  |
|                            | of actual credit in the So  |  | er bank accounts, the date ar<br>h could be different due sett<br>or applicability of NAV.                                    |                    |  |  |
|                            | Investors are advised to make use of digital/electronic payment to transfer the Scheme's bank account   |  |   |                    |  |  |
|                            | 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.   |  |   |                    |  |  |
| Minimum<br>Application     | Purchase  | Additional Purchase  | Redemption*   |                    |  |  |
| Amount /Number<br>of Units | Rs. 100/- and any amount Rs. 100/- and any amount N.A. thereafter.  |  |   |                    |  |  |
|                            | *In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units.  |  |   |                    |  |  |
|                            |   |  | applicable for investment m<br>est of Designated Employees o  |                    |  |  |
|                            | The Trustee shall have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit   |  |   |                    |  |  |

|  | Holders, or if for any other reason it does not believe it would be in the best interest of the Scheme or its Unit Holders to accept such an application.   |  |                            |   |   |
|--|---|--|----------------------------|---|---|
| Minimum<br>installment<br>Amount for   | Rs. 100/- and any amount thereafter.  |  |                            |   |   |
| Systematic<br>Investment Plan<br>(SIP)   |   |  |                            |   |   |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal Plan<br>(SWP)/ Systematic<br>Transfer Plan<br>(STP) | Rs. 100/- and any am  | ount therea  | after.                     |   |   |
| Dispatch of<br>Repurchase<br>(Redemption)<br>Request   | As per SEBI (MF) Regulations, the Mutual Fund shall dispatch the redemption proceeds within<br>3 Working Days from the date of acceptance of redemption request.<br>Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its<br>communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with<br>clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the<br>timelines prescribed above. |  |                            |   |   |
| Benchmark Index  | Nifty Midcap 150 TRI  |  |                            |   |   |
| IDCW Policy  | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.   |  |                            |   |   |
| Name & tenure of<br>the Fund Manager   |   |  |                            |   |   |
| Name of the<br>Trustee Company   | DSP Trustee Private Limited   |  |                            |   |   |
| Performance of the<br>Scheme   | (a) Compounded Ann  | ualised Ret  | urns as of S               | eptember 30, 2024                                       | 4   |
|  | Period  | DSP Mid<br>Cap<br>Fund -<br>Regular<br>-<br>Growth<br>option | Nifty<br>Midcap<br>150 TRI | DSP Mid Cap<br>Fund - Direct<br>Plan - Growth<br>option | Nifty Midcap 150<br>TRI   |
|  | Last 1 Year   | 44.50%   | 47.90%                     | 45.84%  | 47.90%  |
|  | Last 3 Year   | 18.24%   | 26.12%                     | 19.39%  | 26.12%  |
|  | Last 5 Year   | 23.10%   | 31.42%                     | 24.28%  | 31.42%  |
|  | Since Inception   | 16.48%   | 16.68%                     | 19.71%  | 20.91%  |
|  | NAV/ Index value  | 153.1460   | 28,192.01                  | 169.0140  | 28,192.01   |
|  | Date of allotment14-Nov-0601-Jan-13   |  |                            |   |   |
|  | All benchmark returns   |  |                            |   |   |
|  | calculated on Rs. 10/·  | invested a   | t inception.               | For this purpose the                                    | "since inception" returns are<br>e inception date is deemed to<br>/th option. <b>Past performance</b> |

|   | may or may not be sustained in future and should not be used as a basis for comparison with other investments  |  |  |  |  |
|---|--|--|--|--|--|
|   | The Regular Plan and Direct Plan will have a common portfolio, however, their returns are expected to vary in line with the specified expense ratio under the relevant Plan.   |  |  |  |  |
|   | (b) Absolute Returns for each financial year for the last 5 years  |  |  |  |  |
|   | $\begin{bmatrix} 140.00\% \\ 120.00\% \\ 100.00\% \\ 0.00\% \\ 40.00\% \\ -20.0$ |  |  |  |  |
| Additional<br>Scheme Related<br>Disclosures | Returns are for Direct/Regular Plan of the scheme for Growth option and computed from the date of Allotment/1st April, as the case may be, to 31st March of the respective financial year<br>i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) - <u>https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sector-allocation</u>   |  |  |  |  |
|   | <ul> <li>ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme - Not applicable</li> <li>iii. Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly-<br/><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosure</u></li> <li>iv. Portfolio Turnover Rate - 0.4081 times</li> </ul>   |  |  |  |  |
| Expenses of the<br>Scheme                   | Exit Load: Holding Period from the date of allotment:<br>< 12 months - 1%<br>>= 12 months - Nil  |  |  |  |  |
| (i) Load Structure                          | Note: No exit load shall be levied in case of switch of investments from Direct Plan to Regular Plan and vice versa.   |  |  |  |  |
| (ii) Recurring<br>Expenses                  | These are the fees and expenses incurred for operating the Scheme. These expenses include<br>and are not limited to Investment Management and Advisory Fee charged by the AMC,<br>Registrar's fee, Marketing and selling costs etc., as given in the <b>Table 2</b> which summarizes<br>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 2.25 % 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 52 (6) & 52 (6A):

The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the Scheme shall be subject to the following limits, defined under Regulation 52 of SEBI MF regulations:

Table 1: Limit as prescribed under regulation 52 of SEBI MF regulations for equity oriented scheme:

| Slab Rates   | As a % of daily net<br>assets as per Regulation<br>52(6) (c)  | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^ | Additional<br>TER as per<br>Regulation<br>52 (6A) (b)^ |
|--|---|--|--|
| on the first Rs.500 crores of the daily net assets         | 2.25%   | 0.05%  | 0.30%  |
| on the next Rs.250<br>crores of the daily net<br>assets    | 2.00%   | 0.05%  | 0.30%  |
| on the next Rs.1,250<br>crores of the daily net<br>assets  | 1.75%   | 0.05%  | 0.30%  |
| on the next Rs.3,000<br>crores of the daily net<br>assets  | 1.60%   | 0.05%  | 0.30%  |
| on the next Rs.5,000<br>crores of the daily net<br>assets  | 1.50%   | 0.05%  | 0.30%  |
| On the next Rs.40,000<br>crores of the daily net<br>assets | Total expense ratio<br>reduction of 0.05% for<br>every increase of<br>Rs.5,000 crores of daily<br>net assets or part<br>thereof | 0.05%  | 0.30%  |
| On balance of the assets                                   | 1.05%   | 0.05%  | 0.30%  |

# Notes to Table:

<sup>^</sup>In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions .

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
- i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
- ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

GST on investment and advisory fees:

- a) AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- b) GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- c) GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).

# Others:

In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

# A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100</u> <u>crores:</u>

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<br>assets |
|--|--------------------------|
| Investment Management and Advisory Fee   |                          |
| Audit fees /Fees and expenses of trustees*   |                          |
| Custodial fees   |                          |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants           |                          |
| Marketing & Selling expense including agent commission and Statutory advertisement   |                          |
| Cost related to investor communications  | Upto 2.25%               |
| Cost of fund transfer from location to location  |                          |
| Cost towards investor education & awareness (at least 0.02 percent)  |                          |
| Brokerage & transaction cost pertaining to distribution of units   |                          |
| Goods & Services Tax on expenses other than investment and advisory fees   |                          |
| Goods & Services Tax on brokerage and transaction cost   |                          |
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively. |                          |
| Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)  | Upto 2.25%               |
| Additional expenses under regulation 52 (6A) (c)\$   | Upto 0.05%               |
| Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)                                     | Up to 0.30%              |

\*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.

|  | \$The nature of expenses can be any permissible ex<br>Further, as per Para 10.1.7 of SEBI Master Circular, sc<br>the scheme shall not be eligible to charge the above-m  | nemes wherein exi | it load is not levie |
|--|--|-------------------|----------------------|
|  | The goods and service tax on Investment Management<br>total amount charged as Investment Management and A<br>at 18% on Investment Management and Advisory Fees.  |                   |                      |
|  | Expense Structure for Direct Plan  |                   |                      |
|  | <ul> <li>Direct Plan will have lower expense ratio than Regular Plan of the Scheme. The expense under Direct Plan shall exclude the distribution and commission expenses and addition expenses for gross new flows from specified cities under regulation 52(6A)(b). All fees an 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 head in a Regular Plan.</li> <li>The above expense structures are indicative in nature. Actual expenses could be lower that mentioned above.</li> <li>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.</li> <li>For the actual current expenses being charged, the investor should refer to the websit of the Mutual Fund.</li> <li>II. Illustration of impact of expense ratio on scheme's returns:</li> </ul> |                   |                      |
|  |  |                   |                      |
|  |  |                   |                      |
|  |  |                   |                      |
|  |  |                   |                      |
|  | Particulars  | Regular Plan      | Direct<br>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  | 9.00%             | 9.25%                |
|  | Link for TER disclosure: <u>https://www.dspim.com/man</u><br>Actual expenses for the previous financial year (2023-2<br>Direct Plan Regular Plan<br>0.78% 1.70%  | •                 | es/ter               |
| Tax treatment for<br>the Investors<br>(Unit Holders) | Investors are advised to refer to the details in the Sta<br>also independently refer to his tax advisor.   | tement of Additio | nal Information a    |
| Daily Net Asset<br>Value (NAV)<br>Publication        | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business and will be made available by 11 p.m. of the same 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 <u>www.amfiindia.com</u> and on <u>www.dspim.com</u> .   |                   |                      |
|  | Latest available NAVs shall be available to unitholders  | through SMS, upon | receiving a speci    |

| For Investor                 | Name and Computer Age Management Services Limited (CAMS)   |  |
|------------------------------|--|--|
| Grievances<br>please contact | Address of<br>Registrar of Address - Computer Age Management Services Limited, No. 178/10<br>Kodambakkam High Road, Ground floor, Opp. Hotel Palmgrove,<br>Nungambakk, Chennai, Tamil Nadu 600034.<br>Website <u>https://www.camsonline.com/Investors/Support/Grievances</u>   |  |
|                              | NameandMr. Prakash PujariAddressofInvestor Relations OfficerInvestorDSP Asset Managers Private Limited, Natraj, Office Premises No.Relations302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri (East),Officer of DSPMumbai - 400069, Tel.: 022 - 67178000Mutual FundE-mail: service@dspim.com   |  |
| Unit Holders<br>Information  | Account Statements: Allotment confirmation specifying the number of Units allotted sha<br>be sent to the Unit holders at their registered e-mail address and/or mobile number b<br>way of email and/or SMS within 5 working Days from the date of receipt of the vali<br>application/transaction.  |  |
|                              | A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email 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. September/ March<br>or before 21st day of succeeding month, to all investors providing the prescribed det<br>across all schemes of mutual funds and securities held in dematerialized form ac<br>demat accounts, if applicable.   |  |
|                              | For further details, please refer SAI.   |  |
|                              | • Half yearly Portfolio: In case of unit holders whose email address are registered with Fund, the AMC shall send half yearly portfolio via email within 10 days from the en each half-year. The half yearly portfolio of the Scheme shall also be available in a u friendly and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.</u> and website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding mo         |  |
|                              | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |  |
|                              | 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.   |  |
|                              | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |  |
|                              | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year. |  |
|                              | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive   |  |

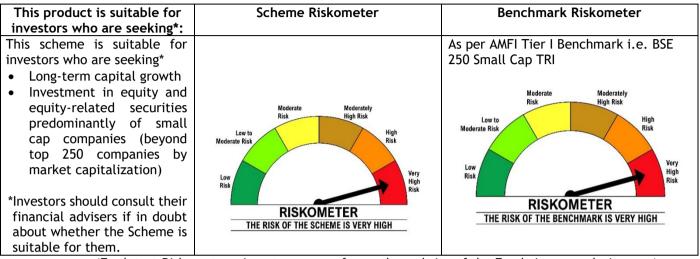
|                 | physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.   |
|-----------------|---|
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com   |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.  |
| 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.   |
| Stamp Duty      | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty<br>@ 0.005% of the amount invested. For further details, please refer SAI.  |
| Risk-o-Meter    | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|                 | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                 | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-<br>à-vis that of the benchmark is disclosed.   |
|                 | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|                 | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) (For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/ink-meter-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/ink-meter-disclosure}</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/ink-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/online-center/online-center/online-center/ink-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/o</u> |
|                 | <u>center/riskmeterinformation</u> ).<br>Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |



#### **KEY INFORMATION MEMORANDUM**

#### DSP SMALL CAP FUND

Small Cap Fund - An open ended equity scheme predominantly investing in small cap stocks



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

#### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of the entities          | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                            | DSPM/O  | /E/SCF/06/09/0015  |   |       |   |                 |
|--|---|--|---|-------|---|-----------------|
| Investment<br>Objective                | The primary investment objective is to seek to generate long term capital appreciation<br>from a portfolio that is substantially constituted of equity and equity related securities<br>of small cap companies. From time to time, the fund manager will also seek participation<br>in other equity and equity related securities to achieve optimal portfolio construction<br>There is no assurance that the investment objective of the Scheme will be achieved |  |   |       |   |                 |
| Asset                                  |   | ormal circumstances, it is                                       |   |       |   |                 |
| Allocation<br>Pattern of<br>the Scheme |   | as follows:  | s anticipated that the a  | asser | Indicative                                    | allocations     |
| the selfeme                            | Instruments   |  |   |       | (% of total<br>Minimum                        | ,               |
|  | 1(a) E  | quity & equity related   | instruments of small  | can   | 65%   | Maximum<br>100% |
|  | compa   |  | instruments of smatt  | cup   | 03/0  | 100/0           |
|  | the top   | ther equity & equity relat<br>250 stocks by market ca            | pitalization  | re in | 0%  | 35%             |
|  |   | t and Money Market Secur   |   |       | 0%  | 35%             |
|  |   | s issued by REITs & InvITs<br>ompany onwards in terms            |   |       | 0%  | 10%             |
|  | mutual f  | ve Table (Actual instrume  |   |       |   | -               |
|  | Sl. no  | Type of Instrument   | Percentage of   | Circu | ular referen                                  |                 |
|  | 50.110  | Type of instrument   | exposure  | CIIC  |   |                 |
|  | 1.  | Securities Lending   | Upto 20% (upto 5%<br>for any single<br>intermediary)  |       | use 12.11 of<br>ter Circular                  | the SEBI        |
|  | 2.  | Derivatives  | Upto 50%  |       | use 12.25 of<br>ter Circular                  | the SEBI        |
|  | 3.  | Equity Derivatives for<br>non- hedging purposes                  | Upto 50%  |       | use 12.25 of<br>ter Circular                  | the SEBI        |
|  | 4.  | Securitized Debt   | Upto 10%  | -     |   |                 |
|  | 5.  | Overseas Securities  | Upto 25%  | Mas   | use 12.19 of<br>ter Circular                  |                 |
|  | 6.  | ReITS and InVITS   | Upto 10%  | Sche  | use 13 in the<br>edule of SEB<br>ds) Regulati | I (Mutual       |
|  | 7.  | Debt Instruments with<br>special features (AT1<br>and AT2 Bonds) | Upto 10% (upto 5%-<br>single issuer) of the<br>debt portfolio   | Mas   | use 12.2 of t<br>ter Circular                 |                 |
|  | 8.  | Debt Instruments with<br>SO / CE rating                          | Upto 10% of the<br>debt portfolio and<br>the group exposure<br>in such instruments<br>shall not exceed 5%<br>of the debt<br>portfolio |       | use 12.3 of t<br>ter Circular                 | he SEBI         |
|  | 9.  | Tri-party repos<br>(including reverse                            | Upto 35%  | -     |   |                 |

|     | bills/Government securities)  |                                   |   |
|-----|---|-----------------------------------|---|
| 10. | Other / own mutual<br>funds   | Upto 5% of AUM of the Mutual Fund | Clause 4 of the Seventh<br>Schedule of SEBI (Mutual<br>Funds) Regulations, 1996 |
| 11. | Repo/ reverse repo<br>transactions in<br>corporate debt<br>securities | Nil                               | -   |
| 12. | Credit Default Swap<br>transactions                                   | Nil                               | -   |
| 13. | Writing of call options<br>under covered call<br>strategy             | Nil                               | -   |
| 14. | Short selling   | As per prescribed guidelines      | Regulation 45 (2) of SEBI<br>(Mutual Funds) Regulations,<br>1996                |
| 15. | Foreign Securitized debt  | Nil                               | -   |
| 16. | Unrated debt and<br>money market<br>instruments                       | Upto 5% (refer<br>Note 1)         | Clause 12.1 of the SEBI<br>Master Circular                                      |
| 17. | Short Term Deposit  | Refer Note 2                      | Clause 12.16 of the SEBI<br>Master Circular                                     |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

# Note 2 -Investment in Short-Term Deposits-

Pending deployment of the funds of the Scheme shall be in terms of clause 12.16 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 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 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.

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

#### Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.  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,<br>at a negotiated compensation. The securities lent will be returned by the borrower on<br>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.  |
|                        | Portfolio Rebalancing:  |
|                        | a. <u>Action with respect to passive breaches:</u>  |
|                        | As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.   |
|                        | b. Action with respect to breaches arising due to defensive consideration:  |
|                        | Due to market conditions, the AMC may invest beyond the range set out in the asset<br>allocation. Such deviations shall normally be for a short term on defensive considerations<br>as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to<br>protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance<br>the portfolio within 30 calendar days.   |
|                        | 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.   |
| Investment<br>Strategy | Strategy for Equity Securities  |
|                        | The Investment Manager will use a disciplined quantitative analysis of financial operating statistics. In picking out individual investment opportunities for the portfolio, among the defined universe eligible for investment, the Investment Manager will seek   |
|                        |   |

both value and growth. Value is discerned when the Investment Manager believes that the long term growth potential of a company is not fully reflected in the market price of the company's securities and which potential it seeks to better every year capitalising on its various strengths, which could mean strong brand equity, growing market share, strong management and technological excellence, among others. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. The super-normal growth could be due to a new product, a new process, growing market share, stronger brand equity, technological breakthrough and unique position in a market, among other factors.

The Investment Manager will conduct in-house research in order to identify various investment opportunities. 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 knowhow and transparency in corporate governance.

# Strategy for Debt and Money Market Securities

The Investment Manager will invest only in those debt securities that are rated investment grade by a domestic credit rating agency authorised to carry out such activity, such as CRISIL, ICRA, CARE etc. or in unrated debt securities, which the Investment Manager believes to be of equivalent quality. Where investment in unrated debt securities is sought to be made, the specific approval of the Board of Directors of the AMC and Trustee shall be obtained prior to investment. In-house research by the Investment Manager will emphasize on credit analysis, in order to determine credit risk.

# **Derivative 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 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.

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 techniques which fund can employ.

# 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 | Arbitr | age |
|----|-------|--------|-----|
|----|-------|--------|-----|

• 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 endeavor 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) Reverse Arbitrage:

• This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

# 5) 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

# 6) Corporate Action / Event Driven Strategies:

- I. IDCW Arbitrage
  - At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.
    - II. Buy-Back/ Open Offer Arbitrage
  - When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.
  - III. Merger
  - When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

# 7) 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

# 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.   |
|----------------------------------|---|
|                                  | <ul> <li>3) Forward Rate Agreement (FRA)</li> <li>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.</li> <li>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.</li> </ul>  |
|                                  | For detailed derivative strategies, please refer to SAI.  |
|                                  | <b>Portfolio Turnover</b><br>Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.  |
|                                  | The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts). |
| Risk Profile<br>of the<br>scheme | Mutual Fund Units involve investment risks including the possible loss of principal.<br>Please read the SID carefully for details on risk factors before investment. Scheme<br>specific Risk Factors are summarized below:  |
|                                  | Scheme specific risk factors are summarized below:  |
|                                  | Risks associated with transacting in scheme units through stock exchange mechanism, efficient portfolio management, favorable taxation of certain scheme in India, Taxation of overseas investments, Equity and Equity-related securities / investments, Securities Lending & Borrowing and Short Selling, Equity Derivatives, REITs & InvITs, Debt Securities and Money Market Securities, debt instruments having structured obligations /credit enhancements, unrated securities, special feature bonds, Tri-Party Repo, Perpetual Debt Instrument (PDI), Securitized Assets, fixed income Derivatives, imperfect hedging using interest rate futures, Overseas Securities, overseas mutual funds / ETFs / Index Funds, mid-cap and small-cap companies, Depository Receipts.  |
|                                  | RISK MITIGATION STRATEGIES:<br>Risks associated with Equity investments:  |
|                                  | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed<br>by creating a portfolio which has adequate access to liquidity. The Investment<br>Manager will select securities, which have or are expected to have good<br>secondary market liquidity. Market Liquidity Risk will be managed actively<br>within the portfolio liquidity limits by maintaining proper asset-liability match<br>to ensure payout of the obligations. The first access to liquidity will be through<br>cash and fixed income securities if any.   |
|                                  | ii. <b>Concentration Risk:</b> 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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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.

|                   | Should there investment p  | be investments                                      | fund manager will ensure   | y Receipts<br>ompanies or foreign securities, the<br>that a comprehensive company |  |  |
|-------------------|--|---|--|---|--|--|
| Plans and options | Plan   | Options<br>Available                                | Sub-Option   | Income Distribution cum<br>Capital<br>Withdrawal <b>Frequency/Record</b><br>Date* |  |  |
|                   | Regular  | Growth  | -  | -   |  |  |
|                   | Plan and<br>Direct<br>Plan   | Income<br>Distribution<br>cum Capital<br>Withdrawal | Payout of Income<br>Distribution cum<br>Capital Withdrawal<br>(IDCW) &     | At the discretion of Trustee  |  |  |
|                   |  |   | Reinvestment of<br>Income Distribution<br>cum Capital<br>Withdrawal (IDCW) |   |  |  |
|                   | * In case the Record Date falls on a non Business Day, the immediate next Business Day shall be considered as the Record Date.   |   |  |   |  |  |
|                   | 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.  |   |  |   |  |  |
|                   | 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<br>applicable, for which the subscription is made by mentioning the full name of Scheme/<br>Plan/ option or sub option in the appropriate space provided for this purpose in the<br>application form. In case of valid applications received, without indicating the Scheme<br>/ Plan and / or Option etc. or where the details regarding Plan and/or Option are not<br>clear or ambiguous, the following defaults will be applied: |   |  |   |  |  |
|                   | If no indication is given under the following  |   | Default  |   |  |  |
|                   | Option - O   | Frowth/ IDCW  |  | Growth Option   |  |  |
|                   | Sub-option - Payout of IDCW/ Reinvestment of IDCW Payout of 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. For more details refer SID.  |   |  |   |  |  |
| Applicable<br>NAV |  |   |  |   |  |  |

In accordance with clause 8.4.6.2 of the 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.

| Particulars   | Applicable NAV  |
|---|---|
| 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 upto 3.00 p.m. on the same Business Day.                                   | •   |
| 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 | such subsequen<br>Business Day or<br>which the fund<br>are available fo |
| 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.                        | subsequent  |
| (b) Redemption and Switch-out   | L   |
| Particulars   | Applicable NAV  |
| Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.   |   |
| Where the valid application is received after 3.00 p.m.   | NAV of the nex<br>Business Day.   |

**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.

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.

|  | <ul> <li>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.</li> <li>All transactions received on same Business Day (as per cut-off timing and Time stamping rule).</li> <li>Aggregation of transactions shall be applicable to the Scheme.</li> <li>Transactions shall include purchases, additional purchases and exclude Switches, SIP/STP and trigger transactions.</li> <li>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 (CAS).</li> <li>All transactions will be aggregated where investor holding pattern is same as stated in point no.4 above.</li> <li>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).</li> <li>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.</li> <li>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.</li> <li>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</li></ul> |                                      |                               |  |  |
|--|---|--------------------------------------|-------------------------------|--|--|
| Minimum<br>Application   | Purchase  | Additional Purchase                  | Redemption*                   |  |  |
| Amount<br>/Number of<br>Units  | Rs. 100/- and any amount thereafter.  | Rs. 100/- and any amount thereafter. | N.A.                          |  |  |
|  | *In case of Units held in dematerialized mode, the redemption request can be given<br>only with DPs or on Stock exchange Platform; and only in number of Units.<br>Note: The minimum application amount will not be applicable for investment made in<br>schemes in line with SEBI guidelines on Alignment of interest of Designated Employees  |                                      |                               |  |  |
| Minimum  | of AMC.   |                                      |                               |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment<br>Plan (SIP) | Rs. 100/- and any amount thereafter.  |                                      |                               |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic                             | Rs. 100/- and any amount the<br>SWP and STP facilities are no<br>exchange mechanism.  |                                      | carried out through the stock |  |  |

| Withdrawal<br>Plan (SWP)/<br>Systematic<br>Transfer Plan<br>(STP) |   |   |  |   |   |  |
|---|---|---|--|---|---|--|
| Dispatch of<br>Repurchase<br>(Redemption)<br>Request              | As per SEBI (MF) Regulations, the Mutual Fund shall dispatch the redemption proceeds within 3 Working Days from the date of acceptance of redemption request.<br>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 clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.   |   |  |   |   |  |
| Benchmark<br>Index  | BSE 250 Small Cap T   | RI  |  |   |   |  |
| IDCW Policy   | The Trustee reserv<br>and the frequency<br>more details refer   | of distribution are   | entirely at the di   |   |   |  |
| Name &<br>tenure of the<br>Fund<br>Manager                        | Mr. Vinit Sambre<br>Tenure: 14 Years an<br>Mr. Resham Jain<br>Tenure: 6 years 8 m   |   | •  | m June 2010)  |   |  |
| Name of the<br>Trustee<br>Company                                 | DSP Trustee Private   | e Limited   |  |   |   |  |
| Performance<br>of the Scheme                                      | (a) Compounded An   | nualised Returns a  | s of September 30  | ), 2024   |   |  |
|   | Period  | DSP Small Cap<br>Fund - Regular<br>Plan - Growth  | BSE 250 SMALL<br>CAP TRI*  | DSP Small<br>Cap Fund -<br>Direct Plan  | BSE 250<br>SMALL CAP  |  |
|   |   |   |  | - Growth  | TRI*  |  |
|   | Last 1 Year   | 40.63%  | 48.94%   | - Growth<br>41.88%  | TRI*<br>48.94%  |  |
|   | Last 1 Year<br>Last 3 Year  |   | 48.94%<br>25.98%   |   |   |  |
|   |   | 40.63%  |  | 41.88%  | 48.94%  |  |
|   | Last 3 Year   | 40.63%<br>24.39%<br>31.86%<br>19.02%  | 25.98%<br>32.09%<br>12.12%   | 41.88%<br>25.50%<br>33.03%<br>24.07%  | 48.94%<br>25.98%<br>32.09%<br>16.86%  |  |
|   | Last 3 Year<br>Last 5 Year<br>Since Inception<br>Nav/ Index value   | 40.63%<br>24.39%<br>31.86%<br>19.02%<br>203.7980  | 25.98%<br>32.09%<br>12.12%<br>9,224.79   | 41.88%<br>25.50%<br>33.03%  | 48.94%<br>25.98%<br>32.09%  |  |
|   | Last 3 Year<br>Last 5 Year<br>Since Inception<br>Nav/ Index value<br>Date of  | 40.63%<br>24.39%<br>31.86%<br>19.02%  | 25.98%<br>32.09%<br>12.12%<br>9,224.79   | 41.88%<br>25.50%<br>33.03%<br>24.07%<br>222.3480  | 48.94%<br>25.98%<br>32.09%<br>16.86%  |  |
|   | Last 3 Year<br>Last 5 Year<br>Since Inception<br>Nav/ Index value<br>Date of<br>allotment   | 40.63%<br>24.39%<br>31.86%<br>19.02%<br>203.7980  | 25.98%<br>32.09%<br>12.12%<br>9,224.79<br>Jn-07  | 41.88%<br>25.50%<br>33.03%<br>24.07%<br>222.3480<br>01-Ja   | 48.94%<br>25.98%<br>32.09%<br>16.86%<br>9,224.79  |  |
|   | Last 3 Year<br>Last 5 Year<br>Since Inception<br>Nav/ Index value<br>Date of<br>allotment   | 40.63%<br>24.39%<br>31.86%<br>19.02%<br>203.7980<br>14-Ju<br>eturns are computed<br>I standards for perf<br>ate of allotment. The<br>ate of allotment. The ate of allotment. The ate of allotment. The<br>ate of allotment. The ate of allotment at a te of allotment at at a te of allotment at a te of att of a te of at a te of att of at a te | 25.98%<br>32.09%<br>12.12%<br>9,224.79<br>un-07<br>ed basis Total Return<br>ormance reporting<br>inception. For this<br>The "Returns" show<br>sustained in future<br>ments | 41.88%<br>25.50%<br>33.03%<br>24.07%<br>222.3480<br>01-Ja<br>rn Index.<br>, the "since inc<br>purpose the in<br>wn are for the<br><b>e and should no</b><br>rtfolio, howeve | 48.94%<br>25.98%<br>32.09%<br>16.86%<br>9,224.79<br>an-13<br>eption" returns<br>iception date is<br>growth option.<br>ot be used as a |  |

|  | 400.000/  |   |                                   |  |                                     |  |
|--|---|---|-----------------------------------|--|-------------------------------------|--|
|  | 160.00% -   |   | 51%                               |  | Cap Fund - Dir - Growth             |  |
|  | 120.00% -   |   | 104.20%<br>102.37%<br>117.51%     | ■ DSP Small Cap Fund - Reg - Growth<br>■ BSE 250 Small Cap Index TRI |                                     |  |
|  | 80.00% -  |   |                                   | 40.44%<br>39.21%<br>34.29%   |                                     | 45.65%<br>44.40%<br>59.31%                                     |
|  | - %00.00 -<br>لالم<br>20.00% -  |   |                                   | 40.449   |                                     | 4 4  |
|  | -40.00% -   | -29.88%<br>-30.48%<br>40.75%                    |                                   |  | -0.68%<br>-1.58%<br>-3.14%          |  |
|  | -80.00%   | ۲۰۰۶<br>FY20                                    | FY21                              | FY22   | FY23                                | FY24   |
|  |   | Allotment/1st                                   |                                   |  |                                     | nd computed from<br>of the respective                          |
| Additional<br>Scheme<br>Related<br>Disclosures | i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation various sectors) - <u>https://www.dspim.com/mandatory-disclosures/top-10</u><br>and-sector-allocation |   |                                   |  |                                     |  |
|  |   | e of name and<br>ge of NAV of th                |                                   |  | stocks, groups                      | and sectors as a   |
|  | iii. Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Year<br>https://www.dspim.com/mandatory-disclosures/portfolio-disclosure                                   |   |                                   |  |                                     |  |
|  | iv. Portfolio   | Turnover Rate                                   | - 0.2477 time                     | es   |                                     |  |
| Expenses of<br>the Scheme                      | Holding Peri  | od from the da<br>< 12 months -<br>>= 12 months | 1%                                | nt:  |                                     |  |
| (i) Load<br>Structure                          |   | it load shall be<br>and vice versa              |                                   | e of switch of   | investments fro                     | om Direct Plan to  |
| (ii) Recurring<br>Expenses                     |   |   |                                   |  |                                     |  |
|  | provided bel<br>Scheme, typ   | ow would assis                                  | st the investor<br>t fees / exper | in understand<br>uses, their per                                     | ling the expense<br>centage the inv | . The information<br>e structure of the<br>vestor is likely to |
|  | charged to t  |   | expenses. For t                   | he actual curr   | rent expenses be                    | e scheme will be<br>eing charged, the                          |
|  | Operating &   | recurring exp                                   | oenses under                      | regulation 52  | (6) & 52 (6A):                      |  |
| L  | 1   |   |                                   |  |                                     |  |

The Scheme may charge expenses within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the Scheme shall be subject to the following limits, defined under Regulation 52 of SEBI MF regulations:

| Table 1: Limit as prescribed under regulation 52 of SEBI MF r | egulations for equity |
|---|-----------------------|
| oriented scheme:  |                       |

| Slab Rates   | As a % of daily net<br>assets as per Regulation<br>52(6) (c)  | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^ | TER as per |
|--|---|--|------------|
| on the first Rs.500 crores of the daily net assets         | 2.25%   | 0.05%  | 0.30%      |
| on the next Rs.250<br>crores of the daily net<br>assets    | 2.00%   | 0.05%  | 0.30%      |
| on the next Rs.1,250<br>crores of the daily net<br>assets  | 1.75%   | 0.05%  | 0.30%      |
| on the next Rs.3,000<br>crores of the daily net<br>assets  | 1.60%   | 0.05%  | 0.30%      |
| on the next Rs.5,000<br>crores of the daily net<br>assets  | 1.50%   | 0.05%  | 0.30%      |
| On the next Rs.40,000<br>crores of the daily net<br>assets | Total expense ratio<br>reduction of 0.05% for<br>every increase of<br>Rs.5,000 crores of daily<br>net assets or part<br>thereof | 0.05%  | 0.30%      |
| On balance of the assets                                   | 1.05%   | 0.05%  | 0.30%      |

#### Notes to Table:

<sup>^</sup>In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions .

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
- i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
- ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

|  | * Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.  |
|--|---|
|  | The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.   |
|  | Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.  |
| c.   | Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable  |
| GST  | on investment and advisory fees:  |
| a)   | AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).  |
| b)   | GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).   |
| c)   | GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A).  |
| Others:  |   |
| expense<br>and in v                                  | rdance with clause 10.1.12.(a) of the SEBI Master Circular, all scheme related<br>es including commission paid to distributors, by whatever name it may be called<br>whatever manner it may be paid, shall be paid from the scheme only within the<br>ory limits and not from the books of the AMC, or by the trustee or sponsors.  |
| by AMFI<br>be paid                                   | d that the expenses that are very small in value but high in volume (as provided<br>I in consultation with SEBI) may be paid out of AMC's books. Such expenses can<br>I out of AMC's books at actuals or not exceeding 2 bps of the Scheme AUM,<br>ver is lower.  |
| shall be   | with regards to the cost of borrowings in terms of Regulation 44(2), the same<br>adjusted against the portfolio yield of the Scheme and borrowing costs in excess<br>folio yield, if any, shall be borne by the AMC.  |
| <u>Disclos</u>                                       | ure relating to changes in TER:   |
| disclose<br>base TE<br>52(6A)(d<br>investm<br>scheme | rdance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently<br>e TER on daily basis on the website <u>www.dspim.com</u> . Further, changes in the<br>ER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b),<br>c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on<br>tent and advisory fees) in comparison to previous base TER charged to any<br>/plan shall be communicated to investors of the scheme/plan through notice via<br>r SMS at least three working days prior to effecting such change. |
|  |   |

The notices of change in base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

# A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100</u> <u>crores:</u>

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 ne<br>assets |
|--|-------------------------|
| Investment Management and Advisory Fee   |                         |
| Audit fees /Fees and expenses of trustees*   |                         |
| Custodial fees   |                         |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants     | -                       |
| Marketing & Selling expense including agent commission and Statutory advertisement                                       |                         |
| Cost related to investor communications  |                         |
| Cost of fund transfer from location to location  | Upto 2.25%              |
| Cost towards investor education & awareness (at least 0.02 percent)  |                         |
| Brokerage & transaction cost pertaining to distribution of units   |                         |
| Goods & Services Tax on expenses other than investment and advisory fees   |                         |
| Goods & Services Tax on brokerage and transaction cost   |                         |
| Brokerage & transaction cost over and above 0.12 percent and   |                         |
| 0.05 percent for cash and derivative market trades, respectively.  |                         |
| 0.05 percent for cash and derivative market trades,  | Upto 2.25%              |
| 0.05 percent for cash and derivative market trades, respectively.<br>Maximum total expense ratio (TER) permissible under | Upto 2.25%              |

\*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.

\$The nature of expenses can be any permissible expenses including management fees. Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not

| Publication  | The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on<br>any day, by calling the office of the AMC or any of the Investor Service Centres at various<br>locations. The NAV of the Scheme will also be updated on the AMFI website<br>www.amfiindia.com and on www.dspim.com.  |                      |                |  |  |
|--|---|----------------------|----------------|--|--|
| Daily Net<br>Asset Value<br>(NAV)                          | The NAVs of the Scheme/plans will be calculated by t<br>Day and will be made available by 11 p.m. of the same   |                      | each Business  |  |  |
| Tax<br>treatment for<br>the Investors<br>(Unit<br>Holders) | Investors are advised to refer to the details in the Statement of Additional Information<br>and also independently refer to his tax advisor.  |                      |                |  |  |
|  | Link for TER disclosure: <u>https://www.dspim.com/mandatory-disclosures/ter</u><br>Actual expenses for the previous financial year (2023-2024):<br>Direct Plan Regular Plan<br>0.88% 1.75%  |                      |                |  |  |
|  | % Returns after expenses at the end of the year   | 9.00%                | 9.25%          |  |  |
|  | Returns after expenses at the end of the year   | 900                  | 925            |  |  |
|  | Distribution expenses   | 25                   | -              |  |  |
|  | Expenses other than Distribution expenses   | 75                   | 75             |  |  |
|  | Annual income accrued to the scheme   | 1,000                | 1,000          |  |  |
|  | Amount invested at the beginning of the year  | 10,000               | 10,000         |  |  |
|  | Particulars   | Regular Plan         | Direct Plan    |  |  |
|  | II. Illustration of impact of expense ratio or  | scheme's returns     | s:             |  |  |
|  | For the actual current expenses being charged, th website of the Mutual Fund.   | ne investor should   | l refer to the |  |  |
|  | The purpose of the above table is to assist the inves<br>costs & expenses that the investor in the Scheme will  |                      | •              |  |  |
|  | The above expense structures are indicative in nature than mentioned above.   | . Actual expenses of | could be lower |  |  |
|  | <ul> <li>The goods and service tax on Investment Management and Advisory fees will depend the total amount charged as Investment Management and Advisory fees. Currently it chargeable at 18% on Investment Management and Advisory Fees.</li> <li>Expense Structure for Direct Plan</li> <li>Direct Plan will have lower expense ratio than Regular Plan of the Scheme. T expenses under Direct Plan shall exclude the distribution and commission expenses a additional expenses for gross new flows from specified cities under regulation 52(6A)(All fees and expenses charged in a direct plan (in percentage terms) under various heat including the investment and advisory fee shall not exceed the fees and expense charged under such heads in a Regular Plan.</li> </ul> |                      |                |  |  |
|  |   |                      |                |  |  |
|  |   |                      |                |  |  |
|  | levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.   |                      |                |  |  |

|   | Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. Refer relevant disclosures mentioned in the Statement of Additional Information ('SAI') available on AMC website i.e. <a href="http://www.dspim.com">www.dspim.com</a>  |  |  |  |  |
|---|--|--|--|--|--|
| For Investor<br>Grievances<br>please<br>contact | Name<br>Addressand<br>ofComputer Age Management Services Limited (CAMS)AddressofRegistrarAddress - Computer Age Management Services Limited, No. 178/10<br>Kodambakkam High Road, Ground floor, Opp. Hotel Palmgrove,<br>Nungambakk, Chennai, Tamil Nadu 600034.<br>Website<br>https://www.camsonline.com/Investors/Support/Grievances   |  |  |  |  |
|   | NameandMr. Prakash PujariAddressofInvestor Relations OfficerInvestorDSP Asset Managers Private Limited, Natraj, Office Premises No.Relations302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri (East),Officer of DSPMumbai - 400069, Tel.: 022 - 67178000Mutual FundE-mail: service@dspim.com   |  |  |  |  |
| Unit Holders<br>Information                     | <ul> <li>Account Statements: Allotment confirmation specifying the number of Units<br/>allotted shall be sent to the Unit holders at their registered e-mail address and/or<br/>mobile number by way of email and/or SMS within 5 working Days from the date of<br/>receipt of the valid application/transaction.</li> </ul>   |  |  |  |  |
|   | A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email 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. September/<br>March) on or before 21st day of succeeding month, to all investors providing the<br>prescribed details across all schemes of mutual funds and securities held in<br>dematerialized form across demat accounts, if applicable.   |  |  |  |  |
|   | For further details, please refer SAI.   |  |  |  |  |
|   | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> and website of AMC viz. <a href="http://www.dspim.com">www.dspim.com</a> on or before the 10th day of succeeding month. |  |  |  |  |
|   | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |  |  |  |  |
|   | 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.   |  |  |  |  |
|   | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |  |  |  |  |
|   | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not   |  |  |  |  |

|                    | later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.   |
|--------------------|---|
|                    | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.  |
|                    | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|                    | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                    | Investors are requested to register their e-mail addresses with Mutual Fund.  |
| Payment<br>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.   |
| Stamp Duty         | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.  |
|                    | For further details, please refer SAI.  |
| Risk-o-Meter       | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated<br>November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low,<br>Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter<br>shall also be depicted using a colour scheme.   |
|                    | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                    | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme<br>vis-à-vis that of the benchmark is disclosed.  |
|                    | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|                    | Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link-<br>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures) (For AMFI- refer link-<br>https://www.amfiindia.com/investor-corner/online-   |

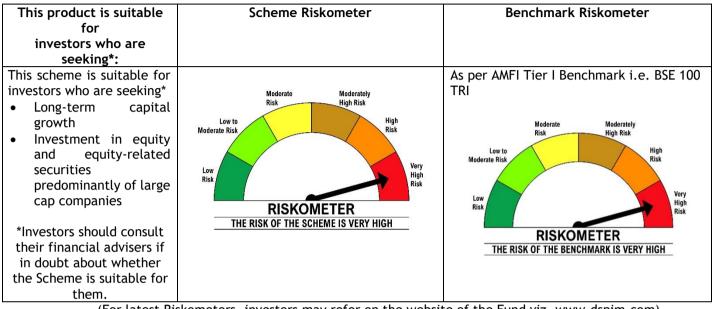
| <u>center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of schemes<br>as on March 31 of every year, along with number of times the risk level has changed<br>over the year, on AMCs website and AMFI website (For AMC refer link-<br><u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for<br>AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-</u><br>center/riskmeterinformation). |
|--|
| Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |



#### **KEY INFORMATION MEMORANDUM**

#### **DSP TOP 100 EQUITY FUND**

#### Large Cap Fund - An open ended equity scheme predominantly investing in large cap stocks



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

| Continuous Offer for units at NAV based prices |   |  |  |  |
|--|---|--|--|--|
| 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                      | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |  |  |  |
| Website of the entities                        | www.dspim.com   |  |  |  |

# This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code              | DSPM/O   | /E/LCF/03/01/0009  |  |                                     |  |  |
|--------------------------|--|--|--|-------------------------------------|--|--|
| Investment<br>Objective  | The primary investment objective is to seek to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of large cap companies. From time to time, the fund manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction.<br>There is no assurance that the investment objective of the Scheme will be achieved. |  |  |                                     |  |  |
| Asset Allocation         | Under n  | ormal circumstances, the   | e asset allocation of the                                      | Scheme will be                      | e as follows:                                  |  |
| Pattern of the<br>Scheme | Instru   | ments  | Indicative allocations<br>(% of total assets)                  |                                     |  |  |
|                          |  |  |  | Minimum                             | Maximum  |  |
|                          | 1(a) E<br>compa  | quity & equity related in:<br>anies <sup>#</sup>                 | struments of large cap   | 80%                                 | 100%   |  |
|                          |  | nvestment in other equi  | ty and equity related  | 0%                                  | 20%  |  |
|                          |  | ot and Money Market Sec  | urities  | 0%                                  | 20%  |  |
|                          | 3. Uni   | ts of REITs and InvITs   |  | 0%                                  | 10%  |  |
|                          | Decemb<br>portfolio  |  | uent to any updation in<br>th updated list, within a           | the list, the So<br>a period of one |  |  |
|                          | Sl. no   | Type of Instrument   | Percentage of exposure   | Circular refer                      | ences  |  |
|                          | 1.   | Securities Lending   | Upto 20% (upto 5%<br>for any single<br>intermediary)           | Clause 12.11<br>Circular            | of the SEBI Master                             |  |
|                          | 2.   | Derivatives  | Upto 100%  | Clause 12.25<br>Circular            | of the SEBI Master                             |  |
|                          | 3.   | Equity Derivatives for<br>non- hedging<br>purposes               | Upto 100%  | Clause 12.25<br>Circular            | of the SEBI Master                             |  |
|                          | 4.   | Securitized Debt   | Upto 20%   | -                                   |  |  |
|                          | 5.   | Overseas Securities  | Upto 20%   | Circular                            | of the SEBI Master                             |  |
|                          | 6.   | ReITS and InVITS   | Upto 10%   |                                     | the Seventh Schedule<br>al Funds) Regulations, |  |
|                          | 7.   | Debt Instruments<br>with special features<br>(AT1 and AT2 Bonds) | Upto 10% (upto 5%-<br>single issuer) of the<br>debt portfolio  | Clause 12.2<br>Circular             | of the SEBI Master                             |  |
|                          | 8.   | Debt Instruments<br>with SO / CE rating                          | Upto 10% of the debt<br>portfolio and the<br>group exposure in | Clause 12.3<br>Circular             | of the SEBI Master                             |  |

|     |  | of the debt portfolio                           |   |
|-----|--|---|---|
| 9.  | Tri-party repos<br>(including reverse<br>repo in T-<br>bills/Government<br>securities) | Up to 20%                                       | -   |
| 10. | Other / own mutual<br>funds  | Upto 5% of AUM of the Mutual Fund               | Clause 4 of the Seventh Schedule<br>of SEBI (Mutual Funds) Regulations,<br>1996 |
| 11. | Repo/ reverse repo<br>transactions in<br>corporate debt<br>securities                  | Nil   | -   |
| 12. | Credit Default Swap<br>transactions  | Nil   | -   |
| 13. | Writing of call options<br>under covered call<br>strategy                              | Nil   | -   |
| 14. | Short selling  | In terms of<br>guidelines<br>prescribed by SEBI | Regulation 45 (2) of SEBI (Mutual<br>Funds) Regulations, 1996                   |
| 15. | Foreign Securitized debt   | Nil   | -   |
| 16. | Unrated debt and<br>money market<br>instruments  | Upto 5% (refer Note<br>1)                       | Clause 12.1 of the SEBI Master<br>Circular                                      |
| 17. | Short Term Deposit   | Refer Note 2                                    | Clause 12.16 of the SEBI Master<br>Circular                                     |

<u>Note 1</u> - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees

# Note 2 -Investment in Short-Term Deposits-

Pending deployment of the funds of the Scheme shall be in terms of clause 12.16 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 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 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.

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

# Cumulative gross exposure -

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions (including fixed income derivatives), Real Estate Investment Trusts (REITs), 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. 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 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.

# 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.

# Portfolio Rebalancing:

a. Action with respect to passive breaches:

As per Clause 2.9 of the SEBI Master Circular and the clarifications/ guidelines issued by AMFI/ SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 para 2.9.3 and 2.9.4 of SEBI Master Circular.

b. Action with respect to breaches arising due to 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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.

| Investment<br>Strategy | Strategy for Equity Securities |
|------------------------|--------------------------------|
|------------------------|--------------------------------|

The Investment Manager will be adopting a top down approach, which will encompass an evaluation of key economic trends, the analysis of various sectors in the economy leading to an outlook on their future prospects and a diligent study of various investment opportunities within the favoured sectors. In picking out individual investment opportunities for the portfolio, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the long-term growth potential of a company is not fully reflected in the market price of the company's securities and which potential it seeks to better every year capitalising on its various strengths, which could mean strong brand equity, high market share, strong management and technological excellence among others. Such companies are core holdings in any equity portfolio since they seldom fail to deliver good returns over the long term. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. The super-normal growth could be due to a new product, a new process, growing market share, stronger brand equity, technological breakthrough and unique or predominant position in a market, among other factors.

The Investment Manager will conduct in-house research in order to identify value and growth stocks. The analysis will focus, among others, on the historical and current financial condition of the company, capital structure, business prospects, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research and technological know-how and transparency in corporate governance. The quality or strength of management would be a key focus area.

# 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.

# **Derivative 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 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.

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 techniques which fund can employ.

# 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 endeavor 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) Corporate Action / Event Driven Strategies:

# I. IDCW Arbitrage

• At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.

# II. Buy-Back/ Open Offer Arbitrage

• When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.

# III. Merger

• When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

# 6) 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

# 7) Reverse Arbitrage:

This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

# 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 interest rate exposure.

# 3) Forward Rate Agreement (FRA)

|                               | <ul> <li>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.</li> <li>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.</li> </ul>   |  |  |  |
|-------------------------------|---|--|--|--|
|                               | For detailed derivative strategies, please refer to SAI.  |  |  |  |
|                               | Portfolio Turnover  |  |  |  |
|                               | Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a percentage of the average corpus of the Scheme during a specified period of time. This will exclude purchases and sales of money market securities.   |  |  |  |
|                               | The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover rates as low as possible. However, there are trading opportunities that present themselves from time to time, where in the opinion of the Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The Investment Manager will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives contracts in India are available upto 3 months, the liquidity is predominantly in the one month contracts (near month contracts). |  |  |  |
| Risk Profile of<br>the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:  |  |  |  |
|                               | Scheme specific risk factors are summarized below:  |  |  |  |
|                               | Risks associated with transacting in scheme units through stock exchange mechanism, principles<br>of efficient portfolio management, favorable taxation of certain scheme in India, Taxation of<br>overseas investments, Equity and Equity-related securities / investments - Price Risk, Liquidity<br>Risk for listed securities, Liquidity Risk on account of unquoted and unlisted securities, Securities<br>Lending & Borrowing and Short Selling, Trading In Equity Derivatives, REITs & InvITs, Debt<br>Securities and Money Market Securities, investment in debt instruments having structured<br>obligations /credit enhancements, unrated securities, special feature bonds, Tri-Party Repo,<br>Perpetual Debt Instrument (PDI), Securitized Assets, fixed income Derivatives, imperfect hedging<br>using interest rate futures, Overseas Securities, overseas mutual funds / ETFs / Index Funds,<br>Depository Receipts.   |  |  |  |
|                               | For details on risk factors, kindly refer SID.  |  |  |  |
|                               | <b>Risk Mitigation Strategies:</b><br>Risks associated with Equity investments:   |  |  |  |
|                               | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed by crea<br>ting a portfolio which has adequate access to liquidity. The Investment Manager will sel<br>ect securities, which have or are expected to have good secondary market liquidity. Mar<br>ket Liquidity Risk will be managed actively within the portfolio liquidity limits by mainta<br>ining proper asset-liability match to ensure payout of the obligations. The first access to<br>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 n<br>umber of companies/sectors and endeavor to keep stock-specific concentration risk rela<br>tively low.   |  |  |  |
| 1                             |   |  |  |  |

iii. Market Risk: The Investment Manager endeavors to invest in companies, where adequat e 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 Invest ment Manager also relies on its own research. This involves one-to-one meetings with th e management of companies, attending conferences and analyst meets and also tele-co nferences. 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 environ ment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know- how and t ransparency in corporate governance. The investment manager may use derivatives to h edge 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 Debt Securities and 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 liqu idity limits by maintaining proper asset-liability match to ensure payout of the obligatio ns.

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 for the reference tenors like 10 years, 5 years etc. 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 mak ing investments in securities issued by borrowers post detailed credit review internally. The credit research process includes a detailed in-house analysis and due diligence whe re limits are assigned for each of the issuer (other than government of India) for the am ount as well as maximum permissible tenor. The credit process ensures that issuer limit s are reviewed periodically by taking into consideration the financial statements and op erating strength of the issuer.

- iii. **Rating Migration Risk:** The endeavor is to invest in well researched issuers. The due dili gence performed by the fixed income team before assigning credit limits and the period ic credit review and monitoring should help keep the rating migration risk low for comp any-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 o bjectives.
- v. **Re-investment Risk:** The Investment Manager will endeavor that besides the tactical an d/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. Depend ing on the nature of the scheme, the Term Structure of Interest Rates (TSIR) Risk canno t 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.

# Risk management for risk associated with Depository Receipts

|                   |  | cess of the fund  |  | companies or foreign s<br>a comprehensive compar                       |                 |  |  |
|-------------------|--|---|--|--|-----------------|--|--|
| Plans and options | Plan   | Options   | Sub-Option   | Income Distribution of<br>Capital Withdra<br>Frequency/Record<br>Date* |                 |  |  |
|                   | Regular  | Growth  | -  | -  |                 |  |  |
|                   | Plan and<br>Direct<br>Plan   | Income<br>Distribution<br>cum Capital<br>Withdrawal<br>(IDCW) | Payout of Incor<br>Distribution cum Capi<br>Withdrawal (IDCW) &<br>Reinvestment of Incor<br>Distribution cum Capi<br>Withdrawal (IDCW) | tal Trustee<br>ne  | of              |  |  |
|                   |  | Record Date falls<br>as the Record Dat                        |  | ne immediate next Busine   | ss Day shall be |  |  |
|                   | 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.  |   |  |  |                 |  |  |
|                   | 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 indica   | tion is given und   | ler the following  | Default  |                 |  |  |
|                   | Option - Gr  | owth/ IDCW  |  | Growth Option  |                 |  |  |
|                   | Sub-option   | - Payout of IDCW  | Reinvestment of IDCW   | Payout of 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. For more details refer SID.  |   |  |  |                 |  |  |
| Applicable NAV    | Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which a valid<br>application is accepted and time stamped. An application will be considered accepted on a<br>Business Day, subject to it being complete in all respects and received and time stamped upto<br>the relevant cut-off time as specified below, at any of the official points of acceptance of<br>transactions. Applications received via post or courier at any of the centres will be accepted on<br>the basis of when the application is time stamped by the centre and not on the basis of date and<br>time of receipt of the post or the courier. |   |  |  |                 |  |  |
|                   | In accordance with clause 8.4.6.2 of the 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.

| (a) Purchase and Switch-in  |  |
|---|--|
| Particulars   | Applicable NAV                                   |
| 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 upto 3.00 p.m. on the same Business Day.                                   | same Business Day                                |
| 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 | subsequent<br>Business Day on<br>which the funds |
| 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.                        | subsequent                                       |
| (b) Redemption and Switch-out   | ·  |
| Particulars   | Applicable NAV                                   |
| Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.   | NAV of the same<br>day                           |
| Where the valid application is received after 3.00 p.m.   | NAV of the next<br>Business Day.                 |

**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.

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.  |   |  |  |  |
|---|--|---|--|--|--|
|   | <ol> <li>Aggregation of transactions shall be done on the basis of investor/s/Unit Holder/s Permanent<br/>Account Number (PAN). In case of joint holding in folios, transactions with similar holding<br/>pattern will be aggregated. The principle followed for such aggregation will be similar as<br/>applied for compilation of Consolidated Account Statement (CAS).</li> </ol> |   |  |  |  |
|   | <ol> <li>All transactions will be aggregated where investor holding pattern is same as stated in point<br/>no.4 above.</li> </ol>  |   |  |  |  |
|   | 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   |   |  |  |  |
|   | <ul><li>Option, etc).</li><li>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.</li></ul>   |   |  |  |  |
|   | <ol> <li>In the case funds are received on separate days and are available for utilization on different<br/>business days before the cut off time, the applicable NAV shall be of the Business day/s on<br/>which the cleared funds are available for utilization for the respective application amount.</li> </ol>  |   |  |  |  |
|   | <ol> <li>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.</li> </ol>   |   |  |  |  |
|   | Investors are advised to make<br>Scheme's bank account   | use of digital/electronic payme                                     | nt to transfer the funds to the                        |  |  |
| Minimum<br>Application  | Purchase   | Additional Purchase   | Redemption*  |  |  |
| Amount<br>/Number of<br>Units   | Rs. 100/- and any amount thereafter.   | Rs. 100/- and any amount thereafter.                                | N.A.   |  |  |
|   |  | erialized mode, the redemption<br>orm; and only in number of Units  | request can be given only with                         |  |  |
|   |  | amount will not be applicable t<br>lignment of interest of Designat | for investment made in schemes<br>ed Employees of AMC. |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment Plan<br>(SIP)  |  | eafter.   |  |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal Plan<br>(SWP)/<br>Systematic<br>Transfer Plan<br>(STP) | mechanism.   |   | out through the stock exchange                         |  |  |
| Dispatch of   |  |   |  |  |  |
| Repurchase<br>(Redemption)  | As per SEBI (MF) Regulations, th<br>Working Days from the date of a  |   |  |  |  |
| Repurchase  | Working Days from the date of a<br>Investor may note that in ca<br>communication no. AMFI/ 35P/ /  | se of exceptional scenarios a<br>MEM-COR/ 74 / 2022-23 dated Ja     |  |  |  |

| Benchmark<br>Index                      | BSE 100 TRI   |  |   |  |   |   |
|---|---|--|---|--|---|---|
| DCW Policy                              | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.   |  |   |  |   |   |
| Name & tenure<br>of the Fund<br>Manager | Mr. Abhishek Singh<br>Tenure: 2 Years and 5 months (Managing the Scheme from June 2022)   |  |   |  |   |   |
| lame of the<br>rustee<br>Company        | DSP Trustee Private Limited   |  |   |  |   |   |
| erformance of<br>ne Scheme              | (a) Compounde   | d Annualised F   | Returns as o  | f September  | 30, 2024  |   |
|   | Period  | DSP Top 1<br>Fund - Reg<br>- Gro   | gular Plan  | BSE 100<br>TRI*  | DSP Top 100 Equity<br>Fund - Direct Plan -<br>Growth  | BSE 100<br>TRI*   |
|   | Last 1 Year   | 42.0   |   | 37.36%   | 43.17%  | 37.36%  |
|   | Last 3 Years  | 16.9   | 98%   | 16.76%   | 17.91%  | 16.76%  |
|   | Last 5 Years  | 17.8   | 80%   | 20.29%   | 18.72%  | 20.29%  |
|   | Since<br>Inception  | 19.0   | 65%   | 18.50%   | 13.92%  | 15.29%  |
|   | Nav/ Index<br>value   | 479.   | 6470  | 34,933.88  | 520.5350  | 34,933.88   |
|   |   |  | 40 14 02  |  | 01-Jan-1  | 3   |
|   | calculated on R   | e SEBI standa<br>. 10/- investee   | rds for perf<br>d at inceptio   | s Total Return<br>ormance repo<br>on. For this pu  | Index.<br>rting, the "since ince<br>rpose the inception dat   | ption" returns a  |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br><b>re and shou</b>           | s Total Return<br>ormance repo<br>on. For this pu<br>/n are for the<br><b>uld not be use</b>             | Index.<br>rting, the "since incer<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp   | ption" returns a<br>te is deemed to<br>rformance may                      |
|   | allotment<br>*All benchmark<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re   | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br><b>re and shou</b>           | s Total Return<br>ormance repo<br>on. For this pu<br>/n are for the<br><b>uld not be use</b>             | Index.<br>rting, the "since incer<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp   | ption" returns a<br>te is deemed to<br>rformance may                      |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>/n are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since incer<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp   | ption" returns a<br>te is deemed to<br>rformance may<br>parison with oth  |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re   | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>/n are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. Past pe<br>ed as a basis for comp<br>ast 5 years<br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu                                   | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re<br>100.00% -<br>80.00% -<br>60.00% -  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>rformance may<br>parison with oth  |
|   | All benchmark and allotment<br>*All benchmark and allot and | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use                    | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re<br>100.00% -<br>80.00% -<br>60.00% -  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu                    | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re<br>80.00% -<br>60.00% -<br>20.00% -<br>0.00% -  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu<br>eturns for eacl | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |
|   | allotment<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re<br>80.00% -<br>60.00% -<br>20.00% -<br>0.00% -  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu<br>eturns for eacl | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |
|   | All benchmark i<br>*All benchmark i<br>Note: As per th<br>calculated on Rs<br>the date of allot<br>may not be sus<br>investments<br>(b) Absolute Re<br>0.00% -<br>40.00% -<br>0.00% -<br>0.00% -  | e SEBI standa<br>. 10/- invested<br>ment. The "Re<br>tained in futu<br>eturns for eacl | nputed basis<br>rds for perf<br>d at inceptic<br>eturns" show<br>re and shou<br>n financial y | s Total Return<br>ormance repo<br>on. For this pu<br>in are for the<br>uld not be use<br>rear for the la | Index.<br>rting, the "since ince<br>rpose the inception dat<br>growth option. <b>Past pe</b><br>ed as a basis for comp<br><b>st 5 years</b><br>IDSP Top 100 Equity Fund - Direc<br>IDSP Top 100 Equity Fund - Regu<br>IBSE 100 TR Index | ption" returns a<br>te is deemed to<br>orformance may<br>parison with oth |

Returns are for Direct/Regular Plan of the scheme for Growth option and computed from the date of Allotment/1st April, as the case may be, to 31st March of the respective financial year.

| Additional<br>Scheme Related<br>Disclosures | i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) - <u>https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sector-allocation</u>  |  |  |  |  |
|---|--|--|--|--|--|
|   | ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme - Not applicable   |  |  |  |  |
|   | iii. Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly-<br>https://www.dspim.com/mandatory-disclosures/portfolio-disclosure   |  |  |  |  |
|   | iv. Portfolio Turnover Rate - 0.4153 times   |  |  |  |  |
| Expenses of the<br>Scheme                   | Holding Period from the date of<br>< 12 months - 1%<br>>= 12 months - Nil  |  |  |  |  |
| (i) Load<br>Structure                       | Note: No exit load shall be lev<br>Plan and vice versa.  | vied in case of switch of inve                               | estments from Dire                                     | ct Plan to Regular                                     |  |
| (ii) Recurring<br>Expenses                  | These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar's fee, Marketing and selling costs etc., as given in the <b>Table 2</b> 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 2.25 % 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 52 (6) & 52 (6A):  |  |  |  |  |
|   | The Scheme may charge expe<br>those expenses which are spec<br>the Scheme shall be subject<br>regulations:   | ifically prohibited. The annua                               | al total of all charg                                  | es and expenses of                                     |  |
|   | Table 1: Limit as prescribed scheme:   | under regulation 52 of SEB                                   | I MF regulations fo                                    | or equity oriented                                     |  |
|   | Slab Rates   | As a % of daily net assets<br>as per Regulation 52(6)<br>(C) | Additional TER<br>as per<br>Regulation 52<br>(6A) (c)^ | Additional<br>TER as per<br>Regulation 52<br>(6A) (b)^ |  |
|   | on the first Rs.500 crores of  | 2.25%  | 0.05%  | 0.30%  |  |
|   | the daily net assets<br>on the next Rs.250 crores<br>of the daily net assets   | 2.00%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.1,250 crores<br>of the daily net assets   | 1.75%  | 0.05%  | 0.30%  |  |
|   | on the next Rs.3,000 crores  | 1.60%  | 0.05%  | 0.30%  |  |
|   | of the daily net assets<br>on the next Rs.5,000 crores   | 1.50%  | 0.05%  | 0.30%  |  |
|   | of the daily net assets<br>On the next Rs.40,000<br>crores of the daily net  | Total expense ratio<br>reduction of 0.05% for                | 0.05%  | 0.30%  |  |
|   | assets   | every increase of  |  |  |  |

|                    |   | Rs.5,000 crores of daily net assets or part thereof   |  |  |
|--------------------|---|---|--|--|
| On b               | alance of the assets  | 1.05%   | 0.05%  | 0.30%  |
| ^In add<br>the fol | lowing to the Scheme o<br>Brokerage and transac<br>up to 0.12 per cent of<br>of trade value in case | ermissible under Regulation 5<br>of the Fund under Regulation<br>ction costs which are incurrec<br>f trade value in case of cash i<br>of derivatives transactions.<br>The brokerage and transaction | 52 (6A):<br>I for the purpo<br>market transa   | ose of execution of the ctions and 0.05 per o            |
|                    | execution of trade over<br>transactions and deri<br>within the maximum l                            | er and above the said 0.12 per<br>vatives transactions respect<br>imit of Total Expense Ratio (T<br>inds) Regulations, 1996.  | cent and 0.05 ively may be                     | percent for cash ma<br>charged to the Sch                |
| b.<br>i.<br>ii.    | the Fund if new inflow<br>time are at least:<br>30 per cent of gross                                | up to 0.30 per cent of daily no<br>vs from such cities as may be<br>new inflows from retail inves<br>verage assets under manage<br>is higher.   | specified by F<br>stors* in the co             | Regulations from tim                                     |
|                    | above, such expenses proportionate basis.   | ws from such cities is less th<br>on daily net assets of the co   | oncerned Sche                                  | eme shall be charge                                      |
|                    | considered as inflows   | pto Rs 2,00,000/- per transa<br>from "retail investors.   |  |  |
|                    | bringing inflows from account of inflows from   | ses charged shall be utilized<br>such cities. The additional<br>om such cities shall be credin<br>redeemed within a period of   | expense cha<br>ted back to th                  | rged to the Schem<br>ne concerned Schem                  |
|                    | 3/P/OW/2023/5823/1<br>dated March 02, 2023<br>the new inflows reco                                  | directions received from SEB<br>dated February 24, 2023 r<br>, w.e.f March 01, 2023 no ac<br>eived on or after March 01<br>till any further guidance is r   | read along wi<br>dditional expe<br>, 2023 from | th AMFI communicanse shall be charge specified cities as |
| c.                 | Regulation 52(6A)(c).   | not exceeding 0.05 % of da<br>Provided that such additiona<br>kit load is not levied or applic  | l expenses sha                                 |  |
| GS                 | T on investment and a   | dvisory fees:   |  |  |
| a)                 |   | on investment and advisory<br>as per the Regulation 52(6)   |  | heme in addition to                                      |
| b)                 | expenses other than   | er than investment and adv<br>investment and advisory fe<br>t as per the Regulation under   | es of the Sch                                  | eme, if any within                                       |
| c)                 |   | ransaction cost: GST on brok<br>ose of execution of trade, w<br>(6) and (6A).   |  |  |

#### Others:

In accordance with clause 10.1.12.(a) of the SEBI Master Circular, 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 be paid from the scheme only within the regulatory limits and not from the books of the AMC, or by the trustee or sponsors.

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 44(2), 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 relating to changes in TER:

In accordance with clause 10.1.8 of the SEBI Master Circular, the AMC shall prominently disclose TER on daily basis on the website <u>www.dspim.com</u>. Further, changes in the base TER (i.e. TER excluding additional expenses provided in Regulation 52(6A)(b), 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax on investment and advisory fees) in comparison to previous base TER 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 base TER shall be updated on the website at least three working days prior to effecting such change Provided that any decrease in TER in a mutual fund scheme due to various regulatory requirements, would not require issuance of any prior notice to the investors.

The prior intimation/notice shall not be required for any increase or decrease in base TER due to change in AUM and any decrease in base TER due to various regulatory requirements.

# A. <u>Illustrative example for estimating expenses for a scheme with corpus of 100 crores:</u>

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   |                       |
| Audit fees /Fees and expenses of trustees*   |                       |
| Custodial fees   |                       |
| Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants |                       |
| Marketing & Selling expense including agent commission and Statutory advertisement                                   | Upto 2.25%            |
| Cost related to investor communications  |                       |
| Cost of fund transfer from location to location  |                       |
| Cost towards investor education & awareness (at least 0.02 percent)  |                       |
| Brokerage & transaction cost pertaining to distribution of units   |                       |
| Goods & Services Tax on expenses other than investment and advisory  |                       |
| fees   |                       |

| Goods & Services Tax on brokerage and transaction cost   |             |
|--|-------------|
| Brokerage & transaction cost over and above 0.12 percent and 0.05 percent for cash and derivative market trades, respectively. |             |
| Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)  | Upto 2.25%  |
| Additional expenses under regulation 52 (6A) (c)\$   | Upto 0.05%  |
| Additional expenses for gross new inflows from specified cities under regulation 52(6A)(b)                                     | Up to 0.30% |

\*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.

\$The nature of expenses can be any permissible expenses including management fees. Further, as per Para 10.1.7 of SEBI Master Circular, schemes wherein exit load is not levied, the scheme shall not be eligible to charge the above-mentioned additional expenses.

The goods and service tax on Investment Management and Advisory fees will depend on the total amount charged as Investment Management and Advisory fees. Currently it is chargeable at 18% on Investment Management and Advisory Fees.

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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

| Particulars                                     | Regular Plan | Direct<br>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 | 9.00%        | 9.25%          |

## II. Illustration of impact of expense ratio on scheme's returns:

Link for TER disclosure: <u>https://www.dspim.com/mandatory-disclosures/ter</u> Actual expenses for the previous financial year (2023-2024): Direct Plan Regular Plan 1.23% 2.02%

| Tax treatment                                 | Investors are adv  | ised to refer to the details in the Statement of Additional Information and also  |  |
|---|--|---|--|
| for the Investors<br>(Unit Holders)           |  | fer to his tax advisor.   |  |
| Daily Net Asset<br>Value (NAV)<br>Publication | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 11 p.m. of the same Business Day.  |   |  |
|   | The information on NAVs of the Scheme/plans may be obtained by the Unit Holders, on any day calling the office of the AMC or any of the Investor Service Centres at various locations. T<br>NAV of the Scheme will also be updated on the AMFI website <u>www.amfiindia.com</u> and <u>www.dspim.com</u> . |   |  |
|   | request in this r  | NAVs shall be available to unitholders through SMS, upon receiving a specific egard. Refer relevant disclosures mentioned in the Statement of Additional ') available on AMC website i.e. <a href="http://www.dspim.com">www.dspim.com</a>  |  |
| For Investor<br>Grievances<br>please contact  | Name and<br>Address of<br>Registrar  | Computer Age Management Services Limited (CAMS)<br>Address - Computer Age Management Services Limited, No. 178/10<br>Kodambakkam High Road, Ground floor, Opp. Hotel Palmgrove,<br>Nungambakk, Chennai, Tamil Nadu 600034.<br>Website - <u>https://www.camsonline.com/Investors/Support/Grievances</u>  |  |
|   | Name and<br>Address of<br>Investor<br>Relations<br>Officer of DSP<br>Mutual Fund   | Mr. Prakash Pujari<br>Investor Relations Officer<br>DSP Asset Managers Private Limited, Natraj, Office Premises No. 302, 3rd<br>Floor, M V Road Junction. W. E. Highway, Andheri (East), Mumbai - 400069,<br>Tel.: 022 - 67178000<br>E-mail: <u>service@dspim.com</u>   |  |
| Unit Holders<br>Information                   | <ul> <li>Account Statements: Allotment confirmation specifying the number of Units allott<br/>sent to the Unit holders at their registered e-mail address and/or mobile number<br/>email and/or SMS within 5 working Days from the date of receipt of<br/>application/transaction.</li> </ul>              |   |  |
|   | (including tra<br>shall be sent<br>month by ma   | ed Account Statement (CAS) detailing all the transactions across all mutual funds<br>insaction charges paid to the distributor) and holding at the end of the month<br>to the Unit holders in whose folio(s) transaction(s) have taken place during the<br>il or email on or before 15th of the succeeding month. However, if the investor<br>for physical copy may request for the same.                       |  |
|   | before 21st d  | AS shall be issued at the end of every six months (i.e. September/ March) on or<br>ay of succeeding month, to all investors providing the prescribed details across<br>of mutual funds and securities held in dematerialized form across demat<br>applicable.   |  |
|   | For further d  | etails, please refer SAI.   |  |
|   | Fund, the AM<br>half-year. Th<br>and downloa   | <b>Portfolio:</b> In case of unit holders whose email address are registered with the C shall send half yearly portfolio via email within 10 days from the end of each e half yearly portfolio of the Scheme shall also be available in a user-friendly dable spreadsheet format on the AMFI's website <u>www.amfiindia.com</u> and AC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month. |  |
|   |  | ement in this reference will be published by the Fund in all India edition of aily newspapers, one each in English and Hindi.   |  |
|   |  | ll provide a physical copy of the statement of the Scheme portfolio, without cost, on specific request received from a unitholder.  |  |
|   |  |   |  |

|                 | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u>  |
|-----------------|--|
|                 | and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-</u>  |
|                 | <u>center/portfoliodisclosure</u> ) for further details.   |
|                 | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.dspim.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.                                     |
|                 | In case of unit holders whose email addresses are not available with the Fund, the AMC shall<br>send physical copies of scheme annual reports or abridged summary to those unitholders who<br>have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the<br>scheme-wise annual report or abridged summary thereof shall be provided in the application<br>form for new subscribers.   |
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary<br>notwithstanding their registration of e-mail addresses with the Fund, may indicate their<br>option to the AMC in writing and AMC shall provide abridged summary of annual report<br>without charging any cost. Physical copies of the report will also be available to the<br>unitholders at the registered offices at all times. For request on physical copy refer relevant<br>disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| 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.  |
| Stamp Duty      | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.   |
|                 | For further details, please refer SAI.   |
| Risk-o-Meter    | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|                 | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:   |
|                 | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-<br>vis that of the benchmark is disclosed.  |
|                 | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.  |
|                 |  |

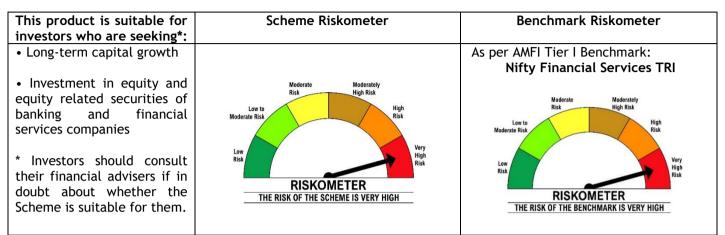
| Further, as per Clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) (For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI - refer Link <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ). |
|--|
| Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |



### KEY INFORMATION MEMORANDUM

### DSP Banking & Financial Services Fund

### An open ended equity scheme investing in banking and financial services sector



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

## Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website <a href="https://www.dspim.com">www.dspim.com</a>.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                               | DSPM/O   | /E/SEC/23/08/0067   |  |   |  |
|---|--|---|--|---|--|
| Investment Objective                      | The primary investment objective of the scheme is to seek to generate returns through<br>investment in domestic and overseas equity and equity related securities of companie<br>engaged in banking and financial services sector. |   |  |   |  |
|   | There is   | s no assurance that the invest  | ment objective of the Sc   | heme will be achieved.  |  |
| Asset Allocation<br>Pattern of the Scheme |  | ormal circumstances, it is antional circumstances as follows:   | cipated that the asset allo  | ocation of the Scheme   |  |
|   |  | Instruments   |  | Indicative Allocations<br>(% of total assets)   |  |
|   |  |   | Minim  | Minimum Maximum   |  |
|   |  | y and equity related securities<br>ged in banking and financial ser   |  | 5 100%  |  |
|   | Equit<br>comp  | y and equity related securit<br>anies   | ies of other 0%  | 20%   |  |
|   |  | and Money Market Instruments  |  |   |  |
|   | Units  | issued by REITs & InvITs  | 0%   | 10%   |  |
|   | from tin   | ne to time.<br>ve table (Actual instrument/j  |  | eserve Bank of India/ SEBI<br>ubject to applicable SEBI   |  |
|   | from tin   | ne to time.<br>ve table (Actual instrument/j  |  | ubject to applicable SEBI   |  |
|   | from tin<br>Indicati<br>circular   | ne to time.<br>ve table (Actual instrument/j<br>s):   | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for   | ubject to applicable SEB<br>Circular references<br>Clause 12.11 of the  |  |
|   | from tin<br>Indicati<br>circular   | ne to time.<br>ve table (Actual instrument/p<br>s):<br>Type of Instrument   | percentages may vary su<br>Percentage of exposure  | ubject to applicable SEB<br>Circular references<br>Clause 12.11 of the  |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1  | ne to time.<br>ve table (Actual instrument/p<br>s):<br>Type of Instrument<br>Securities Lending   | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%   | <b>Circular references</b><br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the  |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1<br>2<br>3<br>4   | ne to time.<br>ve table (Actual instrument/<br>s):<br>Type of Instrument<br>Securities Lending<br>Derivatives<br>Equity Derivatives for non-<br>hedging purposes<br>Securitized Debt/   | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%<br>Upto 50%   | <b>Circular references</b><br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the  |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1<br>2<br>3<br>4<br>5  | ne to time.<br>ve table (Actual instrument/<br>s):<br>Type of Instrument<br>Securities Lending<br>Derivatives<br>Equity Derivatives for non-<br>hedging purposes<br>Securitized Debt/<br>Debt Instruments with SO /<br>CE rating  | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%<br>upto 50%<br>Nil<br>Nil   | <b>Circular references</b><br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular   |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1<br>2<br>3<br>4   | ne to time.<br>ve table (Actual instrument/<br>s):<br>Type of Instrument<br>Securities Lending<br>Derivatives<br>Equity Derivatives for non-<br>hedging purposes<br>Securitized Debt/<br>Debt Instruments with SO /<br>CE rating<br>Overseas Securities                     | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%<br>upto 50%<br>Nil<br>Nil<br>Upto 20%   | Circular references<br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>-<br>-<br>Clause 12.19 of the<br>SEBI Master Circular   |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1<br>2<br>3<br>4<br>5  | ne to time.<br>ve table (Actual instrument/<br>s):<br>Type of Instrument<br>Securities Lending<br>Derivatives<br>Equity Derivatives for non-<br>hedging purposes<br>Securitized Debt/<br>Debt Instruments with SO /<br>CE rating<br>Overseas Securities<br>ReITS and InVITS | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%<br>upto 50%<br>Nil<br>Nil<br>Upto 20%<br>Upto 20%<br>Upto 10% (5% limit for<br>single issuer) | Circular references<br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>-<br>-<br>Clause 12.19 of the<br>SEBI Master Circular   |  |
|   | from tin<br>Indicati<br>circular<br>SI. no<br>1<br>2<br>3<br>4<br>5  | ne to time.<br>ve table (Actual instrument/<br>s):<br>Type of Instrument<br>Securities Lending<br>Derivatives<br>Equity Derivatives for non-<br>hedging purposes<br>Securitized Debt/<br>Debt Instruments with SO /<br>CE rating<br>Overseas Securities                     | Percentages may vary su<br>Percentage of exposure<br>Upto 20% (upto 5% for<br>any single intermediary)<br>upto 50%<br>upto 50%<br>Nil<br>Nil<br>Upto 20%<br>Upto 10% (5% limit for<br>single issuer)<br>Nil      | Circular references<br>Clause 12.11 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>Clause 12.25 of the<br>SEBI Master Circular<br>-<br>-<br>Clause 12.19 of the<br>SEBI Master Circular<br>Clause 13 in the<br>Seventh Schedule of<br>SEBI (Mutual Funds) |  |

| 10 | Other / own mutual funds   | up to 20% of the net<br>assets of the Scheme in<br>units of mutual fund<br>schemes of DSP Mutual<br>Fund, subject to overall<br>limit of 5% of AUM at<br>Mutual Fund Level. | Seventh Schedule of<br>SEBI (Mutual Funds)<br>Regulations, 1996  |
|----|--|---|--|
| 11 | Repo/ reverse rep<br>transactions in corporat<br>debt securities | o NIL<br>e  | -  |
| 12 | Credit Default Swa<br>transactions                               | o Nil   | -  |
| 13 | Covered call option  | Refer note 1  | Clause 12.25.8 of the<br>SEBI Master Circular                    |
| 14 | Foreign Debt Securities  | Nil   | -  |
| 15 | unrated debt and mone<br>market instruments                      | y Upto 5% (refer Note-2)  | Clause 12.1 of the<br>SEBI Master Circular                       |
| 16 | Short Selling  | In terms of guidelines<br>prescribed by SEBI  | Regulation 45 (2) of<br>SEBI (Mutual Funds)<br>Regulations, 1996 |
| 17 | Short Term Deposit   | Refer Note-3  | Clause 12.25 of the<br>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 Clause 12.25.2 of 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.

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

h. The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

#### Note 2-

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

### Note 3- Short Term Deposit

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 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 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. The Trustee 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.
- 7. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of 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 Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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

## Portfolio Rebalancing:

## 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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 Clause 2.9 of the SEBI Master Circular and clarifications/ guidelines issued by AMFI / SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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, 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 Clause 2.9 of the SEBI Master Circular.   |
|                     | 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.   |
| Investment Strategy | Investment Strategy for Equity Investments  |
|                     | The Scheme is an active equity scheme. The Investment Manager prefers adopting a top-<br>down approach with regard to investment in equity and equity related securities. This<br>approach encompasses an evaluation of key economic trends and a diligent study of various<br>investment opportunities within the specified sectors in each scheme. In picking out<br>individual investment opportunities for the portfolio, the Investment Manager will seek<br>both value and growth. Value is discerned when the Investment Manager believes that the<br>inherent worth or long-term growth potential of a company is not fully reflected in the<br>share price of the company. Growth stocks, as the term suggests, are those stocks that are<br>currently in the growth phase. Such growth in earnings could be due to segment<br>opportunity, additional product, additional distribution, growing market share, stronger<br>brand equity, technological breakthrough and unique or predominant position in specific<br>markets or sub-segments, among other factors. The Investment Manager will conduct in-<br>house research in order to identify value and growth stocks. The analysis will focus, among<br>other things, on the historical and current financial condition of the company, balance<br>sheet structure, business prospects, strength of management, and responsiveness to<br>business conditions, brand equity, market share, competitive edge, technological<br>advantage and transparency in corporate governance. The quality or strength or<br>management would be key focus area. |
|                     | Strategy for Fixed Income Securities<br>The Investment Manager will invest only in those debt securities that are rated investment<br>grade by a domestic credit rating agency such as CRISIL, ICRA, CARE, FITCH etc. or in<br>unrated debt securities which the Investment Manager believes to be of equivalent quality.<br>In the case of unrated debt securities, the approval of the Board of Directors of the AMC<br>and Trustee shall be obtained prior to investment.  |
|                     | <b>Trading in Derivatives</b><br>The Scheme may use various techniques/strategies using derivative instruments for hedging<br>as well as non-hedging purpose. Below is summary of some of the instruments / techniques<br>which fund can employ. Please refer to Statement of Additional Information (SAI) for<br>detailed description of derivative strategies.  |
|                     | Equity Derivatives  |
|                     | <ol> <li>Index/ Stock spot - Index/ Stock Futures:         <ul> <li>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</li> </ul> </li> </ol>  |

| • 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  |
|---|
| <ul> <li>Index/ Stock options</li> <li>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.</li> </ul>  |
| <ul> <li>Stock Arbitrage</li> <li>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.</li> </ul>   |
| <ul> <li>Index Arbitrage:</li> <li>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.</li> <li>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</li> </ul> |
| Portfolio Hedging:  |
| rategy will be adopted:   |
| <ul> <li>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.</li> <li>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.</li> </ul>    |
| <ul> <li>Covered Call</li> <li>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.</li> </ul>   |
| ncome Derivatives   |
| <ul> <li>Interest Rates Swap</li> <li>The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure</li> </ul>  |
| <ul> <li>Interest Rate Futures (IRF)</li> <li>IRFs can be used for hedging the underlying cash positions.</li> </ul>  |
| <ul> <li>Forward Rate Agreement (FRA)</li> <li>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</li> </ul>   |
|   |

|                            | <ul> <li>interest rate actually prevailing on that future date, calculated on an agreed notional principal amount.</li> <li>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.</li> </ul>  |
|----------------------------|--|
|                            | Derivative products are leveraged instruments and can provide disproportionate gains as<br>well as disproportionate losses to the investor. Execution of such strategies depends upon<br>the ability of the fund manager to identify such opportunities. Identification and execution<br>of the strategies to be pursued by the fund manager involve uncertainty and decision of<br>fund manager may not always be profitable. No assurance can be given that the fund<br>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.   |
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.  |
|                            | Scheme specific Risk Factors are summarized below:   |
|                            | 1) Risks associated with transacting in scheme units through stock exchange mechanism 2) Risk associated with principles of efficient portfolio management 3) Risk associated with favorable taxation of certain scheme in India 4) Risk factors related to Taxation of overseas investments, 5) Risks associated with Equity and Equity-related securities / investments 6) Risk associated with Securities Lending & Borrowing and Short Selling 7) Risks Associated with Trading In Equity Derivatives 8) Risks associated with investments in REITS & InvITs 9) Risk Factors associated with investments in Debt Securities and Money Market Securities 10) Risk associated with investments, 11) Risk factors associated with investment in Tri-Party Repo, 12) Risks associated with Overseas Securities 13) Risk associated with investments in overseas mutual funds / ETFs / Index Funds 14) Risk associated with fixed income Derivatives. 17) Risk of substantial redemption 18) Risks associated with covered Calls 19) Risks associated with segregated portfolio |
|                            | For details on risk factors and risk mitigation measures, please refer SID.<br><u>Risk Mitigation Strategies</u>   |
|                            | Risks associated with Equity investments:  |
|                            | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed<br>by creating a portfolio which has adequate access to liquidity. The Investment<br>Manager will select securities, which have or are expected to have good secondary<br>market liquidity. Market Liquidity Risk will be managed actively within the portfolio<br>liquidity limits by maintaining proper asset-liability match to ensure payout of the<br>obligations. The first access to liquidity will be through cash and fixed income<br>securities if any.  |
|                            | ii. <b>Concentration Risk:</b> 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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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.

|                   |   | vestments in ADRs/GDRs<br>s of the fund manager w<br>nce is performed.   |  |  |   |  |  |
|-------------------|---|--|--|--|---|--|--|
| Plans and options |   |  |  |  |   |  |  |
|                   | Plan  | Options Available  | Sub-Optio  | n  | Income<br>Distribution c<br>Capital Withdra<br>Frequency/Rec<br>Date* |  |  |
|                   | Regular Plan and  | Growth   | -  |  |   |  |  |
|                   | Direct Plan   | Income Distribution<br>cum Capital<br>Withdrawal(IDCW)   |  | of Income<br>on cum Capital<br>al (IDCW) & | At the discretion<br>Trustee  |  |  |
|                   |   |  | Reinvestn<br>Income Dis<br>Capital<br>(IDCW)   | nent of<br>stribution cum<br>Withdrawal    |   |  |  |
|                   | be considered as<br>Investors may note                        | d Date falls on a non Busi<br>the Record Date.<br>e that under Income Distr<br>stributed out of investor                     | ribution cun   | n Capital Withd                            | rawal options the   |  |  |
|                   | Default Option-<br>Investors should in<br>form. In case of va | represents realized gains<br>dicate the name of the So<br>llid applications received<br>e details regarding optic<br>pplied: | cheme and/<br>I, without in  | dicating the Sc                            | heme and/or Opt   |  |  |
|                   | If no indication i  | is given under the follow  | wing   | Default                                    |   |  |  |
|                   | Option - Growth   |  |  | Growth                                     |   |  |  |
|                   |   | out of IDCW /Reinvestment of IDCW Payout of IDCW   |  | W  |   |  |  |
|                   | application form,   | or/Unit Holder fails to<br>then the application sha<br>t Plan of the Scheme. Fo  | all be proce   | ssed under res                             |   |  |  |
| Applicable NAV    | valid application is  | accepted and time stam   | 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 o acceptance of transactions. Applications received via post or courier at any of the centre 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. |  |   |  |  |
|                   | stamped upto the<br>acceptance of tran<br>will be accepted of | relevant cut-off time as<br>nsactions. Applications re<br>on the basis of when the   | specified be<br>ceived via<br>application  | post or courier<br>is time stamp           | the official point<br>at any of the cen<br>ed by the centre           |  |  |

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 cutoff 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.

| Particulars  | Applicable NAV  |
|--|---|
| Where the valid application is received upto cut-<br>off time of 3.00 p.m. on a business day at the<br>official point(s) of acceptance and funds for the<br>entire amount of subscription/purchase are<br>available for utilization upto 3.00 p.m. on the<br>same Business Day.                                  | Closing NAV or<br>same Business Day<br>shall be applicable  |
| Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase are available for<br>utilization after 3.00 p.m. on the same Business Day<br>or on any subsequent Business Day | Closing NAV of such<br>subsequent<br>Business Day or<br>which the funds<br>are available for<br>utilization prior to<br>3.00 p.m. |
| Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase/switch-in are<br>available for utilization upto 3.00 p.m. on the same<br>Business Day.                        | Closing NAV or<br>subsequent<br>Business Day shal<br>be applicable  |
| (b) Redemption and Switch-out  |   |
| Particulars  | Applicable NAV  |
| Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.  |   |
| Where the valid application is received after 3.00 p.m.  | NAV of the nex<br>Business Day.   |

**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.

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 b   | e aggregated and closing I                             | NAV of the day on which                                | funds for respective transaction  |
|---|---|--|--|---|
|   | (irrespe  | ective of source of funds)                             | are available for utilization                          | on.   |
|   | a.  | All transactions received stamping rule).              | I on same Business Day                                 | (as per cut-off timing and Time   |
|   |   | Aggregation of transaction                             |  |   |
|   | с.  | Transactions shall includ SIP/STP and trigger trans    |  | ourchases and exclude Switches,   |
|   | d.  | Permanent Account Num with similar holding path        | ber (PAN). In case of join<br>tern will be aggregated. | basis of investor/s/Unit Holder/s<br>nt holding in folios, transactions<br>The principle followed for such<br>ilation of Consolidated Account |
|   | e.  | All transactions will be as in point no.4 above.       | ggregated where investor                               | holding pattern is same as stated   |
|   | f.  |  |  | I shall be clubbed. It will include<br>Plan, Direct Plan, IDCW Option,  |
|   | g.  | with the transaction in                                | the name of same gu                                    | h guardian will not be aggregated<br>ardian. However, two or more<br>same guardian will be considered   |
|   | <ul> <li>h. In the case funds are received on separate days and are available for utiliz different business days before the cut off time, the applicable NAV shall b Business day/s on which the cleared funds are available for utilization respective application amount.</li> <li>i. Irrespective the date and time of debit to the customer bank accounts, t and time of actual credit in the Scheme's bank account, which could be c due settlement cycle in the banking industry, would be considered for appl of NAV.</li> </ul> |  |  | ne applicable NAV shall be of the   |
|   |   |  |  | ccount, which could be different  |
|   | j.  | Investors are advised to funds to the Scheme's ba      |  | ctronic payment to transfer the   |
|   | <b>Note for switching:</b> Where there is a switch application from one scheme to anothe 'Switch out' shall be treated as redemption in one scheme and the Applicable NAV base 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.   |  |  | he and the Applicable NAV based<br>be applied. Similarly, the 'switch<br>/ based on the cut off time for                                      |
|   |   | an application is received<br>will be deemed to have b |  | done after the cut-off time, the<br>t Business Day.   |
| Minimum Application   |   |  |  |   |
| Amount /Number of<br>Units  | Purch   | ase  | Additional Purchase                                    | Redemption*   |
|   | Rs. 1<br>therea   | 00/- and any amount<br>after.                          | Rs. 100/- and any amount thereafter.                   | N.A.  |
|   |   | e of Units held in demate<br>Ps or on Stock exchange P |  | nption request can be given only<br>ber of Units.   |
|   |   |  |  | olicable for investment made in<br>erest of Designated Employees of   |
| Minimum installment<br>Amount for Systematic<br>Investment Plan (SIP) | Rs. 100/- and any amount thereafter   |  |  |   |

| Minimum installment<br>Amount for Systematic<br>Withdrawal Plan (SWP)/<br>Systematic Transfer<br>Plan (STP) | Rs. 100/- and any amount thereafter   |  |                                    |   |                                    |
|---|---|--|------------------------------------|---|------------------------------------|
| Dispatch of Repurchase<br>(Redemption) Request  | Redemption within 3 work<br>the authorised centres of [   |  | cceptance of th                    | e redemption i  | equest at any of                   |
|   | Investor may note that in<br>communication no. AMFI/<br>clause No. 14.1.3 of the SE<br>timelines prescribed above | 35P/ MEM-COR/ 7<br>BI Master Circula                               | 74 / 2022-23 dat                   | ted January 16,   | 2023 read with                     |
| Benchmark Index   | Nifty Financial Services T  | RI   |                                    |   |                                    |
| IDCW Policy   | The Trustee reserves the<br>the frequency of distribu<br>details refer the SID of the                             | tion are entirely  |                                    |   |                                    |
| Name & tenure of the<br>Fund Manager  | Mr. Dhaval Gada<br>Tenure: 10 Months (Managi  | ing this Scheme si   | ince December                      | 2023)   |                                    |
| Name of the Trustee<br>Company  | DSP Trustee Private Limite  | ed   |                                    |   |                                    |
| Performance of the<br>Scheme  | Compounded Annualised R   | eturns   |                                    |   |                                    |
|   | As per SEBI guidelines, if th<br>shall be provided. Below ar<br>2024  |  |                                    |   |                                    |
|   | Period  | DSP Banking<br>and Financial<br>Services Fund<br>- Reg -<br>Growth | Nifty<br>Financial<br>Services TRI | DSP Banking<br>and<br>Financial<br>Services<br>Fund - Dir -<br>Growth | Nifty<br>Financial<br>Services TRI |
|   | Since Inception   | 23.92%   | 16.50%                             | 25.47%  | 16.50%                             |
|   | Nav/ Index value  | 12.3920  | 30,738.93                          | 12.5470   | 30,738.93                          |
|   | Date of allotment 08-Dec-23 08-Dec-23   |  |                                    |   |                                    |
|   | Important Notes:<br>In case of allotment date is<br>the last available benchmar<br>All returns are for growth o   | rk value on the al   | lotment date                       |   |                                    |
|   | sustained in future and show<br>investments. All benchmark  | uld not be used a  | s a basis for con                  | nparison with o   | ther                               |

|  | 0.02   |   |  |   |   |
|--|--|---|--|---|---|
|  | - 0.03<br>- 0.02<br>- 0.01<br>- 0.01<br>- 0.02<br>- 0.02<br>- 0.03 | <ul> <li>DSP Banking and Financia<br/>Fund - Dir - Growth</li> <li>DSP Banking and Financia<br/>Fund - Reg - Growth</li> <li>Nifty Financial Services TF</li> </ul>   | al Services  |   | -0.22%<br>-0.70%<br>-1.00%  |
|  |  | FY20 FY<br>he is in existence for le<br>owth option of the Scl<br>24.   | ss than 1 year and the   |   |   |
| Additional Scheme<br>Related Disclosures | ii. Di<br>pe<br>iii. W<br>ht                                       | cheme's portfolio holdi<br>arious sectors) - <u>https:</u><br>nd-sector-allocation<br>isclosure of name and o<br>ercentage of NAV of the<br>'ebsite link for Portf<br><u>ttps://www.dspim.com</u><br>ortfolio Turnover Rate | exposure to Top 7 issue<br>exposure to Top 7 issue<br>e scheme - Not applica<br>olio Disclosure - Fort<br>n/mandatory-disclosure | andatory-disclo<br>ers, stocks, gro<br>ble<br>tnightly / Mo | osures/top-10-issuer-<br>oups and sectors as a<br>nthly/ Half Yearly- |
| Expenses of the<br>Scheme                |  | eriod from the date of<br>h - 0.50%   | allotment:   |   |   |
| (i) Load Structure<br>(as %age to NAV)   |  | h - Nil<br>exit load shall be levi<br>lan and vice versa.   | ed in case of switch c   | of investments  | from Direct Plan to   |
| (ii) Recurring Expenses                  | Slab Ra  | tes   | As a % of daily net ass<br>as per Regulation 52<br>(c)   |   | al TER as per<br>on 52 (6A)   |
|  | the dai  | first Rs.500 crores of<br>ly net assets<br>next Rs.250 crores of  | 2.25%  | 0.30%   |   |
|  | the dai<br>on the  | ly net assets<br>next Rs.1,250 crores<br>daily net assets   | 1.75%  | 0.30%   |   |
|  | on the of the o  | next Rs.3,000 crores<br>Jaily net assets  | 1.60%  | 0.30%   |   |
|  | of the o   | next Rs.5,000 crores<br>daily net assets<br>next Rs.40,000 crores   | 1.50%<br>Total expense ra  | 0.30%<br>atio 0.30%   |   |
|  |  | daily net assets  | reduction of 0.05%   |   |   |

|                          | every increase of<br>Rs.5,000 crores of daily<br>net assets or part<br>thereof |       |
|--------------------------|--|-------|
| On balance of the assets | 1.05%  | 0.30% |

# Notes to Table:

 $^{1}$  In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

## 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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

|   | For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund ( <u>www.dspim.com</u> ).   |  |  |  |
|---|--|--|--|--|
|   | Actual expenses for the previous financial year (2023-2024):Direct PlanRegular Plan0.79%2.34%  |  |  |  |
|   | per Regulation 52 of   | recurring expenses that can be charged to the Scheme would be as<br>the SEBI (MF) Regulation, 1996. Investors are requested to read<br>me Recurring Expenses" in the SID.  |  |  |
| Tax treatment for the<br>Investors (Unit Holders) | Investors are advised t<br>also independently ref  | o refer to the details in the Statement of Additional Information and<br>er to his tax advisor.  |  |  |
| Daily Net Asset Value<br>(NAV) Publication        |  | ne/plans will be calculated by the Mutual Fund on each Business Day<br>able by 11 p.m. of the same Business Day.   |  |  |
|   | day, by calling the of locations. The NAV  | Vs of the Scheme/plans may be obtained by the Unit Holders, on any fice of the AMC or any of the Investor Service Centres at various of the Scheme will also be updated on the AMFI website nd on www.dspim.com.   |  |  |
|   | specific request in thi  | shall be available to unitholders through SMS, upon receiving a s regard. Refer relevant disclosures mentioned in the Statement of ('SAI') available on AMC website i.e. <a href="http://www.dspim.com">www.dspim.com</a>  |  |  |
| For Investor Grievances<br>please contact         | Name and Address<br>of Registrar   | Computer Age Management Services Limited (CAMS)<br>Address - Computer Age Management Services Limited, No.<br>178/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>Palmgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>Website -<br>https://www.camsonline.com/Investors/Support/Grievances   |  |  |
|   | Name and Address<br>of Investor<br>Relations Officer of<br>DSP Mutual Fund   | Mr. Prakash Pujari<br>Investor Relations Officer<br>DSP Asset Managers Private Limited, Natraj, Office Premises<br>No. 302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri<br>(East), Mumbai - 400069, Tel.: 022 - 67178000<br>E-mail: <u>service@dspim.com</u>  |  |  |
| Unit Holders<br>Information                       | <ul> <li>Account Statements: Allotment confirmation specifying the number of Units<br/>allotted shall be sent to the Unit holders at their registered e-mail address and/o<br/>mobile number by way of email and/or SMS within 5 working Days from the date o<br/>receipt of the valid application/transaction.</li> </ul> |  |  |  |
|   | mutual funds (<br>the end of t<br>transaction(s)<br>15th of the su   | d Account Statement (CAS) detailing all the transactions across all<br>including transaction charges paid to the distributor) and holding at<br>he month shall be sent to the Unit holders in whose folio(s)<br>have taken place during the month by mail or email on or before<br>cceeding month. However, if the investor wishes to opt for physical<br>lest for the same. |  |  |
|   | Half-yearly CAS shall be issued at the end of every six months (i.e. September/<br>March) on or before 21st day of succeeding month, to all investors providing the<br>prescribed details across all schemes of mutual funds and securities held in<br>dematerialized form across demat accounts, if applicable.           |  |  |  |
|   | For further de   | tails, please refer SAI.   |  |  |

|                 | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website www.amfiindia.com and website of AMC viz. www.dspim.com on or before the 10th day of succeeding month.   |
|-----------------|--|
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | 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.   |
|                 | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |
|                 | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.dspim.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year. |
|                 | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.   |
|                 | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com  |
|                 | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                 | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| 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   |
|                 | 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.  |
|                 |  |

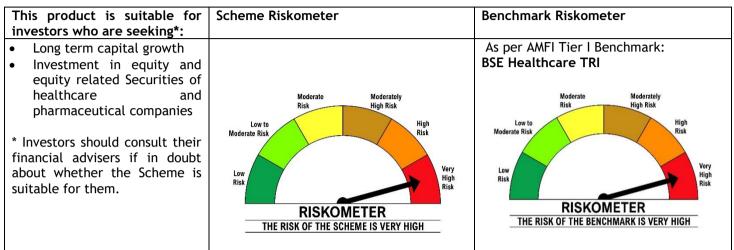
| Risk-o-Meter |   |
|--------------|---|
| Disclosure   | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|              | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|              | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme<br>vis-à-vis that of the benchmark is disclosed.  |
|              | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|              | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall<br>be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters<br>along with portfolio disclosure for their schemes on AMCs website and on AMFI website<br>within 10 days from the close of each month (For AMC Refer Link-<br><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI<br>refer link- <u>https://www.amfiindia.com/investor-corner/online-<br/>center/riskmeterinformation</u> ). |
|              | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <u>https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</u> ) (for AMFI - refer Link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ).  |
|              | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.  |
| Stamp Duty   | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.  |
|              | For further details, please refer SAI.  |



#### **KEY INFORMATION MEMORANDUM**

## DSP HEALTHCARE FUND

### An open ended equity scheme investing in healthcare and pharmaceutical sector



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

### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.dspim.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                               | DSPM/O/   | E/SEC/18/05/0035   |                           |                               |  |            |
|---|---|--|---------------------------|-------------------------------|--|------------|
| Investment Objective                      | The primary investment objective of the scheme is to seek to generate consistent returns by predominantly investing in equity and equity related securities of pharmaceutical and healthcare companies. |  |                           |                               |  |            |
|   | There is  | no assurance that the investment objec                         | tive o                    | f the Scheme                  | will be achieved.  |            |
| Asset Allocation<br>Pattern of the Scheme | Under not<br>as follows   | rmal circumstances, it is anticipated that<br>s:               | the as                    | sset allocation               | of the Scheme shall  | l be       |
|   | Instrum   | ents   |                           | Indicative all (% of total as |  |            |
|   |   |  |                           | Minimum                       | Maximum  |            |
|   |   | nd equity related securities of pharmaceu<br>Ithcare companies | ıtical                    | 80%                           | 100%   |            |
|   |   | and Equity related securities of o                             | other                     | 0%                            | 20%  |            |
|   | Debt, se  | ecuritized debt and Money Market Securit                       | ies                       | 0%                            | 20%  |            |
|   |   | sued by REITs & InvITs   |                           | 0%                            | 10%  |            |
|   | Sl. no  | Type of Instrument   |                           | entage of expo                | references   | of         |
|   | Sl. no  | Type of Instrument   | Perc                      | entage of expo                |  |            |
|   |   | Securities Lending   |                           | 20% (upto 5% ingle intermedi  | ary) Circular  | ter        |
|   | 2.  | Derivatives  | upto                      | 100%                          | Clause 12.25<br>the SEBI Mast<br>Circular  |            |
|   | 3.  | Equity Derivatives for non- hedging purposes                   | upto                      | 100%                          | Clause 12.25<br>the SEBI Mast<br>Circular  |            |
|   | 4.  | Debt Instruments with SO / CE rating                           | portfo<br>expos<br>instru | ments shall<br>ed 5% of the   | roup<br>such<br>the SEBI Mast  | of<br>ter  |
|   | 5.  | Securitized Debt   | Upto                      | 20%                           | -  |            |
|   | 6.  | Overseas Securities  | Upto                      |                               | Clause 12.19<br>the SEBI Mast<br>Circular  |            |
|   | 7.  |  | single                    | e issuer)                     | Clause 13 in t<br>Seventh<br>forSchedule of SE<br>(Mutual Fund<br>Regulations,<br>1996 | EBI<br>ds) |
|   | 8.  | Debt Instruments with special features<br>(AT1 and AT2 Bonds)  |                           |                               | 5%-Clause 12.2<br>debtthe SEBI Mast  |            |

|     |  | •                                       | Circular   |
|-----|--|---|--|
| 9.  | Tri-party repos (including reverse repo<br>in T-bills and G-sec) | Upto 20%                                | -  |
| 10. |  | Upto 5 % of AUM of<br>mutual fund level | Clause 4 of the<br>Seventh<br>Schedule of SEBI<br>(Mutual Funds)<br>Regulations,<br>1996 |
| 11. | Repo/ reverse repo transactions in corporate debt securities     | Upto 10%                                | Clause 12.18 of<br>the SEBI Master<br>Circular   |
| 12. | Credit Default Swap transactions                                 | Nil                                     | -  |
| 13. | Covered call option  | Nil                                     | -  |
| 14. | Foreign Securitized debt   | Nil                                     | -  |
| 15. | unrated debt and money market<br>instruments                     | Upto 5% (refer Note-1)                  | Clause 12.1 of<br>the SEBI Master<br>Circular  |
| 16. | Short Term Deposit   | Refer Note 2                            | Clause 12.16 of<br>the SEBI Master<br>Circular   |

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

## Note-

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

## Note 2: Short Term Deposit

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 of the SEBI Master Circular. The AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the 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 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 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.

## **Cumulative Gross Exposure**

|                     | As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.  |
|---------------------|---|
|                     | Portfolio Rebalancing:  |
|                     | 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.<br>Such deviations shall normally be for a short term on defensive considerations as per Clause<br>1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests<br>of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30<br>calendar days.   |
|                     | 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 Clause 2.9 of the SEBI Master Circular and clarifications/ guidelines issued by AMFI / SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 Clause 2.9 of the SEBI Master Circular.   |
|                     | 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.   |
| Investment Strategy | Strategy for Equity Securities  |
|                     | The Investment Manager prefers adopting a top-down approach with regard to investment in equity and equity related securities. This approach encompasses an evaluation of key economic trends and a diligent study of various investment opportunities within the specified sectors in each Scheme. In picking out individual investment opportunities for the portfolio, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the inherent worth or long-term growth potential of a company is not fully reflected in the share price of the company. Growth stocks, as the term suggests, are those stocks that are currently in the growth phase. Such growth in earnings could be due to a new product, a new process, growing market share, stronger brand equity, technological breakthrough and unique or predominant position in a market, among other factors. |
|                     | The Investment Manager will conduct in-house research in order to identify value and growth stocks. The analysis will focus, among other things, on the historical and current financial  |

condition of the company, capital structure, business prospects, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research and technological know-how and transparency in corporate governance. The quality or strength or management would be a key focus area.

### **Derivative Strategies**

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 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 endeavor 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) Corporate Action / Event Driven Strategies:

## I. IDCW Arbitrage

- At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.
- II. Buy-Back/ Open Offer Arbitrage
  - When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.

#### III. Merger

• When the Company announces any merger, amalgamation, hive off, demerger, etc, there could be opportunities due to price differential in the cash and the derivative market.

## 6) 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

# 7) Reverse Arbitrage:

• This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.

# 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 interest rate exposure.

# 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.

For detailed derivative strategies, please refer to SAI.

## Strategy for Fixed Income Securities

Fixed Income research by the Investment Manager will emphasise credit analysis, in order to determine credit risk. Credit analysis will focus on the issuer's historical and current financial condition, current and anticipated cash flow and borrowing requirements, value of assets in relation to historical cost, strength of management, responsiveness to business conditions, credit standing, future business prospects as well as current and anticipated operating results, among other things. The Investment Manager will also analyse various economic trends in seeking to determine the likely future course of interest rates. 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 etc. or in unrated debt securities, which the Investment Manager believes to be of equivalent quality. Where investment in unrated debt securities is sought to be made, specific approval of the Committee/Board of Directors of the AMC and the Trustee shall be obtained prior to investment.

### Representative Index

DSP Healthcare Fund, a sector specific Scheme, shall focus on investing in pharmaceutical, healthcare and associated companies as mentioned earlier, keeping 'BSE Healthcare Index' (the Index) as the representative index. The Scheme shall have the flexibility to invest in stocks that are outside the composition of the Index but are within the investment focus of the Scheme. The Scheme may broadly follow the composition of the Index without necessarily tracking it. In accordance with clause 12.5.1 of SEBI Master Circular, the Scheme being a sector specific Scheme, the upper ceiling on equity investments in a company by the Scheme shall be the weightage of the company in the representative sectoral index i.e., the Index as disclosed above or 10% of the NAV of the Scheme, whichever is higher.

The Trustees reserves the right to change the Index, if any other appropriate/suitable index is available at a future date, in accordance with SEBI (MF) Regulations.

The composition of the Index is given below for reference. Investors are requested to note that the composition and weightage of the scrips in the index may be modified by The Stock Exchange, Mumbai, from time to time.

| DCC II a alth as we | In days   | C + - + - + - + - |       | C         | - 20  | 2024   |
|---------------------|-----------|-------------------|-------|-----------|-------|--------|
| BSE Healthcare      | e inaex - | Constituents      | as on | September | · 30, | , ZUZ4 |

| Sr. No. | COMPANY                        |
|---------|--------------------------------|
| 1)      | AARTI DRUGS LTD.               |
| 2)      | Aarti Pharmalabs Limited       |
| 3)      | ABBOTT INDIA LTD.              |
| 4)      | Advanced Enzyme Technologies L |
| 5)      | AJANTA PHARMA LTD.             |
| 6)      | ALEMBIC PHARMACEUTICALS LTD.   |
| 7)      | Alkem Laboratories Limited     |
| 8)      | Ami Organics Limited           |
| 9)      | APOLLO HOSPITALS ENTERPRISE LT |
| 10)     | Artemis Medicare Services Limi |
| 11)     | Aster DM Healthcare Limited    |
| 12)     | ASTRAZENECA PHARMA INDIA LTD.  |
| 13)     | AUROBINDO PHARMA LTD.          |
| 14)     | BIOCON LTD.                    |
| 15)     | BLISS GVS PHARMA LTD.          |
| 16)     | Blue Jet Healthcare Limited    |
| 17)     | CAPLIN POINT LABORATORIES LTD. |
| 18)     | CIPLA LTD.                     |
| 19)     | Concord Biotech Limited        |
| 20)     | Dishman Carbogen Amcis Limited |
| 21)     | DIVIS LABORATORIES LTD.        |
| 22)     | Dr. Lal Pathlabs Limited       |
| 23)     | DR.REDDYS LABORATORIES LTD.    |
| 24)     | Eris Lifesciences Limited      |
| 25)     | FDC LTD.                       |
| 26)     | FORTIS HEALTHCARE LTD.         |
| 27)     | Gland Pharma Limited           |
| 28)     | GLAXOSMITHKLINE PHARMACEUTICAL |
| 29)     | Glenmark Life Sciences Limited |
|         |                                |

| 30) | GLENMARK PHARMACEUTICALS LTD.  |
|-----|--------------------------------|
| 31) | Global Health Limited          |
| 32) | GPT Healthcare Limited         |
| 33) | GRANULES INDIA LTD.            |
| 34) | GUFIC BIOSCIENCES LTD.         |
| 35) | GUJARAT THEMIS BIOSYN LTD.     |
| 36) | HealthCare Global Enterprises  |
| 37) | HESTER BIOSCIENCES LTD.        |
| 38) | HIKAL LTD.                     |
| 39) | Indegene Limited               |
| 40) | INDOCO REMEDIES LTD.           |
| 41) | INDRAPRASTHA MEDICAL CORP.LTD. |
| 42) | INNOVA CAPTAB LIMITED          |
| 43) | IOL CHEMICALS & PHARMACEUTICAL |
| 44) | IPCA LABORATORIES LTD.         |
| 45) | J.B.CHEMICALS & PHARMACEUTICAL |
| 46) | JUBILANT PHARMOVA LIMITED      |
| 47) | Jupiter Life Line Hospitals Li |
| 48) | KMC SPECIALITY HOSPITALS (INDI |
| 49) | KOPRAN LTD.                    |
| 50) | KOVAI MEDICAL CENTER & HOSPITA |
| 51) | Krishna Institute of Medical S |
| 52) | Krsnaa Diagnostics Limited     |
| 53) | Laurus Labs Limited            |
| 54) | LINCOLN PHARMACEUTICALS LTD.   |
| 55) | LUPIN LTD.                     |
| 56) | Mankind Pharma Limited         |
| 57) | MARKSANS PHARMA LTD.           |
| 58) | Max Healthcare Institute Limit |
| 59) | Metropolis Healthcare Limited  |
| 60) | MOREPEN LABORATORIES LTD.      |
| 61) | Narayana Hrudayalaya Limited   |
| 62) | NATCO PHARMA LTD.              |
| 63) | NEULAND LABORATORIES LTD.      |
| 64) | NGL FINE-CHEM LTD.             |
| 65) | NOVARTIS INDIA LTD.            |
| 66) | Orchid Pharma Limited          |
| 67) | PFIZER LTD.                    |
| 68) | PIRAMAL PHARMA LIMITED         |
| 69) | POLY MEDICURE LTD.             |
| 70) | PROCTER & GAMBLE HEALTH LIMITE |
| 71) | Rainbow Children's Medicare Li |
| 72) | RPG LIFE SCIENCES LTD.         |
| 73) | SANOFI INDIA LTD               |
| 74) | Sastasundar Ventures Limited   |

|                            | 75)  | SEQUENT SCIENTIFIC LTD.   |  |
|----------------------------|--|---|--|
|                            | 76)  | Shalby Limited  |  |
|                            | 77)  | SHILPA MEDICARE LTD.  |  |
|                            | 78)  | Sigachi Industries Limited  |  |
|                            | 79)  | SMS PHARMACEUTICALS LTD.  |  |
|                            | 80)  | SOLARA ACTIVE PHARMA SCIENCES   |  |
|                            | 81)  | STRIDES PHARMA SCIENCE LIMITED  |  |
|                            | 82)  | SUN PHARMA ADVANCED RESEARCH C  |  |
|                            | 83)  | SUN PHARMACEUTICAL INDUSTRIES   |  |
|                            | 84)  | Supriya Lifescience Limited   |  |
|                            | 85)  |   |  |
|                            | 86)  | SUVEN LIFE SCIENCES LTD.  |  |
|                            | 87)  | SUVEN PHARMACEUTICALS LIMITED   |  |
|                            | 88)  | SYNCOM FORMULATIONS (INDIA) LT  |  |
|                            |  | Syngene International Limited   |  |
|                            | 89)  | Tarsons Products Limited  |  |
|                            | 90)  | THEMIS MEDICARE LTD.  |  |
|                            | 91)  | Thyrocare Technologies Limited  |  |
|                            | 92)  | TORRENT PHARMACEUTICALS LTD.  |  |
|                            | 93)  | UNICHEM LABORATORIES LTD.   |  |
|                            | 94)  | Vijaya Diagnostic Centre Limit  |  |
|                            | 95)  | VIMTA LABS LTD.   |  |
|                            | 96)  | Windlas Biotech Limited   |  |
|                            | 97)  | WOCKHARDT LTD.  |  |
|                            | 98)  | YATHARTH HOSPITAL & TRAUMA CAR  |  |
|                            | 99)  | Zydus Lifesciences Limited  |  |
|                            | Source: BS   | E Website   |  |
|                            | Portfolio T  | urnover   |  |
|                            | percentage<br>purchases a<br>and redem<br>account of<br>with any re  | urnover is defined as the lower of the aggregate value of purchases<br>of the corpus of a scheme during a specified period of time. This<br>and sales of money market securities. The Scheme is open ended, with<br>ptions expected on a daily basis, resulting in net inflow/outflow of<br>the various factors that affect portfolio turnover; it is difficult to give<br>easonable amount of accuracy.<br>the Scheme has no specific target relating to portfolio turnover. | s will exclude<br>h subscriptions<br>funds, and on |
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.  |   |  |
|                            | Scheme specific Risk Factors are summarized below:<br>1) Risks associated with transacting in scheme units through stock exchange mechanism 2)<br>Risk associated with principles of efficient portfolio management 3) Risk associated with<br>favorable taxation of certain scheme in India 4) Risk factors related to Taxation of overseas<br>investments, 5) Risks associated with Equity and Equity-related securities / investments 6)<br>Risk associated with Securities Lending & Borrowing and Short Selling 7) Risks Associated with<br>Trading In Equity Derivatives 8) Risks associated with investments in REITs & InvITs 9) Risk<br>Factors associated with investments in Debt Securities and Money Market Securities 10) Risk<br>associated with investments in debt instruments having Structured Obligations / Credit<br>Enhancements, 11) Risk factors associated with investment in Tri-Party Repo, 12) Risks<br>associated with Overseas Securities 13) Risk associated with investments in overseas mutual<br>funds / ETFs / Index Funds 14) Risk associated with investments in repo of corporate debt |   |  |

|                                       | sks associated with investments in Securitized Assets, 17) Risk of Investing in Specifies, 18) Security Concentration Risk, 19) Risks Associated with fixed income Derivatives sk factors with respect to imperfect hedging using interest rate futures.   |
|---------------------------------------|--|
| For de                                | tails on risk factors and risk mitigation measures, please refer SID.  |
| <u>Risk N</u>                         | litigation Strategies  |
| Risks a                               | associated with Equity investments:  |
| i.                                    | <b>Liquidity Risk:</b> The liquidity risk will be managed and/or sought to be addressed<br>creating a portfolio which has adequate access to liquidity. The Investment Mana<br>will select securities, which have or are expected to have good secondary mar<br>liquidity. Market Liquidity Risk will be managed actively within the portfolio liquid<br>limits by maintaining proper asset-liability match to ensure payout of the obligation<br>The first access to liquidity will be through cash and fixed income securities if any  |
| ii.                                   | <b>Concentration Risk:</b> The Scheme will try and mitigate this risk by investing acr<br>large number of companies/sectors and endeavor to keep stock-specific concentrat<br>risk relatively low.   |
| iii.                                  | <b>Market Risk:</b> The Investment Manager endeavors to invest in companies, whe<br>adequate due diligence and research has been performed by the Investment Manage<br>As not all these companies are very well researched by third-party resea<br>companies, the Investment Manager also relies on its own research. This involves o<br>to-one meetings with the management of companies, attending conferences a<br>analyst meets and also tele-conferences. The company- wise analysis will foc<br>amongst others, on the historical and current financial condition of the compa<br>potential value creation/unlocking of value and its impact on earnings growth, cap<br>structure, business prospects, policy environment, strength of manageme<br>responsiveness to business conditions, product profile, brand equity, market sha<br>competitive edge, research, technological know- how and transparency in corpor<br>governance. The investment manager may use derivatives to hedge and limit<br>inherent market risk in scheme |
| Invest                                | associated with favorable taxation of equity-oriented Scheme:<br>ment Manager regular monitor's equity exposure of equity oriented Scheme of the Fu<br>ure compliance with the relevant regulation.  |
| The in<br>will er<br>mainta<br>that t | associated with Stock Lending:<br>westment managers will ensure adherence to the limits assigned for stock lending a<br>nsure that the liquidity Risk is managed actively within the portfolio liquidity limits<br>aining proper asset-liability match to ensure payout of the obligations. Also to ensure<br>the counterparty risk is limited the AMC will participate in stock lending only throu-<br>nge mechanism where the settlement is guaranteed.  |
| The in<br>guarar<br>specifi           | associated with Equity Derivative investments:<br>nvestment managers will invest only in exchange traded derivatives (settlemented) and the investment shall be in line with guidelines and regulatory limits<br>ied by regulators & scheme documents. No investment will be made in OTC derivat<br>acts for equity derivatives.   |
| Invest                                | associated with fixed income Derivative investments:<br>ment managers will ensure adherence to the limits and the guidelines as issued by S<br>from time to time for forward rate agreements and interest rate swaps and other fix<br>e derivative products.   |
|                                       | e derivative products.   |

| i.  | <b>Market Liquidity Risk:</b> 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 for the reference tenors like 10 years, 5 years etc. showing relatively higher market liquidity. With time, the benchmark government security changes and thus hence liquidity propagates from one security to the other.   |
| ii.   | <b>Credit Risk:</b> 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.  | <b>Rating Migration Risk:</b> 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.  |
| ۷.  | <b>Re-investment Risk:</b> The Investment Manager will endeavor that besides the tactical and/or strategic interest rate calls, the portfolio is fully invested.   |
| vi.   | <b>Term Structure of Interest Rates (TSIR) Risk:</b> 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 a   | ssociated with Investments in REITs and InvITs:  |
| and res<br>relies o<br>with th<br>The an<br>of asse | vestment Manager endeavours to invest in REITS/InvITs, where adequate due diligence<br>search has been performed by the Investment Manager. The Investment Manager also<br>on its own research as well as third party research. This involves one-to-one meetings<br>he managements, attending conferences and analyst meets and also tele-conferences.<br>alysis will focus, amongst others, on the predictability and strength of cash flows, value<br>ts, capital structure, business prospects, policy environment, strength of management,<br>siveness to business conditions, etc. |
| Risk As   | ssociated 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.   | <b>Expense Risks associated with investments in overseas funds:</b> 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.  | <b>Portfolio Disclosure Risks associated with investments in overseas fund:</b> 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   |
|   |  |

|                   | iv. Inves<br>inves<br>which<br>there<br>intern<br>in ot<br>dome<br>v. Monit<br>the o<br>may i<br>scher | a three-month lag<br>tment Policy and<br>tments in overse-<br>have similar inve-<br>exists possibility<br>national fund. In su<br>her international<br>estic fund.<br>toring overseas investmen<br>initiate appropriate | i.e. March portfolio car<br>d/or fundamental attr<br>as funds: Investments<br>estment objectives to<br>that there is a change<br>uch circumstances, the<br>funds, which have th<br>vestment limits: The In<br>ts limits. In case of an<br>e action like investing a | om underlying Overseas funds generally<br>in be obtained at the end of June<br>ribute change risks associated with<br>are made in such international funds,<br>the domestic fund in India. However,<br>e in the fundamental attributes of the<br>Investment Manager will seek to invest<br>be same investment objective as the<br>vestment Manager will keep monitoring<br>adverse event the Investment Manager<br>across other areas as permitted by the<br>ensure that the investor interest is |
|-------------------|--|---|---|---|
| Plans and options | Plan   | Options   | Sub-Option  |   |
|                   |  | Available   |   |   |
|                   | Regular  | Growth  | -   |   |
|                   | Plan and<br>Direct Plan  | IDCW  | Payout of IDCW & Rei  | investment of IDCW  |
|                   |  | Monthly IDCW  | Payout of IDCW & Rei  |   |
|                   |  | Quarterly IDCW  | Payout of IDCW & Rei  | investment of IDCW  |
|                   | sale price tha<br>Default Optio<br>Investors sho<br>form. In case<br>etc. or where<br>will be applie   | nt represents realized<br>on-<br>uld indicate the nate<br>of valid application<br>the details regarced<br>ed:   | ed gains."<br>ame of the Scheme and<br>ions received, without<br>ling option are not clea   | Equalization Reserve), which is part of<br>I/or Option, clearly in the application<br>indicating the Scheme and/or Option<br>r or ambiguous, the following defaults   |
|                   | If no indication is given under the following Default  |   |   |   |
|                   |  | owth / IDCW<br>- Pavout of IDCW /   | Reinvestment of IDCW  | Growth<br>Payout of IDCW  |
|                   | In case an inv   | restor/Unit Holder<br>e application shall<br>cheme.   | fails to mention the pla  | an and broker details in the application<br>pective option/sub-option under Direct  |
| Applicable NAV    | valid applicat<br>on a Business<br>upto the rele<br>of transactior<br>on the basis                     | tion is accepted ar<br>Day, subject to it<br>vant cut-off time a<br>ns. Applications rec<br>of when the applic  | nd time stamped. An a<br>being complete in all re<br>as specified below, at a<br>ceived via post or courie  | e close of the Business Day on which a<br>pplication will be considered accepted<br>espects and received and time stamped<br>any of the official points of acceptance<br>er at any of the centres will be accepted<br>by the centre and not on the basis of   |
|                   |  |   |   | ter Circular, in respect of purchase of hight schemes), closing NAV of the day  |

|  | ted before the cut-off time to the bank account of the de.<br>unds are available for utilization before the cut-off tir  |  |
|--|--|--|
|  | (a) Purchase and Switch-in   |  |
|  | Particulars  | Applicable NAV   |
|  | Where the valid application is received upto cut-<br>off time of 3.00 p.m. on a business day at the<br>official point(s) of acceptance and funds for the<br>entire amount of subscription/purchase are<br>available for utilization upto 3.00 p.m. on the<br>same Business Day.  | Closing NAV of<br>same Business Day<br>shall be applicable                                     |
|  | Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase are available for<br>utilization after 3.00 p.m. on the same Business Day<br>or on any subsequent Business Day   | subsequent   |
|  | Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase/switch-in are<br>available for utilization upto 3.00 p.m. on the same<br>Business Day.  | subsequent<br>Business Day shall<br>be applicable  |
|  | (b) Redemption and Switch-out  | •  |
|  | Particulars  | Applicable NAV   |
|  | Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.  |  |
|  | Where the valid application is received after 3.00 p.m.  | NAV of the next<br>Business Day.   |
| various o<br>the applie<br>is receive<br>With resp<br>be recko | ion through online facilities/ electronic mode: The tim<br>nline facilities/electronic modes offered by the AMC, f<br>cability of NAV, would be the time when the request of<br>ed in the servers of AMC/RTA as per terms and condition<br>pect to investors who transact through the stock exe<br>ned on the basis of the time stamping as evidenced<br>change mechanism. | or the purpose of de<br>purchase/sale/switc<br>ons of such facilities.<br>change, Applicable I |

|   |  |  | ns/transactions received under all<br>r conditions mentioned below shall  |  |  |  |
|---|--|--|---|--|--|--|
|   | be aggregated and closing NAV of the day on which funds for respective transactio (irrespective of source of funds) are available for utilization.   |  |   |  |  |  |
|   | <ul> <li>All transactions received<br/>stamping rule).</li> </ul>  | l on same Business Day   | (as per cut-off timing and Time   |  |  |  |
|   | b. Aggregation of transactio   | ns shall be applicable to t  | the Scheme.   |  |  |  |
|   | c. Transactions shall includ<br>SIP/STP and trigger trans  |  | purchases and exclude Switches,   |  |  |  |
|   | Permanent Account Numb<br>similar holding pattern wi   | per (PAN). In case of joint<br>Il be aggregated. The prir  | basis of investor/s/Unit Holder/s<br>holding in folios, transactions with<br>nciple followed for such aggregation<br>lidated Account Statement (CAS). |  |  |  |
|   | e. All transactions will be ag<br>point no.4 above.  | gregated where investor  | holding pattern is same as stated in  |  |  |  |
|   | f. 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).  |  |   |  |  |  |
|   | g. Transactions in the name of minor received through guardian will not be aggregate<br>with the transaction in the name of same guardian. However, two or more transactio<br>in folios of a minor received through same guardian will be considered for aggregatio  |  |   |  |  |  |
|   | h. In the case funds are received on separate days and are available for utilization or<br>different business days before the cut off time, the applicable NAV shall be of the<br>Business day/s on which the cleared funds are available for utilization for the<br>respective application amount.  |  |   |  |  |  |
|   | <ul> <li>i. Irrespective the date and time of debit to the customer bank accounts, the date an time of actual credit in the Scheme's bank account, which could be different du settlement cycle in the banking industry, would be considered for applicability of NAN j. Investors are advised to make use of digital/electronic payment to transfer the function to the Scheme's bank account.</li> </ul>   |  |   |  |  |  |
|   | <b>Note for switching:</b> 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.  |  |   |  |  |  |
| Minimum Application                             |  |  |   |  |  |  |
| Amount /Number of<br>Units                      | Purchase   | Additional Purchase  | Redemption*   |  |  |  |
|   | Rs. 100/- and any amount thereafter.   | Rs. 100/- and any amount thereafter.   | N.A.  |  |  |  |
|   |  | *In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units. |   |  |  |  |
|   |  |  |   |  |  |  |
|   | DPs or on Stock exchange Platfor<br>Note: The minimum applicatior  | m; and only in number of<br>n amount will not be a   |   |  |  |  |
| Minimum installment<br>Amount for<br>Systematic | DPs or on Stock exchange Platfor<br>Note: The minimum application<br>schemes in line with SEBI guidelin  | m; and only in number of<br>n amount will not be a<br>nes on Alignment of intere   | f Units.<br>pplicable for investment made in  |  |  |  |

| Minimum installment<br>Amount for<br>Systematic<br>Withdrawal Plan<br>(SWP)/ Systematic<br>Transfer Plan (STP) | Rs. 100/- and any amount thereafter  |  |                              |  |                                 |
|--|--|--|------------------------------|--|---------------------------------|
| Dispatch of<br>Repurchase<br>(Redemption) Request  | Redemption within 3 working days of the acceptance of the redemption request at any of the authorised centres of DSP Mutual Fund.  |  |                              |  |                                 |
|  | 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 clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.   |  |                              |  |                                 |
| Benchmark Index  | BSE Healthcare TRI   |  |                              |  |                                 |
| IDCW Policy  | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.  |  |                              |  |                                 |
| Name & tenure of the<br>Fund Manager   | Mr. Chirag Dagli<br>Tenure: 3 Years and 11 Months (Managing this Scheme since December 2020)   |  |                              |  |                                 |
| Name of the Trustee<br>Company   | DSP Trustee Private Li   | imited   |                              |  |                                 |
| Performance of the<br>Scheme   | (a) Compounded Annualised Returns as of September 30, 2024   |  |                              |  |                                 |
|  | Period   | DSP<br>Healthcare<br>Fund - Regular<br>Plan - Growth<br>Option | BSE Healthcare<br>TRI<br>(%) | DSP<br>Healthcare<br>Fund -<br>Direct Plan -<br>Growth<br>Option | S&P<br>Healthcare<br>TRI<br>(%) |
|  | Last 1 Year  | 54.91%   | 55.71%                       | 57.02%   | 55.71%                          |
|  | Last 3 Year  | 20.51%   | 20.01%                       | 22.16%   | 20.01%                          |
|  | Last 5 Year  | 32.71%   | 29.57%                       | 34.68%   | 29.57%                          |
|  | Since Inception  | 27.24%   | 22.12%                       | 29.18%   | 22.12%                          |
|  | NAV/ Index value   | 40.8180  | 51,019.94                    | 44.5770  | 51,019.94                       |
|  | Date of allotment  | 30-Nov-18  |                              | 30-Nov-18  |                                 |
|  | Note: As per the SEBI standards for performance reporting, the "since inception" returns are<br>calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to<br>be the date of allotment. The "Returns" shown are for the growth option. Past performance<br>may or may not be sustained in future and should not be used as a basis for comparison<br>with other investments<br>(b) Absolute Returns for each financial year for the last 5 years |  |                              |  |                                 |

|  | 80.00%<br>60.00%<br>40.00%<br>-20.00%<br>-40.00%<br>-40.00%<br>-60.00%   | an of the scheme for Growth  | Growth %27:19<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%12:99<br>%1 |  |
|--|--|--|---|--|
| Additional Scheme<br>Related Disclosures         | <ul> <li>various sectors) - <u>https://sector-allocation</u></li> <li>ii. Disclosure of name and percentage of NAV of the</li> <li>iii. Website link for Portf</li> <li><u>https://www.dspim.com</u></li> <li>iv. Portfolio Turnover Rate -</li> </ul>   | www.dspim.com/mandatory-<br>exposure to Top 7 issuers, sto<br>scheme - Not applicable<br>olio Disclosure - Fortnightl<br><u>mandatory-disclosures/portfo</u><br>0.1494 Times                 | r and fund allocation towards<br>disclosures/top-10-issuer-and-<br>ocks, groups and sectors as a<br>y / Monthly/ Half Yearly-<br>olio-disclosures   |  |
| Scheme<br>(i) Load Structure<br>(as %age to NAV) | I month - 0.50% I month - Nil Note: No exit load shall be levied in case of switch of investments from Direct Plan to Regular Plan and vice versa.   |  |   |  |
| (ii) Recurring<br>Expenses                       | Slab Rates<br>on the first Rs.500 crores of<br>the daily net assets<br>on the next Rs.250 crores of<br>the daily net assets<br>on the next Rs.1,250 crores<br>of the daily net assets<br>on the next Rs.3,000 crores<br>of the daily net assets<br>on the next Rs.5,000 crores<br>of the daily net assets<br>On the next Rs.40,000 crores<br>of the daily net assets | As a % of daily net assets as<br>per Regulation 52(6) (c)<br>2.25%<br>2.00%<br>1.75%<br>1.60%<br>1.50%<br>Total expense ratio<br>reduction of 0.05% for every<br>increase of Rs.5,000 crores | Additional<br>TER as per<br>Regulation<br>52 (6A) (c)^       Additional<br>TER as per<br>Regulation<br>52 (6A) (b)^         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%         0.05%       0.30%   |  |

|                          | of daily net assets or part thereof |       |       |
|--------------------------|-------------------------------------|-------|-------|
| On balance of the assets | 1.05%                               | 0.05% | 0.30% |

### Notes to Table:

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

 $^{\ast}$  Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund (<u>www.dspim.com</u>).

|  | Actual expenses for the previous financial year (2023-2024):         Direct Plan       Regular Plan         0.69%       2.05%         The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "Section-Annual Scheme Recurring Expenses" in the SID.         Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.         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.         Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific  |  |  |
|--|---|--|--|
| For Investor<br>Grievances<br>please contact | request in this regard. Refer relevant disclosures mentioned in the Statement of Additional<br>Information ('SAI') available on AMC website i.e. <a href="https://www.dspim.com">www.dspim.com</a> Name and Address of<br>RegistrarComputer Age Management Services Limited (CAMS)Address - Computer Age Management Services Limited, No.<br>178/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>Palmgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>Website<br>https://www.camsonline.com/Investors/Support/GrievancesName and Address of<br>  |  |  |
| Unit Holders<br>Information                  | <ul> <li>Account Statements: Allotment confirmation specifying the number of Units shall be sent to the Unit holders at their registered e-mail address and/o number by way of email and/or SMS within 5 working Days from the date of r the valid application/transaction.</li> <li>A Consolidated Account Statement (CAS) detailing all the transactions a mutual funds (including transaction charges paid to the distributor) and holdi end of the month shall be sent to the Unit holders in whose folio(s) transactio taken place during the month by mail or email on or before 15th of the su month. However, if the investor wishes to opt for physical copy may reques same.</li> <li>Half-yearly CAS shall be issued at the end of every six months (i.e. September on or before 21st day of succeeding month, to all investors providing the pr details across all schemes of mutual funds and securities held in demateriali across demat accounts, if applicable.</li> <li>For further details, please refer SAI.</li> <li>Half yearly Portfolio: In case of unit holders whose email address are register the Fund, the AMC shall send half yearly portfolio via email within 10 days end of each half-year. The half yearly portfolio of the Scheme shall also be address.</li> </ul> |  |  |

|                            | in a user-friendly and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.com</u> and website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month.   |
|----------------------------|---|
|                            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                            | 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.  |
|                            | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.  |
|                            | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.  |
|                            | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.  |
|                            | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com |
|                            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.  |
|                            | Investors are requested to register their e-mail addresses with Mutual Fund.  |
| 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  |
|                            | 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.   |
| Risk-o-Meter<br>Disclosure | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|                            |   |

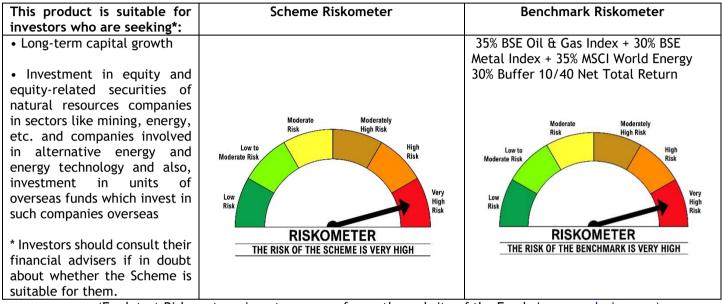
|            | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|------------|---|
|            | <ul> <li>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-<br/>à-vis that of the benchmark is disclosed.</li> </ul>  |
|            | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|            | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ).  |
|            | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <a href="https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) (for AMFI - refer Link <a href="https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) ). |
|            | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.  |
| Stamp Duty | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty<br>@ 0.005% of the amount invested.   |
|            | For further details, please refer SAI.  |



#### **KEY INFORMATION MEMORANDUM**

# DSP NATURAL RESOURCES AND NEW ENERGY FUND

#### An open ended equity scheme investing in Natural Resources and Alternative Energy sector



(For latest Riskometers, investors may refer on the website of the Fund viz. <u>www.dspim.com</u>) Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website <a href="https://www.dspim.com">www.dspim.com</a>.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                               | DSPM/O/I  | E/SEC/08/02/0019   |  |            |  |        |
|---|---|--|--|------------|--|--------|
| Investment Objective                      | <ul> <li>The primary investment objective of the Scheme is to seek to generate capital appreand provide long term growth opportunities by investing in equity and equity related securities of companies domiciled in India who dominant economic activity is in the: <ul> <li>(a) discovery, development, production, or distribution of natural resource energy, mining etc.;</li> <li>(b) alternative energy and energy technology sectors, with emphasis gir renewable energy, automotive and on-site power generation, energy storate enabling energy technologies.</li> </ul> </li> <li>The Scheme will also invest a certain portion of its corpus in the equity and equity securities of companies domiciled overseas, which are principally engaged in the discovery.</li> </ul> |  |  |            | ose pre-<br>es, viz.,<br>iven to<br>age and<br>related |        |
|   | developm<br>the units   | securities of companies domiciled overseas, which are principally engaged in the discovery,<br>development, production or distribution of natural resources and alternative energy and/or<br>the units/shares of BlackRock Global Funds - Sustainable Energy Fund, BlackRock Global<br>Funds - World Energy Fund and similar other overseas mutual fund schemes. |  |            |  |        |
|   | There is  | no assurance that the invest   | ment objective of                                | f the Sche | me will be achi  | eved.  |
| Asset Allocation Pattern<br>of the Scheme | Under noi<br>shall be a   | rmal circumstances, it is antic<br>s follows:  | ripated that the as                              | set alloca | tion of the Sche                                       | me     |
|   | Instrur   | nents  |  |            | ve allocations<br>cal assets)                          |        |
|   |   |  |  | Minimun    |  |        |
|   | 1. Equity and Equity related Securities of companies domiciled in India, and principally engaged in the discovery, development, production or distribution of Natural Resources and Alternative Energy  |  |  | 65%        | 100%   |        |
|   | Energy.2. (a) Equity and Equity related Securities of<br>companies domiciled overseas and principally<br>engaged in the discovery, development,<br>production or distribution of Natural Resources<br>and Alternative Energy.<br>(b) Units/shares of<br>(i) BGF - SEF (ii) BGF - WEF and<br>(iii) Similar other overseas mutual fund schemes35%   |  |  |            | 35%  |        |
|   |   |  |  | 0%         | 20%  |        |
|   | It is to be noted that minimum 80% would be invested and maintained in assets inve<br>Natural Resources and Alternative Energy sector.<br>Indicative table (Actual instrument/percentages may vary subject to applical<br>circulars):   |  |  |            | ole SEBI   |        |
|   | Sl. no  | Type of Instrument   | Percentage of ex                                 | kposure    | Circular refere  | ences  |
|   | 1.  | Securities Lending   | Upto 20% (upto 5<br>single intermedia            |            | Clause 12.11<br>SEBI Master Cir                        | cular  |
|   | 2.  | Derivatives  | upto 50%   |            | Clause 12.25<br>SEBI Master Cir                        |        |
|   | 3.  | Equity Derivatives for non-<br>hedging purposes  | upto 50%   |            | Clause 12.25<br>SEBI Master Cir                        | of the |
|   | 4.  | Debt Instruments with SO /<br>CE rating  | Upto 10% of t<br>portfolio and th<br>exposure in |            |  |        |

|     |   | instruments shall not<br>exceed 5% of the debt<br>portfolio   |  |
|-----|---|---|--|
| 5.  | Overseas Securities   | Upto 35%  | Clause 12.19 of the SEBI Master Circular   |
| 6.  | ReITS and InVITS  | Nil   | -  |
| 7.  | Debt Instruments with<br>special features (AT1 and<br>AT2 Bonds)    | Upto 10% (upto 5%- single<br>issuer) of the debt<br>portfolio | Clause 12.2 of the SEBI Master Circular  |
| 8.  | Tri-party repos (including<br>reverse repo in T-bills and<br>G-sec) | Upto 20%  | -  |
| 9.  | Other / own mutual funds  | Upto 5 % of AUM of mutual fund level                          | Clause 4 of the<br>Seventh Schedule of<br>SEBI (Mutual Funds)<br>Regulations, 1996 |
| 10. | Repo/ reverse repo<br>transactions in corporate<br>debt securities  | NIL   | -  |
| 11. | Credit Default Swap<br>transactions                                 | Nil   | -  |
| 12. | Covered call option   | Nil   | -  |
| 13. | Foreign Securitized debt  | Nil   | -  |
| 14. | unrated debt and money<br>market instruments                        | Upto 5% (refer Note)  | unrated Clause 12.1<br>of the SEBI Master<br>Circular                              |
| 15. | Short Selling   | In terms of guidelines<br>prescribed by SEBI                  | Regulation 45 (2) of<br>SEBI (Mutual Funds)<br>Regulations, 1996                   |
| 16. | Short Term Deposit  | Refer Note 2  | Clause 12.16 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. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

### Note 2: Short Term Deposit

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 of the SEBI Master Circular. The AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the 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 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.

|                     | In respect of the investments envisaged by the scheme in equity and equity related securities, as mentioned in, "How Will the Scheme(s) allocate its Assets?", the Investment Manager will generally adhere to the following policies:   |
|---------------------|--|
| Investment Strategy | Strategy for Equity Securities   |
|                     | 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.  |
|                     | 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 Clause 2.9 of the SEBI Master Circular.  |
|                     | As per Clause 2.9 of the SEBI Master Circular and clarifications/ guidelines issued by AMFI / SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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.   |
|                     | Portfolio rebalancing in case of passive breach:   |
|                     | 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.  |
|                     | 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.  |
|                     | Rebalancing of deviation due to short term defensive consideration:  |
|                     | Portfolio Rebalancing:   |
|                     | As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, 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. 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 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. |
|                     | Cumulative Gross Exposure  |
|                     | The above provisions do not apply to term deposits placed as margins for trading in cash and derivative market.  |
|                     | <ol> <li>AMC will not charge any investment management and advisory fees for parking of<br/>funds in short term deposits of scheduled commercial banks.</li> <li>The Trustee shall also ensure that the bank in which a scheme has short term<br/>deposits do not invest in the scheme until the scheme has short term deposits with<br/>such bank.</li> </ol>   |

- (i) The Investment Manager will select equity securities on a bottom-up, stock-by-stock basis, with consideration given to low price to- earnings, price-to-book and price-to-sales ratios, as well as growth, improving margins, asset turns and cash flows, amongst others.
- (ii) The Investment Manager will use a disciplined quantitative analysis of financial operating statistics. In picking out individual investment opportunities for the portfolio, among the defined universe eligible for investment, the Investment Manager will seek both value and growth. Value is discerned when the Investment Manager believes that the long term growth potential of a company is not fully reflected in the market price of the company's securities and which potential it seeks to better every year, capitalizing on its various strengths, which could mean strong brand equity, growing market share, strong management and technological excellence, among others. Growth stocks, as the term suggests, are those stocks that are currently in the growing market share, stronger brand equity, technological breakthrough and unique position in a market, among other factors. The endeavor of the investment Manager will be to pick stocks which could become potential leaders in their respective fields in the future.
- (iii) The Investment Manager will conduct in-house research in order to identify various investment opportunities. The company-wise analysis will focus, among others, on the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earning 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.

# Strategy for Fixed Income Securities

The Investment Manager will invest only in those debt securities which 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 the 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 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:   |
| •                                      |  |
| •                                      | The investment manager shall endeavour to capture such arbitrage opportunities<br>by taking long positions in the Nifty Index futures and short positions in the<br>synthetic index (constituent stock futures). Based on the opportunity, the reverse<br>position can also be initiated   |
| 5)                                     | <b>Reverse Arbitrage:</b><br>This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sel cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.   |
| 6)                                     | Portfolio Hedging:   |
| 7                                      | This strategy will be adopted:   |
| •                                      | If in an already invested portfolio of a Scheme, the Investment Manager is expecting<br>a market correction, the Investment Manager may sell Index Futures to insulate the<br>portfolio from the market related risks.   |
| •                                      | If there are significant inflows to the Scheme and the market expectations are<br>bullish, the Investment Manager may buy Index Futures to continue participation in<br>the equity markets. This strategy is used to reduce the time to achieve the desired<br>invested levels.  |
| Fixed I                                | ncome Derivatives  |
|  | Interest Rates Swap  |
| •                                      | The primary reason for engaging in an interest rate swap is to hedge the interes 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<br>date, the difference between an agreed interest rate and the interest rate actuall<br>prevailing on that future date, calculated on an agreed notional principal amount<br>FRAs are purchased to hedge the interest rate risk; an investor facing uncertaint<br>of the interest rate movements can fix the interest costs by purchasing an FRA.  |
| well as<br>the abi<br>of the<br>fund m | tive products are leveraged instruments and can provide disproportionate gains a<br>disproportionate losses to the investor. Execution of such strategies depends upo<br>lity of the fund manager to identify such opportunities. Identification and executio<br>strategies to be pursued by the fund manager involve uncertainty and decision of<br>nanager may not always be profitable. No assurance can be given that the fun<br>er will be able to identify or execute such strategies. |
|  | ks associated with the use of derivatives are different from or possibly greater than<br>ks associated with investing directly in securities and other traditional investments   |
| For de                                 | tailed derivative strategies, please refer to SAI.   |
| Portfol                                | lio Turnover:  |
|  |  |

|                            | Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as<br>a percentage of the average corpus of the Scheme during a specified period of time. This<br>will exclude purchases and sales of money market securities.<br>The portfolio turnover in the Scheme will be a function of the inflows in the form of<br>subscriptions into the Scheme and outflows in the form of redemptions from the Scheme,<br>as well as the market opportunities available to the Investment Manager. Consequently, it<br>is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the<br>portfolio(s). It will be the endeavor of the Investment Manager to keep portfolio turnover<br>rates as low as possible. However, there are trading opportunities that present themselves<br>from time to time, where in the opinion of the Investment Manager, there is an opportunity<br>to enhance the total returns of the portfolio. The Investment Manager will endeavor to<br>balance the increased cost on account of higher portfolio turnover with the benefits derived<br>therefrom. Although the exchange-traded equity derivatives contracts in India are available<br>upto 3 months, the liquidity is predominantly in the one month contracts (near month<br>contracts). |
|----------------------------|---|
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.   |
|                            | Scheme specific Risk Factors are summarized below:  |
|                            | 1) Risks associated with transacting in scheme units through stock exchange mechanism 2) Risk associated with principles of efficient portfolio management 3) Risk associated with favorable taxation of certain scheme in India 4) Risk factors related to Taxation of overseas investments, 5) Risks associated with Equity and Equity-related securities / investments 6) Risk associated with Securities Lending & Borrowing and Short Selling 7) Risks Associated with Trading In Equity Derivatives 8) Risk Factors associated with investments in Debt Securities and Money Market Securities 9) Risk associated with investments in debt instruments having Structured Obligations / Credit Enhancements, 10) Risk associated with investment in unrated security, 11) Risk factors associated with Investment in special feature bonds, 12) Risk associated with investment in Tri-Party Repo, 13) Risks associated with Overseas Securities 14) Risk associated with underlying BGF schemes, 16) Risk associated with Depository Receipts 17) Risk factors associated with investments in Securitized Assets. 19) Risks Associated with fixed income Derivatives. 20) Risk of substantial redemption.   |
|                            | For details on risk factors and risk mitigation measures, please refer SID.   |
|                            | Risk Mitigation Strategies: Risks associated with Equity investments:   |
|                            | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed<br>by creating a portfolio which has adequate access to liquidity. The Investment<br>Manager will select securities, which have or are expected to have good secondary<br>market liquidity. Market Liquidity Risk will be managed actively within the portfolio<br>liquidity limits by maintaining proper asset-liability match to ensure payout of the<br>obligations. The first access to liquidity will be through cash and fixed income<br>securities if any.   |
|                            | ii. <b>Concentration Risk:</b> 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. <b>Market Risk:</b> 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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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

|   | 1                                  |   |   |                                  |   |   |
|---|------------------------------------|---|---|----------------------------------|---|---|
|   | ir                                 | nvestmen  | t objectives.   |                                  |   |   |
|   |                                    |   |   |                                  | ent Manager will endeav<br>te calls, the portfolio is fu  |   |
|   | d<br>d<br>R                        | uration t   | based on the invest<br>5. Depending on the  | ment<br>natur                    | (TSIR) Risk: The Scheme<br>objective and limits def<br>e of the scheme, the Term<br>ated and it exists as a pri   | ined in the scheme<br>Structure of Interest   |
|   | Risk Asso                          | ciated w  | ith overseas mutua  | fun                              | ds / ETFs and Index securi  | ities:  |
|   |                                    |   |   |                                  | ments in overseas funds:<br>provide daily liquidity.  | The investments are   |
|   | e                                  | xpenses   | incurred by the li  | ndian                            | estments in overseas fund<br>Fund-of-Funds scheme<br>hits prescribed by SEBI.   |   |
|   | A<br>h<br>tl<br>fi                 | lthough f<br>oldings as<br>he overse              | ull portfolio disclosu<br>s well as sector holdi<br>as fund. Full portfoli<br>erally with a three-m                     | re is<br>ngs a<br>o hol          | iated with investments<br>not available at the end of<br>re made available at the e<br>dings can be obtained from<br>lag i.e. March portfolio ca                            | each month, top ten<br>nd of each month for<br>underlying Overseas                                |
|   | ir<br>w<br>tl<br>ir<br>ir          | nvestmer<br>hich have<br>here exist<br>nternation | ets in overseas fund<br>e similar investment<br>ts possibility that the<br>nal fund. In such ci<br>ther international f | s: Inv<br>obje<br>ere is<br>rcum | ental attribute change ri<br>restments are made in such<br>ectives to the domestic fun<br>a change in the fundamer<br>stances, the Investment A<br>which have the same inve | n international funds,<br>Id in India. However,<br>Ital attributes of the<br>Manager will seek to |
|   | v. <i>N</i>                        | onitoring   | g overseas investme   | ent li                           | mits:   |   |
|   | c<br>li<br>a                       | ase of an<br>ke invest<br>ction to e              | adverse event the l<br>ing across other area<br>ensure that the invest  | nvest<br>s as p<br>tor i         | monitoring the overseas in<br>tment Manager may initiat<br>permitted by the scheme do<br>nterest is safeguarded.<br><b>in BGF-SEF and BGF-WEF</b>                           | e appropriate action<br>ocument or any other  |
|   | SEF and B<br>as these<br>diligence | GF-WEF<br>are inter<br>, we have<br>nanageme      | will exist. The invest<br>rnational funds mar<br>chosen funds, whic<br>ent team and are ac                              | ors s<br>aged<br>hav             | and BGF-WEF by the Sche<br>hould note that these risks<br>by BlackRock. However,<br>e long term performance t<br>ited by third party funds                                  | s cannot be defeased<br>as part of our due<br>rack record, stability                              |
|   | vii. R                             | isk mana  | gement for risk ass   | ociat                            | ed with Depository Recei  | pts   |
|   | Should th<br>investme              | ere be in<br>nt proces                            | vestments in ADRs/(   | GDRs                             | of Indian companies or for<br>Il ensure that a compreher  | eign securities, the  |
| Plans and options   |                                    |   |   |                                  |   |   |
|   | Plan                               |   | Options Available   |                                  | Sub-Option  | Income<br>Distribution cum<br>Capital Withdrawal  |
| i de la constante d |                                    |   |   |                                  |   |   |

|                |  |   |  | Frequency/Record<br>Date*   |  |  |  |  |
|----------------|--|---|--|---|--|--|--|--|
|                | Regular Plan and   | Growth  | -  |   |  |  |  |  |
|                | Direct Plan  | Income Distribution<br>cum Capital<br>Withdrawal(IDCW)  | Payout of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) &        | At the discretion of<br>Trustee   |  |  |  |  |
|                |  |   | Reinvestment of<br>Income Distribution cum<br>Capital Withdrawal<br>(IDCW) |   |  |  |  |  |
|                |  | d Date falls on a non Busi<br>the Record Date.  | ness Day, the immediate n  | ext Business Day shall  |  |  |  |  |
|                | amounts can be di  |   | ribution cum Capital Withd<br>'s capital (Equalization Res                 |   |  |  |  |  |
|                | Default Option-  |   |  |   |  |  |  |  |
|                | form. In case of va<br>etc. or where the   | Investors should indicate the name of the Scheme and/or Option, clearly in the application form. In case of valid applications received, without indicating the Scheme and/or Option etc. or where the details regarding option are not clear or ambiguous, the following defaults will be applied: |  |   |  |  |  |  |
|                | If no indication is given under the following Default  |   |  |   |  |  |  |  |
|                | Option - Growth / IDCW Growth  |   |  |   |  |  |  |  |
|                | Sub-option - Payout of IDCW /Reinvestment of IDCW Payout of 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.  |   |  |   |  |  |  |  |
|                | For more details refer SID.  |   |  |   |  |  |  |  |
| Applicable NAV | 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 the clause 8.4.6.2 of the 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.   |   |  |   |  |  |  |  |
|                | day shall be applic  | able on which the funds   | are available for utilization  |   |  |  |  |  |
|                | day shall be applic<br>size and time of re<br>Pursuant to above  | able on which the funds<br>ceipt of such applicatior  | are available for utilization.<br>y for purchase/switch-in/                | on irrespective of the  |  |  |  |  |
|                | day shall be applic<br>size and time of re<br>Pursuant to above<br>Scheme will be sub  | able on which the funds<br>ceipt of such application<br>e, the NAV applicability<br>oject to following clauses<br>purchase/subscription/  | are available for utilization.<br>y for purchase/switch-in/                | on irrespective of the<br>subscription in the   |  |  |  |  |
|                | day shall be applic<br>size and time of re<br>Pursuant to above<br>Scheme will be sub<br>1. Application for<br>off time on a E<br>2. Funds for the e<br>is credited be<br>subscription is  | able on which the funds<br>ceipt of such application<br>e, the NAV applicability<br>oject to following clauses<br>purchase/subscription/<br>Business Day.<br>entire amount of purchas<br>fore the cut-off time to<br>made.  | are available for utilization.<br>y for purchase/switch-in/<br>s:          | on irrespective of the<br>subscription in the<br>re the applicable cut-<br>as per the application<br>he Scheme in which |  |  |  |  |

|   | (a) Purchase and Switch-in   |   |
|---|--|---|
|   | Particulars  | Applicable NAV  |
|   | Where the valid application is received upto cut-<br>off time of 3.00 p.m. on a business day at the<br>official point(s) of acceptance and funds for the<br>entire amount of subscription/purchase are<br>available for utilization upto 3.00 p.m. on the<br>same Business Day.  | Closing NAV of<br>same Business Day<br>shall be applicable  |
|   | Where the valid application is received upto cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase are available for<br>utilization after 3.00 p.m. on the same Business Day<br>or on any subsequent Business Day   | subsequent<br>Business Day on<br>which the funds<br>are available for   |
|   | Where the valid application is received after cut-off<br>time of 3.00 p.m. on a business day at the official<br>point(s) of acceptance and funds for the entire<br>amount of subscription/purchase/switch-in are<br>available for utilization upto 3.00 p.m. on the same<br>Business Day.  | subsequent  |
|   | (b) Redemption and Switch-out  |   |
|   | Particulars  | Applicable NAV  |
|   | Where the valid application is received on any Business Day at the official points of acceptance of transactions upto 3.00 p.m.  |   |
|   | Where the valid application is received after 3.00 p.m.  | NAV of the next<br>Business Day.  |
| through<br>determi<br>purchas<br>conditic<br>With re<br>shall be<br>given by<br>Applica | tion through online facilities/ electronic mode: The various online facilities/electronic modes offered by ning the applicability of NAV, would be the time/sale/switch of units is received in the servers of ones of such facilities.<br>spect to investors who transact through the stock of reckoned on the basis of the time stamping as evice y stock exchange mechanism.<br>ble Net Asset Value in case of Multiple applications/the ended Schemes of the Fund: All transactions as per | the AMC, for the pu<br>me when the rec<br>AMC/RTA as per te<br>exchange, Applica<br>lenced by confirma<br>ransactions receive |

- a. All transactions received on same Business Day (as per cut-off timing and Time stamping rule).
- b. Aggregation of transactions shall be applicable to the Scheme.
- c. Transactions shall include purchases, additional purchases and exclude Switches, SIP/STP and trigger transactions.
- d. 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

|   |   |   | The principle followed for such ilation of Consolidated Account  |  |  |  |  |
|---|---|---|--|--|--|--|--|
|   |   | holding pattern is same as stated   |  |  |  |  |  |
|   |   |   | shall be clubbed. It will include<br>Plan, Direct Plan, IDCW Option,   |  |  |  |  |
|   | with the transaction in   | the name of same gua  | n guardian will not be aggregated<br>ardian. However, two or more<br>same guardian will be considered        |  |  |  |  |
|   | different business days b   | before the cut off time, the the cleared funds are  | d are available for utilization on<br>le applicable NAV shall be of the<br>available for utilization for the |  |  |  |  |
|   | and time of actual credi  | t in the Scheme's bank ac   | stomer bank accounts, the date<br>count, which could be different<br>d be considered for applicability       |  |  |  |  |
|   | <li>j. Investors are advised to<br/>funds to the Scheme's back<br/>funds to the Sch</li> |   | ctronic payment to transfer the  |  |  |  |  |
|   | on the cut off time for redemption  | redemption in one schem<br>on and payout rules shall b<br>e and the Applicable NAV                            | e and the Applicable NAV based<br>be applied. Similarly, the 'switch<br>/ based on the cut off time for      |  |  |  |  |
|   |   | received and time stamping is done after the cut-off time, the o have been received on the next Business Day. |  |  |  |  |  |
| Minimum Application   |   |   |  |  |  |  |  |
| Amount /Number of<br>Units  | Purchase  | Additional Purchase   | Redemption*  |  |  |  |  |
|   | Rs. 100/- and any amount thereafter.  | Rs. 100/- and any amount thereafter.  | N.A.   |  |  |  |  |
|   | *In case of Units held in dematerialized mode, the redemption request can be given only with DPs or on Stock exchange Platform; and only in number of Units.  |   |  |  |  |  |  |
|   | 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.  |   |  |  |  |  |  |
| Minimum installment<br>Amount for Systematic<br>Investment Plan (SIP)                                       | Rs. 100/- and any amount therea   | after   |  |  |  |  |  |
| Minimum installment<br>Amount for Systematic<br>Withdrawal Plan (SWP)/<br>Systematic Transfer Plan<br>(STP) | Rs. 100/- and any amount therea   | Rs. 100/- and any amount thereafter   |  |  |  |  |  |
| Dispatch of Repurchase<br>(Redemption) Request  | Redemption within 3 working da<br>the authorised centres of DSP M   |   | the redemption request at any of   |  |  |  |  |
|   |   |   | as prescribed by AMFI vide its ated January 16, 2023 read with   |  |  |  |  |
| L   |   |   |  |  |  |  |  |

|                                      | clause No. 14.1.3 of the SEBI Master Circular, the AMC may not be able to adhere with the timelines prescribed above.  |   |                         |   |                         |  |  |  |
|--------------------------------------|--|---|-------------------------|---|-------------------------|--|--|--|
| Benchmark Index                      | 35% BSE Oil & Gas Index + 30% BSE Metal Index + 35% MSCI World Energy 30% Buffer 10/40 Net Total Return  |   |                         |   |                         |  |  |  |
| IDCW Policy                          | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme.  |   |                         |   |                         |  |  |  |
| Name & tenure of the<br>Fund Manager | Mr. Rohit Singhania<br>Tenure: 12 Years and 04 Months (Managing this Scheme since July 2012)   |   |                         |   |                         |  |  |  |
| Name of the Trustee<br>Company       | DSP Trustee Private Limited  |   |                         |   |                         |  |  |  |
| Performance of the<br>Scheme         | (a) Compounded Ann   | ualised Returns a   | s of September          | 30, 2024  |                         |  |  |  |
|                                      | Period   | DSP Natural<br>Resources &<br>New Energy<br>Fund - Regular<br>Plan - Growth<br>Option | Composite<br>Benchmark^ | DSP Natural<br>Resources &<br>New Energy<br>Fund -<br>Direct Plan -<br>Growth<br>Option | Composite<br>Benchmark^ |  |  |  |
|                                      | Last 1 Year  | 51.23%  | 41.00%                  | 52.89%  | 41.00%                  |  |  |  |
|                                      | Last 3 Year  | 22.68%  | 25.34%                  | 24.07%  | 25.34%                  |  |  |  |
|                                      | Last 5 Year  | 26.25%  | 24.41%                  | 27.63%  | 24.41%                  |  |  |  |
|                                      | Since Inception  | 14.94%  | 9.39%                   | 19.45%  | 13.18%                  |  |  |  |
|                                      | Nav/ Index value   | 98.6470   | 437.49                  | 108.7740  | 437.49                  |  |  |  |
|                                      | Date of allotment  | 25-Apr-0  | 8                       | 03  | Jan-13                  |  |  |  |
|                                      | Note: As per the SEBI standards for performance reporting, the "since inception" returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. |   |                         |   |                         |  |  |  |
|                                      | ^35% BSE Oil & Gas Index + 30% BSE Metal Index + 35% MSCI World Energy 30% Buffer 10/40<br>Net Total Return  |   |                         |   |                         |  |  |  |
|                                      | Notes for the Benchmark- (net as expressed in INR; Normalised Values); composite return is computed assuming quarterly rebalancing.  |   |                         |   |                         |  |  |  |
|                                      | The Regular Plan and<br>their returns are expe<br>Plan.  |   |                         |   |                         |  |  |  |
|                                      | (b) Absolute Returns   | s for each financia   | al year for the l       | ast 5 years   |                         |  |  |  |

|  | 140.00% -<br>120.00% -<br>100.00% -<br>80.00% -<br>60.00% -<br>4€00% -<br>20.00% -<br>-20.00% -<br>-40.00% - |   | 83.12%                  | DSP Natural Resource<br>DSP Natural Resource<br>Composite Benchmar | es & New Energy F |                             |        |
|--|--|---|-------------------------|--|-------------------|-----------------------------|--------|
|  | -60.00% -<br>-80.00% -   |   | FY21                    | FY22   | FY23              | FY24                        |        |
|  | 30% Buffe<br>(Net & ex<br>Returns a  | er 10/40 Index NE<br>(pressed in INR) );<br>are for Direct/Regu | T<br>ular Plan u        | tals TR + 35% BSE C<br>nder Growth optior<br>e case may be, to 3   | n of the Sche     | me and computed             | l from |
| Additional Scheme<br>Related Disclosures | ,  |   | https://w               | (top 10 holdings by<br>ww.dspim.com/ma                             |                   |                             |        |
|  |  |   |                         | osure to Top 7 issue<br>neme - Not applica                         |                   | roups and sectors           | s as a |
|  |  |   |                         | Disclosure - Fort<br>andatory-disclosure                           |                   |                             | early- |
|  | iv. I  | Portfolio Turnover  | <sup>-</sup> Rate - 0.2 | 323 Times  |                   |                             |        |
| Expenses of the Scheme                   | Holding  | period from the da  | ate of allo             | tment: Nil   |                   |                             |        |
| (i) Load Structure<br>(as %age to NAV)   |  | o exit load shall b<br>Plan and vice vers                       |                         | n case of switch o   | f investment      | ts from Direct Pla          | an to  |
| (ii) Recurring Expenses                  | Slab R   | ates<br>e first Rs.500 crore                                    | as p<br>(c)             | % of daily net asse<br>er Regulation 52(6<br>%                     |                   | al TER as per<br>on 52 (6A) |        |
|  | the da   | aily net assets   |                         |  |                   |                             |        |
|  | the da   | e next Rs.250 crore<br>aily net assets                          |                         |  | 0.30%             |                             |        |
|  |  | e next Rs.1,250 cro<br>daily net assets                         | ores 1.75               | %  | 0.30%             |                             |        |

| on the next Rs.3,000 crores                                 | 1.60% | 0.30% |
|---|-------|-------|
| of the daily net assets                                     |       |       |
| on the next Rs.5,000 crores of the daily net assets         | 1.50% | 0.30% |
| On the next Rs. 40,000<br>crores of the daily net<br>assets |       |       |
| On balance of the assets                                    | 1.05% | 0.30% |

# Notes to Table:

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions..

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
- i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
- ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

c. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- d. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - iii. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - iv. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

|   | Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.  |
|---|---|
|   | *Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.   |
|   | The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.   |
|   | <b>Note:</b> Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-<br>3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated<br>March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new<br>inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A)<br>(b) till any further guidance is received from SEBI in this regard.  |
|   | Expense Structure for Direct Plan -   |
|   | Direct Plan will have lower expense ratio than Regular Plan of the Scheme. The expenses<br>under Direct Plan shall exclude the distribution and commission expenses and additional<br>expenses for gross new flows from specified cities under regulation 52(6A)(b). All fees and<br>expenses charged in a direct plan (in percentage terms) under various heads including the<br>investment and advisory fee shall not exceed the fees and expenses charged under such<br>heads in a Regular Plan. |
|   | For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund ( <u>www.dspim.com</u> ) .   |
|   | Actual expenses for the previous financial year (2023-2024):Direct Plan1.01%2.09%   |
|   | The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "Section- Annual Scheme Recurring Expenses" in the SID.  |
| Tax treatment for the<br>Investors (Unit Holders) | Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.   |
| Daily Net Asset Value<br>(NAV) Publication        | 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.   |
|   | Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. Refer relevant disclosures mentioned in the Statement of Additional Information ('SAI') available on AMC website i.e. <u>www.dspim.com</u>   |
| For Investor Grievances<br>please contact         | Name and Address of<br>Registrar         Computer Age Management Services Limited (CAMS)           Address - Computer Age Management Services Limited, No.<br>178/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>Palmgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>Website           Mebsite         -<br>https://www.camsonline.com/Investors/Support/Grievances  |

|                          | Name and Address of<br>InvestorMr. Prakash Pujari<br>Investor RelationsOfficer of DSP Mutual<br>FundDSP Asset Managers Private Limited, Natraj, Office<br>Premises No. 302, 3rd Floor, M V Road Junction. W. E.<br>Highway, Andheri (East), Mumbai - 400069, Tel.: 022 -<br>67178000 E-mail: <a href="mailto:service@dspim.com">service@dspim.com</a>  |  |  |  |  |
|--------------------------|--|--|--|--|--|
| Unit Holders Information | • Account Statements: 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 (including transaction charges paid to the distributor) 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 by mail or email 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. September/ March) on or before 21 <sup>st</sup> 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, please refer SAI.   |  |  |  |  |
|                          | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> and website of AMC viz. <a href="http://www.dspim.com">www.dspim.com</a> on or before the 10th day of succeeding month.   |  |  |  |  |
|                          | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |  |  |  |  |
|                          | 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.   |  |  |  |  |
|                          | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |  |  |  |  |
|                          | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.dspim.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year. |  |  |  |  |
|                          | In case of unit holders whose email addresses are not available with the Fund, the AMC shall send physical copies of scheme annual reports or abridged summary to those unitholders who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the scheme-wise annual report or abridged summary thereof shall be provided in the application form for new subscribers.   |  |  |  |  |
|                          | Unitholders who still wish to receive physical copies of the annual report/abridged summary notwithstanding their registration of e-mail addresses with the Fund, may indicate their option to the AMC in writing and AMC shall provide abridged summary of annual report without charging any cost. Physical copies of the report will also be available to the unitholders at the registered offices at all times. For request on physical copy refer relevant disclosures mentioned in the SAI available on AMC website i.e. www.dspim.com  |  |  |  |  |

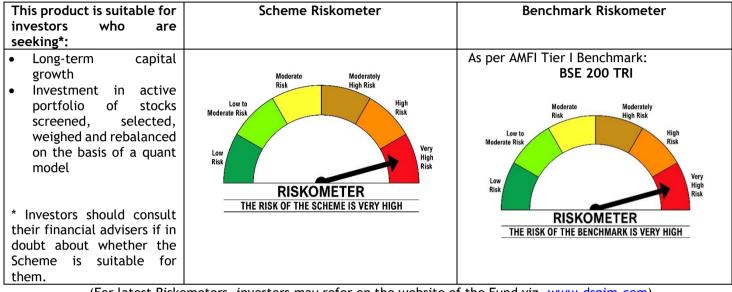
|                            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.<br>Investors are requested to register their e-mail addresses with Mutual Fund.  |
|----------------------------|---|
| 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  |
|                            | 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.   |
| Risk-o-Meter<br>Disclosure | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.  |
|                            | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                            | a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed<br>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme<br>vis-à-vis that of the benchmark is disclosed.  |
|                            | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.   |
|                            | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall<br>be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters<br>along with portfolio disclosure for their schemes on AMCs website and on AMFI website<br>within 10 days from the close of each month (For AMC Refer Link-<br><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI-<br>refer link- <u>https://www.amfiindia.com/investor-corner/online-<br/>center/riskmeterinformation</u> ).                                  |
|                            | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website ( For AMC refer link- <a href="https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) ( for AMFI - refer Link <a href="https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation">https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</a> ). |
|                            | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.  |
| Stamp Duty                 | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.  |
|                            | For further details, please refer SAI.  |



#### **KEY INFORMATION MEMORANDUM**

# DSP QUANT FUND

#### An Open Ended Equity Scheme investing based on a quant model theme



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

### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website <a href="https://www.dspim.com">www.dspim.com</a>.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 28, 2024.

| Scheme Code                                     | DSPM/O/   | E/SEC/19/01/0041   |   |   |                      |                                |               |  |
|---|---|--|---|---|----------------------|--------------------------------|---------------|--|
| Investment<br>Objective                         | The investment objective of the Scheme is to deliver superior returns as compared to the underlyin benchmark over the medium to long term through investing in equity and equity related securities. Th portfolio of stocks will be selected, weighed and rebalanced based on a quant model theme.<br>There is no assurance that the investment objective of the Scheme will be achieved. |  |   |   |                      |                                |               |  |
|   |   |  |   |   |                      |                                |               |  |
| Asset<br>Allocation<br>Pattern of<br>the Scheme | Under no<br>follows:  | rmal circumstances,  | it is anticipated that the  | asset alloc                                 | ation of             | the Scheme s                   | hall be as    |  |
|   | Instrum   |  | Indicativ<br>(% of tot  |   |                      |                                |               |  |
|   | Instru  | ments  |   | Minimum                                     |                      | )<br>Maximum                   |               |  |
|   |   |  | d instruments including   | 80%   |                      | 100%                           |               |  |
|   | deriva<br>B. Deb  | tives<br>It and money market   | instruments   | 0%  |                      | 20%                            |               |  |
|   |   | ts issued by REITs & I   |   | 0%  |                      | 5%                             |               |  |
|   | Indicativ   | e table (Actual instr  | ument/percentages may   | vary subj                                   | ect to ap            | plicable SEB                   | l circulars): |  |
|   | Sl. no  | Type of Instrument   | Percentage of exposure  | · · · · · · · · · · · · · · · · · · ·       |                      |                                |               |  |
|   | 1.  | -  | intermediary.)  | Clause 12.11 of the SEBI Master<br>Circular |                      |                                |               |  |
|   | 2.  | Derivatives  | upto 50%  | Clause 12.25 of the SEBI Master<br>Circular |                      |                                |               |  |
|   | 3.  | Equity Derivatives<br>for non- hedging<br>purposes   |   |   | Clause 1<br>Circular | 12.25 of the                   | SEBI Master   |  |
|   | 4.  | with SO / CE rating  | Upto 10% of the debt por<br>the group exposure<br>instruments shall not exc<br>the debt portfolio | in such                                     | Clause ´             | 12.3 of the                    | SEBI Master   |  |
|   | 5.  | Securitized Debt   | Nil   |   | -                    |                                |               |  |
|   | 6.  | Overseas Securities  | Nil   |   | -                    |                                |               |  |
|   | 7.  | ReITS and InVITS   | Upto 5%   |   |                      | 3 in the Seve<br>Mutual Funds) |               |  |
|   | 8.  |  | Upto 10% (upto 5%- single<br>the debt portfolio   |   |                      | 12.2 of the                    | SEBI Master   |  |
|   | 9.  | Tri-party repos  | Upto 20%  |   | -                    |                                |               |  |
|   | 10.   |  | Upto 5 % of AUM of mu<br>level  |   |                      | of the Seve<br>Mutual Funds)   |               |  |
|   | 11.   | Repo/ reverse repo<br>transactions in<br>corporate debt<br>securities,<br>Government<br>securities and T-<br>bills |   |   |                      | 12.18 of the                   | SEBI Master   |  |
|   | 12.   |  | Nil   |   | -                    |                                |               |  |

|     | Swap transactions                               |  |   |
|-----|---|--|---|
| 13. | Covered call option                             |  | Clause 12.25.8 of the SEBI Master<br>Circular                 |
| 14. | unrated debt and<br>money market<br>instruments |  | Clause 12.1 of the SEBI Master<br>Circular                    |
| 15. |   | In terms of guidelines prescribed by<br>SEBI | Regulation 45 (2) of SEBI (Mutual<br>Funds) Regulations, 1996 |
| 16. | Short Term Deposit                              |  | Clause 12.16 of the SEBI Master<br>Circular                   |

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

### Note-

# 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 Clause 12.25.2 of 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.
- g. The exposure on account of the call option written under the covered call strategy shall not be considered as exposure.
- h. The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

# Note 2-

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

### Note 3- Short Term Deposit

- 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 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. The Trustee 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.
- 7. AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of 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 Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.

#### Portfolio Rebalancing:

#### 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.

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 Clause 2.9 of the SEBI Master Circular and clarifications/ guidelines issued by AMFI / SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 Clause 2.9 of the SEBI Master Circular.

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.

| Investment<br>Strategy | What is a factor model and why do factors work and why the preference for a multi-factor approach?  |   |   |  |
|------------------------|---|---|---|--|
|                        | <ul><li>Factor strategies (also known as smart beta) today combine active and passive investing mode providing the investors with the tools to express investment preferences and philosophies in an efficient manner.</li><li>Driven primarily by underperformance and shrinking alpha particularly in the large cap space, such strategies have, in recent years, gained tremendous popularity particularly in developed markets.</li></ul> |   |   |  |
|                        |   |   |   |  |
|                        |   | Table 1: Illustrat  | tion of globally most researched factors and reasons for associated risk premia |  |
|                        | Factor  | Performance/Risk drivers  |   |  |
|                        | Growth  | <ul> <li>Premium associated with companies that have consistently delivered on Earnings growth.</li> <li>Since most of the present value of these companies comes from future cash-</li> </ul>  |   |  |
|                        |   | flows, they are most susceptible to changes in interest rates (discount rate) and the growth outlook.   |   |  |
|                        | Quality   | <ul> <li>Well run companies with high earnings visibility.</li> <li>Companies that typically avoid over leveraging and are perceived as being less risky.</li> <li>Perception of lower risk brings down cost of capital, improving margins and</li> </ul>   |   |  |
|                        | Value   | <ul> <li>increasing return on equity.</li> <li>Typically highly leveraged companies with lower ability to withstand macro shocks.</li> <li>Value premium can be viewed as a compensation for macro risk.</li> </ul>   |   |  |
|                        | Technical<br>Factors<br>(Momentum,<br>Sentiment)  | <ul> <li>Trend-based factors seek to profit from the persistence of prevailing trends in the market that are caused by psychological influences that influence investor behavior</li> <li>Sentiment analysis is used to identify the overall attitude of investors towards a particular stock or the overall market. Sentiment analysis uses published articles, reports and commentaries pertaining to certain stocks.</li> </ul>  |   |  |
|                        | Macro<br>Factors  | <ul> <li>Macroeconomic factors capture broad risks that exist across asset classes. For example:</li> <li>Economic growth - exposure to the business cycle</li> <li>Real rates - risk of interest rate movements</li> <li>Inflation - exposure to changes in prices</li> <li>Credit - default risk from lending to companies</li> </ul>   |   |  |
|                        | New factor<br>research<br>using<br>machine<br>learning  | Over the past few years, application of machine learning in the field of investmen<br>is attracting a lot of attention. A large amount of research has been conducted in<br>this area with promising results.<br>Machine learning is an umbrella term used for methods and algorithms that allow<br>machines to uncover patterns without explicit programming instructions. In the case<br>of stock selection, modelers supply a variety of factors that might help in<br>forecasting future returns and use Machine Learning Algorithms to learn which<br>factors matter and how they are related to future returns. They can uncove<br>complex patterns and hidden relationships, including non-linear and contextual<br>relationships that are often difficult or impossible to detect with linear analysis. |   |  |

Exposures to various factors can be measured in several ways using fundamental, price, macro and nontraditional data sets. The below list is not an exhaustive list. As markets evolve and data availability as well as academic research becomes more sophisticated, the universe of factors and definitions and measurements keeps evolving.

| Table 2: Example  | of commonly used descriptors for factors (this is not an exhaustive list).  |  |  |
|---|---|--|--|
| Factor  | Descriptors   |  |  |
| Growth  | <ul> <li>Historical Earnings Growth</li> <li>Estimated Consensus Earnings Growth</li> <li>Growth in revenues</li> <li>Growth in assets</li> </ul>                                   |  |  |
| Quality   | <ul> <li>Return-on-Equity (ROE)</li> <li>Earnings Growth Variability</li> <li>Return-on-Invested Capital (ROIC)</li> </ul>  |  |  |
| Value   | <ul> <li>Price/Book ratio</li> <li>Estimated FY1 Price/Earnings ratio</li> <li>Dividend Yield</li> <li>Free-Cashflow Yield</li> <li>EV/EBITDA</li> <li>Price/Sales ratio</li> </ul> |  |  |
| Momentum  | <ul> <li>12 month price returns</li> <li>6 month price returns</li> </ul>   |  |  |
| Macro Sensitivity to interest rates<br>Sensitivity to inflation |   |  |  |

The factors used in the quant model have been selected based on extensive back-tests to establish whether they have historically generated excess returns over time.

The factors are also selected such that there is a combination of factors to create a multi-factor model.

### DSP Quant Fund: Investment Strategy and Model Implementation

Our endeavor is to create an automated stock picking and weighting model that generates portfolio which maximize characteristics of the chosen factors while adhering to liquidity and risk concentration constraints.

The fund will predominantly invest in stocks from a universe of BSE 200 TRI selected based on quantitative measures like data availability, liquidity, market cap etc. Subsequently, the quant model will identify stocks within the universe that display the chosen factors such as value, quality, momentum, growth, etc. based on the quant model parameters. The model parameters may be modified as per the market regime.

### Why BSE 200 as benchmark?

The Scheme will predominantly invest in stocks selected from a universe of BSE 200. We opine that BSE 200 represents a universe of reasonably liquid, well researched companies. The vast number of active funds in the large cap space are also benchmarked to BSE 200 for the same reason.

### Importance of negative 'exclusion' criteria:

Our backtests suggest that not owning 'poorly run companies' is also a significant source of outperformance over the long term.

We narrow down the universe by applying objective criteria that excludes companies that are either very illiquid or score poorly on governance standards, excessive leverage or past drawdown behaviour or capital allocation or return metrics or on operating parameters consistently etc.

### Benefits of Multi-factor portfolio construction approach:

• We select factors based on academic research, economic rationale and based on extensive backtests to establish whether they have historically generated excess returns over time. We also try to balance out the factors such that the combination can be expected to have a balanced performance in both 'bull' and 'bear' markets.

| b<br>'(                              | ince individual factors go through phases of outperformance and underperformance over<br>usiness cycle, it is imperative for a multifactor strategy to have a mix of 'pro-cyclical' a<br>defensive' factors to have a balanced performance in different market conditions. Our final fac<br>election is also influenced by this fact.   |
|--------------------------------------|---|
|                                      | ombination of factors helps the resultant portfolio have balanced return profile across all mar<br>egimes and avoids cyclicality of performance often associated with single-factor models.   |
| Deter                                | mination of final portfolio constituents and weights:   |
|                                      | uant model will identify stocks that display the chosen factors such as value, quality, momentu<br>h, etc. based on the model parameters. The model parameters may be modified as per the mar<br>e.   |
|                                      | rocess from universe selection to portfolio construction would be largely systematic and optimiz<br>he aim of maximizing the return within prudent risk constraints.  |
|                                      | weights are primarily optimised around prudent diversification, with inputs from volation velation of portfolio churn etc.  |
|                                      | level weights in the portfolio to be capped at 10%, (avoid concentration, ensity/capacity)  |
| on th                                | ortfolio of the Scheme will be reviewed constantly and rebalanced on at least monthly basis bas<br>e output of the model. The fund manager will review, update and maintain the model on<br>ng basis and make changes as and when necessary.  |
| flexib<br>manag                      | ugh the scheme will predominantly invest in stocks as per the quant model theme, it retains t<br>ility to take some exposure beyond the theme based on the Fund manager's discretion. The Fu<br>ger may use some discretion to adapt investment rules/factors to novel market phases,<br>tion points and to manage volatility.  |
|                                      | MC may review and modify the quant model if such changes are considered to be in the b<br>est of unit holders. However, such changes shall be within the overall contours of the Investme<br>egy.   |
| Enabl                                | e writing of call options under a covered call strategy:  |
|                                      | e scheme to write call options under a covered call strategy in accordance with SEBI (Mut<br>) Regulations, 1996 and in line with clause 12.25.8 of the SEBI Master Circular.   |
| Benef                                | its of Writing of Call Option Under a Covered Call Strategy   |
| for a                                | option gives the holder (buyer) the right but not the obligation to buy an asset by a certain d<br>certain price. Covered calls are an options strategy where a person holds a long position in<br>and writes (sells) call options on that same asset.  |
| 1) Ger<br>2) Dov<br>on a s<br>be lov | crategy offers the following benefits:<br>merating additional returns in the form of option premium in a range bound market.<br>wn side protection to the extent of premium collected - Since the fund manager sells a call opt<br>tock already owned by the mutual fund scheme, the downside from fall in the stock price wo<br>ver to the extent of the premium earned from the call option.<br>a covered call strategy involves gains for unit holders in case the strategy plays out in the rigion. |
| Illustr                              | ration I - Covered Call strategy using stock call options:  |
|                                      | d manager buys equity stock of ABC Ltd. for Rs. 1000 and simultaneously sells a call option on stock at a strike price of Rs. 1100. Further. it is assumed that the scheme has earned a premi   |

of Rs. 50 and the fund manager is of the opinion that the stock price will not exceed Rs. 1100, during the expiry period of the option

Scenario 1: Stock price exceeds as 1100

The call option will get exercised and the fund manager will sell the stock to settle his obligation on the call at Rs. 1100 (earning a return of 10% on the stock purchase price. Also, since the scheme has earned a premium of Rs. 50, this has reduced the purchase cost of the stock Rs. 1000 - Rs. 50 - Rs 950. Hence, the Net Gain - Rs. 150 (Rs 100 stock appreciation + Rs 50 call option premium) (However, please note that in a scenario where the stock once reaches Rs. 1300, investment in long only equity would be more beneficial than a covered call strategy as the net gain under the covered call strategy would be Rs. 150, against a net gain of Rs. 300 under a pure long only equity strategy

### Illustration II: Stock prices stays below Rs.1100

The call option will not get exercised and will expire worthless. The premium earned on call option will generate alpha for the scheme. Hence, the Net Gain is Rs. 50

### 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 endeavor 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) Corporate Action / Event Driven Strategies:

I. IDCW Arbitrage

- At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.
- II. Buy-Back/ Open Offer Arbitrage
- When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.

- III. Merger
  - When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.
- 6) 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
- 7) 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 interest rate exposure.
- 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.

| Risk Profile<br>of the | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SIE carefully for details on risk factors before investment.  |  |  |
|------------------------|--|--|--|
| scheme                 | Scheme specific Risk Factors are summarized below:   |  |  |
|                        | <ul> <li>1) Risks associated with transacting in scheme units through stock exchange mechanism 2) Ris associated with principles of efficient portfolio management 3) Risk associated with favorable taxatio of certain scheme in India 4) Risks associated with Equity and Equity-related securities / investments 5) Risks associated with the Scheme's Model based Strategy 6) Risk associated with Securities Lendin &amp; Borrowing and Short Selling 7) Risks Associated with Trading In Equity Derivatives 8) Risks associated with investments in REITs &amp; InvITs 9) Risk Factors associated with investments in Debt Securities an Money Market Securities 10) Risk associated with investments in debt instruments having Structure-Obligations / Credit Enhancements, 11) Risk factors associated with investment (PDI), 13) Securit Concentration Risk, 14) Risks Associated with fixed income Derivatives. 15) Risk of substantia redemption, 16) Risks associated with Writing of Call Option Under a Covered Call Strategy.</li> <li>For details on risk factors and risk mitigation measures, please refer SID.</li> <li><u>Risk Mitigation Strategies</u></li> </ul> |  |  |
|                        |  |  |  |
|                        |  |  |  |
|                        | Risks associated with Equity investments:  |  |  |
|                        | i. Liquidity Risk: The liquidity risk will be managed and/or sought to be addressed by creating portfolio which has adequate access to liquidity. The Investment Manager will select securitie which have or are expected to have good secondary market liquidity. Market Liquidity Risk we 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 ar fixed income securities if any.   |  |  |
|                        | ii. <b>Concentration Risk:</b> 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 du<br>diligence and research has been performed by the Investment Manager. As not all the<br>companies are very well researched by third-party research companies, the Investme<br>Manager also relies on its own research. This involves one-to-one meetings with the<br>management of companies, attending conferences and analyst meets and also tell<br>conferences. The company- wise analysis will focus, amongst others, on the historical ar<br>current financial condition of the company, potential value creation/unlocking of value and i<br>impact on earnings growth, capital structure, business prospects, policy environment, streng<br>of management, responsiveness to business conditions, product profile, brand equity, mark<br>share, competitive edge, research, technological know- how and transparency in corporar<br>governance. The investment manager may use derivatives to hedge and limit the inherent<br>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 ensur 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<br>that the liquidity Risk is managed actively within the portfolio liquidity limits by maintaining proper<br>asset-liability match to ensure payout of the obligations. Also to ensure that the counterparty risk<br>limited the AMC will participate in stock lending only through exchange mechanism where the<br>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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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 investments in repo of corporate debt securities

|                      | The Investment Manager will endeavor to manage counterparty risk in corporate debt<br>only with counterparties having strong credit profiles or through tri-party corporate r<br>exchange platforms. The collateral risk is mitigated by restricting participation in<br>only in AA and above rated money market and corporate debt securities, whe<br>downgrade/default is low. In addition, appropriate haircuts are applied on the ma<br>underlying securities to adjust for the illiquidity and interest rate risk on the underly   |   |  |   |  |  |
|----------------------|---|---|--|---|--|--|
| Plans and<br>options | Plan  | Options Available                                       | Sub-Option   | Income Distribution<br>cum Capital<br>Withdrawal<br>Frequency/Record<br>Date* |  |  |
|                      | Regular Plan and  | Growth  | -  | -   |  |  |
|                      | Direct Plan   | Income Distribution<br>cum Capital Withdrawal<br>(IDCW) | Payout of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) &<br>Reinvestment of Income<br>Distribution cum Capital<br>Withdrawal (IDCW) | Trustee   |  |  |
|                      | Default Option-<br>Investors should indicate the name of the Scheme and/or Option, clearly in the application form. In case of valid applications received, without indicating the Scheme and/or Option etc. or where the details regarding option are not clear or ambiguous, the following defaults will be applied:  |   |  |   |  |  |
|                      | If no indication is given under the following   |   |  |   |  |  |
|                      | Option - Growth / IDCW<br>Sub-option - Payout of IDCW / Reinvestment of IDCW  |   |  | Growth<br>Payout of IDCW  |  |  |
|                      | For more details refer SID.   |   |  |   |  |  |
| Applicable<br>NAV    | Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which a value 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. Application 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 the clause 8.4.6.2 of the SEBI Master Circular, in respect of purchase of units o 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.

| Particulars  | Applicable NAV  |
|--|---|
| Where the valid application is received upto cut-off time<br>of 3.00 p.m. on a business day at the official point(s) of<br>acceptance and funds for the entire amount of<br>subscription/purchase are available for utilization upto<br>3.00 p.m. on the same Business Day.                                      | Closing NAV of same<br>Business Day shall be<br>applicable  |
| Where the valid application is received upto cut-off time<br>of 3.00 p.m. on a business day at the official point(s) of<br>acceptance and funds for the entire amount of<br>subscription/purchase are available for utilization after<br>3.00 p.m. on the same Business Day or on any subsequent<br>Business Day | Closing NAV of such<br>subsequent Business Day on<br>which the funds are<br>available for utilization<br>prior to 3.00 p.m. |
| Where the valid application is received after cut-off time<br>of 3.00 p.m. on a business day at the official point(s) of<br>acceptance and funds for the entire amount of<br>subscription/purchase/switch-in are available for<br>utilization upto 3.00 p.m. on the same Business Day.                           | Closing NAV of subsequent<br>Business Day shall be<br>applicable  |
| (b) Redemption and Switch-out  |   |
| Particulars  | Applicable NAV  |
| Where the valid application is received on any Business<br>Day at the official points of acceptance of transactions<br>upto 3.00 p.m.  | NAV of the same day   |
| Where the valid application is received after 3.00 p.m.  | NAV of the next Business<br>Day.  |

**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.

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 openended 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.

- a. All transactions received on same Business Day (as per cut-off timing and Time stamping rule).
- b. Aggregation of transactions shall be applicable to the Scheme.
- c. Transactions shall include purchases, additional purchases and exclude Switches, SIP/STP and trigger transactions.

| Account Number (PAN). In case of joint holding in folios, transactions with sim pattern will be aggregated. The principle followed for such aggregation will be applied for compilation of Consolidated Account Statement (CAS).           e. All transactions will be aggregated where investor holding pattern is same as sta no.4 above.         f. Only transactions in the same Scheme of the Fund shall be clubbed. It will include i at Plans/Options level (i.e. Regular Plan, Direct Plan, IDCW Option, Growth Optior g. Transactions in the name of minor received through guardian will not be aggregated transaction in the name of same guardian. However, two or more transactions in minor received through sugregated and are available for utilization in the case funds are received on separate days and are available for utilization or business days before the cut off time, the applicable NAV shall be of the Busine which the cleared funds are available for utilization for the respective application i. Irrespective the date and time of debit to the customer bank accounts, the date actual credit in the Scheme's bank account, which could be different due settlem the banking industry, would be considered for applicability of NAV.           j. Investors are advised to make use of digital/electronic payment to transfer the f Scheme's bank account.           Note for switching: Where there is a switch application from one scheme to another, 'Switch be treated as redemption in one scheme and the Applicable NAV based on the cut or redemption and payout rules shall be applied.           Where an application is received and time stamping is done after the cut-off time, the received on the next Business Day.           Minimum Application Amount           Rs. 100/- and any amount         Rs. 100/- and any amount           R | in folios, transactions with similar holding  |  |  |  |  |
|---|---|--|--|--|--|
| Application<br>Amount<br>/Number of<br>Units       Purchase       Additional Purchase       Redemption*         Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any<br>amount thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given only<br>on Stock exchange Platform; and only in number of Units.       Note: The minimum application amount will not be applicable for investment made in sch<br>with SEBI guidelines on Alignment of interest of Designated Employees of AMC.         Minimum<br>installment<br>Amount for<br>Systematic       Rs. 100/- and any amount thereafter   | <ul> <li>e. All transactions will be aggregated where investor holding pattern is same as stated in poin no.4 above.</li> <li>f. Only transactions in the same Scheme of the Fund shall be clubbed. It will include transaction at Plans/Options level (i.e. Regular Plan, Direct Plan, IDCW Option, Growth Option, etc).</li> <li>g. 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 minor received through same guardian will be considered for aggregation.</li> <li>h. 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 of which the cleared funds are available for utilization for the respective application amount.</li> <li>i. 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.</li> <li>j. Investors are advised to make use of digital/electronic payment to transfer the funds to the Scheme's bank account.</li> </ul> Note for switching: Where there is a switch application from one scheme to another, 'Switch out' shal 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 purchas 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. |  |  |  |  |
| Amount<br>/Number of<br>Units       Purchase       Additional Purchase       Redemption*         Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any<br>amount thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given only<br>on Stock exchange Platform; and only in number of Units.       Note: The minimum application amount will not be applicable for investment made in sch<br>with SEBI guidelines on Alignment of interest of Designated Employees of AMC.         Minimum<br>installment<br>Amount for<br>Systematic       Rs. 100/- and any amount thereafter  |   |  |  |  |  |
| /Number of<br>Units       Rs. 100/- and any amount<br>thereafter.       Rs. 100/- and any<br>amount thereafter.       N.A.         *In case of Units held in dematerialized mode, the redemption request can be given only<br>on Stock exchange Platform; and only in number of Units.       Note: The minimum application amount will not be applicable for investment made in sch<br>with SEBI guidelines on Alignment of interest of Designated Employees of AMC.         Minimum<br>installment<br>Amount for<br>Systematic       Rs. 100/- and any amount thereafter   | Redemption*   |  |  |  |  |
| on Stock exchange Platform; and only in number of Units.         Note: The minimum application amount will not be applicable for investment made in schwith SEBI guidelines on Alignment of interest of Designated Employees of AMC.         Minimum installment Amount for Systematic  | -   |  |  |  |  |
| installment<br>Amount for<br>Systematic   | Note: The minimum application amount will not be applicable for investment made in schemes in line  |  |  |  |  |
| Plan (SIP)  |   |  |  |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal<br>Plan (SWP)/<br>Systematic<br>Transfer Plan<br>(STP)   |   |  |  |  |  |
| <b>Dispatch of</b><br><b>Repurchase</b> Redemption within 3 working days of the acceptance of the redemption request at any of the centres of DSP Mutual Fund.  | redemption request at any of the authorised   |  |  |  |  |

| (Redemption)<br>Request                    | Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication<br>no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 read with clause No. 14.1.3 of the SEBI<br>Master Circular, the AMC may not be able to adhere with the timelines prescribed above.  |   |   |   |  |  |
|--|---|---|---|---|--|--|
| Benchmark<br>Index                         | BSE 200 TR  | I   |   |   |  |  |
| IDCW Policy                                |   | e reserves the right to declare<br>ion are entirely at the discre   |   |   |  |  |
| Name &<br>tenure of the<br>Fund<br>Manager |   |   |   |   |  |  |
| Name of the<br>Trustee<br>Company          | DSP Trustee   | e Private Limited   |   |   |  |  |
| Performance<br>of the Scheme               | (a) Compoun   | ded Annualised Returns as c   | •   | ·   |  |  |
|  | DSP Quant Fund - Regular BSE 200 TRI* DSP Quant Fund - BSE 200 TRI*<br>Plan - Growth Option Direct Plan -<br>Period Growth Option   |   |   |   |  |  |
|  | Last 1 33.23% 39.93% 34.20% 39.93%  |   |   |   |  |  |
|  | Last 3<br>Year  | 10.30%  | 17.67%  | 11.11%  | 17.67%   |  |
|  | Last 5<br>Year  | 17.54%  | 21.53%  | 18.40%  | 21.53%   |  |
|  | Since<br>Inception  | 17.12%  | 19.47%  | 17.99%  | 19.47%   |  |
|  | Nav/         Index         23.1550         15,209.12         24.0820         15,209.12           value         15,209.12         15,209.12         15,209.12         15,209.12         15,209.12  |   |   |   |  |  |
|  | Date of 10-Jun-19 10-Jun-19 allotment   |   |   |   |  |  |
|  | on Rs. 10/- i<br>allotment. T<br>sustained in<br>*Total Return  | the SEBI standards for perform<br>invested at inception. For the<br>"Returns" shown are for<br><b>future and should not be us</b><br>(TR) Index: Total return ind<br>les interest, capital gains, o | his purpose the<br>the growth opt<br>ed as a basis for<br>lex calculation o | inception date is dee<br>tion. Past performance<br>r comparison with oth<br>consider over a given e | med to be the date<br>te may or may not l<br>ter investments<br>evaluation period. Tot |  |
|  | return includes interest, capital gains, dividends and distributions the actual rate of return of<br>investment or a pool of investments over a given evaluation period.<br>The Regular Plan and Direct Plan under the Scheme will have a common portfolio; however, their retu<br>are expected to vary in line with the specified expense ratio under the relevant Plan.<br>All benchmark returns are computed basis Total Return Index. |   |   |   | ; however, their retur   |  |

(b) Absolute Returns for each financial year for the last 5 years

|   | $\begin{bmatrix} 120.00\% \\ 100.00\% \\ 80.00\% \\ 60.00\% \\ 0.00\% \\ -20.00\% \\ -20.00\% \\ -40.00\% \\ -20.00$ | FY22 FY23<br>neme for Growth option and  | owth %612<br>813<br>613<br>613<br>613<br>613<br>613<br>613<br>613<br>613<br>613<br>6 |
|---|--|--|--|
| Additional<br>Scheme<br>Related<br>Disclosures                            | https://www.dspim.com/mandatory-o  | andatory-disclosures/top-10-<br>op 7 issuers, stocks, groups a<br>closure - Fortnightly /<br><u>disclosures/portfolio-disclosu</u> | issuer-and-sector-allocation<br>and sectors as a percentage<br>Monthly/ Half Yearly- |
| Expenses of<br>the Scheme<br>(i) Load<br>Structure<br>(as %age to<br>NAV) | iv. Portfolio Turnover Rate - 0.4140 Tim<br>Holding period from the date of allotment: Ni<br>Note: No exit load shall be levied in case of sw<br>vice versa.   | l  | ect Plan to Regular Plan and   |
| (ii) Recurring<br>Expenses  | Slab Rates   | As a % of daily net assets as per Regulation 52(6) (c)   | Additional TER as per<br>Regulation 52 (6A) (b)^                                     |
|   | on the first Rs.500 crores of the daily net<br>assets<br>on the next Rs.250 crores of the daily net  | 2.25%<br>2.00%   | 0.30%  |
|   | assets<br>on the next Rs.1,250 crores of the daily net<br>assets   | 1.75%  | 0.30%  |
|   | on the next Rs.3,000 crores of the daily net<br>assets   | 1.60%  | 0.30%  |
|   | on the next Rs.5,000 crores of the daily net assets  | 1.50%  | 0.30%  |
|   | On the next Rs.40,000 crores of the daily net assets   | Total expense ratio<br>reduction of 0.05% for<br>every increase of Rs.5,000<br>crores of daily net assets<br>or part thereof       | 0.30%  |
|   | On balance of the assets   | 1.05%  | 0.30%  |

# Notes to Table:

<sup>^</sup>In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable

# 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 and additional expenses for gross new flows from specified cities under regulation 52(6A)(b). 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.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund (<u>www.dspim.com</u>).

Actual expenses for the previous financial year (2023-2024):

| Direct Plan | Regular Plan |
|-------------|--------------|
| 0.56%       | 1.28%        |

|   | The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "Section- Annual Scheme Recurring Expenses" in the SID.  |   |  |  |  |  |
|---|---|---|--|--|--|--|
| Tax<br>treatment<br>for the<br>Investors<br>(Unit<br>Holders) | Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.   |   |  |  |  |  |
| Daily Net<br>Asset Value<br>(NAV)                             | made available by 11 p.n  | /plans will be calculated by the Mutual Fund on each Business Day<br>n. of the same Business Day.   |  |  |  |  |
| Publication   | calling the office of the A   | s of the Scheme/plans may be obtained by the Unit Holders, on AMC or any of the Investor Service Centres at various locations. The ated on the AMFI website <u>www.amfiindia.com</u> and on <u>www.dspim.</u>   | NAV of the   |  |  |  |
|   |   | all be available to unitholders through SMS, upon receiving a spect<br>vant disclosures mentioned in the Statement of Additional Information<br>e i.e. <u>www.dspim.com</u>   |  |  |  |  |
| For Investor<br>Grievances<br>please<br>contact               | of Registrar<br>Ad<br>17<br>Pa<br>W   | omputer Age Management Services Limited (CAMS)<br>ddress - Computer Age Management Services Limited, No.<br>78/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>almgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>/ebsite -<br>ttps://www.camsonline.com/Investors/Support/Grievances   |  |  |  |  |
|   | of Investor In<br>Relations Officer of D<br>DSP Mutual Fund (E  | <b>Ir. Prakash Pujari</b><br><b>ivestor Relations Officer</b><br>SP Asset Managers Private Limited, Natraj, Office Premises<br>o. 302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri<br>East), Mumbai - 400069, Tel.: 022 - 67178000<br>-mail: <u>service@dspim.com</u>  |  |  |  |  |
| Unit Holders<br>Information                                   | sent to the Unit<br>email and/or S<br>application/trans<br>A Consolidated A<br>(including transac<br>be sent to the Ur<br>by mail or email of   | ents: Allotment confirmation specifying the number of Units allot<br>holders at their registered e-mail address and/or mobile number<br>SMS within 5 working Days from the date of receipt of<br>saction.<br>Account Statement (CAS) detailing all the transactions across all m<br>ction charges paid to the distributor) and holding at the end of the<br>hit holders in whose folio(s) transaction(s) have taken place during<br>on or before 15th of the succeeding month. However, if the invest<br>copy may request the same. | r by way of<br>the valid<br>nutual funds<br>month shall<br>g the month |  |  |  |
|   | Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable. |   |  |  |  |  |
|   | For further details, please refer SAI.  |   |  |  |  |  |
|   | the AMC shall se<br>year. The half ye<br>downloadable sp  | <b>Folio:</b> In case of unit holders whose email address are registered with<br>and half yearly portfolio via email within 10 days from the end o<br>early portfolio of the Scheme shall also be available in a user-to<br>readsheet format on the AMFI's website <u>www.amfiindia.com</u> and<br><u>spim.com</u> on or before the 10th day of succeeding month.   | f each half-<br>friendly and   |  |  |  |

|                            | Τ  |
|----------------------------|--|
|                            | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                            | 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.   |
|                            | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u><br>and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online</u><br><u>center/portfoliodisclosure</u> ) for further details.  |
|                            | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <u>www.dspim.com</u> and on the website of AMFI <u>www.amfiindia.com</u> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year.   |
|                            | In case of unit holders whose email addresses are not available with the Fund, the AMC shal<br>send physical copies of scheme annual reports or abridged summary to those unitholders who<br>have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy of the<br>scheme-wise annual report or abridged summary thereof shall be provided in the application<br>form for new subscribers.  |
|                            | Unitholders who still wish to receive physical copies of the annual report/abridged summary<br>notwithstanding their registration of e-mail addresses with the Fund, may indicate their option<br>to the AMC in writing and AMC shall provide abridged summary of annual report withou<br>charging any cost. Physical copies of the report will also be available to the unitholders at the<br>registered offices at all times. For request on physical copy refer relevant disclosures<br>mentioned in the SAI available on AMC website i.e. <u>www.dspim.com</u> |
|                            | The advertisement in this reference will be published by the Fund in all India edition of atleas two daily newspapers, one each in English and Hindi.  |
|                            | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| Payment<br>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<br>drafts/account to account transfer instructions favouring Schemes/Plans/Options other than those<br>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   |
|                            | The policy regarding reissue of repurchased units, including the maximum extent, the manner or reissue, the entity (the Scheme or the AMC) involved in the same.: Not Applicable.  |
| Risk-o-Meter<br>Disclosure | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|                            | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shal disclose the following in all disclosures, including promotional material or that stipulated by SEBI:  |
|                            | <ul> <li>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.</li> </ul>  |
|                            | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskomete of benchmark.   |
|                            |  |

|            | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ).  |
|------------|---|
|            | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <a href="https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) (for AMFI - refer Link <a href="https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation">https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</a> ). |
|            | portfolio as on the date of disclosure.   |
| Stamp Duty | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.  |
|            | For further details, please refer SAI.  |



# **KEY INFORMATION MEMORANDUM**

# DSP INDIA T.I.G.E.R. FUND

# (The Infrastructure Growth and Economic Reforms Fund)

## An open ended equity scheme following economic reforms and/or Infrastructure development theme

| This product is suitable for investors who are seeking*:  | Scheme Riskometer   | Benchmark Riskometer  |
|---|---|---|
| <ul> <li>Long-term capital growth</li> <li>Investment in equity and<br/>equity-related securities of<br/>corporates, which could<br/>benefit from structural<br/>changes brought about by<br/>continuing liberalization in<br/>economic policies by the<br/>Government and/or from<br/>continuing investments in<br/>infrastructure, both by the<br/>public and private sector</li> </ul> | Low to<br>Noderate Risk<br>Low to<br>Low to<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk<br>Risk | As per AMFI Tier I Benchmark:<br>BSE India Infrastructure TRI |
| * Investors should consult their<br>financial advisers if in doubt<br>about whether the Scheme is<br>suitable for them.   |   |   |

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

### Continuous Offer for units at NAV based prices

| 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        | Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400021 |
| Website of entities              | www.dspim.com   |

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website <a href="https://www.dspim.com">www.dspim.com</a>.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 29, 2024.

| Scheme Code                           | DSPM/O/E/SEC/04/04/0011   |   |  |                        |  |  |
|---------------------------------------|---|---|--|------------------------|--|--|
| Investment<br>Objective               | The primary investment objective of the Scheme is to seek to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of corporates, which could benefit from structural changes brought about by continuing liberalization in economic policies by the Government and/or from continuing investments in infrastructure, both by the public and private sector. |   |  |                        |  |  |
|                                       | There is  | no assurance that the investme  | nt objective of the  | Scheme                 | e will be realized.  |  |
| Asset<br>Allocation<br>Pattern of the | Under no<br>follows:  | rmal circumstances, it is anticipa  | ated that the asset a  | llocatio               | n of the Scheme shall be as  |  |
| Scheme                                | Instrum   | ents  |  |                        | tive allocations<br>otal assets)   |  |
|                                       |   |   |  | Minim                  | inimum Maximum   |  |
|                                       | fundame<br>ongoing<br>develop   | and equity related securities of<br>entals and future growth could be<br>process of economic reforms an<br>ment theme | e influenced by the<br>d/or Infrastructure   | 80%                    | 100%   |  |
|                                       |   | nd Equity related securities of of  |  | 0%                     | 20%  |  |
|                                       |   | ecuritized debt and Money Marke   | t Securities   | 0%                     | 20%  |  |
|                                       | Units is  | sued by REITs & InvITs  |  | 0%                     | 10%  |  |
|                                       | 1.<br>2.<br>3.  | Securities Lending<br>Derivatives<br>Equity Derivatives for non-  | any single intermed<br>upto 100%   | liary) A<br>C<br>A     | Clause 12.11 of the SEBI<br>Master Circular<br>Clause 12.25 of the SEBI<br>Master Circular<br>Clause 12.25 of the SEBI |  |
|                                       |   | hedging purposes  | Upto 20%   |                        | Aaster Circular  |  |
|                                       | 4.  | Securitized Debt  | •  |                        |  |  |
|                                       | 5.  | Debt Instruments with SO / CE rating  | portfolio and the g<br>exposure in<br>instruments shall<br>exceed 5% of the<br>portfolio | group A<br>such<br>not |  |  |
|                                       | 6.  | Overseas Securities   | Upto 20%   | ٨                      | Clause 12.19 of the SEBI<br>Master Circular  |  |
|                                       | 7.  | ReITS and InVITS  | Upto 10% (5% limi<br>single issuer)  | S                      | Clause 13 in the Seventh<br>Chedule of SEBI (Mutual<br>Funds) Regulations, 1996  |  |
|                                       | 8.  | Debt Instruments with special features (AT1 and AT2 Bonds)  | Upto 10% (upto<br>single issuer) of<br>debt portfolio                                    |                        | Ilause 12.2 of the SEBI<br>Master Circular   |  |
|                                       |   |   |  |                        |  |  |
|                                       | 9.  | Tri-party repos (including<br>reverse repo in T-bills and G-<br>sec)  | •  | -                      |  |  |

| 11 |                                | NIII                   |                           |
|----|--------------------------------|------------------------|---------------------------|
| 11 |                                |                        | -                         |
|    | transactions in corporate debt |                        |                           |
|    | securities                     |                        |                           |
| 12 | Credit Default Swap            | Nil                    | -                         |
|    | transactions                   |                        |                           |
| 13 | Covered call option            | Nil                    | -                         |
|    |                                |                        |                           |
| 14 | Foreign Securitized debt       | Nil                    | -                         |
|    |                                |                        |                           |
| 15 | unrated debt and money         | Upto 5% (refer Note-1) | -                         |
|    | market instruments             |                        |                           |
| 16 | Short Selling                  | In terms of guidelines | Regulation 45 (2) of SEBI |
|    | 5                              | prescribed by SEBI     | (Mutual Funds)            |
|    |                                | F                      | Regulations, 1996         |
| 17 | Short Term Deposit             | Refer Note 2           | Clause 12.16 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. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

# Note 2: Short Term Deposit

Pending deployment of funds of the Scheme shall be in terms of clause 12.16 of the SEBI Master Circular. The AMC may invest funds of the Scheme in short-term deposits of scheduled commercial banks, subject to the 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 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 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.

# **Cumulative Gross Exposure**

As per Clause 12.24 of the SEBI Master Circular, the cumulative gross exposure through equity, debt, derivative positions, Real Estate Investment Trusts (REITs), 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. 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 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.

|                        | Portfolio Rebalancing:  |
|------------------------|---|
|                        | 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 on defensive considerations as per Clause 1.14.1.2 of the SEBI Master Circular; the intention being at all times to protect the interests of the Unit Holders and the Scheme shall endeavor to rebalance the portfolio within 30 calendar days.   |
|                        | 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 Clause 2.9 of the SEBI Master Circular and clarifications/ guidelines issued by AMFI / SEBI from time to time, in the event of deviation from mandated asset allocation mentioned, 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 Clause 2.9 of the SEBI Master Circular.   |
| Investment<br>Strategy | Strategy for Equity Securities  |
|                        | It is the Investment Manager's belief that India's future GDP growth will be strongly influenced by the ongoing process of economic reforms. The economic reforms process involves structural changes in various sectors and companies, including but not restricted to, encouraging private investment, de-regulation of pricing, government aided programs and change towards private ownership. The primary objective of these initiatives is to accelerate the pace of investment and therefore attract investment capital. Increase in investment capital may result in value creation out of new investments and value unlocking out of existing investments. Such value creation could be reflected through increased corporate profits and better market capitalisation. The Mutual Fund seeks to capture this value creation potential and therefore will endeavor to participate in the likely upside to market capitalisation. With regard to economic reforms, the focus will be on companies/sectors which are likely to be affected by policy change in ownership patterns (egs. Disinvestment, increase in FDI limits, opening of business to private sector), policy change in pricing (eg. De-regulation of specific sectors) and any other change that may be initiated in future as a part of economic reforms. The government is also lining up significant spending on infrastructure, at a scale unprecedented in India's history. The planned investments are expected to increase the pace of GDP growth going forward. The Golden Quadrilateral and North South East West Corridor is the single largest example of infrastructure development, which could scale up economic growth substantially. Here the focus will be on companies/sectors which will benefit from large scale investments into infrastructure projects. Such changes, though gradual in their evolution, instill greater confidence in the minds of the investor, domestic or foreign. Such beneficial changes are catalysts, among others, for increased investor interest in the stock market as well. |
|                        | The Investment Manager will be adopting a combination of the top down approach and bottom up<br>stock selection approach. From a top down perspective, the focus would be on an analysis of key<br>policy changes, infrastructure spending, economic trends, and a sectorwise impact assessment.<br>From a bottom up perspective, the focus would be on an analysis of corporate profitability and the<br>impact of policy changes and infrastructure spending at a micro-level. The focus would be on sectors<br>and corporates which could witness significant value creation and unlocking of value on the back of<br>policy changes and infrastructure spending.  |

In picking out individual investment opportunities for the portfolio, among the defined universe eligible for investment, the Investment Manager will seek both value and growth, which are likely to emanate from the ongoing structural changes in government policy and infrastructure development.

The Investment Manager will conduct in-house research in order to identify various investment opportunities. The analysis of companies 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, market share, competitive edge, research and technological know-how.

# 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.

# **Derivative Strategies**

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 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 endeavor 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) Corporate Action / Event Driven Strategies: Ι.

**IDCW** Arbitrage

|                             | • At the time of declaration of IDCW, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the IDCW amount when the stock becomes ex-IDCW.   |
|-----------------------------|---|
|                             | <ul> <li>II. Buy-Back/ Open Offer Arbitrage</li> <li>When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.</li> </ul>  |
|                             | <ul> <li>III. Merger</li> <li>When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.</li> </ul>   |
| 6)                          | Portfolio Hedging:  |
|                             | <ul> <li>This strategy will be adopted:</li> <li>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.</li> <li>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</li> </ul> |
| 7)                          | Reverse Arbitrage:  |
|                             | • This strategy will be adopted if the cash price of a stock (say "XYZ") is reasonably greater than single stock futures of XYZ, and then the Investment Manager may sell cash position in XYZ and buy single stock futures of XYZ. In this case the Investment Manager will still be having a long-term view on the stock XYZ but is able to minimize the cost of holding of XYZ.  |
|                             | Income Derivatives  |
| 1)                          | <ul> <li>Interest Rates Swap</li> <li>The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure</li> </ul>  |
| 2)                          | <ul> <li>Interest Rate Futures (IRF)</li> <li>IRFs can be used for hedging interest rate exposure.</li> </ul>   |
| 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.  |
| disprop<br>fund m<br>pursue | tive products are leveraged instruments and can provide disproportionate gains as well as<br>portionate losses to the investor. Execution of such strategies depends upon the ability of the<br>panager to identify such opportunities. Identification and execution of the strategies to be<br>d by the fund manager involve uncertainty and decision of fund manager may not always be<br>ble. No assurance can be given that the fund manager will be able to identify or execute such<br>gies.  |
|                             | ks associated with the use of derivatives are different from or possibly greater than, the risks<br>Ited with investing directly in securities and other traditional investments  |

|                            | Portfolio Turnover<br>Portfolio turnover is defined as the lower of the aggregate value of purchases or sales, as a<br>percentage of the average corpus of the Scheme during a specified period of time. This will exclude<br>purchases and sales of money market securities.<br>The portfolio turnover in the Scheme will be a function of the inflows in the form of subscriptions<br>into the Scheme and outflows in the form of redemptions from the Scheme, as well as the market<br>opportunities available to the Investment Manager. Consequently, it is difficult to estimate with any<br>reasonable measure of accuracy, the likely turnover in the portfolio(s). It will be the endeavor of<br>the Investment Manager to keep portfolio turnover rates as low as possible. However, there are<br>trading opportunities that present themselves from time to time, where in the opinion of the<br>Investment Manager, there is an opportunity to enhance the total returns of the portfolio. The<br>Investment Manager will endeavor to balance the increased cost on account of higher portfolio<br>turnover with the benefits derived therefrom. Although the exchange-traded equity derivatives<br>contracts in India are available upto 3 months, the liquidity is predominantly in the one month<br>contracts (near month contracts).  |
|----------------------------|---|
| Risk Profile of the scheme | Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.   |
|                            | Scheme specific Risk Factors are summarized below:  |
|                            | Risk of substantial redemption, Risks associated with transacting in scheme units through stock exchange mechanism, Risk associated with principles of efficient portfolio management, Risk associated with favorable taxation of certain scheme in India, Risk factors related to Taxation of overseas investments, Risks associated with Equity and Equity-related securities / investments, Risk associated with Securities Lending & Borrowing and Short Selling, Risks Associated with Trading In Equity Derivatives, Risk Factors associated with investments in Debt Securities and Money Market Securities, Risk associated with investments in debt instruments having Structured Obligations / Credit Enhancements, Risk factors associated with investment in Tri-Party Repo, Risks associated with Overseas Securities, Risk associated with investing in underlying ETFs, Risk factors associated with investments in Perpetual Debt Instrument (PDI), Risks associated with investments in Securitized Assets, Risk of Investing in Specific Sectors, Risks associated with companies operating in Infrastructure sector and/or where economic reforms are expected, Risks associated with investments in REITS & InvITs, Risks Associated with fixed income Derivatives, Risk factors with respect to imperfect hedging using interest rate futures, Risks associated with Depository Receipts |
|                            | For details on risk factors and risk mitigation measures, please refer SID.   |
|                            | 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. <b>Concentration Risk:</b> 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. <b>Market Risk:</b> 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 Debt Securities and 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 for the reference tenors like 10 years, 5 years etc. 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.

# 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.

# Risks associated with companies operating in Infrastructure sector and/or where economic reforms are expected:

This is the primary risk in the Scheme as the investment objective is to invest in companies operating in the infrastructure sector and/or where economic reforms are expected. As government policy defines both investments in the infrastructure sector as well as policy reforms, there exists a very high policy related risk. On its part, the endeavour would be to invest in companies, where adequate due diligence has been performed by the Investment Manager. Besides using research inputs from third party research companies, the Investment Manager will also rely 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.

# 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<br>business conditions  | s prospects, policy envi<br>, etc.  | ronment, s                                   | trength of ma                              | nagement, re        | sponsiveness to                               |  |
|-------------------|---|---|--|--|---------------------|---|--|
|                   | Risk management   | for risk associated with  | Depository                                   | <b>Receipts</b>                            |                     |   |  |
|                   |   | estments in ADRs/GDRs c<br>d manager will ensure th                         |  |  |                     |   |  |
| Plans and         |   |   |  |  |                     |   |  |
| options           | Plan  | Options Available   | Sub-Optio                                    | n  | Capital With        | ribution cum<br>drawal<br><b>Record Date*</b> |  |
|                   | Regular Plan and  | Growth  | -  |  |                     |   |  |
|                   | Direct Plan   | Income Distribution<br>cum Capital<br>Withdrawal(IDCW)                      |  | of Income<br>on cum Capital<br>al (IDCW) & | At the d<br>Trustee | iscretion of                                  |  |
|                   |   |   | Reinvestn<br>Income Dis<br>Capital<br>(IDCW) | nent of<br>stribution cum<br>Withdrawal    |                     |   |  |
|                   | Default Option-<br>Investors should indicate the name of the Scheme and/or Option, clearly in the application form.<br>In case of valid applications received, without indicating the Scheme and/or Option etc. or where<br>the details regarding option are not clear or ambiguous, the following defaults will be applied:  |   |  |  |                     |   |  |
|                   | If no indication is   | s given under the follow  | ving   | Default                                    |                     |   |  |
|                   | Option - Growth   |   | 5  | Growth                                     |                     |   |  |
|                   | Sub-option - Payo   | ut of IDCW /Reinvestme  | nt of IDCW                                   | Payout of IDC                              | W                   |   |  |
|                   |   | /Unit Holder fails to men<br>n shall be processed und<br>details refer SID. |  |  |                     |   |  |
| Applicable<br>NAV | Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which a value 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 relevan 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 o the post or the courier. |   |  |  |                     |   |  |
|                   | In accordance with the clause 8.4.6.2 of the SEBI Master Circular, in respect of purchase of units or 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.

| Particulars   | Applicable NAV   |
|---|--|
| 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 upto 3.00 p.m. on the same Business Day.                                   | Closing NAV of same<br>Business Day shall be<br>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<br>subsequent Business<br>Day on which the funds<br>are available for<br>utilization prior to 3.00<br>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<br>subsequent Business<br>Day shall be applicable   |
| (b) Redemption and Switch-out   |  |
| Particulars   | Applicable NAV   |
| Where the valid 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 valid application is received after 3.00 p.m.   | NAV of the next<br>Business Day.   |

**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.

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 openended 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.

- a. All transactions received on same Business Day (as per cut-off timing and Time stamping rule).
- b. Aggregation of transactions shall be applicable to the Scheme.

| r   |  |   |  |  |  |  |
|---|--|---|--|--|--|--|
|   | <ul> <li>c. Transactions shall includ<br/>and trigger transactions.</li> </ul>   | e purchases, additional p   | purchases and exclude Switches, SIP/STP  |  |  |  |
|   | d. Aggregation of transactions shall be done on the basis of investor/s/Unit Holder/s<br>Permanent Account Number (PAN). In case of joint holding in folios, transactions with similar<br>holding pattern will be aggregated. The principle followed for such aggregation will be<br>similar as applied for compilation of Consolidated Account Statement (CAS). |   |  |  |  |  |
|   |  | •   | holding pattern is same as stated in point   |  |  |  |
|   |  |   | Fund shall be clubbed. It will include<br>Plan, Direct Plan, IDCW Option, Growth   |  |  |  |
|   | the transaction in the na  | me of same guardian. Ho   | igh guardian will not be aggregated with<br>wever, two or more transactions in folios<br>considered for aggregation.   |  |  |  |
|   | business days before the   | cut off time, the applical  | d are available for utilization on different<br>ble NAV shall be of the Business day/s on<br>on for the respective application amount.   |  |  |  |
|   | of actual credit in the S  | cheme's bank account, w   | tomer bank accounts, the date and time<br>which could be different due settlement<br>f for applicability of NAV.   |  |  |  |
|   |  | - · ·   | onic payment to transfer the funds to the  |  |  |  |
|   | shall be treated as redemption ir<br>redemption and payout rules shal<br>and the Applicable NAV based on<br>in' scheme related rules shall be  | one scheme and the App<br>Il be applied. Similarly, th<br>the cut off time for purcha<br>e applied. Where an appl | rom one scheme to another, 'Switch out'<br>dicable NAV based on the cut off time for<br>he 'switch in' shall be treated as purchase<br>ase and realization of funds by the 'switch<br>dication is received and time stamping is<br>have been received on the next Business |  |  |  |
| Minimum   |  |   |  |  |  |  |
| Application<br>Amount<br>/Number of   | Purchase   | Additional Purchase   | Redemption*  |  |  |  |
| Units   | Rs. 100/- and any amount thereafter.   | Rs. 100/- and any amount thereafter.  | N.A.   |  |  |  |
|   | *In case of Units held in demate<br>or on Stock exchange Platform; a   |   | ption request can be given only with DPs<br>ts.  |  |  |  |
|   | Note: The minimum application line with SEBI guidelines on Aligr   |   | cable for investment made in schemes in nated Employees of AMC.  |  |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Investment<br>Plan (SIP)                | Rs. 100/- and any amount thereafter  |   |  |  |  |  |
| Minimum<br>installment<br>Amount for<br>Systematic<br>Withdrawal<br>Plan (SWP)/<br>Systematic | Rs. 100/- and any amount therea  | fter  |  |  |  |  |
| Transfer Plan<br>(STP)  |  |   |  |  |  |  |

| Dispatch of<br>Repurchase<br>(Redemption) | Redemption within 3 authorised centres of   | DSP Mutual Fund.  |  |   |  |            |
|---|---|---|--|---|--|------------|
| Request                                   | Investor may note tha<br>no. AMFI/ 35P/ MEM-<br>SEBI Master Circular,   | COR/ 74 / 2022-23   | dated January 16,                        | 2023 read wi  | th clause No. 14.                        | 1.3 of the |
| Benchmark<br>Index                        | BSE India Infrastructure TRI  |   |  |   |  |            |
| IDCW Policy                               | The Trustee reserves the right to declare a IDCW and the actual distribution thereof and the frequency of distribution are entirely at the discretion of the Trustee. For more details refer the SID of the Scheme. |   |  |   |  |            |
| Name &<br>tenure of the<br>Fund Manager   | Mr. Charanjit Singh<br>Tenure: 3 Years and 10 Months (Managing this Scheme since January 2021)  |   |  |   |  |            |
| Name of the<br>Trustee<br>Company         | DSP Trustee Private   | Limited   |  |   |  |            |
| Performance of<br>he Scheme               | (a) Compounded Ann  | ualised Returns as  | of September 30,                         | 2024  |  |            |
|   | Period  | DSP India<br>T.I.G.E.R. Fund -<br>Regular Plan -<br>Growth option | BSE India<br>Infrastructure<br>Index TRI | DSP India<br>T.I.G.E.R.<br>Fund -<br>Direct<br>Plan -<br>Growth<br>option | BSE India<br>Infrastructure<br>Index TRI |            |
|   | Last 1 Year   | 63.79%  | 85.49%                                   | 65.30%  | 85.49%                                   |            |
|   | Last 3 Year   | 34.61%  | 40.89%                                   | 35.79%  | 40.89%                                   |            |
|   | Last 5 Year   | 30.82%  | 35.14%                                   | 31.84%  | 35.14%                                   |            |
|   |   | 10 1001   |  | 19.39%  |  |            |
|   | Since Inception   | 19.10%  |  |   |  |            |
|   | Nav/ Index value  | 348.4500  | 1,002.58                                 | 375.6730  | 1,002.58                                 |            |
|   | •   |   | ,  | 375.6730  | 1,002.58<br>•Jan-13                      |            |

| Additional         Additional  |             |
|--|-------------|
| 100.00%       - </th <th></th>   |             |
| 80.00%       0 <th></th>   |             |
| 40.00%        |             |
| 20.00%       - <th></th>   |             |
| Image: 0.00%       Image: 0.00% <td< th=""><th></th></td<> |             |
| Image: 0.00%       Image: 0.00% <td< th=""><th></th></td<> |             |
| -40.00%       -40.00%       -60.00%       -60.00%       -60.00%       -60.00%       -70.00%  |             |
| -00.00%       -80.00%         -80.00%       FY20         FY20       FY21         FY22       FY23         Returns are for Direct/Regular Plan of the scheme for Growth option and computed from the dat         Allotment/1st April, as the case may be, to 31st March of the respective financial year         Additional  |             |
| -00.00%       -80.00%         -80.00%       FY20         FY20       FY21         FY22       FY23         Returns are for Direct/Regular Plan of the scheme for Growth option and computed from the dat         Allotment/1st April, as the case may be, to 31st March of the respective financial year         Additional  |             |
| FY20       FY21       FY22       FY23       FY24         Returns are for Direct/Regular Plan of the scheme for Growth option and computed from the dat Allotment/1st April, as the case may be, to 31st March of the respective financial year         Additional  |             |
| Allotment/1st April, as the case may be, to 31st March of the respective financial year           Additional   |             |
|  | e of:       |
| Scheme       i.       Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards varial sectors) - <a href="https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sectors">https://www.dspim.com/mandatory-disclosures/top-10-issuer-and-sectors</a> Disclosures       ii.       Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percent of NAV of the scheme - Not applicable   | <u>tor-</u> |
| iii. Website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yea<br><u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u>   | rly-        |
| iv. Portfolio Turnover Rate - 0.3782 Times   |             |
| Expenses of<br>the Scheme       Holding period from the date of allotment:   |             |
| <pre>(i) Load<br/>Structure =&gt; 12 month - Nil</pre>   |             |
| (as %age to<br>NAV)<br>Note: No exit load shall be levied in case of switch of investments from Direct Plan to Regular F<br>and vice versa.  | lan         |
| (ii) Recurring<br>ExpensesSlab RatesAs a % of daily net<br>assets as per<br>Regulation 52(6)<br>(c)Additional<br>TER as per<br>Regulation<br>52 (6A) (c)^Additional<br>regulation<br>6Additional<br>TER as per<br>Regulation<br>52 (6A) (c)^   |             |
| on the first Rs.500 crores of 2.25% 0.05% 0.30%  |             |
| on the next Rs.250 crores of<br>the daily net assets2.00%0.05%0.30%  |             |

| on the next Rs.1,250 crores of the daily net assets     | 1.75%  | 0.05% | 0.30% |
|---|--|-------|-------|
| on the next Rs.3,000 crores of the daily net assets     | 1.60%  | 0.05% | 0.30% |
| on the next Rs.5,000 crores of the daily net assets     | 1.50%  | 0.05% | 0.30% |
| On the next Rs.40,000 crores<br>of the daily net assets | Total expense<br>ratio reduction of<br>0.05% for every<br>increase of<br>Rs.5,000 crores of<br>daily net assets or<br>part thereof | 0.05% | 0.30% |
| On balance of the assets                                | 1.05%  | 0.05% | 0.30% |

# Notes to Table:

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may also charge the following to the Scheme of the Fund under Regulation 52 (6A):

a. Brokerage and transaction costs which are incurred for the purpose of execution of trade up to 0.12 per cent of trade value in case of cash market transactions and 0.05 per cent of trade value in case of derivatives transactions.

It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

- b. Additional expenses up to 0.30 per cent of daily net assets of the concerned Schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - i. 30 per cent of gross new inflows from retail investors\* in the concerned Scheme, or;
  - ii. 15 per cent of the average assets under management (year to date) of the concerned Scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned Scheme shall be charged on proportionate basis.

\* Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investors.

The additional expenses charged shall be utilized for distribution expenses incurred for bringing inflows from such cities. The additional expense charged to the Scheme on account of inflows from such cities shall be credited back to the concerned Scheme in case such inflows are redeemed within a period of one year from the date of investment.

**Note:** Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

- c. Additional expenses not exceeding 0.05 % of daily net assets of the scheme as per Regulation 52(6A)(c). Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable
- Expense Structure for Direct Plan -

|   | Direct Plan shall exclu<br>new flows from specifi<br>plan (in percentage te<br>exceed the fees and e   | lower expense ratio than Regular Plan of the Scheme. The expenses und<br>de the distribution and commission expenses and additional expenses for gro<br>ied cities under regulation 52(6A)(b). All fees and expenses charged in a dire<br>erms) under various heads including the investment and advisory fee shall n<br>xpenses charged under such heads in a Regular Plan.<br>Int expenses being charged, the investor should refer to the website of the<br>pim.com).   | oss<br>ect<br>not              |  |  |
|---|--|--|--------------------------------|--|--|
|   | Actual expenses for the previous financial year (2023-2024):Direct PlanRegular Plan1.17%2.05%  |  |                                |  |  |
|   | The maximum limit of recurring expenses that can be charged to the Scheme would be as per<br>Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "Section- Annual<br>Scheme Recurring Expenses" in the SID.   |  |                                |  |  |
| Tax treatment<br>for the<br>Investors (Unit<br>Holders) | Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.  |  |                                |  |  |
| Daily Net Asset<br>Value (NAV)<br>Publication           | The NAVs of the Scheme/plans will be calculated by the Mutual Fund on each Business Day and will be made available by 11 p.m. of the same Business Day.<br>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 <a href="https://www.amfiindia.com">www.dspim.com</a> .<br>Latest available NAVs shall be available to unitholders through SMS, upon receiving a specific request in this regard. Refer relevant disclosures mentioned in the Statement of Additional Information ('SAI') available on AMC website i.e. <a href="https://www.dspim.com">www.dspim.com</a> |  |                                |  |  |
| For Investor<br>Grievances<br>please contact            | Name and Address<br>of Registrar<br>Name and Address<br>of Investor<br>Relations Officer of<br>DSP Mutual Fund   | Computer Age Management Services Limited (CAMS)<br>Address - Computer Age Management Services Limited, No.<br>178/10 Kodambakkam High Road, Ground floor, Opp. Hotel<br>Palmgrove, Nungambakk, Chennai, Tamil Nadu 600034.<br>Website -<br>https://www.camsonline.com/Investors/Support/Grievances<br>Mr. Prakash Pujari<br>Investor Relations Officer<br>DSP Asset Managers Private Limited, Natraj, Office Premises<br>No. 302, 3rd Floor, M V Road Junction. W. E. Highway, Andheri<br>(East), Mumbai - 400069, Tel.: 022 - 67178000<br>E-mail: service@dspim.com |                                |  |  |
| Unit Holders<br>Information                             |  |  | /ay<br>lid<br>ual<br>he<br>ace |  |  |

|                    | -  |
|--------------------|--|
|                    | Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on<br>or before 21st day of succeeding month, to all investors providing the prescribed details<br>across all schemes of mutual funds and securities held in dematerialized form across demat<br>accounts, if applicable.   |
|                    | For further details, please refer SAI.   |
|                    | • Half yearly Portfolio: In case of unit holders whose email address are registered with the Fund, the AMC shall send half yearly portfolio via email within 10 days from the end of each half-year. The half yearly portfolio of the Scheme shall also be available in a user-friendly and downloadable spreadsheet format on the AMFI's website <u>www.amfiindia.com</u> and website of AMC viz. <u>www.dspim.com</u> on or before the 10th day of succeeding month.   |
|                    | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                    | 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.   |
|                    | Refer to AMC website ( <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> and AMFI website ( <u>https://www.amfiindia.com/investor-corner/online-center/portfoliodisclosure</u> ) for further details.   |
|                    | • Annual Report : Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.amfiindia.com">www.dspim.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> Annual Report or Abridged Summary will also be sent by way of e-mail to the investor's who have registered their email address with the Fund not later than four months from the date of the closure of the relevant financial year i.e. March 31 each year. |
|                    | In case of unit holders whose email addresses are not available with the Fund, the AMC shall<br>send physical copies of scheme annual reports or abridged summary to those unitholders<br>who have 'opted-in' to receive physical copies. The opt-in facility to receive physical copy<br>of the scheme-wise annual report or abridged summary thereof shall be provided in the<br>application form for new subscribers.   |
|                    | Unitholders who still wish to receive physical copies of the annual report/abridged summary<br>notwithstanding their registration of e-mail addresses with the Fund, may indicate their<br>option to the AMC in writing and AMC shall provide abridged summary of annual report<br>without charging any cost. Physical copies of the report will also be available to the<br>unitholders at the registered offices at all times. For request on physical copy refer relevant<br>disclosures mentioned in the SAI available on AMC website i.e. <u>www.dspim.com</u>  |
|                    | The advertisement in this reference will be published by the Fund in all India edition of atleast two daily newspapers, one each in English and Hindi.   |
|                    | Investors are requested to register their e-mail addresses with Mutual Fund.   |
| Payment<br>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   |
|                    | 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.  |

| Risk-o-Meter<br>Disclosure | In accordance with SEBI circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024, in addition to the existing labels relating to levels of risk i.e. Low, Low to Moderate, Moderate, Moderately High, High and Very High, the Risk-o-meter shall also be depicted using a colour scheme.   |
|----------------------------|--|
|                            | In accordance with clause 5.16.1 of the SEBI Master Circular, AMC based on internal assessment shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:   |
|                            | <ul> <li>a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed</li> <li>b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.</li> </ul>  |
|                            | The portfolio disclosure shall also include the scheme risk-o-meter, name of benchmark and riskometer of benchmark.  |
|                            | Further, as per clause 17.4.1.i and 17.4.1.j of the SEBI Master Circular, Risk-o-meters shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meters along with portfolio disclosure for their schemes on AMCs website and on AMFI website within 10 days from the close of each month (For AMC Refer Link- <u>https://www.dspim.com/mandatory-disclosures/portfolio-disclosures</u> ) and (For AMFI- refer link- <u>https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation</u> ).   |
|                            | Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on AMCs website and AMFI website (For AMC refer link- <a href="https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) (for AMFI - refer Link <a href="https://www.amfiindia.com/investor-corner/online-center/riskmeterinformation">https://www.dspim.com/mandatory-disclosures/annual-risk-o-meter-disclosure</a> ) (center/riskmeterinformation ). |
|                            | Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.   |
| Stamp Duty                 | Mutual fund units issued against Purchase transactions would be subject to levy of stamp duty @ 0.005% of the amount invested.   |
|                            | For further details, please refer SAI.   |

|   |   |                                 |  | S TRANSACTIO   |  | FINANCIAL<br>TRANSACTIONS   |
|---|---|---------------------------------|--|--|--|---|
| unused Sections of t<br>Distributor / RIA | the Form to avoid misuse. Please<br>A / PMRN Name and                       |                                 | on Form for each Transactio<br>Sub Broker/Bran | FILIN (Refer note  | d Kindly refer Instructions overle   |   |
| ARN                                       | I / Code  |                                 | Internal Co                                    |  |  |   |
| l/We confirm tha                          | at the EUIN box is intentiona   | ally left blank by me           | /us as this is an "execu                       | ition-only" transaction witho                                    | ut any interaction or advice   | by the distributor personnel concerne   |
| ission shall be paid direct               | tly by the investor to the AMFI registered [                                | Distributors based on the inves | tors' assessment of various factors i          | including the service rendered by the distril                    | butor.   |   |
| isting Folio Num                          | • •   | Name of Sole /                  |  |  |  |   |
|   |   |                                 |  |  |  |   |
|   |   |                                 |  | FORMATION, AMBIGUITY OR<br>in case of single scheme / scheme wis |  |   |
| eque/VV snould be in                      |   | an/Option/Sub O                 |  | Amount   | (₹) Fayment  | Mode:<br>Facility (One Time Mandate)  |
| 1. DSP -                                  | Scheme  | Plan                            | Option/Sub Op                                  | otion  | Chequ  | ue 🗌 DD 🔲 RTGS  |
| 2. DSP -                                  | Scheme  | Plan                            | Option/Sub Op                                  | otion  |  | Funds transfer CAMS OTN<br>ue/DD/RTGS/NEFT Details:   |
| 3. DSP -                                  | Scheme  | Plan                            | Option/Sub Op                                  | otion  | Ref. No  |   |
| Total                                     | Amount in words   |                                 |  | Amount in F  |  | d / m m / y y y y<br>es, if any   |
| Payment from Ba                           | ank A/c No.   | Pay In A/c No                   | ).   | A/c. Type Savings  | Current NRE NRO  | , , , , , , , , , , , , , , , , , , ,   |
| Bank Name & Bi                            | ranch   |                                 |  |  |  |   |
|   | ched to avoid Third Party Pa  | avment Rejection                |  | Bank Certificate for DD  | Third Party Declarations   |   |
|   | Write Scheme Name, Plar   | , , ,                           |  |  |  | / Option / Sub Option below)  |
| neme Name/Pla                             |   |                                 | option below)                                  | Schome Name/Blan/  | DSP -  |   |
| tion*/Sub Optic                           | on*   |                                 |  | Option*/Sub Option*  |  |   |
| ount in Figure                            | es Amount in Wor  | ds                              |  | Amount in Figures<br>Rs.   | Amount in Words  |   |
| (Please note that                         | t the Redemption can be done  | either in Units or in a         | Amount and not in both)                        |  |  | Units or in Amount and not in both)   |
| its in Figures                            | Units in Words  |                                 |  | Units in Figures   | Units in Words   |   |
|   |   |                                 |  | Switch-in To Scheme / Pla  | an / Option* / Sub Option*   |   |
|   | for This Redemption P   |                                 |  | DSP  |  |   |
| 5   | nk Mandate" request. Refer<br>demption proceeds should be sent              |                                 | ,  | PAN AND KYC UPDAT  | TION   | KYC LETTER  |
|   | ith the fund or to the default bar  |                                 |  | Sole / First Applicant /<br>Guardian                             |  | Attached  |
| ink Name                                  |   |                                 |  | Second Applicant /<br>Guardian                                   |  | Attached  |
| count No.                                 |   |                                 |  | Third Applicant /<br>Guardian                                    |  | Attached  |
|   | gistered bank account will not be<br>ors should avail multiple bank a       |                                 |  |  | ev) REGISTRATION DETAIL  | <b>.S</b> (Refer Instructions overleaf)   |
| •   | nis purpose. If unit holder(s) prov<br>st (with or without necessary sup    | •                               |  | Name of the<br>PoA holder  |  |   |
|   | ment of redemption proceeds and   |                                 |  | PAN of the PoA holder  |  |   |
| fault Option may                          | be applied in case of no inf  | formation, ambiguity            | or discrepancy.                                | Attached 🗌 KYC Letter (Ma  | andatory) 🗌 Notarized copy of  | Poa 🔲 Fatca   |
| CLARATION &                               | SIGNATURES  | , ,                             |  |  | (To  | be signed as per Mode of Holding  |
|   |   | rmation Document and Sta        | tement of Additional Informati                 | ion, Key Information Memorandum, In                              | nstructions and addenda issued by DS   | P Mutual Fund, I / We, hereby apply to the Truste   |
| igned for the purpose                     | of contravention or evasion of any<br>r gifts directly or indirectly in mak | Act, Regulation, Rule, No       | tification, Directions or any ot               | her applicable laws enacted by the (                             | Government of India or any Statutory<br>m of trail commission or any other r | P Mutual Fund, I / We, hereby apply to the Truste<br>heme is through legitimate sources only and is n<br>/ Authority. I / We have neither received nor bee<br>node), payable to him for the different competin<br>nality. |
| emes of various Mutual                    | al Funds from amongst which the So<br>mentioned: I/We hereby confirm the    | cheme is being recommen         | ded to me/us. Applicable to N                  | IRIs only: I/We confirm that I am/We                             | are Non-Resident(s) of Indian Natio  | nality.<br>dvice by the employee/relationship manager/sal   |
| son of the above distri                   | ibutor or notwithstanding the advice  | of in-appropriateness, if a     | iny, provided by the employee/                 | relationship manager/sales person of                             | the distributor and the distributor ha                                       | is not charged any advisory fees on this transactio   |
|   |   |                                 |  |  |  |   |
|   |   |                                 |  |  |  |   |
| Colo / F                                  | Time Unit Holdon  | (                               | l llait llaldau                                | Third Hole   |  | DOA Halder if any   |
| Sole / F                                  | First Unit Holder<br>   | Second                          | I Unit Holder                                  | Third Unit   |  | POA Holder, if any  |
|   | GEMENT SLIP   |                                 |  |  |  | DSP MUTUAL FUN  |
|   |   | be processed in case of inco    | mplete / ambiguous / improper                  | / incorrect details in Transaction Form.                         | Redemption or  |   |
| Investor Name                             |   |                                 |  |  | Amount (Rs.)   |   |
| olio Number                               |   |                                 | Additional Purcha                              | ase  | OR Units   |   |
| olio Number                               |   |                                 |  |  | PAN and KYC Updati   | on  |
| cheme/s                                   |   |                                 | Total Amount (Rs.)                             |  | PoA Registration   | STP or SWP or IDCW T  |
|   |   |                                 |  |  |  |   |
|   |   |                                 |  |  |  |   |
|   |   |                                 |  |  | ISC S  | tamp & Signature  |

Website : www.dspim.com | E-mail : service@dspim.com | Contact Centre: 1800-208-4499 / 1800-200-4499

# STP / SWP / IDCW TP

| Distributor / RIA / PMRN Name and AR   |   | 511750  | P / IDCW TP  |  |   |
|--|---|---|--|--|---|
|  | N / Code Sub Broker Name  | and ARN Branch/RM Internal  | Code Employee Unique I   | D. No. (EUIN) Fo   | r Office use only   |
|  |   |   |  |  |   |
| Name of Sole / First Unitholder  | (Leave space between fir  | st / middle / last name) 🗌 M  | r. □Ms. □M/s. □(   | Others Folio Nu  | mber  |
| I/We confirm that the EUIN box is<br>without any interaction or advice<br>Commission shall be paid directly by it  | e by the distributor personne   |   |  |  |   |
| assessment of various factors includin   |   |   | estors   |  |   |
|  |   |   |  |  | cant's Signature Mandatory  |
| SYSTEMATIC TRANSFER P<br>STP from Scheme/Plan/Option <sup>3</sup>  |   | low 7 days to register STP  |  | THDRAWAL PLAN (SWP) (Pleas<br>/Plan/Option*/Sub Option   | se allow 7 days to register SWP)  |
| DSP  | PLAN  | OPTION  | DSP  | PLAN   | OPTION  |
| STP to Scheme/Plan/Option*/So<br>DSP   | ub Option<br>PLAN   | OPTION  | Withdrawal   | $\Box$ Fixed Sum of Rs.  | (Minimum Rs.100/-)  |
| Transfer Fixed Su  |   | (Minimum Rs.100/-   | Amount   | □ Capital Appreciation, subject  | to Minimum of Rs.100/-  |
| Amount   | Appreciation, subject to Mi   | () · · · · · · · · · · · · · · · · · · ·  | )<br>Withdrawal Date   | D D Any date (1st* to 31st   | ;)  |
| Frequency (✓ Tick any one)   | Days/Dates (√ Tick  | any one)  | Frequency  | □ Monthly* □ Quarterly   |   |
| 🗆 Daily  | All Business days   |   | Withdrawal Period  |  | Y To D D / M M / Y Y  |
| Weekly   | Mon* Tue  | 🗆 Wed 🔲 Thu 🗌 Fri   | (Period to cover - minimu<br>6 SWP transactions)   |  |   |
| Monthly*     Quarterly   | D D Any da  | te (1 <sup>st*</sup> to 31 <sup>st</sup> )  | Please mention any of th<br>will be credited to the d<br>Bank Name   |  | for Payout. If no details are mentioned payout  |
| 6 STP transactions)  | D / M M / Y Y   | To D D / M M / Y Y  | Bank Account No.   |  |   |
| Investments done in schemes t<br>and the load structure for SIP  |   | ed as investments through SIF   |  | ate may be applied in case of no   | information, ambiguity or discrepancy.  |
| IDCW TRANSFER PLAN (PL   | lease allow 7 days to   | register Income Distributio   | •  | drawal (IDCW) Transfer Plan)   | internation, ambiguity of discrepancy   |
|  |   |   | in cam capital main  |  |   |
| (Disease mention complete Cab  | ama Dian G Ontian)  |   |  |  |   |
| (Please mention complete Sch<br>Source Scheme (From where I<br>is to be transferred)   |   | Capital Withdrawal (IDCW)   | <b>Target Scheme</b> (Fro<br>is to be transferred)   | om where Income Distribution cum   | Capital Withdrawal (IDCW)   |
| Source Scheme (From where I  |   | Capital Withdrawal (IDCW)   | <b>.</b> (   |  | Capital Withdrawal (IDCW)<br>OPTION   |
| Source Scheme (From where I<br>is to be transferred)<br>DSP  | ncome Distribution cum (<br>PLAN To   |   | is to be transferred)  | PLAN   | OPTION  |
| Source Scheme (From where I<br>is to be transferred)<br>DSP<br>DECLARATION & SIGNATURE<br>Having read and understood the contents of<br>of DSP Mutual Fund for Units of the relevan<br>designed for the purpose of contravention or  | ncome Distribution cum (<br>PLAN To<br>S<br>the Scheme Information Docume<br>t Scheme and agree to abide by<br>evasion of any &ct. Requirition. F   | OPTION<br>Int and Statement of Additional Informati<br>the terms and conditions, rules and regu   | is to be transferred) DSP on, Key Information Memorand lations of the Scheme. I / We   | PLAN<br>(To I<br>lum, Instructions and addenda issued by DSP<br>declare that the amount invested in the Sch<br>Government of India or any Statutory Authori  |   |
| Source Scheme (From where I<br>is to be transferred)<br>DSP<br>DECLARATION & SIGNATURE:<br>Having read and understood the contents of<br>of DSP Mutual Fund for Units of the relevan<br>designed for the purpose of contravention or<br>by any rebate or gifts, directly or indirectly<br>Mutual Funds from amongst which the Scher<br>If EUIN is left blank/not mentioned; I/We h | ncome Distribution cum (<br>PLAN To<br>S<br>the Scheme Information Docume<br>t Scheme and agree to abide by<br>evasion of any Act, Regulation, F<br>in making this investment. The AR<br>he is being recommended to me/<br>ereby confirm that the EUIN box                                      | OPTION<br>ent and Statement of Additional Informati<br>the terms and conditions, rules and regu<br>tule, Notification, Directions or any other<br>Notder has disclosed to me/us all the cc<br>us. Applicable to NRIs only: I/We confirm<br>has been intentionally left blank by me/ | is to be transferred)<br>DSP<br>on, Key Information Memorand<br>lations of the Scheme. I / We<br>applicable laws enacted by the<br>minisions (in the form of trail<br>that I am/We are Non-Residen<br>us as this is an "execution-onl                                  | CTO I<br>Um, Instructions and addenda issued by DSP<br>declare that the amount invested in the Sch<br>Government of India or any Statutory Authori<br>commission or any other mode), payable to hi<br>t(s) of Indian Nationality.<br>y" transaction without any interaction or adv | OPTION<br>De signed as per Mode of Holding)<br>Mutual Fund, 1 / We, hereby apply to the Trustee<br>eme is through legitimate sources only and is not<br>ty. 1 / We have neither received nor been induced<br>im for the different competing Schemes of various<br>vice by the employee/relationship manager/sales |
| Source Scheme (From where I<br>is to be transferred)<br>DSP<br>DECLARATION & SIGNATURE:<br>Having read and understood the contents of<br>of DSP Mutual Fund for Units of the relevan<br>designed for the purpose of contravention or<br>by any rebate or gifts, directly or indirectly<br>Mutual Funds from amongst which the Scher<br>If EUIN is left blank/not mentioned; I/We h | ncome Distribution cum (<br>PLAN To<br>S<br>the Scheme Information Docume<br>t Scheme and agree to abide by<br>evasion of any Act, Regulation, F<br>in making this investment. The AR<br>he is being recommended to me/<br>ereby confirm that the EUIN box                                      | OPTION<br>ent and Statement of Additional Informati<br>the terms and conditions, rules and regu<br>tule, Notification, Directions or any other<br>Notder has disclosed to me/us all the cc<br>us. Applicable to NRIs only: I/We confirm<br>has been intentionally left blank by me/ | is to be transferred)<br>DSP<br>on, Key Information Memorand<br>lations of the Scheme. I / We<br>applicable laws enacted by the<br>minisions (in the form of trail<br>that I am/We are Non-Residen<br>us as this is an "execution-onl                                  | CTO I<br>Um, Instructions and addenda issued by DSP<br>declare that the amount invested in the Sch<br>Government of India or any Statutory Authori<br>commission or any other mode), payable to hi<br>t(s) of Indian Nationality.<br>y" transaction without any interaction or adv | OPTION<br>be signed as per Mode of Holding)<br>Mutual Fund, I / We, hereby apply to the Trustee<br>eme is through legitimate sources only and is not<br>ty, I / We have neither received nor been induced<br>im for the different competing Schemes of various  |
| Source Scheme (From where I<br>is to be transferred)<br>DSP<br>DECLARATION & SIGNATURE:<br>Having read and understood the contents of<br>of DSP Mutual Fund for Units of the relevan<br>designed for the purpose of contravention or<br>by any rebate or gifts, directly or indirectly<br>Mutual Funds from amongst which the Scher<br>If EUIN is left blank/not mentioned; I/We h | ncome Distribution cum (<br>PLAN To<br>S<br>the Scheme Information Docume<br>t Scheme and agree to abide by<br>evasion of any Act, Regulation, F<br>in making this investment. The AR<br>he is being recommended to me/<br>ereby confirm that the EUIN box                                      | OPTION<br>ent and Statement of Additional Informati<br>the terms and conditions, rules and regu<br>tule, Notification, Directions or any other<br>Notder has disclosed to me/us all the cc<br>us. Applicable to NRIs only: I/We confirm<br>has been intentionally left blank by me/ | is to be transferred)<br>DSP<br>on, Key Information Memorand<br>lations of the Scheme. I / We<br>applicable laws enacted by the<br>minisions (in the form of trail<br>that I am/We are Non-Residen<br>us as this is an "execution-onl                                  | CTO I<br>Um, Instructions and addenda issued by DSP<br>declare that the amount invested in the Sch<br>Government of India or any Statutory Authori<br>commission or any other mode), payable to hi<br>t(s) of Indian Nationality.<br>y" transaction without any interaction or adv | OPTION<br>De signed as per Mode of Holding)<br>Mutual Fund, 1 / We, hereby apply to the Trustee<br>eme is through legitimate sources only and is not<br>ty. 1 / We have neither received nor been induced<br>im for the different competing Schemes of various<br>vice by the employee/relationship manager/sales |
| Source Scheme (From where I<br>is to be transferred)<br>DSP<br>DECLARATION & SIGNATURE:<br>Having read and understood the contents of<br>of DSP Mutual Fund for Units of the relevan<br>designed for the purpose of contravention or<br>by any rebate or gifts, directly or indirectly<br>Mutual Funds from amongst which the Scher<br>If EUIN is left blank/not mentioned; I/We h | ncome Distribution cum C<br>PLAN To<br>S<br>the Scheme Information Docume<br>t Scheme and agree to abide by<br>evasion of any Act, Regulation, F<br>in making this investment. The AR<br>ne is being recommended to me/<br>ereby confirm that the EUIN box<br>anding the advice of in-appropria | OPTION<br>ent and Statement of Additional Informati<br>the terms and conditions, rules and regu<br>tule, Notification, Directions or any other<br>Notder has disclosed to me/us all the cc<br>us. Applicable to NRIs only: I/We confirm<br>has been intentionally left blank by me/ | is to be transferred)<br>DSP<br>on, Key Information Memorand<br>lations of the Scheme. I / We<br>applicable laws enacted by the<br>minisions (in the form of trail<br>that I am/We are Non-Residen<br>us as this is an "execution-onl<br>relationship manager/sales pe | CTO I<br>Um, Instructions and addenda issued by DSP<br>declare that the amount invested in the Sch<br>Government of India or any Statutory Authori<br>commission or any other mode), payable to hi<br>t(s) of Indian Nationality.<br>y" transaction without any interaction or adv | OPTION<br>De signed as per Mode of Holding)<br>Mutual Fund, 1 / We, hereby apply to the Trustee<br>eme is through legitimate sources only and is not<br>ty. 1 / We have neither received nor been induced<br>im for the different competing Schemes of various<br>vice by the employee/relationship manager/sales |

| APPLICATION FORM  |
|---|
| For Product Labelling & Suitability (Including Risk-o-Meter of Benchmark) and PRC |
| Matrix For Debt Schemes available on cover pages                                  |

| DSP<br>MUTUAL FUND  | For P   |  | <b>APPLICATION FORM</b><br>ding Risk-o-Meter of Benchmark) and PRC<br>or Debt Schemes available on cover pages                  |
|---|---|--|---|
| Distributor / RIA / PMRN Name and ARN / Code Sub Broke  | r ARN & Name Sub Broker/Branch/RM Internal  | Code EUIN (Refer note below)   | For Office use only   |
|   |   |  |   |
| I/We confirm that the EUIN box is intentionally left blank<br>Commission shall be paid directly by the investor to the AMFI re<br>rendered by the distributor. I am a First Time Investo  | gistered Distributors based on the investors  | ' assessment of various factors including the  | service   |
| 1. FIRST APPLICANT'S DETAILS<br>Name of First Applicant (Name as per PAN card a   | is mandatory) (Refer Instructions)  |  | Date of Birth/Incorporation (Mandatory)         D       D       A       M       Z       Y       Y       Y                       |
| Name of Guardian (if minor)/POA/Contact Pe  | erson (Name as per PAN card is mandato  | Father Mot   |   |
| Existing Folio  | PAN (1st Appl / Guardian)   | Court Appoin   | ted Attach proof if 1st applicant is a minor  |
| CKYC - KIN  | PAN of POA  | ☐ KYC attached   |   |
| 2. CONTACT DETAILS AND CORRESPONDENCE   | ADDRESS (As per KYC records)  | NRI Investors should mention the   | eir Overseas address (Refer instructions).  |
| (in capital) Mobile +91   | Tel (STD Code)  |  |   |
| Email ID belongs to          □ Self         □ Spouse         □ De         ■ Self         □ Spouse         □ De         □ Self         □ Spouse         □ De         □         □         □   |   | ent 🗆 Dependent Sibling 🗆 Guard<br>ent 🗆 Dependent Sibling 🗆 Guard   | dian In case of Minor 🛛 POA   |
| Address Landmark  |   |  | Address Type (Mandatory) a. Residential & Business b. Residential   |
| City  | Pin Code<br>(Mandatory)   |  | <ul> <li>c. Business</li> <li>d. Registered Office</li> </ul>   |
| <ul> <li>3. KYC DETAILS (Mandatory)</li> <li>3a. Status of Sole/1st Applicant (Please tick ✓</li> </ul>   |   |  |   |
| <ul> <li>NRI (Repatriable) O NRI (Non Repatriable) O Sole Provide Ltd. Co. O Private Ltd. Co. O Body Corporate O Superannuation/Pension Fund O Gratuity Fund O Trust O Society Are you a Non-Profit Organization constituent Societies Registration Act, 1860 for religing Clause (15) of Section 2 of the Income Transmission Constituent Societies (15) of Section 2 of the Income Transmission Clause (15) of Section 2 of the Income Trans</li></ul>    | e O Bank O FIS O Insurance Compar<br>Mutual Fund O FII O FPI-Category I/<br>tuted and registered as a Trust or Soc<br>ious or charitable purpose as referred<br>ax Act, 1961, or a company registered | hies O Government Body OAOP/BOI<br>II/III O Others<br>iety under I Yes, our NPO<br>to in<br>under Section 8 of the Companies Act | ○ NPS Trust ○ Provident Fund<br>Reg. No is (Mandatory)<br>. 2013.   |
| <b>3b. Occupation Details</b> (Please tick ✓) ○ Pl<br>○ Agriculturist ○ Retired ○ Housewife ○ Stude   |   | or Service O Government Service C  | <ul> <li>Business O Professional</li> <li>(Please specify)</li> </ul>   |
| 3c. Gross Annual Income (Please tick ✓) ○<br>Net-worth in (Mandatory for Non-Individual   | als) ₹  | as on D D / M  | acs-1 crore     O >1 crore       M     /     Y     Y       (Not older than 1 year)  |
| 3d. For Individuals (Please tick $\checkmark$ ) $\bigcirc$ Not Ap   | oplicable O I am Politically Exposed  | Person O I am Related to Politically   | y Exposed Person  |
| 4. JOINT APPLICANTS (IF ANY) DETAILS  | int (Default) 🗌 Anyone  | or Survivor  | Date of Birth (Mandatory)   |
| 2nd Applicant Name         (Name as per PAN card is mandatory) (Refer Instructions)         PAN   | YC - KIN  |  | D D / M M / Y Y Y Y   |
| <ul> <li><b>a.</b> Occupation Details (Please tick ✓) ○ Priva</li> <li>○ Agriculturist ○ Retired ○ Housewife ○ St</li> <li><b>b.</b> Gross Annual Income (Please tick ✓) ○ I</li> <li><b>c.</b> Others (Please tick ✓) ○ Not Applicable ○</li> </ul>  | udent O Forex Dealer O Others<br>Below 1 Lac O 1-5 Lacs O 5-10 L  | .acs ○ 10-25 Lacs ○ >25 Lacs-1 cro   | . (Please specify)<br>ore $\circ$ >1 crore  |
| 3rd Applicant Name<br>(Name as per PAN card is mandatory) (Refer Instructions)<br>PAN   | YC - KIN  |  | Date of Birth (Mandatory)           D         D         /         M         M         /         Y         Y         Y         Y |
| <ul> <li>a. Occupation Details (Please tick ✓) ○ Privation Private Privation Private Privation Private Private Privation Private Pr</li></ul> | udent   | .acs ○ 10-25 Lacs ○ >25 Lacs-1 cro   | (Please specify)<br>ore ○>1 crore   |
| ACKNOWLEDGEMENT SLIP (To be filled in by th   | e investor)   |  | DSP MUTUAL FUND   |
| Received from an appl<br>and funds realization.   | ication for purchase of units. Subject  | to verification  |   |
| Scheme DSP  | Cheque no. Amount   |  |   |

| 5. FATCA and CR<br>Sole/  | /First Applicant/Guardi  | an  |  | 2nd Appli  | cant  |   |  | 3rd Applicant  | CRS details fo  |   |
|---|--|---|--|--|---|---|--|--|---|---|
| Place & Country   | of Birth PLACE   | COUNTRY   | lace & Country   | of Birth   | PLACE   | COUNTRY   | Place & Coun   | try of Birth   | PLACE C   | OUNTRY  |
| Nationality 🗌 Ind   | dian 🗆 U.S. 🗆 Other  | N   | lationality 🗌 Ind  | lian 🗆 U.S. [  | Other   |   | Nationality [  | Indian 🗆 U.S. 🗆  | Other   |   |
| are you a tax resid   | lent of any country othe   | er than India 🔲 Y   | es 🗆 No Ify  | es, please pr  | ovide your  | tax identificati  | on details belo  | N  |   |   |
| Country #   |  | lentification<br>/pe/Reason*  | Country #  | Tax Identific<br>Number or equ   |   | dentification<br>ype/Reason*  | Country #  | Tax Identificat<br>Number or equiv   |   | fication<br>Reason*                                       |
| 1   |  | 1   |  |  |   |   | 1  |  |   |   |
| <u>}</u>  | TIN  | 2   | antianad in Ontia  |  |   | - faran Oatian b  | 2  |  | -646  |   |
| •   | a TIN, you may provide an<br>urity Number □ Nationa  | •   |  |  |   |   |  |  |   | itary proc  |
| (Appropriate Vi   | Dependent parent (Appropri<br>isa) 🗆 Temporary Visit (Te<br>s not issue TIN to residents'  | mporary work visa Te  | acher, Tourist or o  | other visa) 🗆  | Not qualifyi  | ng as tax resident  | as not meeting   | requisite no. of day   | /s' stay (Approp  |   |
| . BANK ACCOU  | INT DETAILS(Avail M  | ultiple Bank Reg  | istration Facili   | ty)  |   |   |  |  |   |   |
| ank Name  |  |   |  |  |   |   |  |  |   |   |
| ank A/C No.   |  |   |  |  |   | А/С Туре  | e 🗌 Savings 🗌  | Current 🗌 NRE 🗌  | ] NRO 🗌 FCNR  | Other   |
| City  |  | Pin   |  |  | IFSC  | code: (11 digi  | t)   |  |   |   |
| . INVESTMENT  | AND PAYMENT DE   | <b>TAILS</b> (Default p   | lan/option/su  | ıb option w  | ill be app  | lied incase of  | no informatio  | on, ambiguity o  | r discrepanc  | y)  |
|   | be in favour of: "DSP M  | -   | -  | -  |   |   | -  |  | -   |   |
| One time Lum  | psum Investment 🔲 S<br>Full Scheme/Pla   |   |  | Attach   | OTM form  |   | -  | Mention LUMPSU<br>Cheque Details I   |   | <u>IP</u>   |
|   |  | •   | •  |  |   | Amount (₹   | )  | Payment Mode:  | 🗌 Cheque  | 🗌 DD  |
| . DSP -   | Scheme   |   | Option/Sub Op  |  |   |   |  |  | EFT 🗌 Fund  | ls transfe  |
| . DSP -   | Scheme   |   | Option/Sub Op  |  |   |   |  | Cheque/DD/RTG  | S/NEFT Details  | :   |
| . DSP -   | Scheme   |   | Option/Sub Op  |  |   |   |  | Ref. No  |   |   |
| īotal   | Amount ir  | words   |  |  | Δ   | mount in Fig  | Date         D         /         M         /         Y         Y           igures  |  |   | YY  |
|   |  |   | 7 . 51   |  |   |   |  | DD charges, if a   |   |   |
| Payment from B  | ank A/c No.  |   |  |  | A/c. ly   | pe 🗆 Savings L  |  | RE 🗌 NRO 🗌 FCN   | $R \square Others _$  |   |
| Bank Name   |  |   |  |  |   |   |  |  |   |   |
| NOMINATION (PRI     lomination OPT-IN   | EFERABLE) OR OPT OUT (A  | AVOIDABLE) Nominee  | e Details or Opt-Ou  | t Declaration (  | by way of tio   | <ul><li>k) is mandatory to</li></ul>  | process the app  | lication.  | *   | Mandatory   |
|   |  | Relations   | ship   | lf Nomi  | nee is a A  | \inor*  | Currelling   |  |   |   |
| Nominee   | Name/s & PAN   |   | with Date of applicant* Birth  |  |   | ne* & PAN   | Guardian<br>Relation   | Allocation<br>(%)*   | Nominee/Gua<br>Signatur   |   |
| 1   |  |   | Birth  |  |   |   |  |  |   |   |
| 2   |  |   |  |  |   |   |  |  |   |   |
| 3<br>Address  |  | In cas  | se of each Minor as I  | Nominee pleas  | e mention G   | lardian's relationshi   | n with Minor as  | Total 100%   |   |   |
|   |  |   |  |  |   |   |  | ficate/Passport/Other  | 5.  |   |
|   | ation: I / We hereby confi<br>non appointment of nomi  |   |  |  |   |   |  |  |   |   |
|   | issued by Court or other s   | uch competent auth  | ority, based on th   | e value of ass   | ets held in   | the mutual fund   | folio.   |  |   |   |
| Account   |  | N   | Depositor  | y Participant (  | וחצא) חו נפח  | only()  |  | Peneficiany  | Assount Numbo   |   |
| Account   |  | • I I I I I   | Depository   | y Farticipant (  |   | Unity)  |  | beneficiary  | Account Numbe   |   |
| Statement   | Mode CDSL:   |   |  |  |   |   |  |  |   |   |
| Statement<br>Mode   | Mode CDSL: Enclose for demat option:   | Client Master Li  | st 🗌 Transaction/I   | Holding Staten   | nent 🗌 DIS  | Сору  |  |  |   |   |
| Statement<br>Mode<br>(Default)  | CD3L.  |   |  | -  |   |   |  |  |   |   |
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| Statement<br>Mode<br>(Default)<br>0. I/We wish to re<br>1. DECLARATI  | Enclose for demat option:<br>eceive physical copy of th  | e annual report/abr   | ridged summary, i  | f email id is n  | ot registere  | d in the folio. 🗌   |  | ictions and addenda i  | ssued by DSP Mutu   | ual Fund for  |
| Statement<br>Mode<br>(Default)<br>0. I/We wish to re<br>1. DECLARATI  | Enclose for demat option:<br>eceive physical copy of th  | e annual report/abr   | ridged summary, i  | f email id is n  | ot registere  | d in the folio. 🗌   |  | ictions and addenda i<br>ns, rules and regulatio<br>lated documents) an<br>ough legitimate sour<br>rany Statutory Autho  | ssued by DSP Mutt<br>ns. I / We have ur<br>d hereby accept<br>ces only and is no<br>rity.                     | ial Fund foi<br>Iderstood t<br>the same a<br>c designed f |
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| Statement<br>Mode<br>(Default)<br>0. I/We wish to re<br>11. DECLARATI<br>Javing read and under<br>ime to time, I / We, he<br>nformation requireme<br>urther confirm that th<br>he purpose of contrav<br>Sole / First Ap   | Enclose for demat option:<br>ecceive physical copy of th<br>ION & SIGNATURES<br>stood the contents of the Scf<br>ereby apply to the Trustee of<br>ents of the application form,<br>he information provided by m<br>rention or evasion of any Act,                        | e annual report/abr<br>eme Information Docu<br>SP Mutual Fund for Un<br>including FATCA and C<br>e/us on this form is tru<br>Regulation, Rule, Notif<br>Seco  | idged summary, it<br>ment and Statemer<br>its of the relevant Sr<br>RS requirements, t<br>e, correct, and com<br>ication, Directions o   | f email id is n<br>nt of Additional<br>cheme/Plan/O<br>plete. I / We de<br>or any other app  | ot registere  | d in the folio.<br>Key Information Me<br>tee to abide by the t<br>amount invested i<br>enacted by the Gov<br>Third Applican   | emorandum, Instru<br>erms and conditio<br>ons and scheme re<br>n the Scheme is th<br>ernment of India o<br>t   |  | holder, if any  |   |
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| Statement<br>Mode<br>(Default)<br>0. I/We wish to re<br>II. DECLARATI<br>aving read and under<br>ime to time, I/ We, ha<br>formation requireme<br>urther confirm that the<br>purpose of contrav<br>Sole / First Ap<br>Email: ser<br>Jick<br>lecklist    Name<br>KYC in  | Enclose for demat option:<br>ecceive physical copy of th<br>ION & SIGNATURES<br>stood the contents of the Signature of<br>ereby apply to the Trustee of<br>ents of the application form,<br>rention or evasion of any Act,<br>oplicant / Guardian                        | e annual report/abr<br>eme Information Docu<br>SSP Mutual Fund for Un<br>including FATCA and C<br>z/us on this form is true<br>Regulation, Rule, Notif<br>Secon<br>Wel<br>r PAN only<br>correctly mention<br>each applicant | idged summary, it<br>ment and Statemen<br>its of the relevant Sr<br>RS requirements, t<br>e, correct, and com<br>ication, Directions of<br>nd Applicant<br>bsite: www.dsj<br>bsite: www.dsj<br>led.                            | f email id is n<br>t of Additional<br>cheme/Plan/O<br>rerms and cond<br>plete. I / We de<br>or any other app<br><b>pim.com</b><br>heme name,<br>bank details | ot registered<br>Information,<br>tions (read a<br>clare that the<br>licable laws<br>plan, optic<br>and suppo                  | d in the folio.<br>Key Information Meeto abide by the to<br>tong with instruction<br>amount invested i<br>enacted by the Gov<br>Third Applican<br>Contact<br>on is mentioned<br>rtings are attact | emorandum, Instru<br>erms and condition<br>ons and scheme re<br>in the Scheme is th<br>ernment of India o<br>t<br>t<br>t Center: 180<br>Addition<br>hed not pro-<br>Demar<br>Demar<br>Non In | POA<br>00-208-4499 /<br>onal documents p<br>e-printed on payn  | holder, if any<br><b>1800-200-4</b><br>rovided if inve<br>hent cheque of<br>should attach                     | <b>199</b><br>stor name<br>if                             |

| • D<br>• Ba<br>• W           | <b>bit Mandate Checklist:</b><br>istributor code & details, if any,<br>ank Account Number, Bank Name, IFSC or <i>N</i><br>'rite Amount in words and in Figures (maxir<br>pur NAME and SIGNATURE as in your bank a   | num limit)   |  |  |  |   |  |                                   |  | <ul> <li>Dist</li> <li>Nan</li> <li>Sch</li> <li>Dat</li> </ul> | ributor                           | code 8<br>io No. /<br>details<br>er detai | ît deta<br>/ Appli                | hecklist:<br>ils, if any,<br>cation No.             |
|------------------------------|---|--|--|--|--|---|--|-----------------------------------|--|---|-----------------------------------|---|-----------------------------------|---|
| Dis                          | tributor / RIA / PMRN Name and ARN / Code   | Sub Broker ARN & Name  |  | ker/Branch/<br>ernal Code  | EUIN (Refer no   | te below)   |  |                                   | F  | For Office  | e use or                          | nly                                       |                                   |   |
|                              | following Mandate needs to be submitted only o<br>t new SIP registrations, using Physical Forms or O  |  | r without SIP forr   | m. Once the ma   | ndate is registe   | red, inve   | stor nee                                   | ed not s                          | ubmit mar  | ndate aga   | in and ca                         | an do lu                                  | imp sun                           | n investments,                                      |
| D                            | SP<br>MUTUAL FUND   | OTM Debit /<br>[Applicable for Lu  | Mandate<br>mpsum Addition  | Form NA  | CH/DIR<br>as well as SIF   | ECT [<br>Registra                                   | DEBI<br>ations]                            | Т                                 |  |   |                                   |   |                                   |   |
| UMF                          | N Office  | use only   |  |  |  |   |  |                                   |  | Da  | te D                              | D M                                       | M                                 | Y Y Y   |
|                              |   | e use only   |  | Tick(✓)  |  |   |  |                                   |  |   |                                   |   |                                   |   |
|                              |   | Office use only  |  | I/We here  | by authorize:  |   | D  |                                   | UTUAL  | . FUNI  | D Sch                             | ieme                                      | s                                 |   |
|                              | ebit (tickÝ) SB / CA / CC / SB-NRE / S<br>n Bank: Bank Bank Nam   | Benne & Branch   | nk A/c No.:  | IFS  | C/MICR   |   |  |                                   |  |   | ]                                 |   |                                   |   |
| an a                         | mount of Rupees   | In Words   |  |  |  |   |  |                                   |  | ₹   |                                   | In  | n Figur                           | es  |
|                              | it Type   | nount FREQUENCY  | ′  | <del>] Qtly □ H. Y</del><br>Refere                                       |  | ⊠ As &<br>n No:                                     | when                                       | present                           | ted  |   |                                   |   |                                   |   |
| un<br>wh<br>fro<br>inv<br>PE | gree for the debit of mandate processing charges by<br>derstood and made by me/us. I/We have understoo<br>ere I have authorised the debit and express my will<br>m time to time and of NACH/(Debits)/Direct Debit<br>estment in DSP Mutual Fund shall be made from me<br>RIOD<br>om DDMMMYYYYYY | od that I/we are authorised<br>ingness and authorize to ma<br>s. Authorisation to Bank: Th | to cancel/amend<br>ke payments throu<br>his is to inform the   | I this mandate by<br>ugh participation<br>at I/We have reg               | appropriately<br>in NACH/Direct<br>istered for NAC                   | communic<br>Debit. I/\<br>H (Debit C                | ating th<br>We here<br>Clearing            | ie cance<br>by confi<br>) / Direc | llation/am<br>rm adherei<br>ct Debit fao   | endment ince to the cility and t                                | request t<br>terms of<br>that my/ | to the Us<br>OTM Fa<br>our pays           | ser enti<br>icility ar<br>ment to | ty or the bank<br>and as amended<br>wards my/our    |
| to                           | Maximum period of validity of this mandate is 40 years only.  | Signature of Acco  | ount Holder  | 2.   | Signature o  | f Account   | t Holde                                    | r                                 | 3  | Sig   | nature                            | of Acco                                   | unt Hol                           | der   |
| Mo                           | bile 1.   | Name of Accou  | nt Holder  | 2.   | Name of A  | Account H   | Holder                                     |                                   | 3.   | 1   | lame of                           | Accoun                                    | nt Hold                           | er  |
|                              | MUTUAL FUND<br>ise tick I applicable:<br>TM Debit Mandate is already registered in the<br>tributor / RIA / PMRN Name and ARN / Code<br>/We confirm that the EUIN box is intentionally left b<br>ommission shall be paid directly by the investor to<br>istor Name:                              | Sub Broker ARN & Name  | it again].<br>Sub Broker/Branch<br>execution-only"tra  | /RM Internal Code<br>ansaction without                                   | A Debit Manda<br>EUIN (Refer no                                      | te is atta<br>te below)<br>or advice<br>factors inc | by the cluding t                           | nd to b<br>distribut              | e register<br>F  | ed in the<br>For Office   | folio.<br>e use or<br>ed. Upfro   | nly                                       | Sole /                            | FirstApplicant's                                    |
| Sr.<br>No.                   | Scheme/Plan/Option/Sub-option<br>(Mention Cheque details, if attached   | ) SIP Installment<br>Amount (₹)  | SIP Date<br>(1 <sup>st*</sup> to 31 <sup>st</sup> )  | Frequency  |  | Start Mo<br>End Mo                                  |  |                                   |  | <u> </u>  |                                   |   |                                   | Percentage %)<br>Frequency                          |
| 1.                           | DSP -   | j Anodite (()  |  | Daily Monthly* Quarterly   |  | yrs 🗆 10  | ΥY   | Y                                 | □ 5 yrs  | ₹<br>Top-Up   | C                                 | DR  |                                   | Yearly*   |
| 2.                           | DSP -   |  | DD   | Daily Monthly* Quarterly   |  | yrs 11  | 9   9<br>0 yrs [                           | ] 7 yrs [                         | □ 5 yrs  | ₹   |                                   | DR  | %                                 | ☐ Yearly*<br>☐ Half-yearly                          |
| 3.                           | DSP -   |  | DD   | Daily Monthly* Quarterly   | From M   | yrs []10  | Y Y<br>0 yrs [<br>Y Y                      | 7 yrs [                           | □ 5 yrs  | ₹<br>Top-Up   | C                                 | DR  | %                                 | ☐ Yearly*<br>☐ Half-yearly                          |
|                              | efault option/Date)   | Total  |  |  |  |   |  |                                   |  |   |                                   |   |                                   |   |
|                              | t SIP transactions via single cheque no.  |  | f  | favouring 'DSP   | Mutual Fund  | ,   |  | Dated                             | d D D  | M M   | Y Y                               | Y   | Y                                 |   |
|                              | bit Bank Details: Bank Name:  |  |  |  |  | A/C. No   |  |                                   |  |   |                                   |   |                                   |   |
| Sign                         | aration: Having read, understood and agreed t<br>ddenda issued from time to time of the respec-<br>tion to the special statements referred above to<br>mode), payable to him for the different comp<br>atures [as per Mutual Fund Records/Applicat<br>First<br>Unit<br>Holder's<br>Signature    |  | cility, the Schen<br>tual Fund mentic<br>IACH/Direct Deb<br>: Mutual Funds fr<br>Second<br>Unit<br>Holder's<br>Signature | ne Information<br>oned within, I ho<br>nit. The ARN ho<br>rom amongst wh | Document, Sta<br>ereby declare t<br>Ider, where ap<br>iich the Schem | atement o<br>that the p<br>oplicable,<br>e is being | of Addi<br>oarticul<br>, has di<br>g recon | 1<br>L<br>F                       | nformation<br>n above a<br>to me/us<br>d to me/u<br>Fhird<br>Jnit<br>Holder's<br>Signature |   | formatic<br>t and ex<br>commiss   | on Memo<br>press m<br>ions (tra           | orandu<br>ıy williı<br>ail com    | m, Instructions<br>ngness to make<br>mission or any |
| In                           | cknowledgement vestor Name: DEBIT MANADATE FORM   |  |  | Autual Fun<br>Application No   |  |   |  |                                   |  |   | I                                 | SC Sta                                    | mp                                |   |

# Terms and Conditions and Instructions

For detailed terms and conditions on SIP, including for OTM facility,

please visit our website www.dspim.com and also refer to scheme related documents.

- Investors who have already submitted an OTM form or already registered for OTM facility should not submit OTM form again as OTM registration is a one-time process only for each bank account. However, such investors if wish to add a new bank account towards OTM facility may fill the form.
- Other investors, who have not registered for OTM facility, may fill the OTM form and submit duly signed with their name mentioned.
- Mobile Number and Email Id: Unit holder(s) should mandatorily provide their mobile number and email id on the mandate form. Where the mobile number and email id mentioned on the mandate form differs from the ones as already existing in the folio, the details provided on the mandate will be updated in the folio. All future communication whatsoever would be, sent to the updated mobile number and email id.
- The OTM forms require three important and mandatory dates to be filled in:
  - a) Mandate Registration Date: This date is located on the top right corner of the form. This will be the initial date from which the mandate will be registered.
  - b) Period "From" Date: This is the starting date of the period for which the mandate will be applicable.
  - c) Period "To" Date: This date will be the end of the period for which the mandate is valid. The "To"\* date must be within 40 years from the Mandate Registration Date This is a strict requirement and should not be exceeded.

\*The mandate will be rejected if the "To" date is either beyond 40 years, left blank, or if there are any ambiguities in the date provided.

- Unit holder(s) need to provide along with the mandate form an original cancelled cheque (or a copy) with name and account number pre-printed of the bank account to be registered or bank account verification letter for registration of the mandate failing which registration may not be accepted. The Unit holder(s) cheque/ bank account details are subject to third party verification.
- With the introduction of One Time mandate (OTM) facility, the mandate registration and SIP registration through OTM facility has been delinked. There are two separate forms, 1) for onetime mandate registration and 2) for SIP Registration.
- Where a onetime mandate is already registered in a folio for a bank account, the Unit Holder(s) will have to fill only the SIP Registration Form and there is no need of a separate cheque to be given along with the SIP Registration Form.
- Transaction amount should be less than or equal to the amount as mentioned in One Time Mandate already registered or submitted, if not registered.
- Where the mandate form and the SIP registration form are submitted together, debits for the SIP may happen only on successful registration of the mandate by the Unit holder(s) bank. The Fund / AMC would present the SIP transactions without waiting for the confirmation of the successful registration from the Unit holder(s)' bank.
- In case the onetime mandate is successfully registered, new SIP registration will take upto five business days. The first debit may happen any time thereafter, based on the dates opted by the Unit holder(s).
- While the Fund and RTA reserve the right to enhance the SIP period to ensure minimum installments as per respective scheme offer documents, even if the investor has submitted the form late or requested for a period less than minimum installments, they may reject the applications for less than minimum installments.
- If start date for SIP period is not specified, SIP will be registered to start anytime from a period after five business days from the date of receipt of application based on the SIP date available / mentioned, subject to mandate being registered. If end date is not specified the SIP will be registered for 40 years from the registration date or end date of mandate, whichever is earlier.
- 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.
- In case of Micro SIP application without PAN, the investor/s hereby declare that they do not have any existing Micro SIPs with DSP Mutual Fund which together with the current application will result in aggregate investments exceeding Rs. 50,000 in a year.
- In case the selected date falls on a Non-Business Day or on a date which is not available in a particular month, the SIP will be processed on the immediate next business day/date.
- For SIPs through OTM, the maximum per installment amount after Top-Up shall not exceed Rs. 5 lakhs or the maximum amount mentioned in OTM form, whichever is less.
- The Top-up details cannot be modified once enrolled. In order to make any changes, the investor needs to cancel the existing SIP and enroll for a fresh SIP with Top-up option.
- DSP Mutual Fund or the AMC, its registrars and other service providers are not responsible if the registration and subsequent transaction are delayed or not effected or the investor's bank account is debited in advance or after the specific SIP date due to local holidays or any other reason.
- Investors are deemed to have read and understood the terms and conditions of OTM Facility, SIP registration through OTM facility, the Scheme Information Document, Statement of Additional Information, Key Information Memorandum, Instructions and Addenda issued from time to time of the respective Scheme(s) of DSP Mutual Fund.

# DSP Please refer Page 2 for Definitions / Instructions / Guidance

# FATCA, CRS AND ADDITIONAL KYC

# Details and Declaration form Mandatory for Non-Individual Investors, including HUF

| INVESTOR DETAILS  |  |  |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|--|
| Entity Name:  |  |  |  |  |  |  |  |  |  |
| PAN   | Application No.  |  |  |  |  |  |  |  |  |
| Folio Nos   |  |  |  |  |  |  |  |  |  |
|   | dential av Duvinger  |  |  |  |  |  |  |  |  |
| Type of Address given at KRA Resi   | dential or Business Residential Business Registered Office   |  |  |  |  |  |  |  |  |
| Crease America Linearen (Diagona triale ()  | ADDITIONAL KYC DETAILS (Mandatory)   |  |  |  |  |  |  |  |  |
|   | O Below 1 Lac O 1-5 Lacs O 5-10 Lacs O 10-25 Lacs O >25 Lacs-1 crore O >1 crore<br>as on D D / M M / Y Y Y Y (Not older than 1 year)                     |  |  |  |  |  |  |  |  |
| Net-worth in ₹  |  |  |  |  |  |  |  |  |  |
|   | RPORATION and TAX RESIDENCY DETAILS (Mandatory)  |  |  |  |  |  |  |  |  |
| City of Incorporation:  | Country of Incorporation: Date of Incorporation:   |  |  |  |  |  |  |  |  |
| Is Entity a tax resident of any country oth                                       | er 🗌 Yes 🗌 No (Ifyes, please provide country/ies in which the entity is a reside<br>for tax purposes and the associated Tax ID number belo               |  |  |  |  |  |  |  |  |
| than India?   |  |  |  |  |  |  |  |  |  |
| In case TIN or its functional equivalent is not ava                               | ilable, please provide Company Identification number of Global Entity Identification Number or GIIN, etc.  |  |  |  |  |  |  |  |  |
| Country of Tax Residency  | TIN or equivalent number Identification Type/Reason*   |  |  |  |  |  |  |  |  |
| 1.  |  |  |  |  |  |  |  |  |  |
| 2.  |  |  |  |  |  |  |  |  |  |
| 4.  |  |  |  |  |  |  |  |  |  |
|   | n / Tax residence is U.S. but Entity is not a Specified U.S.   |  |  |  |  |  |  |  |  |
| Person (as per definition E5), please mentio                                      | (refer definition D4)  |  |  |  |  |  |  |  |  |
|   | FATCA and CRS DETAILS (Mandatory)  |  |  |  |  |  |  |  |  |
|   | t your professional tax advisor for further guidance on FATCA & CRS classification)  |  |  |  |  |  |  |  |  |
|   | stitutions or Direct Reporting NFEs)   |  |  |  |  |  |  |  |  |
| We are a, <i>(please tick as appropriate)</i><br>Financial Institution            | GIIN   |  |  |  |  |  |  |  |  |
| (Refer definition A)  |  |  |  |  |  |  |  |  |  |
| or  | Note: If you do not have a GIIN but you are sponsored by another entity, please provide your sponsor's GIIN above and indicate your sponsor's name below |  |  |  |  |  |  |  |  |
| Direct reporting NFE<br>(Refer definition B)                                      |  |  |  |  |  |  |  |  |  |
|   | Name of sponsoring entity:   |  |  |  |  |  |  |  |  |
| GIIN - Not Available Ap   | plied for  |  |  |  |  |  |  |  |  |
| If the entity is a financial institution, $\square$ No                            | required to apply for - please specify 2 digits sub-category (refer definition C)  |  |  |  |  |  |  |  |  |
| 🗌 No  | t obtained - Non-participating Fl  |  |  |  |  |  |  |  |  |
|   | ropriate, to be filled by NFEs other than Direct Reporting NFEs)   |  |  |  |  |  |  |  |  |
| Is the Entity a publicly traded company?  |  |  |  |  |  |  |  |  |  |
| (that is, a company whose shares are regularly                                    | Yes [] (If yes, please specify any one stock exchange on which the stock is regularly traded)  |  |  |  |  |  |  |  |  |
| traded on an established securities market)<br>(Refer definition D1)              | Name of stock exchange   |  |  |  |  |  |  |  |  |
| Is the Entity a related entity of a   |  |  |  |  |  |  |  |  |  |
| publicly traded company?  | Yes [] (If yes, please specify name of the listed company and one stock exchange on which the stock is regularly traded)                                 |  |  |  |  |  |  |  |  |
| (a company whose shares are regularly traded on an established securities market) | Name of listed company   |  |  |  |  |  |  |  |  |
| (Refer definition D2)   | Nature of relation: <ul><li>Subsidiary of the Listed Company</li><li>OR</li><li>Controlled by a Listed Company</li></ul>                                 |  |  |  |  |  |  |  |  |
|   | Name of stock exchange   |  |  |  |  |  |  |  |  |
| Is the Entity an Active NFE?  | Yes Also provide UBO Form  |  |  |  |  |  |  |  |  |
| (Refer definition D3)   | Nature of Business   |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |
|   | Please specify the sub-category of Active NFE (Mention code - refer D3)  |  |  |  |  |  |  |  |  |
|   | Yes Also provide UBO Form  |  |  |  |  |  |  |  |  |
| Is the Entity a Passive NFF?  |  |  |  |  |  |  |  |  |  |
| Is the Entity a Passive NFE?<br>(Refer definition E2)                             | Nature of Business   |  |  |  |  |  |  |  |  |
| (Refer definition E2)   | Nature of Business   |  |  |  |  |  |  |  |  |
| (Refer definition E2)   |  |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |
| (Refer definition E2)   |  |  |  |  |  |  |  |  |  |

### **Definitions/ Instructions / Guidance**

- A. Financial Institution (FI)- The term FI means any financial institution that is a:
- 1 Depository institution: Accepts deposits in the ordinary course of banking or similar business.
- 2 Custodial institution: An entity that as a substantial portion of its business, holds financial assets for the account of others and where the entity's gross income attributable to holding financial assets and related financial services equals or exceeds 20 percent of the entity's gross income during the shorter of-
- (a) The three-year period ending on December 31 of the year preceding the year in which the determination is made;
- (b) The period during which the entity has been in existence before the determination is made)
- 3 Investment entity : Conducts a business or operates for or on behalf of a customer for any of the following activities: (a) Trading in money market instruments, foreign exchange, foreign currency,etc. (b) Individual or collective portfolio management. (c) Investing, administering or managing funds, money or financial asset on behalf of other persons. [OR] The gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or an investment entity described herein. An entity is treated as primarily conducting as a business one or more of the 3 activities described above, or an entity's gross income attributable to the relevant activities equals or exceeds 50 percent of the entity's gross income during the shorter of: (i) The three-year period ending on 31 March of the year preceding the year in which the determination is made; or (ii) The period during which the entity has been in existence.
- 4 Specified Insurance company: Entity issuing insurance products i.e. life insurance or cash value products.
- 5 Holding company or treasury company: Is an entity that is a holding company or treasury centre that is a part of an expanded affiliate group that includes a depository, custodial institution, specified insurance company or investment entity

B. Direct Reporting NFE: means a Non-financial Entity (NFE) that elects to report information about its direct or indirect substantial U.S. owners to the IRS

### C. GIIN not required: Categories with codes

| Code | Sub-Category   |
|------|--|
| 01   | Governmental Entity, International Organization or Central Bank  |
| 02   | Treaty Qualified Retirement Fund; a Broad Participation Retirement Fund; a Narrow<br>Participation Retirement Fund; or a Pension Fund of a Governmental Entity, Internationa<br>Organization or Central Bank |
| 03   | Non-public fund of the armed forces, an employees' state insurance fund, a gratuity fund o<br>a provident fund   |
| 04   | Entity is an Indian FI solely because it is an investment entity   |
| 05   | Qualified credit card issuer   |
| 06   | Investment Advisors and Investment Managers  |
| 07   | Exempt collective investment vehicle   |
| 08   | Trustee of an Indian Trust   |
| 09   | FI with a local client base  |
| 10   | Non-registering local banks  |
| 11   | FI with only Low-Value Accounts  |
| 12   | Sponsored investment entity and controlled foreign corporation   |
| 13   | Sponsored, Closely Held Investment Vehicle   |
| 14   | Owner Documented FI  |

D. Non-Financial Entity (NFE): Entity that is not a financial institution (including a territory NFE). Types of NFEs excluded from FATCA reporting are as below:

- Publicly traded corporation (listed company): A company is publicly traded if its stock are regularly traded on one or more established securities markets.
- Related entity of a listed company: The NFE is a related entity of an entity of which is regularly traded on an established securities market;
- 3. Active NFE: (is any one of the following):

### Code Sub-Category

- 01 Less than 50 percent of the NFE's gross income for the preceding financial year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- 02 The NFE is a Governmental Entity, an International Organization, a Central Bank, or an entity wholly owned by one or more of the foregoing;
- 03 Substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an entity shall not qualify for NFE status if the entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
- 04 The NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFE;
- 05 The NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- 06 The NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;

- 07 Any NFE is a 'non for profit' organization which meets all of the following requirements:
  - It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
  - It is exempt from income tax in India;
  - It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;

The applicable laws of the NFE's jurisdiction of residence or the NFE's formation documents require that, upon the NFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFE's jurisdiction of residence or any political subdivision thereof

| Code | Sub-Category  |
|------|---|
| А    | An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)  |
| В    | The United States or any of its agencies or instrumentalities   |
| С    | A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities   |
| D    | A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section $1.1472-1(c)(1)(i)$  |
| E    | A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)   |
| F    | A dealer in securities, commodities, or derivative financial instruments (including notional principal<br>contracts, futures, forwards, and options) that is registered as such under the laws of the United<br>States or any state |
| G    | A real estate investment trust  |
| Н    | A regulated investment company as defined in section 851 or an entity registered at all times during<br>the tax year under the Investment Company Act of 1940   |
| I    | A common trust fund as defined in section 584(a)  |
| J    | A bank as defined in section 581  |
| K    | A broker  |
| L    | A trust exempt from tax under section 664 or described in section 4947(a)(1)  |
| М    | A tax exempt trust under a section 403(b) plan or section 457(g) plan   |
| 14   | Owner Documented FI   |

### E. Other definitions

- 1 Related entity: An entity is a related entity of another entity if either entity controls the other entity or the two entities are under common control. For this purpose, control includes direct or indirect ownership of more than 50% of the vote or value in an entity.
- 2 Passive NFE: The term passive NFE means any NFE that is not (i) an Active NFE (including publicly traded entities or their related entities), or (ii) a withholding foreign partnership or withholding foreign trust pursuant to relevant U.S. Treasury Regulations.(Note: Foreign persons having controlling interest in a passive NFE are liable to be reported for tax information compliance purposes)
- 3 Passive income: The term passive income means the portion of gross income that consists of: (a) Dividends, including substitute dividend amounts; (b) Interest; (c) Income equivalent to interest, including substitute interest and amounts received from or with respect to a pool of insurance contracts if the amounts received depend in whole or part upon the performance of the pool; (d) Rents and royalties, other than rents and royalties derived in the active conduct of a trade or business conducted, at least in part, by employees of the NFE; (e) Annuities; (f) The excess of gains over losses from the sale or exchange of property that gives rise to passive income described in this section.; (g) The excess of gains over losses from the sale or exchange of property that gives rise to passive income described in this section.; (g) The excess of gains over losses from the sale or exchange of property that gives rise to passive income described in this section.; (g) The excess of gains over losses from the sale or exchange of property that gives rise to passive income described in this section.; (g) The excess of gains over losses from the sale or exchange of property that gives rise or losses from the sale of commodities, but only if substantially all the foreign entity's commodities are property (h) The excess of foreign currency gains over losses; (i) Net income from notional principal contracts; (j) Amounts received under cash value insurance contracts; (k) Amounts earned by an insurance company in connection with its reserves for insurance and annuity contracts
- 4 Controlling persons: Controlling persons are natural persons who exercise control over an entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust. In the case of a legal arrangement other than trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" shall be interpreted in a manner consistent with the Financial Action Task Force recommendations.
- 5 Specified US Persons Any US Person other than i). A publicly traded corporation; ii). A corporation that is a member of the same expanded affiliate group; iii). A tax exempt organization; iv). an individual retirement plan; v). the United States or an agency or instrumentality of the United States; vi). Any state [including District of Columbia and United States possession] or State Authorities; vii). A bank, viii). A real estate investment trust; ix). A regulated investment company; x). an entity registered with the SEC under the Investment Company Act of 1940; xi). A common trust fund; xii). A tax exempt trust; xiii). A registered dealer; xiv). A registered broker
- 6 Expanded affiliated group: Expanded affiliated group is defined to mean one or more chains of members connected through ownership (50% or more, by vote or value, as the case may be) by a common parent entity if the common parent entity directly owns stock or other equity interests meeting the requirements in at least one of the other members.
- Owner documented FI: FL 7 An meeting the following requirements: (i) The FI is an FI solely because it is an investment entity; (ii) The FI is not owned by or related to any FI that is a depository institution, custodial institution, or specified insurance company; (iii) The FI does not maintain a financial account for any nonparticipating FI; (iv) The FI provides the designated withholding agent with all of the documentation and agrees to notify the withholding agent if there is a change in circumstances; and (v) The designated withholding agent agrees to report to the IRS (or, in the case of a reporting Model 1 FI, to the relevant foreign government or agency thereof) all of the information described in or (as appropriate) with respect to any specified U.S. persons and (2). Notwithstanding the previous sentence, the designated withholding agent is not required to report information with respect to an indirect owner of the FI that holds its interest through a participating FI, a deemed-compliant FI (other than an owner-documented FI), an entity that is a U.S. person, an exempt beneficial owner, or an excepted NFE.

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m

[please specify]

| ND                  | (Mandatory for Non-Individual Applicants/Investors, including HUF                        | •) Ultimate Beneficial Ownership (UBO) Declaration for                      |
|---------------------|--|---|
| This declaration is | NOT needed for Companies that are Listed on any recognized stock exchange in India or is | a Subsidiary of such Listed Company or is Controlled by such Listed Company |
| TOR DETAILS:        |  |   |
|                     |  | Application No.:  |
|                     | Folio Nos.:  |   |

### **B: CATEGORY [tick applicable category]:**

MUTUAL FU

A: APPLICANT/INVES

Name: PAN:

Unlisted Company Partnership Firm LLP Unincorporated association / body of individuals Public Charitable Trust Religious Trust Trust Trust created by a Will Others

### C: DETAILS OF ULTIMATE BENEFICIAL OWNERS (If the given space below is not adequate, please attach multiple declaration forms)

Please list below each controlling person, confirming ALL countries of tax residency / permanent address / citizenship and ALL Tax Identification Numbers for EACH controlling person. If the given rows are not sufficient, required information in the given format can be enclosed as additional sheet(s) duly signed by Authorized Signatories.

In case of Foreign Nationals, who are not KYC complied, please attach the ID proof, Nationality proof and Address proof. All proofs are to be in English language, else, it should be translated in English and must be attested by Indian Embassy

| ot      | that country.              |  |                                |   |   |                    |  |  |                                |   |  |                       |             |   |
|---------|----------------------------|--|--------------------------------|---|---|--------------------|--|--|--------------------------------|---|--|-----------------------|-------------|---|
| S<br>No | Name of UBO<br>[Mandatory] | Date of<br>Birth of<br>UBO<br>[dd- mmm-<br>yyyy] | Country<br>of Tax<br>Residency | PAN / Taxpayer<br>Identification<br>Number /<br>Equivalent ID<br>Number | Document<br>Type<br>(Refer<br>Instruction<br>5) | % of<br>beneficial | Controlling<br>person type<br>Code<br>(Refer<br>Instruction 6) | UBO PEP<br>(Politically<br>Exposed Person)                         | Place &<br>Country of<br>Birth | Address & Contact<br>details [include<br>City, Pincode, State,<br>Country | Gender<br>[Male,<br>Female,<br>others] | Father's Name         | Nationality | Occupation  |
|         | [                          |  |                                |   | -Mandatory                                      |                    |  |  | ]                              | [   | Manda                                  | tory, if PAN not prov | ided        | ]   |
| 1       |                            |  |                                |   |   |                    |  | <ul> <li>PEP</li> <li>Related to PEP</li> <li>Not a PEP</li> </ul> |                                |   |  |                       |             | Service Business  |
|         |                            |  |                                |   |   |                    |  |  |                                |   |  |                       |             | Others     Service  |
| 2       |                            |  |                                |   |   |                    |  | <ul><li>Related to PEP</li><li>Not a PEP</li></ul>                 |                                |   |  |                       |             | Business  |
| 3       |                            |  |                                |   |   |                    |  | PEP Related to PEP Not a PEP                                       |                                |   |  |                       |             | Others  Service Business  |
| 4       |                            |  |                                |   |   |                    |  | <ul> <li>PEP</li> <li>Related to PEP</li> <li>Not a PEP</li> </ul> |                                |   |  |                       |             | <ul> <li>Others</li> <li>Service</li> <li>Business</li> <li>Others</li> </ul> |
| 5       |                            |  |                                |   |   |                    |  | PEP Related to PEP Not a PEP                                       |                                |   |  |                       |             | Service     Business     Others   |

I /We acknowledge and confirm that the information provided above is/are true and correct to the best of my/our knowledge and belief and provided after necessary consultation with tax professionals.

I / We have understood the information requirements of the application form, including FATCA and CRS requirements, terms and conditions (read along with instructions and scheme related documents) and hereby accept the same and further confirm that the information provided by me/us on this form are true, correct, and complete.

### Instructions on controlling persons / Ultimate beneficial owner

As per SEBI Master Circular No. CIR/ISD/AML/3/2010 dated December 31, 2010 regarding Client Due Diligence policy, related circulars on anti-money laundering and SEBI circular No. CIR/MIRSD/2/2013 dated January 24, 2013, non-individuals and trusts are required to provide details of controlling persons [CP] / ultimate beneficiary owner [UBO] and submit appropriate proof of identity of such CPs/ UBOs. The beneficial owner has been defined in the circular as the natural person or persons, who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a legal person or arrangement.

### 1. For Investors other than individuals or trusts:

- (i) The identity of the natural person, who, whether acting alone or together, or through one or more juridical person, exercises control through ownership or who ultimately has a controlling ownership interest. Controlling ownership interest means ownership of/entitlement to:
  - more than 10% of shares or capital or profits of the juridical person, where the juridical person is a company;
  - more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership;
  - more than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.
- (ii) In cases where there exists doubt under clause (i) above as to whether the person with the controlling ownership interest is the beneficial owner or where no natural person exerts control through ownership interests, the identity of the natural person exercising control over the juridical person through other means like through voting rights, agreement, arrangements or in any other manner.
- (iii) Where no natural person is identified under clauses (i) or (ii) above, the identity of the relevant natural person who holds the position of senior managing official.

### 2. For Investors which is a trust:

The identity of the settler of the trust, the trustee, the protector, the beneficiaries with 10% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

### 3. Exemption in case of listed companies / foreign investors:

The client or the owner of the controlling interest is a company listed on a stock exchange, or is a majority-owned subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such companies. Intermediaries dealing with foreign investors' viz., Foreign Institutional Investors, Sub Accounts and Qualified Foreign Investors, may be guided by the clarifications issued vide SEBI circular CIR/MIRSD/11/2012 dated September 5, 2012, for the purpose of identification of beneficial ownership of the client

4. Ultimate Beneficial Owner(s) are required to comply with the prescribed KYC process as stipulated by SEBI from time to time with any one of the KRA & submit the same to AMC. KYC acknowledgement proof is to be submitted for all the UBO(s) / SMO(s). In case of Foreign Nationals, who are not KYC complied, please attach the ID proof, Nationality proof and Address proof. All proofs are to be in English language, else, it should be translated in English and must be attested by Indian Embassy of that country.

### 5. Document Type: Please mention the Code or Document as per table below

| Code | Description            |
|------|------------------------|
| A    | Passport               |
| В    | Election ID Card       |
| С    | PAN Card               |
| D    | ID Card                |
| E    | Driving License        |
| G    | UIDIA / Aadhaar letter |
| Н    | NREGA Job Card         |
| Z    | Others                 |

### 6. Controlling Person Type [UBO] Codes: Please mention the Code as per table below

| CP Type Code | Description  |
|--------------|--|
| C01          | CP of legal person - ownership                                     |
| C02          | CP of legal person - other means                                   |
| C03          | CP of legal person - senior managing official                      |
| C04          | CP of legal arrangement - trust - settlor                          |
| C05          | CP of legal arrangement - trust - trustee                          |
| C06          | CP of legal arrangement - trust - protector                        |
| C07          | CP of legal arrangement - trust - beneficiary                      |
| C08          | CP of legal arrangement - trust - other                            |
| C09          | CP of legal arrangement - trust - other - settlor equivalent       |
| C10          | CP of legal arrangement - trust - other - trustee - equivalent     |
| C11          | CP of legal arrangement - trust - other - protector equivalent     |
| C12          | CP of legal arrangement - trust - other - beneficiary - equivalent |
| C13          | CP of legal arrangement - trust - other - other - equivalent       |
| C14          | Unknown  |

These instructions form an integral part of scheme related documents and investors are advised to read and understand the same.

Please read carefully the Scheme Information Document (SID), Statement of Additional Information (SAI), Key Information Memorandum (KIM) and all relevant Addenda before filling up the application form. Investors are deemed to have read and accepted the terms, as prevailing on the date of application being accepted and units being allotted even if they are using an old application form, subject to which these offers are being made, and bind themselves to the terms upon signing the application form.

All applications will be accepted subject to verification. Invalid or incomplete applications are liable to be rejected after acceptance and verification, and information will be sent to the address by general post.

All documents required to be submitted with the application form or later, like power of attorney, etc. should be in English language or notarized translated copy in English language.

### General Instructions

- a. These application forms may be used by both resident and non-resident investors. However, Residents of Canada are not permitted to invest and should not invest in any of the Schemes of the Fund. Foreign Portfolio Investors (FPIs), QFIs and US Person should approach the AMC to know the eligibility, the list of documents required and complete account opening formalities prior to investing.
- b. The application form should be filled in English in BLOCK LETTERS and the applicants' names and address should be provided in full (P.O. Box No. alone is not sufficient). Please tick (ü) in the appropriate boxes (□), where provided.
  c. Application forms that fall under any of the following categories are liable to be rejected
- c. Application forms that fall under any of the following categories are liable to be rejected and will not be returned to the customers. If applicable, the money paid will be refunded/ returned without interest or redeemed at applicable NAV.
  - i Application forms incomplete in any respect or having a whitener or where there is any over writing on the form without the applicants' counter signature.
  - ii Application forms from ineligible applicant's or are invalid or incomplete or ambiguous or without any of supporting documents or any of the mandatory details in any respect.
  - iii Application forms that are not accompanied by a payment instrument/instruction for the amount payable on the same day.
  - iv Applications forms where the Applicant's Name does not exactly match with name/s mentioned in the PAN Card or Income Tax database.
  - v. Application forms that the Trustee chooses to reject for any other reason determined at its sole discretion.
- d. No separate receipt will be issued for the application. The Investor Service Centre / Collection Centre / Official point of acceptance of transactions will stamp and return the acknowledgement slip in the application form, subject to verification. The acknowledgement receipt should be retained by investors till the receipt of confirmation of transaction acceptance or rejection.
- e. All allotments will be provisional, subject to realisation of payment instrument/mode and subject to the AMC having been reasonably satisfied that the 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.
- f. Any subsequent changes in static information like address, bank details, IDCW sub option, nomination etc. will be based on written communication from investors. These changes will be effected only for units held in non-demat mode, within 5 days of the valid signed request reaching the office of the Registrar at Chennai, and any interim financial transactions will be effected with last available/registered details only. In case of units held in demat mode, the static details as recorded in DP records and available to the Fund as part of Benpos file will prevail for all purposes, including redemption and IDCW payments.
- g. While PAN shall be the sole identification number and is mandatory for KYC, for certain set of customers, PAN requirement is exempted. Such set of customers, however need to complete the necessary KYC requirements, get a unique reference number from KRA's system. A copy of the KRA issuance letter containing the unique reference number should also be attached with each application/transaction. The PAN exempt entities/ transactions are a) Investors residing in the state of Sikkim; b) SIP of upto Rs 50, 000/- per financial year; c) Micro investment i.e fresh purchase, additional purchase & SIP installments for amount not more than Rs 50,000/- per financial year d) Transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
- h. If the investor wishes to invest directly, i.e. without involving the services of any agent or broker, 'Direct' should be mentioned in the space provided for ARN Number. Any subsequent change / updation / removal of broker code will be based on the written request from the unitholders and will be on a prospective basis only from the date when the Registrar executes such written instruction.
- Investors should mandatorily use the Application forms & SIP/SWP/STP forms in the KIM, and other standard forms available at the ISCs/www.dspim.com, for any financial/non-financial transactions. Any transaction received in any non standard form, is liable to be rejected.
- j. 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.
- k. Investor/s should be aware and agrees that the AMC and its Registrar reserve the right to disclose the investor and transactions details to third parties viz. Distributors registered with AMFI, SEBI Registered Investment Advisors (RIA), SEBI Registered Portfolio Managers, Stock Brokers and any other entity (from whom applications / transactions of investors are received), banks, payment aggregators, printers, mailing agencies and any other entity for the purpose of compliance with legal and regulatory requirements or for complying with anti-money laundering requirements. In case of any specific consent request received from the investor to provide data feed to the Registered Investment Advisor, SEBI Registered Portfolio Managers, Stock Brokers, AMC will overwrite the existing RIA/PMRN/Stock Broker code in the folio.
- Process for change of address If the investor wishes to change the address in their folio, they shall submit change of address form, proof of address, and any other document/ form

that the AMC may require additionally to complete KYC details, if not done earlier. AMC reserves the right to collect proof of old address on a case to case basis while effecting the change of address.

- m. Applicants / Unitholders applying through a distributor (AMFI registered ARN holder) certify that:
- n. Applicants / Unitholders have neither received nor been induced by any rebate or gifts, directly or indirectly in making this investment, ii. The ARN holder has disclosed to the Applicants / Unitholders all the commissions (in the form of trail commission or any other mode), payable to him for the different competing schemes of various Mutual Funds from amongst which the scheme is being recommended to the Applicants / Unitholders, iii Where the EUIN box is left blank being an execution only transaction, I/we confirm that the transaction is notwithstanding the advice of in-appropriateness, if any, provided by the distributor's employee/relationship manager/sales person and the distributor has not charged any advisory fees on this transaction.
- o. EUIN: EUIN stands for Distributor's Employee's Unique Identification Number. Apart from ARN codes of the distributor/sub distributor, applicants should also ask and mention the EUIN of the sales personnel of the distributor / sub distributor, who is advising the scheme to the applicant. In case of no such advice or interaction, the applicant should tick on the 'Execution-Only' tick box.
- p. The investor agrees that the allotment information, account statement, proceeds towards redemptions and IDCW will be dispatched by a reasonable mode of despatch like courier, post, etc. in case of cheque/demand draft or directly credited to the bank account (as per the details mentioned by the investor) using reasonable and available means, entirely and solely at the risk of the investor. 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/RTGS/NEFT, or due to incorrect bank account details provided by the investor.
- q. In case of Individual, the Investor confirms that he is not a US person in terms of Regulation S of Securities Act, 1993 as amended from time to time. Further, he does not intend to return to US and his stay in India is of permanent nature.
- r. In case of Non-Individual, the Investor confirms that it is not a US person in terms of Regulation S of Securities Act, 1993 as amended from time to time. Further, it is registered/ incorporated under the laws of India and not formed for the specific purpose of investing in Indian securities including units of SEBI Registered Mutual Funds.

### 1. First Applicant's Details

- a. Applicants / Guardian should fill in all details as requested in the relevant section. Name of the Applicant/Guardian should exactly match with name mentioned in the PAN Card or Income Tax database. In case of any mismatch in the name as mentioned in the form and as available in the PAN Card or Income Tax database, the Fund/AMC reserves the right to reject the application without any prior intimation and the subscription amount would be refunded after realization and reconciliation of the funds.
- b. Date of Birth / Incorporation of all applicants as applicable is mandatory. The AMC reserves the right to reject the application in the absence of these details.
- c. Existing Investors, having a folio number and who wish to get units allotted in non-demat mode, in the existing folio number, should mention their folio number. If existing folio number is mentioned, investors should only fill the section on Investment Details. Investors should skip and should not mention joint applicants, bank account, nomination and unit holding option. If an existing folio is mentioned, the investment will be in same folio, even if the joint holders are different. Further, other details like bank account, nomination et will not be considered, even if mentioned differently from existing folio details. Investors should use separate designated forms for updating bank account details, nomination etc.
- d. Investors are requested to note that there can be only one tax status, either Resident (RI) or Non Resident (NRI) against a single PAN. There cannot be different tax status for different folios for the same investor, same PAN. In case the existing tax status in a folio is NRI and the investor makes a new investment with tax status as RI, the new investment will be processed with tax status as NRI. Similarly if the existing status in a folio is RI and the investor makes a new purchase with tax status as NRI, the tax status of the existing RI folio will be changed to NRI. In case of any change in tax status, Investors should submit a request for change of tax status request before submitting the new investment to avoid any inconvenience. The AMC reserves the right to reject or reverse & reprocess the transactions at a later date in case of any error.
- e. New Investors who do not have a folio or existing investors intending to get units allotted in demat mode or who wish to open a new folio should fill up the form without quoting existing folio number and should provide details in all sections as mentioned in the form.
- f. Applications under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund must be accompanied by the original Power of Attorney (or a duly certified true copy thereof) duly notarized, or the relevant resolution or authority to make the application (or duly certified copy thereof) as the case may be. All documents should be in English language or notarized translated copy in English language.
- g. For Investments 'On behalf of Minor': Where the investment is on behalf of minor by the guardian, please note the following important points.
  - i 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.
  - ii 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. 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.
  - iii. On the date of minor attaining majority, such minor turned major will have to complete all formalities as required by the fund to change the status on the folio. Further, from such date of minor turned major, the existing registered guardian will not be able to transact in the folio and only the minor turned major will be able to transact in the folio.

### 2. Contact Details and Correspondence Address

- a. Applicants should provide contact information such as email id, mobile number/s and correspondence address. However, the fund reserves the right to update communication postal address from KYC records registered with the SEBI designated KYC Registration Authority (KRA). Investors should also ensure that, the email id, mobile number provided in the application form is their own. Investors will clearly mention if the email id belongs to any of the immediate family member. The contact details should be same as the ones provided in the KRA. Where the email id, mobile number are not provided or where provided but the same is found to be invalid, or seems to be not pertaining to the investor or any of the immediate family member or is of a distributor or any other agency, then AMC/RTA reserves the right to remove the email id, mobile number without any notice and the email id, mobile number agency the folio. Investors wanting to change their email id, mobile number the dddress must approach the KRA.
- b. It is mandatory for NRI investors to provide their overseas address in the application form as well as in the KYC records. NRI investors should mandatorily provide the overseas address in Section 2 of the application form. Application without overseas address is liable to be rejected even after allotment and subscription amount refunded in 5 days' time from the date of rejection.

### Individual Investors:-

- i. Investors should provide email id/mobile number of self/family only
- ii. The email id/contact details mentioned on the application form should be same as the ones provided in the KRA. If found different, the details mentioned on KRA records will be updated in the folio
- iii. Investor will need to update the email id/mobile number with the KRA incase of any change
- iv. Account statements, newsletter, annual reports and other kinds of communication will be sent through email only instead of physical, for investors who provide their email address on the application form. Should they wish to have a hard copy, they are requested to send an email to the AMC/RTA. It is deemed that the applicants are aware of all the security risks associated with online communication, including possible third-party interception of documents sent via email.

### 3. KYC Requirements and Details

- a. Basic KYC: Applicants are required to provide basic KYC details like photograph, proof of identity, proof of address, a KYC form and other details as per KYC form, to update their KYC with the fund and update on SEBI designated KYC Registration Authority (KRA) systems. If applicants' have already complied with basic KYC through some other intermediary, they may just provide a KYC acknowledgement of valid KYC status available through the KRA. Basic KYC is applicable for all applicants, Guardian and Power of Attorney Holders as well.
- b. Additional Details: Additional details like status, occupation details, gross annual income, net worth and other details as mentioned in the relevant sections of the application form are mandatory for all applicants as applicable, including joint holders. Details of net worth are mandatory for Non Individual applicants and optional for Individual applicants in lieu of gross annual income. While providing details of net worth, the same should be of a date which is within one year of the application.
- c. Individual Investors investing as Sole Proprietor will have to additionally complete & submit KYC for the Sole Proprietor firm in addition to the KYC of the individual investor. Investments in Sole Proprietor name will be rejected in case the KYC of the Sole Proprietor is not completed.
- d. Applications are liable to be rejected without any intimation to the applicants, if KYC requirements are not complied with by all the applicants, KYC acknowledgement is not enclosed or any of the additional details are not mentioned for any of the applicant at the time of purchase. In case where the KYC application is given along with the purchase and where the purchase is processed based on KYC application or based on KYC status as In Process, the purchase may be rejected in case the KYC is subsequently rejected or is on Hold.
- e. Non updation of PAN and/or KYC will lead to restriction of all future financial and non-financial transaction, including redemptions. Redemption of existing investments are liable to be rejected if KYC requirements are not complied with.
- f. Investors should further note that KYC applicability for various investor categories may change anytime in future. Hence, investors are requested to apprise themselves about KYC applicability before submitting their application or future transactions to avoid rejections. For any other further information related to KYC, applicants should mention the same in a separate sheet, duly signed and attach to the application.

### 4. Joint Applicants, if any and their details

- a. If there is more than one applicant, please fill in all details as requested in the relevant section.
  b. Date of Birth / Incorporation of all applicants as applicable is mandatory. The AMC reserves the right to reject the application in the absence of these details.
- c. Name of the Joint Applicant/s should exactly match with name/s mentioned in the PAN Card or Income Tax database. In case of any mismatch in the name/s as mentioned in the form and as available in the PAN Card or Income Tax database, the Fund/AMC reserves the right to update the name/s as available in the PAN Card or Income Tax database or the Fund/AMC reserves the right to reject the application without any prior intimation and the subscription amount would be refunded after realization and reconciliation of the funds.
- d. Applicants should specify the mode of holding. If the mode of holding is not specified or is ambiguous, the default option for such applications will be 'Joint'.
- e. PAN, KYC compliance and other KYC details are mandatory for all applicants, irrespective of mode of holding. For more details, please refer to KYC Requirements mentioned earlier.
- f. In the case of joint holders and irrespective of mode of holding, the sole/first-named applicant/ unit holder will receive all account statements, IDCW or redemption/refund payments, and all other relevant correspondences.

### 5. FATCA and CRS related details

- a. The Central Board of Direct Taxes (CBDT) has notified Rules 114F to 114H, as part of the Income Tax Rules, 1962, which require Indian financial institutions to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all account holders and/or applicants.
- b. Applicants/Unit holders are required to mandatorily provide the relevant information for FATCA and CRS, including Ultimate Beneficial Ownership (UBO) details. In case of any change in any information provided, Unit holders should ensure to advise the Fund/RTA promptly i.e within a period of 30 days.
- c. All Applicants/Unit holders, individuals and non individuals, must be aware that the failure to providing all relevant details in relevant section and/or relevant forms will result in rejection of their investment application form, refund of application money, reversal of units allotted and the Fund will not be liable for any consequent loss to the Applicants/Unit holders.

- d. Applicants like Individuals (including in the name of sole proprietorship firm), joint applicants, HUF, are required to provide details, as mentioned in this section, like Place and Country of birth, Country of Citizenship/Nationality mandatorily. If the applicant/s have any countries of tax residency other than India, details of all such countries and relevant tax identification number needs to be provided. If the space in the form is not adequate, applicants are required to attach additional sheets with information duly signed.
- e. All Non Individuals should fill and submit a separate form for FATCA and CRS declaration. Non-Individual entities, including partnerships, (other than those listed on a recognized stock exchange in India or is a subsidiary or related or controlled by such listed company) should also fill and submit a form for Ultimate Beneficial Ownership (UBO) details.
- f. If you have any questions about your tax residency or other definitions or terms used, please contact your tax advisor. If you are a US citizen or resident or greencard holder, please include United States in the foreign country information field along with your US Tax Identification Number.
- g. It is mandatory to provide the Tax Identification Number (TIN) or functional equivalent like Social Security Number, National Insurance Number, Citizen or Personal Identification Code or Number, Resident Registration Number. If you do not have a TIN, please attach any of the documents mentioned in this section duly self-attested depending status in that country.
- h. Applicant/unit holder should note that they also specifically authorize to disclose, share, remit in any form, mode or manner, all or any of the information provided by, including all changes, updates to such information as and when provided, to the Mutual Fund, its Sponsor, Asset Management Company, trustees, their employees / associated parties / RTAs ('the Authorized Parties') or any Indian or foreign governmental or statutory or judicial authorities/ agencies including but not limited to the Financial Intelligence Unit-India (FIU-IND), the tax / revenue authorities in India or outside India and other investigation agencies without any obligation of advising me/us of the same. Further, applicant/unit holder also authorizes to share the given information to other SEBI Registered Intermediaries to facilitate single submission / updation and for other relevant purposes.
- Applicant/unit holder also undertakes to keep the Mutual Fund informed in writing about any changes / modification to the above information in future and also undertake to provide any other additional information / documentary proof as may be required.
- j. Please note that applicants/unit holders may receive more than one request for information if you have multiple relationships/accounts/folios with us. Therefore, it is important that you respond to each of our request, even if you believe you have already supplied any previously requested information.
- k. In case any of the specified information provided by the applicant/unit holder is found to be false or untrue or misleading or misrepresenting, applicant/unit holder will be solely liable and will indemnify the Mutual Fund, it's Sponsor, Asset Management Company, Trustees, their employees / associated parties and the RTAs. As per Income Tax clause 271FAA (2) if there is any inaccuracy in the statement of financial transactions submitted by a prescribed reporting financial institution and such inaccuracy is due to false or inaccurate information submitted by the account holder, a penalty of five thousand rupees shall be imposable on such institution, in addition to the penalty leviable on such financial institution in the said section, if any. This penalty shall be levied by the income tax authority prescribed under sub-section (1) of section 285BA of the Act. Further, the reporting financial institution may recover the amount so paid on behalf of the account holder or retain out of any money that may be in its possession or may come to it from every such reportable account holder
- In case applicant/unit holder has any of the Indicia, pertaining to a foreign country and yet declares self to be non-tax resident in the respective country, customer to provide relevant details as may be asked for.

### 6. Bank Account Details/ Multiple Bank Accounts Registration

- a. It is mandatory for all investors of mutual fund schemes to provide their bank mandate. Applications without the mandatory bank details are liable to be rejected. Investors should ideally mention account details of the same bank account from where the payment towards purchases is made. If the bank account details mentioned are different from purchase pay-in bank, investors should attach additional documents validating the bank account like cancelled cheque with name & account number pre-printed, latest bank statement, latest pass book, bank letter in original or attested. Should the investor fail to provide the documents, the Fund/AMC/RTA reserves the right to register the pay-in bank details as the redemption bank details and use such bank account for payment of any redemption/IDCW proceeds
- b. The investor agrees that the allotment information, account statement, proceeds towards redemptions and IDCW will be dispatched by a reasonable mode of despatch like courier, post, UCP, etc. in case of cheque/demand draft or directly credited to the bank account (as per the details mentioned by the investor) in case of using direct credit facility, RTGS or NEFT, entirely and solely at the risk of the investor. 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/RTGS/NEFT, or due to incorrect bank account details provided by the investor.
- c. Multiple Bank Accounts Registration Facility The fund offers its investors facility to register multiple bank accounts for pay-in & payout purposes and designate one of the bank account as Default Bank Accounts. This facility can be availed by using a designated 'Bank Accounts Registration Form'. In case of new investors, the bank account mentioned on the purchase application form, used for opening the folio, will be treated as default bank account till the investor gives a separate request to register multiple bank accounts and change the default bank account to any of other registered bank account. Registered bank accounts may also be used for verification of pay-ins (i.e. receiving of subscription funds) to ensure that a third party payment is not used for mutual fund subscription. Default Bank Account will be used for all IDCW and redemptions payouts including FMP schemes maturity proceeds unless investor specifies one of the existing registered bank account in the redemption request for receiving redemption proceeds.
- d. In case of investment in the name of minor, it is mandatory that the bank account provided is of the minor and not of the guardian. The funds for the investment has to be mandatorily from the minor's bank account and redemption proceeds will also be paid only to the minor's bank account. In case of existing folios, the bank account of the minor has to be updated in the folio before submitting the redemption request. Redemption will be rejected if the minor's bank account is not updated in the folio.
- e. Consequent to introduction of 'Multiple Bank Accounts Facility', the facility of redemption with change of bank mandate is discontinued by the fund. A new non-registered bank account specified in the specific redemption request for receiving redemption proceeds will not be considered. Please note the following important points related to payment of redemption proceeds

- Proceeds of any redemption request will be sent only to a bank account that is already registered and validated in the folio at the time of redemption transaction processing.
- ii. Unit holder(s) may choose to mention any of the existing registered bank accounts with redemption request for receiving redemption proceeds. If no registered bank account is mentioned, default bank account will be used.
- iii. If unit holder(s) provide a new and unregistered bank mandate with a specific redemption request (with or without necessary supporting documents) such bank account will not be considered for payment of redemption proceeds.
- iv.Any request without the above mentioned documents will be treated invalid and will not be acted upon and any financial transaction, including redemptions, will be carried with the previous details only. Valid change of bank mandate requests with supporting documents will be processed within ten working days of documents reaching the head office of the Registrar and any financial transaction request received in the interim will be carried with previous details only.

### 7. Investment and Payment Details

- a. Investors should fill in the desired Plan / Option / Sub Option clearly in the space provided in the application form. In case the investor does not fill in the desired Plan / Option / Sub Option properly and clearly or in the case of incomplete details, lack of clarity or ambiguity, the default option will be considered and applied. The Fund will not entertain any request from Unit Holders for a change in Plan / Option / Sub Option after the application is accepted.
- b. Any change in IDCW sub option due to additional investment or investor's request will be applicable to all existing Units in the IDCW option of the scheme concerned.
- c. There is a change in the nomenclature for the word "IDCW" used as part of scheme details. The word "IDCW" has been replaced with the words "Income Distribution Cum Withdrawal' or "IDCW". Accordingly investors should mention the word "IDCW" instead of IDCW while mentioning the scheme details in the transaction request. For example: "DSP Top 100 Fund - Regular Plan - IDCW Reinvestment" will be "DSP Top 100 Fund - Regular Plan - IDCW Reinvestment". The Account statements, Consolidated Account Statement will have the word IDCW instead of IDCW.
- d. Payments by cash, stock invests, credit cards, post-dated cheques (except through SIP), and post-dated account-to-account transfer instructions to credit the Designated Account will not be accepted.
- e. Investors residing in locations where Investor Service Centres or Collection Centres are not located are requested to make payment by demand drafts. Demand draft charges for such investors will be borne by the AMC, subject to the standard demand draft charges, as charged by the State Bank of India, and the investors attaching proof of the charges.
- f. The cheque or demand draft should confirm to CTS 2010 standards in banking industry and be payable locally at the centre where the application is deposited, and should be drawn on any bank that is a member of the Bankers' Clearing House.
- g. 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.
- A separate cheque should be given for each separate investment in a different scheme or plan or option.
- i. 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 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.
- j. 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. A payment towards mutual fund subscription by cheque/DD/RTGS/NEFT or any mode whatsoever is deemed as a Third-Party payment, if payment is issued from a bank account other than that of the beneficiary investor. The first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made via cheque/Demand Draft (DD)/Funds transfer/RTGS/NEFT. Therefore, it is important for investors to mention the bank account number, bank name & branch address from where the payment is issued and the same should match with details on payment cheque/document (where applicable).

Where the payment instrument/advice does not mention the bank account holder's name/s, investor should attach bank passbook copy/bank statement/bank letter to substantiate that the first unit holder is one of the joint holders of the bank account. Where a payment is through a DD, a bank certification of bank account and account holders name of the bank account used for DD issuance should be attached, in the required format.

In specific exceptional situations where Third Party payment is permitted like I Payment by Parents or Legal Guardian. However any redemption / IDCW payout will be paid only to the bank account of the minor held singly or jointly with the parents or legal guardian. i. Payment by an Employer on behalf of Employee or ii. Custodian on behalf of an FII or a client, iii. Payment by Asset Management Company to a Distributor empanelled with it on account of commission/incentive etc. in the form of the Mutual Fund Units of the Funds managed by such AMC through Systematic Investment Plans or lump sum / one-time subscription, subject to compliance with SEBI Regulations and Guidelines issued by AMFI, from time to time. KYC of the investor and the KYC of the person making the payment is mandatory irrespective of amount. Additionally, a joint declaration is also required to be submitted. Investors are advised to visit www.dspim.com for more details, including declaration formats or approach any of the offices of the fund.

- k. The AMC reserves a right to reject the transaction or call for additional details, if payment bank account and other details are not mentioned on the form and/or do not match with payment instrument and/or necessary documents and declaration, as applicable to respective investors and transactions, are not attached or are insufficient. In case the funds are transferred to the mutual fund account prior to the application rejection, then amount transferred may not be refunded or redeemed unless the investor establishes KYC with additional documentation.
- Returned cheques are not liable 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.
- m. To safeguard the interests of applicant/investors and avoid fraudulent transactions in any other name, it is important for investors to mention the bank account number, bank name & branch address from where the payment instrument or funds transfer is issued and the same should match with details on payment cheque (where applicable). The AMC reserves a right to reject the transaction if such payment details are not mentioned and/or do not match.
- n. For general terms and conditions and more information on 'One Time Mandate (OTM)' Facility,

Unit holder(s) are requested to read Terms and Conditions, OTM registration form, addenda to Scheme Information Document and Key Information Memorandum available on www. dspim.com.

### 8. Nomination/Or Cancellation of Nomination

- a. The unit holder/s may nominate up to three nominees, in whom the units held by unit holder/s shall vest in the event of death of all unitholder/s.
- b. Nomination can be made only by individuals applying for / holding Units on their own behalf singly or jointly. Non-individuals (including societies, trusts, bodies corporate, partnership firms, etc.), Kartas of Hindu Undivided Families (HUF) and holders of Power of Attorney cannot nominate. Nomination facility is also not available for investments held on behalf of minor.
- c. A minor can be nominated, and in that event, the name and address of the guardian of the minor nominee shall be provided by the Unit Holder. Nomination can also be in favour of the Central Government, State Government, a local authority; any person designated by virtue of his/her office, or a religious or charitable trust.
- d. The nominee shall not be a trust (other than a religious or charitable trust), society, body corporate, partnership firm, Karta of HUF or a Power of Attorney holder. An NRI can be a nominee, subject to the exchange controls in force from time to time. Where the nomination is in favour of a religious or charitable trust, the investor should attach a certificate confirming that the nominee is a religious or charitable trust.
- e. Nomination with the Fund can be made only by investors who opt for allotment in non-demat form. In case of Units held in demat form, the nomination details as recorded for the depository account will be applicable investors who hold units in demat form may approach their DP for availing the nomination facility.
- f. Nomination in respect of the units stands rescinded upon the transfer of units.
- g. Transfer of Units in favour of a nominee(s) shall be valid discharge by the AMC against the legal heir.
- h. On cancellation of the nomination, the nomination shall stand rescinded and the AMC shall not be under any obligation to transfer the Units in favour of the nominee(s).
- i. Nomination can be made in favour of more than one, and upto three individuals. Investors who desire to make nomination in respect of multiple nominees should clearly specify the percentages to be allocated between the nominees. If no percentages are mentioned, nomination will be done equally for all the nominees.
- Nomination will be maintained at the folio or account level and will be applicable for all investments in the folio or account.
- k. Where a folio has joint holders, all joint holders should sign the request for nomination, even if the mode of holding is not 'joint'.
- A new nomination request will imply simultaneous cancellation of existing nomination and request for fresh nomination.
- m. Applicants who do not wish to nominate, must at the designate space confirming their intention on not to nominate, failing which the form may be rejected at the discretion of the AMC/Fund.

### 9 Unit Holding Option

- a. Applicants<sup>7</sup> are provided two options to hold their Units viz. Account Statement mode and Demat mode. For units in Account Statement mode (non-demat), an account statement will be issued. For Units held in demat mode, Units shall be directly credited to the investor's demat account after the realization of payment funds and depositories will issue a statement.
- b. It is mandatory to tick on the required option in the designated space in the application form. If no option has been ticked by the investor, Units shall be allotted in non-demat mode i.e in Account Statement mode.
- c. For credit of Units in demat account, applicants are advised to mention clearly their demat account details with depositories and in block letters in the designated space. The demat account details, as provided by the investor will be considered for credit of units in dematerialized form after validation with relevant depository(ies).
- d. Applicants' are also advised to attach a copy of a document like demat statement / client identification master/ delivery instruction slip, that provides the applicants' name and demat account details, in support and verification of the mentioned demat account.
- e. In case Demat account details are not provided or are incomplete or the details do not match with the records as per depository(ies), units will be allotted in non-demat form and an account statement will be issued.
- f. In case details of more than one demat account are provided, the Fund may choose any one of the demat accounts for the purpose of verification and credit of units.
- g. Where the units are held in demat accounts with the Depository Participants, the investor shall be serviced directly by their stock brokers/Depository Participant. The Fund will not be in a position to accept any request for transactions or service requests directly from investors in respect of Units bought under this facility in demat mode.

### 10.Annual report/Abridged summary

Investors are encouraged to register their email to promote Go Green initiatives. Investors, whose email id is not registered in the folio, may opt-in to receive a physical copy of the scheme abridged summary or annual report by choosing this option. Generally scheme abridged summary or annual report will be sent via email or a physical copy will be sent only in case of opt-in or on receipt of a specific request by investor to promote Go Green initiatives as per SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 5, 2018.

### 11.Declaration & Signatures

- Signature(s) should be in English or in any of the Indian languages specified in the Eighth Schedule of the Constitution of India.
- b. Thumb impressions and signatures in languages not specified in the Eighth Schedule of the Constitution of India should be attested by a magistrate or a Notary Public or a special Executive Magistrate under his/her official seal.
- c. Applications by minors should be signed by their guardians. In the case of an HUF, the Karta should sign on behalf of the HUF.
- d. Authorised officials should sign the form under their official designation and company seal. A list of specimen signatures of the authorised officials, duly certified and attested, should also be attached to the application form. In the case of a trust fund, a resolution from the trustee(s) authorising such purchase or investment should be submitted.
- Investors are requested to read Product Labelling & Suitability (Including Risk-o-Meter of Benchmark) and PRC Matrix For Debt Schemes available on cover pages.