



STATEMENT OF ADDITIONAL INFORMATION

This Statement of Additional Information (SAI) contains details of Motilal Oswal Mutual Fund, its constitution and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).

Asset Management Company:

Motilal Oswal Asset Management Company Limited ('MOAMC')

Registered and Corporate Office Address:

10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400025
CIN: U67120MH2008PLC188186

Trustee:

Motilal Oswal Trustee Company Limited ('MOTC')

Registered Office Address:

10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400025
CIN: U93090MH2008PLC188187

Mutual Fund:

Motilal Oswal Mutual Fund ('MOMF')

Registered and Corporate Office Address:

10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400025

Visit: <https://www.motilalosalwalmf.com>

This SAI is dated June 30, 2023

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I. INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANY

A. CONSTITUTION OF MUTUAL FUND

Motilal Oswal Mutual Fund (the “Mutual Fund”) has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882). Motilal Oswal Financial Services Limited is the Sponsor and Motilal Oswal Trustee Company Limited is the Trustee to the Fund. The Trust Deed has been registered under the Indian Registration Act, 1908. MOMF was registered with SEBI under SEBI (Mutual Funds) Regulations, 1996 on December 29, 2009 bearing Registration number MF/063/09/04. The Deed of Trust dated May 29, 2009 made by and between the Sponsor and the Trustee Company establishing the Mutual Fund, as amended by Deed of First Variation dated December 7, 2009, Deed of Second Variation dated December 17, 2009, Deed of Third Variation dated August 21, 2018 and Deed of Fourth Variation dated August 18, 2022. The office of the Mutual Fund is at 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400025.

B. SPONSOR

Motilal Oswal Mutual Fund is sponsored by Motilal Oswal Financial Services Limited (**MOFSL**). The Sponsor is the Settlor of the Mutual Fund Trust. The Settlor has entrusted a sum of Rs. 1 Lakh to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

In order to simplify the holding structure and to bring the operational entities directly under MOFSL, Motilal Oswal Securities Limited (MOSL) erstwhile sponsor of MOMF has been merged with MOFSL, whereby all the assets and liabilities of MOSL including its business and investments has been transferred to MOFSL. As a result of the same, the entire shareholding of MOAMC and MOTC held by MOSL has been transferred to MOFSL under the operation of law of the Scheme with effect from August 21, 2018. As a result of the aforesaid restructuring, the shareholding of MOAMC and MOTC and Sponsor of MOMF has been changed from MOSL to MOFSL.

MOFSL is a public limited company listed on BSE and NSE. Pursuant to the internal restructuring of the Motilal Oswal Group of Companies, the lending business of MOFSL has been transferred to Motilal Oswal Finvest Limited, wholly owned subsidiary of the MOFSL on August 20, 2018. Pursuant to Amalgamation of MOSL with MOFSL and their respective Shareholders (“Scheme”) being effective from August 21, 2018, MOFSL carries on the business of MOSL with effect from August 21, 2018. After receipt of SEBI approval on 05th February, 2019 on name change, MOFSL is now a SEBI registered Trading Member registered with BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX). MOFSL is now a SEBI registered Depository Participant registered with Central Depository Services Ltd, (CDSL) and National Securities Depository Limited (NSDL). Hence, MOFSL will now execute transactions in capital markets/equity derivatives/commodity derivatives/ currency derivatives segments on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. Besides stock broking, it also offers a bouquet of financial products and services to its client base. It is registered with the SEBI as Research Analyst, Investment Advisor, Portfolio Manager and with various other bodies / agencies like IRDA, AMFI, CER-SAI, KRA agencies (CVL, Dotex, NDML, CAMS and Karvy) etc. Further, MOFSL, along with its subsidiaries, offers a diversified range of financial products and services such as loan against shares, investment activities, private wealth management, broking and distribution, asset management business, housing finance, institutional equities, private equity and investment banking.

Financial Performance (Audited) of MOFSL (past three years):

(Rs. in Lakhs)

Particulars	2022-23	2021-22	2020- 2021
Net Worth	4,45,354	4,24,411	3,53,139
Total Income	2,69,271	2,61,144	2,18,431
Profit after Tax	56,891	70,682	71,239
Asset under Management, if any	NA	NA	NA

C. THE TRUSTEE

MOTC (“the Trustee”), through its Board of Directors, shall discharge its obligations as Trustee of MOMF. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI MF Regulations and will also review the activities carried on by the AMC. MOTC is registered under the Companies Act, 1956 and was incorporated on November 14, 2008. The Deed of Trust dated May 29, 2009 made by and between the Sponsor and the Trustee Company establishing the Mutual Fund, as amended by Deed of First Variation dated December 7, 2009, Deed of Second Variation dated December 17, 2009 and Deed of Third Variation dated August 21, 2018.

Details of Trustee Directors:

Name	Age (In years)	Qualification	Brief Experience
Mr. Vijay Agarwal, Independent Director	67	Master of Commerce and Fellow Member of Institute of Chartered Accountants of India (ICAI).	<ul style="list-style-type: none"> Mr. Vijay Agarwal is a Practicing Chartered Accountant with rich experience and expertise in the field of Taxation. Mr. Agarwal is into Independent Practice since 1980 and has extensive exposure to the Books of Big Corporate. He has travelled extensively in India for Audit purpose. Presently he is on the Board of various listed companies and is also associated with several NGOs such as Society for Promotion of Area Resource Centres (SPARC), Sanskar India Foundation etc.
Mr. Sandip Ghose Independent Director	70	M.A. (History)	<ul style="list-style-type: none"> Mr. Sandip Ghose holds a Master’s Degree in History (M.A.) and is an alumnus of Anderson School of Management UCLA, and Columbia Business School, among others. Sandip Ghose is also the former Director of the National Institute of Securities Markets (NISM), an educational initiative of SEBI. He has overseen the school of regulatory and supervisory studies which acts as a staff college for SEBI officers. Mr. Ghose has vast experience and knowledge of the financial sector. Prior to taking over as a Di-

			<p>rector of NISM, Mr. Ghose was the Head of Human Resources in the Reserve Bank of India (RBI).</p> <ul style="list-style-type: none"> As a central banker by profession, Mr. Ghose was the Chief of Staff and Advisor to three successive RBI Governors - Dr. C. Rangarajan, Dr. Bimal Jalan, and Dr. Y.V. Reddy over a period of nine years. During his career, Mr. Ghose has received several prestigious awards including an Honorary Doctoral Degree by the EILM University, Sikkim.
Mr. Viraj Kulkarni, Independent Director	63	<p>Fellow Member of Institute of Company Secretaries of India & B.Com, (Mumbai University)</p> <p>Fellow Member of Institute of Company Secretaries of India (ICSI).</p>	<ul style="list-style-type: none"> Mr. Viraj Kulkarni has an overall 29 years of in-depth and diverse exposure in emerging and advanced capital market at Senior Management level as well as Entrepreneurial aspects which also includes 12 years as an expert Country Manager of Securities Services of Leading Global Banks in India and Switzerland. Mr. Kulkarni's primary role was to strategize and develop Securities services franchise. His Industry exposures relates to Corporate Banking, Regulatory, Compliance, Capital Markets, Securities and Fund Services & Brokerage business. Mr. Kulkarni has an excellent understanding and exposure to Global practices and Global Markets.
Mr. Sharad Mittal, Associate Director	45	<p>Chartered Accountant (ICAI) and B.Com (Delhi University).</p>	<ul style="list-style-type: none"> Mr. Sharad Mittal is associated with Motilal Oswal group since 2013 with overall 18 years of experience in the real estate industry. Further, he has been instrumental in building real estate investment platform of Motilal Oswal Group. He has established a strong record of profitable exits from investments with keen attention on active asset management of the portfolio. Mr. Mittal has also been proficient in raising capital commitments from both domestic and global investors. Prior to joining Motilal Oswal Group, he was associated with ICICI Prudential AMC, ICICI Bank, ASK Property Investment Advisors and First Rand Bank. Mr. Mittal is also acting as a member of the Confederation of Indian Industry (CII) National Committee on Real Estate & Housing, IMC Chamber of Commerce & Industry Committee on Urban Development, Smart Cities, Real Estate and Infrastructure and Royal Institute of Chartered Surveyors (RICS).

Out of 4 Directors on the Board of MOTC, 3 (i.e. 3/4th) Directors are Independent Directors.

DUTIES AND RESPONSIBILITIES OF THE TRUSTEE UNDER THE TRUST DEED AND THE SEBI REGULATIONS:

The duties and responsibilities of the Trustee shall be in accordance with Regulation 18 under Chapter III of the Regulations and Trust Deed. The Trustees shall discharge such duties and responsibilities as provided in the Regulations and Trust Deed.

1. The Trustee shall maintain arm's length relationship with companies, institutions, financial intermediaries or bodies corporate with which the Trustee may be associated in any capacity in carrying out their responsibilities. A Director shall not participate in the meetings of the Trustee Company when any decisions for investments in which he may be interested are taken. Each Director of the Trustee shall furnish particulars of interest which he may have in any other company or institution or financial intermediary or any corporate by virtue of his position as director, partner or with which he/she may be associated in any other capacity.
2. The Trustee shall take into their custody or under their control all the property of the Schemes of the Mutual Fund and hold it in trust for the unit-holders.
3. It shall be the duty of the Trustee to act in the interest of the unit holders.
4. It shall be the duty of the Trustee to provide or cause to provide information to the unit holders and SEBI as may be required by SEBI from time to time.
5. The Trustee shall take reasonable care to ensure that the funds under various Schemes floated, are managed by the AMC in accordance with the Trust Deed and SEBI Regulations.
6. The Trustee shall have powers to dismiss the AMC under the specific events with the prior approval of the Board in accordance with the regulations.
7. The Trustee shall supervise the collection of any income due to be paid to the scheme and for claiming any repayment of tax and holding any income received in trust for the holders.
8. The Trustee shall not acquire nor allow the AMC to acquire any assets out of the Trust Fund and/or unit capital which involves the assumption of unlimited liability or results in the encumbrances of Trust Fund and/or unit capital in any way.
9. No amendments to the Trust Deed shall be carried out without the prior approval of SEBI and unit holder's approval would be obtained where it affects the interest of Unit holders in such manner as may be prescribed by SEBI from time to time.

Other Duties and Responsibilities of Trustees

1. The Trustee is responsible for entering into an Investment Management Agreement with the AMC by which the latter is entrusted with the task of floating and managing the Schemes of Mutual Fund.
2. The Investment Management Agreement shall contain such clauses as are mentioned in the Fourth Schedule of SEBI Regulations and such other clauses as are necessary for the purpose of making investments.
3. The Trustee shall have the right to obtain from the AMC such information as is considered necessary by the Trustee and shall review all reports and compliance procedures from the AMC.
4. The Trustee shall ensure before the launch of any Scheme that the AMC has:
 - a. Systems in place for its back office, dealing room and accounting;
 - b. Appointed all key personnel including fund manager(s) for the Scheme and submitted to the Trustee their bio-data which shall contain the educational qualifications, past experience in the securities market within fifteen days of their appointment;
 - c. Appointed auditors to audit the accounts of the Scheme;
 - d. Appointed a compliance officer who will be responsible for monitoring compliance with Act, Rules and regulations, notifications, guidelines and instructions issued by the SEBI or the Central Government and to redress investor grievances;

- e. Appointed registrars and lay down parameters for their supervision;
 - f. Prepared a compliance manual and designed internal control mechanisms including internal audit systems;
 - g. Specified norms for empanelment of brokers and marketing agents; and
 - h. Obtained, wherever required under the regulations, prior in-principle approval from the recognised stock exchange(s) where units are proposed to be listed.
5. The Trustee shall ensure that the AMC has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.
 6. The Trustee shall ensure that the AMC has not given any undue or unfair advantage to any associates or dealt with any of the associates of the AMC in any manner detrimental to the interest of the holders of the units.
 7. The Trustee shall ensure that the transactions entered into by the AMC are in accordance with the Regulations and the Schemes.
 8. The Trustee shall ensure that the AMC has been managing the Mutual Fund Schemes independently of other activities and have taken adequate steps to ensure that the interest of the investors of the Schemes are not being compromised with those of any other Scheme or of other activities of the AMC.
 9. The Trustee are required to ensure that all the activities of the AMC are in accordance with the provisions of the Regulations and shall exercise general and specific due diligence as required under the Regulations.
 10. Where the Trustee have reason to believe that the conduct of the business of the Fund is not in accordance with these Regulations and the provisions of the Schemes launched there under, they shall forthwith take such remedial steps as are necessary by them and to immediately inform SEBI of the violation and the action taken by it.
 11. Each Trustee shall file the details of his transactions of dealings in securities with the Mutual Fund within the time and manner as may be specified by the Board from time to time as may be specified under the SEBI (Mutual Funds) Regulations, 1996 from time to time.
 12. The Trustee shall be accountable for and is required to be the custodian of the Fund's property of the Schemes and to hold the same in trust for the benefit of the Unit holders in accordance with the Regulations and the provisions of the Trust Deed.
 13. The Trustee shall take steps to ensure that the transactions of the Fund are in accordance with the provisions of the Trust Deed.
 14. The Trustees are responsible for the calculation of any income due to be paid to the Mutual Fund and also of any income received in the Mutual Fund for the holders of the units of the Schemes in accordance with the Regulations and the Trust Deed.
 15. The Trustee is required to obtain the consent of the Unit holders of the Scheme:
 - a. When the Trustee is required to do so by SEBI in the interest of the Unit holders of the Scheme; or
 - b. Upon a requisition made by three-fourths of the Unit holders of the Scheme; or
 - c. When the majority of the Directors of Trustee decide to wind up the Scheme or pre-maturely redeem the Units.
 16. The Trustee shall ensure that no change in the fundamental attributes of the Schemes or the trust or the fees and expenses payable or any changes which would modify the Schemes and affects the interest of Unit holders shall be carried out unless:-
 - a) a written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a Marathi newspaper published in the region where the Head Office of the Mutual Fund is situated; and
 - b) the unit holders are given an option to exit at the prevailing Net Asset Value without any exit load regardless of unit of Schemes held.
 17. The Trustee shall call for the details of transactions in securities by the key personnel of the AMC in their own names or on behalf of the AMC and shall report to SEBI as and when required;
 18. The Trustee shall quarterly review all transactions carried out between the mutual fund, AMC and its associates;
 19. The Trustee shall review the net worth of the AMC on quarterly basis and in case of any shortfall ensure that the AMC makes up for the shortfall as per the clause (f) of sub-regulation (1) of regulation 21 of the Regulations.

20. The Trustee shall periodically review all service contracts such as custody arrangements, transfer agency of the securities and satisfy itself that such contracts are executed in the interest of the unit holders.
21. The Trustee shall ensure that there is no conflict of interest between the manner of deployment of its net worth by the AMC and the interests of the unit holders;
22. The Trustee shall periodically review the investor complaints received and redressal of the same by the AMC.
23. The Trustees shall abide by the code of conduct as specified in the Fifth Schedule of SEBI Regulations.
24. The Trustee shall furnish to SEBI on a half yearly basis or at such frequency as may be prescribed by SEBI from time to time-
 - a. a report on the activities of the Mutual Fund;
 - b. a certificate stating the Directors have satisfied themselves that there have been no instances of self-dealing or front running by any of the Trustee, Directors and key personnel of the AMC; and
 - c. a certificate to the effect that the AMC has been managing the Schemes independently of any other activities and in case any activities of the nature referred to in sub Regulation (b) of Regulation 24 of the Regulations have been undertaken, the AMC has taken adequate steps to ensure that the interest of the unit holders is adequately protected.
25. The independent Directors of the Trustee are required to give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of the group companies of the sponsor.
26. The Trustee shall exercise due diligence as under:

General Due Diligence

The Trustee shall:

- a. be discerning in the appointment of the directors on the Board of the AMC;
- b. review the desirability of continuance of the AMC if substantial irregularities are observed in any of the Schemes and shall not allow the AMC to float new Schemes;
- c. ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons;
- d. ensure that all service providers are holding appropriate registrations from the Board or concerned regulatory authority;
- e. arrange for test checks of service contracts; and
- f. Immediately report to SEBI of any special developments in the Fund.

Specific Due Diligence

The Trustee shall:

- a. obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee;
 - b. obtain compliance certificates at regular intervals from the AMC;
 - c. hold meeting of the Board of the Trustee Company frequently and ensure that atleast 6 such meeting shall be held in each year;
 - d. consider the reports of the independent auditor and compliance reports of the AMC at the meetings of the Board of the Trustee Company for appropriate action;
 - e. maintain records of the decisions of the Board of the Trustee Company at their meetings and of the minutes of the meetings;
 - f. prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel; and
 - g. Communicate in writing to the AMC of the deficiencies and check on the rectification of deficiencies.
27. Notwithstanding anything contained herein above from points (1) to (26) the Trustees shall not be held liable for any act done in good faith if they have exercised adequate due diligence honestly.
 28. The Trustee shall act in the interest of Unitholders.
 29. The Trustees shall appoint statutory auditors to verify the books of account and to ascertain the true and fair representation of state of affairs and to ascertain profit or loss of the Mutual Fund, as at the end of the financial year.

30. The Trustees shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business.
31. The Trustees shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
32. The Independent Directors of the Trustee shall pay specific attention to the following, as may be applicable namely: -
 - a. The Investment Management Agreement and the compensation paid under the same;
 - b. Service contracts with affiliates - whether the AMC has charged higher fees than outside contractors would have charged for the same services;
 - c. Selection of the AMC's independent directors;
 - d. Securities transactions involving affiliates to the extent such transactions are permitted;
 - e. Selecting and nominating individuals to fill independent director vacancies;
 - f. Code of ethics have been designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transaction;
 - g. The reasonableness of fees paid to the Sponsors, AMC and any others for services provided;
 - h. Principal underwriting contracts and their renewals; and
 - i. Any service contract with the associates of the AMC.

Trustee's Supervisory Role:

The Trustee shall review the information and operation of the Mutual Fund based on the periodic reports on the compliance of mandatory regulatory requirements, obtained from the compliance officer on a regular basis. The Compliance Officer has direct reporting line to the Board of Directors of the Trustees. Further, the Trustee has constituted an Audit Committee and appointed an independent internal auditor for conducting internal audit of the books and records of the Fund. The internal auditor submits their report directly to the Trustee.

The Regulations provide that the Trustee meetings will be held once in every two calendar months and at least six such meetings will be held in a year. Quorum for the meeting of the Board of Trustee Company shall not be constituted unless one independent director is present at the meeting.

In compliance with above provision, during the financial year 2018-2019, Seven (7) meetings of the Board of Directors of the Trustee Company were held.

The Trustee shall also ensure that:

- investments are of the permitted kind and within the set limits;
- the Fund assets are duly protected;
- transactions in units under a Scheme are properly executed by the AMC with reference to the pricing of the units and payments into and out of the Fund;
- adequate internal controls are provided for by the AMC;
- income due to the Fund is properly accounted for;
- all expenses and charges to the Schemes are as permitted; and
- Distributions from the Fund are done properly.

Further, SEBI vide Circular No. SEBI/HO/IMD/DF4/CIR/P/2020/0000000151 dated August 10, 2020 stated that the Trustees shall appoint a dedicated officer having professional qualification and minimum 5 years of experience in finance and financial services related field for providing administrative assistance to Trustees in monitoring various activities of the AMCs.

The officer so appointed, shall be employee of the Trustees and directly report to the Trustees.

The scope of work for the said officer shall be specified by Trustees from time to time to support the role and responsibilities of the Trustees. The officer shall accordingly assist the Trustees and discharge the activities assigned to him.

The said officer shall be treated as access person.

Further, Trustees shall have standing arrangements with independent firms for special purpose audit and/or to seek legal advice in case of any requirement as identified and whenever considered necessary.

The expenditure incurred for the above shall be charged under the clause 52(b) (iv) “fees and expenses of trustees of SEBI (Mutual Funds) Regulations, 1996.

Notwithstanding the above, the Trustees shall however continue to be liable for discharge of various fiduciary responsibilities as cast upon them in the SEBI (Mutual Funds) Regulations, 1996.

D. ASSET MANAGEMENT COMPANY

MOAMC is public a limited company incorporated under the Companies Act, 1956 on November 14, 2008, having its Registered Office at 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai - 400025. MOAMC has been appointed as the Investment Manager to MOMF vide Investment Management Agreement (IMA) dated May 21, 2009, executed between MOTC and MOAMC.

MOAMC undertakes the following activities other than that of managing the Schemes of MOMF and has also obtained NOC from SEBI for the same:

- a) MOAMC is registered with SEBI as a Portfolio Manager vide registration no. INP 000000670 under SEBI (Portfolio Managers) Regulations 1993.
- b) MOAMC acts as an Investment Manager to the Schemes of Motilal Oswal Alternative Investment Trust (MOAIT) and is registered under SEBI (Alternative Investment Funds) Regulations, 2012 as Category III AIF bearing registration number IN/AIF3/13-14/0044 and IN/AIF3/19-20/0799 respectively.
- c) MOAMC has incorporated a wholly owned subsidiary in Mauritius which acts as an Investment Manager to the funds based in Mauritius.
- d) MOAMC has incorporated a wholly owned subsidiary in India which currently undertakes Investment Advisory Services to offshore clients.

AMC confirms that there is no conflict of interest between the aforesaid activities managed by AMC. In the situations of unavoidable conflicts of interest, the AMC undertakes that it shall satisfy itself that adequate disclosures are made of source of conflict, potential ‘material risk or damage’ to investor interest and develop parameters for the same.

Apart from the above-mentioned activities, the AMC may undertake any business activities other than in the nature of management and advisory services provided to pooled assets including offshore funds, insurance funds, pension funds, provident funds, if any of such activities are not in conflict with the activities of the mutual fund subject to receipt of necessary regulatory approvals and approval of Trustees and by ensuring compliance with provisions of regulation 24(b) (i to viii). Provided further that the asset management company may, itself or through its subsidiaries, undertake portfolio management services and advisory services for other than broad based fund till further directions, as may be specified by the Board, subject to compliance with the following additional conditions:-

- i) it satisfies the Board that key personnel of the asset management company, the system, back office, bank and securities accounts are segregated activity wise and there exist system to prohibit access to inside information of various activities;
- ii) it meets with the capital adequacy requirements, if any, separately for each of such activities and obtain separate approval, if necessary under the relevant regulations.

Explanation:—For the purpose of this regulation, the term ‘broad based fund’ shall mean the fund which has at least twenty investors and no single investor account for more than twenty five percent of corpus of the fund.

The paid up Share Capital of the Company as on March 31, 2023 was Rs. 677,387,883. During the year under review, there has been no change in the Authorized share capital of the Company

The shareholding pattern of MOAMC as on March 31, 2023 is as follows:

Name of the Shareholder	Percentage of Shares
Motilal Oswal Financial Services Limited*	100%
Other Shareholders (Shares issued on exercise of stock options)	0 %

*including 6 shares held jointly with its nominees as detailed underneath.

Sr. No.	Name of the Shareholders	Type of Shares	No. of Shares	Face Value Per Share (in Rs.)	Total Amount (In Rs.)	Percentage of Shares
1	Motilal Oswal Financial Services Limited jointly with Mr. Motilal Oswal	Equity	10	1	10	0.00
2	Motilal Oswal Financial Services Limited jointly with Mr. Raamdeo Agrawal	Equity	10	1	10	0.00
3	Motilal Oswal Financial Services Limited jointly with Mrs. Vimla Oswal	Equity	10	1	10	0.00
4	Motilal Oswal Financial Services Limited jointly with Mrs. Suneeta Agrawal	Equity	10	1	10	0.00
5	Motilal Oswal Financial Services Limited jointly with Mr. Navin Agarwal	Equity	10	1	10	0.00
6	Motilal Oswal Financial Services Limited jointly with Mr. Ajay Menon	Equity	10	1	10	0.00

Details of AMC Directors:

Name	Age (In years)	Qualification	Brief Experience
Mr. Raamdeo Agrawal Associate Director	66	B.Com and ACA	Mr. Raamdeo Agrawal is a Co-founder and Joint Managing Director of Motilal Oswal Financial Services Ltd. He is the key driving force behind strong research capability as well as a renowned Value investor, and has also been instrumental in setting up the investment management philosophy of the firm. He has an extensive experience of more than 3 decades in Financial Service Sector. He is a member of the National Committee on Capital Markets of the Confederation of Indian Industry. He has been authoring the annual Motilal Oswal Wealth Creation Study since its inception in 1996. He is also a Director on the Board of various Companies.
Mr. R.S. Sanghai	60	Fellow Member of Institute of	Mr. R. S. Sanghai is a Qualified Practicing Chartered Accountant (CA) having brilliant Academics and has secured All India Rank in

Independent Director		Chartered Accountants of India (ICAI).	<p>C.A. Examinations. He has also pursued proficiencies in various arena such as International Taxation, IFRS/ Ind AS, Business Valuation, MSME, International and Domestic Transfer Pricing.</p> <p>He is the Founder partner of M/s. R.S.Sanghai & Associates (CA Firm). He has a rich experience for more than 37 Years in the area of Auditing (Internal Audits, Statutory Audits, Tax Audits etc.) and in other areas like Business Advisory Services in relation to Business Restructuring, Cost cutting measures to various Business Segments, CxO Services to Logistics & Packaging Company etc.</p>
Mr. Vipul Choksi Additional Director	63	Fellow Member of Institute of Chartered Accountants of India (ICAI). Qualified Insolvency Professional	Mr Vipul Choksi is currently the Senior Partner in Shah Gupta & Co. He has a vivid expertise in the area of Assurance and Taxation Practice. He also has as rich experience of three decades in handling the audits of large corporates in Banking, Insurance, NBFCs and Mutual Funds, Housing Finance Company, Steel, Textile, Cement and Infrastructure. He was former Chairman of the Western Indian Regional Council of the Institute of Chartered Accountant of India (ICAI) and was associated with various other committees of ICAI. He was also the Former President of Chamber of Tax Consultant. Currently, he is Editor of Monthly Journal of the Chamber of Tax Consultants.
Mr. Navin Agarwal Managing Director and Chief Executive Officer	51	Fellow member of Institute of Chartered Accountants of India (ICAI), Institute of Cost and Works Accountant of India (ICWA) & Institute of Company Secretaries of India (ICSI) and Charter holder from CFA Institute, Virginia.	<p>Mr. Navin Agarwal was the Managing Director of Motilal Oswal Financial Services Limited. He started his career as an Analyst in 1994, went on to be Head of Research and managed Portfolios till 2000. He joined Motilal Oswal Group in 2000 and has been responsible for building a market-leading position in Institutional Equities. He is a part of the Executive Board that drives business strategy and reviews for all businesses besides capital allocation of the group.</p> <p>He is affiliated with prestigious organizations like Institute of Chartered Accountants of India, Institute of Cost and Works Accountant of India, Institute of Company Secretaries of India and CFA Institute, Virginia. He has also co-authored a Book 'India's Money Monarchs'</p>
Ms. Swanubhuti Jain, Women Director	43	Post-Graduation Diploma in Sales and Marketing Management, NMIMS, MA in Philosophy - Mumbai University, Shastri (Graduation in Sanskrit medium in Logic, Philosophy & Literature), Rajasthan University.	<p>Ms. Swanubhuti Jain has more than 18 years of experience in diverse Fintech organizations spanning Insurance, Stock Broking, Investment Banking, Commodities & Consulting etc. creating businesses from the scratch in multi dimension organizations from Startup Ecosystem to global MNCs.</p> <p>She has widespread cross-functional experience in Business Development, Operations and Delivery Excellence with strong analytical, problem solving & leadership abilities. Ms. Jain is deft in turning around underperforming business units through process improvement, cost-cutting & multilateral negotiations.</p> <p>At present, Ms. Swanubhuti Jain is affiliated with JITO Incubation & Innovation Foundation (JIIF) where she is leading all business verticals of Startup ecosystem including JITO Angel Network, JITO Incubation Centre, Co-working and AIF Registration.</p>

Mr. Himanshu Vyapak, Independent Director	48	Graduate in Economics, MBA (Gold Medalist), Fellow member of (FIII - Non Life) from Insurance Institute of India, CFP, Claritas (CFA)	Mr. Himanshu has an experience of over 22 years across Asset Management; Banking & NBFCs. Mr. Himanshu was previously associated with Reliance Nippon Life Asset Management Limited as a Deputy CEO since October 2003 up to April 2019 wherein he has been instrumental in expanding the Company's footprints in both domestic & international territories. Mr. Himanshu has also held key positions with ICICI bank and Escorts Finance across his tenure. Mr. Himanshu is a member on the Board of studies of Prin. LN Welinkar Institute of Management Development & Research. Mr. Himanshu is recently involved with the social cause of skilling & improving employability of marginalized sections of society for BFSI Industry through his non-profit company i.e. ID Finxperts Skilling Foundation.
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POWERS, DUTIES, OBLIGATIONS AND RESPONSIBILITIES OF THE ASSET MANAGEMENT COMPANY

The duties, responsibilities of the AMC shall be governed by the Regulations and the Investment Management Agreement. The AMC, in the course of managing the affairs of the Mutual Fund, has the powers inter-alia to:

1. Floating Scheme(s) of the Mutual Fund after approval of the same by Trustees as well as SEBI and investing and managing the funds mobilized under various schemes, in accordance with the provisions of the Trust Deed and the Regulations.
2. Invest in, acquire, hold, manage or dispose of all or any securities and to deal with, engage in and carry out all other functions and to transact all businesses pertaining to the Fund.
3. Keep the moneys belonging to the Trust with scheduled banks and Custodians as it may deem fit.
4. Obtain, wherever required under the regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
5. Issue, sell purchase and cancel units under any Scheme as per the terms of respective scheme of the Mutual Fund.
6. Repurchase the units that are offered for repurchase and hold, reissue or cancel them.
7. Formulate strategies, lay down policies for deployment of funds under various Schemes and set limits collectively or separately for privately placed debentures, unquoted debt instruments, securitized debts and other forms of variable securities which are to form part of the investments of the Trust Funds.
8. Arrange for investments, deposits or other deployment as well as disinvestments or refund out of the Trust Funds as per the set strategies and policies.
9. Make and give receipts, releases and other discharges for moneys payable to the Trust and for the claims and demands of the Trust.
10. Get the units under any Scheme listed on any one or more stock exchanges in India or abroad.
11. Open one or more bank accounts for the purposes of the Fund, to deposit and withdraw money and fully operate the same;
12. Pay for all costs, charges and expenses, incidental to the administration of the Trust and the management and maintenance of the Trust property, Custodian and/or any other entities entitled for the benefit of the Fund, audit fee, management fee and other fees.
13. Furnish compliance reports to the Trustees as prescribed by SEBI.
14. Provide or cause to provide information to SEBI and the Unit holders as may be specified by SEBI.
15. Generally, do all acts, deeds, matters and things which are necessary for any object, purpose or in relation to the Mutual Fund in any manner or in relation to any Scheme of the Mutual Fund.
16. Ensure that no Scheme Information Document (SID) of a Scheme, Key Information Memorandum (KIM), Abridged Half yearly results and Annual Results are issued or published without the prior approval of the Trustee.

17. Ensure that the delivery of scrips purchased is taken and that the delivery is given in case of scrips sold and Mutual Fund in no case engages in short selling or carry forward transactions or badla finance.

The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule of the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time. The AMC shall:

1. Maintain high standards of integrity and fairness in all their dealings and in the conduct of their business.
2. Take reasonable steps and exercise due diligence to ensure that the investment of money pertaining to any Scheme is not contrary to the provisions of the SEBI Regulations and the Trust Deed.
3. Exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
4. Render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.

The independent directors of the AMC will pay specific attention to the following as may be applicable namely:

1. The Investment Management Agreement and the compensation paid under the Agreement.
2. Service contracts with affiliates - whether the company has charged higher fees than outside contractors for the same services.
3. Securities transactions involving affiliates to the extent such transactions are permitted.
4. Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
5. The reasonableness of fees paid to Sponsors, AMC and any others for services provided.
6. Principal underwriting contracts and renewals.
7. Any service contracts with the associates of the company.

Under the SEBI Regulations, duties and responsibilities of AMC are as under:

1. The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of these regulations and the trust deed.
2. The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
3. The AMC shall obtain, wherever required under these regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
4. The AMC shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by the asset management company.
5. The AMC shall submit to the trustees quarterly reports (or at such intervals as may be required by the Trustees or SEBI) of each year on its activities and the compliance with these regulations.
6. The trustees at the request of the AMC may terminate the assignment of the AMC at any time. Provided that such termination shall become effective only after the trustees have accepted the termination of assignment and communicated their decision in writing to the asset management company.
7. Notwithstanding anything contained in any contract or agreement or termination, the AMC or its directors or other officers shall not be absolved of liability to the Mutual Fund for their acts of commission or omissions, while holding such position or office.
 8. The Chief Executive Officer of the asset management company shall ensure that the mutual fund complies with all the provisions of the regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund.
 9. The Chief Executive Officer shall also ensure that the Asset Management Company has adequate systems in place to ensure that the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth

Schedule of these regulations are adhered to in letter and spirit. Any breach of the said Code of Conduct shall be brought to the attention of the Board of Directors of the Asset Management Company and Trustees.

10. An AMC shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5% or more of the aggregate purchases and sale of securities made by the Mutual Fund in all its schemes. Provided that for the purpose of this sub-regulation, aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the Mutual Fund. Provided further that the aforesaid limit of 5% shall apply for a block of any three months.
11. An AMC shall not purchase or sell securities through any broker (other than the broker associated with Sponsors) which is average of 5% or more of the aggregate purchases and sale of securities made by the Mutual Fund in all its schemes, unless the AMC has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the trustees on a quarterly basis. Provided that the aforesaid limit shall apply for a block of three months or as may be prescribed by SEBI from time to time.
12. An AMC shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities. Provided that an AMC may utilise such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the Mutual Fund.

Provided further that the Mutual Funds shall disclose at the time of declaring half-yearly and yearly results;

- any underwriting obligations undertaken by the schemes of the Mutual Funds with respect to issue of securities associate companies,
 - devolvement, if any,
 - subscription by the schemes in the issues lead managed by associate companies
 - Subscription to any issue of equity or debt on private placement basis where the sponsor or its associate companies have acted as arranger or manager.
13. The AMC shall file with the trustees the details of transactions in securities by the key personnel of the AMC in their own name or on behalf of the AMC and shall also report to the SEBI, as and when required by the SEBI.
 14. In case the AMC enters into any securities transactions with any of its associates a report to that effect shall be sent to the trustees at its next meeting.
 15. In case any company has invested more than 5 per cent of the net asset value of a scheme (such other limits as may be prescribed from time to time under SEBI Regulations), the investment made by that scheme or by any other scheme of the same Mutual Fund in that company or its subsidiaries shall be brought to the notice of the trustees by the AMC and be disclosed in the half yearly and annual accounts of the respective schemes with justification for such investment. Provided the latter investment has been made within one year of the date of the former investment calculated on either side.
 16. The AMC shall file with the trustees and the SEBI –
 - detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment and any change in the interest of Directors every six months; and
 - a quarterly report to the trustees giving details and adequate justification about the purchase and sale of the securities of the group companies of the sponsor or the AMC as the case may be, by the Mutual Fund during the said quarter.
 17. Each director of the AMC shall file the details of his transactions of dealing in securities with the trustees on a quarterly basis in accordance with the guidelines issued by the SEBI.
 18. The AMC shall not appoint any person as key personnel who has been found guilty of any economic offence or involved in violation of securities laws.
 19. The AMC shall appoint registrars and share transfer agents who are registered with the SEBI. Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the scheme and for rates higher than the competitive market rates, prior approval of the trustees shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
 20. The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule.

21. The AMC shall:

- not act as a Trustee of any Mutual Fund;
 - not undertake any business activities other than in the nature of management and advisory services provided to pooled assets including offshore funds, insurance funds, pension funds, provident funds, if any of such activities are not in conflict with the activities of the mutual fund, subject to receipt of necessary regulatory approvals and approval of Trustees and by ensuring compliance with provisions of regulation 24(b) (i to viii). Provided further that the asset management company may, itself or through its subsidiaries, undertake portfolio management services and advisory services for other than broad based fund till further directions, as may be specified by the Board, subject to compliance with the following additional conditions:-
- i) it satisfies the Board that key personnel of the asset management company, the system, back office, bank and securities accounts are segregated activity wise and there exist system to prohibit access to inside information of various activities;
 - ii) it meets with the capital adequacy requirements, if any, separately for each of such activities and obtain separate approval, if necessary under the relevant regulations.

Explanation:—For the purpose of this regulation, the term ‘broad based fund’ shall mean the fund which has at least twenty investors and no single investor account for more than twenty five percent of corpus of the fund.

- not invest in any of its Scheme unless full disclosure of its intention to invest has been made in the Scheme Information Document; Provided that the AMC shall not be entitled to charge any fees on its investment in that Scheme;
- not acquire any assets out of the trust fund which involves the assumption of any liability which is unlimited or which may result in encumbrance of the Scheme property in any way.

22. The AMC shall report and disclose all the transactions in debt and money market securities, including inter scheme transfers, as specified by the Board.

23. The Managing Director and Chief Executive Officer of AMC shall ensure that the Mutual Fund complies with all the provisions of SEBI (Mutual Funds) Regulations, 1996 and guidelines/circulars issued in relation thereto from time to time and that the investments made by the Fund Managers are in the interest of the Unitholders and shall also be responsible for overall risk management function of the Mutual Fund.

24. The AMC shall keep and maintain proper books of accounts, records and documents for each Scheme so as to explain its transactions and to disclose at any time the financial position of each Scheme and in particular to give a true and fair view of the state of affairs of the Fund and such records shall be maintained for a period of eight years.

KEY PERSONNEL OF ASSET MANAGEMENT COMPANY

Name	Age (In years)	Qualification	Brief Experience
Mr. Navin Agarwal Managing Director and Chief Executive Officer	52	Fellow member of Institute of Chartered Accountants of India (ICAI), Institute of Cost and Works Accountant of India (ICWA) & Institute of Company Secretaries of India (ICSI) and Charter holder from CFA Institute, Virginia.	<ul style="list-style-type: none"> • Mr. Navin Agarwal was the Managing Director of Motilal Oswal Asset Management Company Limited. He started his career as an Analyst in 1994, went on to be Head of Research and managed Portfolios till 2000. • He joined Motilal Oswal Group in 2000 and has been responsible for building a market-leading position in Institutional Equities. He is a part of the Executive Board that drives business strategy and reviews for all businesses besides capital allocation of the group. • He is affiliated with prestigious organizations like Institute of Chartered Accountants of India, Institute of Cost and Works Accountant of India, Institute of Company

			Secretaries of India and CFA Institute, Virginia. He has also co-authored a Book 'India's Money Monarchs' featuring.
Mr. Prateek Agarwal – Executive Director	52	<ul style="list-style-type: none"> PGDM, Finance and Management from Xavier Institute of Management, Bhubaneswar <p>Bachelor of Engineering (B.E.) in Electronic from National Institute of Technology, Rourkela</p>	<ul style="list-style-type: none"> Mr. Prateek Agrawal has long distinguished experience in Asset Management Business, investment banking, advisory services and sell side research. Prior to joining Motilal Oswal Asset Management Company Limited, he was associated with ASK Investment Managers Private Limited as Business Head and Chief Investment Officer wherein he has provided leadership to various departments. In his earlier role, he worked as Head of Equity with BNP Paribas Mutual Fund & BOI AXA Mutual Fund and Head of Research in SBI Capital Market. He has also been part of the core team that built start-ups fund houses on the Buy-side. His key strengths are equity money management, team building, and conceptualizing and establishing scalable processes that enable performance delivery with lean teams.
Mr. Akhil Chaturvedi Chief Business Officer	46	B.com (University of Mumbai); MBA (Marketing) and Master of Arts (Accounts and Finance) from University of Leeds, United Kingdom	<ul style="list-style-type: none"> Mr. Chaturvedi has more than 21 years of rich experience in sales, distribution, client advisory (Wealth management) and business development from companies such as Birla Sun Life Asset Management Ltd., Global Finance Ltd and Daiwa Asset Management Pvt. Ltd. His last assignment was with Daiwa Asset Management Pvt. Ltd. as Head-Retail Sales where he was responsible for sales, distribution and preparation of business plan and strategies for launch of Mutual Fund Schemes.
Ms. Aparna Karmase Head- Compliance, Legal, Secretarial	45	B.Com, C.S., LL.B	<ul style="list-style-type: none"> Ms. Aparna Karmase has extensive experience of more than 21 years in asset management industry in the field of Compliance, Company Secretary, Legal and Risk management across the tenure. Prior to this assignment, she was Sr. Vice President – Compliance with Invesco Asset Management (India) Private Ltd. Ms. Karmase was also been associated with BNP Paribas Asset Management India Private Ltd. and Prudential ICICI Asset Management Company Ltd.
Mr. Juzer Dalal Head – Operations and Finance	37	Bachelor of Commerce degree from Mumbai University & Chartered Accountant (Institute of Chartered Accountants of India)	<ul style="list-style-type: none"> Mr. Juzer has 12 years of rich experience in Mutual Fund industry. He began his career in 2009 as an Assistant Manager for Treasury Operations with HDFC Mutual Fund. In April 2013, he joined the esteemed Mahindra Group to start the AMC business under the umbrella of their financial services arm. He was part of the core team which was responsible for setting up systems and processes for both AMC Finance & Operations of the Mutual Fund.

			<ul style="list-style-type: none"> In April 2018, Mr. Juzer joined Motilal Asset Management Company Limited handling Mutual Fund Operations. Now he is appointed as Head of Operations and Finance for overseeing critical functions viz. Fund Administration, RTA Operations and Finance.
Mr. Gulam Siddique Head - Risk Management and Internal Audit	42	B.Com, Chartered Accountant (CA)	<ul style="list-style-type: none"> Mr. Siddique has an overall experience of more than 13 years spanning in the areas of Operational Risk, Internal Audit, Business Continuity Planning, and Design & Implementation of Internal Control. Prior to this, Mr. Siddique was associated with Aditya Birla Sun Life Asset Management Limited as Head-Internal Audit & Operational Risk where he was responsible for Operational Risk Management & Development and Implementation of Risk based audit framework. He was also associated with UTI Asset Management Company Limited overseeing Internal Audit for the Company.
Mr. Siddharth Bothra Fund Manager – Equity	46	B.Com, MBA (Post Graduate Program) from ISB, Hyderabad) and MBA International Student Exchange NYU Stern School of Business, New York	<ul style="list-style-type: none"> Mr. Siddharth Bothra has a rich experience of more than 20 years in the field of research and investments. He has worked with VDK Share and Stock Broking Services, Alchemy Share and Stock Brokers Limited, MOSL and MOAMC.
Mr. Ravi Singh, Deputy Head of Research	40	B. Tech. in Chemical Engineering – IIT Delhi	<ul style="list-style-type: none"> Mr Ravi Singh has around 14 years of experience in sell-side research area. He was highly voted by marquee domestic and foreign institutional investors for his differentiated insights and thematic research. Over these years of research experience, he regularly ranked among top analysts in broker polls, such as Asia money, Thomson Reuters and Extel (Institutional Investor) survey etc. for his stock-picking and sector research. He joined Motilal Oswal Asset Management Company Limited (MOAMC) in December 2020, as a Senior Analyst covering financials sector. Prior to joining MOAMC, He was associated with one of the leading institution as a senior sell-side analyst wherein he was heading the firm’s country level financial research team.
Mr. Niket Shah Fund Manager - Equity	37	MBA Finance (Welingkar Institute of Management studies)	<ul style="list-style-type: none"> Mr. Niket has 12 years of overall experience. He has done his Master’s in Business Administration (MBA) in Finance from Welingkar Institute of Management studies. Prior to joining MOAMC, he was associated with MOSL as Head of Midcaps Research from February 2013 to March 2018, Edelweiss Securities Ltd. as Research Analyst - Midcaps from March 2010 to January 2013

			and Religare Capital Markets Ltd. as Associate Research Analyst - Midcaps from June 2008 to March 2010.
Mr. Swapnil Mayekar Fund Manager – Exchange Traded Funds and Index Schemes	36	MCOM from Mumbai university and Advanced Diploma in Business Administration from Welingkar, Mumbai	<ul style="list-style-type: none"> Mr. Swapnil Mayekar has rich experience in the field of Research. He had earlier worked with organization like Business Standard Limited where he was primarily responsible for research on Banking Sector, Mutual Fund, Debt market, International and Indian Stock Market using valuation models. He is associated with MOAMC since March 2010 where his primarily role is to develop model structure, to perform portfolio assessments on a periodic basis for investment strategies & models and analysis of Exchange Traded Funds, Mutual fund scheme and stocks.
Mr. Rakesh Shetty- Fund Manager and Dealer - Fixed Income	41	Bachelors of Commerce (B.Com)	<ul style="list-style-type: none"> Mr. Rakesh Shetty has more than 13 years of overall experience and expertise in trading in equity, debt segment, Exchange Trade Fund’s management, Corporate Treasury and Banking. Prior to joining Motilal Oswal Asset Management Company Limited, he has worked with Company engaged in Capital Market Business wherein he was in charge of equity and debt ETFs, customized indices and has also been part of product development.
Mr. Ankush Sood- Dealer and Fund Manager for Foreign Securities	26	B.Tech in Electronics & Telecommunications from MPSTME, NMIMS Mumbai and MBA(Tech) with Major in Finance & Minor in Analytics from SBM, NMIMS Mumbai	<ul style="list-style-type: none"> Mr. Ankush Sood has prior experience prominently in Institutional Sales Trading Function. He has been associated with Motilal Oswal Financial Services Limited wherein he was primarily responsible for Servicing Domestic & Foreign Institutional Clients.
Mr. Santosh Kumar Singh Fund Manager - Equity	44	Chartered Accountant (CA) and Chartered Financial Analyst (CFA)	<ul style="list-style-type: none"> Mr. Santosh Kumar Singh has over 17 years of experience across his tenure. Mr. Singh was associated with Haitong International Securities Ltd. as Head of Research and Lead Analyst where he was responsible for Research product and overall Research strategy. He was also associated with SG Asia Holdings as an analyst and also with Espirito Santo Securities as Lead analyst. Mr. Singh was ranked No.1 analyst in India in the Asia money polls for insurance sector continuously for three years from 2015 to 2017.
Mr. Aditya Khemani Fund Manager - Equity	41	PGDM (MBA - Finance), IIM Lucknow B.Com (Hons), St. Xaviers College, Kolkata	<ul style="list-style-type: none"> Mr. Aditya has overall 16 years of experience in the Indian equity markets as an investment professional, out of which the last 10 has been in the role of a portfolio Manager. Prior to joining MOAMC, He was associated with HSBC AMC for nearly 12 years. Further, he has worked in esteemed organizations like SBI Mutual Fund, ICICI Prudential AMC and Morgan Stanley Advantage Services.

Mr. Sehul Shah Chief of Information Security Officer	49	Bachelor of Engineering (B.E.), Master of Science-IT	<ul style="list-style-type: none"> • Mr. Sehul Shah has more than 15 years of rich experience in IT Infrastructure & Management → He began his career in 2005 till 2015 by joining Motilal Oswal Securities Ltd. handling IT Infrastructure Management, Datacenter management and IT Infrastructure Security. • He later joined Kuoni Travel Ltd. (SOTC) in 2015 for a year performing Managing PAN India Infrastructure, Strategic Planning, Cloud Migration, Build Information Security strategies and IT Infrastructure Security. → He later joined Motilal Oswal Financial Services handling Management of PAN India IT infrastructure Information security & Audits, Information & Cyber Security Strategy and Business Continuity. • Now he is appointed as Chief Information Security Officer (CISO) of Motilal Asset Management Company Limited
Mr. Rajkumar Dhiman - Head of Digital Business	44	PGDBA in Marketing and Finance from the Institute of Technology and Management and Bachelor's Degree in Mechanical Engineering.	<ul style="list-style-type: none"> • Mr. Rajkumar Dhiman has more than 16 years of experience in leading Digital Transformation, Marketing and Business Development in Asset Management Industry wherein he has also played a prominent role of Head of Digital Sales. He has extensive exposure of handling Digital vertical, other Business Strategy roles, Digital Distribution / Alliances and Product Development for more than a decade. Mr. Dhiman has rich experience & expertise in Digital Products, Marketing and Distribution.
Mr. Rouhak Shah – Fund Manager	37	CFA Level 1 (USA), MBA Finance, Masters in Commerce with PGDBA from CIMR, Bachelor of Management Studies	<ul style="list-style-type: none"> • Mr. Rouhak Shah has more than 13 years of overall experience in the field of equity dealing, Technical Analysis, good command on Developing Risk Parameters for avoiding financial risk, Market Intelligence etc. □ Prior to his association with MOAMC, he has worked with ICICI Prudential Life Insurance Limited & Kotak Life Insurance Limited as an Equity Dealer.
Mr. Dishant Mehta	34	Bachelors of Science (B.SC)	<ul style="list-style-type: none"> • Mr. Dishant Mehta has more than 11 years of experience and expertise in Financial markets across different segment -Equities, Derivatives, Commodities and Currencies. Managed Institutional and Foreign Portfolio Investment clients.

Note:

Recording of Investment Decisions:

The Fund Managers of the Scheme(s) are responsible for making buy / sell decisions in respect of the securities in the Scheme's portfolio. It is the responsibility of the AMC to ensure that the investments are made as per the internal / Regulatory guidelines, Scheme investment objectives and in the best interest of the Unitholders of the Scheme. The investment decisions will be taken for the Schemes keeping in view the market conditions and all the relevant aspects. Where an investment is proposed to be made for the first time in any scrip/security issued by a company, this will be preceded by making a research report justifying such investment by a member of the investment management team. The AMC will review all the investments made by the Schemes. The investment decisions of the Schemes will be

carried out by the designated fund manager under the supervision of the Chief Executive Officer wherever applicable. All investment decisions of the Scheme will be recorded in accordance with SEBI Regulations. The Fund may follow internal guidelines approved by the Board of AMC and Trustees from time to time. Internal guidelines shall be subject to change and may be amended from time to time and such amendments will be approved by the Board of AMC and Trustees.

Review of performance of Scheme(s) by Board of AMC and Trustees:

A detailed review of the Schemes of the Fund will be placed before the Board of Directors of AMC and the Trustee on a periodical basis. The review will contain information about the inflow in the Schemes, outflow/redemption from the Schemes and the performance of the Schemes. The Board of AMC and Trustee will review the performance of the Schemes vis-à-vis the benchmark. The AMC/Trustee reserves the right to change the benchmark for evaluation of performance of the Schemes from time to time in conformity with investment objective of the Schemes and appropriateness of the benchmark subject to SEBI Regulations, and other prevailing guidelines, if any. Total Return variant of the index (TRI) will be used for performance comparison.

E. SERVICE PROVIDERS

Service Provider	Name	Address	SEBI Registration Number
Custodian	Duetsche Bank A.G.	Duetsche Bank House, Hazarimal Somani Marg, Fort, Mumbai 400001	IN/CUS/003
Registrar / Transfer Agent / Dividend Paying Agent*	KFin Technologies Limited (formerly known as Karvy Fintech Pvt. Ltd.)	KFin Technologies Limited Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG 500032 IN Tel: 040 79611000 / 67162222 Toll Free No: 18004254034/35 Email : compliance.corp@kfintech.com Website: www.kfintech.com/	INR 000000221
Statutory Auditors	M/s. S.R. Batliboi & Co. LLP	The Ruby, Ruby Tower, Senapati Bapat Marg, Dadar, Mumbai, Maharashtra 400028	Not Applicable
Legal Counsel	There is no retained legal counsel to the Mutual Fund/AMC. However, the AMC uses the services of renowned legal counsel, if need arises.		Not Applicable
Fund Accountant	Duetsche Bank A.G.	Duetsche Bank House, Hazarimal Somani Marg, Fort, Mumbai 400001	IN/CUS/003
Collecting Banker	During the New Fund Offer of the Scheme, the AMC shall appoint banks(s) registered with SEBI as Collecting Banker(s) to accept the applications for investment into the Scheme on such terms and conditions as may be decided by the AMC from time to time. The list of the Collecting Bankers will be disclosed in the SID as and when the Schemes are launched.		Not Applicable

*The Board of Trustees and AMC have satisfied themselves, after undertaking appropriate due diligence, that Kfin Technologies Ltd. has adequate capacity to discharge responsibility with regard to processing of applications, dispatch of Account Statement/redemption proceeds to unit holders etc. within the prescribed time limit as per SEBI Regulations and also sufficient capacity to handle the investors complaints.

F. CONDENSED FINANCIAL INFORMATION

1. Motilal Oswal S&P 500 Index Fund

Historical Per Unit Statistics	Motilal Oswal S&P 500 Index Fund					
	April 28, 2020					
	April 1, 2022 to March 31, 2023		April 1, 2021 to March 31, 2022		April 28, 2020 to March 31, 2021	
Date of allotment	Direct Plan	Regular Plan	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	15.61	15.42	13.13	8.0008	8.0008	-
IDCW	NIL	NIL	NIL	NIL	NIL	NIL
NAV at the end of the year (as on March 31)	15.21	14.94	15.61	13.0356	13.0356	8.0302
Annualised return* (%)	-3.8%	-4.3%	18.94	30.4	30.4	-
Benchmark Returns	-2.8%		22.0%		33.7%	
Net Assets end of period (Rs. Crs.)	1718.35	897.20	975.50	435.63	435.63	24.44
Ratio of Recurring Expenses to net assets	0.49	1.06	0.00	1.20	1.20	0.16

Past performance may or may not be sustained in future

*Annualized Returns have been calculated since inception of the schemes

2. Motilal Oswal Multi Asset Fund

Historical Per Unit Statistics	Motilal Oswal Multi Asset Fund					
Date of allotment	August 04, 2020					
	April 1, 2022 to March 31, 2023		April 1, 2021 to March 31, 2022		August 04, 2020 to March 31, 2021	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	10.88	11.15	10.33	10.44	-	-
IDCW	NIL	NIL	NIL	NIL	NIL	NIL
NAV at the end of the year (as on March 31)	10.83	11.22	10.8682	11.1321	10.31	10.41
Annualised return* (%)	-0.37	0.77	5.46	6.96	4.7	6.29
Benchmark Returns	5.25		9.85		8.49	
Net Assets end of period (Rs. Crs.)	19.91	96.03	171.51	192.14	192.14	24.48
Ratio of Recurring Expenses to net assets	1.96	0.60	2.03	0.50	2.03	0.50

Past performance may or may not be sustained in future

*Annualized Returns have been calculated since inception of the schemes

3. Motilal Oswal 5 Year G-Sec ETF

Historical Per Unit Statistics	Motilal Oswal 5 Year G-Sec ETF		
Date of allotment	December 10, 2020		
	April 1, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022	December 10, 2020 to March 31, 2021
NAV at the beginning of the year (as on April 1)	49.59	47.6547	47.6547
IDCW	NIL	NIL	Nil
NAV at the end of the year (as on March 31)	51.18	30.96	47.4182
Annualised return* (%)	3.1%	4.7%	-0.5%
Benchmark Returns	3.7%	4.9%	-0.5%
Net Assets end of period (Rs. Crs.)	55.13	71.33	30.96
Ratio of Recurring Expenses to net assets	0.15	0.18	0.19

Past performance may or may not be sustained in future

*Annualized Returns have been calculated since inception of the schemes

4. Motilal Oswal Asset Allocation Passive Fund of Fund – Aggressive

Historical Per Unit Statistics	Motilal Oswal Asset Allocation Passive Fund of Fund – Aggressive					
Date of allotment	March 12,2021					
	April 1, 2022 to March 31, 2023		April 1, 2021 to March 31, 2022		March 12, 2021 to March 31, 2021	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	11.60	11.67	10.01	10	10	10
IDCW	NIL	NIL	NIL	NIL	NIL	NIL
NAV at the end of the year (as on March 31)	11.54	11.67	11.54	9.9104	9.9104	9.9133
Annualised return* (%)	0.0	0.6	16.51	17.1	-0.9	-0.9
Benchmark Returns	1.6%		18.8%		-0.7%	
Net Assets end of period (Rs. Crs.)	26.90	27.00	45.52	17.49	17.49	9.05
Ratio of Recurring Expenses to net assets	0.62	0.05	0.00	2.23	2.23	1.64

Past performance may or may not be sustained in future

*Annualized Returns have been calculated since inception of the schemes

5.Motilal Oswal Asset Allocation Passive Fund of Fund – Conservative

Historical Per Unit Statistics	Motilal Oswal Asset Allocation Passive Fund of Fund – Conservative					
Date of allotment	March 12,2021					
	April 1, 2022 to March 31, 2023		April 1, 2021 to March 31, 2022		March 12, 2021 to March 31, 2021	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	11.17	11.24	10.04	10	10	10
IDCW	NIL	NIL	NIL	NIL	NIL	NIL
NAV at the end of the year (as on March 31)	11.29	11.43	11.13	9.9537	9.9537	9.957

Annualised return* (%)	1.48	2.02	11.82	12.5	-0.5	-0.4
Benchmark Returns	3.09%		13.4%		-0.1%	
Net Assets end of period (Rs. Crs.)	25.24	18.07	52.56	23.31	23.31	9.38
Ratio of Recurring Expenses to net as-sets	0.62	0.07	0.00	1.96	1.96	1.25

Past performance may or may not be sustained in future

*Annualized Returns have been calculated since inception of the schemes

6. Motilal Oswal 5 Year G-Sec Fund Of Fund (From date inception to March 31,2023)

Motilal Oswal 5 Year G-Sec Fund Of Fund				
Date of allotment	October 6, 2021			
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023		October 6, 2021 to March 31, 2022	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	10.14	10.15	10.00	10
IDCW	Nil	Nil	Nil	Nil
NAV at the end of the year (as on March 31)	10.46	10.47	10.17	10.1709
Annualised return* (%)	2.9	3.0	1.71	1.71
Benchmark Returns	3.7%		1.7%	
Net Assets end of period (Rs. Crs.)s	3.18	6.86	14.35	4.01
Ratio of Recurring Expenses to net as-sets	0.12	0.05	0.00	0

Past performance may or may not be sustained in future

Since the scheme has not completed 1 year absolute returns has being given.

7. Motilal Oswal MSCI EAFE Top 100 Select Index Fund (From date of inception to March 31,2022)

Motilal Oswal MSCI EAFE Top 100 Select Index Fund
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Date of allotment	December 01,2021			
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023		December 1, 2021 to March 31, 2022	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	10.08	10.10	10.00	10.00
IDCW	Nil	Nil	Nil	Nil
NAV at the end of the year (as on March 31)	10.81	10.90	10.14	10.1643
Annualised return* (%)	6.61	7.26	1.43	1.64
Benchmark Returns	6.74%		3.89%	
Net Assets end of period (Rs. Crs.)	16.58	19.81	20.76	21.34
sRatio of Recurring Expenses to net assets	1.39	0.80	0.00	0

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

8. Motilal Oswal Nifty 200 Momentum 30 Index Fund (From date of inception to March 31, 2023)

Motilal Oswal Nifty 200 Momentum 30 Index Fund				
Date of allotment	February 10,2022			
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023		Feb 10, 2022 to March 31, 2022	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)	10.05	10.06	10.00	10.00
IDCW	Nil	Nil	Nil	Nil
NAV at the end of the year (as on March 31)	8.99	9.06	9.98	9.9925
Annualised return* (%)	-9.92	-9.32	-0.16	-0.75
Benchmark Returns	-9.18%		0.60%	
Net Assets end of period (Rs. Crs.)	39.13	94.01	20.08	108.67
Ratio of Recurring Expenses to net assets	0.97	0.30	0.00	0

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

9. Motilal Oswal Nifty 200 Momentum 30 ETF Fund (From date of inception to March 31, 2023)

Motilal Oswal Nifty 200 Momentum 30 ETF Fund		
Date of allotment	February 10,2022	
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023	February 10, 2022 to March 31, 2022

	Regular Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	204.54	202.28
IDCW	Nil	Nil
NAV at the end of the year (as on March 31)	36.70	203.18
Annualised return* (%)	-9.7	0.44
Benchmark Returns	-9.2%	34.7%
Net Assets end of period (Rs. Crs.)	15.27	6.58
Ratio of Recurring Expenses to net assets	0.33	0.00

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

10. Motilal Oswal Nasdaq Q 50 ETF (From date of inception to March 31, 2023)

Motilal Oswal NASDAQ Q 50 ETF		
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023	Dec 23, 2021 to March 31, 2022
Date of allotment	December 23, 2021	
	Regular Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	55.91	65.25
IDCW	Nil	Nil
NAV at the end of the year (as on March 31)	53.22	56.91
Annualised return* (%)	-6.47	-12.79
Benchmark Returns	-6.35%	-4.3%
Net Assets end of period (Rs. Crs.)	23.82	18.64
Ratio of Recurring Expenses to net assets	0.42	0.00

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

11. Motilal Oswal S & P BSE Low Volatility Index Fund (From date of inception to March 31, 2023)

Motilal Oswal S & P BSE Low Volatility Index Fund				
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023		March 23, 2022 to March 31, 2022	
Date of allotment	March 23, 2022			
	Regular Plan	Direct Plan	Regular Plan	Direct Plan
NAV at the beginning of the year (as on April 1)			10	10

	10.13	10.14		
IDCW	NIL	NIL	NIL	NIL
NAV at the end of the year (as on March 31)	10.82	10.89	10.04	10.0444
Annualised return* (%)	7.7	8.4	0.43	0.44
Benchmark Returns	8.3%		7.70%	63.50%
Net Assets end of period (Rs. Crs.)	11.90	5.80	2.74	9.58
Ratio of Recurring Expenses to net assets	0.96	0.30	0	0

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

12. Motilal Oswal S&P BSE Low Volatility ETF (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Low Volatility ETF		
Historical Per Unit Statistics	April 1, 2022 to March 31, 2023	March 23, 2022 to March 31, 2022
Date of allotment	March 23, 2022	
	Regular Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	114.59	113.04
IDCW	NIL	Nil
NAV at the end of the year (as on March 31)	24.41	113.55
Annualised return* (%)	7.5	0.45
Benchmark Returns	8.3%	7.70%
Net Assets end of period (Rs. Crs.)	6.92	11.1
Ratio of Recurring Expenses to net assets	0.29	0

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

13. Motilal Oswal S&P BSE Healthcare ETF (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Healthcare ETF	
Historical Per Unit Statistics	July 29, 2022 to March 31,2023
Date of allotment	July 29, 2022
	Regular Plan
NAV at the beginning of the year (as on April 1)	22.90
IDCW	
NAV at the end of the year (as on March 31)	21.96
Annualised return* (%)	-4.1
Benchmark Returns	-3.9%
Net Assets end of period (Rs. Crs.)	5.72
Ratio of Recurring Expenses to net assets	0.21

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

14. Motilal Oswal S&P BSE Financials ex Bank 30 Index Fund (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Financials ex Bank 30 Index Fund		
Historical Per Unit Statistics	July 29, 2022 to March 31,2023	
Date of allotment	July 29, 2022	
	Direct Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	10.00	10.00
IDCW	Nil	Nil
NAV at the end of the year (as on March 31)	9.17	9.12
Annualised return* (%)	-8.3%	-8.8%
Benchmark Returns	-6.8%	
Net Assets end of period (Rs. Crs.)	2.10	2.05
Ratio of Recurring Expenses to net assets	0.35	1.12

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

15. Motilal Oswal S&P BSE Enhanced Value Index Fund (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Enhanced Value Index Fund
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Historical Per Unit Statistics	August 22, 2022 to March 31,2023	
Date of allotment	August 22, 2022	
	Direct Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	10.00	10.00
IDCW	Nil	Nil
NAV at the end of the year (as on March 31)	11.72	11.67
Annualised return* (%)	17.2%	16.7%
Benchmark Returns	18.1%	
Net Assets end of period (Rs. Crs.)	13.37	6.09
Ratio of Recurring Expenses to net assets	0.27	0.96

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

16. Motilal Oswal S&P BSE Enhanced Value ETF (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Enhanced Value ETF	
Historical Per Unit Statistics	August 22, 2022 to March 31,2023
Date of allotment	August 22, 2022
	Regular Plan
NAV at the beginning of the year (as on April 1)	40.53
IDCW	NIL
NAV at the end of the year (as on March 31)	47.74
Annualised return* (%)	17.8
Benchmark Returns	18.1%
Net Assets end of period (Rs. Crs.)	6.92
Ratio of Recurring Expenses to net assets	0.29

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

17. Motilal Oswal S&P BSE Quality Index Fund (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Quality Index Fund	
Historical Per Unit Statistics	August 22, 2022 to March 31,2023

Date of allotment	August 22, 2022	
	Direct Plan	Regular Plan
NAV at the beginning of the year (as on April 1)	10.00	10.00
IDCW	NIL	NIL
NAV at the end of the year (as on March 31)	10.14	10.10
Annualised return* (%)	1.4	1.0
Benchmark Returns	2.2%	
Net Assets end of period (Rs. Crs.)	3.09	1.92
Ratio of Recurring Expenses to net assets	0.23	1.04

Past performance may or may not be sustained in future

**Since the scheme has not completed 1 year absolute returns has being given.*

18. Motilal Oswal S&P BSE Quality ETF (From date of inception to March 31, 2023)

Motilal Oswal S&P BSE Quality ETF	
Historical Per Unit Statistics	August 22, 2022 to March 31,2023
Date of allotment	August 22, 2022
	Regular Plan
NAV at the beginning of the year (as on April 1)	113.57
IDCW	Nil
NAV at the end of the year (as on March 31)	115.21
Annualised return* (%)	1.4
Benchmark Returns	2.2%
Net Assets end of period (Rs. Crs.)	6.92
Ratio of Recurring Expenses to net assets	0.29

II. HOW TO APPLYHOW TO APPLY

This section must be read in conjunction with the Section “Units and Offer” of the SID.

A. PURCHASE

- 1) New Investors can purchase units by using an Application Form or through such other modes as may be offered by the AMC, subject to KYC and various requirements and documents, as may be required by AMC from time to time. Existing unit holders may use the form attached to the bottom of their account statement i.e. Transaction Slip, or use a Common Application Form or through such other modes as may be offered by the AMC.
- 2) The Forms shall be available and accepted at the office of Investor Service Center, Official Point of Acceptance of Transaction, Distributors, at the registered and corporate office of the AMC and the office of the Registrar during the business hours. The same can also be downloaded from the website of the Mutual Fund, <https://www.motilaloswalmf.com/> and from website of Registrar www.kfintech.com .
- 3) Applications (both direct application and application routed through Distributor) complete in all respects along with the cheque / pay order / demand draft / other payment instruction should be submitted at the Investor Service Center, Official Point of Acceptance of Transaction, at the registered and corporate office of the AMC and the office of the Registrar during their Business Hours on their respective Business Days.
- 4) Investors should mandatorily use the Application Forms, Transactions Request, SIP/STP/SWP forms included in the KIM and other standard forms available at the ISCs/<https://www.motilaloswalmf.com/>, for any financial/non-financial transactions. Any transactions received in any non-standard forms are liable to be rejected.
- 5) Application for Exchange Traded Funds (ETFs):
For procedure on subscription/redemption of ETFs against the exchange of portfolio deposits/cash components directly with the Fund, please refer to Scheme Information Document(s) of respective ETFs of MOMF.
- 6) Investments through distributors:
Pursuant to SEBI circular vide reference no. CIR/IMD/DF/21/2012 dated September 13, 2012, it is mandatory to mention Employee Unique Identification Number (‘EUID’) of individual ARN holder or of employee/relationship manager/sale person of the Distributor in the application form if the investments are routed through a Distributor. EUID is allotted by AMFI and mentioning EUID would assist in addressing instances of mis-selling. If there is no interaction by the employees / sales person / relationship manager of the distributor / sub-distributor w.r.t. transaction, then the EUID box may be left blank, but it would be mandatory for the investor to provide confirmation as mentioned in the application form.
- 7) The cheque / pay order / bank draft must be drawn in favour of specific scheme/plan/option and crossed “A/c Payee only”. A separate cheque / pay order /demand draft must accompany each application. Investors must use separate application forms for investing simultaneously in more than one plan and option of the scheme subject to the minimum subscription requirements under each Plan. Cheque / pay order / demand draft accompanying the application form should contain the application form number / folio number and name of the first investor on its reverse.
- 8) In order to protect the interest of Investors from fraudulent encashment of cheques, it is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements

and any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.

- 9) The duly completed application form can be submitted at any of the official points of acceptance of transactions. The official point of acceptance of transaction will stamp, and return the acknowledgement slip in the application form, to acknowledge receipt of the application, subject to verification. No other form of acknowledgement will be provided. Investors should retain the acknowledgement evidencing submission of the transaction till they receive a confirmation of acceptance or rejection of transaction.
- 10) The AMC/Registrar may open or close offices or change address of an office from time to time. Investors may obtain latest addresses of Official Points of Acceptance of Transactions from the relevant SID or by calling the AMC/Registrar or available on the website of the Mutual Fund or from the website of registrar www.kfintech.com Investors are requested to note that no transaction shall be accepted on a day which is a public and /or bank holiday or local holiday at an Investor Service Centre/ Official Points of Acceptance of Transaction.
- 11) The Trustees shall have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit Holders, 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.

OTHER MODES OF TRANSACTION

1) Online facility:

This facility enables the investors to transact online through the official website <https://www.motilal Oswalmf.com/> . Accordingly, the said website will also be considered as an official point of acceptance. Investors can execute transactions online for purchase, switch, Systematic Investment Plan (SIP), Systematic Transfer Plan and Redemption for units of schemes of MOMF and other services as may be introduced by MOMF from time to time.

2) Mobile Application:

This facility enables investors to transact through the official application to execute transactions for purchases, SIP, STP, redemptions, switches, view portfolio valuation, download the account statements and avail such other services as may be introduced by the Fund from time to time on their mobile handsets.

3) Systematic Investment Process (SIP) @ WhatsApp

This facility enables investors to transact through the WhatsApp application to execute purchase transactions of SIP in a simplified manner.

4) Transaction through Stock Exchange Mechanism:

Mutual Fund also offers facility of transacting in the Units of the select Schemes/Plans/ Options through the platforms as may be provided by Bombay Stock Exchange (BSE StAR MF), National Stock Exchange (MFSS/NMF II facility by NSE). Investors desirous of transacting through the stock exchange mode shall submit applications to registered stock brokers or distributors registered with, NSE or BSE.

The facility of transacting through the stock exchange mechanism enables investors to buy and sell the Units of the Scheme(s) through the stock brokers or distributors registered with the BSE and/or NSE in accordance with the guidelines issued by SEBI and operating guidelines and directives issued by NSE, BSE or such other

recognized stock exchange in this regard. Investors desirous of transacting through the stock exchange mode may be required to have a demat account with NSDL/CDSL.

The Mutual Fund will not accept any request for transactions or service requests in respect of Units bought under this facility in demat mode directly.

The AMC/Fund will not send any account statement in respect of Units bought in demat mode or accept any request for statement as the units will be credited in demat account of the investor and their DPs should be approached for issuance of statement. Investors may note that the facility of transacting through the stock exchange mode is currently being offered only for select schemes of the Mutual Fund.

For any grievances with respect to transactions through stock exchange mechanism, Investors must approach either stock broker or the investor grievances cell of the respective stock exchange. The Fund or the AMC will not be liable for any transactions processed based on the transaction details provided by the stock exchanges.

5) **Application through MF utility platform**

MOAMC has entered into an agreement with **MF Utilities India Private Limited (“MFUI”)**, a “Category II – Registrar to an Issue” under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of **MF Utility (“MFU”)** - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.

Accordingly, all financial and non-financial transactions pertaining to the schemes of MOMF except Exchange Traded Funds (ETFs) can be done through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through the authorized **Points of Service (“POS”)** of MFUI with effect from the respective dates as published on MFUI website against the POS locations. The list of POS of MFUI is published on the website of MFUI at www.mfuindia.com as may be updated from time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance (“OPA”) of MOMF.

The uniform cut-off time as prescribed under SEBI (Mutual Funds) Regulations, 1996 and as mentioned in the Scheme Information Document (SID) / Key Information Memorandum (KIM) of respective schemes of MOMF shall be applicable for applications received on the portal of MFUI i.e. www.mfuonline.com. However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms & conditions as stipulated by MFUI / MOMF / MOAMC from time to time and any law for the time being in force.

Investors are requested to note that, MFUI will allot a **Common Account Number (“CAN”)**, a single reference number for all investments in the Mutual Fund industry, for transacting in eligible schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. MOAMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU. Investors are requested to visit the websites of MFUI i.e. www.mfuindia.com to download the relevant forms.

For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfuindia.com.

6) **Transaction through electronic mode**

Subject to the investor fulfilling certain terms and conditions stipulated by the AMC as under, MOAMC, MOMF or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions

through any electronic mode (“fax/web/ electronic transactions”) as permitted by SEBI or other regulatory authorities :

- a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.
 - b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the recipient.
 - c) The transmitter's request to the recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the recipient is not obliged or bound to act on the same.
 - d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.
 - e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.
 - f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.
 - g) The transmitter accepts that the fax/web/ electronic transactions shall not be considered until time stamped as a valid transaction request in the Scheme in line with SEBI Regulations. It would be considered as a final document as against the original document submitted subsequently for the purpose of records.
 - h) In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, MOMF and Trustees from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter. The AMC reserves the right to discontinue the facility at any point of time
- 7) Investors can also subscribe to the Units of the Scheme through MFSS and/or NMF II facility of NSE, BSE StAR MF facility of BSE .
Stock Exchanges are required to allow investors to directly access infrastructure of recognized stock exchange to purchase and redeem Mutual Fund units from Mutual Fund/AMC.
Investors can avail this facility as and when the same is made available by Stock Exchanges. KYC compliant investors can registered themselves on Stock Exchanges by providing their PAN and creating their profile on the said platform. Stock Exchanges will allot the identification number upon receipt of signed and scanned registration form.
Further upon receipt of authorisation by the Stock Exchanges platform the investor can commence the transaction.
- 8) In addition to subscribing Units through submission of application in physical, investor / unit holder can also subscribe to the Units of the Scheme through RTA’s website i.e. www.kfintech.com . The facility to transact in the Scheme is also available through mobile application of Kfin i.e. ‘KFINTRACK’

- 9) The investor can also transact through Distributors via KFINKART DIT APP and KFINKART DIT WEB (<https://mfs.kfintech.com/dit/login>)

10) Application under Power of Attorney/ non-individual investor

In case of an application under a Power of Attorney or by a limited company or a body corporate or a registered society or a trust or any other non-individual investor, the original power of attorney or the certified copy containing the signature of both the applicant and the constituted attorney duly notarised or the relevant resolution or authority to make the application as the case may be or duly certified copy thereof along with a certified copy of memorandum and articles of association and/or bye-laws must be lodged along with the application form and a separate set of all the documents be submitted to the Collection Centres/Registrars.

11) Official Point of Acceptance through MF Central:

Pursuant to the SEBI circular no SEBI/HO/IMD/IMD- II DOF3/P/CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the QRTA's, KFin Technologies Limited and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors.

MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / phygital services to Mutual fund investors across fund houses subject to applicable T&Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service centres or collection centres of Kfintech or CAMS.

Note: The AMC, at its discretion at a later date, may choose to alter or add other modes of payment.

MODES OF PAYMENT

1) For Resident Investors:

- a) Investors having a bank account with such banks with whom the AMC will have an arrangement from time to time, can make payment towards subscription to the units of the Schemes either by issuing a cheque drawn on such bank or by giving debit instruction to their account with any branch of such banks with whom the AMC would have arrangement from time to time.
- b) Electronic Funds Transfer (EFT) over the internet or by way of direct credit/ RTGS/NEFT/ECS/bank transfer to designated scheme collection account by clearly mentioning the name of the investor and application number in the remark. An application for purchase for which payment is made by RTGS, NEFT, ECS, bank transfer, etc., must be accompanied by a copy of the instruction to the bank stating the account number debited. The account number mentioned in the instruction for the transfer to the bank should be a pre-registered bank account or the first named investor/unitholder should be one of the account holders of the bank account from which the instructions for fund transfer has been provided.
- c) Where the application is accompanied by a Pay Order, Demand Draft, Banker's cheque, etc., a Certificate (in original) from the Issuing banker must accompany the application, stating the Account holder's name and

the Account number which has been debited for issue of the instrument. This Certificate should be duly certified by the bank manager with his/her full signature, name, employee code, bank seal and contact number. The account number mentioned in the Certificate should be a registered bank account or the first named investor/ unitholder should be one of the account holders of such bank account.

d) **Through NACH Facility:**

The investors can now make payment of Lumpsum investment or SIP installments through NACH facility. NACH is a centralized system, launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing System (ECS) mandates.

Investors can avail of NACH facility by duly filling up and submitting the SIP Enrolment cum NACH /Auto Debit Mandate Form. A Unique number will be allotted to every mandate registered under NACH called as Unique Mandate Reference Number (“UMRN”) which can be used for SIP transactions. The NACH facility shall be available subject to the terms and conditions contained in the Mandate Form and other guidelines as prescribed by NPCI from time to time.

e) No cash, money orders, stock invests, outstation cheques, postdated cheques (except under the SIP facility, during continuous offer) and postal orders would be accepted. Bank charges for out-station demand drafts (as defined herein) will have to be borne by the Investor. An out-station demand draft has, for this purpose, been defined as a demand draft issued by a bank in a place where there is no collection centre provided for the investors. The Fund will not entertain any requests for refund of demand draft charges.

f) **One Time Mandate Facility (OTM):**

OTM facility enables the investors to register a onetime mandate. Through this facility an investor can instruct the Company to honour any nature of investment instruction i.e. investment either through Lumpsum additional investment or an SIP in the Schemes of MOMF.

The Salient features of the OTM Facility are as under:

- The Facility enables the updation of Bank Account details in the investor’s folio through OTM Debit Mandate Form.
- It is a one - time registration process wherein the investor of the Scheme(s) of the Fund authorizes his/her bank to debit their account upto a certain specified limit based per day, on request received from the Fund, as and when the transaction is undertaken by the investor, without the need of submitting cheque or fund transfer letter with every transaction thereafter.
- As per this facility investors are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds.
- This facility is offered under the Schemes, Motilal Oswal Focused 25 Fund, Motilal Oswal Midcap 30 Fund, Motilal Oswal Flexi Cap Fund, Motilal Oswal Long Term Equity Fund, Motilal Oswal Dynamic Fund and Motilal Oswal Ultra Short Term (eligible schemes) of MOMF.
- The facility would enable investment either through Systematic Investment Plan (SIP) or Lumpsum investments in the eligible schemes of the Fund by sending instructions indicating OTM usage for transaction through online or any other mode as enabled by MOAMC from time to time.

Registration of the facility or any deactivation thereof shall be carried out by the MOAMC on submission of valid written request at any Investor Service Centre of MOAMC by the Investor. MOAMC shall not be liable for execution of OTM based transaction, if any, occurring between the period of submission of discontinuation request and registration of such deactivation.

Investors/unit holders are requested to take note of the following:

a) Returned cheques will not be presented again for collection and the accompanying application forms shall not be considered for allotment. In case the returned cheque(s) are presented again the necessary charges are liable to be debited to the investor.

- b) Where the application for purchase is accompanied by a cheque then the investor/unitholder at the time of their purchase must provide the details of their pay-in bank account (i.e. account from which a subscription payment is made) and their pay-out bank account (i.e. account into which redemption/IDCW proceeds are to be paid).
- c) It is expressly understood that at the time of investment, the Investor has the express authority to invest in units of MF and AMC/Trustee/MF will not be responsible, if such investment is ultravires the relevant constitution.

The above broadly covers the various modes of payment for mutual fund subscriptions. Any other mode of payment as introduced by Mutual Fund will also be covered under these provisions and the Mutual Fund/AMC reserves the right to change/alter the above provisions.

The Mutual Fund/AMC reserves the right at its absolute discretion to reject/not process the application which does not comply with the above provisions and refund the application money and shall not be liable in any manner whatsoever for such rejections.

2) **Subscription by NRIs/PIOs//FPIs**

Reserve Bank of India has granted general permission to domestic mutual funds referred to in Clause (23D) of Section 10 of the Income Tax Act, 1961 to issue units and repurchase units of their Schemes which are approved by the SEBI to Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) / Foreign Portfolio Investors (FPIs) to invest in / redeem units of the mutual funds subject to conditions set out in the said regulations [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000] at their places of residence or location as the case may be.

3) **Repatriation basis**

NRI/PIO applications on a repatriation basis will be accepted, if the amount representing the investment is received by inward remittance through normal banking channels or by debit to Non-Resident (External) Rupee Account (NRE)/Foreign Currency (Non-Resident) Account (FCNR) maintained with the authorized dealer.

FII/FPIs shall pay their subscription either by inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non-Resident Rupee Account maintained by the FII/FPI with a designated branch of an authorized dealer. The application must provide the FII's Special Non Resident Rupee Deposit Account details maintained with any one of the RBI designated banks.

4) **Non-Repatriation basis**

In case of NRIs/PIOs seeking to apply on a non-repatriation basis, payment may be made by inward remittance through normal banking channels or by debit to the NRE/FCNR/Non-Resident Ordinary Rupee (NRO) account maintained with the authorized dealer.

All cheques/drafts accompanying applications for repatriation or non-repatriation basis should be made and crossed "Account Payee Only". In case Indian Rupee drafts are purchased abroad or from FCNR/NRE A/c, an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

FII/FPIs are not allowed to invest on non-repatriable basis.

4) **Additional mode of payment through Applications Supported by Blocked Amount ("ASBA") (only applicable during New Fund Offer)**

In terms of SEBI circular No. SEBI/IMD/CIR No 18 / 198647 /2010 dated March 15, 2010, an investor can subscribe to the New Fund Offer (NFO) of Mutual Fund launched on or after July 1, 2010, through the ASBA facility

by applying for the units offered by the Schemes in the ASBA application form and following the procedure as prescribed therein.

“Applications Supported by Blocked Amount” or “ASBA” is an application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of the Schemes of Motilal Oswal Mutual Fund. If an investor is applying through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if application of the investor is selected for allotment of Units.

Investors under ASBA can also subscribe to NFO of the Schemes by making physical or electronic application through Self Certified Syndicate Bank (“SCSB”) for utilising ASBA facility.

Benefits of Applying through ASBA facility:

- The Investor need not issue a cheque of a demand draft, as the investor needs to submit the ASBA application form accompanying an authorization to block the account to the extent of application money towards subscription of units in the NFO. The investor can use the balance money, if any, for other purposes.
- Release/unblocking of blocked funds after allotment is done instantaneously.
- As the application amount remains in the investor’s bank account, the investor continues to earn interest till the allotment is made, when an application is made under ASBA facility
- Refunds of money to the investors do not arise as the application money towards subscription of units is debited only on the allotment of units.

ASBA Procedure

- 1) An investor intending to subscribe to the units during NFO through ASBA facility shall submit a duly completed ASBA application form to a SCSB with whom such investor’s bank account is maintained.
- 2) The ASBA Application Form towards the subscription of units can be submitted through one of the following modes:
 - submit the form physically with the Designated Branches (DBs) of SCSB (“Physical ASBA”); or
 - submit the form electronically through the internet banking facility offered by the SCSB (“Electronic ASBA”).
- 3) An acknowledgement will be given by the SCSB in the form of the counter foil or specifying the application number for reference. Such acknowledgement does not guarantee, in any manner, that the investors will be allotted the units he has applied for.
- 4) Note: The application would be rejected by the Bank, if the bank account specified in the ASBA application form does not have sufficient credit balance to meet the application money towards the subscription of units in the NFO.
- 5) On acceptance of physical or electronic ASBA, the SCSB shall block funds available in the specified bank account to the extent of application money specified in ASBA application Form.
- 6) Application money towards the subscription of units shall be blocked in the account until (i) allotment of units is made or (ii) the application is rejected.
- 7) SCSBs shall unblock the bank accounts for (i) transfer of requisite money to the Mutual Fund / scheme bank account against each valid application on allotment or (ii) in case the application is rejected.
- 8) The list of SCSBs and their DBs where ASBA application form can be submitted is available on the websites of BSE (www.bseindia.com), NSE (www.nseindia.com) and SEBI (www.sebi.gov.in) and shall also be given in the ASBA application form.

Grounds for Technical Rejections of ASBA application forms

ASBA application forms can be rejected, at the discretion of Registrar and Transfer Agent of Motilal Oswal Mutual Fund or AMC or SCSBs including but not limited on the following grounds-:

- 1) Applications by persons not competent to contract under the Indian Contract Act, 1872, including but not limited to minors, insane persons etc.
- 2) Mode of ASBA i.e. either physical ASBA or electronic ASBA is not selected or ticked.
- 3) ASBA application form without the stamp of the SCSB.
- 4) Application by any person outside India if not in compliance with applicable foreign and Indian laws.
- 5) Bank account details not given/incorrect details given.
- 6) Duly certified Power of Attorney, if applicable, not submitted along with the ASBA application form.
- 7) No corresponding records available with the Depositories matching the parameters namely (a) Names of the ASBA applicants (including the order of names of joint holders) (b) DP ID (c) Beneficiary account number or any other relevant details pertaining to the Depository account.

Mechanism for Redressal of Investor Grievances:

All grievances relating to the ASBA facility may be addressed to the respective SCSBs, giving complete details such as name & address of the applicant, number of units applied for, counterfoil or the application reference given by the SCSBs, DBs or CBs, amount paid on application and the Designated Branch or the collection centre of the SCSB where the application form was submitted.

If the SCSB has not resolved the grievance, investors should write to KFin Technologies Limited (Karvy), Hyderabad, Registrar and Transfer Agent of MOMF.

NON-ACCEPTANCE OF THIRD PARTY PAYMENTS

Third Party Payment” refers to payment made from a bank account other than that of the first unitholder/applicant. For a payment to be not considered as a third party payment, the sole holder or the 1st holder of the folio (depending upon whether the folio is ‘singly’ or ‘jointly’ held) must be one of the joint holders of the bank account from which payment is made.

In accordance with PMLA and AMFI guidelines dated August 16, 2010 on ‘Risk mitigation process against Third-Party Cheques in mutual fund subscriptions’, applications to schemes of the Fund accompanied by a Third Party payment will be rejected except in the following exceptional circumstances, subject to submission of documents and declarations:

1. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment). However, Association of Mutual Funds in India [AMFI] vide its Best Practice Guidelines Circular no 135/BP/23/2011-12 dated 29th April 2011 has clarified that payment made by a guardian whose name is registered in the records of Mutual Fund in that folio will not be treated as a Third Party Payment.
2. Payment by Employer on behalf of employee under Systematic Investment Plans through Payroll deductions.
3. Custodian on behalf of a Foreign Institutional Investor (FII) or a Client.
4. 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.
5. Payment by Corporate to its Agent/Distributor/Dealer (similar arrangement with Principal-agent relationship), on account of commission/incentive payable for sale of its goods/services, in the form of the Mutual Fund Units 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.

In case of exceptions mentioned above, the investors will be required to comply with the following requirements:

- i) Mandatory Know Your Client (KYC) for Investor (guardian in case of minor) and the person making the payment i.e. KYC Acknowledgement Letter of the Investor and the person making the payment has to be attached to the application form.

- ii) A duly filled “Third Party Payment Declaration Form” from the Investor (guardian in case of minor) and the person making the payment stating the details of the bank account from which the payment is made and the relationship with the Investor.

To substantiate that the payment is not a third party payment i.e. the payment is not from a bank account where the first unit holder is not a bank account holder, investors must mention the bank account number, bank name and branch address from where the payment is issued on the application form. These details should match with the details on payment cheque/ document (as applicable).

In case the bank account holder’s name/s is not pre-printed on the payment instrument, investor should attach latest and certified bank pass book copy/bank statement or letter from bank certifying that the investor maintains the account with the bank, in order to substantiate that the first named Unit holder is one of the joint holders of the bank account.

The AMC reserves a right to reject the transaction or call for additional details, if payment bank account and other details are not mentioned in the application form and/or do not match with payment instrument and/or necessary documents/declaration 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.

PMLA AND KYC REQUIREMENTS

KYC is mandatory under the Prevention of Money Laundering Act, 2002 (**PMLA**) for all investors irrespective of the amount of investment (including Switch, transfer of units, minor to major status change & Systematic Investment Plan/Systematic Transfer Plan registered). SEBI vide circular no. MIRSD/SE/Cir-21/2011 dated October 05, 2011 issued guidelines for uniform KYC requirements for investors while opening accounts with any intermediary in the securities market (w.e.f January 01, 2012). In order to bring this into effect, SEBI has appointed KYC Registration Agencies (KRA’s) who will act as a central authority to maintain records of KYC compliant investors in the securities market. This is in order to avoid duplication of KYC process with every intermediary. As a result, once the client has done KYC with a SEBI registered intermediary, he/she need not undergo the same process again with another intermediary.

Further, PAN issued by the Income Tax authorities is used as the sole identification number for all investors transacting in the securities market including mutual funds, irrespective of the amount of transaction. Thus, all investors (including resident and non-resident investors) are required to provide PAN, along with a certified* copy of the PAN card for all transactions in Units of the schemes of the Fund irrespective of the amount of transaction. Hence, it is mandatory for all investors (including joint holders, guardians of minors and NRIs) to mention the PAN on the application form. In the absence of this, application will be rejected.

PAN will not be required in case of Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs 50,000/- (hereafter referred to as - Micro Investments). This exemption will be applicable only to investments by individuals, Non Resident Indian. Accordingly, w.e.f February 11, 2013, where the aggregate of the lump sum investment (fresh & additional purchase) and micro SIP installments by an investor based on the rolling 12 month period/in a financial year i.e. April to March does not exceed Rs. 50,000/-. It shall be exempt from the requirement of PAN. However, requirements of Know Your Customer (KYC) shall be mandatory.

Requirements of Know Your Customer (KYC) shall be mandatory. Accordingly, investors seeking the above exemption for PAN still need to submit the PAN exempt issued by SEBI registered KRA (KYC Registration Authority), irrespective of the amount of investment. For the purpose of identifying Micro Investments, the value of investments

at the Investor level (first holder) will be aggregated based on the unique ID number mentioned on the KYC Acknowledgment and such aggregation shall be done irrespective of the number of folios/ accounts under all the schemes of the fund which the investor had invested. This exemption will be available only to Micro investment made by the individuals being Indian citizens (including NRIs, Joint holders*, minors acting through guardian and sole proprietary firms not having PAN). Person of Indian Origin (PIO), Hindu Undivided Family (HUF), Qualified Foreign Investor (QFI) and other categories of investors will not be eligible for this exemption. However, investors are required to furnish an attested copy (self-attested / attested by an AMFI registered distributor bearing its AMFI Registration Number) of any of the photo identification documents along with the proof of address as specified in the application form. PAN requirement is also exempt for investors residing in the state of Sikkim, Central Government, State Government, and the officials appointed by the courts e.g. Official liquidator, Court receiver etc. (under the category of Government). However, this would be subject to verifying the veracity of the claim of the specified organizations or residents of Sikkim, by collecting sufficient documentary evidence in support of their claim for such an exemption. Please refer to the application form for details of the document(s) which are required to be submitted in such cases.

* In case of joint holders, first holder must not possess a PAN.

The Detailed procedures/requirements for accepting PAN exempt investments shall be as specified by the AMC / Trustee from time to time and their decision in this behalf will be final and binding.

Uniform implementation of KYC requirements

AMFI vide its Best Practice Guidelines Circular No. 62/ 2015-2016 dated September 18, 2015 captioned Uniform implementation of KYC requirements to overcome KYC related issues, has mandated the following:

- a. To mandatorily provide the Ultimate Beneficial Ownership declaration/information failing which the application(s) for fresh or additional subscriptions/switches, as the case may be, shall be liable to be rejected.
- b. To mandatorily provide additional KYC information / details as prescribed in the Application Form.

Further, the AMC shall not accept any transactions (whether fresh or additional subscriptions / switches) pertaining to 'KYC-On Hold' cases, unless and until the Investors / Unitholders submits KYC missing information or updated information and / or complete IPV.

CKYC

SEBI vide circular no. CIR/MIRSD/ 66/2016 dated July 21, 2016 read alongwith SEBI Circular no. CIR/MIRSD/120/2016 dated November 10, 2016, has intimated about operationalisation of Central KYC Records Registry (CKYCR). Further, AMFI vide circular dated December 22, 2016 has prescribed new CKYC forms which shall be applicable for prospective customers.

Accordingly with effect from February 1, 2017, all new individual customers who have never done KYC under KRA (KYC Registration Agency) regime i.e., customers who are new to KRA system and whose KYC are not registered or verified in the KRA system shall be required to provide KYC Identification Number (KIN) generated from CKYCR system or submit CKYCR form. It may be noted that the requirement of PAN would continue to be mandatory for completing the CKYCR process. The forms are available on the website of the fund and at the official points of acceptance of transactions of the AMC. The KYC requirements shall be governed by SEBI Circulars/ notifications and AMFI Guidelines which may change from time to time.

Compliance with Foreign Accounts Tax Compliance Act (FATCA) / Common Reporting Standards (CRS)

The Central Board of Direct Taxes (CBDT) has notified Rules 114F to 114H (pertaining to FATCA-CRS), as part of the Income-tax Rules, 1962, which require Indian financial institutions such as Motilal Oswal Mutual Fund to seek additional personal, tax and beneficial owner information and certain certifications and documentation from its investors/unitholders. Please note that applications for account opening could be liable to be rejected where such FATCA-CRS related information or documentation is not provided.

In relevant cases, the Mutual Fund will have to, inter-alia, report account information (e.g. holdings, redemptions or IDCW) to tax authorities / other agencies, as may be required. In this respect, the Mutual Fund would rely on the relevant information provided by its Registrar and would also use its discretion.

The onus to provide accurate, adequate and timely information would be that of the investor. In this regard, any change in the information provided should be intimated to the Mutual Fund promptly, i.e., within 30 days by the investors/unitholders. Investors/unitholders should consult their own tax advisors for any advice on tax residency or any other aspects of FATCA –CRS. Please note that the Mutual Fund will be unable to provide any advice in this regard.

Ultimate Beneficial Owner(s) (UBO(s)):

Pursuant to SEBI Master Circular no. CIR/ISD/AML/3/2010 dated December 31, 2010 on anti-money laundering standards and SEBI Circular no. CIR/MIRSD/2/2013 dated January 24, 2013 on identification of Beneficial Ownership, investors (other than Individuals) are required to provide details of Ultimate Beneficial Owner(s) (“UBO(s)”) and submit proof of identity (viz. PAN with photograph or any other acceptable proof of identity prescribed in common KYC form) of UBO(s).

As per these guidelines, UBO means ‘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. Investors are requested to refer to the ‘UBO Declaration’ for details of UBO.

In accordance with AMFI Best practices guidelines Circular no. 62/2015-16 dated September 18, 2015, it is mandatory for investors to provide beneficial ownership details failing which the transaction for additional subscription (including switches) will be liable to be rejected.

However, systematic transactions such as Systematic Investment Plan (SIP)/ Systematic Transfer Plan (STP) etc. already registered till December 31, 2015 are exempted from the above stipulations.

However, the investor 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, is exempted from the provisions of UBO.

B. SUSPENSION OF SALE/REDEMPTION/SWITCHING OPTIONS OF UNITS

The Trustee may decide to temporarily suspend determination of NAV of the Schemes and consequently sale/redemption/switch of units, in any of the following events:

- 1) When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Schemes are closed otherwise than for ordinary holidays.

- 2) When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Schemes are not reasonable or would not reasonably be practicable without being detrimental to the interests of Unit holders.
- 3) In the event of breakdown if the means of communication used for the valuation of investments of the Schemes without which the value of the securities of the Schemes cannot be accurately calculated.
- 4) During periods of extreme volatility of markets which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Schemes.
- 5) In case of natural calamities, external aggression, internal disturbances, strikes, riots and bandhs.
- 6) In the event of any force majeure or disaster that affects the normal functioning of the AMC or the Registrar.
- 7) If so directed by SEBI.
- 8) In case of breach of limits for investment in derivatives as specified in SEBI Circulars or relevant Regulation.
- 9) In case of breach of limits for investment in foreign securities as specified in SEBI Circulars or relevant Regulation.

In the eventualities mentioned in points 1 to 7 above, the time limits indicated above, for processing of requests for purchase and redemption of Units will not be applicable. In case of eventuality mentioned in point 8 and 9 above, the Fund would suspend sale of units until such time the Schemes are able to comply with the relevant SEBI Regulations, Circulars & guidelines.

However, the suspension or restriction of redemption facility under the Schemes shall be made applicable only after the approval from Board of Directors of the AMC and Trustee. Till the Regulations require, the approval from the Board of AMC and Trustee giving details of circumstances and justification for the proposed action will also be informed to SEBI in advance.

C. RIGHT TO LIMIT REDEMPTION

The Trustee may, in the general interest of the Unitholders of the Scheme and when considered appropriate to do so based on unforeseen circumstances/unusual market conditions, impose restriction on redemption of Units of the Schemes. The following requirements will be observed before imposing restriction on redemptions:

- a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
 - (i) **Liquidity issues** - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. AMCs should have in place sound internal liquidity management tools for schemes. Restriction on redemption cannot be used as an ordinary tool in order to manage the liquidity of a scheme. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision shall not be allowed.
 - (ii) **Market failures, exchange closures** - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
 - (iii) **Operational issues** - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems
- b. Restriction on redemption may be imposed for a specific period of time not exceeding 10 working days in any 90 day period.
- c. Any such imposition requires specific approval of Board of AMCs and Trustees and the same shall be immediately informed to SEBI.
- d. When restriction on redemption is applied the following procedure shall be followed:
 - 1 Redemption requests upto Rs. 2 lakh will not be subject to such restriction.

In case of redemption requests above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without restriction and remaining part over above be subject to such restriction.

III. RIGHTS OF UNITHOLDERS OF THE SCHEME

- 1) Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
- 2) When the Fund declares a IDCW under the Scheme, the IDCW warrants shall be dispatched within 7 Business days of the declaration of the IDCW. Account Statement reflecting the new or additional subscription as well as redemption/switch of Units shall be dispatched to the Unit holder within 10 business days of the specified redemption date. Provided if a Unit holder so desires the Fund shall issue a Unit certificate (non-transferable) within 30 days of the receipt of request for the certificate.

In case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement / unit certificate to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.

Pursuant to SEBI Circular no. SEBI/IMD/CIR No 18/198647/2010 dated March 15, 2010, in respect of New Fund Offers (NFOs) of Schemes launched on or after July 1, 2010, Account Statement [Allotment Advice in respect of units held in demat (electronic) mode] shall be dispatched within five business days from the closure of the NFO and all the schemes [except Equity Linked Savings Scheme (ELSS)] shall be available for ongoing repurchase/sale/trading within five business days of allotment.

The first-named Unit holder shall receive the account statements, all notices and correspondence with respect to the account, as well as the proceeds of any Redemption requests or IDCW or other distributions. In addition, such holder shall have the voting rights, as permitted, associated with such Units as per the applicable guidelines.

- 3) The Fund shall dispatch redemption/repurchase proceeds within 3 Business Days for Domestic Schemes and 5 Business Days for schemes investing atleast 80% of total assets in such permissible overseas investments, of receiving the redemption/repurchase request.
- 4) The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the Unit holders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
- 5) The appointment of the AMC for the Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
- 6) 75% of the Unit holders of a Scheme can pass a resolution to wind up a Scheme.
- 7) The Trustee shall obtain the consent of the Unit holders: -
 - i) whenever required to do so by SEBI in the interest of the unit holders; or
 - ii) whenever required to do so if a requisition is made by three-fourths of the unit holders of the Scheme; or when the majority of the trustees decide to wind up **a scheme in terms of clause (a) of sub regulation (2) of regulation 39** or prematurely redeem the units **of a close ended scheme**.
- 8) The Trustee shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme and affects the interest of Unit holders, shall be carried out unless :
 - i. A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
 - ii. The Unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.

- 9) In specific circumstances, where the approval of Unit holders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.
- 10) The annual report containing accounts of the AMC would be displayed on the website of the AMC (i.e. <https://www.motilaloswalmf.com/>). Unitholders, if they so desire, may request for the annual report of the AMC.
- 11) In accordance with SEBI Circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011 and SEBI Circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 the investor whose transaction has been accepted by the MOAMC shall receive a confirmation by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request, same will be sent to the Unit holders registered e-mail address and/or mobile number. Thereafter, a Consolidated Account Statement (“CAS”) shall be issued in line with the following procedure:
- a) Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
 - b) The CAS shall be generated on a monthly basis and shall be issued on or before 10th of the immediately succeeding month to the unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month.
 - c) case there is no transaction in any of the mutual fund folios then CAS detailing holding of investments across all schemes of all Mutual Funds will be issued on half yearly basis [at the end of every six months (i.e. September/ March)]
 - d) Investors having MF investments and holding securities in Demat account shall receive a Consolidated Account Statement containing details of transactions across all Mutual Fund schemes and securities from the Depository by email / physical mode.
 - e) Investors having MF investments and not having Demat account shall receive a Consolidated Account Statement from the MF Industry containing details of transactions across all Mutual Fund schemes by email / physical mode.
 - f) The word ‘transaction’ shall include purchase, redemption, switch, IDCW payout of IDCW, IDCW reinvestment of IDCW, systematic investment plan, systematic withdrawal plan, and systematic transfer plan. CAS shall not be received by the Unit holders for the folio(s) wherein the PAN details are not updated. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. For Micro SIP and Sikkim based investors whose PAN details are not mandatorily required to be updated Account Statement will be dispatched by MOAMC for each calendar month on or before 10th of the immediately succeeding month.
 - g) The Consolidated Account statement will be in accordance to SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016 and SEBI circular no. SEBI/HO/IMD/DF2/ CIR/P/2018/137 dated October 22, 2018. In case of a specific request received from the Unit holders, MOAMC will provide the account statement to the investors within 5 Business Days from the receipt of such request. Investors are requested/encouraged to register/update their email id and mobile number of the primary holder with the AMC/RTA through our Designated Investor Service Centres (DISCs) in order to facilitate effective communication.

Note: If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), Mutual Fund / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor shall from time to time intimate the Mutual Fund / its Registrar and Transfer Agents about any changes in the email address.

IV. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS

The Net Asset Value (NAV) per unit under the Scheme will be computed by dividing the net assets of the Scheme by the number of units outstanding on the valuation day. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Asset Value (NAV) of the units under the Scheme shall be calculated as follows:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Receivables} + \text{Accrued Income} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV will be calculated up to four decimals. However, the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Plan/Option.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAV shall be calculated and disclosed on each business day. The computation of NAV shall be in conformity with SEBI Regulations and guidelines as prescribed from time to time.

SECTION I - VALUATION NORMS FOR TRADED SECURITIES INTRODUCTION:

Traded securities also include Thinly Traded securities and Suspended securities.

Thinly traded Equity/Equity Related Securities:

When trading in an equity/equity related security (such as convertible debentures, equity warrants, etc.) in a month is both less than Rs. 5 lacs and the total volume is less than 50,000 shares, it shall be considered as thinly traded security and valued accordingly. **Ref: SEBI Circular No. MFD/CIR/14/088 / 2001** dated March 28, 2001.

It is evident that any security to qualify as thinly traded security it should satisfy both the aforesaid conditions.

Process to be followed for determining whether security is thinly traded:

- In order to determine whether a security is thinly traded or not, the volumes traded on all recognized Stock Exchanges in India for the last month are considered.
- On the last day of the month service vendor viz. Bilav software Pvt. Ltd. sends soft copy containing scrip-wise volume on BSE and NSE. This data is used to determine whether any of the equity security held in the portfolio is thinly traded.
- Please refer to **Section II** for valuation of thinly traded equity/equity related securities.

1. EQUITY AND EQUITY RELATED SECURITIES:

SEBI Regulations has prescribed following methodology for valuation of Equity and Equity related securities:

Traded Securities are to be valued at the last quoted closing price on the selected Stock Exchange. Where security is not traded on the selected stock exchange, the last quoted closing price of another Stock Exchange may be used. If a security is not traded on any stock exchange

on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used, provided such date is not more than thirty days prior to valuation date.

(Ref: SEBI (Mutual Fund) Regulations, 1996 Schedule VIII and amendments through SEBI Circular No. MFD/CIR No.14/442/2002 dated February 20, 2002.)

1 (a) Partly Paid-up Equity Shares:

Traded - If the partly paid-up equity shares are traded in market separately then the same shall be valued at traded price (like any other equity instrument)

Non - traded - Uncalled liability per share shall be reduced from the value of fully paid share, if traded, to derive price of non-traded partly paid shares. Suitable illiquidity discounts shall be considered as for any other illiquid shares. Price of underlying fully paid up shares after deducting unpaid liability shall be considered as the valuation price for partly paid up shares.

Process followed for valuation of traded equity and equity related securities by Motilal Oswal Mutual Fund would be as follows:

- (i) For valuation purposes **NSE** has been selected as appropriate stock exchange for equity and equity related securities held by all the schemes.
- (ii) Wherever equity and equity related securities are not listed on NSE or are not traded on a certain day at NSE, the closing price at BSE should be considered. If a security is not traded on any stock exchange (NSE/BSE) on a particular valuation day, the last quoted closing price on NSE or BSE (in the order of priority mentioned above) on the earliest previous day would be used, provided such day is not more than thirty days prior to the valuation day.
- (iii) In case of securities which have been allotted under preferential / private allotment and are listed or traded on both the stock exchanges, the scrip is valued at last quoted price on the Stock Exchange where it is traded (provided the last quoted price is not more than thirty days prior to the valuation date).
- (iv) Similar methodology is to be used for valuation of traded preference shares.

If the equity securities are not traded on any stock exchange for a period of thirty days prior to the valuation date, the scrip must be treated as 'non-traded' scrip. The valuation norms for non-traded security and unlisted security has been provided in **Section II**

Change in the selected Stock Exchange:

In case selected stock exchange for valuation of any or all securities is to be changed, reasons for change have to be recorded in writing by the valuation committee and approved by the Board of AMC.

2. VALUATION OF FOREIGN SECURITIES & ADR/GDR:

Exchange to be considered for valuation of foreign securities and ADRs/GDRs is to be approved by the AMC Board. SEBI has not prescribed the method of valuation of foreign securities and ADR/GDR. Process of valuation to be followed by Motilal Oswal Mutual Fund would be as follows:

i. Receiving last universal close price:

If the security is listed in a time zone ahead of ours then the same day price as provided by Reuters would be used for valuation. If the security is listed in a time zone behind ours then the previous day's price would be used for valuation. However in case a security is listed on more than one stock exchange, the AMC reserves the right to determine the stock exchange, the price of which would be used for the purpose of valuation of that security. The price of previous day should be used provided the price is not more than 30 days old. Further in case of extreme volatility or any other significant event in the international markets, the securities listed in those markets may be valued on a fair value basis.

In cases where valuation of Foreign Debt securities is not covered by SEBI (MF) Regulations, then the security will be valued on fair value basis as decided by the Valuation Committee of the AMC.

ii. Converting the price in Indian Rupees (INR):

Since these prices are in foreign currency these are to be converted in Indian Rupees by applying the exchange rate. Reuters Rate (11:30:00 GMT) can be used for converting the foreign currency prices in INR. This last quoted closing price in INR should also be used for valuation of foreign securities and ADR/GDR.

In case conversion rate is not available at the Reuters, the closing price of the security should be converted to INR at RBI reference rate. However, the AMC and Trustees reserve the right to change the source for determining the exchange rate.

3. STOCK AND INDEX DERIVATIVES:

3.1 Equity / Index Options Derivatives:

- (i) Market values of traded open option contracts shall be determined with respect to the exchange on which it is contracted originally, i.e., an option contracted on the National Stock Exchange (NSE) would be valued at the closing option price on the NSE. The price of the same option series on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the option itself has been contracted on the BSE.
- (ii) The Exchanges give daily settlement prices in respect of all derivatives positions. These settlements prices would be adopted for the positions, which are not traded.

3.2 Equity / Index Futures Derivatives:

- (i) Market values of traded futures contracts shall be determined with respect to the exchange on which contracted originally, i.e., futures position contracted on the National Stock Exchange (NSE) would be valued at the closing future price on the NSE. The price of the same futures contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures contract itself has been contracted on the BSE.

- (ii) The Exchanges give daily settlement prices in respect of all derivatives positions. These settlements prices would be adopted for the positions, which are not traded.

4. DEBT SECURITIES (including Treasury bills/ Central & State Government Securities) AMFI Best Practice Guidelines Circular No. 135/BP/29/2012-13 dated May 15, 2012 read with AMFI Best Practice Guidelines Circular No.41/2013-14 read with SEBI Circular SEBI/HO/IMD/DF4/CIR/P/2019/41 dated 22/03/2019

a) Valuation of Non-Traded /Traded Securities (including Treasury Bills /Central & State Government Securities, & Cash Management Bills)

Crisil and ICRA shall be providing reference prices for all securities. The prices would be provided by both agencies and the same shall be aggregated and averaged.

AMFI circular dated 18th November 2019

Definition of marketable lots to be considered for valuation by valuation agencies for traded securities is defined by AMFI best practice circular dated 18th November 2019 and the same would be as follows :- (effective date 16th Feb 2020)

Parameter	Minimum Volume Criteria for marketable lot
Primary	INR 25 Cr for both Bonds/NCD/CP/ CD and other money market instruments
Secondary	INR 25 Cr for CP/ CD, T-Bills and other money market instruments
Secondary	INR 5 Cr for Bonds/NCD/ G-secs

Valuation of securities with Put / Call Options:

- a) Securities with put / call options on the same day and having the different put and call option price to be deemed not to mature on same day.
- b) In case of multiple Put options highest price of all put compared to maturity be considered
- c) In case of multiple Call options lowest price of all call compared to maturity to be considered
- d) In both the scenarios of the Put & Call option trigger Earliest date of Put & Call trigger Dates to be considered

Any decision on any given valuation day of overruling the external agency price would have to be approved by the Valuation Committee and the same will be sent to Fund Accountants

5. Valuation of money market and debt securities which are rated below investment grade:

Definition of whether the security is below investment grade is in case where any security where the long term rating of the security issued by a SEBI registered Credit Rating Agency (CRA) is below BBB- or if the short term rating of the security is below A3. If the interest and / or principal amount has not been

received, on the day such amount was due or when such security has been downgraded to “Default” grade by a CRA

All money market and debt securities which are rated below investment grade shall be valued at the price provided by valuation agencies (i.e. ICRA & CRISIL). Till such time the valuation agencies compute the valuation of money market and debt securities classified as below investment grade, such securities shall be valued on the basis of indicative haircuts provided by these agencies. These indicative haircuts shall be applied on the date of credit event i.e. migration of the security to sub-investment grade and shall continue till the valuation agencies compute the valuation price of such securities. Indicative haircut as applied by valuation agencies on principal to be applied on accrued interest in the same proportion. Further, these haircuts shall be updated and refined, as and when there is availability of material information which impacts the haircuts.

In case of Default, future accrual of interest to be ceased. If only rating goes below investment grade but no default, future accrual of interest to continue using the same

haircut applied as that of principal. Any recovery towards outstanding interest/ principal to be first adjusted against interest and subsequently towards Principal receivable. Further, any recovery excess over the receivable (Interest/principal) to be adjusted first against interest and subsequently towards Principal written-off

Consideration of traded price for valuation:

In case of trades during the interim period between date of credit event and receipt of valuation price from valuation agencies, AMCs shall consider such traded price for valuation if it is lower than the price post standard haircut. The said traded price shall be considered for valuation till the valuation price is determined by the valuation agencies.

In case of trades after the valuation price is computed by the valuation agencies as referred above and where the traded price is lower than such computed price such traded price shall be considered for the purpose of valuation and the valuation price may be revised accordingly. The trades referred above shall be of a minimum size as determined by valuation agencies.

AMCs may deviate from the indicative haircuts and/or the valuation price for money market and debt securities rated below investment grade provided by the valuation agencies subject to the following:

The detailed rationale for deviation from the price post haircuts or the price provided by the valuation agencies shall be recorded by the AMC.

The rationale for deviation along-with details such as information about the security (ISIN, issuer name, rating etc.), price at which the security was valued vis-a-vis the price post haircuts or the average of the price provided by the valuation agencies (as applicable) and the impact of such deviation on scheme NAV (in amount and percentage terms) shall be reported to the Board of AMC and Trustees.

6. Valuation of bonds issued under Basel III framework.:

SEBI, vide circular No. SEBI/HO/IMD/DF4/CIR/P/2021/034 dated March 22, 2021 has decided that the deemed residual maturity for the purpose of valuation of existing as well as new bonds issued under Basel III framework shall be as below

Time Period	Deemed Residual Maturity of Basel III AT-1 bonds (Years)	Deemed Residual Maturity of Basel III Tier 2 Bonds (Years)
Till March 31, 2022	10	10 years or Contractual Maturity whichever is earlier
April 01, 2022 – September 30, 2022	20	Contractual Maturity
October 01, 2022 – March 31, 2023	30	Contractual Maturity
April 01, 2023 onwards	100 *	Contractual Maturity

*100 years from the date of issuance of bond.

Macaulay Duration for bonds issued under Basel III framework shall be calculated based on the deemed residual maturity as mentioned in the above table.

Further, if the issuer does not exercise call option for any ISIN then the valuation and calculation of Macaulay Duration shall be done considering maturity of 100 years from the date of issuance for AT-1 Bonds and Contractual Maturity for Tier 2 bonds, for all ISINs of the issuer. In addition to the above, if the non-exercise of call option is due to the financial stress of the issuer or if there is any adverse news, the same shall be reflected in the valuation.

Further the valuation agencies shall carry out valuation of the said bonds basis AMFI guidelines mentioned in the circular vide AMFI Best Practices Guidelines Circular No. 91/ 2020 - 21

In respect of valuation of securities with multiple put options present ab-initio wherein put option is factored into valuation of the security by the valuation agency, the following is decided based on the recommendation of Mutual Fund Advisory Committee:

If the put option is not exercised by a Mutual Fund, while exercising the put option would have been in favor of the scheme;

- i. A justification for not exercising the put option shall be provided by the Mutual Fund to the Valuation Agencies, Board of AMC and Trustees on or before the last date of the notice period.
 - ii. The Valuation Agencies shall not take into account the remaining put options for the purpose of valuation of the security.
2. The put option shall be considered as ‘in favor of the scheme’ if the yield of the valuation price ignoring the put option under evaluation is more than the contractual yield/coupon rate by 30 basis points.

7. VALUATION OF OTHER INSTRUMENTS: VALUATION OF RIGHTS ENTITLEMENTS:

As per Schedule VIII of SEBI (Mutual Fund) Regulation when Company announces rights to the existing equity shareholders, under its Listing Agreement with Stock Exchange; it has to declare ex-right date for the purpose of trading on the Stock Exchange. Ex-right date is a date from which the underlying shares, which are traded on the Stock Exchange, will not be entitled to the rights. These rights entitlements can also be renounced in favour of a willing buyer. These renunciations are in some cases traded on the Stock Exchange. In such case these should be valued as traded equity related securities.

a) Right Entitlements (Non-Traded)

The right entitlements shall be valued using the below mentioned formulae: Valuation Price = (Closing Price- Right Offer Price) of Underlying Equity Shares.

In case where the closing price falls below the right offer price, right entitlements value shall be considered as becomes zero. In case the right entitlement is traded on the stock exchanges then the close price shall be considered for valuation of entitlements.

b) Right Shares (Traded)

The listed right shares are to be valued as per methodology adopted for listed equity shares. The cost price considered for the right shares would be the offer price paid for the right shares.

8. VALUATION OF SUSPENDED SHARES:

If a listed security is suspended for a certain period, then up to thirty days the last traded price would be used for valuation and after thirty days the valuation methodology would be decided on a case to case basis and approved by the valuation committee

9. VALUATION OF UNITS OF MUTUAL FUNDS:

- (i) In case of Exchange traded Mutual Fund schemes units will be valued at market price of underlying units as traded on the principal stock exchange. In case the units get classified as non- traded the same may be valued as per the underlying NAV of the Underlying Scheme.
- (ii) In case of Mutual Fund scheme, Closing NAV of the valuation date would be considered for valuation.

SECTION II

VALUATION NORMS FOR NON-TRADED SECURITIES

A. Basic Conditions of valuation of Non-traded / Thinly traded Securities

The Regulations prescribe following conditions for valuation of non-traded securities:

- i) Non-traded securities shall be valued in ‘good faith’ on the basis of the valuation principles laid down by SEBI.
- ii) The basis should be appropriate valuation methods on the principles approved by Board of AMC.
- iii) Such basis should be documented in Board minutes
- iv) Methods used to arrive at good faith valuation should be periodically reviewed by the Trustees.
- v) Methods used to arrive at good faith valuation should be such that the auditors’ report the same as ‘fair and reasonable’ in their report on the annual accounts.

Additional conditions to be adhered to for valuation of non-traded securities:

- vi) Same price needs to be considered for the particular security across the schemes
- vii) Valuation needs to be done on trade date itself and not on settlement date
- viii) Prices to be computed up to 4 decimals

1.1 NON-TRADED / THINLY TRADED EQUITY:

- 1) A List of thinly traded securities is taken from stock exchanges (i.e. NSE and BSE) on a monthly basis at every month end.
- 2) When a security is not traded in any of the stock exchange for the period of thirty days prior to the valuation date, it should be treated as Non-Traded Securities.
- 3) Thinly traded / Non Traded securities are valued in “good faith” on the basis of the valuation principles laid down by SEBI.

As per SEBI Circular No. MFD/CIR/ 8 / 92 / 2000 dated September 18, 2000 non-traded / thinly traded equity is to be valued as follows:

- (a) Based on the latest available Balance Sheet, net worth shall be calculated as follows:
- (b) Net Worth per share = [share capital+ reserves (excluding revaluation reserves)- Miscellaneous expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (c) Average capitalization rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share (EPS) of the latest audited annual accounts will be considered for this purpose.
- (d) The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 10% for ill-liquidity so as to arrive at the fair value per share.
- (e) In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.
- (f) In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero.
- (g) In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security.

In line with these guidelines issued by SEBI, non-traded / thinly traded securities should be valued as follows:

1.2.1 Net worth per share is computed as follows:

- i) Net worth of the company = Paid up share capital + Reserves other than Re-valuation reserve - Miscellaneous expenditure, debit balance in Profit and Loss account.
- ii) Net worth per share = (Net worth of the company / Number of paid up shares).

1.2.2 Computation of capitalised value of earning per share (EPS):

- i) Determination of the Industry Price Earnings Ratio (P/E) to which the company belongs.
 - Classification of industries provided by AMFI should be adopted.
 - Presently Industry P/E Ratio used is provided by NSE on a monthly basis. However, the P/E ratio data if not available from BSE/NSE, P/E provided by the Capital Market, Prowess (CMIE), Bloomberg etc. should be taken.
- ii) Compute EPS from the latest audited annual accounts. In case the EPS is negative, EPS value shall be considered as zero

- iii) Compute capitalised value of EPS at 75% discount $(P/E \times 0.25) \times \text{EPS}$
- 1.2.3 Computation of fair value per share to be considered for valuation at 10 % discount for illiquidity. $[(\text{Net worth per share} + \text{Capitalised value of EPS}) / 2] \times 0.90$
- 1.2.4 In case the latest balance sheet i.e. balance sheet prepared within nine months from the close of the accounting year of the company, is not available (unless the accounting year is changed) the shares should be valued as zero.
- 1.2.5 In case an individual non traded / thinly traded security as valued aforesaid, accounts for more than 5% of the total asset of the scheme, AMC should appoint an independent valuer. The security shall be valued on the basis of the valuation report of the valuer.
- 1.2.6 To determine if a security accounts for more than 5% of the total assets of the scheme, it should be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs would be compared on the date of valuation.

1.3 VALUATION OF UNLISTED EQUITY:

A. SEBI Circular No. MFD/CIR/03/526/2002 dated May 9, 2002 has prescribed the method of valuation for unlisted equity securities. These guidelines are similar to the guidelines issued by SEBI for non-traded / thinly traded securities mentioned above only except the following:

- 1.3.1 Computation of Net worth per share *as lower of (a) and (b)*:
 - (a) Net worth of the company = Paid up share capital + Reserves other than Revaluation reserve - Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses.
Net worth per share = (Net worth of the company / Number of paid up shares).
 - (b) Net worth of the company = Paid up capital + Consideration on exercise of Option/Warrants received/receivable by the company + free reserves other than Revaluation reserve – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses.
 - (c) Net worth per share = (Net worth of the company / {Number of paid-up shares + number of shares that would be obtained on conversion/exercise of outstanding warrants and options}).

If the net worth of the company is negative, the share should be marked down to Zero.

- 1.3.2 Computation of fair value per share to be considered for valuation **at 15 % discount** for illiquidity. $[(\text{Net worth per share} + \text{Capitalised value of EPS}) / 2] \times 0.85$
- 1.3.3 In case the latest balance sheet i.e. balance sheet prepared within nine months from the close of the accounting year of the company, is not available (unless the accounting year is changed) the shares should be valued as zero.
- 1.3.4 At the discretion of the AMC and with the approval of the trustees, unlisted equity scrip may be valued at a price lower than the value derived using the aforesaid methodology.

EQUITY AND EQUITY RELATED SECURITIES:

1.4 APPLICATION MONEY FOR Initial Public Offering (IPO):

Valuation methodology to be followed would be same as in the case of traded securities from the date of listing of securities on the stock exchange. The securities shall be valued at the allotment/Bid price (i.e. cost) for the interim period between allotment date and listing date.

1.5 APPLICATION MONEY FOR QIP /Follow on Public Offer:

Valuation methodology to be followed would be same as in the case of Listed Equity Shares from the date of allotment.

1.6 VALUATION OF NON -TRADED /TRADED WARRANTS:As per Eighth Schedule to SEBI (Mutual Fund) Regulations

Warrants are the entitlements to subscribe for the shares at a predetermined price at a later date in future. In respect of warrants to subscribe for shares attached to instruments, the warrants can be valued similarly to the valuation of convertible portion of debentures as mentioned in the paragraph 2.3, as reduced by the amount which would be payable on exercise of the warrant.

However, as the warrants can be converted only after few years, it would be appropriate to discount the value of this entitlement and find out the present value of the warrants. (The benchmark that can be considered for discounting could be interest rate for the comparable period, prevailing in the market.)

Value of Warrant = Present Value of [Value of underlying shares - exercise price]

If the amount payable on exercise of the warrants is higher than the value of the share, the value of the warrants should be taken as zero.

Listed Warrants: On a particular valuation day, these securities will be valued at the last quoted closing price on the principle Stock Exchange i.e. National Stock Exchange (NSE). If a security is not traded on NSE, it will be valued at the last quoted closing price on the BSE Limited (BSE). If a security is not traded on any stock exchange on a particular valuation day, the last quoted closing price on NSE or BSE (in the order of priority mentioned above) on the earliest previous day would be used, provided such day is not more than thirty days prior to the valuation day.

1.7 VALUATION OF PREFERENCE SHARES/ INVIT'S (INFRASTRUCTURE INVESTMENT TRUST UNITS)/REIT (REAL ESTATE INVESTMENT TRUST):

Valuation of non-traded preference shares would depend on the terms of issue of preference shares. i.e. convertible/non-convertible.

Convertible preference shares should be valued like convertible debentures

Non-convertible preference shares should be valued like debentures. However, if company does not pay dividend in any year, it would be treated like non-performing debentures.

Listed Preference shares / INVIT'S (Infrastructure Investment trust units)/REIT: On a particular valuation day, these securities will be valued at the last quoted closing price on the principle Stock Exchange i.e. National Stock Exchange (NSE). If a security is not traded on NSE, it will be valued at the last quoted closing price on the BSE Limited (BSE). If a security is not traded on any stock exchange on a particular valuation day, the last quoted closing price on NSE or BSE or (in the order of priority)) on the earliest previous day would be used, provided such day is not more than thirty days prior to the valuation day.

1.8 VALUATION OF SHARES ON DE-MERGER:

On de-merger following possibilities arise which influence valuation:

- i. Both the shares are traded immediately on de-merger:**
In this case both the shares are valued at respective traded prices.
- ii. Shares of only one company continued to be traded on de-merger:**
Traded shares is to be valued at traded price and the other security is to be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de merged company is equal or in excess of the value of the pre de merger share, then the non-traded share is to be valued at zero. The same would be reviewed by the valuation committee every 30 days if the security is not listed.
- iii. Both the shares are not traded on de-merger:**
Shares of de-merged companies are to be valued equal to the pre de merger value up to a period of 30 days from the date of de merger. The market price of the shares of the de-merged company one day prior to ex-date can be bifurcated over the de-merged shares. The market value of the shares can be bifurcated in the ratio of ratio of cost of shares as may be obtained by prescribed demerger ratio.

In case shares of both the companies are not traded for more than 30 days, these are to be valued as unlisted security. The same would be reviewed by the valuation committee every 30 days for the securities that are not listed.

1.9 VALUATION OF MERGER/AMALGAMATION:

Scenario I: In case shares are traded on amalgamation, the valuation methodology adopted would be the same as in the case of listed equity shares.

Scenario II:

In case where shares are not traded on merger, shares of merged company are to be valued equal to the pre merger value (one trading day prior to the ex-date) upto a period of thirty days from the date of merger. The valuation of shares of these companies would be reviewed by the Valuation committee every thirty days if the security is not listed.

2. VALUATION OF CONVERTIBLE DEBENTURES

- 2.1 As per Eighth Schedule of SEBI (Mutual Fund) Regulations method of valuation of convertible debentures is prescribed.
- 2.2 Non-convertible and convertible components are valued separately.
 - A. The non-convertible component shall be valued on the same basis as would be applicable to a debt instrument.
 - B. The convertible component to be valued as follows:
 - i) Ascertain the following:
 - The number of shares to be received after conversion.
 - Whether the shares would be pari passu for dividend on conversion.
 - The rate of last declared dividend.
 - Whether the shares are presently traded or non-traded/thinly traded.
 - Market rate of shares on the date of valuation
 - ii) In case the shares to be received are, on the date of valuation, are thinly traded / non-traded, these shares to be received on conversion are to be valued as thinly traded / non-

traded shares.

- iii) In case the shares to be received on conversion are not non-traded or thinly traded on the date of valuation and would be traded pari passu for dividend on conversion:
 - a) Number of shares to be received on conversion, per convertible debenture, multiplied by the present market rate
 - b) Determine the discount for non-tradability of the shares on the date of valuation. (This discount should be determined in advance and to be used uniformly for all the convertible securities. Rate of discount should be documented and approved by Valuation Committee. Prevailing interest rate for the similar period could be considered as bench mark for determining the discount) $Value = (a) * market\ rate / [1 - (b)]$
- iv) In case of optionally convertible debentures, two values must be determined assuming both, exercising the option and not exercising the option.
 - If the option rests with the issuer, the lower of the two values shall be taken as the valuation of the optionally convertible portion, and;
 - If the option rests with the investor, the higher of the two values shall be taken.

4. VALUATION OF SECURITIES WITH PUT/CALL OPTIONS:

The option embedded securities would be valued as follows:

4.1 Securities with call option:

The securities with call option shall be valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option.

In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is to be taken as the value of the instrument.

4.2 Securities with Put option:

The securities with put option shall be valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option.

In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is to be taken as the value of the instruments.

4.3 Securities with both Put and Call option on the same day:

The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly.

5. VALUATION OF REVERSE REPO (PURCHASE AND SALE BACK) TRANSACTIONS:

Eighth Schedule to SEBI (Mutual Fund) Regulation has spelt out briefly the methodology for valuation of Repo Instruments.

This is an agreement under which on payment of a purchase price, the fund receives (purchases) securities from a seller who agrees to repurchase them at a specified time at a specified price. A repurchase agreement is similar in effect to a loan by the fund to the seller collateralised by the securities. The Mutual Fund does not record the purchase of securities received but records the repo transactions as if it were a loan. Repo instruments have to be valued at the resale price after deduction of applicable interest rate up to the date of resale. To put it differently, it is at the net consideration paid i.e., loan given plus interest accrued every day. The difference between repurchase and sale prices is accounted as interest income.

6. SHORT TERM DEPOSITS:

Short term deposits with banks to be valued at cost in line with the SEBI directives.

7. Tri-Party Repo (TREPS)

It would be valued at cost plus amortization.

8. VALUATION OF INTEREST RATE SWAPS (IRS):

All SWAP/ FRA's will be valued at net present value after discounting the future cash flows. Future cash flows for SWAP/FRA contract will be computed daily based as per terms of contract and discounted by suitable OIS(Overnight Index Swaps) rates available on Reuters/Bloomberg/ any other provider as approved by Valuation Committee. The valuation of SWAP/RFA beyond 30 days will done on the basis of the above mentioned rates. For SWAP/FRA with residual maturity of 30 days and below the gain/loss as on 31st day would be amortized till maturity.

9. VALUATION OF GOLD:

The gold acquired by the scheme is in the form of standard bars and its value as on a particular day is determined as under:

- a. The London Bullion Market Association's (LBMA) AM fixing price per troy ounce is increased with the Cost, Insurance, Freight premium and the LBMA fixing charges.
- b. This value arrived at in (a) above is then converted to the equivalent price for 1 kg gold of 0.995 fineness by applying the conversion factor.
- c. The RBI reference rate is applied to convert the price from US dollars to Indian Rupees.
- d. The Indian levies in the form of customs duty, stamp duty, octroi etc., as applicable are added to arrive at the final landed price of gold.
- e. If on any day the LBMA AM fixing or RBI reference rate is not available due to holiday, then the immediately previous day's prices are applied for the purpose of calculating the value of gold

10. VALUATION OF TO BE LISTED EQUITY SHARES AND EQUITY RELATED INSTRUMENTS/PRE-IPO ALLOTMENT

10.1 Shares classified as to be listed/awaiting listing will be valued at cost. If such shares do not get listed on recognized stock exchange within 60 days of allotment, shares so acquired will be valued as per the fair value guidelines applicable for unlisted shares.

10.2 In case of shares under lock-in post-listing, security shall be valued based on last quoted closing price after applying suitable discount for illiquidity as given below in appended table.

10.3 Discount for shares under lock-in

Mutual Funds are permitted to have exposure to equity shares which are listed and/or proposed to be listed[^]. While Anchor investments may have a lock in of 30 days post listing, pre-Anchor investments i.e. pre-IPO placement (to be listed) currently have a minimum lock in of 1 year from date of listing. The following valuation methodology is adopted to ensure uniform and fair valuation for the following categories:

Category	Pre Listing	Post Listing
Anchor investor in IPO (lock-in post listing)	At cost	Closing price
Pre Anchor investor prior to IPO (lock-in post listing)	At cost	Discount* to closing price

* To reflect the correct realizable (fair) value of shares post listing, a illiquidity discount of 1% per month be applied on shares acquired as anchor investor through pre IPO placement as shown in the table below. The broad basis for arriving at this discount is the expected cost of equity capital of around 12% p.a

Residual Lock-in period from the date of listing	Discount to last traded price on recognised stock exchange
11-12 months	12%
10-11 months	11%
9-10 months	10%
8-9 months	9%
7-8 months	8%
6-7 months	7%
5-6 months	6%
4-5 months	5%
3-4 months	4%
2-3 months	3%
1-2 months	2%
0-1 months	1%

10.4 In the event of any other specific lock in period prescribed on account of regulatory actions by SEBI, RBI or any other regulator, this illiquidity discount shall not apply and the valuation committee may decide the illiquidity discount based on the facts of the case.

^ SEBI MF Regulations have not specifically defined the term “proposed to be listed”, however SEBI (Prohibition of Insider Trading) Regulations, 2015 have defined “proposed to be listed” as follows:

“proposed to be listed” shall include securities of an unlisted company:

- (i) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
- (ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013.

10.5 **Abnormal situations & market disruptions:**

In normal situations the above methods may be used for valuation. However, in abnormal market conditions, due to lack of market trading or otherwise it may not be possible to obtain fair valuation using “normal” means. In such situations, the realizable value may be substantially different from the benchmark-based prices obtained. This could lead to, for example, an over-valued portfolio which could be used by some investors to redeem their holdings having an adverse impact on residual investors.

As by definition, abnormal events are abnormal, no prescriptive guidelines are proposed to value securities / portfolios during such events. Following type of events could be classified as exceptional events where current market information may not be available / sufficient for valuation of securities:

1. Major policy announcements by RBI or Central / State Government or SEBI or any other regulatory related event.
2. Unproportionate large redemptions.
3. Natural disasters, public disturbances, riots, war, global events etc. that may force the markets to close unexpectedly or not function normally.
4. Significant volatility in the stock markets
5. Events which lead to lack of availability of accurate or sufficient information to value the securities.

The above mentioned list is only indicative and may not reflect all the possible exceptional events / circumstances. In case of exceptional events / circumstances, the valuation committee shall assess the situation and recommend appropriate method of valuation of the impacted securities.

V. TAX, LEGAL AND GENERAL INFORMATION

A. Tax Information

The following summary outlines the key tax implications applicable to unit holders based on the relevant provisions under the Income-tax Act, 1961 ('Act') and Finance Act, 2023 ('FA 2023') (collectively called 'the relevant provisions').

The following information is provided only for general information purposes and is based on the Mutual Fund's understanding of the Tax Laws as of this date of Document. Investors / Unit holders should be aware that the relevant fiscal rules or their explanation may change. There can be no assurance that the tax position or the proposed tax position will remain same. In view of the individual nature of tax benefits, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Scheme.

• TAXABILITY FOR THE MUTUAL FUND

1) Income of the Mutual Fund

MOMF is a Mutual Fund registered with SEBI and is governed by the provisions of Section 10(23D) of the Act. Accordingly, any income of a fund set up under a scheme of a SEBI registered mutual fund is exempt from tax.

2) Dividend Distribution Tax¹

Taxability of Dividend up to FY 2019-20

Mutual fund was required to pay Dividend Distribution Tax (DDT) under section 115R of the Act on the Dividend declared, distributed or paid to its unitholders at the rates applicable including surcharge and cess based on the type of Schemes as follows:

¹ For the purpose of determining the tax payable by the scheme, the amount of distributed income has to be increased to such amount as would, after reduction of tax on such increased amount, be equal to the income distributed by the Mutual Fund. In other words, the amount payable to unit holders is to be grossed up for determining the tax payable and accordingly, the effective tax rate would be higher.

- a) Debt Schemes of Mutual Fund (other than Infrastructure Debt fund for NRI is taxable at 5.824%) 29.12% (including surcharge @12%, 4% Health & Education cess on income distributed to individuals, HUFs and NRIs.
- b) 34.944% (including surcharge @12%, 4% Health & Education Cess , on income distributed to persons other than an individual or a HUF.
- c) Any income distributed by **Equity Oriented Fund*** is liable for Dividend distribution tax @11.648 % including Surcharge.

The said Dividends were not subject to tax in the hands of the unitholders as per section 10(35) of the Act as any income received from a debt mutual fund scheme or an equity mutual fund scheme was totally exempt from tax.

Taxability of Dividend from FY 2020-21 onwards

With effect from 1 April 2020, FA 2020 has abolished the DDT charged under section 115R of the Act on the **Dividends** paid by the Mutual Fund and transferred the tax burden completely in the hands of the recipient resulting in abolition of exemption to unitholders available under section 10(35) of the Act. The Dividend is now taxable in the hands of the unitholders at normal tax slab rates (mentioned in taxation of investors) subject to the following withholding of taxation by Mutual Fund:

Tax Implications in Dividend received by unit holders	Withholding of Taxation by Mutual Fund
Individual / HUF / Domestic Company	10% on Dividend amount above INR 5000 in a financial year under section 194K of the Act
NRI**	20% (plus applicable surcharge stated below and cess) under section 196A of the Act

**Taxability in the hands of NRI shall be subject to benefits (if any) available under the Double Tax Avoidance Agreement (DTAA).

While the tax withholding rate above may be final tax rate in case of NRIs, the resident individual / HUF / Domestic Company will have to discharge tax at following tax rates after reducing tax withholding as stated above:

Income-tax rates for Individuals (including NRIs)

Total Income	Tax Rates (c)
Up to INR 250,000	Nil
INR 250,001 to INR 500,000	5%
INR 500,001 to INR 1,000,000	20%
INR 1,000,001 and above	30%

Total Income	Tax Rates (c)
Up to INR 3,00,000	Nil
INR 3,00,001 to INR 6,00,000	5%
INR 6,00,001 to INR 9,00,000	10%
INR 9,00,001 to INR 12,00,000	15%
INR 12,00,001 to INR 15,00,000	20%

INR 1,500,001 and above	30%
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In case of domestic companies, the short-term capital gains are taxable at

- 30% or
- 25% - If the total turnover of the domestic company does not exceed INR 400 crores during financial year 2022- 2023or
- 22% - This lower rate is optional and is applicable to domestic companies opting to discharge taxes at 22% and fulfils conditions in section 115BAA or
- 15% - This lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfillment of certain conditions as provided in section 115BAB.

In case of foreign companies, the short-term capital gains are taxable at the rate of 40% and in case of Foreign Portfolio Investor (FPI), as per section 115AD of the Act at the rate of 30%.

- a) In addition to the aforesaid tax, surcharge at the following rates is also payable in case of Individuals and HUF:
 - i 10% where total income exceeds 50 lakhs but is less than INR 1 crore;
 - ii 15% on total income exceeding INR 1 Crore but less than INR 2 crore;
 - iii 25% on total income (excluding the income by way of Dividend) exceeding INR 2 Crore but less than INR 5 crore and
 - iv 37% on total income (excluding the income by way of Dividend) exceeding INR 5 Crore.
- b) In case of foreign companies, at the rate of 2% where the income exceeds INR1 crore but up to INR10 crore and at the rate 5% where the income exceeds INR 10 crore;
- c) In case of domestic company, at the rate of 7% where the income exceeds INR1 crore but up to INR10 crore and at the rate 12% where the income exceeds INR 10 crore . The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.

A Health & Education Cess of 4% on total income-tax is payable by all categories of taxpayers.

* Equity oriented Fund of Fund means a mutual fund specified under section 10(23D) of the Act which invests minimum of 65% of the total proceeds in the units of another fund which is traded on recognised stock exchange and such other fund also invests a minimum of 65 percent of its total proceeds in equity shares of listed domestic companies.

Taxability of Dividends from FY 2021-22 onwards

The Dividend is now taxable in the hands of the unitholders at normal tax slab rates (mentioned in taxation of investors) subject to the following withholding of taxation by Mutual Fund:

Tax Implications in Dividend received by unit holders	Withholding of Taxation by Mutual Fund
Individual / HUF / Domestic Company	10% on Dividend amount above INR 5000 in a financial year under section 194K of the Act
NRI**	20% (plus applicable surcharge stated below and cess) under section 196A of the Act

**Taxability in the hands of NRI shall be subject to benefits (if any) available under the Double Tax Avoidance Agreement (DTAA).

While the tax withholding rate above may be final tax rate in case of NRIs, the resident individual / HUF / Domestic Company will have to discharge tax at following tax rates after reducing tax withholding as stated above:

Income-tax rates for Individuals (including NRIs)

Total Income	Tax Rates (c)
Up to INR 250,000	Nil
INR 250,001 to INR 500,000	5%
INR 500,001 to INR 1,000,000	20%
INR 1,000,001 and above	30%

Total Income	Tax Rates (c)
Up to INR 3,50,000	Nil
INR 3,00,001 to INR 6,00,000	5%
INR 6,00,001 to INR 9,00,000	10%
INR 9,00,001 to INR 12,00,000	15%
INR 12,00,001 to INR 15,00,000	20%
INR 1,500,001 and above	30%

In case of domestic companies the short-term capital gains are taxable at

- 30% or
- 25% - If the total turnover of the domestic company does not exceed INR 400 crores during financial year 2022- 2023 or
- 22% - This lower rate is optional and is applicable to domestic companies opting to discharge taxes at 22% and fulfils conditions in section 115BAA or
- 15% - This lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfillment of certain conditions as provided in section 115BAB.

In case of foreign companies, the short-term capital gains are taxable at the rate of 40% and in case of Foreign Portfolio Investor (FPI), as per section 115AD of the Act at the rate of 30%.

- d) In addition to the aforesaid tax, surcharge at the following rates is also payable in case of Individuals and HUF:
- 10% where total income exceeds 50 lakhs but is less than INR 1 crore;
 - 15% on total income exceeding INR 1 Crore but less than INR 2 crore;
 - 25% on total income (excluding the income by way of Dividend) exceeding INR 2 Crore but less than INR 5 crore and
 - 37% on total income (excluding the income by way of Dividend) exceeding INR 5 Crore.
- e) In case of foreign companies, at the rate of 2% where the income exceeds INR1 crore but up to INR10 crore and at the rate 5% where the income exceeds INR 10 crore;
- f) In case of domestic company, at the rate of 7% where the income exceeds INR1 crore but up to INR10 crore and at the rate 12% where the income exceeds INR 10 crore . The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.

A Health & Education Cess of 4% on total income-tax is payable by all categories of taxpayers.

* Equity oriented Fund of Fund means a mutual fund specified under section 10(23D) of the Act which invests minimum of 65% of the total proceeds in the units of another fund which is traded on recognised stock exchange and such other fund also invests a minimum of 65 percent of its total proceeds in equity shares of listed domestic companies.

3) Securities Transaction Tax ('STT')

STT is levied on the value of taxable securities transactions which is collected by the Mutual Funds and deposited in the Government Treasury as under:

Transaction	Rate of STT (%)	Payable by
Purchase/Sale of equity shares (delivery based)	0.1	Purchaser / Seller
Purchase of units of equity oriented mutual fund (delivery based)	Nil	Purchaser
Sale of units of equity oriented mutual fund (delivery based)	0.001	Seller
Sale of equity shares, units of business trust, units of equity oriented mutual fund (non-delivery based)	0.025	Seller
Sale of an option in securities	0.0625	Seller
Sale of an option in securities, where option is exercised	0.125	Purchaser
Sale of a futures in securities	0.0125	Seller
Sale of units of an equity oriented fund to the Mutual Fund	0.001	Seller
Sale of unlisted equity shares and units of business trust under an initial offer	0.2	Seller

*STT will also be deducted on an equity oriented fund at the time of redemption/switch to other schemes

• **TAXABILITY OF THE UNIT HOLDERS IN THE FUND**

1) Income from units

Capital Gains:

The characterization of gains / losses arising from sale / transfer of units as capital gains or business income would depend on whether the units are treated as stock in trade or capital asset.

In this regard, the Central Board of Direct Taxes ('CBDT') has issued a circular No. 4 of 2007 dated June 15, 2007, which reiterates the principles laid down in certain judicial precedents for characterization of income. Further, it advises the Assessing Officers to consider the total effect of all the principles outlined in the earlier judicial decisions in determining whether the shares are held as investments, giving rise to capital gains or as stock in trade, giving rise to business profits.

Further, the CBDT issued Circular no. 6/2016 dated 29 February, 2016, has clarified that the Assessing Officers would not dispute any income arising from transfer of listed shares and securities held for more than 12 months, if the same was treated as, and offered to tax under, the head 'Capital Gains', subject to genuineness of the transaction being established.

Under Section 2(29A) read with 2(42A) of the Act, units of a mutual fund are treated as a long-term capital asset if they are held for a period of more than 36 months(for schemes other than equity oriented) and for a period of more than 12 months(for equity oriented schemes) preceding the date of transfer. Units held for not more than 36 months (for schemes other than equity oriented) and for not more than 12 months (for equity oriented schemes) preceding the date of their transfer are short-term capital assets.

Long-term capital gains

As per section 112 of the Act, income arising on transfer of units (other than equity oriented) being long-term capital assets by resident and non-resident investors, would be chargeable to tax at the rate of 20% with indexation. In case of an individual or Hindu Undivided Family ('HUF'), being a resident, where the total income as reduced by the long-term capital gains is below the maximum amount not chargeable to tax (i.e. upto INR 500,000 for very senior citizens, upto INR 300,000 for senior citizens, upto INR250,000 in case of other individuals, including women, not being a senior citizen), the long term capital gains shall be reduced to the extent of the shortfall and only the balance long term capital gains will be subject to the applicable rate of tax on capital gains.

- A) In addition to the aforesaid tax, surcharge at the following rates is also payable in case of Individuals and HUF:
1. 10% where total income exceeds 50 lakhs but is less than INR 1 crore;
 2. 15% on total income exceeding INR 1 Crore but less than INR 2 crore;
 3. 25% on total income exceeding INR 2 Crore but less than INR 5 crore and
 4. 37% on total income exceeding INR 5 Crore.
- B) In case of foreign companies, at the rate of 2% where the income exceeds INR1 crore but up to INR10 crore and at the rate 5% where the income exceeds INR 10 crore;
- C) In case of domestic company, at the rate of 7% where the income exceeds INR1 crore but up to INR10 crore and at the rate 12% where the income exceeds INR 10 crore.

A Health & Education Cess of 4% on total income-tax is payable by all categories of taxpayers.

A tax rebate of INR 12,500 shall be available in case of individuals having total income of less than INR 500,000 after reducing the deductions under chapter VI-A (Section 80C, 80D and so on). Benefit of the same is available to the taxpayers who has not opted to file their Income Tax return as per section **115BAC**.

In case of non-resident investors, provisions of the DTAA entered by Government of India with the Government of the country in which the investor is resident shall apply, if the same are more beneficial.

Long term capital gains on sale of listed Equity shares / units of equity oriented fund in excess of INR 1 lakh will be taxed at @ 10% (plus surcharge and cess as applicable in case of short term capital gains referred in section 111A stated below) without the benefit of indexation. However while calculating capital gain, cost of acquisition shall be actual cost of acquisition or market value as on 31st Jan 2018 whichever is higher, in case such listed shares are acquired on or before 30 January 2018.

Income by way of long-term capital gains exempt under section 10(38) of the Act up to Rs 1Lac, would be taken into account while computing the book profits of a Company for the purpose of Minimum Alternate Tax payable under section 115JB of the Act as the case may be.

Short-term capital gains

Short-term capital gains arising on units (other than equity oriented funds) will be taxed at the rates (given in table below) applicable to that unit holder as per the provisions of the Act.

In case of an individual or HUF, being a resident, where the total income as reduced by the short term capital gains is below the maximum amount not chargeable to tax (i.e. upto INR 500,000 for very senior citizens, upto INR300,000 for all senior citizens and upto INR250,000 including women, not being a senior citizen, in case of other individuals), the short term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such short term capital gains shall be computed at the applicable slab rates given in below table.

Income-tax rates for Individuals (including NRIs)

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Total Income	Tax Rates (c)
Up to INR 250,000	Nil
INR 250,001 to INR 500,000	5%
INR 500,001 to INR 1,000,000	20%
INR 1,000,001 and above	30%

Total Income	Tax Rates (c)
Up to INR 3,00,000	Nil
INR 3,00,001 to INR 6,00,000	5%
INR 6,00,001 to INR 9,00,000	10%
INR 9,00,001 to INR 12,00,000	15%
INR 12,00,001 to INR 15,00,000	20%
INR 1,500,001 and above	30%

In case of domestic companies the short-term capital gains are taxable at

- 30% or
- 25% - If the total turnover of the domestic company does not exceed INR 400 crores during financial year 2022-23 or
- 22% - This lower rate is optional and is applicable to domestic companies opting to discharge taxes at 22% and fulfils conditions in section 115BAA or
- 15% - This lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfillment of certain conditions as provided in section 115BAB.

In case of foreign companies, the short-term capital gains are taxable at the rate of 40% and in case of FPI, as per section 115AD of the Act at the rate of 30%

- a) In addition to the aforesaid tax, surcharge at the following rates is also payable in case of Individuals and HUF:
 - i 10% where total income exceeds 50 lakhs but is less than INR 1 crore;
 - ii 15% on total income exceeding INR 1 Crore but less than INR 2 crore;
 - iii 25% on total income exceeding INR 2 Crore but less than INR 5 crore and
 - iv 37% on total income exceeding INR 5 Crore.
- b) In case of foreign companies, at the rate of 2% where the income exceeds INR1 crore but up to INR10 crore and at the rate 5% where the income exceeds INR 10 crore;
- c) In case of domestic company, at the rate of 7% where the income exceeds INR1 crore but up to INR10 crore and at the rate 12% where the income exceeds INR 10 crore.

A Health & Education Cess of 4% on total income-tax is payable by all categories of taxpayers.

The aforesaid tax rates are not applicable to the case covered by section 111A of the Act discussed in the paragraph below).

As per section 111A of the Act, short term capital gains arising from the sale (redemption) of a unit of an equity oriented fund or listed equity shares, where such sale (redemption) attracts STT, is taxable at the rate of 15%. In addition to the aforesaid tax, surcharge and education cess is also payable. While the surcharge and cess remains same as stated earlier in case of domestic and foreign companies, surcharge applicable in case of Individuals and HUF is as follows:

- i 10% where total income exceeds 50 lakhs but is less than INR 1 crore;
- ii 15% on total income exceeding INR 1 Crore.

- Units held as Stock-in-trade and rebate of STT

Where the units are treated as 'stock in trade' and the profits arising from the sale of units are taxed under the head "Profits & Gains of business or profession", the amount equal to the STT paid by the unit holder can be claimed as deductible expenses.

- Deduction under Section 54F

A deduction in respect of the taxable long-term capital gains on transfer of units could be claimed under Section 54F of the Act in the hands of Individual & HUF, subject to fulfillment of certain conditions specified in the section. This section requires purchase/ construction of residential house within specified period. However, if the amount of purchase/construction is less than the net consideration realized on sale or redemption of units, only proportionate capital gains would be exempt from tax.

From 1st April 2022, 15 per cent surcharge on LTCG on sale of listed stocks or mutual funds has now been extended to LTCG tax on all assets such as real estate property, physical gold, debt funds, and debentures.

- Set-off and carry forward of losses

The capital loss resulting from sale of units would be available for set off against other capital gains made by the investor and would reduce the tax liability of the investor to that extent. However, losses on transfer of long-term capital assets would be allowed to be set-off only against gains from transfer of long-term capital assets and the balance long-term capital loss shall be carried forward separately for a period of eight assessment years to be set off only against long-term capital gains. However, losses on transfer of short-term capital assets would be allowed to be set-off against gains from transfer of long-term & short – term capital assets and the balance short-term capital loss shall be carried forward separately for a period of eight assessment years to be set off against long-term capital gain & short- term capital gain.

- Bonus Stripping

Where a person buys units (original units) within a period of three months before the record date, receives bonus units on such original units, and then sells the original units within a period of nine months after the record date and continues to hold the bonus units and incurs a loss, then the loss incurred on sale of such original units shall be ignored while computing the income chargeable to tax but shall be deemed to be the cost of acquisition of the bonus units.

- Switching from one scheme to another

As stated in the respective Scheme Information Documents, switching from one Scheme / option to another Scheme / option will be effected by way of redemption of units of the relevant Scheme / option and reinvestment of the redemption proceeds in the other Scheme / option selected by the unit holder. Hence, switching will attract the same implications as applicable on transfer of such units.

- Taxability of segregated portfolios of a mutual fund scheme

The period of holding for units in the segregated portfolio to be reckoned from the period for which the original units in the main portfolio were held by the unitholder. Acquisition cost of units in segregated portfolio to be proportionate to the NAV of assets transferred to the segregated portfolio to the NAV of the total portfolio immediately before the segregation. The cost of acquisition of the original units in the main portfolio to be reduced by the acquisition cost of units in the segregated portfolio.

- Consolidation of Schemes

Transfer of units upon consolidation of mutual fund schemes of two or more schemes of mutual fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains tax under section 47(xviii) of the Act.

Further, transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains tax under section 47(xix) of the Act.

- STT
STT would be chargeable as specified above in point 3 of 'taxability for the mutual fund' on purchase and sale of units of an equity oriented scheme by the unit holders.

- Tax withholding:

Resident Investors

As per Circular no. 715 dated August 8, 1995 issued by the CBDT in case of resident Unit holders, no tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units. Further, vide press release dated 4 February 2020, it has been clarified that withholding under section 194K of the Act is not applicable on capital gains arising on redemption of units of Mutual Fund.

FPIs

Under section 196D of the Act, no tax is required to be deducted at source on income way of capital gains earned by a FPI.

Non-resident Investors other than FPI's

Under Section 195 of the Act, the Mutual Fund is required to deduct tax at source at the rate of 20% /10% (without indexation) on any long-term capital gains arising to nonresident investors from units other than units of an equity oriented scheme. Long term capital gains from equity oriented schemes & listed equity shares are liable to be withhold @10% if the capital gain exceed Rs 1Lakh during the financial year starting from April 1, 2018.

In respect to short-term capital gains from units other than units of an equity oriented scheme, tax is required to be deducted at source at the rate of 30% (Assuming Highest tax bracket for investor) if the payee unit holder is a non-resident non-corporate and at the rate of 40% if the payee unit holder is a foreign company. In case of equity oriented schemes, tax is required to be deducted at the rate of 15% for both corporate and non-corporate non-resident unit holders.

Further, the aforesaid tax to be deducted is required to be increased by surcharge and Health & Education Cess, as applicable (rates stated in earlier paragraphs).

As per circular no. 728 dated October 30, 1995 issued by the CBDT, in the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee.

- Religious and Charitable Trusts
Investment in Units of the Fund by Religious and Charitable Trusts is an eligible investment under Section 11(5) of the Act read with Rule 17C of the Income Tax Rules, 1962. However, such investment may be permitted only subject to the state legislation governing Religious and Charitable Trusts in this regard, wherever applicable.
- DTAA
The tax rates given hereinabove are subject to any relief that an investor may be entitled to claim under the relevant DTAA.

Taxation of Gifts

Section 56(2) of the Act provides that the aggregate fair market value (exceeding INR50, 000) of any property, including units of mutual funds, received without consideration or for inadequate consideration (from persons or in situations other than those exempted under proviso to Section 56(2) (x) of the Act) will be included in the computation of total income of the recipient and be subject to tax.

Please note:

The tax incidence to investors could vary materially based on residential status, characterization of income (i.e. capital gains versus business profits) accruing to them. The Information provided here is general in nature. Please consult your financial planner before taking decision

B. LEGAL INFORMATION

NOMINATION

Pursuant to Regulation 29A of the SEBI (MF) Regulations, the Fund/AMC is providing an option to the Unitholder to nominate (in the manner prescribed under the Regulations), a person(s) in whom the Units held by him shall vest in the event of his death.

The investors / Unitholders are requested to note that a maximum of three nominees can be registered for a Folio. In case of multiple nominees, the Ratio of nomination has to be clearly specified in the nomination form / request letter. If the Ratio of nomination is not explicitly stated, then the nomination shall be treated at 'Equal Ratio'.

1) Who can nominate/be nominees?

Individuals, on their own behalf, singly or jointly can nominate. Non-individuals including company, PSU, AOP, BOI, society, trust (other than religious or charitable trust), body corporate, partnership firm, Karta of Hindu Undivided Family, Bank, FII/FPI, holder of Power of Attorney cannot nominate. For nomination to a religious or charitable trust, the investor should attach a proof or certificate that the trust being nominated is religious or charitable trust. The Nominee shall not be a trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time.

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 Unitholder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.

2) How to Nominate?

A Unitholder can, at the time an application is made, or by subsequently writing to an ISCs, request for a nomination form in order to nominate not more than three individuals, to receive the units upon his/her death, subject to completion of the necessary formalities e.g. proof of death of the unitholder, signature of the nominees, furnishing of proof of guardianship in case a nominee is a minor, execution of indemnity bond or such other document as may be required from the nominee(s) in favour of and to the satisfaction of the Mutual Fund, the AMC, or the Trustee. If the Units are held jointly, all joint unitholders will be required to sign the nomination form irrespective of the mode of holding being 'Anyone or Survivor' or 'Joint'. Nomination form cannot be signed by Power of attorney (PoA) holders. Every new nomination for a folio/account will overwrite the existing nomination. Investors may please note that nomination is mandatory for folios held in the name of a single individual. Nomination cannot be made in a folio held 'on behalf of a minor'. Further, investors who do not wish to nominate are required to confirm at the time of making an application of their non-intention to nominate.

Investors shall indicate clearly the percentage of allocation/ share in favour of each of the nominees against their names, and such allocation/share shall be in whole numbers without any decimals. In the event of the investor not indicating the percentage of allocation/share for each of the nominees, the AMC shall settle the claim equally amongst all the nominees.

Pursuant to SEBI Circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/82 dated June 15, 2022 read with SEBI/HO/IMD/IMD-I DOF1/P/CIR/2022/105 dated July 29, 2022, mandated Unitholders to submit nomination details or opt our declaration for investor subscriber to mutual fund units on or after October 1, 2022 through Physical or Online as per the choice of Unitholder.

3) Effects of nomination/cancellation of nomination

Nomination in respect of units stands rescinded upon redemption of units. Cancellation of nomination can be made only by those individuals who hold units on their own behalf, singly or jointly, and who made the original nomination. On cancellation, the nomination shall stand rescinded and the AMC/Mutual Fund shall not be under any obligation to transfer the units in favour of any of the nominees. Transfer of units/ payment to a nominee of the sums shall be valid and effectual against any demand made upon the Trust/AMC, and shall discharge the Trust/AMC of all liability towards the estate of the deceased unit holder and his/her successors and legal heirs, executors and administrators.

However, the investors should be aware that the nominee(s) may not acquire title or beneficial interest in the property by virtue of the nomination and that neither the Fund nor the AMC nor the Registrar and Transfer Agent of the Fund will be bound to transfer the units to the nominee in the event of any dispute in relation to the nominee's entitlement to the units.

If the Mutual Fund or the AMC or the Trustee were to incur or suffer any claim, demand, liabilities, proceedings or if any actions are filed or made or initiated against any of them in respect of or in connection with the nomination, they shall be entitled to be indemnified absolutely for any loss, expenses, costs, and charges that any of them may suffer or incur absolutely from the investor's estate.

For units held in electronic form with the Depository, the nomination details provided by the unit holder to the depository will be applicable to the units of the Schemes. Such nomination including any variation, cancellation or substitution of Nominee(s), shall be governed by the rules and bye-laws of the Depository. Payment to the nominee of the sums shall discharge the Fund of all liability towards the estate of the deceased unit holder and his/her legal successors/legal heirs.

In case nomination has been made for demat account with joint holders, in the event of death of any of the joint holder(s), the securities will be transmitted to the surviving holder(s). Only in the event of death of all the joint holder(s), the securities will be transmitted to the nominee.

In case nomination is not made by the sole holder of demat account, the securities would be transmitted to the account of legal heir(s), as may be determined by an order of the competent court.

TRANSFER OF UNITS

Units of the Schemes held in physical form shall be non-transferable. Further units of the schemes of the Fund held in demat form are freely transferable under the depository system and in accordance with the provisions of the SEBI (Depositories and Participants) Regulations, 1996. From one demat account to another demat account. However, restriction on transfer of units of ELSS during locking period shall continue to be as per ELSS guidelines. However, if a transferee becomes a holder of units by the operation of law or upon enforcement of a pledge, then the AMC shall, subject to production of such evidence, which in its opinion is sufficient, proceed to effect the transfer, if intended transferee is otherwise eligible to hold the units. In all such cases, if the transferee is not eligible to hold the Units, the Units will be redeemed and the proceeds will be disbursed to the transferee, if such transferee

is entitled to the same. All such changes shall be carried out in line with the applicable laws and the decision of the AMC shall be considered final.

Any addition/deletion of name from the folio of the Unitholder is deemed as transfer of Units. In view of the same, additions/deletions of names will not be allowed under any folio of the Scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.

The list the documents required for transmission under various situations is explained in the following paragraphs:

1. Deletion of names of the deceased unit holders in case of death of 2nd and/or 3rd Holder.
 - i. Request Form (Form T1) from surviving unit holder(s) requesting for Deletion of Name of Deceased 2nd and/or 3rd Holder. (Click here to download)
 - ii. Death Certificate in original or photocopy duly attested by a Notary Public or a Gazetted Officer.
 - iii. Fresh Bank Mandate Form along with cancelled cheque of the new bank account (only if there is a change in existing bank mandate)
 - iv. Fresh Nomination Form in case there is no nomination or a change in existing nomination is desired by the surviving unit holders. (Click here to download forms)
 - v. KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant.

2. Transmission of Units to surviving unit holder(s) in case of death of the 1st holder
 - i. Transmission Request Form (Form T2) for Transmission of Units to the surviving unit holder/s. (Click here to download)
 - ii. Death Certificate of the deceased unit holder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
 - iii. Copy of PAN Card of the Surviving Joint Holder(s) (if PAN is not provided already)
 - iv. Cancelled cheque of the new first unit holder, with the claimant's name pre-printed OR Recent Bank Statement/Passbook (not more than 3 months old) of the new first holder.
 - v. KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant.

3. Transmission of Units to the registered Nominee/s in case of death of Sole or All unit holders
 - i. Transmission Request Form (Form T3) for Transmission of Units in favour of the Nominee(s). (Click here to download)
 - ii. Death Certificate of the deceased unit holder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
 - iii. Copy of Birth Certificate, in case the Nominee is a minor.
 - iv. Copy of PAN Card of the Nominee(s) / Guardian (in case the Nominee is a minor)
 - v. KYC Acknowledgment OR KYC Form of the Nominee(s) / Guardian (where Nominee is a Minor)
 - vi. Cancelled cheque with the Nominee's name pre-printed OR Copy of the Nominee's recent Bank Statement/Passbook (which is not more than 3 months old).
 - vii. If the transmission amount is upto .2 Lakh,

Nominee's signature attested by the Bank Manager as per Annexure-Ia. In case the Nominee is a Minor, signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.

If the transmission amount is for more than 2 Lakh, as an operational risk mitigation measure, signature of the Nominee shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant. (Click here to download)

4. Transmission of Units to the Claimant/s on death of Sole unit holder or All unit holders, where there is NO NOMINATION registered

- i. Transmission Request Form (Form T3) for Transmission of Units to the Claimant (Click here to download)
- ii. Death Certificate of the deceased unit holder(s) in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
- iii. Copy of Birth Certificate in case the Claimant is a minor.
- iv. Copy of PAN Card of the Claimant / Guardian (in case the Claimant is a minor).
- v. KYC Acknowledgment OR KYC Form of the Claimant / Guardian (in case the Claimant is a Minor)
- vi. Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Pass-book (which is not more than 3 months old).

If the transmission amount is up to .2 Lakh –

- a. Bank Attestation of signature of the Claimant by the Bank Manager as per Annexure-Ia. In case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested. (Click here to download)
- b. Any appropriate document evidencing relationship of the claimant/s with the deceased unit holder/s.
- c. Bond of Indemnity - as per Annexure-II . to be furnished by Legal Heirs for Transmission of Units without production of Legal Representation. (Click here to download)

Provided that in case the legal heir(s)/claimant(s) is submitting the Succession Certificate or Probate of Will or Letter of Administration wherein the claimant is named as a beneficiary, an affidavit as per Annexure-III from such legal heir/claimant(s) alone would be sufficient; i.e., Bond of Indemnity is not required. (Click here to download)

- d. Individual Affidavits to be given by each legal heir as per Annexure-III (Click here to download)
- e. NOC from other Legal Heirs as per Annexure – IV, where applicable.(Click here to download)

If the transmission amount is more than .2 Lakh –

- a. Signature of the Claimant duly attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant. In case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.
- b. Individual Affidavits to be given each legal heir as per Annexure-III (Click here to download)
- c. Any one of the documents mentioned below:
 - Notarised copy of Probated Will; OR
 - Succession Certificate issued by a competent court; OR
 - Letter of Administration or court decree, in case of Intestate Succession.

5. Change of Karta upon death of the Karta of Hindu Undivided Family (HUF)

If the case of a HUF, the property of the HUF is managed by the Karta and the HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF will need to appoint a new Karta, who needs to submit following documents for transmission:

- i. Request Form (Form T4) for change of Karta upon demise of the registered Karta. (Click here to download)
- ii. Death Certificate of the deceased Karta in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
- iii. Bank's letter certifying that the signature and details of new Karta have been updated in the bank account of the HUF & attesting the Signature of the new Karta as per Annexure-1b. (Click here to download)
- iv. KYC Acknowledgment OR KYC Form of the new Karta and the HUF, if not KYC compliant.
- v. Indemnity Bond as per Annexure V signed by all surviving coparceners (including new Karta).

vi. If the transmission amount is upto .2 Lakh, any appropriate document evidencing relationship of the new Karta and the other coparceners with the deceased Karta.

vii. If the transmission amount is more than .2 Lakh, any one of the documents mentioned below –

- Notarized copy of Settlement Deed, or
- Notarized copy of Deed of Partition, or
- Notarized copy of Decree of the relevant competent court.

6. Transmission of Units to the Claimant/s upon death of the Karta of HUF, where there is no surviving co-parcener or the HUF has been dissolved/partitioned after demise of the Karta

i. Transmission Request Form (Form T5) for Transmission of Units to the Claimant. (Click here to download)

ii. Death Certificate of the deceased Karta in original OR photocopy duly attested by a Notary Public or a Gazette Officer.

iii. Copy of Birth Certificate in case the Claimant is a minor.

iv. Copy of PAN Card of the Claimant(s) / Guardian (in case the Claimant is a minor)

v. KYC Acknowledgment OR KYC Form of the Claimant(s) / Guardian (in case the Claimant is a Minor)

vi. Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).

vii. If the transmission amount is upto .2 Lakh, attestation of signature of the claimant by Bank Manager as per Annexure-Ia. In case the claimant is a Minor, the signature of the Guardian (as per the Minor's bank account / Minors joint account with the Guardian) shall be attested. (Click here to download)

If the transmission amount is for more than .2 Lakh, signature of the claimant shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant.

viii. Bond of Indemnity to be furnished by the Claimant as per Annexure-VI. (Click here to download)

ix. If the HUF has been dissolved/partitioned by the surviving members after demise of the Karta, the transmission of units should be effected only on the basis of any of the following documents:

- Notarized copy of Settlement Deed, OR
- Notarized copy of Deed of Partition, OR
- Notarized copy of Decree of the relevant competent Court.

7. Clarifications

a. In case of death of the 1st holder, if there are two surviving joint holders, the surviving 2nd holder will be treated as the new primary / 1st holder.

b. PAN card copy of the nominee /claimant/s need not be insisted separately, if the same is available in KYC data. In case of residents of Sikkim, appropriate Id. proof shall be collected in lieu of PAN card.

c. Where the units are to be transmitted to a claimant who is a minor, various documents like KYC, PAN, Indemnity should be of the Guardian of the minor nominee / legal heir. Bank Attestation of the Signature of the Guardian of the minor shall be as per the bank account of the Minor or the joint account of the Minor with the Guardian.

d. In case of multiple nominees/ claimants, the monetary threshold of more than ₹2 lakh for the purpose of obtaining the Indemnity Bond shall be determined on the basis of the aggregate value of the Units under all the folios for which the claim is being submitted as per the latest NAV as on the date of receipt of the claim, before dividing / splitting the claim amongst multiple nominees or claimants/ surviving co-parceners.

e. Also, where there are more than one nominees / legal heirs (claimants) in a folio or set of folios, the nominees / legal heirs should be encouraged / requested to submit the Transmission request together, so that all the Units held by the de-ceased unit holder(s) could be transmitted in one-go to for operational efficiency and convenience.

f. If the deceased unit holder(s) held units in several folios, as 1st holder(s) in some folios and as joint holder in other(s), a single claim form may be accepted for operational ease, provided the ALL the deceased holders are common across the multiple folios (irrespective of the order of names) AND the nominee(s) / claimant(s) is/are also common/same across ALL the folios.

g. Once a transmission request is received, it is incumbent upon the AMC/RTA to determine if the deceased unit holder had any unit holdings under any other scheme / folio, and put a flag in the system against all other folios of the deceased unit holder, basis PAN / PEKRN with a suitable communication to the surviving unit holders / nominee/s (if any, registered against the folios) to submit the claim form with reqd. documents in respect of the remaining folios.

h. In such cases where the deceased was the 1st holder in respect any one of the folios/funds, units in all other holdings across all other folios/schemes, where the deceased was the 1st unit holder shall be 'Stop' marked/blocked against any further transactions basis PAN or PEKRN.

i. The process and documentation for transmission of units where the claimant / nominee is a mentally unsound person, shall be the same as applicable to a Minor claimant, except that the Guardian shall be a court appointed guardian. Additionally, a Medical Certificate from an appropriate registered medical practitioner may be obtained regarding the Mentally unsound person.

j. Copies of all supporting documents submitted for settlement of the claim, such as the Death Certificate of the deceased, Birth certificate of the minor, Probate of Will, Succession Certificate, Letter of Administration shall be duly attested by a Notary Public or a Gazette Officer.

k. If the transmission amount is for more than ₹2 Lakh, as an operational risk mitigation measure, the signature of the Nominee/ Claimant shall be attested only by a Notary Public or a Judicial Magistrate First Class (JMFC) in lieu of bank-er's attestation. For this purpose, space has been provided for signature in the TRF itself below the signature of the claimant.

l. While the list of documents mentioned above should be taken in all cases, in specific cases and situations related to transmission of units that are not enumerated in section 1 to 6 above, AMCs should adopt proper due diligence and request for appropriate documents depending on the circumstances of each case and apply the general principles enumerated in sections above before transmitting the units in favour of the claimant/s.

GIFT FACILITY

The Unitholder can, at any time after the allotment of Units, write to the ISC, requesting for a Gift Form to gift his/her Units by way of a transfer of Units to the extent permitted under the SEBI (Mutual Funds) Regulations, 1996 / applicable law(s) to a person eligible to be an investor as per the terms of the SID. The Mutual Fund may arrange to transfer the Units in accordance with the terms of the Gift Deed executed by the donor Unit holder out of his / her Unit balance in accordance with applicable law(s) and subject to the compliance with such documentary requirements by the donor Unitholder to the satisfaction of the Mutual Fund/AMC if the donee is otherwise eligible to hold units of mutual funds. Gift in favour of a NRI/PIO/OCI/QFI will be subject to permission, general or specific, as per the applicable laws under the Foreign Exchange Management Act, 1999. The transfer of unitholdings to the donee in accordance with the terms of the Gift Deed and a receipt thereof shall be a valid discharge of the AMC/Mutual Fund of its obligations towards the donor Unitholder. The donor Unitholder agrees to be liable/responsible for any loss that may result from a transfer of Units thereof made in good faith by the AMC/ Mutual Fund at the request of the Donor Unitholder/s. The facility of gifting of Units is not permitted if the Units are held in electronic/demat mode.”

TRANSMISSION OF UNITS

In accordance with the AMFI Best Practice Circular No. 53A/2014-15 dated March 30, 2015 on “Clarification in respect of AMFI Best Practices Guidelines circular No. 53 dated February 11, 2015 read with AMFI Best Practices Guidelines 20 dated February 9, 2011 regarding “Transmission of Units” and SEBI Circular dated December 24, 2019 on “Investments in units of Mutual funds in the name of minor through guardian and ease of process for transmission of units, the following will be applicable:

- For Transmission of Units to the registered nominee(s) in case of death of Sole or All unit holder, the indemnity bond from the nominee(s) is not required.

- For Transmission of Units, where no nomination has been made, Letters from claimant/s to the Fund/AMC/RTA requesting for transmission of units; Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager; Bank account details of the new first unit holder along with attestation by a bank manager or cancelled cheque bearing the account details and account holders name; KYC Compliance of the claimant/s; Indemnity Bond from legal heir/s; Individual affidavits from legal heir/s, if the transmission amount is below Rs 2 lac, any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s and if the transmission amount is Rs 2 lac or more, any one of the following documents a. Notarized copy of Probated Will, b. Legal heir certificate or succession certificate or claimant's certificate issued by competent court, or letter of administration, in case of intestate succession. However, in cases, where claimant has submitted any one of the document as mentioned above, but probated will/ succession certificate/ letter of administration does not have any mention of mutual fund units, the indemnity bond along with individual affidavits from all the legal heirs will be required.
- MOAMC will not accept any "Transmission-cum-Redemption" requests. The request for redemption of Units will be accepted only after processing the request for transmission of Units with proper documentation.
- The AMC will implement image based processing wherever the claimant is a nominee or a joint holder in the investor folio.
- The AMC will have a dedicated, Central Help Desk and a webpage carrying relevant information and instructions in order to provide assistance on the transmission process.
- The AMC will adopt a common Transmission Request Form and NOC form. All such forms and formats will be made available on the website of the AMC, RTA and AMFI.
- The AMC will implement a uniform process for treatment of unclaimed funds to be transferred to the claimant including the unclaimed IDCW .
- The AMC will not accept requests for redemption from a claimant pending completion of the transmission of units in his /her favour.
- The Stamp duty payable by the claimant with respect to the indemnity bond and affidavit, will be in accordance with the stamp duty prescribed by law.
- For list of documents required for transmission of units, investors are required to refer website of the Fund www.motilaloscwalmf.com.

1) Transmission of Units in ELSS

•Repurchase of Units under ELSS upon death of the Unitholder

As per Rule 3(e) of Equity Linked Saving Scheme, 2005 notified by the Government of India:

"In the event of the death of the assessee, the nominee or legal heir, as the case may be, shall be able to withdraw the investment only after the completion of one year from the date of allotment of the units to the assessee or any time thereafter".

Thus, in the event of the death of the unitholder under ELSS, the nominee or legal heir, shall be able to withdraw the investment under ELSS only after the completion of one year from the date of allotment of units to the investor, but before completion of three years lock-in.

The Stamp duty payable by the claimant with respect to the indemnity bond and affidavit, shall be in accordance with the stamp duty prescribed by law.

PLEDGE/ASSIGNMENT OF UNITS

A unit holder may pledge/assign units of the Schemes in favour of scheduled Commercial banks, financial institutions, non-banking financial companies (NBFCs) or any other body Corporate as a security for raising loans. Units can be pledged by completing the requisite forms/formalities as may be required by the Fund. The AMC and/or the Registrar will record a pledge/charge/lien against the units pledged.

The Pledgor may not be allowed to redeem Units so pledged until the bank/financial institutions/NBFCs to which the units are pledged provides a written authorization to the Fund that the pledge/charge/lien may be removed.

As long as the Units are pledged, the Pledgee will have complete authority to redeem such Units. If the units are lodged by the Unit holder for redemption or transfer to another person it will be deemed that the same are released from the pledge and the Fund shall deal with the units as per the request of the member if otherwise in order.

In case the unit pledge are of close ended scheme and if the units are under pledge at the time of maturity of the Scheme, then the AMC reserves the right to pay the maturity amount to the person/bank/financial institution/non-banking finance companies (NBFCs)/any other body in whose favour the lien has been marked. An intimation of such payment will be sent to the investor. The AMC thereafter shall not be responsible for any claims made by the investor/third party on account of such payments.

For units of the Schemes issued and held in Demat form, the rules of Depository applicable for pledge will be applicable for Pledge/Assignment of units of the Schemes.

DURATION OF THE SCHEMES/WINDING UP

For Open Ended Schemes

The duration of the Schemes is perpetual. The AMC, the Fund and the Trustees reserve the right to make such changes/alterations in the Schemes (including the charging of fees and expenses) to the extent permitted by the applicable SEBI Regulations. However, in terms of the Regulations, a Scheme may be wound up after repaying the amount due to the Unit holders:

1. On the happening of any event, which in the opinion of the Trustee(s), requires the Scheme to be wound up;
or
2. Seventy five percent (75%) of the Unit holders of the Scheme pass a resolution that the Scheme be wound up,
or
3. If SEBI so directs in the interest of the Unit holders.

Where the Scheme is so wound up, the Trustees shall give notice within one day, disclosing the circumstances leading to the winding up of the scheme to SEBI and in two daily newspapers with circulation all over India and also in a vernacular newspaper circulating at the place where the Mutual Fund is formed.

Provided that where a scheme is to be wound up under Regulation 39(2)(a), the trustees shall obtain consent of the unit holders participating in the voting by simple majority on the basis of one vote per unit and publish the results of voting within forty five days from the publication of newspaper notice as specified under point (b) above and if trustees fail to obtain the required consent of the unitholders then, the schemes shall be reopened for business activities from the second business day after publication of results of the voting.

Further in case of non-fulfillment of SEBI Circular dated December 12, 2003 relating to Minimum Number of Investors in Scheme(s)/ Plans of Mutual Funds the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 would become applicable automatically without any reference form SEBI. Accordingly, the scheme(s) shall be wound up by following the guidelines laid down by SEBI. Please refer to the Scheme Information Document of respective scheme(s) for more details.

For Close Ended Scheme

The duration of a Close Ended Scheme would be till the maturity date and will be fully redeemed on such maturity date. The Scheme can be converted to an open ended scheme, if:

The Scheme Information Document of the scheme discloses the option and the period of such conversion. The Unit holders are provided with an option to redeem their units in full.

A close ended Scheme may be allowed to be rolled over if the purpose, period and other terms of roll over and all other material details of the Scheme including the likely composition of the assets immediately before the roll over, the net assets and the net assets value of the Scheme are disclosed to the unit holders and a copy of the same has been filed with SEBI.

The Trustee reserves the right to convert the close ended Scheme to an open ended Scheme after complying with provisions of SEBI (Mutual Funds) Regulations. The Trustees may also roll over the Scheme for a further period at their discretion after complying with Mutual Funds Regulations.

The close ended Scheme may be wound up before the maturity of the Scheme after complying with necessary regulations. Where the Scheme is so wound up, the Trustees shall give notice of the circumstances leading to the winding up of the Scheme to SEBI and in two daily newspapers with circulation all over India and also in one vernacular newspaper with circulation at the place where the Mutual Fund is formed.

Effect of Winding Up

On and from the date of the publication of notice of winding up, the Trustee or the AMC, as the case may be, shall:

- i. Cease to carry on any business activities in respect of the Scheme so wound up;
- ii. Cease to create or cancel Units in the Scheme;
- iii. Cease to issue or redeem Units in the Scheme.

Procedure and manner of Winding up

In the event of the Scheme being wound up, the AMC shall proceed as follows:

1. The Trustee shall call the meeting of the unit holders to consider and to approve by simple majority of the Unit holders present and voting at the meeting for authorizing the Trustee, the AMC or any other person to take steps for the winding up of the Scheme.
2. The Trustee, the AMC or the person authorized as above shall dispose of the assets of the Scheme concerned in the best interest of unit holders of the Scheme.
3. The proceeds of sale realized in pursuance of the above, shall be first utilized towards discharge of such liabilities as are due and payable under the Scheme and after making the provisions for meeting the expenses connected with such winding up, the balance shall be paid to Unit holders in proportion to their respective interest in the assets of the Scheme, as on the date when the decision for winding up was taken.
4. On completion of the winding up, the AMC shall forward to SEBI and the unit holders a report on the winding up, detailing the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, expenses of the Scheme for winding up, net assets available for distribution to the Unit holders and a certificate from the auditors of the Fund.
5. Notwithstanding anything contained herein above, the provisions of the Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist.
6. After the receipt of the report referred to above, if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

In addition to the above, an open-ended scheme may also be wound up if the scheme/investment Plan fails to fulfill the condition of a minimum of 20 investors on an ongoing basis for each calendar quarter.

Further, an average AUM of Rs. 20 crore on half yearly rolling basis has to be maintained for all open ended debt oriented schemes. In case of breach of the this provisions, the AMC shall scale up the AUM of such scheme within prescribed period so as to comply with the provisions, failing which the provisions of Regulation 39(2)(c) of the Regulations related to winding up of scheme would become applicable.

Listing of Mutual Fund schemes that are in the process of winding up:

Every close-ended scheme and units of segregated portfolio shall be listed on recognized stock exchanges. SEBI vide Circular No SEBI/HO/IMD/DF3/CIR/P/2020/086 dated May 20,2020, has extended the provisions for listing of the mutual funds units which are in the process of winding up. Accordingly in terms of regulation 39(2)(a) i.e on the happening of any event which, in the opinion of the trustees, requires the scheme to be wound up the units of Mutual Fund schemes which are in the process of winding-up shall be listed on the recognized stock exchange to allow the investor an exit option. However, SEBI has also clarified that the trading of the investor on the stock exchange is not mandatory, This is an exit option given to investor if they desire to take exit from the scheme. Trading in such listed scheme which is under process of winding up, shall be done only in demat form. AMCs shall enable transfer of such units which are held in form of Statement of Account (SoA) / unit certificates.

Change in Static Information

Investors, for whom the KYC process has been previously completed, should submit their request for change in static information, viz. name, address, status, signature, etc. to any of the Point of Services (PoS) appointed by CDSL Ventures Ltd /Intermediary through whom the uniform KYC was recorded. Investors, who have not complied with the KYC requirement, may submit their request for change in static information to the AMC's Registrar. Other information such as bank account details, IDCW sub option etc. may be changed by Unit Holders by submitting a written request to the Registrar. Such changes will be effected within 5 Business Days of the valid signed request reaching the office of the Registrar at Chennai, and any interim financial transactions like purchase, redemption, switch, payment of IDCW etc. will be effected with the previously registered details only. If any change in static information is submitted along with a financial transaction, the change will be handled separately and the financial transaction may be processed with the previously registered details. Unit Holders are therefore advised to provide requests for change in static information separately and not along with financial transactions. Investors transacting through the stock exchange mechanism should approach their respective Depository Participant for non-financial requests/applications such as change of address, change of bank, etc.

- i) Any request for change of bank mandate details will be entertained only if the Unit Holder provides any of the following documents along with the designated change request form.
- ii) copy of a cheque leaf of the new bank account (where the account number and name is printed on the cheque)
or
- iii) a cancelled cheque pertaining to the new bank account (where the account number and name is printed on the cheque) or
- iv) a letter from the new bank certifying the bank account details, including the MICR code & IFSC Code (where available)
- v) Any request for change of bank mandate details without the above mentioned documents will be considered invalid and will not be processed.
- vi) Any change in IDCW sub option due to additional investment or Unit Holder request will be applicable to the entire Units in the IDCW option of the scheme/plan concerned.
- vii) Unit Holders may write to the AMC or the Registrar to change the broker code of their transactions or to remove the broker code. Any such request will be handled on a prospective basis and the change in broker code will be effected within 5 days from the date when the Registrar receives the request at its office.

In compliance to AMFI Best Practice Guidelines circular No. 17/10-11 dated October 22, 2010, the Mutual Fund has introduced Multiple Bank Account Registration Facility for its unit holders, where in Unit holder can register more than one bank account with the Mutual Fund to receive redemption/ IDCW proceeds. The Unit holder may

choose to receive the redemption/ IDCW proceeds in any of the bank accounts, the details of which are registered under the facility by specifying the same in the “Bank Accounts Registration form” which will be available at our Investor Service Centers/Registrar and Transfer Agents offices and on the website of the Fund, this facility was introduced w.e.f November 15, 2010.

Consolidation of Folios

In case an investor has multiple folios, the AMC reserves the right to consolidate all the folios into one folio, based on such criteria as may be determined by the AMC from time to time. In case of additional purchases in same scheme / fresh purchase in new scheme, if the investor fails to provide the folio number, the AMC reserves the right to allot the units in the existing folio, based on such integrity checks as may be determined by the AMC from time to time.

Treatment of Unclaimed IDCW and Redemption

In accordance with SEBI Circular dated February 25, 2016, Mutual Funds shall provide the details of investors on their website like, their name, address, folios, etc. The website shall also include the process of claiming the unclaimed amount alongwith necessary forms and document. Further, the unclaimed amount along with its prevailing value shall be disclosed to investors separately in their periodic statement of accounts/CAS.

Further, pursuant to said circular on treatment of unclaimed redemption and IDCW amounts, redemption/ IDCW amounts remaining unclaimed based on expiry of payment instruments will be identified on a monthly basis and amounts of unclaimed redemption/IDCW would be deployed in the respective Unclaimed Amount Plan(s) as follows:

- Motilal Oswal Liquid Fund - Unclaimed IDCW - Upto 3 years,
- Motilal Oswal Liquid Fund - Unclaimed IDCW - Greater than 3 years,
- Motilal Oswal Liquid Fund - Unclaimed Redemption - Upto 3 years
- Motilal Oswal Liquid Fund - Unclaimed Redemption - Greater than 3 years

Investors are requested to note that pursuant to the circular investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

1) Investment made on behalf of Minor

• Accounts of Minor:

- i. The minor, through Parents/Lawful Guardian, shall be the first and the sole holder in an account/folio. There shall not be any joint accounts/folios with minor as the first or joint holder
- ii. Guardian in the folio on behalf of the minor should be either a natural guardian (i.e. father or mother) or a court appointed legal guardian. A document evidencing the relationship should be submitted to the AMC/Registrar of Fund.
- iii. The following documents evidencing the date of birth of the minor shall mandatorily be required while opening the account on behalf of minor:
 - a. Birth certificate of the minor, or
 - b. School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
 - c. Passport of the minor, or

Any other suitable proof evidencing the date of birth of the minor.

RTA shall send an advance notice prior to 30 days from the minor attaining major. The communication will be sent to the registered E-mail id 1) Request letter OR a duly filled and signed Minor Attaining Major request form.

AMC will follow uniform process 'in respect of investments made in the name of a minor through a guardian' by SEBI vide circular no SEBI/HO/IMD/DF3/CIR/P/2019/166 dated December 24, 2019.

- 1) Copy of Pan card of the unitholder (Unit holder needs to apply for Pan card in case not applied already)
- 2) KYC Acknowledgement OR KYC application form in case unit holder not KYC compliant already (refer the list of supporting documents on the backside of KYC form)
- 3) Cancelled cheque leaf with name of the unitholder pre-printed or Self attested photocopy of bank statement/passbook. (Unit holder needs to change his/her status in his/her existing bank account from Minor to Major OR open a new bank account immediately upon becoming a major)
- 4) Annexure I – Banker's attestation of the signature of the unitholder.
- 5) Nomination Form.

The forms can be downloaded from the 'Downloads' section on our website <https://www.motilaloswalmf.com/>

Upon receipt of the aforesaid documents, the details shall be updated in the folio. Please note in case of non-receipt of the request before the date of minor attaining majority;

- a. The guardian shall not be allowed undertake any financial or non-financial transactions from the date of the minor attaining majority.
- b. All existing standing instructions like SIP, SWP & STP, if registered for a period beyond the date on which the minor attains majority, will cease to be executed from the date of the minor attaining majority.
- c. The unitholder (erstwhile minor) will need to submit a fresh SIP, STP, SWP mandate in the prescribed form while applying for change in status from minor to major, in order to continue the SIP, STP, and SWP.

• **Change in Guardian:**

In case there is a change in the guardian of the minor either due to mutual consent or demise of existing guardian, the following documents will be required to be submitted to the AMC/Registrar in order to register the

C. General Information

INTER-SCHEME TRANSFER

The transfer of investments from one Scheme to another Scheme in the same mutual fund shall be allowed only if:

- i. Such transfers are done at the prevailing market price for quoted investments on spot basis. and transfers of unquoted securities will be made at fair valuation price, as per the policy laid down by the Trustee from time to time; and
- ii. The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfers have been made.

Explanation: 'Spot basis' shall have same meaning as specified by Stock Exchange for spot transaction.

ASSOCIATE TRANSACTION

1) Underwriting obligations with respect to issues of Associate Companies during the FY 2020-2021 and FY 2021 – 2022 & FY 2022-2023:

The schemes of the Mutual Fund have not entered into any underwriting obligation with respect to issues of associate companies, and have no devolvement.

2) Subscription in issues lead managed by the Sponsor or any of its associates during the FY 2020-2021 and FY 2021 – 2022 & FY 2022-2023:

The schemes of the Mutual Fund have not entered into any subscription in issues lead managed by the Sponsor or any of its associates.

3) Subscription to any issue equity or debt on private placement basis where the sponsor or its associate Companies have acted as arranger or manager during the FY 2020-2021 and FY 2021 – 2022 & FY 2022-2023:

The schemes of the Mutual Fund have not subscribed in equity or debt on private placement basis where the sponsor or its associate Companies have acted as arranger or manager.

4) Brokerage and Commission paid to Associates during the past three financial years including current year

a) Brokerage paid to associates/related parties/group companies of Sponsor/AMC for Secondary Market Transactions

Name of associates / related parties / group companies of Sponsor / AMC	Nature of association / Nature of relation	Years	Value of transaction		Brokerage paid	
			Rs. Cr	% (Total value of transaction)	Rs. Cr	% (Total brokerage paid)
Motilal Oswal Financial Services Ltd.	Sponsor	2020 - 2021	1345.1	3.65	1.36	5.74
		2021-2022	1,122.95	2.96	1.24	5.74
		2022-2023	1,463.95	3.46	1.68	5.99

b) Commission paid to associates/related parties/group companies of Sponsor/AMC for Distribution and Sale of Units:

Name of associates / related parties / group companies of Sponsor / AMC	Nature of association / Nature of relation	Years	Business given		Commission paid	
			Rs. Cr	% (Total business received)	Rs. Cr	% (Total commission paid)
Motilal Oswal Financial Services Ltd.	Sponsor	2020-2021	281.49	5.32	8.13	6.50
Motilal Oswal Wealth Management Ltd.	Associate		73.33	1.39	4.19	3.35
Motilal Oswal Financial Services Ltd.	Sponsor	2021-2022	273.22	2.57	8.69	5.96
Motilal Oswal Wealth Management Ltd.	Associate		86.43	0.81	3.50	2.40

Motilal Oswal Financial Services Limited	Sponsor	2022-2023	205.72	4.42	6.90	5.07
Motilal Oswal Wealth Management Limited	Associate		54.72	1.18	1.91	1.41

5) As provided under the SEBI Regulations, the Scheme shall not make any investments in:

- Any unlisted security of an associate or group company of the Sponsor; or
- Any security issued by way of private placement by an associate or group company of the Sponsor; or
- The listed securities of group companies of the Sponsor in excess of 25% of the assets of all the Schemes of the Mutual Fund

The AMC, on behalf of the Fund, may utilise the services of Sponsors, group companies and any other subsidiary or associate company of the Sponsors established or to be established at a later date, in case such a company (including their employees or relatives) is in a position to provide the requisite services to the AMC. The AMC will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arms-length basis and at a mutually agreed terms and conditions to the extent and limits permitted under the SEBI Regulations. Appropriate disclosures, wherever required, shall be made by the AMC.

The AMC will, before investing in the securities of the group companies of the Sponsor, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Scheme. Investments by the Scheme in the securities of the group companies will be subject to the limits under the Regulations.

The AMC, Sponsor or any associate may invest in units of the Schemes (the existing Schemes, including Schemes as may be launched from time to time). The percentage of such investments will vary from time to time. However the AMC shall not charge any management fees on its own investment in the units of the Schemes of the Fund. The AMC will also invest a portion of its assets into the Scheme as seed capital to the extent mandated by the SEBI Regulations and such seed capital will not be redeemed or withdrawn by the AMC until the winding up of the Scheme.

UNDERWRITING

The Schemes will not accept underwriting and sub underwriting obligations.

LENDING OF SECURITIES

The Schemes may lend securities from its portfolio in accordance with the Regulations and the applicable SEBI guidelines. Securities' lending shall enable the Schemes to earn income that may partially offset the expenses of the Schemes and thereby reduce the effect of the expenses have on the Schemes ability to provide investment returns. The Schemes will pay reasonable administrative and custodial fees in connection with the loan of securities. The Schemes will be exposed to the risk of loss should a borrower default on its obligation to return the borrowed securities. The Schemes share of income from the lending of securities will be included in the Schemes gross income. The Fund will comply with the conditions for securities lending specified by the SEBI.

In case of the schemes, Motilal Oswal Nifty Bank Index Fund, Motilal Oswal Nifty 500 Fund Motilal Oswal Nasdaq 100 ETF, Motilal Oswal S&P BSE Quality ETF, Motilal Oswal Nifty Smallcap 250 Index Fund, Motilal Oswal Nifty Next 50 Index Fund the AMC shall adhere to following limits:

- A scheme shall have maximum exposure to single intermediary shall be 50 % of market value of its equity portfolio or upto limits specified by SEBI.
- A scheme shall not lend more than 75% of its corpus

In case of the Equity Schemes i.e. Motilal Oswal Focused Fund, Motilal Oswal Midcap Fund, Motilal Oswal Flexi Cap Fund, Motilal Oswal Long Term Equity Fund, Motilal Oswal Balanced Advantage Fund, Motilal Oswal Flexi cap Fund, , Motilal Oswal Large and Midcap Fund, Motilal Oswal Multi Asset Fund, Motilal Oswal S&P BSE

Quality ETF, Motilal Oswal S&P BSE Enhanced Value ETF, Motilal Oswal S&P BSE Low Volatility Index Fund, Motilal Oswal S&P BSE Enhanced Value Index Fund, Motilal Oswal S&P BSE Healthcare ETF, Motilal Oswal S&P BSE Low Volatility ETF, Motilal Oswal S&P BSE Quality Index Fund, Motilal Oswal S&P 500 Index Fund and Motilal Oswal Equity Hybrid Fund the AMC shall adhere to following limits:

- 1) The Scheme shall not deploy more than 20% of the net assets of the scheme and 5% of the net assets of the Scheme to any single intermediary

BORROWING OF SECURITIES

If the Mutual Funds are permitted to borrow stocks, the Schemes may in appropriate circumstances borrow stocks in accordance with SEBI guidelines, which may be issued in this regard. The respective Scheme may bear the interest charged on such borrowings.

Policy for Borrowing

In terms of Regulations as presently prevailing, each Scheme shall have powers to borrow up to a maximum of 20% of the net assets of such Scheme as on the date of borrowing for a maximum duration of 6 months or as may be permitted under prevailing regulations. This borrowing shall be used only to meet repurchase/redemption of units/ IDCW s or interest payouts as a temporary liquidity measure as per Regulation 44(2) of Chapter VI of SEBI (Mutual Funds) Regulations, 1996, on such terms (as to creation of charge on the properties of the Scheme, rate of interest, margins etc.) as the Trustee/AMC considers to be in the interest of investors. Such borrowings, if raised, may result in a cost, which would be dealt with in consultation with the Trustee.

Website

MOAMC owns independent website having URL <https://www.motilaloswalmf.com/> for its Schemes.

The information contained on this website is intended for information purposes only. The information contained on this website should not be construed as any form of advice, recommendation or suggestion, to buy or sell any mutual fund units, shares or any other financial instruments or avail any services to any individual or entity. MOAMC/MOMF shall not be responsible for the loss or damage caused due to incorrect, inaccurate or erroneous information or data available on this website.

The website is for the exclusive purpose of transactions to be carried out within the territorial jurisdiction of India and all such transactions shall be governed by the laws in India. Notice is hereby given that Non Resident Indians (NRI's) and Foreign Nationals accessing this web site and opting to transact thereon shall do so after due verification at their end of their eligibility to do so. MOMF undertakes no responsibility for such pre-eligibility of qualification on part of Non-Resident Indians (NRI's) or Foreign Nationals to transact on this website.

Information other than that relating specifically to MOAMC, MOMF and its products, is for information purposes only and should not be relied upon as a basis for investment decisions. MOMF/ MOAMC / Motilal Oswal Trustee Company Limited/ Sponsor, Motilal Oswal Financial Services Limited and its affiliates are not liable for damages caused by any performance, failure of performance, error, omission, interruption, deletion, defect, delay in transmission or operations, computer virus, communications line failure, and unauthorized access to the personal accounts. MOMF is not responsible for any technical failure or malfunctioning of the software or delays of any kind.

Mode of Holding

An application can be made by up to a maximum of three applicants. Applicants must specify the 'mode of holding' in the Application Form.

If an application is made by one Unit Holder only, then the mode of holding will be considered as 'Single'.

If an application is made by more than one investors, they have an option to specify the mode of holding as either 'Jointly' or 'Anyone or Survivor'.

In either of the cases referred above i.e. application made by one investor/more than one investor, the Fund shall not entertain requests for including any other person as a joint holder once the application has been accepted.

If the mode of holding is specified as 'Jointly', all instructions to the Fund would have to be signed by all the Unit Holders, jointly. The Fund will not be empowered to act on the instruction of any one of the Unit Holders in such cases.

If the mode of holding is specified as 'Anyone or Survivor', an instruction signed by any one of the Unit Holders will be acted upon by the Fund. It will not be necessary for all the Unit Holders to sign.

If an application is made by more than one investor and the mode of holding is not specified, the mode of holding would be treated as joint. The Fund will not be empowered to act on the instruction of any one of the Unit Holders in such cases.

In all cases, all communication to Unit holders (including account statements, statutory notices and communication, etc.) will be addressed to the first-named Unit holder. All payments, whether for redemptions, IDCW s, etc. will be made favouring the first-named Unit holder. The first named Unit holder shall have the right to exercise the voting rights associated with such Units as per the applicable guidelines.

Investors should carefully study the paragraphs on “Transfer and Transmission” and “Nomination Facility” before ticking the relevant box pertaining to the mode of holding in the Application Form.

Units held in electronic form with the depository shall adhere to the rules of the depository for operation of such DP accounts.

Folio Number

Each investor will be identified by a Folio Number. Folio number should be quoted in all communications.

Units held in electronic form with the depository shall not be assigned a folio number. Unit holders shall quote Depository Participant Identification No. and Client Identification No. in all its communications.

Investor's Personal Information

The AMC may share investors' personal information with the following third parties:

1. Registrar, Banks and/or authorised external third parties who are involved in transaction processing, dispatches, etc. of investors' investment in the Schemes;
2. Distributors or Sub-brokers through whom applications of investors are received for the Schemes; or
3. Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.

Payment of Redemption Proceeds

Repurchase proceeds will be paid by cheques, marked “Account Payee Only” and payments will be made in favour of the Unit holder (in case there are more than one registered holder, then the payment will be made in name of first holder only) with the Bank account number furnished to the Fund. Redemption cheques will be sent to the address of the unit holder as registered with the Fund and in case of the joint holding, to the address of the first unit holder.

As per the SEBI Regulations, the Mutual Fund is required to dispatch redemption proceeds within 3 working days for Domestic Schemes and 5 Business Days for schemes investing atleast 80% of total assets in such permissible overseas investments, from the date of receiving the redemption/repurchase request.

A fresh account statement will also be sent to the unit holder redeeming units, indicating the new balance to the credit in the account, along with the redemption cheque.

Repurchase by Non-Resident Investors

For NRI's, Redemption proceeds will be remitted depending upon the source of investment as follows:

(i) Repatriation basis

When Units have been purchased through remittance in foreign exchange from abroad or by cheque/draft issued from the proceeds of the Unit holder's Foreign Currency Non Resident (FCNR) deposit or from funds held in the Unit holder's Non Resident (external) (NRE) account kept in India, the proceeds can be remitted to the Unit holder in foreign currency (any exchange rate fluctuation will be borne by the Unit holders). The proceeds can also be sent to his India address for crediting to his NRE/FCNR/Non Resident (Ordinary) Account, if desired by the Unit holders.

(ii) Non Repatriation Basis

When Units have been purchased from funds held in the Unit holder's Non Resident (Ordinary) Account, the proceeds will be sent to the Unit holder's Indian address for crediting to the Unit holders Non Resident (Ordinary) Account.

For FII's, the designated branch of the authorized dealer may allow remittance of net sale/maturity proceeds (after payment of taxes) or credit the amount to the foreign currency or Non Resident Rupee Account of the FII maintained in accordance with the approval granted to it by the Reserve Bank of India.

The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs/FIIs.

Refunds, interest, IDCW s, other distributions, if any, and maturity proceeds/repurchase price will be payable in Indian Rupees only.

Set-off

The AMC shall have the right to set-off IDCW amounts, redemption amounts or any other amounts that may be payable to an investor under the Scheme :

- against redemption proceeds already paid by the AMC in respect of units created without realizing the subscription amounts, and/or
- Against any excess payments made (and, in the case of payments by cheque, whether encashed or not) to such investor, under the Scheme or under any other Scheme of the Fund managed by the AMC in the same folio or any other folio of such investor in the Fund.

Distributors

The Fund intends to utilize the services of selected financial intermediaries for distribution and may pay brokerage to them depending upon the efficiency and other factors as may be decided by the AMC. The AMC is the sole authority to select such financial intermediary/intermediaries who would distribute the Schemes. Further, the AMC may appoint one or more exclusive distributors, at its discretion, based on the parameters decided by the AMC.

Documents for Inspection

The following documents will be available for inspection at 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai - 400025 during business hours on any day (excluding Saturdays, Sundays and public holidays).

- a. Memorandum & Articles of Association of AMC.
- b. Investment Management Agreement.
- c. Trust Deed and amendments thereto, if any.
- d. Mutual Fund Registration Certificate.

- e. Agreement with the Mutual Fund and the Custodian.
- f. Agreement with Registrars' and Transfer Agents.
- g. Consent of the Auditors to act in the said capacity.
- h. Consent of the Legal Advisors to act in the said capacity.
- i. Securities and Exchange Board of India (Mutual Fund) Regulations, 1996 and amendments from time to time thereto.
- j. Indian Trust Act, 1882.

Investor Grievance Redressal Mechanism

Investor can approach the office of AMC or Registrar or any of the Branches of Registrar for redressal of their Grievances. The AMC has appointed Mr. Juzer Dalal as Investor Relation Officer. He can be contacted at registered office of the Company at:

Motilal Oswal Asset Management Company Limited

10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai – 400025.

Email: amc@motilaloswal.com

Toll Free No.: +91 8108622222 and +91 22 40548002

Investor may also approach the Compliance Officer / CEO of the AMC. The details including, inter-alia, name & address of Compliance Officer & CEO, their e-mail addresses and telephone numbers are displayed at each offices of the AMC.

For any grievances with respect to transactions through stock exchange mechanism, Unit Holders must approach either their stock broker or the investor grievance cell of the respective stock exchange or their distributor.

In case the investor is not satisfied with the redressal by the Investment Manager, the investor may lodge a complaint on SEBI's web based complaints redress system (SCORES).

Details of Investor Complaints received and redressed during last three financial years are as below:

1. For the period April 2020 - March 2021

Redressal of Complaints received during		2020 -2021										
Name of the Mutual Fund		Motilal Oswal Mutual Fund										
Total Number of Folios		1313126										
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the month	Action on (a) and (b)									
			(b) No of complaints received during the month	Resolved				Non Action-able*	Pending			
				With in 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
IA	Non receipt of IDCW on Units	0	0	0	0	0	0	0	0	0	0	0
IB	Interest on delayed payment of IDCW	0	0	0	0	0	0	0	0	0	0	0

I C	Non receipt of Redemption Proceeds	1	23	23	0	0	0	0	1	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	3	3	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	7	6	1	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	67	67	0	0	0	0	0	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	4	4	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	2	2	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	52	52	0	0	0	0	0	0	0	0
IV	Others **	0	219	215	3	0	0	0	1	0	0	0
Total		1	377	372	4	0	0	0	2	0	0	0

including against its authorized persons/ distributors/ employees. Etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

** If others include a type of complaint which is more than 10% of overall complaint, provide that reason separately.

Example: Complaint number from I A to III E is 1000 and others alone is 500 and transmission linked complaints (within others) are 200 then provide Transmission as separate reason (V) along with all other parameters

Others	Count
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SIP not cancelled	1
SIP not registered	29
SIP Amount not debited	14
SIP confirmation	18
SIP Excess amount debited	0
SIP rejection reason	8
SIP cancellation not processed	20
SIP wrongly registered twice	0
SIP amount wrongly captured	1
Switch not processed	1
SIP cancellation status	22
SWP registration confirmation	4
STP rejection related	2
STP confirmation status	1
STP cancellation not processed	3
Inappropriate allocation of NAV	2
Change of Tax status	1
Folio Information	1
Purchase wrongly rejected	0
Change of broker code	3
Change of Name	8
Updation of Email id / Mobile Number	1
Purchase confirmation	2
Purchase amount wrongly captured	32
Non- receipt of brokerage	3
Purchase not processed	24
Deletion of SIP	1
Redemption confirmation	2
Purchase wrongly processed in existing folio	0
Redemption wrongly processed	2
Transmission wrongly rejected	1
Units allotted in incorrect scheme/ option	2
Transmission not processed	1
Non -receipt of account statement	1
Transaction confirmation not received	1
Redemption transaction wrongly triggered	0
AUM transfer	1
Correction in EUIN no.	4
Consolidation of folios wrongly rejected	1
Units not credited to demat account	1
correction of name	0

Fund Performance	0
Grand Total	219

2. For the period April 2021 - March 2022

Complaint code	Type of complaints	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the period	Action on (a) and (b)								
				Resolved					No n Actionable *	Pending		
				With in 30 days	30-60 days	60-180 days	Beyond 180 days	Average time taken ^ (in days)		0-3 months	6-12 months	Beyond 12 months
I A	Non receipt of amount declared under Income Distribution cum Capital Withdrawal option	0	3	3	0	0	0	4.6	0	0	0	0
I B	Interest on delayed payment of amount declared under Income Distribution cum Capital Withdrawal option	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	1	24	25	0	0	0	5	0	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	2	2	0	0	0	9	0	0	0	0
II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	96	96	0	0	0	1	0	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	3	3	0	0	0	9	0	0	0	0

III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	57	56	1	0	0	1	0	0	0	0
III F	Delay in allotment of Units	0	0	0	0	0	0	0	0	0	0	0
III G	Unauthorized Redemption	0	0	0	0	0	0	0	0	0	0	0
IV	Others **	1	252	252	0	0	0	2	0	1	0	0

including against its authorized persons/ distributors/ employees. etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

^ Average Resolution time is the sum total of time taken to resolve each complaint in days, in the current month divided by total number of complaints resolved in the current month.

** If others include a type of complaint which is more than 10% of overall complaint, provide that reason separately

Example: Complaint number from I A to III E is 1000 and Others alone is 500 and transmission linked complaints (within others) are 200 then provide Transmission as separate reason (V) along with all other parameters

Others	Count
ACT ST-Soft copy	1
ACT-ST-Capital Gains Statement Request	1
Amount debited but units not allotted	4
Amount not debited	5
AUM not transfer not processed	2
Bank details wrongly updated/ not updated	11
Brokerage Not received/ incorrect amount received	3
Change in Address	1
Change of broker code not processed/ wrongly updated	21
Change of broker/ EUIN/ RIA code confirmation	8
consolidation not processed	2
Contact Details wrongly updated/ not updated	1
Empanelment not processed	1
Error in transaction	15
EUIN not updated/ wrongly updated	1
Excess amount debited	1

Generic information about folio	1
GST related	2
Incorrect amount transferred / incorrect date	2
Investment not reflecting in portfolio-Mobile app issue	1
Joint holder details wrongly/ not updated	6
NAV/ Valuation/ Dashboard not updated	3
Nominee name wrongly captured/ nominee not updated	14
Pan wrongly captured	2
Procedure - Redemption	2
Procedure Minor to major	2
Product information AMC MF	1
Purchase amount wrongly captured	1
Purchase confirmation	3
Purchase not processed	30
Purchase not processed/ Delay in allotment of units	1
Purchase refund not received	5
QC Pending	1
Redemption confirmation/ details	1
Redemption not received	1
Redemption transaction not processed	1
RIA code not updated	1
RIA code not updated / Wrongly updated	3
Scheme Master Request	1
SIP Amount not debited	1
SIP Cancellation not processed	8
SIP cancellation status	1
SIP not registered	12
SIP registration status	4
SIP rejected wrongly	1
SIP Transaction rejection	6
SIP transaction status	6
SIP wrongly registered two times for one application form	1
Social Media Queries AMC	1
STP not processed	3
STP registration Status	2
STP transaction not processed	1
Switch not processed	3
SWP cancellation status	1
SWP registration confirmation	2
SWP Registration process	1
Transaction not triggered	2

Transmission not processed/ processed wrongly	5
Units allotted in incorrect Plan	3
units allotted in incorrect scheme / Option	1
Units are not mapped in Demat mode	3
Units not credited to the demat account	1
Units not dematerialized/ not reflecting in Demat account	20
units not reflecting in the demat account	1
Grand Total	253

3. For the period April 2022 - March 2023

Redressal of Complaints received during	April 22 - March 23
Name of the Mutual Fund	Motilal Oswal Mutual Fund
Total Number of Folios	1931078

Part A: Total complaints report (including complaints received through SCORES)													
Com-plaint code	Type of complaints	(a) No. of complaints pending at the beginning of the period	(b) No of complaints received during the period	Action on (a) and (b)									
				Resolved					Non Actionable*	Pending			
				Withi n 30 days	30-60 days	60-180 days	Be- yond 180 days	Av- er- age tim e tak en ^ (in days)		0-3 months	3-6 months	6-12 months	Be- yon d 12 months
IA	Non receipt of amount declared under Income Distribution cum Capital	0	1	1	0	0	0	7	0	0	0	0	0

	Withdrawal option												
I B	Interest on delayed payment of amount declared under Income Distribution cum Capital Withdrawal option	0	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	8	8	0	0	0	13	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/ Unit Certificate	0	1	1	0	0	0	21	0	0	0	0	0

II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	169	169	0	0	0	0	0	0	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charge s/load	0	0	0	0	0	0	0	0	0	0	0	0

III E	Non up- dation of change s viz. ad- dress, PAN, bank details, nomi- nation, etc	0	68	68	0	0	0	1	0	0	0	0	0
III F	Delay in al- lot- ment of Units	0	0	0	0	0	0	0	0	0	0	0	0
III G	Unau- thor- ized Re- demp- tion	0	0	0	0	0	0	0	0	0	0	0	0
IV	Others **	1	120	119	2	0	0	4	0	0	0	0	0
	TO- TAL	1	367	366	2	0	0	46	0	0	0	0	0

including against its authorized persons/ distributors/ employees. etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

^ Average Resolution time is the sum total of time taken to resolve each complaint in days, in the current month divided by total number of complaints resolved in the current month.

** If others include a type of complaint which is more than 10% of overall complaint, provide that reason separately

Example : Complaint number from I A to III E is 1000 and Others alone is 500 and transmission linked complaints (within others) are 200 then provide Transmission as separate reason (V) along with all other parameters

Others	Count
AMC old contact number reflecting in AMC website	1
Amount debited but units not allotted	4
Bank details not reflecting in Kbolt	1
Brokerage not received	1
Change of bank request wrongly rejected	1
Change of broker request wrongly rejected	1
Consolidation of folios request wrongly rejected	1
Correction in Scheme name	1

Correction in SIP amount	1
Correction in SIP frequency	1
DIT Portal issue	1
Email id wrongly updated who is not invested in MO	1
Error in transaction	7
Folio not unfreeze	1
Fund performance	2
Incorrect scheme name updated	1
Incorrect SIP amount registered	1
Incorrect SIP frequency registered	1
NAV Credit realization	1
Non receipt of dividend proceed	1
OTP not received	2
Performance	1
POA and HDFC bank details without request	1
Purchase credit realization	1
Purchase not processed	1
Purchase refund not received	4
Purchase transaction not processed	1
Redemption not processed	4
Redemption request rejected wrongly	1
Refund payout not received	4
RIA code updated without investor request	1
RIA code wrongly updated	1
RIA removal request not processed	1
SIP amount debited from incorrect bank a/c	1
SIP amount debited units not allotted	1
SIP amount not debited	5
SIP amount not debited/Suspend scheme	1
SIP amount wrongly registered	2
SIP amount wrongly debited	1
SIP cancellation not processed	4
SIP frequency wrongly registered	1
SIP last date wrongly captured	1
SIP mandate wrongly rejected	1
SIP not cancelled	1
SIP not debited	2
SIP not processed	3
SIP not registered	4
SIP processed in incorrect plan	1
SIP registered without knowledge of investor	1

SIP rejection and refund	1
SIP transaction not processed	1
SIP transaction rejection	2
SIP wrongly rejected	2
SIP wrongly reported in the folio	1
STP not processed	3
STP not processed in Temporary scheme	1
Switch not processed	2
Transaction not processed	1
Transaction not reflecting in dash board	1
Transmission not processed	2
Unable to do online purchase transaction	1
Unable to do switch transaction through online	1
Units allotted in incorrect folio	1
Units allotted in incorrect option	1
Units allotted in wrong scheme name	1
Units difference after transmission	1
Units are not allotted in DMAT mode	8
Units not dematerialized/ not reflecting in Demat account	3
Withheld brokerage not received	1
Wrongly processed the application form	1
Wrongly debited the bank account	1
Wrongly triggered to register nominee name	1
Grand Total	121

Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable.
