

## STATEMENT OF ADDITIONAL INFORMATION (SAI)

This Statement of Additional Information (SAI) contains details of Axis 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 (SID).

This SAI is dated June 30, 2017.

### **Interpretation**

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

- all references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- all references to "dollars" or "\$" refer to United States Dollar`s and "Rs" refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- all references to timings relate to Indian Standard Time (IST).
- References to a day are to a calendar day including non Business Day.

Please note that words and expressions used in the SAI will have the same meaning assigned from time to time in the SID.

## **I. INFORMATION ABOUT SPONSOR, TRUSTEE COMPANY AND ASSET MANAGEMENT COMPANY (AMC)**

### **A. Constitution of the Mutual Fund**

Axis Mutual Fund (the "Mutual Fund") has been constituted as a trust on June 27, 2009 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with Axis Bank Limited, as the Sponsor and Axis Mutual Fund Trustee Limited ("the Trustee Company" / "Trustee") as the Trustee to the Mutual Fund. The Deed of Trust has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on September 04, 2009 under Registration Code MF-/061/09/02.

The head office of the Mutual Fund is at Axis House, 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025.

### **B. Sponsor**

Axis Mutual Fund is sponsored by Axis Bank Limited ("Axis Bank"). The Sponsor is the Settler of the Mutual Fund Trust. The Sponsor has entrusted a sum of Rs. 1,00,000/- (Rs. One Lakh only) to Axis Mutual Fund Trustee Limited ("the Trustee Company") as the initial contribution towards the corpus of the Mutual Fund.

Axis Bank is the third largest private sector bank in India. Axis Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank was promoted in 1993, jointly by Specified Undertaking of Unit Trust of India (SUUTI) (then known as Unit Trust of India), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Ltd., The New India Assurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd. The shareholding of Unit Trust of India was subsequently transferred to SUUTI, an entity established in 2003.

#### **The Bank has set up ten subsidiaries:**

Axis Capital Limited  
Axis Private Equity Limited  
Axis Trustee Services Limited  
Axis Mutual Fund Trustee Limited  
Axis Asset Management Company Limited  
Axis Bank UK Limited  
Axis Finance Limited  
Axis Securities Limited  
Axis Securities Europe Limited  
A. Trede Limited

The Bank has a large footprint of 3,304 domestic branches (including extension counters) and 14,163 ATMs spread across the country as on March 31, 2017. The overseas operations of the Bank are spread over nine international offices with branches at Singapore, Hong Kong, Dubai (at the DIFC), Colombo and Shanghai; representative offices at Dhaka, Dubai, Abu Dhabi and an overseas subsidiary at London, UK. The international offices focus on corporate lending, trade finance, syndication, investment banking and liability businesses.

#### **Financial performance**

The shareholders' funds of the Bank grew 5% YOY and stood at Rs 55,763 crores as on 31st March 2017. The Bank is well capitalised and the Capital Adequacy Ratio (CAR) as on 31st March 2017 under Basel III was 14.95% and Tier-I CAR was 11.87%.

Financial Performance of the Sponsor (past three years):

(Rs. In Crores)

| Particulars                             | 2016-2017      | 2015-2016      | 2014-15        |
|---|----------------|----------------|----------------|
| Net Worth                               | 50,700.35      | 51,206.12      | 42,789.60      |
| Total Income                            | 56,233.47      | 50,359.50      | 43,843.64      |
| Profit after tax                        | 3,679.28       | 8,223.50       | 7,357.82       |
| Assets Under Management (if applicable) | Not Applicable | Not Applicable | Not Applicable |

### C. The Trustee

The Trustee Company through its Board of Directors, shall discharge its obligations as Trustee of the Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations" / "Regulations") and will also review the activities carried on by the AMC.

#### I. Details of Trustee Directors:

| Name                        | Age/ Qualification   | Brief Experience  |
|-----------------------------|--|---|
| Dr. T. C. Nair,<br>Chairman | Age: 70 Years<br><br>Qualification: M.A.<br>PHD Economics  | Dr. T. C. Nair was a Whole Time Member of Securities and Exchange Board of India. Prior to this, Dr. Nair, was Managing Director, Bharatiya Reserve Bank Note Pvt. Ltd, Bangalore (wholly owned subsidiary of Reserve Bank of India). A Central Banker by profession, Dr. Nair, has held various important positions in the Reserve Bank of India since 1978.   |
| Mr. Kedar Desai             | Age: 46 Years<br><br>Qualification: B.Com, LLB,<br>Solicitor   | Mr. Kedar Desai is a solicitor by profession and is a partner at M/s. Desai Desai Carrimjee & Mulla, Advocates & Solicitors. Prior to this, he was a partner at M/s. Kanga & Company, Advocates & Solicitors. He has been providing advisory services to clients in various legal matters concerning Corporate Laws, Private Equity Transactions and the Foreign Exchange Management Act. He has also represented clients in commercial litigation matters. |
| Mr. Bapi Munshi#            | Age: 61 years<br><br>Qualification: MSc. (IIT,<br>Kharagpur)   | Mr. Bapi Munshi was the President & Chief Risk Officer of Axis Bank from October 2009 to April 2016. In his previous roles, he headed the Treasury Department of Axis Bank from November 2008 to October 2009. Prior to this, as Senior Vice-president (Risk), he was heading the Risk function of Axis Bank.   |
| Mr. Uday M. Chitale         | Age: 68 years<br><br>Qualification: B.Com (Hons), F.C.A., MICA (Member of Indian Council of Arbitration) | Mr. Chitale is a Chartered Accountant in professional practice for over 38 years and is the Senior Partner of the well-known firm M/s. M. P. Chitale & Co. based in Mumbai. He is affiliated to the Global Association of Professional Accountants and Business Advisers, DFK Consulting Services (India) Private Limited. He is a Director on the Board of various companies including JSW Steel Ltd. and Indian Council for Dispute Resolution.           |
| Mr. Vittaldas Leeladhar     | Age: 71 years<br><br>Qualification: Bachelor Degree  | Mr. Vittaldas Leeladhar served as Deputy Governor of Reserve Bank of India. In his previous roles he has also been the Chairman and Managing Director of Union Bank of India and Vijaya Bank. He has experience in all areas of   |

|                   |  |   |
|-------------------|--|---|
|                   | in Chemical Engineering (Kerala University), Fellow - Indian Institute of Banking and Finance, Certificate in Industrial Finance - Indian Institute of Banking and Finance | banking including Credit, International Banking, Investments, Merchant Banking and Personal Banking. Currently, he is a Rating Committee member at CARE. He is also a Director on the Board of Directors of various companies including Tata Global Beverages Ltd., India Collections Management Ltd, Tata Cleantech Capital Ltd.   |
| Mr. Murray Coble# | Age: 55 years<br><br>Qualification: Associate Member of the Australian Institute of Chartered Accountants, Bachelor of Business, University of Technology                  | Mr. Murray Coble has been associated with the Schrodgers Group since 1994. Currently, he is the Chief Operating Officer, Asia Pacific for the group. In previous roles he has assumed various important roles such as Managing Director, South East Asia and Executive Committee Member, Treasurer and Secretary of the Investment Management Association of Singapore. Prior to joining Schrodgers, he has been associated with Deloitte Touche Tohmatsu, Sydney Australia and London UK as an auditor since 1984. |

# Associate Director

## II. Rights, obligations, responsibilities and duties of the Trustee under the deed of Trust and the Regulations.

Pursuant to the Deed of Trust dated June 27, 2009, constituting the Mutual Fund, and in terms of the Regulations, the rights, obligations, responsibilities and duties of the Trustee are as under:

1. To enter into Investment Management Agreement with the prior approval of SEBI.
2. To ensure that the Investment Management Agreement contains clauses as are mentioned in the Fourth Schedule of the Regulations and such other clauses as are necessary for the purpose of entrusting investment management of the Mutual Fund.
3. The Trustee shall have a right to obtain from the AMC such information as is considered necessary by the Trustee.
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(s) and submitted their bio-data which shall contain the educational qualifications, past experience in the securities market with the Trustee, within 15 days of their appointment;
  - (c) Appointed auditors to audit its accounts;
  - (d) Appointed a compliance officer who shall be responsible for monitoring the compliance of the SEBI Act, 1992, rules and Regulations, notifications, guidelines, instructions, etc., issued by the Board or the Central Government and for redressal of investors grievances;
  - (e) Appointed registrars and laid 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;
  - (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
  - (a) the AMC has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.

- (b) 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 interest of the unitholders.
  - (c) The transactions entered into by the AMC are in accordance with the Regulations and the scheme.
  - (d) AMC has been managing the Mutual Fund schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of the AMC.
  - (e) The activities of the AMC are in accordance with the provisions of the Regulations.
  - (f) The transactions of the Mutual Fund are in accordance with the provisions of the Deed of Trust.
  - (g) There is no conflict of interest between the manner of deployment of its net worth by the AMC and the interest of the unit- holders.
  - (h) The investment of the Trust Fund and unit Capital of each scheme is made only in the permitted securities and within limits prescribed by the Deed of Trust, the Regulations, and the SID of the scheme concerned.
  - (i) The income due to be paid to the schemes is collected and properly accounted for and shall claim any repayment of tax and holding any income received in trust for the holders in accordance with the Deed of Trust and the Regulations.
  - (j) 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 unitholders, shall be carried out unless,
    - (i) A written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated; and
    - (ii) The unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.
6. Where the Trustee has reason to believe that the conduct of business of the Mutual Fund is not in accordance with the Regulations and the scheme they shall forthwith take such remedial steps as are necessary by them and shall immediately inform the Board of the violation and the action taken by them.
  7. Each Director of the Trustee Company shall file the details of his transactions of dealing in securities with the Mutual Fund on a quarterly basis.
  8. The Trustee shall be accountable for, and be the custodian of, the funds and property of the respective schemes and shall hold the same in trust for the benefit of the unit holders in accordance with the Regulations and the provisions of Deed of Trust.
  9. The Trustee shall be 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 any scheme in accordance with the Regulations and the Deed of Trust.
  10. The Trustee shall obtain the consent of the unit holders
    - (a) Whenever required to do so by the Board in the interest of the unit holders or
    - (b) Whenever required to do so on the requisition made by three-fourths of the unit holders of any scheme or
    - (c) When the majority of the Trustee decide to wind up or prematurely redeem the units.
  11. The Trustee shall:
    - (a) Periodically review the investor complaints received and the redressal of the same by the AMC.
    - (b) Call for the details of transactions in securities by the key personnel of the AMC in his own name or on behalf of the AMC and shall report to the Board, as and when required.
    - (c) Quarterly review all transactions carried out between the Mutual Fund, AMC and its associates.
    - (d) Quarterly review the net worth of the AMC and in case of any shortfall, ensure that the asset management company make up for the shortfall.

- (e) 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 unitholders.
  - (f) Abide by the Code of Conduct as specified in the Fifth Schedule.
  - (g) Be bound to make such disclosures to the unit holders as are essential in order to keep them informed about any information, which may have an adverse bearing on their investments.
12. The Trustee shall furnish to the Board on a half-yearly basis,
- (a) A report on the activities of the Mutual Fund.
  - (b) A certificate stating that the Trustee has satisfied itself that there have been no instances of self-dealing or front running by any of the Director of the Trustee Company, directors and key personnel of the AMC.
  - (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 (2) of regulation 24 have been undertaken by the asset management company and has taken adequate steps to ensure that the interests of the unit holders are protected.
13. The independent Directors of Trustee Company referred to in sub-regulation (5) of regulation 16 shall give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of group companies of the sponsor.
14. The Trustee, in carrying out its responsibilities under the Deed of Trust and the Regulations, shall maintain arm's length relationship with other companies, institutions or financial intermediaries or any body corporate with which it is associated.
15. A Director of the Trustee Company shall not participate in the meetings of the Trustee or in any decision making process in respect of any investments for the Mutual Fund in which he may be interested.
16. The Trustee in discharge of its duties and in exercise of all discretionary powers, may engage, appoint, employ, retain or authorize the AMC to engage, appoint, employ or retain any solicitors, advocates, bankers, brokers, accountants, professional advisors and consultants as it may deem appropriate.
17. Trustee shall exercise due diligence as under :
- A. General Due Diligence:**
- (i) The Trustee shall be discerning in the appointment of the directors on the Board of the AMC.
  - (ii) Trustee shall review the desirability or continuance of the AMC if substantial irregularities are observed in any of the schemes and shall not allow the AMC to float new schemes.
  - (iii) The Trustee shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
  - (iv) The Trustee shall ensure that all service providers are holding appropriate registrations from the Board or concerned regulatory authority.
  - (v) The Trustee shall arrange for test checks of service contracts.
  - (vi) The Trustee shall immediately report to the Board of any special developments in the Mutual Fund.
- B. Specific due diligence:**
- (i) Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee,
  - (ii) Obtain compliance certificates at regular intervals from the AMC,
  - (iii) Hold meeting of Trustee more frequently,
  - (iv) Consider the reports of the independent auditor and compliance reports of AMC at the meetings of Trustee for appropriate action,
  - (v) Maintain records of the decisions of the Trustee at its meetings and of the minutes of the meetings,
  - (vi) Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel,
  - (vii) Communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.

18. The independent directors of the Trustee Company shall pay specific attention to the following:-
- (a) The Investment Management Agreement and the compensation paid under the agreement;
  - (b) Service contracts with affiliates (whether the AMC has charged higher fees than outside contractors 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's vacancies;
  - (f) Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions;
  - (g) The reasonableness of fees paid to sponsors, AMC and any others for services provided;
  - (h) Principal underwriting contracts and their renewals;
  - (i) Any service contract with the associates of the AMC.

**Notwithstanding anything contained in the SEBI Regulations the Trustee shall not be held liable for the acts done in good faith and if adequate due diligence has been exercised by it.**

Amendments to the Deed of Trust shall not be carried out without the prior approval of SEBI and Unitholders' approval/consent as per the procedure/provisions laid down in the Regulations.

19. **Supervisory Role of the Trustee**

The supervisory role of Trustee will be discharged inter alia by reviewing the information and operations of the Mutual Fund based on the internal audit reports/compliance reports received on a periodical basis. The Compliance Officer has direct reporting line to the Board of Directors of the Trustee. The Board Meeting of the Trustee shall be held at least once in every two calendar months and at least six such meetings shall be held in every year or at such frequency as may be prescribed under the Regulations. The Board Meeting of the Trustee has been held Six times during the financial year 2016-17. Further, the quorum for a Board meeting of the Trustee shall not be constituted unless such number of independent directors as may be prescribed by SEBI from time to time, are present at the meeting.

Further the Audit Committee chaired by an independent director of the Trustee Company is responsible for:

- Review of the periodic financial statements of the Trustee and Mutual Fund including audit observations
- To review the internal audit systems and internal and statutory audit reports
- Recommending appointment of auditors

**Trustee - Fees and Expenses**

In accordance with the Deed of Trust constituting the Mutual Fund, the Trustee shall be entitled to receive a fee not exceeding 0.10% per annum of the average daily/weekly net assets of the Fund. In addition to the aforesaid remuneration, the Trustee shall be entitled for reimbursement of all costs, charges and expenses incurred in or about the administration and execution of the Fund. Such reimbursement from and out of the Trust Funds would always be to the extent permitted under the Regulations.

**D. Asset Management Company**

Axis Asset Management Company Limited ('AMC'/'Axis AMC') is a public limited company incorporated under the Companies Act, 1956 on January 13, 2009, having its Registered Office at Axis House, 1<sup>st</sup> Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli,

Mumbai – 400025. Axis AMC has been appointed as the Investment Manager of the Axis Mutual Fund by the Trustee vide Investment Management Agreement ('IMA') dated June 27, 2009, and executed between the Trustee and the AMC.

The AMC has obtained Certificate of Registration as Portfolio Manager under the SEBI (Portfolio Managers) Regulations, 1993 vide registration no. INP000003534 with effect from January 04, 2010, which was subsequently renewed and is valid till January 3, 2019. There is no conflict of interest between the Mutual Fund and the PMS activity.

Further, SEBI had accorded no objection to the AMC for undertaking non-binding investment advisory and other related services to overseas fund manager(s) of offshore funds /other entities investing in India. Axis AMC has signed an agreement(s) with offshore fund manager(s) to provide Non-binding Advisory and related services in respect of offshore fund(s) investing in India. Axis AMC provides non-binding investment advisory services in respect of offshore funds, with effect from September 10, 2013. The AMC provides only non-binding advice and hence it is not required to disclose the returns on the website etc. Mr. Jinesh Gopani - Head - Equity (w.e.f. July 8, 2016) has been assigned by Axis AMC to provide the non-binding advice.

Axis AMC also provides market wide advisory services, sharing of research and analytical information etc. In compliance with the SEBI circular dated February 28, 2012, the AMC shall ensure that it appropriately addresses the issue of conflict of interest, if any, and shall comply with the other regulatory stipulations prescribed in respect of these services.

SEBI has accorded its No-Objection Certificate to the AMC for providing investment management services to the proposed Alternative Investment Fund to be registered under the SEBI (Alternative Investments Funds) Regulations, 2012 on May 8, 2015. Axis AMC has not yet commenced this activity.



**I. Details of Axis AMC Directors:**

| Name                            | Age / Qualification   | Brief Experience   |
|---------------------------------|---|--|
| Ms. Shikha Sharma#, Chairperson | Age: 59 years<br>Qualification: B.A.(Economics), MBA(IIM Ahmedabad)       | <p>In a career spanning more than two decades, Ms. Shikha Sharma has a wide exposure across the entire spectrum of financial services and has been instrumental in setting up various businesses for the ICICI Group. She began her career with ICICI Limited in 1980 in Project Finance and has helped set up ICICI Securities where she headed the markets and corporate finance businesses. Ms. Sharma spearheaded ICICI's retail foray into Personal Financial Services; which helped ICICI to move from primarily a corporate bank to a universal Financial Services Group. She has played an instrumental role in building ICICI's foray into Life Insurance in joint venture between ICICI Bank and Prudential Plc. Ms. Sharma has led the venture from its inception as founder CEO. Under her leadership, ICICI Prudential Life grew to become India's leading private sector Life Insurance Company.</p> <p>Ms. Sharma currently Heads Axis Bank as its Managing Director &amp; CEO.</p> |
| Mr. T. S. Narayanasami          | Age: 68 years<br>Qualification: B. Sc.                                    | <p>Mr. Narayanasami has been a prominent banker and has held important positions in the banking industry. In his previous roles, he has been the Chairman &amp; Managing Director of Bank of India, Indian Overseas Bank and Andhra Bank. He has worked at Union Bank of India for thirty one years with key responsibilities held in branch, regional and zonal offices; covering a vast geographical spread. As a Banker, Mr. Narayanasami has taken several initiatives to expand customer reach and satisfaction through varied strategies.</p> <p>A renowned and respected personality in the Banking Circles, Mr. Narayanasami has held positions as Member of the Managing Committee of Indian Bank's Association and President of the Governing Council of the Indian Institute of Banking and Finance.</p>  |
| Mr. U. R. Bhat                  | Age: 66 years<br>Qualification: M.Sc., CAIIB, FCIB (London)               | <p>Mr. Bhat has a vast experience in the Indian Capital Market. Mr. Bhat has more than a decade experience as an investment advisor to institutions. Mr. Bhat is currently the Director at Dalton Capital Advisors (India) Private Limited. He has also served at prominent positions with JP Morgan Securities Ltd., Mumbai and Jardine Fleming India Asset Management Co. Ltd. and its successors, Mumbai. In the early nineties he played a pivotal role in setting up the asset management business at Indian Bank.</p>  |
| Mr. R. K. Bammi #               | Age: 63 years<br>Qualification: MA (Economics), Delhi School of Economics | <p>Mr. Bammi, former Executive Director (Retail Banking), Axis Bank is a Certified Associate from the Indian Institute of Bankers. He has over 30 years of experience in the banking sector and had been with Axis Bank since 1994. His previous roles include Head of Retail Banking and Head of Distribution at the Bank. He was responsible for the retail banking business including distribution, retail lending &amp; retail liabilities and investment products.</p>  |

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| Mr. Chandresh Kumar Nigam #, Managing Director and Chief Executive Officer | Age: 49 years<br>Qualification: Bachelor of Technology, Post Graduate Diploma in Management (IIM Calcutta)   | Beginning with SBI Mutual Fund in 1991 he has over 23 years' experience in investments function. As Head – Investments at Axis AMC he had overall responsibility of the Investments function from April 2010 to May 2013. In this role he managed a team of investment professionals to deliver investment performance across asset classes.<br><br>He has been appointed as Managing Director and Chief Executive Officer of Axis AMC with effect from May 1, 2013.   |
| Mr. Ashok Sinha  | Age: 65 years<br>Qualification: B.Tech (Electrical), IIT, Kanpur, MBA (Finance), IIM (Bangalore)   | Mr. Ashok Sinha, has over 31 years of experience in the Petroleum Industry. He was with International Computers Pvt. Ltd. from October 1973 to July 1975. He joined BPCL in August 1977. During his association with BPCL, he has handled key responsibilities in the areas of Corporate affairs, Planning, Information Technology and Retail Marketing and has vast experience in the Oil business. Mr. Sinha has been conferred with the India Chief Financial Officer Award- 2001 for Information and Knowledge Management by the Economic Intelligence Unit (EIU) India and American Express. He was also conferred with the "Alumnus of the year Award" by the Indian Institute of Management, Bangalore. He received an award from TMG (Technology Media Group) for Customer Management. He is also a director on the Board of Directors of various companies including The Hospital & Nursing Home Benefits Association (Breach Candy). |
| Mr. Richard Anthony Mountford#   | Age: 59 years<br>Qualification: MA in Mathematics (Oxford University, UK)  | Mr. Richard Mountford is the Global Head of Product of Schroders Group. He is also a Member of Group Management Committee of Schroders. In his previous role, he was the Global Head of Intermediary business of Schroder Investment Management Ltd. (London). Prior to this, he headed the UK Distribution and was the UK Regional Head of Schroder Investment Management Ltd. (London). He is also a director on the Board of various companies.   |
| Mr. P. Vijaya Bhaskar  | Age: 61 years<br>Qualification: B. Com, M. Com, Certified Associate of Indian Institute of Bankers (CAIIB), One year Post Graduate Diploma Course in Bank Management (PGDBM) from NIBM in 1993 | Mr. Bhaskar was Executive Director - Reserve Bank of India ('RBI'), till Feb. 2016. He was responsible for ensuring strong and effective regulations in the areas of Commercial Banking, Non-Banks, Forex markets and establishing conducive and orderly environment in the financial and banking fields, in this role. He held various positions and was responsible for various roles at RBI from 1981 to 2011. He had inter-alia functioned as member of important international committees. He had also functioned as the nominee director of RBI in a major public sector bank.   |

# Associate Director

## II. Duties and Responsibilities of the AMC as specified in the Regulations

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 the SEBI Regulations and the Deed of Trust.
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 the 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 commission or omission by its employees or the persons whose services have been procured by the AMC.
5. The AMC shall submit to the Trustee quarterly reports of each year on its activities and the compliance with the SEBI Regulations.
6. The Trustee 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 Trustee have accepted the termination of assignment and communicated their decision in writing to the AMC.
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 omission, while holding such position or office.
8. The Chief Executive Officer (whatever his designation may be) of the AMC shall ensure that the Mutual Fund complies with all the provisions of the SEBI 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 fund managers (whatever the designation may be) shall ensure that the funds of the schemes are invested to achieve the objectives of the scheme and in the interest of the unit holders.
10. (a) The AMC shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5 per cent or more of the aggregate purchases and sale of securities made by the Mutual Fund in all its schemes. For this purpose, the aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the Mutual Fund. The aforesaid limit of 5 percent shall apply for a block of any three months.  
(b) The AMC shall not purchase or sell securities through any broker [other than a broker referred to in Pt. 9(a) above which is average of 5 per cent or more of the aggregate purchase 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 per cent and reports of all such investments are sent to the Trustee on a quarterly basis. The aforesaid limit shall apply for a block of three months.
11. The 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. However, the AMC may utilise such services if disclosure to that effect is made to the unitholders and the brokerage or commission paid is also disclosed in the half-yearly annual accounts of the Mutual Fund. Provided further that the Mutual Fund shall disclose at the time of declaring half yearly and yearly results:
  - (i) any underwriting obligations undertaken by the schemes of the Mutual Funds with respect to issue of securities associate companies,
  - (ii) devolvement, if any,
  - (iii) subscription by the schemes in the issues lead managed by associate companies,
  - (iii) 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.
12. The AMC shall file with the Trustee 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 SEBI.
13. In case the AMC enters into any securities transactions with any of its associates a report to that effect shall be sent to the Trustee at its next meeting.
14. In case any company has invested more than 5 per cent of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the Mutual Fund in that company or its subsidiaries shall be brought to the notice of the Trustee 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.
15. The AMC shall file with the Trustee and the Board—

- (a) detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment
- (b) any change in the interests of directors every six months
- (c) a quarterly report to the Trustee 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
16. Each director of the AMC shall file the details of his transactions of dealing in securities with the Trustee on a quarterly basis in accordance with guidelines issued by SEBI.
17. 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.
18. The AMC shall calculate the value of net assets of each Scheme of the Mutual Fund and disclose to investors the basis of calculating the Purchase/Redemption Price per unit and Net Asset Value of the various schemes of the Mutual Fund in the appropriate SID or by such other means as may be specified by the Trustee and SEBI.
19. The AMC shall appoint registrars and share transfer agents who are registered with 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 Trustee shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
20. The AMC shall
- (1) not act as a trustee of any mutual fund
  - (2) not undertake any other business activities except activities in the nature of portfolio management services, management and advisory services to offshore funds, pension funds, provident funds, venture capital funds, management of insurance funds, financial consultancy and exchange of research on commercial basis if any of such activities are not in conflict with the activities of the Mutual Fund, provided that the AMC may itself or through its subsidiaries undertake such activities if it satisfies the Board that the key personnel of the AMC, the systems, back office, bank and securities accounts are segregated activity-wise and there exist systems to prohibit access to inside information of various activities. Provided further that AMC shall meet capital adequacy requirements, if any, separately for each such activity and obtain separate approval, if necessary under the relevant regulations.
  - (3) not invest in any of its schemes unless full disclosure of its intention to invest has been made in the SID, provided that an AMC shall not be entitled to charge any fees on its investment in that scheme.
21. The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule to the Regulations.

### III. Information on Key Personnel of the Asset Management Company:

| Employee                  | Designation/<br>Function                               | Age | Qualifications                | Total No. of years of Experience | Assignments held during last 10 years  | Period From – To        |
|---------------------------|--|-----|-------------------------------|----------------------------------|--|-------------------------|
| Mr. Chandresh Kumar Nigam | Managing Director & Chief Executive Officer (MD & CEO) | 49  | B. Tech, PGDBM (IIM Calcutta) | Over 26 years.                   | Axis Asset Management Company Ltd. (Managing Director & Chief Executive Officer)   | May 1, 2013 till date   |
|                           |  |     |                               |                                  | Axis Asset Management Company Ltd. (Head - Investments)                            | April 2010 - April 2013 |
|                           |  |     |                               |                                  | Axis Asset Management Company Ltd. (Head - Equity)                                 | July 2009 - April 2010  |
|                           |  |     |                               |                                  | TCG Advisory Services Pvt. Ltd. (Advisor to long biased long short India dedicated | 2005-2009               |

| Employee          | Designation/<br>Function | Age | Qualifications  | Total No. of years of Experience | Assignments held during last 10 years   | Period From – To   |
|-------------------|--------------------------|-----|---|----------------------------------|---|--|
|                   |                          |     |   |                                  | fund)   |  |
|                   |                          |     |   |                                  | Prudential ICICI Asset Management Company Ltd. (Equity Fund Manager)  | 2003-2005  |
|                   |                          |     |   |                                  | Zurich Asset Management Company (I) Pvt. Ltd. (now a part of HDFC Mutual Fund) (Equity Fund Manager)  | 1993-2003  |
| Mr. R. Sivakumar  | Head – Fixed Income      | 42  | Bachelor of Technology, IIT, Madras<br><br>PGDM, IIM, Ahmedabad | Over 19 years                    | Axis Asset Management Company Ltd. (Head - Fixed Income)<br><br>Axis Asset Management Company Ltd. (Fund Manager - PMS)<br><br>Fortis Investment Management (India) Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Pvt. Ltd.<br><br>(Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.)<br><br>Sundaram Asset Management Company Ltd. (Fund Manager – Fixed Income)<br><br>Zurich Asset Management (India) Pvt. Ltd. (Research Analyst) | Sept. 02, 2010 till date<br><br>Aug. 2009 – Sept. 2010<br><br>2004-2009<br><br>2001-2004<br><br>1999-2000                              |
| Mr. Jinesh Gopani | Head – Equity            | 38  | B.Com, Master of Management Studies                             | Over 16 years                    | Axis Asset Management Company Ltd. (Head - Equity)<br><br>Axis Asset Management Company Ltd. (Fund Manager - Equity)<br><br>Birla Sun Life Asset Management Company Ltd. (Portfolio Manager)<br><br>Voyager India Capital Pvt. Ltd. (Research Analyst and Portfolio Manager)<br><br>Emkay Share & Stock Brokers Ltd. (Research Analyst)<br><br>Net Worth Stock Broking Ltd. (Research Analyst)  | Aug. 24, 2016 till date<br><br>Oct. 21, 2009 - Aug. 23 2016<br><br>2008 - 2009<br><br>2006 – 2008<br><br>2002 - 2006<br><br>2001 –2002 |

|                 |   |          |                             |                |   |                            |
|-----------------|---|----------|-----------------------------|----------------|---|----------------------------|
| Mr. Karan Datta | Chief Business Officer                              | 46       | B.Com (Hons), MBA (Finance) | Over 25 years  | Axis Asset Management Company Ltd. (Chief Business officer)   | April 2009 till date       |
|                 |   |          |                             |                | Goldman Sachs Asset Management India Pvt. Ltd. (National Sales Head)  | 2008 - 2009                |
|                 |   |          |                             |                | Franklin Templeton Asset Management India Pvt. Ltd. (Head – Banks and National Distributors)  | 2002 - 2008                |
|                 |   |          |                             |                | Birla Sunlife Distribution Company Limited. (Head – Retail and Institutional Sales)   | 1997 - 2002                |
| Mr. Gopal Menon | Chief Operating Officer and Chief Financial Officer | 43       | B.Com, ACA, L.L.B (Hons)    | Over 19 years. | Axis Asset Management Company Ltd. (Chief Operating Officer and Chief Financial Officer)  | Sept. 2015 till date       |
|                 |   |          |                             |                | Axis Asset Management Company Ltd. (Head – Compliance, Legal, Secretarial)  | Dec. 2012 - Sept. 24, 2015 |
|                 |   |          |                             |                | Universal Trustees Pvt. Ltd. (Head Compliance, Legal & Secretarial)   | 2011 - 2012                |
|                 |   |          |                             |                | Sanlam Investments & Advisors (India) Ltd. (Wealth Management) and Sanlam Investment Management (India) Limited (SIML)(Asset Management) (Head Compliance, Legal & Secretarial) | 2009 - 2011                |
|                 |   |          |                             |                | IDFC / Standard Chartered Asset Management Company (Vice President Risk & Compliance)   | 2005 – 2009                |
|                 |   |          |                             |                | HSBC Asset Management (India) Pvt. Ltd. (Manager Compliance & Secretarial)  | 2003 - 2005                |
|                 |   |          |                             |                | Zurich Asset Management (India) Pvt. Ltd. (Manager Compliance & Legal)  | 2001 - 2003                |
| Mr. Devang Shah | Senior Fund Manager – Fixed Income                  | 35       | B.Com, A.C .A               | Over 13 years  | Axis Asset Management Company Ltd. (Sr. Fund Manager - Fixed Income)  | Oct. 16, 2012 till date    |
|                 |   |          |                             |                | ICICI Prudential Asset Management Company Ltd. (Fund Manager)   | 2008-2012                  |
|                 |   |          |                             |                | Deutsche Asset Management (India) Pvt. Ltd. (Analyst)   | 2006-2008                  |
|                 |   |          |                             |                | Pricewaterhouse Coopers   | 2004-2006                  |
| Mr. Shreyash    | Fund Manager –                                      | 38 years | Bachelor in                 | Over 13        | Axis Asset Management Company Ltd. (Fund  | Nov. 16, 2016 till         |

|                   |   |    |  |                             |  |                                 |
|-------------------|---|----|--|-----------------------------|--|---------------------------------|
| Devalkar          | Equity  | rs | Chemical Engineering & Masters in Management Studies | years of experience         | Manager - Equity)  | date                            |
|                   |   |    |  |                             | BNP Paribas Asset Management India Pvt. Ltd. (Fund Manager)  | Jan. 17, 2011 to Nov. 15, 2016  |
|                   |   |    |  |                             | IDFC Asset Management Company Ltd. (Vice President - Research)   | July 24, 2008 to Jan. 14, 2011  |
|                   |   |    |  |                             | IDFC Securities Ltd. (Research Analyst)  | Sept. 07, 2005 to July 23, 2008 |
| Mr. Anupam Tiwari | Fund Manager - Equity                           | 39 | Chartered Accountant                                 | Over 10 years of experience | Axis Asset Management Company Ltd. (Fund Manager - Equity)   | Sept. 23, 2016 till date        |
|                   |   |    |  |                             | Principal PNB Asset Management Company Pvt. Ltd. (Fund Manager)  | July 25, 2011 to Sept. 21, 2016 |
|                   |   |    |  |                             | Reliance Life Insurance Ltd. (Fund Manager)  | Sept. 22, 2010 to July 15, 2011 |
|                   |   |    |  |                             | Reliance Capital Asset Management Company Ltd. (Equity Analyst)  | Mar. 21, 2005 to Sept. 21, 2010 |
| Mr. Ashwin Patni  | Fund Manager (Mutual Funds) and Head - Products | 39 | BE (Metallurgy), PGDM                                | Over 16 years               | Axis Asset Management Company Ltd (Fund Manager - Equity & Head - Products)  | April 11, 2015 till date        |
|                   |   |    |  |                             | Axis Asset Management Company Ltd. (Portfolio Manager - Portfolio Management Services)   | 2010 - 2015                     |
|                   |   |    |  |                             | IDFC AMC Ltd. (previously known as Standard Chartered Asset Management Company Pvt. Ltd.) (Designated as Portfolio Manager, Structured Products) | 2007 - 2009                     |
|                   |   |    |  |                             | Standard Chartered Bank (Product Manager, Investment Services)   | 2005 - 2007                     |
|                   |   |    |  |                             | ICICI Bank (Designated as Manager, Syndication)  | 2003 - 2005                     |
| Mr. Ashish Naik   | Fund Manager                                    | 34 | BE Computers, PGDBM, FRM (GARP)                      | Over 10 years.              | Axis Asset Management Company Ltd. (Fund Manager - Equity)   | Aug. 2009 till date             |
|                   |   |    |  |                             | Axis Asset Management Company Ltd. (Research Analyst - Equity)   | Aug. 2009 - June 2016           |
|                   |   |    |  |                             | Goldman Sachs India Securities Ltd. (Business Analyst)   | April 2007 - July 2009          |

|                        |   |    |  |                            |   |   |
|------------------------|---|----|--|----------------------------|---|---|
|                        |   |    |  |                            | Hexaware Technologies Ltd. (Software Engineer)  | Aug. 2003 - May 2005                          |
| Mr. Aditya Pagaria     | Fund Manager - Fixed Income               | 32 | Post Graduate Diploma in Business Management | Over 9 years of experience | Axis Asset Management Company Ltd. (Fund Manager - Fixed Income)  | Aug. 1, 2016 till date                        |
|                        |   |    |  |                            | ICICI Prudential Asset Management Company Ltd. (Fund Manager - Fixed Income) (Operations)   | Nov. 2011 - July 2016<br>May 2007 - Nov. 2011 |
| Mr. Milind Vengurlekar | Head - Investor Services & R&T Operations | 49 | M. Com, Diploma in Financial Management      | Over 29 years              | Axis Asset Management Company Ltd. (Head - Investor Services & R&T Operations)  | 2009 till date                                |
|                        |   |    |  |                            | IDFC Asset Management Company Pvt. Ltd. (erstwhile Standard Chartered Asset Management Company Pvt. Ltd.) (AVP - Investor Services) | 2001-2009                                     |
|                        |   |    |  |                            | Standard Chartered Bank (erstwhile ANZ Grindlays Bank Ltd.) (Manager - Custodial Services)  | Feb. 1988 to May 2001                         |
| Mr. Darshan Kapadia    | Compliance Officer                        | 38 | B. Com, CS, LLB                              | Over 14 years.             | Axis Asset Management Company Ltd. (Compliance Officer)   | Dec. 28, 2015 - till date                     |
|                        |   |    |  |                            | DSP BlackRock Investment Managers Pvt. Ltd. (Associate Vice President - Compliance, Legal & Secretarial)                            | Sept. 2013 to Nov. 2015                       |
|                        |   |    |  |                            | Religare Invesco Asset Management Company Pvt. Ltd. (Associate Vice President - Compliance, Legal & Secretarial)                    | Jan. 2009 to Sept. 2013                       |
|                        |   |    |  |                            | Religare AEGON Asset Management Company Pvt. Ltd. (Manager - Compliance, Legal & Secretarial)                                       | June 2008 to Jan. 2009                        |
|                        |   |    |  |                            | Birla Sun Life Asset Management Company Ltd. (Assistant Manager - Compliance, Legal & Secretarial)                                  | Dec. 2005 to June 2008                        |
|                        |   |    |  |                            | Reliance Industries Ltd. (Executive Officer - Secretarial)  | Jan. 2003 to Nov. 2005                        |



**Investment Team Personnel (Designated Key Personnel)**

| Employee           | Designation/Function      | Age | Qualifications                     | Total No. of years of Experience | Assignments held during last 10 years   | Period From - To         |
|--------------------|---------------------------|-----|------------------------------------|----------------------------------|---|--------------------------|
| Mr. Viresh Joshi   | Chief Trader - Equity     | 42  | B. Com                             | Over 27 years.                   | Axis Asset Management Company Ltd. (Chief Trader - Equity)  | 2009 till date           |
|                    |                           |     |                                    |                                  | BNP Paribas Securities India Pvt. Ltd. (Associate Director - Equities)  | 2008 - 2009              |
|                    |                           |     |                                    |                                  | ICICI Securities Ltd. (Institutional - Sr. Sales Trader - Equity Derivatives)   | 2005 - 2008              |
|                    |                           |     |                                    |                                  | Motilal Oswal Securities Ltd. (Institutional - Sales Trader - Equity Derivatives)   | 2003 - 2005              |
|                    |                           |     |                                    |                                  | MF Global Sify Securities (I) Pvt. Ltd. (earlier Refco Sify Securities India Pvt. Limited (Institutional - Associate Sales Trader - Equity Derivatives) | 2001 - 2003              |
|                    |                           |     |                                    |                                  | Santoor Leafin Pvt. Ltd. (Sales Trader - Equity Derivatives)  | 1999 - 2001              |
| Mr. Rahul Vekaria  | Assistant Fund Manager    | 29  | B.Com, ACA                         | Over 6 years.                    | Axis Asset Management Company Ltd. (Assistant Fund Manager)   | May 10, 2017 till date   |
|                    |                           |     |                                    |                                  | Axis Asset Management Company Ltd. (Credit Analyst & Dealer - Fixed Income)   | 2012 - 2017              |
|                    |                           |     |                                    |                                  | Axis Securities and Sales Ltd. (Asst. Manager - Fixed Income)   | 2010 - 2012              |
|                    |                           |     |                                    |                                  | Price Waterhouse Coopers (Audit Assistant - Financial Services)   | 2007 - 2009              |
| Ms. Amrita Basu    | Research Analyst - Equity | 34  | MSc Finance and Economics          | Over 11 years                    | Axis Asset Management Company Ltd. (Research Analyst - Equity)  | April 16, 2013 till date |
|                    |                           |     |                                    |                                  | Kotak Securities Ltd. (Analyst - Equity)  | 2009-2013                |
|                    |                           |     |                                    |                                  | Kotak Mahindra Capital Company Ltd. (Associate - Investment Banking)  | 2005-2009                |
| Mr. Deepak Agrawal | Research Analyst - Equity | 35  | Chartered Accountant (C.A.), B.COM | Over 13 years                    | Axis Asset Management Company Ltd. (Research Analyst - Equity)  | 2015 till date           |
|                    |                           |     |                                    |                                  | Tata Asset Management Ltd. (Equity Research Analyst)  | 2014 - 2015              |
|                    |                           |     |                                    |                                  | Axis Capital Ltd. (Equity Research Analyst)   | 2011 - 2014              |
|                    |                           |     |                                    |                                  | Indiabulls Securities Ltd. (Equity Research Analyst)  | 2010 - 2011              |

| Employee          | Designation/ Function         | Age | Qualifications  | Total No. of years of Experience | Assignments held during last 10 years  | Period From - To            |
|-------------------|-------------------------------|-----|---|----------------------------------|--|-----------------------------|
|                   |                               |     |   |                                  | Vmax Financial Services Ltd. (Equity Research Analyst)                                       | 2009 - 2010                 |
|                   |                               |     |   |                                  | BRICS Securities Ltd. (Equity Research Analyst)  | 2006 - 2009                 |
|                   |                               |     |   |                                  | Sureprep India Pvt. Ltd. (Review Manager)  | 2003 - 2006                 |
| Mr. Hitesh Das    | Equity Research Analyst       | 31  | PGDM, MTech, BTech  | Over 6 years                     | Axis Asset Management Company Ltd. (Equity Research Analyst)                                 | June 17, 2015 till date     |
|                   |                               |     |   |                                  | Barclays Securities India Pvt. Ltd. (Equity Research Analyst)                                | Jan. 2012 to June 2015      |
|                   |                               |     |   |                                  | Credit Suisse Securities (India) Pvt. Ltd. (Equity Research Analyst)                         | July 2011- Dec 2012         |
|                   |                               |     |   |                                  | Ebusinessware (India) Pvt. Ltd. (Equity Research Analyst)                                    | Feb. 2011 – June 2011       |
|                   |                               |     |   |                                  | Yes Bank (Risk Analyst)  | May 2010- Feb 2011          |
| Mr. Mayank Hyanki | Equity Research Analyst       | 32  | Bachelor of Technology, Post Graduate Diploma in Management | Over 8 years                     | Axis Asset Management Company Ltd. (Equity Research Analyst)                                 | Dec. 02, 2015 – till date   |
|                   |                               |     |   |                                  | Reliance Industries Ltd. (Equity Strategist - Treasury)                                      | Apr. 2015 to Nov. - 2015    |
|                   |                               |     |   |                                  | Birla Sun Life Asset Management Company Ltd. (Analyst - Equity Investments)                  | Mar. 2010 to Apr. 2015      |
|                   |                               |     |   |                                  | ING Investments (India) Pvt. Ltd. (Analyst - Equity Investments)                             | May 2008 to Mar. 2010       |
| Mr. Dhaval Patel  | Credit Analyst - Fixed Income | 36  | MBA (Finance), B.E (Electronics & Communication)            | Over 14 years of experience      | Axis Asset Management Company Ltd. (Credit Analyst - Fixed Income)                           | Aug. 1, 2016 till date      |
|                   |                               |     |   |                                  | Axis Asset Management Company Ltd. (Credit Analyst - Portfolio Management Services division) | Sept. 2015 to July 31, 2016 |
|                   |                               |     |   |                                  | Credit Analysis & Research Limited - (Credit Analyst)  | Mar. 2008 to Sept. 2015     |
| Pawan Jhangiani   | Dealer - Equity               | 30  | B.Com., Masters in Financial Management (Indian Educational | Over 9 years of experience       | Axis Asset Management Company Ltd. (Dealer Equity)   | June 01, 2016 - till date   |
|                   |                               |     |   |                                  | ICICI Prudential Asset Management Company Ltd. - Dealer (Dealer - Mutual Fund/PMS Division)  | Oct. 2011 to May 2016       |
|                   |                               |     |   |                                  | ICICI International Ltd. - Dealer (Dealer)   | Aug. 2009 - Sept. 2011      |
|                   |                               |     |   |                                  | ICICI Prudential Asset   | July 2008 -                 |

| Employee             | Designation/ Function | Age | Qualifications                                     | Total No. of years of Experience | Assignments held during last 10 years                              | Period From - To              |
|----------------------|-----------------------|-----|--|----------------------------------|--|-------------------------------|
|                      |                       |     | Society )  |                                  | Management Company Ltd. (Dealer - PMS Division)                    | July 2009                     |
|                      |                       |     |  |                                  | ShareKhan Ltd - Dealer   | Apr. 2007 to June 2008        |
| Mr. Kaustubh Sule    | Dealer - Fixed Income | 33  | B.E. (Computer Engineering) & MBA(Finance)         | Over 12 years of experience      | Axis Asset Management Company Ltd. (Dealer - Fixed Income)         | Aug. 1, 2016 till date        |
|                      |                       |     |  |                                  | HDFC Standard Life Insurance Company Ltd. (Dealer - Fixed Income)  | Feb. 2013 to July 2016        |
|                      |                       |     |  |                                  | Reliance Life Insurance Company Ltd. (Dealer - Fixed Income)       | Jan. 2011 to Feb. 2013        |
|                      |                       |     |  |                                  | Union Bank of India (Dealer - Fixed Income)                        | July 2009 to Jan. 2011        |
|                      |                       |     |  |                                  | Hexaware Technologies Ltd. (Software Engineer)                     | July 2004 to May 2007         |
| Hardik Satra         | Portfolio Analytics   | 25  | MBA - Financial Planning                           | Over 3 years of experience       | Axis Asset Management Company Ltd. - (Portfolio Analytics)         | June 15, 2016 till date       |
|                      |                       |     |  |                                  | Axis Asset Management Company Ltd. - (MIS management)              | Apr. 1, 2016 to June 14, 2016 |
|                      |                       |     |  |                                  | Axis Securities Ltd. - (Institutional Sales/MIS Management)        | July 9, 2012 to Mar. 31, 2016 |
| Mr. Vinayak Jayanath | Investment Associate  | 25  | B.Com (Banking and Insurance), MBA Capital Markets | Over 1 year of experience        | Axis Asset Management Company Ltd. (Investment Associate)          | Jan. 09, 2017 till date       |
|                      |                       |     |  |                                  | Kotak Mahindra Old Mutual Life Insurance Ltd. (Project Management) | May 18, 2015 to Jan. 6, 2017  |

All the key personnel are based at the Registered Office of the AMC in Mumbai.

#### IV. Shareholding of the AMC

Axis Asset Management Company Ltd. is a subsidiary of Axis Bank.

| Name of the Shareholder                     | % of holding |
|---|--------------|
| Axis Bank Limited and its nominees          | 74.99        |
| Schroder Singapore Holdings Private Limited | 25.00*       |

\* Schroder Singapore Holdings Private Limited holds 25% plus one equity share capital of the total issued and paid up equity share capital in Axis Asset Management Company Ltd.

#### Brief background of Schroders and Schroder Investment Management (Singapore) Ltd (SIMSL)

Schroders plc, the ultimate holding company of Schroders Group, is among the 100 largest companies listed on the London Stock Exchange and has a history of over 200 years.

Schroders Group is a leading international asset management group managing investments of £416.3 billion (€486.7 billion/US\$520.6 billion) as on March 31, 2017, on behalf of institutional and retail investors, financial institutions and high net worth clients from around the world, invested in a broad range of asset classes across equities, fixed income, multi-asset and alternatives.

It operates worldwide with 41 offices in 27 different countries across Europe, the Americas, Asia and the Middle East. Schroders has developed under stable ownership for over 200 years and long-term thinking that governs its approach to investing, building client relationships and growing its business.

Schroders has operated in Singapore since 1977 and SIMSL, a company wholly owned by the Schroders Group, was incorporated as an asset management company in 1992. SIMSL is one of the largest asset managers in Singapore. SIMSL manages funds for a broad list of clientele including official institutions, pension funds, insurance companies, local statutory boards, government - linked companies, high net worth individuals and retail investors.

#### **V. Procedure and Recording of Investment Decisions**

All investment decisions, relating to the Schemes, will be undertaken by the AMC in accordance with the Regulations, the investment objectives specified in the SID and the Investment Manual of the AMC. All investment making decisions taken by the AMC in relation to the corpus of the Schemes will be recorded.

A detailed report will be made before taking any decision to invest in a company/issuer for the first time. Individual scrip wise reasons will be recorded by the fund manager at the time of placing individual orders. Performance of the Schemes will be periodically tabled before the Boards of the AMC and the Trustee, respectively. Performance of the Schemes vis-à-vis their respective benchmark indices will be periodically monitored by the Boards of the Trustee and the AMC. Further, the Boards of the Trustee and the AMC will also review the performance of the Schemes in the light of performance of the mutual fund industry.

The AMC has appointed an investment review committee for the equity, debt / fixed income and other Schemes comprising of the Managing Director and CEO, Head - Equity, Head - Fixed Income and Fund Manager(s). The Committee lay downs the broad investment policy for the Schemes, review the policy and review the portfolio and performance of the Schemes periodically. However, the day to day investment management decision will solely be of the fund manager of the respective Scheme.

All investment decisions shall be recorded in terms of SEBI Circular no. MFD/CIR/6/73/2000, dated July 27, 2000 as amended from time to time.

The Managing Director and Chief Executive Officer of the AMC shall inter-alia ensure that the investments made by the fund managers are in the interest of the Unit holders. The Fund Manager shall ensure that the funds of the Scheme(s) are invested in line with the investment objective of the Scheme(s) and in the interest of the Unit holders.

#### **E. Service providers**

##### **Custodian**

##### **Deutsche Bank A.G. (For Schemes other than Axis Gold ETF)**

Deutsche Bank House, Hazarimal Somani Marg, Fort, Mumbai - 400 001.  
SEBI Registration Number: IN/CUS/003.

##### **The Bank of Nova Scotia (For Axis Gold ETF)**

91-94, 3rd North Avenue, Maker Maxity, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.  
SEBI Registration Number: IN/CUS/018

**Registrar and Transfer agent**  
**Karvy Computershare Pvt. Ltd.**

Unit: Axis Mutual Fund, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad - 500 008.

SEBI Registration Number: INR000000221.

The Trustee and the AMC have ensured that the Registrar has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching unit certificates to Unit holders within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints.

**Statutory auditor of the Mutual Fund**

**M/s. S. R. Batliboi & Co.,** Chartered Accountants

14th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai - 400 028.

**Legal counsel**

There are no retained legal counsels to the Mutual Fund or AMC. The AMC uses the services of renowned legal counsel, if need arises.

**Fund Accountant**

**Deutsche Bank A.G.**

Deutsche Bank House, Hazarimal Somani Marg, Fort, Mumbai - 400 001.

**Collecting Bankers**

Axis Bank, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, State Bank of India and / or such other scheduled commercial banks may be appointed as the collecting banker(s)/paying banker(s) under the scheme on such terms and conditions as may be decided by the AMC from time to time.

**Principal business address of the Bank**

Axis Bank

(SEBI Registration No: INB 100000017)

Axis House, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

HDFC Bank Limited

(SEBI Registration No: INB 100000063)

HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Kotak Mahindra Bank Limited

(SEBI Registration No: INB31.03.17 100000927)

36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai - 400 021.

**F. Condensed financial information (CFI)**

| Historical Cost Per Unit Statistic        | AXIS HYBRID FUND - SR11 (42 MTHS) |                     |                     | AXIS HYBRID FUND - SR12 (1282 DAYS) |                     |                     |
|---|-----------------------------------|---------------------|---------------------|-------------------------------------|---------------------|---------------------|
|   | 9-May-14                          |                     |                     | 27-May-14                           |                     |                     |
|   | 01.04.16 - 31.03.17               | 01.04.15 - 31.03.16 | 09.05.14 - 31.03.15 | 01.04.16 - 31.03.17                 | 01.04.15 - 31.03.16 | 27.05.14 - 31.03.15 |
| <b>NAV at the beginning of the period</b> |                                   |                     |                     |                                     |                     |                     |
| Growth                                    | 10.7558                           | 11.3978             | **                  | 10.6992                             | 11.3001             | **                  |
| Dividend                                  | 10.7567                           | 11.3987             | **                  | 10.6991                             | 11.3001             | **                  |
| Direct Growth                             | 10.9660                           | 11.5282             | **                  | 10.9041                             | 11.4251             | **                  |
| Direct Dividend                           | 10.9660                           | 11.5282             | **                  | 10.9042                             | 11.4252             | **                  |
| <b>Dividends</b>                          |                                   |                     |                     |                                     |                     |                     |

|   |                         |         |         |                         |         |         |
|---|-------------------------|---------|---------|-------------------------|---------|---------|
| Dividend Option - Ind./HUF                              | -                       | -       | -       | -                       | -       | -       |
| Dividend Option - Others                                | -                       | -       | -       | -                       | -       | -       |
| Direct Dividend Option - Ind./HUF                       | -                       | -       | -       | -                       | -       | -       |
| Direct Dividend Option - Others                         | -                       | -       | -       | -                       | -       | -       |
| <b>NAV at the End of period</b>                         |                         |         |         |                         |         |         |
| Growth  | 11.8279                 | 10.7558 | 11.3978 | 11.7177                 | 10.6992 | 11.3001 |
| Dividend  | 11.8288                 | 10.7567 | 11.3987 | 11.7176                 | 10.6991 | 11.3001 |
| Direct Growth   | 12.1850                 | 10.9660 | 11.5282 | 12.0668                 | 10.9041 | 11.4251 |
| Direct Dividend   | 12.1850                 | 10.9660 | 11.5282 | 12.0670                 | 10.9042 | 11.4252 |
| <b>Annualised Return</b>                                | Please refer note no. 1 |         |         | Please refer note no. 1 |         |         |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> | 222.84                  | 202.64  | 214.73  | 302.06                  | 275.79  | 291.27  |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | 2.65%                   | 2.63%   | 2.89%   | 2.61%                   | 2.59%   | 2.85%   |

| Historical Cost Per Unit Statistic         | AXIS HYBRID FUND - SR13 (1275 DAYS) |                     |                     | AXIS HYBRID FUND - SR14 (1274 DAYS) |                     |                     |
|--|-------------------------------------|---------------------|---------------------|-------------------------------------|---------------------|---------------------|
|  | 18-Jun-14                           |                     |                     | 2-Sep-14                            |                     |                     |
| Date of launch @                           | 01.04.16 - 31.03.17                 | 01.04.15 - 31.03.16 | 18.06.14 - 31.03.15 | 01.04.16 - 31.03.17                 | 01.04.15 - 31.03.16 | 02.09.14 - 31.03.15 |
| <b>NAV at the beginning of the period</b>  |                                     |                     |                     |                                     |                     |                     |
| Growth                                     | 10.6415                             | 11.2294             | **                  | 10.3464                             | 10.6082             | **                  |
| Dividend                                   | 10.6414                             | 11.2293             | **                  | 10.3465                             | 10.6083             | **                  |
| Direct Growth                              | 10.8347                             | 11.3424             | **                  | 10.5847                             | 10.7663             | **                  |
| Direct Dividend                            | 10.8347                             | 11.3424             | **                  | 10.7011                             | 10.8848             | **                  |
| <b>Dividends</b>                           |                                     |                     |                     |                                     |                     |                     |
| Dividend Option - Ind./HUF                 | -                                   | -                   | -                   | -                                   | -                   | -                   |
| Dividend Option - Others                   | -                                   | -                   | -                   | -                                   | -                   | -                   |
| Direct Dividend Option - Ind./HUF          | -                                   | -                   | -                   | -                                   | -                   | -                   |
| Direct Dividend Option - Others            | -                                   | -                   | -                   | -                                   | -                   | -                   |
| <b>NAV at the End of period</b>            |                                     |                     |                     |                                     |                     |                     |
| Growth                                     | 11.6019                             | 10.6415             | 11.2294             | 11.1715                             | 10.3464             | 10.6082             |
| Dividend                                   | 11.6018                             | 10.6414             | 11.2293             | 11.1716                             | 10.3465             | 10.6083             |
| Direct Growth                              | 11.9358                             | 10.8347             | 11.3424             | 11.5535                             | 10.5847             | 10.7663             |
| Direct Dividend                            | 11.9358                             | 10.8347             | 11.3424             | 11.6807                             | 10.7011             | 10.8848             |
| <b>Annualised Return</b>                   | Please refer note no. 1             |                     |                     | Please refer note no. 1             |                     |                     |
| <b>Net Assets at the end of the period</b> | 545.01                              | 499.87              | 527.46              | 525.57                              | 486.75              | 499.06              |

| (Rs in Crs.)                                    |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|
| Ratio of Recurring expenses to Net Assets (%)^^ | 2.50% | 2.49% | 2.74% | 2.52% | 2.50% | 2.74% |

| Historical Cost Per Unit Statistic                      | AXIS HYBRID FUND - SR15 (1275 DAYS) |                    |                     | AXIS HYBRID FUND - SR18 (42 MTHS) |                     |                     |
|---|-------------------------------------|--------------------|---------------------|-----------------------------------|---------------------|---------------------|
| Date of launch@   | 17-Sep-14                           |                    |                     | 19-Jan-15                         |                     |                     |
|   | 01.04.16 - 31.03.17                 | 01.04.15- 31.03.16 | 17.09.14 - 31.03.15 | 01.04.16- 31.03.17                | 01.04.15 - 31.03.16 | 19.01.15 - 31.03.15 |
| <b>NAV at the beginning of the period</b>               |                                     |                    |                     |                                   |                     |                     |
| Growth  | 10.2806                             | 10.5538            | **                  | 9.9339                            | 10.0250             | **                  |
| Dividend  | 10.2806                             | 10.5537            | **                  | 9.9338                            | 10.0249             | **                  |
| Direct Growth   | 10.4466                             | 10.6390            | **                  | 10.0323                           | 10.0439             | **                  |
| Direct Dividend   | 10.4466                             | 10.6390            | **                  | 10.0323                           | 10.0439             | **                  |
| <b>Dividends</b>  |                                     |                    |                     |                                   |                     |                     |
| Dividend Option - Ind./HUF                              | -                                   | -                  | -                   | -                                 | -                   | -                   |
| Dividend Option - Others                                | -                                   | -                  | -                   | -                                 | -                   | -                   |
| Direct Dividend Option - Ind./HUF                       | -                                   | -                  | -                   | -                                 | -                   | -                   |
| Direct Dividend Option - Others                         | -                                   | -                  | -                   | -                                 | -                   | -                   |
| <b>NAV at the End of period</b>                         |                                     |                    |                     |                                   |                     |                     |
| Growth  | 11.0817                             | 10.2806            | 10.5538             | 10.5919                           | 9.9339              | 10.0250             |
| Dividend  | 11.0817                             | 10.2806            | 10.5537             | 10.5918                           | 9.9338              | 10.0249             |
| Direct Growth   | 11.3836                             | 10.4466            | 10.6390             | 10.8188                           | 10.0323             | 10.0439             |
| Direct Dividend   | 11.3836                             | 10.4466            | 10.6390             | 10.8188                           | 10.0323             | 10.0439             |
| <b>Annualised Return</b>                                |                                     |                    |                     |                                   |                     |                     |
|   | Please refer no. 1                  |                    |                     | Please refer no. 1                |                     |                     |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> |                                     |                    |                     |                                   |                     |                     |
|   | 364.06                              | 337.68             | 346.60              | 523.63                            | 491.09              | 495.59              |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | <b>2.59%</b>                        | 2.56%              | 2.80%               | <b>2.52%</b>                      | 2.50%               | 2.72%               |

| Historical Cost Per Unit Statistic        | AXIS HYBRID FUND - SR19 (42 MTHS) |                     |                     | AXIS FIXED TERM PLAN - SR64 |                     |                     |
|---|-----------------------------------|---------------------|---------------------|-----------------------------|---------------------|---------------------|
| Date of launch @                          | 4-Feb-15                          |                     |                     | 23-Apr-14                   |                     |                     |
|   | 01.04.16 - 31.03.17               | 01.04.15 - 31.03.16 | 04.02.15 - 31.03.15 | 01.04.16 - 31.03.17         | 01.04.15 - 31.03.16 | 23.04.14 - 31.03.15 |
| <b>NAV at the beginning of the period</b> |                                   |                     |                     |                             |                     |                     |
| Growth                                    | 9.8471                            | 9.8174              | **                  | 11.7437                     | 10.8974             | **                  |
| Dividend                                  | 9.8488                            | 9.8191              | **                  | 11.7437                     | 10.8974             | **                  |
| Qrtrly Dividend                           |                                   |                     |                     | 10.2596                     | 10.2833             | **                  |
| Direct Growth                             | 9.9436                            | 9.8349              | **                  | 11.8653                     | 10.9548             | **                  |
| Direct Dividend                           | 9.9406                            | 9.8319              | **                  | 11.8654                     | 10.9548             | **                  |
| Direct Qrtrly                             |                                   |                     |                     | -                           | -                   | **                  |

|   |                         |        |        |                         |         |         |
|---|-------------------------|--------|--------|-------------------------|---------|---------|
| Dividend  |                         |        |        |                         |         |         |
| <b>Dividends</b>  |                         |        |        |                         |         |         |
| Dividend Option - Ind./HUF                              | -                       | -      | -      | -                       | -       | -       |
| Dividend Option - Others                                | -                       | -      | -      | -                       | -       | -       |
| Qrtrly Dividend - Ind./HUF                              | -                       | -      | -      | -                       | 0.5778  | 0.4462  |
| Qrtrly Dividend - Others                                | -                       | -      | -      | -                       | 0.5353  | 0.4185  |
| Direct Dividend Option - Others                         | -                       | -      | -      | -                       | -       | -       |
| Direct Monthly Dividend - Ind./HUF                      | -                       | -      | -      | -                       | -       | -       |
| Direct Monthly Dividend - Others                        | -                       | -      | -      | -                       | -       | -       |
| Direct Qrtrly Dividend - Ind./HUF                       | -                       | -      | -      | -                       | -       | -       |
| Direct Qrtrly Dividend - Others                         | -                       | -      | -      | -                       | -       | -       |
| <b>NAV at the End of period</b>                         |                         |        |        |                         |         |         |
| Growth  | 10.4460                 | 9.8471 | 9.8174 | 12.7332                 | 11.7437 | 10.8974 |
| Dividend  | 10.4478                 | 9.8488 | 9.8191 | 12.7331                 | 11.7437 | 10.8974 |
| Qrtrly Dividend   |                         |        |        | -                       | 10.2596 | 10.2833 |
| Direct Growth   | 10.6686                 | 9.9436 | 9.8349 | 12.9304                 | 11.8653 | 10.9548 |
| Direct Dividend   | 10.6653                 | 9.9406 | 9.8319 | -                       | 11.8654 | 10.9548 |
| <b>Annualised Return</b>                                | Please refer note no. 1 |        |        | Please refer note no. 1 |         |         |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> | 337.27                  | 317.92 | 316.95 | 8.55                    | 51.06   | 47.35   |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | <b>2.61%</b>            | 2.58%  | 2.80%  | <b>0.50%</b>            | 0.50%   | 0.55%   |

| Historical Cost Per Unit Statistic        | AXIS FIXED TERM PLAN - SR67 (1218 DAYS) |                     |                     | AXIS FIXED TERM PLAN - SR69 (3 YEARS) |                     |                     |
|---|---|---------------------|---------------------|---------------------------------------|---------------------|---------------------|
|   | 5-Jun-14                                |                     |                     | 1-Aug-14                              |                     |                     |
| Date of launch @                          | 01.04.16 - 31.03.17                     | 01.04.15 - 31.03.16 | 05.06.14 - 31.03.15 | 01.04.16 - 31.03.17                   | 01.04.15 - 31.03.16 | 01.08.14 - 31.03.15 |
| <b>NAV at the beginning of the period</b> |   |                     |                     |                                       |                     |                     |
| Growth                                    | 11.7284                                 | 10.8773             | **                  | 11.6077                               | 10.7107             | **                  |
| Dividend                                  | 11.7283                                 | 10.8772             | **                  | 11.6077                               | 10.7107             | **                  |
| Half Yearly Dividend                      | -                                       | -                   | **                  | 10.8263                               | 10.4603             | **                  |
| Direct Growth                             | 11.8935                                 | 10.9497             | **                  | 11.7310                               | 10.7588             | **                  |
| Direct Dividend                           | -                                       | -                   | **                  | -                                     | -                   | **                  |
| Direct Half Yearly Dividend               | -                                       | -                   | **                  | -                                     | -                   | **                  |



|   |                         |         |         |                         |         |         |
|---|-------------------------|---------|---------|-------------------------|---------|---------|
| <b>Dividends</b>  |                         |         |         |                         |         |         |
| Dividend Option - Ind./HUF                              | -                       | -       | -       | -                       | -       | -       |
| Dividend Option - Others                                | -                       | -       | -       | -                       | -       | -       |
| Half Yearly Dividend - Ind./HUF                         | -                       | -       | -       | 0.3611                  | 0.3611  | 0.1815  |
| Half Yearly Dividend - Others                           | -                       | -       | -       | 0.3346                  | 0.3346  | 0.1683  |
| Direct Dividend Option - Ind./HUF                       | -                       | -       | -       | -                       | -       | -       |
| Direct Dividend Option - Others                         | -                       | -       | -       | -                       | -       | -       |
| Direct Half Yearly Dividend - Ind./HUF                  | -                       | -       | -       | -                       | -       | -       |
| Direct Half Yearly Dividend- Others                     | -                       | -       | -       | -                       | -       | -       |
| <b>NAV at the End of period</b>                         |                         |         |         |                         |         |         |
| Growth  | 12.7318                 | 11.7284 | 10.8773 | 12.5461                 | 11.6077 | 10.7107 |
| Dividend  | 12.7320                 | 11.7283 | 10.8772 | 12.5461                 | 11.6077 | 10.7107 |
| Half Yearly Dividend                                    | -                       | -       | -       | 11.1922                 | 10.8263 | 10.4603 |
| Direct Growth   | 13.0063                 | 11.8935 | 10.9497 | 12.7567                 | 11.7310 | 10.7588 |
| Direct Dividend   | -                       | -       | -       | -                       | -       | -       |
| <b>Annualised Return</b>                                | Please refer note no. 1 |         |         | Please refer note no. 1 |         |         |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> | 63.45                   | 58.44   | 54.20   | 28.37                   | 26.19   | 24.12   |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | 0.75%                   | 0.75%   | 0.82%   | 0.43%                   | 0.43%   | 0.47%   |

| Historical Cost Per Unit Statistic        | AXIS FIXED TERM PLAN - SR74 (1105 DAYS) |                     |                     | AXIS FIXED INCOME OPPORTUNITIES FUND |                     |                     |
|---|---|---------------------|---------------------|--------------------------------------|---------------------|---------------------|
|   | 25-Mar-15                               |                     |                     | 15-Jul-14                            |                     |                     |
| Date of launch @                          | 01.04.16 - 31.03.17                     | 01.04.15 - 31.03.16 | 25.03.15 - 31.03.15 | 01.04.16 - 31.03.17                  | 01.04.15 - 31.03.16 | 15.07.14 - 31.03.15 |
| <b>NAV at the beginning of the period</b> |   |                     |                     |                                      |                     |                     |
| Growth                                    | 10.8402                                 | 10.0160             | **                  | 11.7607                              | 10.8220             | **                  |
| Dividend                                  | 10.8402                                 | 10.0160             | **                  |                                      |                     |                     |
| Weekly Dividend                           |   |                     |                     | 10.1743                              | 10.1556             | **                  |
| Monthly Dividend                          |   |                     |                     | 10.0844                              | 10.0871             | **                  |
| Half Yearly Dividend                      | 10.5897                                 | 10.0160             | **                  |                                      |                     |                     |
| Direct Growth                             | 10.8560                                 | 10.0163             | **                  | 11.9451                              | 10.8802             | **                  |
| Direct Dividend                           | 10.8603                                 | 10.0163             | **                  |                                      |                     |                     |
| Direct Weekly                             |   |                     |                     | 10.1859                              | 10.1666             | **                  |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| Dividend                               |         |         |         |         |         |         |
| Direct Monthly Dividend                |         |         |         | 10.0820 | 10.0911 | **      |
| Direct Half Yearly Dividend            | -       | -       | **      |         |         |         |
|  |         |         |         |         |         |         |
| <b>Dividends</b>                       |         |         |         |         |         |         |
| Dividend Option - Ind./HUF             | -       | -       | -       | -       | -       | -       |
| Dividend Option - Others               | -       | -       | -       | -       | -       | -       |
| Qrtrly Dividend - Ind./HUF             | -       | -       | -       | -       | -       | -       |
| Qrtrly Dividend - Others               | -       | -       | -       | -       | -       | -       |
| Half Yearly Dividend - Ind./HUF        | 0.3611  | 0.1806  | -       | -       | -       | -       |
| Half Yearly Dividend - Others          | 0.1673  | 0.1673  | -       | -       | -       | -       |
| Weekly Dividend - Ind./HUF             | -       | -       | -       | 0.6273  | 0.5968  | 0.4765  |
| Weekly Dividend - Others               | -       | -       | -       | 0.5811  | 0.0709  | 0.4226  |
| Monthly Dividend - Ind./HUF            | -       | -       | -       | 0.5981  | 0.6065  | 0.5268  |
| Monthly Dividend - Others              | -       | -       | -       | 0.5541  | 0.5619  | 0.4924  |
| Direct Dividend Option - Ind./HUF      | -       | -       | -       | -       | -       | -       |
| Direct Dividend Option - Others        | -       | -       | -       | -       | -       | -       |
| Direct Monthly Dividend - Ind./HUF     | -       | -       | -       | 0.7355  | 0.6845  | 0.5618  |
| Direct Monthly Dividend - Others       | -       | -       | -       | -       | -       | -       |
| Direct Half Yearly Dividend - Ind./HUF | -       | -       | -       | -       | -       | -       |
| Direct Half Yearly Dividend- Others    | -       | -       | -       | -       | -       | -       |
| Direct Weekly Dividend - Ind./HUF      | -       | -       | -       | 0.6733  | 0.6704  | 0.5067  |
| Direct Weekly Dividend - Others        | -       | -       | -       | -       | -       | -       |
|  |         |         |         |         |         |         |
| <b>NAV at the End of period</b>        |         |         |         |         |         |         |
| Growth                                 | 11.8516 | 10.8402 | 10.0160 | 12.8215 | 11.7607 | 10.8220 |
| Dividend                               | 11.8516 | 10.8402 | 10.0160 |         |         |         |
| Weekly Dividend                        |         |         |         | 0.1837  | 10.1743 | 10.1556 |
| Monthly Dividend                       |         |         |         | 10.1343 | 10.0844 | 10.0871 |
| Half Yearly Dividend                   | 11.0669 | 10.5897 | 10.0160 |         |         |         |

|  |                         |         |         |                         |         |         |
|--|-------------------------|---------|---------|-------------------------|---------|---------|
| Direct Growth                                    | 11.8859                 | 10.8560 | 10.0163 | 13.1920                 | 11.9451 | 10.8802 |
| Direct Dividend                                  | 11.8975                 | 10.8603 | 10.0163 |                         |         |         |
| Direct Weekly Dividend                           |                         |         |         | 10.2654                 | 10.1859 | 10.1666 |
| Direct Monthly Dividend                          |                         |         |         | 10.0697                 | 10.0820 | 10.0911 |
| Direct Qtrly Dividend                            |                         |         |         |                         |         |         |
| Annualised Return                                | Please refer note no. 1 |         |         | Please refer note no. 1 |         |         |
| Net Assets at the end of the period (Rs in Crs.) | 35.51                   | 32.46   | 29.98   | 1,737.15                | 400.10  | 104.93  |
| Ratio of Recurring expenses to Net Assets (%)^^  | 0.21%                   | 0.20%   | 0.19%   | 1.53%                   | 1.45%   | 1.37%   |

| Historical Cost Per Unit Statistic        | AXIS ENHANCED ARBITRAGE FUND |                     |                     | AXIS CHILDREN'S GIFT FUND |                     |
|---|------------------------------|---------------------|---------------------|---------------------------|---------------------|
|   | 14-Aug-14                    |                     |                     | 8-Dec-15                  |                     |
| Date of launch @                          | 01.04.16 - 31.03.17          | 01.04.15 - 31.03.16 | 14.08.14 - 31.03.15 | 01.04.16 - 31.03.17       | 08.12.15 - 31.03.16 |
| <b>NAV at the beginning of the period</b> |                              |                     |                     |                           |                     |
| Growth                                    | 11.2014                      | 10.5252             | **                  |                           |                     |
| Dividend                                  | 10.4219                      | 10.3732             | **                  |                           |                     |
| Compulsory Lock-in Growth                 |                              |                     |                     | 10.0070                   | **                  |
| Compulsory Lock-in Dividend               |                              |                     |                     | 10.0116                   | **                  |
| No Lock-in Growth Growth                  |                              |                     |                     | 10.0066                   | **                  |
| No Lock-in Growth Dividend                |                              |                     |                     | 10.0083                   | **                  |
| Direct Growth                             | 11.3589                      | 10.5815             | **                  |                           |                     |
| Direct Dividend                           | 10.6662                      | 10.5180             | **                  |                           |                     |
| Compulsory Lock-in Direct Growth          |                              |                     |                     | 10.0521                   | **                  |
| Compulsory Lock-in Direct Dividend        |                              |                     |                     | 10.0526                   | **                  |
| No Lock-in Growth Direct Growth           |                              |                     |                     | 10.0696                   | **                  |
| No Lock-in Growth Direct Dividend         |                              |                     |                     | 10.0525                   | **                  |
| <b>Dividends</b>                          |                              |                     |                     |                           |                     |
| Dividend Option - Ind./HUF                | 0.5982                       | 0.6000              | 0.1500              | -                         | -                   |
| Dividend Option - Others                  | 0.5982                       | 0.6000              | 0.1500              | -                         | -                   |
| Direct Dividend Option - Ind./HUF         | 0.6000                       | 0.6000              | 0.0500              | -                         | -                   |
| Direct Dividend Option - Others           | 0.6000                       | 0.6000              | -                   | -                         | -                   |

| <b>NAV at the End of period</b>                                   |                         |         |                         |         |         |
|---|-------------------------|---------|-------------------------|---------|---------|
| Growth  | 11.9206                 | 11.2014 | 10.5252                 |         |         |
| Dividend  | 10.4753                 | 10.4219 | 10.3732                 |         |         |
| Compulsory Lock-in Growth   |                         |         |                         | 11.0567 | 10.0070 |
| Compulsory Lock-in Dividend                                       |                         |         |                         | 11.0613 | 10.0116 |
| No Lock-in Growth Growth  |                         |         |                         | 11.0554 | 10.0066 |
| No Lock-in Growth Dividend  |                         |         |                         | 11.0605 | 10.0083 |
| Direct Growth   | 12.1872                 | 11.3589 | 10.5815                 |         |         |
| Direct Dividend   | 10.8248                 | 10.6662 | 10.5180                 |         |         |
| Direct Weekly Dividend  |                         |         |                         |         |         |
| Compulsory Lock-in Direct Growth                                  |                         |         |                         | 11.2850 | 10.0521 |
| Compulsory Lock-in Direct Dividend                                |                         |         |                         | 11.2841 | 10.0526 |
| No Lock-in Growth Direct Growth                                   |                         |         |                         | 11.3436 | 10.0696 |
| No Lock-in Growth Direct Dividend                                 |                         |         |                         | 11.2842 | 10.0525 |
|   |                         |         |                         |         |         |
| <b>Annualised Return</b>  | Please refer note no. 1 |         | Please refer note no. 1 |         |         |
|   |                         |         |                         |         |         |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 540.73                  | 325.65  | 70.94                   | 288.98  | 208.69  |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | 0.74%                   | 0.83%   | 1.03%                   | 3.07%   | 3.22%   |

| <b>Historical Cost Per Unit Statistic</b> | <b>AXIS EQUITY SAVER FUND</b> |                            | <b>AXIS HYBRID FUND - SR22 (1278 DAYS)</b> |                            |
|---|-------------------------------|----------------------------|--|----------------------------|
|   | <b>14-Aug-15</b>              |                            | <b>11-May-15</b>                           |                            |
|   | <b>01.04.16 - 31.03.17</b>    | <b>14.08.15 - 31.03.16</b> | <b>01.04.16 - 31.03.17</b>                 | <b>11.05.15 - 31.03.16</b> |
| <b>NAV at the beginning of the period</b> |                               |                            |  |                            |
| Growth                                    | 9.8700                        | **                         | 9.7230                                     | **                         |
| Dividend                                  |                               |                            | 9.7230                                     | **                         |
| Monthly Dividend                          | 9.8700                        | **                         |  |                            |
| Qtrly Dividend                            | 9.8700                        | **                         |  |                            |
| Direct Growth                             | 9.9500                        | **                         | 9.8186                                     | **                         |
| Direct Dividend                           |                               |                            | 9.8186                                     | **                         |
| Direct Monthly Dividend                   | 9.9400                        | **                         |  |                            |
| Direct Qtrly Dividend                     | 9.9400                        | **                         |  |                            |
|   |                               |                            |  |                            |
| <b>Dividends</b>                          |                               |                            |  |                            |
| Dividend Option - Ind./HUF                | -                             | -                          | -  | -                          |

|   |                         |        |                         |        |
|---|-------------------------|--------|-------------------------|--------|
| Dividend Option - Others  | -                       | -      | -                       | -      |
| Qrtrly Dividend - Ind./HUF  | 0.1875                  | -      | -                       | -      |
| Qrtrly Dividend - Others  | 0.1875                  | -      | -                       | -      |
| Monthly Dividend - Ind./HUF                                       | 0.3250                  | -      | -                       | -      |
| Monthly Dividend - Others   | 0.3250                  | -      | -                       | -      |
| Direct Dividend Option - Ind./HUF                                 | -                       | -      | -                       | -      |
| Direct Dividend Option - Others                                   | -                       | -      | -                       | -      |
| Direct Monthly Dividend - Ind./HUF                                | 0.3640                  | -      | -                       | -      |
| Direct Monthly Dividend - Others                                  | 0.3640                  | -      | -                       | -      |
| Direct Qrtrly Dividend - Ind./HUF                                 | 0.1875                  | -      | -                       | -      |
| Direct Qrtrly Dividend - Others                                   | 0.1875                  | -      | -                       | -      |
|   |                         |        |                         |        |
| <b>NAV at the End of period</b>                                   |                         |        |                         |        |
| Growth  | 10.9227                 | 9.8700 | 10.4326                 | 9.7230 |
| Dividend  | 10.6039                 |        | 10.4326                 | 9.7230 |
| Monthly Dividend  | 10.5846                 | 9.8700 |                         |        |
| Qrtrly Dividend   | 10.7293                 | 9.8700 |                         |        |
| Direct Growth   | 11.1468                 | 9.9500 | 10.6692                 | 9.8186 |
| Direct Dividend   | 10.3652                 |        | 10.6692                 | 9.8186 |
| Direct Monthly Dividend   | 10.7621                 | 9.9400 |                         |        |
| Direct Qrtrly Dividend  | 10.9200                 | 9.9400 |                         |        |
|   |                         |        |                         |        |
| <b>Annualised Return</b>  | Please refer note no. 1 |        | Please refer note no. 1 |        |
|   |                         |        |                         |        |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 742.93                  | 985.43 | 412.81                  | 384.72 |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | 2.84%                   | 2.88%  | 2.36%                   | 2.64%  |

| Historical Cost Per Unit Statistic        | AXIS HYBRID FUND - SR23 (1275 DAYS) |                     | AXIS HYBRID FUND - SR24 (1276 DAYS) |                     |
|---|-------------------------------------|---------------------|-------------------------------------|---------------------|
|   | 28-May-15                           |                     | 17-Jun-15                           |                     |
|   | 01.04.16 - 31.03.17                 | 28.05.15 - 31.03.16 | 01.04.16 - 31.03.17                 | 17.06.15 - 31.03.16 |
| <b>NAV at the beginning of the period</b> |                                     |                     |                                     |                     |
| Growth                                    | 9.7688                              | **                  | 9.8273                              | **                  |
| Dividend                                  | 9.7688                              | **                  | 9.8273                              | **                  |
| Direct Growth                             | 9.8599                              | **                  | 9.9132                              | **                  |
| Direct Dividend                           | 9.8599                              | **                  | 9.9155                              | **                  |

|   |                         |        |                         |        |
|---|-------------------------|--------|-------------------------|--------|
| <b>Dividends</b>  |                         |        |                         |        |
| Dividend Option - Ind./HUF  | -                       | -      | -                       | -      |
| Dividend Option - Others  | -                       | -      | -                       | -      |
| Direct Dividend Option - Ind./HUF                                 | -                       | -      | -                       | -      |
| Direct Dividend Option - Others                                   | -                       | -      | -                       | -      |
|   |                         |        |                         |        |
| <b>NAV at the End of period</b>                                   |                         |        |                         |        |
| Growth  | 10.4830                 | 9.7688 | 10.6121                 | 9.8273 |
| Dividend  | 10.4830                 | 9.7688 | 10.6121                 | 9.8273 |
| Direct Growth   | 10.7154                 | 9.8599 | 10.8411                 | 9.9132 |
| Direct Dividend   | 10.7154                 | 9.8599 | 10.8439                 | 9.9155 |
|   |                         |        |                         |        |
| <b>Annualised Return</b>  | Please refer note no. 1 |        | Please refer note no. 1 |        |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 375.63                  | 350.03 | 454.38                  | 420.77 |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | <b>2.37%</b>            | 2.65%  | <b>2.34%</b>            | 2.62%  |

| Historical Cost Per Unit Statistic        | AXIS HYBRID FUND - SR25 (1278 DAYS) |                     | AXIS HYBRID FUND - SR26 (1276 DAYS) |                     |
|---|-------------------------------------|---------------------|-------------------------------------|---------------------|
|   | 25-Aug-15                           |                     | 10-Sep-15                           |                     |
| Date of launch @                          | 01.04.16 - 31.03.17                 | 25.08.15 - 31.03.16 | 01.04.16 - 31.03.17                 | 10.09.15 - 31.03.16 |
| <b>NAV at the beginning of the period</b> |                                     |                     |                                     |                     |
| Growth                                    | 9.9412                              | **                  | 10.0152                             | **                  |
| Dividend                                  | 9.9412                              | **                  | 10.0152                             | **                  |
| Direct Growth                             | 10.0072                             | **                  | 10.0768                             | **                  |
| Direct Dividend                           | 10.0072                             | **                  | 10.0767                             | **                  |
| Direct Weekly Dividend                    |                                     |                     |                                     |                     |
|   |                                     |                     |                                     |                     |
| <b>Dividends</b>                          |                                     |                     |                                     |                     |
| Dividend Option - Ind./HUF                | -                                   | -                   | -                                   | -                   |
| Dividend Option - Others                  | -                                   | -                   | -                                   | -                   |
| Direct Dividend Option - Ind./HUF         | -                                   | -                   | -                                   | -                   |
| Direct Dividend Option - Others           | -                                   | -                   | -                                   | -                   |
|   |                                     |                     |                                     |                     |
| <b>NAV at the End of period</b>           |                                     |                     |                                     |                     |
| Growth                                    | 10.7320                             | 9.9412              | 10.8345                             | 10.0152             |
| Dividend                                  | 10.7320                             | 9.9412              | 10.8345                             | 10.0152             |
| Direct Growth                             | 10.9407                             | 10.0072             | 11.0399                             | 10.0768             |
| Direct Dividend                           | 10.9407                             | 10.0072             | 11.0398                             | 10.0767             |
|   |                                     |                     |                                     |                     |

|   |                         |        |                         |        |
|---|-------------------------|--------|-------------------------|--------|
| <b>Annualised Return</b>                                | Please refer note no. 1 |        | Please refer note no. 1 |        |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> | 173.55                  | 160.76 | 204.93                  | 189.43 |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | 2.46%                   | 2.75%  | 2.43%                   | 2.72%  |

| <b>Historical Cost Per Unit Statistic</b>               | <b>AXIS HYBRID FUND - SR27 (1351 DAYS)</b> |                            | <b>AXIS HYBRID FUND - SR28 (1331 DAYS)</b> |                            |
|---|--|----------------------------|--|----------------------------|
| <b>Date of launch @</b>                                 | <b>29-Oct-15</b>                           |                            | <b>18-Nov-15</b>                           |                            |
|   | <b>01.04.16 - 31.03.17</b>                 | <b>29.10.15 - 31.03.16</b> | <b>01.04.16 - 31.03.17</b>                 | <b>18.11.15 - 31.03.16</b> |
| <b>NAV at the beginning of the period</b>               |  |                            |  |                            |
| Growth  | 9.8863                                     | **                         | 10.1408                                    | **                         |
| Dividend  | 9.8863                                     | **                         | 10.1408                                    | **                         |
| Direct Growth   | 9.9325                                     | **                         | 10.1816                                    | **                         |
| Direct Dividend   | 9.9317                                     | **                         | 10.1820                                    | **                         |
| <b>Dividends</b>  |  |                            |  |                            |
| Dividend Option - Ind./HUF                              | -  | -                          | -  | -                          |
| Dividend Option - Others                                | -  | -                          | -  | -                          |
| Direct Dividend Option - Ind./HUF                       | -  | -                          | -  | -                          |
| Direct Dividend Option - Others                         | -  | -                          | -  | -                          |
| <b>NAV at the End of period</b>                         |  |                            |  |                            |
| Growth  | 10.6965                                    | 9.8863                     | 10.9634                                    | 10.1408                    |
| Dividend  | 10.6965                                    | 9.8863                     | 10.9633                                    | 10.1408                    |
| Direct Growth   | 10.8833                                    | 9.9325                     | 11.1475                                    | 10.1816                    |
| Direct Dividend   | 10.8834                                    | 9.9317                     | 11.1479                                    | 10.1820                    |
| <b>Annualised Return</b>                                | Please refer note no. 1                    |                            | Please refer note no. 1                    |                            |
| <b>Net Assets at the end of the period (Rs in Crs.)</b> | 295.35                                     | 272.97                     | 250.19                                     | 231.41                     |
| <b>Ratio of Recurring expenses to Net Assets (%)^^</b>  | 2.39%                                      | 2.68%                      | 2.40%                                      | 2.70%                      |

| <b>Historical Cost Per Unit Statistic</b> | <b>AXIS HYBRID FUND - SR29 (1275 DAYS)</b> |                            | <b>AXIS HYBRID FUND - SR30 (1297 DAYS)</b> |                            |
|---|--|----------------------------|--|----------------------------|
| <b>Date of launch @</b>                   | <b>1-Feb-16</b>                            |                            | <b>11-Feb-16</b>                           |                            |
|   | <b>01.04.16 - 31.03.17</b>                 | <b>01.02.16 - 31.03.16</b> | <b>01.04.16 - 31.03.17</b>                 | <b>11.02.16 - 31.03.16</b> |
| <b>NAV at the beginning of the period</b> |  |                            |  |                            |
| Growth                                    | 10.4977                                    | **                         | 10.7753                                    | **                         |
| Dividend                                  | 10.4977                                    | **                         | 10.7753                                    | **                         |
| Direct Growth                             | 10.5167                                    | **                         | 10.7915                                    | **                         |

|   |                         |         |                         |         |
|---|-------------------------|---------|-------------------------|---------|
| Direct Dividend   | -                       | **      | -                       | **      |
| <b>Dividends</b>  |                         |         |                         |         |
| Dividend Option - Ind./HUF  | -                       | -       | -                       | -       |
| Dividend Option - Others  | -                       | -       | -                       | -       |
| Direct Dividend Option - Ind./HUF                                 | -                       | -       | -                       | -       |
| Direct Dividend Option - Others                                   | -                       | -       | -                       | -       |
| <b>NAV at the End of period</b>                                   |                         |         |                         |         |
| Growth  | 11.3869                 | 10.4977 | 11.7950                 | 10.7753 |
| Dividend  | 11.3869                 | 10.4977 | 11.7950                 | 10.7753 |
| Direct Growth   | 11.5527                 | 10.5167 | 11.9631                 | 10.7915 |
| Direct Dividend   | -                       | -       | -                       | -       |
| Annualised Return   | Please refer note no. 1 |         | Please refer note no. 1 |         |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 97.85                   | 90.20   | 127.03                  | 116.05  |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | 2.57%                   | 2.86%   | 2.52%                   | 2.83%   |

| Historical Cost Per Unit Statistic        | AXIS HYBRID FUND - SR31 (1381 DAYS) | AXIS HYBRID FUND - SR32 (1367 DAYS) | AXIS HYBRID FUND - SR33 (1358 DAYS) | AXIS HYBRID FUND - SR35 (1359 DAYS) |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Date of launch @</b>                   | <b>19-Jul-16</b>                    | <b>9-Aug-16</b>                     | <b>9-Sep-16</b>                     | <b>1-Dec-16</b>                     |
|   | <b>19.07.16 - 31.03.17</b>          | <b>09.08.16 - 31.03.17</b>          | <b>09.09.16 - 31.03.17</b>          | <b>01.12.16 - 31.03.17</b>          |
| <b>NAV at the beginning of the period</b> |                                     |                                     |                                     |                                     |
| Growth                                    | **                                  | **                                  |                                     |                                     |
| Dividend                                  | **                                  | **                                  |                                     |                                     |
| Direct Growth                             | **                                  | **                                  |                                     |                                     |
| Direct Dividend                           | **                                  | **                                  |                                     |                                     |
| <b>Dividends</b>                          |                                     |                                     |                                     |                                     |
| Dividend Option - Ind./HUF                | -                                   | -                                   |                                     |                                     |
| Dividend Option - Others                  | -                                   | -                                   |                                     |                                     |
| Direct Dividend Option - Ind./HUF         | -                                   | -                                   |                                     |                                     |
| Direct Dividend Option - Others           | -                                   | -                                   |                                     |                                     |
| <b>NAV at the End of period</b>           |                                     |                                     |                                     |                                     |
| Growth                                    | 10.3556                             | 10.2846                             | 10.1314                             | 10.5744                             |
| Dividend                                  | 10.3556                             | 10.2846                             | 10.1314                             | 10.5743                             |
| Direct Growth                             | 10.4835                             | 10.3811                             | 10.2336                             | 10.6373                             |
| Direct Dividend                           | 10.4834                             | 10.3811                             | 10.2336                             | -                                   |



|   |                         |                         |                         |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Annualised Return</b>  | Please refer note no. 1 | Please refer note no. 1 | Please refer note no. 1 | Please refer note no. 1 |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 235.99                  | 347.88                  | 335.32                  | 184.69                  |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | 2.71%                   | 2.67%                   | 2.67%                   | 2.74%                   |

| <b>Historical Cost Per Unit Statistic</b>                         | <b>AXIS EMERGING OPPORTUNITIES FUND - SR1 (1400 DAYS)</b> | <b>AXIS EMERGING OPPORTUNITIES FUND - SR2 (1400 DAYS)</b> |
|---|---|---|
| <b>Date of launch @</b>   | <b>29-Dec-16</b>  | <b>27-Feb-17</b>  |
|   | <b>29.12.16 - 31.03.17</b>                                | <b>27.02.17 - 31.03.17</b>                                |
| <b>NAV at the beginning of the period</b>                         |   |   |
| Growth  | **  | **  |
| Dividend  | **  | **  |
| Direct Growth   | **  | **  |
| Direct Dividend   | **  | **  |
| <b>Dividends</b>  |   |   |
| Dividend Option - Ind./HUF  | -   | -   |
| Dividend Option - Others  | -   | -   |
| Direct Dividend Option - Ind./HUF                                 | -   | -   |
| Direct Dividend Option - Others                                   | -   | -   |
| <b>NAV at the End of period</b>                                   |   |   |
| Growth  | 10.53   | 10.21   |
| Dividend  | 10.53   | 10.21   |
| Direct Growth   | 10.58   | 10.23   |
| Direct Dividend   | 10.58   | 10.23   |
| <b>Annualised Return</b>  | Please refer note no. 1                                   | Please refer note no. 1                                   |
| <b>Net Assets at the end of the period (Rs in Crs.)</b>           | 506.47  | 1,083.83  |
| <b>Ratio of Recurring expenses to Net Assets (%)<sup>^^</sup></b> | 2.87%   | 2.62%   |

Quarterly - Qtrly

Date of launch is deemed to be the date of allotment of respective schemes.

\*\* Scheme/Direct Plan launched during the respective financial year hence there are no NAVs at the beginning of the respective financial year.

<sup>^^</sup> Ratio of recurring expenses include management fees, service tax on management fees, other fees and expense accrued with respect to inflows from B-15 cities, where applicable.

**NOTE NO. 1:**  
**PERFORMANCE OF SCHEMES (as on March 31, 2017)**

| Scheme & Benchmark Name   | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception<br>(CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|---|--------------------------------|----------------------------------|----------------------------------|---------------------------|--|-------------------|
| Axis Equity Saver Fund - Growth                                       | -                              | -                                | 10.64%                           | 5.55%                     | 10,920   | 14-Aug-15         |
| CRISIL MIP Blended Index <sup>&amp;</sup>                             | -                              | -                                | 12.33%                           | 9.59%                     | 11,610   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 4.65%                     | 10,769   |                   |
| Axis Equity Saver Fund - Direct Plan - Growth                         | -                              | -                                | 12.06%                           | 6.91%                     | 11,150   | 14-Aug-15         |
| CRISIL MIP Blended Index <sup>&amp;</sup>                             | -                              | -                                | 12.33%                           | 9.59%                     | 11,610   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 4.65%                     | 10,769   |                   |
| Axis Childrens Gift Fund - Compulsory Lock-in - Regular Plan - Growth | -                              | -                                | 10.66%                           | 7.94%                     | 11,055   | 08-Dec-15         |
| 50% Nifty 50 + 50% Crisil Composite Bond Fund Index <sup>&amp;</sup>  | -                              | -                                | 15.17%                           | 12.74%                    | 11,704   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 14.26%                    | 11,911   |                   |
| Axis Childrens Gift Fund - Compulsory Lock-in - Direct Plan - Growth  | -                              | -                                | 12.45%                           | 9.65%                     | 11,285   | 08-Dec-15         |
| 50% Nifty 50 + 50% Crisil Composite Bond Fund Index <sup>&amp;</sup>  | -                              | -                                | 15.17%                           | 12.74%                    | 11,704   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 14.26%                    | 11,911   |                   |
| Axis Childrens Gift Fund - No Lock-in - Regular Plan - Growth         | -                              | -                                | 10.66%                           | 7.93%                     | 11,054   | 08-Dec-15         |
| 50% Nifty 50 + 50% Crisil Composite Bond Fund Index <sup>&amp;</sup>  | -                              | -                                | 15.17%                           | 12.74%                    | 11,704   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 14.26%                    | 11,911   |                   |
| Axis Childrens Gift Fund - No Lock-in - Direct Plan - Growth          | -                              | -                                | 12.84%                           | 10.08%                    | 11,344   | 08-Dec-15         |
| 50% Nifty 50 + 50% Crisil Composite Bond Fund Index <sup>&amp;</sup>  | -                              | -                                | 15.17%                           | 12.74%                    | 11,704   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>  | -                              | -                                | 18.94%                           | 14.26%                    | 11,911   |                   |
| Axis Fixed Income Opportunities Fund - Growth                         | -                              | 8.48%                            | 8.76%                            | 9.60%                     | 12,822   | 15-Jul-14         |
| CRISIL Short-Term Bond Fund Index <sup>&amp;</sup>                    | -                              | 8.30%                            | 8.90%                            | 9.23%                     | 12,704   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                         | -                              | 7.69%                            | 6.93%                            | 7.81%                     | 12,263   |                   |
| Axis Fixed Income Opportunities Fund - Direct Plan - Growth           | -                              | 9.57%                            | 10.16%                           | 10.75%                    | 13,192   | 15-Jul-14         |
| CRISIL Short-Term Bond Fund Index <sup>&amp;</sup>                    | -                              | 8.30%                            | 8.90%                            | 9.23%                     | 12,704   |                   |

| Scheme & Benchmark Name                             | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|---|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.81%                  | 12,263   |                   |
| Axis Enhanced Arbitrage Fund - Growth               | -                              | 6.41%                            | 6.44%                            | 6.91%                  | 11,921   | 14-Aug-14         |
| Crisil Liquid Fund Index <sup>&amp;</sup>           | -                              | 8.03%                            | 7.09%                            | 7.90%                  | 12,213   |                   |
| Crisil 1 Year T-Bill Index <sup>&amp;&amp;</sup>    | -                              | 7.67%                            | 7.13%                            | 7.81%                  | 12,187   |                   |
| Axis Enhanced Arbitrage Fund - Direct Plan - Growth | -                              | 7.32%                            | 7.31%                            | 7.81%                  | 12,187   | 14-Aug-14         |
| Crisil Liquid Fund Index <sup>&amp;</sup>           | -                              | 8.03%                            | 7.09%                            | 7.90%                  | 12,213   |                   |
| Crisil 1 Year T-Bill Index <sup>&amp;&amp;</sup>    | -                              | 7.67%                            | 7.13%                            | 7.81%                  | 12,187   |                   |
| AHBF - Sr 11 - Growth                               | -                              | -7.58%                           | 10.46%                           | 5.97%                  | 11,828   | 09-May-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 11.17%                 | 13,587   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.86%                  | 12,450   |                   |
| AHBF - Sr 11 - Direct Plan - Growth                 | -                              | -6.86%                           | 11.60%                           | 7.06%                  | 12,185   | 09-May-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 11.17%                 | 13,587   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.86%                  | 12,450   |                   |
| AHBF - Sr 12 - Growth                               | -                              | -7.33%                           | 10.05%                           | 5.73%                  | 11,718   | 27-May-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.64%                 | 13,336   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.82%                  | 12,390   |                   |
| AHBF - Sr 12 - Direct Plan - Growth                 | -                              | -6.60%                           | 11.19%                           | 6.82%                  | 12,067   | 27-May-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.64%                 | 13,336   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.82%                  | 12,390   |                   |
| AHBF - Sr 13 - Growth                               | -                              | -7.02%                           | 9.60%                            | 5.48%                  | 11,602   | 18-Jun-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.32%                 | 13,147   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.80%                  | 12,329   |                   |
| AHBF - Sr 13 - Direct Plan - Growth                 | -                              | -6.28%                           | 10.74%                           | 6.56%                  | 11,936   | 18-Jun-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.32%                 | 13,147   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.80%                  | 12,329   |                   |
| AHBF - Sr 14 - Growth                               | -                              | -6.98%                           | 8.60%                            | 4.39%                  | 11,172   | 02-Sep-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.25%                 | 12,862   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.81%                  | 12,139   |                   |
| AHBF - Sr 14 - Direct Plan - Growth                 | -                              | -6.24%                           | 9.78%                            | 5.76%                  | 11,554   | 02-Sep-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>      | -                              | 5.21%                            | 11.91%                           | 10.25%                 | 12,862   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>       | -                              | 7.69%                            | 6.93%                            | 7.81%                  | 12,139   |                   |

| Scheme & Benchmark Name                        | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|--|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| AHBF - Sr 15 - Growth                          | -                              | -7.04%                           | 8.40%                            | 4.13%                  | 11,082   | 17-Sep-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 10.33%                 | 12,833   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.79%                  | 12,098   |                   |
| AHBF - Sr 15 - Direct Plan - Growth            | -                              | -6.31%                           | 9.58%                            | 5.24%                  | 11,384   | 17-Sep-14         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 10.33%                 | 12,833   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.79%                  | 12,098   |                   |
| AHBF - Sr 18 - Growth                          | -                              | -4.32%                           | 7.19%                            | 2.65%                  | 10,592   | 19-Jan-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 8.67%                  | 12,004   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.53%                  | 11,730   |                   |
| AHBF - Sr 18 - Direct Plan - Growth            | -                              | -3.57%                           | 8.40%                            | 3.65%                  | 10,819   | 19-Jan-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 8.67%                  | 12,004   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.53%                  | 11,730   |                   |
| AHBF - Sr 19 - Growth                          | -                              | -4.00%                           | 6.64%                            | 2.05%                  | 10,446   | 04-Feb-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 8.58%                  | 11,938   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.58%                  | 11,704   |                   |
| AHBF - Sr 19 - Direct Plan - Growth            | -                              | -3.25%                           | 7.85%                            | 3.05%                  | 10,669   | 04-Feb-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | 5.21%                            | 11.91%                           | 8.58%                  | 11,938   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | 7.69%                            | 6.93%                            | 7.58%                  | 11,704   |                   |
| AHBF - Sr 22 - Growth                          | -                              | -                                | 7.87%                            | 2.27%                  | 10,433   | 11-May-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 9.60%                  | 11,892   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | -                                | 6.93%                            | 7.50%                  | 11,464   |                   |
| AHBF - Sr 22 - Direct Plan - Growth            | -                              | -                                | 9.23%                            | 3.49%                  | 10,669   | 11-May-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 9.60%                  | 11,892   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | -                                | 6.93%                            | 7.50%                  | 11,464   |                   |
| AHBF - Sr 23 - Growth                          | -                              | -                                | 7.93%                            | 2.59%                  | 10,483   | 28-May-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 9.50%                  | 11,822   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | -                                | 6.93%                            | 7.44%                  | 11,414   |                   |
| AHBF - Sr 23 - Direct Plan - Growth            | -                              | -                                | 9.29%                            | 3.82%                  | 10,715   | 28-May-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 9.50%                  | 11,822   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>  | -                              | -                                | 6.93%                            | 7.44%                  | 11,414   |                   |

| Scheme & Benchmark Name  | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|--|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| AHBF - Sr 24 - Growth  | -                              | -                                | 8.65%                            | 3.38%                  | 10,612   | 17-Jun-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>                                   | -                              | -                                | 11.91%                           | 10.28%                 | 11,914   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.41%                  | 11,365   |                   |
| AHBF - Sr 24 - Direct Plan - Growth  | -                              | -                                | 10.02%                           | 4.62%                  | 10,841   | 17-Jun-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>                                   | -                              | -                                | 11.91%                           | 10.28%                 | 11,914   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.41%                  | 11,365   |                   |
| AHBF - Sr 25 - Growth  | -                              | -                                | 8.67%                            | 4.51%                  | 10,732   | 25-Aug-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>                                   | -                              | -                                | 11.91%                           | 10.58%                 | 11,746   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.32%                  | 11,196   |                   |
| AHBF - Sr 25 - Direct Plan - Growth  | -                              | -                                | 10.04%                           | 5.78%                  | 10,941   | 25-Aug-15         |
| Crisil MIP Blended Fund Index <sup>&amp;</sup>                                   | -                              | -                                | 11.91%                           | 10.58%                 | 11,746   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.32%                  | 11,196   |                   |
| AHBF - Sr 26 - Growth  | -                              | -                                | 8.89%                            | 5.29%                  | 10,835   | 10-Sep-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 10.78%                 | 11,727   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.25%                  | 11,151   |                   |
| AHBF - Sr 26 - Direct Plan - Growth  | -                              | -                                | 10.26%                           | 6.56%                  | 11,040   | 10-Sep-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 10.78%                 | 11,727   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.25%                  | 11,151   |                   |
| AHBF - Sr 27 - Growth  | -                              | -                                | 8.89%                            | 4.85%                  | 10,697   | 29-Oct-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 10.00%                 | 11,451   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.08%                  | 11,022   |                   |
| AHBF - Sr 27 - Direct Plan - Growth  | -                              | -                                | 10.26%                           | 6.13%                  | 10,883   | 29-Oct-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 10.00%                 | 11,451   |                   |
| Crisil 1 yr Tbill Index <sup>&amp;&amp;</sup>                                    | -                              | -                                | 6.93%                            | 7.08%                  | 11,022   |                   |
| AHBF - Sr 28 - Growth  | -                              | -                                | 8.89%                            | 6.96%                  | 10,963   | 18-Nov-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%)                  | -                              | -                                | 11.91%                           | 10.89%                 | 11,518   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | 6.93%                            | 7.09%                  | 10,981   |                   |

| Scheme & Benchmark Name   | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|---|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| AHBF - Sr 28 - Direct Plan - Growth                             | -                              | -                                | 10.27%                           | 8.27%                  | 11,148   | 18-Nov-15         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) | -                              | -                                | 11.91%                           | 10.89%                 | 11,518   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                      | -                              | -                                | 6.93%                            | 7.09%                  | 10,981   |                   |
| AFTP - Sr 64 (715D) - Regular Plan - Growth                     | -                              | 7.62%                            | 8.34%                            | 8.57%                  | 12,733   | 23-Apr-14         |
| CRISIL Short-Term Bond Fund Index <sup>&amp;</sup>              | -                              | 8.30%                            | 8.90%                            | 9.30%                  | 12,989   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                      | -                              | 7.69%                            | 6.93%                            | 7.90%                  | 12,505   |                   |
| AFTP - Sr 64 (715D) - Direct Plan - Growth                      | -                              | 8.16%                            | 8.89%                            | 9.14%                  | 12,930   | 23-Apr-14         |
| CRISIL Short-Term Bond Fund Index <sup>&amp;</sup>              | -                              | 8.30%                            | 8.90%                            | 9.30%                  | 12,989   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                      | -                              | 7.69%                            | 6.93%                            | 7.90%                  | 12,505   |                   |
| AFTP - Sr 67 (1218D) - Regular Plan - Growth                    | -                              | 7.60%                            | 8.31%                            | 8.94%                  | 12,732   | 05-Jun-14         |
| CRISIL Composite Bond Fund Index                                | -                              | 8.06%                            | 10.69%                           | 10.59%                 | 13,286   |                   |
| CRISIL 10 Year Gilt Index                                       | -                              | 7.72%                            | 11.40%                           | 10.91%                 | 13,395   |                   |
| AFTP - Sr 67 (1218D) - Direct Plan - Growth                     | -                              | 8.38%                            | 9.10%                            | 9.76%                  | 13,006   | 05-Jun-14         |
| CRISIL Composite Bond Fund Index                                | -                              | 8.06%                            | 10.69%                           | 10.59%                 | 13,286   |                   |
| CRISIL 10 Year Gilt Index                                       | -                              | 7.72%                            | 11.40%                           | 10.91%                 | 13,395   |                   |
| AFTP - Sr 69 (3Yrs) - Regular Plan - Growth                     | -                              | 8.16%                            | 7.86%                            | 8.88%                  | 12,546   | 01-Aug-14         |
| CRISIL Short-Term Bond Fund Index                               | -                              | 8.30%                            | 8.90%                            | 9.21%                  | 12,648   |                   |
| CRISIL 1 Year T-Bill  | -                              | 7.69%                            | 6.93%                            | 7.81%                  | 12,219   |                   |
| AFTP - Sr 69 (3Yrs) - Direct Plan - Growth                      | -                              | 8.81%                            | 8.51%                            | 9.56%                  | 12,757   | 01-Aug-14         |
| CRISIL Short-Term Bond Fund Index                               | -                              | 8.30%                            | 8.90%                            | 9.21%                  | 12,648   |                   |
| CRISIL 1 Year T-Bill  | -                              | 7.69%                            | 6.93%                            | 7.81%                  | 12,219   |                   |
| AFTP - Sr 74 (3Yrs) - Regular Plan - Growth                     | -                              | 8.06%                            | 9.02%                            | 8.78%                  | 11,852   | 25-Mar-15         |
| CRISIL Composite Bond Fund Index                                | -                              | 8.06%                            | 10.69%                           | 9.76%                  | 12,068   |                   |
| CRISIL 10 Year Gilt Index                                       | -                              | 7.72%                            | 11.40%                           | 9.98%                  | 12,118   |                   |
| AFTP - Sr 74 (3Yrs) - Direct Plan - Growth                      | -                              | 8.21%                            | 9.17%                            | 8.93%                  | 11,886   | 25-Mar-15         |
| CRISIL Composite Bond Fund Index                                | -                              | 8.06%                            | 10.69%                           | 9.76%                  | 12,068   |                   |

| Scheme & Benchmark Name  | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|--|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| CRISIL 10 Year Gilt Index  | -                              | 7.72%                            | 11.40%                           | 9.98%                  | 12,118   |                   |
| Axis Emerging Opportunities Fund - Sr 1 - Dir - Growth^                          | -                              | -                                | -                                | 5.80%                  | 10,580   | 29-Dec-16         |
| S&P BSE MID CAP  | -                              | -                                | -                                | 18.41%                 | 11,841   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>   | -                              | -                                | -                                | 13.21%                 | 11,321   |                   |
| Axis Emerging Opportunities Fund - Sr 1 - Reg - Growth^                          | -                              | -                                | -                                | 5.30%                  | 10,530   | 29-Dec-16         |
| S&P BSE MID CAP  | -                              | -                                | -                                | 18.41%                 | 11,841   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>   | -                              | -                                | -                                | 13.21%                 | 11,321   |                   |
| Axis Emerging Opportunities Fund - Sr 2 - Dir - Growth^                          | -                              | -                                | -                                | 2.30%                  | 10,230   | 17-Feb-17         |
| S&P BSE MID CAP  | -                              | -                                | -                                | 5.02%                  | 10,502   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>   | -                              | -                                | -                                | 3.99%                  | 10,399   |                   |
| Axis Emerging Opportunities Fund - Sr 2 - Reg - Growth^                          | -                              | -                                | -                                | 2.10%                  | 10,210   | 17-Feb-17         |
| S&P BSE MID CAP  | -                              | -                                | -                                | 5.02%                  | 10,502   |                   |
| Nifty 50 <sup>&amp;&amp;</sup>   | -                              | -                                | -                                | 3.99%                  | 10,399   |                   |
| AHBF - Sr 29 - Growth^   | -                              | -                                | 9.33%                            | 11.83%                 | 11,387   | 01-Feb-16         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 12.46%                 | 11,462   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | 6.93%                            | 7.16%                  | 10,836   |                   |
| AHBF - Sr 29 - Direct Plan - Growth^   | -                              | -                                | 10.71%                           | 13.23%                 | 11,553   | 01-Feb-16         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 12.46%                 | 11,462   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | 6.93%                            | 7.16%                  | 10,836   |                   |
| AHBF - Sr 30 - Growth^   | -                              | -                                | 10.35%                           | 15.67%                 | 11,795   | 11-Feb-16         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 14.01%                 | 11,604   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | 6.93%                            | 7.20%                  | 10,820   |                   |
| AHBF - Sr 30 - Direct Plan - Growth^   | -                              | -                                | 11.74%                           | 17.12%                 | 11,963   | 11-Feb-16         |
| Crisil Composite Bond Fund Index (85%) and Nifty 50 Index (15%) <sup>&amp;</sup> | -                              | -                                | 11.91%                           | 14.01%                 | 11,604   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | 6.93%                            | 7.20%                  | 10,820   |                   |
| AHBF - Sr 31 - Dir - Growth^   | -                              | -                                | -                                | 4.83%                  | 10,484   | 19-Jul-16         |
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 7.15%                  | 10,715   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 4.79%                  | 10,479   |                   |
| AHBF - Sr 31 - Reg - Growth^   | -                              | -                                | -                                | 3.56%                  | 10,356   | 19-Jul-           |

| Scheme & Benchmark Name  | 01.04.14-31.03.15*<br>Absolute | 01.04.15-31.03.16*<br>(Absolute) | 01.04.16-31.03.17*<br>(Absolute) | Since Inception (CAGR) | Current Value of Investment if Rs. 10,000 was invested on inception date | Date of inception |
|--|--------------------------------|----------------------------------|----------------------------------|------------------------|--|-------------------|
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 7.15%                  | 10,715   | 16                |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 4.79%                  | 10,479   |                   |
| AHBF - Sr 32 - Dir - Growth <sup>^</sup>   | -                              | -                                | -                                | 3.81%                  | 10,381   | 09-Aug-16         |
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 5.62%                  | 10,562   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 4.34%                  | 10,434   |                   |
| AHBF - Sr 32 - Reg - Growth <sup>^</sup>   | -                              | -                                | -                                | 2.85%                  | 10,285   | 09-Aug-16         |
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 5.62%                  | 10,562   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 4.34%                  | 10,434   |                   |
| AHBF - Sr 33 - Dir - Growth <sup>^</sup>   | -                              | -                                | -                                | 2.34%                  | 10,234   | 09-Sep-16         |
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 4.13%                  | 10,413   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 3.70%                  | 10,370   |                   |
| AHBF - Sr 33 - Reg - Growth <sup>^</sup>   | -                              | -                                | -                                | 1.31%                  | 10,131   | 09-Sep-16         |
| Crisil Composite Bond Fund Index (80%) and Nifty 50 Index (20%) <sup>&amp;</sup> | -                              | -                                | -                                | 4.13%                  | 10,413   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 3.70%                  | 10,370   |                   |
| AHBF - Sr 35 - Dir - Growth <sup>^</sup>   | -                              | -                                | -                                | 6.37%                  | 10,637   | 01-Dec-16         |
| Crisil MIP Blended Index   | -                              | -                                | -                                | 1.18%                  | 10,118   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 1.83%                  | 10,183   |                   |
| AHBF - Sr 35 - Reg - Growth <sup>^</sup>   | -                              | -                                | -                                | 5.74%                  | 10,574   | 01-Dec-16         |
| Crisil MIP Blended Index <sup>&amp;</sup>  | -                              | -                                | -                                | 1.18%                  | 10,118   |                   |
| CRISIL 1 Year T-Bill <sup>&amp;&amp;</sup>                                       | -                              | -                                | -                                | 1.83%                  | 10,183   |                   |

**Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAV. w.e.f January 1, 2013.

<sup>&</sup> : (Additional Benchmark), <sup>&&</sup> : (Additional Benchmark)

\*Returns for Axis Equity Saver Fund , Axis Enhanced Arbitrage Fund , Axis Children Gifts Fund - Lock in & No Lock in are from 1st April. For all other funds returns are from 4th April 2016 & 6th April 2015 onwards respectively.

<sup>^</sup>For schemes launched in the last financial year 16-17 and since inception returns (including growth of Rs. 10,000) have been provided in absolute terms.

**Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAV. w.e.f. January 1, 2013,



## II. HOW TO APPLY?

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

1. The application form/Transaction Slip for the Sale of Units of the respective Schemes/ Plans will be available and accepted at the office of the ISCs / Official Points of acceptance during their business hours on their respective business days. In respect of New Fund Offer (NFO) of Schemes/Plan(s) launched on or after Oct 1, 2010, an investor can subscribe to the NFO through Applications Supported by Blocked Amount (ASBA) facility by applying for the Units offered under the Option(s)/Plan(s) of the Scheme(s) in the ASBA Application Form and following the procedure as prescribed in the form. For details please refer to the Section "Applications Supported by Blocked Amount (ASBA) facility".
2. Applications must be completed in Block Letters in English.
3. Applications filled up and duly signed by the applicant and in case of joint applicants by all joint applicants should be submitted along with the cheque/draft/other payment instrument or instruction to a designated ISC /Official Point of acceptance of AMC or the Registrar as specified. Signatures should be in English or in any Indian Language.
4. All cheques and bank drafts must be drawn in favour of "a Specific Scheme" and crossed "A/c Payee only". A separate cheque or bank draft must accompany each application/each scheme. Investors must use separate application forms for investing simultaneously in more than one Plan of the Scheme subject to the minimum subscription requirements under each Plan. If the amount mentioned on the application is different from the amount mentioned on the accompanying cheque or bank / demand draft or the amount is not mentioned in the application form, then the amount on the cheque will be treated as the application amount and the application will be processed accordingly. In case the name of the Scheme/Plan mentioned on the application form differs from the name mentioned on the accompanying payment instrument, then the application will be treated as an application for the Scheme/Plan mentioned on the application form.
5. All cheques and bank drafts accompanying the application form should contain the application form number / folio number, scheme name and name of first investor on its reverse.
6. In order to protect the interest of Investors from fraudulent encashment of cheques, the current SEBI Regulations, have made it mandatory for Investors to mention in their Application / Redemption request, their bank name, branch, address, account type and account number. 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.
7. 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.

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 lumpsum 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)/ Central KYC Registry (CKYC) shall be mandatory.

Accordingly, investors seeking the above exemption from PAN still need to submit the KYC Acknowledgment i.e. PAN Exempt KYC Reference No (PEKRN) / KYC Identification No. (KIN) acknowledgement issued by KRA / CKYC, 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 / KIN No. 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.

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

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.

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.

8. Cash Investments in mutual funds:

In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/ businessmen/ workers, SEBI has permitted receipt of cash transactions for fresh purchases/ additional purchases to the extent of 50,000/- per investor, per financial year, per mutual fund shall be allowed subject to:

- i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and
- ii. sufficient systems and procedures in place.

However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel.

The Fund/ AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.

9. Know Your Client ("KYC") formalities under the Prevention of Money Laundering Act, 2002 ("PMLA") and the related guidelines issued by SEBI are required to be completed by investors for all fresh investments / applications irrespective of the amount of investment.

KYC requirements will have to be complied with for any amount of investment for the following transactions w.e.f. January 01, 2011:

1. New / Additional Purchases
2. Switch Transactions
3. New SIP Registrations
4. New STP Registrations

Dividend reinvestment transactions of any amount will not be subject to the KYC Compliance requirements.

Please refer to para on "Prevention of Money Laundering - Know Your Customer (KYC) Compliance" under section "Legal Information" for detailed procedures and other information related to KYC compliances.

### **Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standards (“CRS”) requirements:**

FATCA is a United States of America (“U.S.”) tax initiative that requires all financial institutions to report financial transactions of U.S. persons including entities in which U.S. persons hold a substantial ownership, etc. to the relevant tax authorities. It was introduced by the United States Department of Treasury and the US Internal Revenue Service (“IRS”), the purpose of FATCA is to encourage better tax compliance by preventing U.S. persons from using financial institutions outside U.S. to avoid U.S. taxation on their income and assets.

Further, similar to FATCA, G20 and OECD countries have developed CRS on Automatic Exchange of Information (AEOI). CRS requires the financial institutions of the source jurisdiction to collect and report information to their tax authorities about account holders “resident” in other countries.

The Indian Government signed an Inter-Governmental Agreement (“IGA”) with the U.S. on July 9, 2015 to implement the FATCA in India. In addition, India also signed the OECD’s Model Competent Authority Agreement for tax information sharing in accordance with multilateral Common Reporting Standard (“CRS”) on June 3, 2015. India had committed to implement CRS and the same has been implemented from January 1, 2016. The Central Board of Direct Taxes has inserted Section 285BA of the Income Tax Act, 1961 along with Rules 114F to 114H (FATCA-CRS Rules), as part of the Income-tax Rules, 1962. These Rules require Indian financial institutions such as the Banks, Mutual Funds, etc. to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all our investors and counterparties. According to the FATCA-CRS Rules, financial institutions in India are required to report tax information about account holders that tax resident of U.S. and other foreign countries, to the CBDT/ Indian Government which will, in turn, will relay that information to the IRS and governments of other foreign countries.

These developments have resulted in compliance and reporting obligations on Financial Institutions like Axis Mutual Fund. In relevant cases, information will have to be reported to tax authorities i.e. CBDT. Towards compliance, we may also be required to provide information to any institutions such as withholding agents for the purpose of ensuring appropriate withholding from the account or any proceeds in relation thereto. Axis Mutual Fund has taken appropriate measures in order to become FATCA and CRS compliant, with effect from the applicable date as per applicable laws / rules/ regulations. Axis Mutual Fund may also have to comply with other similar laws as and when applicable.

SEBI issued its circular no. CIR/MIRSD/2/2015 dated August 26, 2015 interalia advising intermediaries to take necessary steps to ensure compliance with the requirements specified in the rules and guidelines specified by the Government of India. AMFI also issued its best practices guidelines circular no. 63/2015-16 dated September 18, 2015 on this matter. The AMC and the Mutual Fund are required to adhere to various requirements interalia including submission of various information / details relating to the investors in the schemes of the mutual fund, to authorities, as specified under the applicable laws.

Accordingly, the following aspects need to be adhered to:

- With effect from November 1, 2015 all investors will have to mandatorily provide the information and declarations pertaining to FATCA/CRS for all new accounts opened, failing which the application / transaction request shall be liable to be rejected.
- For all new accounts opened by investors, from September 1, 2015 till October 31, 2015, MFs need to obtain relevant FATCA declarations. These details / certification need to be obtained by December 31, 2015, particularly in cases where, after Indicia search, a positive match is found with any US indicia. If self-certification is not provided by an investor or the reasonableness of self-certification cannot be confirmed, the account is treated as reportable.

- For accounts opened between July 1, 2014 and August 31, 2015, the Government of India vide its press release dated April 11, 2017 has required that all efforts should be made by the AMC to obtain the self-certification from the investor. Further, in case self-certifications are not provided by unitholders till April 30, 2017, the folios would be blocked, which would mean that the AMC would prohibit the unitholder from effecting any transaction with respect to such folios. For pre-existing accounts (as on December 31, 2015 in case of CRS and June 30, 2014 in case of FATCA), specific investors above specified threshold limits would be required to provide self-certification forms.

Prospective investors and Unit holders will therefore be required to comply with the request of the Fund to furnish such information / documentation / declarations as and when deemed necessary by the Investment Manager in accordance with Applicable Laws. In case prospective investor / Unit holder fails to furnish the relevant information / documentation / declarations in accordance with Applicable Laws, the Fund reserves the right to reject the application or redeem the Units held directly or beneficially and may also require reporting of such accounts and/or levy of withholding tax on payments made to the Unit holders / investor and/or take any other action/s in accordance with Applicable Laws. FATCA-CRS provisions are relevant not only at on-boarding stage of Unit holders but also throughout the life cycle of investment with the Fund. Unit holders therefore should immediately intimate to the Fund/the Investment Manager, any change in their status with respect to any FATCA-CRS related information / documentation / declarations provided by them previously, including but not limited to any declarations provided in respect of residency of the Unit holders for tax purposes. Further, if the Fund and/or the Investment Manager is required by Applicable Laws, to provide information regarding the Fund and/or the unit holders / investors to any regulatory authority and/or the Fund Investments and/or income therefrom, and the Fund and/or the Investment Manager complies with such request in good faith, whether or not it was in fact enforceable, they shall not be liable to the Unit holders / investors or to any other party as a result of such compliance or in connection with such compliance.

Prospective investors / Unit holders should consult their own advisors to understand the implications of FATCA-CRS provisions/requirements. Please note that Axis Mutual Fund will be unable to provide advice to any investor or counterparty about their tax status or FATCA/CRS classification relevant to their account. It is the responsibility of the investor or counterparty to ensure that they record their correct tax status / FATCA/ CRS classification. Investor/ counterparty may seek advice from their tax advisor in this regard. The onus to provide accurate, adequate and timely inputs in this regard would be that of the investor or counterparty. Any changes in earlier information provided must be intimated within 30 days of such change.

Investors are requested to provide all the necessary information / declarations to facilitate compliance, considering India's commitment to implement CRS and FATCA under the relevant international treaties.

#### **Ultimate Beneficial Owner**

SEBI vide its circular no. CIR/MIRSD/2/2013 dated January 24, 2013 has prescribed its guidelines for identification of Beneficial Ownership to be followed by the intermediaries for determination of beneficial owners. Further, AMFI vide its circular no. 62/2015-16 dated September 18, 2015 has issued best practice guidelines to be followed by AMCs for identification of beneficial ownership. A 'Beneficial owner' is defined as a 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 exercise ultimate effective control over a legal person or arrangement. In this regard, all categories of investors (including all new / existing investors / unitholders) (except individuals, companies listed on a stock exchange or majority-owned subsidiary of such companies) are mandatorily required to provide details about beneficial ownership for all investments. Failing which the Fund reserves the right to reject applications/ subscription requests / additional subscription requests (including switches)

/restrict further investments or seek additional information from investors who have not provided the requisite information on beneficial ownership. In the event of change in beneficial ownership, investors are requested to immediately update the details with the Fund/Registrar.

### **Non-acceptance of subscriptions from U.S. Persons and Residents of Canada**

Axis Mutual Fund has decided to restrict subscriptions from U.S. Persons (including NRIs and all persons residing in U.S, U.S Corporations or other entities organised under the laws of U.S) and Residents of Canada in the Schemes of Axis Mutual Fund.

U.S. Persons and Residents of Canada are requested to note the following:

- a) No fresh purchases (including Systematic Investment Plans, Systematic Transfer Plans and Dividend Transfer Plans)/additional purchases/switches in any Schemes of Axis Mutual Fund would be allowed. However, existing Unit Holder(s) will be allowed to redeem their units from the Schemes of Axis Mutual Fund;
- b) If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Schemes of Axis Mutual Fund;
- c) All existing registered Systematic Investment Plans, Systematic Transfer Plans and Dividend Transfer Plans alongwith related mandates would cease from the effective date;
- d) In case Axis Asset Management Company Ltd./Axis Mutual Fund subsequently identifies, that the subscription amount has been received from U.S. Person(s) or Resident(s) of Canada, then Axis Asset Management Company Ltd./ Axis Mutual Fund at its discretion shall redeem all the units held by such person from the Scheme at applicable Net Asset Value.

Axis Mutual Fund Trustee Ltd./ Axis Asset Management Company Ltd. reserve the right to change/ modify the above provisions at a later date.

### **Mode of Payment**

Payment can be made by either through

- cheque;
- draft (i.e. demand draft or bank draft); or
- a payment instrument (such as pay order, banker's cheque, etc.)
- a payment mode as may be approved by the AMC from time to time.

#### I. Resident Investors

- a) For Investors having a bank account with Axis Bank or such banks with whom the AMC would have an arrangement from time to time:

Payment may be made for subscription to the Units of the Scheme either by issuing a cheque drawn on such banks or by giving a debit mandate to their account with a branch of Axis Bank situated at the same location as the ISC/ Official Point of acceptance or such other banks with whom the AMC would have an arrangement from time to time.

- b) For Investors not covered by (a) above:

Payment may be RTGS/NEFT or made by cheque or bank draft drawn on any bank, which is situated at and is a member of the Bankers' Clearing House, located at the place where the application is submitted.

In addition to existing facility available for payments through Electronic Clearing Service (ECS)/ Direct Debits/ Post dated cheques/ Standing Instructions for investments in SIP, the unit holders can now also make payment of SIP instalments through NACH facility. NACH is a centralized system, launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple Electronic Clearing Service (ECS) mandates. This facility will enable the unit holders of the Fund to make SIP investments through NACH by filling up the SIP Registration cum 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 terms and conditions contained in the SIP registration Mandate Form and as prescribed by NPCI from time to time.

No cash, money orders, post dated cheques [except through Systematic Investment Plan (SIP)] and postal orders will be accepted, however outstation cheques (i.e. if the cheque is payable at a bank’s branch which does not participate in local clearing mechanism of the city where the application is submitted) shall be accepted at the sole discretion of AMC.

The AMC will reimburse demand draft charges subject to maximum of Rs. 10,000/- per transaction for purchase of units by investors residing at location where the ISC’s/Official Points of Acceptance are not located as per the table below:

| <b>Amount of Investments</b> | <b>Rate of Charge of Demand Drafts</b>   |
|------------------------------|--|
| Upto Rs 10,000               | At actuals subject to a maximum of Rs 50 |
| Above Rs 10,000              | Re. 1 per Rs 1000                        |
| Maximum Charges              | Rs 10,000                                |

The AMC reserves the right to refuse bearing of demand draft charges, in case of investments made by the same applicant(s) through multiple applications at its own discretion which will be final and binding on the investor. Investors residing at places other than where the ISC’s/Official Point of Acceptance are located, are requested to make the payment by way of demand draft(s) after deducting charges as per the rates indicated in the above table. The AMC reserves the right to insist for the proof of demand draft charges. It may be noted that additional charges, if any, incurred by the investor over and above the levels indicated above will not be borne by the AMC. No demand draft charges will be borne by the AMC for the purchase of Units by investors residing at such locations where the ISC’s / Official Points of Acceptance are located. Reimbursement of demand draft charges will be applicable for all equity schemes and hybrid schemes. Further demand draft charges will also be reimbursed for Axis Income Saver.

Investors may kindly note that DD charges will not be reimbursed for debt and liquid schemes of the Mutual Fund. Applications accompanied by cheques/drafts not fulfilling the above criteria are liable to be rejected.

II. Non Resident Indians (NRI)/Persons of Indian Origin (PIO), Foreign Institutional Investors / Foreign Portfolio Investment (FPI)

a) Repatriation Basis

In the case of NRIs including PIOs, payment may be made either by inward remittance through normal banking channels or out of funds held in his Non - Resident (External) Rupee Account (NRE) / Foreign Currency (Non- Resident) Account (FCNR). In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

FII/FPI 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 with a designated branch of an authorised dealer in accordance with the relevant exchange management regulations.

b) Non-Repatriation Basis

In the case of NRIs/PIOs, payment may be made either by inward remittance through normal banking channels or out of funds held in his NRE / FCNR / Non-Resident Ordinary Rupee Account (NRO). In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

**Application incomplete in any respect (other than mentioned above) will be liable to be rejected.**

In order to protect investors from frauds, it is advised that the Application Form number / folio number, scheme name and name of the first investor should be written overleaf the cheque / draft, before they are handed over to any courier / messenger / distributor / ISC.

In order to protect investors from fraudulent encashment of cheques, Regulations require that cheques for Redemption of Units specify the name of the Unit Holder and the bank name and account number where payments are to be credited. Hence, all applicants for Purchase of Units must provide a bank name, bank account number, branch address and account type in the Application Form.

Returned cheque(s) are liable not to be presented again for collection, and the accompanying Application Form is liable to be rejected. In case the returned cheque(s) are presented again, the necessary charges may be debited to the Investor.

#### **Application on behalf of minor accounts**

- Minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder.
- Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian, and should mandatorily submit requisite documentation to the AMC evidencing the relationship/status of the guardian.
- Date of birth of the minor along with supporting documents (viz. birth certificate, school leaving certificate/ Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or, passport or any other document evidencing the date of birth of the minor) should be mandatorily provided while opening the account.

#### Change in status of minor on attaining majority

- The guardian and the minor will have to submit an application form along with prescribed documents to change the status of the account from "minor" to "major".
- In case the requisite documents to change the status are not received by the AMC/Registrar by the date when the minor attains majority, the AMC/Mutual Fund will not permit any financial and non-financial transactions including fresh registration of Systematic Transfer Plan (STP), Systematic Investment Plan (SIP) and Systematic Withdrawal Plan (SWP) in the folio after the date of the minor attaining majority till the time the above application form along with the prescribed documents are received by the mutual fund.
- In case of existing standing instructions like SIPs, SWPs, STPs, etc. registered in the minor's folio for a period beyond the minor's date of majority, the AMC/Registrar shall continue to process the existing standing instructions like SIP, STP, SWP registered prior to the minor attaining majority. Such existing standing instructions will continue to be processed till the time a instruction from the major to terminate the standing instruction is received by the mutual fund along with the prescribed documents.

#### Change in guardian

In case of change in guardian, the new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian and such guardian shall mandatorily submit prescribed documentation to the AMC evidencing the relationship/status of the guardian, proof of KYC compliance, attestation of signature of new guardian from the bank maintaining the minor's account where the new guardian is registered as the guardian, etc.

#### **Application under Power of Attorney**

An applicant wanting to transact through a power of attorney must lodge the photocopy of the Power of Attorney (PoA) attested by a Notary Public or the original PoA (which will be returned after verification) within 30 days of submitting the Application Form / Transaction Slip at a Designated ISC's/Official Point of acceptance or along with the application in case of

application submitted duly signed by POA holder. Applications are liable to be rejected if the power of attorney is not submitted within the aforesaid period.

### **Application by a Non – individual investor**

In case of an application by a company, body corporate, society, mutual fund, trust or any other organisation not being an individual, a duly certified copy of the relevant resolution or document along with the updated Specimen Signature list of Authorised Signatories must be lodged along with the Application Form / Transaction Slip at a Designated ISC's/Official Point of acceptance. Further, the AMC may require that a copy of the incorporation deeds / constitutive documents (e.g. Memorandum and Articles of Association) be also submitted to the ISC's/Official Point of acceptance.

Requests for redemption may not be processed if the necessary documents are not submitted.

### **Restriction on Acceptance of Third Party Payments for Subscription of Units**

- (a) When payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party payment. In case of payments from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made.
- (b) The Asset Management Company shall not accept subscriptions with Third-Party payments except in the following exceptional situations:
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, this restriction will not be applicable for payment made by a guardian whose name is registered in the record of Mutual Fund in that folio.
  2. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription through Payroll deductions or deduction out of expense reimbursements.
  3. Custodian on behalf of an FII or a client.

### Documents to be obtained for exceptional cases:

Investors submitting their applications through the above mentioned 'exceptional cases' are required to comply with the following, without which applications for subscriptions for units will be rejected / not processed / refunded.

- i. Mandatory KYC for all investors (guardian in case of minor) **and** the person making the payment i.e. third party. In order for an application to be considered as valid, investors and the person making the payment should attach their valid KYC Acknowledgement Letter to the application form.
- ii. Submission of a separate, complete and valid 'Third Party Payment Declaration Form' from the investors (guardian in case of minor) and the person making the payment i.e. third party. The said Declaration Form shall, *inter-alia*, contain the details of the bank account from which the payment is made and the relationship with the investor(s). Please contact the nearest OPA/ISC of Axis Mutual Fund or visit our website [www.axismf.com](http://www.axismf.com) for the said Declaration Form.

### Adoption of a safe mode of writing a cheque

In order to avoid fraud, the investors shall make the payment instrument (cheque, demand draft, pay order, etc) favouring "XYZ Scheme A/c First Investor name" or "XYZ Scheme A/c Permanent Account Number".

### Process to identify Third-Party payments:

The following process shall be followed for identifying Third-Party Cheques:

An investor at the time of his/her purchase must provide the details of his pay-in bank account (i.e. account from which a subscription payment is made) and his pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid).



Identification of third party cheques by the AMC / Mutual Fund / Registrar & Transfer Agent (R&TA) will be on the basis of either matching of pay-in bank account details with pay-out bank account details or by matching the bank account number / name / signature of the first named applicant / investor with the name / account number / signature available on the cheque. If the name is not pre-printed on the cheque or signature on the cheque does not match, then the first named applicant / investor should submit any one of the following documents:

- i. a copy# of the bank passbook or a statement of bank account having the name and address of the account holder and account number;
- ii. a letter (in original) from the bank on its letterhead certifying that the investor maintains an account with the bank, along with information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available).

*In respect of (ii) above, it should be certified by the authorized signatory of the bank with his / her full signature, name, employee code, bank seal and contact number.*

# Investors should also bring the original documents along with the documents mentioned in (i) above to the ISCs / Official Points of Acceptance of Axis Mutual Fund. The copy of such documents will be verified with the original documents to the satisfaction of the AMC / Mutual Fund / R&TA. The original documents will be returned across the counter to the investor after due verification.

Investors should note that where the bank account numbers have changed on account of the implementation of core banking system at their banks, any related communication from the bank towards a change in bank account number should accompany the application form for subscription of units.

- (a) If the subscription is settled with pre-funded instruments such as Pay Order, Demand Draft issued against debit to investor's bank account, Banker's cheque, etc., the AMC will accept any one of following as a valid supporting document:
  1. a proof of debit to the investor's bank account in the form of a bank manager's certificate with details of account holder's Name, bank account number and PAN as per bank records, if available.
  2. a copy of the acknowledgement from the bank, wherein the instructions to debit carry the bank account details and name of the investor as an account holder are available.
  3. a copy of the passbook/bank statement evidencing the debit for issuance of a DD
- (b) A pre-funded instrument issued by the Bank against Cash shall not be accepted for investments of Rs.50,000/- or more. This also should be accompanied by a certificate from the banker giving name, bank account number, address and PAN (if available) of the person who has requested for the demand draft.
- (c) If payment is made by RTGS, NEFT, ECS, bank transfer, etc., a copy of the instruction to the bank stating the account number debited must accompany the purchase application.

The above broadly covers the various modes of payment for mutual fund subscriptions. The above list is not a complete list and is only indicative in nature and not exhaustive. Any other method of payment, as introduced by the Mutual Fund, will also be covered under these provisions.

In case the application for subscription does not comply with the above provisions, the AMC /Trustee retains the sole and absolute discretion to reject / not process such application and refund the subscription money and shall not be liable for any such rejection.

### **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, dividends, 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.

#### **Option to hold Units in Dematerialized (demat) form**

Investors shall have an option to receive allotment of Mutual Fund units in their demat account while subscribing to the Units of the Scheme in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.

Where units are held by investor in dematerialized form, the demat statement issued by the Depository Participant would be deemed adequate compliance with the requirements in respect of dispatch of statements of account.

In case investors desire to convert their existing physical units (represented by statement of account) into dematerialized form or vice versa, the request for conversion of units held in physical form into Demat (electronic) form or vice versa should be submitted along with a Demat/Remat Request Form to their Depository Participants. In case the units are desired to be held by investor in dematerialized form, the KYC performed by Depository Participant shall be considered compliance of the applicable SEBI norms.

Units held in Demat form are freely transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favour of transferees who are capable of holding units and having a Demat Account. The delivery instructions for transfer of units will have to be lodged with the Depository Participant in requisite form as may be required from time to time and transfer will be affected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.

For details, Investors may contact any of the Investor Service Centres of the AMC.

### **Account Statements**

An account statement stating the number of Units purchased and allotted will be sent to Unit holder within 5 business days from the date of receipt of transaction request to the Unit Holders registered e-mail address and/or mobile number. The Account Statement is non-transferable. Dispatch of account statements to NRIs/FIIs will be subject to RBI approval, if required. In case of Unit holder who have provided their e-mail address the Fund will provide the Account Statement only through e-mail message, subject to Regulations and unless otherwise required. In cases where the email does not reach the Unit holder, the Fund / its Registrar & Transfer Agents will not be responsible, but the Unit holder can request for fresh statement. The Unit holder shall from time to time intimate the Fund / its Registrar & Transfer Agent about any changes in his e-mail address. In case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement. The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. In case of specific request received from the Unit Holders, the AMC/Fund will provide the Account Statement to the Investors within 5 business days from the receipt of such request.

### **Consolidated Account Statement**

Consolidated is an account statement detailing all the transactions and holding at the end of the month including transaction charges paid to the distributor, across all schemes of all mutual funds, CAS issued to investors shall also provide the total purchase value/cost of investment in each scheme.

Further, CAS issued for the half-year (September/ March) shall also provide

- a. The amount of actual commission paid by AMC/Mutual Fund to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each scheme.
- b. The Scheme's average Total Expense Ratio (in percentage terms) for the half-year period, of both direct plan and regular plan, for each scheme where the concerned investor has invested in.

The word transaction will include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan.

#### **a) For Unitholders not holding Demat Account:**

CAS for each calendar month shall be issued, on or before tenth day of succeeding month by the AMC.

The AMC shall ensure that a CAS for every half yearly (September/ March) is issued, on or before tenth day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period.

The AMC shall identify common investors across fund houses by their Permanent Account Number (PAN) for the purposes of sending CAS. In the event the account has more than one registered holder, the first named Unit Holder shall receive the Account Statement.

The AMC will send statement of accounts by e-mail where the Investor has provided the e-mail id.. Additionally, the AMC may at its discretion send Account Statements individually to the investors.

**b) For Unitholders holding Demat Account:**

SEBI vide its circular no. CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single CAS for investors having mutual fund investments and holding demat accounts.

In view of the aforesaid requirement, for investors who hold demat account, for transactions in the schemes of Axis Mutual Fund on or after February 1, 2015, a CAS, based on PAN of the holders, will be sent by Depositories to investors holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios transactions have taken place during that month.

CAS will be sent by Depositories every half yearly (September/March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan (including transaction charges paid to the distributor) and transaction in dematerialized securities across demat accounts of the investors and holding at the end of the month.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS.

Consolidation of account statement is done on the basis of PAN. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.

For Unit Holders who have provided an e-mail address to the Mutual Fund or in KYC records, the CAS is sent by e-mail. However, where an investor does not wish to receive CAS through email, option is given to the investor to receive the CAS in physical form at the address registered in the Depository system.

Investors who do not wish to receive CAS sent by depositories have an option to indicate their negative consent. Such investors may contact the depositories to opt out. Investors who do not hold demat account continue to receive Consolidated Account Statement sent by RTA/AMC, based on the PAN, covering transactions across all mutual funds as per the current practice.

In case an investor has multiple accounts across two depositories; the depository with whom the account has been opened earlier will be the default depository.

The dispatch of CAS by the depositories constitute compliance by the AMC/ the Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations. However, the AMC reserves the right to furnish the account statement in addition to the CAS, if deemed fit in the interest of investor(s).

Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

## **Additional facilities for Subscription/Redemption/Switch of Units**

### Transactions through Electronic Mode

The Mutual Fund may allow subscriptions of Units by electronic mode including through the various web sites with which the AMC would have an arrangement from time to time.

Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode including through fax/web/ phone transactions as permitted by SEBI or other regulatory authorities.

For details investors are advised to refer to the SID of the respective Scheme(s) of the Mutual Fund.

### Online Transactions

Investors can avail of the online facility which enables them to transact online on [www.axismf.com](http://www.axismf.com). For details and applicable terms and conditions for such transactions investors are advised to refer to 'SID' of the respective Scheme(s) of the Mutual Fund and the website of the Asset Management Company i.e. [www.axismf.com](http://www.axismf.com).

### Easy Call (Transactions over Phone)

AMC shall based on arrangements with its service providers offer facility to give transactions over phone. For details investors are advised to refer to the SID of the respective Scheme(s) of the Mutual Fund.

### Online Schedule Transaction Facility ('the OST facility'):

The OST facility shall enable Unitholders to schedule subscription / redemption / switch transaction(s) on specified date for specified amount/ units by giving online instruction. For details investors are advised to refer to the SID of the respective Scheme(s) of the Mutual Fund.

### Additional mode of payment through Applications Supported by Blocked Amount (ASBA) facility:

Pursuant to SEBI Circular dated SEBI/IMD/CIR No 18 /198647 /2010 March 15, 2010, an investor can subscribe to the New Fund Offer (NFO) launched on or after Oct 1, 2010 through ASBA facility by applying for the Units offered under the Option(s)/Plan(s) of the Scheme(s) in the ASBA Application Form and following the procedure as prescribed in the form. 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 Scheme of Axis Mutual Fund. Thus, for an investor who applies through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units.

### *Benefits of Applying through ASBA facility*

- (i) Writing cheques and demand drafts is not required, as investor needs to submit ASBA application Form accompanying an authorization to block the account to the extent of application money towards subscription of Units. The balance money, if any, in the account can be used for other purposes by the investors.
- (ii) Release/Unblocking of blocked funds after allotment is done instantaneously.
- (iii) Unlike other modes of payment, ASBA facility prevents the loss of interest income on the application money towards subscription of Units as it remains in the bank account of the investor till the allotment is made.
- (iv) Refunds of money to the investors do not arise as the application money towards subscription of Units gets blocked only on the allotment of Units.
- (v) The investor deals with the known intermediary i.e. his/her own bank.
- (vi) The application form is simpler as the application form for ASBA will be different from the NFO application form.

#### *ASBA Procedure*

- (a) An Investor intending to subscribe to the Units of the NFO through ASBA, shall submit a duly completed ASBA Application Form to a Self Certified Syndicate Bank (SCSB), with whom his/her bank account is maintained.
- (b) The ASBA Application Form towards the subscription of Units can be submitted through one of the following modes
  - i. Submit the form physically with the Designated Branches (DBs) of the SCSB ("Physical ASBA"); or
  - ii. Submit the form electronically through the internet banking facility offered by the SCSB ("Electronic ASBA").
- (c) 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 applied for.
- (d) 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, the Bank shall reject the ASBA Application form.
- (e) On acceptance of Physical or Electronic ASBA, the SCSB shall block funds available in the bank account specified to the extent of the application money specified in the ASBA Application Form.
- (f) The application money towards the Subscription of Units shall be blocked in the account until (i) Allotment of Units is made or (ii) Rejection of the application or (iii) Winding up of the Scheme, as the case may be.
- (g) 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.
- (h) The list of SCSBs and their DBs where ASBA application form can be submitted is available on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)), NSE ([www.nseindia.com](http://www.nseindia.com)) and SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and shall also be given in the ASBA application form of respective schemes.

Note: No request for withdrawal of ASBA application form made during the NFO Period will be allowed.

#### *Grounds for Technical Rejections of ASBA application forms*

ASBA Application Forms can be rejected, at the discretion of Registrar and Transfer Agent of Axis Mutual Fund 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, 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 alongwith 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 full 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 by the ASBA Investor. If the SCSB is unable to resolve the grievance, it shall be addressed to Investor Relations Officer of Axis Mutual Fund

Additional official points of acceptance of transactions through MF Utility pursuant to appointment of MF Utilities India Pvt. Ltd.

Axis Asset Management Company Limited ("the AMC") 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, investors are requested to note that in addition to the existing official points of acceptance ("OPA") for accepting transactions in the units of the schemes of the Axis Mutual Fund as disclosed in the SID, [www.mfuonline.com](http://www.mfuonline.com) i.e. online transaction portal of MFU and the authorized Points of Service ("POS") designated by MFUI shall also be the OPA with effect from the dates as may be specified by MFUI on its website/AMC by issuance of necessary communication.

All financial and non-financial transactions pertaining to Schemes of Axis Mutual Fund can be done through MFU either electronically on [www.mfuonline.com](http://www.mfuonline.com) as and when such a facility is made available by MFUI or physically through the POS of MFUI with effect from the respective dates as published on MFUI website against the respective POS locations. The list of POS of MFUI is published on the website of MFUI at [www.mfuindia.com](http://www.mfuindia.com). This will be updated from time to time.

The uniform cut-off time as prescribed SEBI (Mutual Fund) Regulations 1996, circulars issued by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received on the portal of MFUI i.e. [www.mfuonline.com](http://www.mfuonline.com). However, investors should note that transactions on the MFUI portal shall be subject to the terms & conditions (including those relating to eligibility of investors) as stipulated by MFUI / Axis Mutual Fund / the AMC from time to time and in accordance to the laws applicable.

Further, MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU. Investors are requested to visit the websites of MFUI or the Axis Mutual Fund i.e. [axismf.com](http://axismf.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](mailto:clientservices@mfuindia.com).

### **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 Mutual Fund declares a dividend under the Scheme, the dividend warrants shall be dispatched within 30 days of the declaration of the dividend. Account Statement reflecting the new or additional subscription as well as Redemption / Switch of Units (other than NFO) shall be dispatched to the Unit holder within 5 business days of the Specified Transaction Date or Redemption Date. Provided if a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non- transferable) within 5 business days of the receipt of request for the certificate.
3. The Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving the Redemption request.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders 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 Mutual Fund can be terminated by majority of the Directors of the Trustee Company 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:
  - whenever required to do so by SEBI, in the interest of the Unit holders.
  - whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Scheme.
  - when the Trustee decides to wind up the Scheme or prematurely redeem the Units.
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 of 30 days 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.



#### IV. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS

##### SECTION I

##### VALUATION NORMS FOR EQUITY/EQUITY RELATED SECURITIES

##### TRADED 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 VII and amendments through SEBI Circular no. MFD/CIR No.14/442/2002 dated February 20, 2002.)

- The steps involved in valuation of traded securities are:
  - (i) Selection of principle stock exchange appropriate Stock Exchange (as per offer document) by Asset Management Company (AMC) and valuing the security at the closing price on the date of valuation.
  - (ii) Valuing security at the closing price of another Stock Exchange, if it is not traded on the valuation date on the Stock Exchange as selected at (i) above.
  - (iii) Valuing security at the earliest previous day's quotes of selected stock exchange or any other stock exchange as the case may be (being not more than thirty days prior to valuation date).

Clearly, for reasons of speed and regular flow of data in electronic form, our choice of stock exchange for trading is limited to the two premier exchanges of India - the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). Both these exchanges have electronic trading, greater transparency, quicker and more efficient settlements, which enable better cash management, and are popular with other major institutions.

- Process followed for valuation of traded equity and equity related securities by Axis MF 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, followed by any other regional exchanges.
  - (iii) In case of securities which have been allotted under preferential / private allotment and are not listed or traded on both the stock exchanges, the scrip is valued at last quoted price on the Stock Exchange where it was traded (provided the last quoted price is not more than thirty days prior to the valuation date.)
  - (iv) To summarise, if a security is not traded on NSE on a particular valuation day, the value at which it was traded on BSE, on the earliest previous day is used, provided such day is not more than thirty days prior to the valuation date.
  - (v) Normal Preference shares and Cumulative Convertible Preference shares (CCPS) shall be valued at traded price (As mentioned in above Para). In case the same are not traded for more than 30 days, the same shall be valued in good faith (after obtaining valuation committee's approval) by AMC depending on the type of preference share. Appropriate Illiquidity discount shall be given by AMC.

- (vi) 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 and should be valued as non-traded security as per the norms given separately by us in **Equity Section-Non-Traded** and also in case of equity securities not listed on any stock exchange, the scrip is to be valued as per the norms given separately in **Equity Section-Non Traded**.

**a) Selection of stock exchange for valuation:**

Board of AMC for all its equity and equity related securities would select NSE/BSE as appropriate stock exchange for the valuation of securities.

Appropriate stock exchange that would be considered for valuation is also specified in the scheme offer document.

**b) 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 and 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 Axis Mutual Fund would be as follows:

i. Receiving last quoted price:

If the security is listed in a time zone ahead of ours then the same day price (obtained at 5pm) as provided by Reuters would be used for valuation. If the security is listed in a time zone behind ours then the latest available price (obtained at 5pm) would be used for valuation.

In case the security is not traded on the above mentioned days, price of previous day should be used, provided the price is not more than 30 days old.

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

Since valuation prices are in foreign currency, these are converted in Indian Rupees by applying the bid exchange rate provided by Reuters (obtained at 5pm) on the date of valuation.

In case Reuters have not provided the conversion rate, the valuation price of the security should be converted to INR based on RBI reference rate.

**3. STOCK AND INDEX DERIVATIVES:**

**3.1 Equity / Index Options Derivatives:**

- (i) Market values of traded 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 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 valuing 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 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 valuing the positions, which are not traded.

### **NON-TRADED / THINLY TRADED SECURITIES**

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.

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 auditor's report the same as 'fair and reasonable' in their report on the annual accounts.
- 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

#### **1. APPLICATION MONEY FOR PRIMARY MARKET ISSUE:**

Application money should be valued at cost up to 30 days from the closure of the issue or traded price whichever is earlier. If the security is not allotted/ traded within 30 days from the closure of the issue, application money is to be valued as per the directives of valuation committee, which shall be ratified in the next board meeting. Rationale of valuing such application money should also be recorded.

#### **2. NON-TRADED / THINLY TRADED EQUITY:**

Thinly traded equity/ equity related security is defined in SEBI (Mutual Fund) Regulations as follows:

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 in Bombay Stock Exchange (**BSE**) and National Stock Exchange (**NSE**) for the last month are considered.
- On the last day of the month service vendor viz. Bilav software Pvt. Ltd. send 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.

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) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.

- (c) Average capitalisation 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:

2.1 Net worth per share is computed as follows:

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

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

- i) Determination of the Industry Price Earning 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  
 $(P/E * 0.25) * EPS$

2.3 Computation of fair value per share to be considered for valuation at 10 % discount for illiquidity.

$$[(\text{Net worth per share} + \text{Capitalised value of EPS}) / 2] * 0.90$$

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.

2.5 Axis Mutual Fund would value such security at market price or fair value as computed above, whichever is less.

2.6 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.

2.7 To determine if the security is more than 5% of the total assets of the scheme, security value based on the procedure mentioned above should be compared with total net assets of the scheme on the date of valuation.

### 3. VALUATION OF UNLISTED EQUITY:

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:

**3.1** Computation of Net worth per share *as lower of (a) and (b)*:

- (a) i) 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.

- ii) Net worth per share = (Net worth of the company / Number of paid up shares).
- (b)
  - i) 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.
  - ii) 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.

3.2 Computation of fair value per share to be considered for valuation at 15 % discount for illiquidity.

$$[(\text{Net worth per share} + \text{Capitalised value of EPS}) / 2] * 0.85$$

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.

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 / higher than the value derived using the aforesaid methodology.

#### 4. VALUATION OF SUSPENDED SECURITY:

4.1 In case trading in an equity security is suspended for trading on the stock exchange, the last traded price would be considered for valuation of that security upto 30 days.

4.2 If an equity security remains suspended for trading on the stock exchange for more than 30 days, then it would be considered as non traded and valued accordingly.

#### 5. VALUATION OF NON-TRADED RIGHTS ENTITLEMENTS:

As per Schedule VIII of SEBI (Mutual Fund) Regulations

5.1 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.

5.2 Till the rights are subscribed, the entitlements as per Regulations have to be valued as under:

Valuation of non-traded rights entitlement is principally the difference between the right price and ex-right price. SEBI Regulations have explained this with the help of following formula:

$$V_r = n / m \times (P_{ex} - P_{of}) \text{ Where}$$

$V_r$  = Value of Rights

$n$  = Number of rights offered

$m$  = Number of original shares held

$P_{ex}$  = Ex-right price

$P_{of}$  = Rights offer price

5.3 The following issues while valuing the rights entitlements have to be addressed:

i) In case original shares on which the right entitlement accrues are not traded on the Stock Exchange on an ex-right basis, right entitlement should not be recognised as investments.

ii) When rights are not treated pari passu with the existing shares such as, restrictions with regard to dividend etc., suitable adjustment should be made by way of a discount to the value of rights at the last dividend announced rate.

- iii) Where right entitlements are not subscribed to but are to be renounced, and where renouncements are being traded, the right entitlements have to be valued at traded renunciation value.
- iv) Where right entitlements are not traded and it was decided not to subscribe the rights, the right entitlements have to be valued at zero.
- v) In case the Rights Offer Price is greater than the ex-rights price, the value of the rights share is to be taken as zero.

**Valuation procedure adopted by the Axis AMC:**

Until the right entitlements are traded, the value of the “rights” shares should be calculated as:

Value of rights entitlement = Ex-right price – Rights offer price

**6. VALUATION OF NON -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 at underlying equity price as reduced by the amount which would be payable on exercise of the warrant. An appropriate discount must be deducted to account for the period which must elapse before the warrant can be exercised.

**Valuation procedure adopted by the Axis AMC**

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

- An appropriate discounting factor shall be decided by the valuation committee on case to case basis.
- 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.

**7. VALUATION OF NON-TRADED PREFERENCE SHARES:**

SEBI has not prescribed any methodology for valuation of preference shares. Non traded preference shares shall be valued in good faith depending upon the type of the preference Share and after considering illiquidity discount, if any.

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 Non-convertible debentures.

**8. VALUATION OF SHARES ON DE-MERGER:**

On de-merger valuation shall be carried out based on the following possibilities:

- 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 or AMC shall provide the fair valuation for the same. 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.

In case shares of other company are not traded for more than 30 days, these are to be valued as unlisted security or AMC shall provide the fair valuation for the same.

- 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 cost of shares.

In case shares of both the companies are not traded for more than 30 days, these are to be valued as unlisted security or AMC shall provide the fair valuation for the same.

#### **9. VALUATION OF PARTLY PAID-UP EQUITY SHARES:**

Partly paid-up equity shares shall be valued at Underlying Equity price as reduced by the balance call money payable.

#### **10. VALUATION OF OTHER INSTRUMENTS:**

In case of any other type of capital corporate action event, the same shall be valued at fair price on case to case basis after obtaining necessary approval from board/valuation committee.

### **SECTION II**

#### **VALUATION NORMS FOR MONEY MARKET AND DEBT SECURITIES**

##### **VALUATION OF MONEY MARKET AND DEBT INSTRUMENTS**

"SEBI vide its circular no. Cir/IMD/DF/6/2012 dated February 28, 2012 forwarded a copy of the Gazette Notification No. LAD-NRO/GN/2011-12/38/4290 dated February 21, 2012 amending SEBI (Mutual Funds) Regulations, 1996 on Valuation encircling Principle of Fair Valuation.

With reference to the SEBI notification dated February 21, 2012, valuation shall be reflective of the realizable value of securities and shall be done in good faith and in true and fair manner through appropriate valuation policies and procedures approved by the Board of the Axis Asset Management Company (AMC).

The amendment also states that in case of any conflict between the principles of fair valuation and valuation guidelines as per Eighth Schedule and circulars issued by SEBI, the Principles of Fair Valuation shall prevail.

As per the above mentioned amendment, the Board of Directors of Axis Asset Management Company Limited and Axis Mutual Fund Trustee Limited has approved the Valuation Policy and Procedure for Money Market and Debt Instruments.

#### **1. VALUATION OF MONEY MARKET AND DEBT SECURITIES WITH RESIDUAL MATURITY OF UPTO 60 DAYS:**

*Money Market and Debt instruments* include CP, CD, Fixed Coupon Bonds, Zero Coupon Bonds and Pass Through Certificates, FRN, Treasury Bills, Cash Management Bill, BRDS, etc.

All Money Market and Debt securities shall be valued on amortization yield to maturity basis from purchase price (excluding brokerage). However, in case of subsequent trades i.e. own trades #, latest traded price is considered for amortization.

# Axis AMC's own trade has been defined as trade (including Inter-scheme) with face value of at least INR 5 crores. Further, in case of more than 1 trade on single day by Axis AMC in the same security, weighted average price is computed and considered.

Note: In case of CP/CD/ZCBs/TB/CMB/BRDS, weighted average price is computed using weighted average yield

The spread between purchase / own trade yield and the benchmark yield shall be worked out by AMC/Fund Manager. The spread shall generally remain fixed through the life of the

instrument. If necessary, it can be changed after suitable justification by AMC/Fund Manager.

In case of amortized value falling outside the +0.10% band, CBV automatically adjusts amortization price to bring it in line within +0.10% band as per the instructions of AMC/Fund Manager.

AMC/Fund Manager will monitor the change in the credit rating or credit profile of the issuer and would re-ensure correctness of the spread.

**2. VALUATION OF MONEY MARKET AND DEBT SECURITIES WITH RESIDUAL MATURITY OF OVER 60 DAYS:**

AMFI vide its email dated November 19, 2013 has recommended that AMC should implement the Scrip Level Valuation.

*Money Market and Debt instruments* include CP, CD, Fixed Coupon Bonds, Zero Coupon Bonds and Pass Through Certificates, FRN, BRDS, etc.

Money Market and Debt Instruments shall be valued at simple average price (taken from aggregator software) of CRISIL and ICRA.

**Important Remarks:-**

- In case of new purchases (new issuance in the market) which are not a part of the list of CRISIL and ICRA security level pricing, the valuation of such securities shall be done at weighted average cost/yield on the day of purchase.
- The prices received from CRISIL and ICRA shall be ignored during the notice period of Put/Call and exercise date, however the security shall continue to be amortized using the price prevalent on the notice date.
- Abnormal situations and market disruptions where current market information may not be obtainable / adequate for valuation of securities, valuation Committee shall be responsible for monitoring these kinds of events. Abnormal situations and market disruptions cases shall be reported to the board from time to time.
- Any change in the policy on account of clarification or communication from AMFI or internal shall be communicated to the board from time to time.

**3. VALUATION OF OTHER MONEY MARKET AND DEBT SECURITIES:**

**CENTRAL GOVERNMENT SECURITIES (CGs) AND STATE DEVELOPMENT LOANS (SDLs):**

Central Government Securities (CGs) and State Development Loans (SDLs) shall be valued at the aggregated price received from CRISIL and ICRA.

**TREASURY BILL / CASH MANAGEMENT BILL WITH RESIDUAL MATURITY OF OVER 60 DAYS:**

Treasury Bills shall be valued at the aggregated price received from CRISIL and ICRA i.e. T+1 price.

However, the difference between last valued price and t+1 aggregated price received from CRISIL/ ICRA shall be amortised equally over the period of holiday/weekend.

**SHORT TERM DEPOSITS:**

Short term deposits with banks to be valued at cost in line with the SEBI directives. In case of any prepayment penalty, accrual rate would be the rate applicable for that period less any prepayment penalty.

**COLLATERALISED BORROWING AND LENDING OBLIGATIONS:**

Collateralised Borrowing and Lending Obligations (CBLO) shall be valued at cost plus accruals.

**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.

**THINLY TRADED DEBT SECURITIES:**

Thinly traded debt security is defined in SEBI (Mutual Fund) Regulations as follows:

A debt security (other than Government Securities) shall be considered as a thinly traded security if on the valuation date, there are no individual trades in that security in marketable lots (currently Rs 5 Crore) on the exchanges/ reporting platforms or AMC own trades. A thinly traded debt security as defined above would be valued as per the norms set for non-traded debt security.

**SECURITIES PURCHASED ON PRIVATE PLACEMENT BASIS:**

In case the security is purchased on private placement basis, the same would be valued at cost on the date of purchase. As per SEBI Regulations, such security can be valued at cost for 15 days. However, taking in to consideration the volatility in the market, it could be valued at cost on the date of purchase only and from the next day, valuation could be carried out like any other debt security or AMC shall provide the fair valuation for the same.

**VALUATION OF SECURITIES WITH PUT/CALL OPTIONS:**

The option embedded securities would be valued as follows:

**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.

**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.

**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.

**SECTION III**

**VALUATION OF OTHER SECURITIES**

**MUTUAL FUND UNITS:**

- i. Mutual Fund Units listed and Traded would be valued at the closing traded price as on the valuation date.
- ii. Unlisted Mutual Fund Units and listed but not traded Mutual Fund Units would be valued at the last declared NAV on AMFI website as on the valuation date.

**VALUATION OF GOLD IN CASE OF EXCHANGE TRADED GOLD FUND:**

- (i) The gold held by a gold exchange traded fund scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995.0 parts per thousand, subject to the following:
  - (a) adjustment for conversion to metric measures as per standard conversion rates;
  - (b) adjustment for conversion of US dollars into Indian rupees as per the Bloomberg. In case Bloomberg has not provided the conversion rate, the closing price of the security should be converted to INR at RBI reference rate. RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI); and
  - (c) addition of –
    - transportation and other charges that may be normally incurred in bringing such gold from London to the place where it is actually stored on behalf of the mutual fund; and
    - notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold from London to the place where it is actually stored on behalf of the mutual fund: Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the mutual fund:

Provided further that where the gold held by a gold exchange traded fund scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

- (ii) If the gold acquired by the gold exchange traded fund scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued in terms of sub-paragraph (1)

**VALUATION PROCESS FLOW FOLLOWED BY AXIS MF SHALL BE AS BELOW:**

- (i) LBMA Gold Fixing: - As per SEBI Guidelines Gold would be valued at AM fixing price for the day available on the LBMA site.
- (ii) The Gold Premium and fixing charges for valuation purpose would be fixed on 1st working day of every month and same will be applicable for that month.
- (iii) LBMA Gold price is quoted for USD/Oz for 999 fineness. For conversion of Troy Ounces to Kilogram, use the NYMEX conversion factor of 31.99 Troy ounces per kilogram for 995 purity. The fineness quotient is to be adjusted by using the factor 0.995996 (0.995/0.999) in case if the gold lying in stock is of 999 fineness.
- (iv) To convert it into Rs./Kg, it has to be multiplied by INR reference rate from RBI. In case RBI reference rate for any day is not published the latest available reference rate should be considered.
- (v) Custom duty is fixed on per Kg basis.
- (vi) Octroi is also on ad valorem basis i.e. on the gold price per kg including customs.
- (vii) VAT is on ad valorem basis i.e. on the gold prices per kg with Customs duty and Octroi.

**VALUATION OF INTEREST RATE SWAPS (IRS):**

Interest Rate Swaps shall be valued at the net present value by discounting the future cash flows. Future cash flows for Interest Rate Swaps contracts shall be computed daily based on the terms of the contract and discounted using suitable OIS rates sourced from Reuters, as approved by the Valuation Committee.

**VALUATION OF CONVERTIBLE DEBENTURES AND BONDS:**

As per Eighth Schedule of SEBI (Mutual Fund) Regulations method of valuation of convertible debentures is prescribed and will be followed by Axis MF.

In respect of convertible debentures and bonds, the non-convertible and convertible components shall be valued separately. The non-convertible component should be valued on the same basis as would be applicable to a debt instrument. The convertible component should be valued on the same basis as would be applicable to an equity instrument. If, after

conversion the resultant equity instrument would be traded pari passu with an existing instrument which is traded, the value of the latter instrument can be adopted after an appropriate discount of the non-tradability of the instrument during the period preceding the conversion while valuing such instruments, the fact whether the conversion is optional should also be factored in.

#### **ILLIQUID SECURITIES:**

- (a) Aggregate value of "illiquid securities" of scheme, which are defined as non-traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned zero value.
- (b) All funds shall disclose as on March 31 and September 30 the scheme-wise total illiquid securities in value and percentage of the net assets while making disclosures of half yearly portfolios to the unit holders. In the list of investments, an asterisk mark shall also be given against all such investments, which are recognized as illiquid securities.
- (c) Mutual Funds shall not be allowed to transfer illiquid securities among their schemes w.e.f. October 1, 2000.
- (d) In respect of closed ended funds and open ended funds, for the purposes of valuation of illiquid securities, the limits of 15% and 20% should be increased to 20% and 25% respectively of the Scheme's AUM.

#### **GUIDELINES FOR IDENTIFICATION AND PROVISIONING FOR NON PERFORMING ASSETS (DEBT SECURITIES) FOR MUTUAL FUNDS:**

##### **(A) Definition of a Non Performing Asset (NPA):**

An 'asset' shall be classified as non performing, if the interest and/or principal amount have not been received or remained outstanding for one quarter from the day such income / installment has fallen due.

##### **(B) Effective date for classification and provisioning of NPA's:**

The definition of NPA may be applied after a quarter past due date of the interest. For e.g. if the due date for interest is 30.06.2000, it will be classified as NPA from 01.10.2000.

##### **(C) Treatment of income accrued on the NPA and further accruals:**

- After the expiry of the 1st quarter from the date the income has fallen due, there will be no further interest accrual on the asset i.e. if the due date for interest falls on 30.06.2000 and if the interest is not received, accrual will continue till 30.09.2000 after which there will be no further accrual of income. In short, taking the above example, from the beginning of the 2nd quarter there will be no further accrual on income.
- On classification of the asset as NPA from a quarter past due date of interest, all interest accrued and recognized in the books of accounts of the Fund till the date, should be provided for. For e.g. if interest income falls due on 30.06.2000, accrual will continue till 30.09.2000 even if the income as on 30.06.2000 has not been received. Further, no accrual will be done from 01.10.2000 onwards. Full provision will also be made for interest accrued and outstanding as on 30.06.2000.

##### **(D) Provision for NPAs – Debt Securities:**

Both secured and unsecured investments once they are recognized as NPAs call for provisioning in the same manner and where these are related to close ended scheme the phasing would be such that to ensure full provisioning prior to the closure of the scheme or the scheduled phasing whichever is earlier.

The value of the asset must be provided in the following manner or earlier at the discretion of the fund. Fund will not have discretion to extend the period of provisioning. The provisioning against the principal amount or installments should be made at the following rates irrespective of whether the principal is due for repayment or not.

- 10% of the book value of the asset should be provided for after 6 months past due date of interest i.e. 3 months from the date of classification of the asset as NPA.
- 20% of the book value of the asset should be provided for after 9 months past due date of interest i.e. 6 months from the date of classification of the asset as NPA.
- Another 20% of the book value of the assets should be provided for after 12 months past due date of interest i.e. 9 months from the date of classification of the asset as NPA.
- Another 25% of the book value of the assets should be provided for after 15 months past due date of interest i.e. 12 months from the date of classification of the asset as NPA.
- The balance 25% of the book value of the asset should be provided for after 18 months past due date of the interest i.e. 15 months from the date of classification of the assets as NPA.

Book value for the purpose of provisioning for NPAs shall be taken as a value determined as per the prescribed valuation method.

This can be explained by an illustration:

Let us consider that interest income is due on a half yearly basis and the due date falls on 30.06.2000 and the interest is not received till 1st quarter after due date i.e. 30.09.2000.

This provisioning will be done in following phased manner:

10% provision 01.01.2001 6 months past due date of interest i.e. 3 months from the date of classification of asset as NPA (01.10.2000)

20% provision 01.04.2001

20% provision 01.07.2001

25% provision 01.10.2001

25% provision 01.01.2002

Thus, 1 1/2; years past the due date of income or 1 1/4; year from the date of classification of the 'asset' as an NPA, the 'asset' will be fully provided for. If any installment is fallen due, during the period of interest default, the amount of provision should be installment amount or above provision amount, whichever is higher.

#### **(E) Reclassification of assets:**

Upon reclassification of assets as 'performing assets':

1. In case a company has fully cleared all the arrears of interest, the interest provisions can be written back in full.
2. The asset will be reclassified as performing on clearance of all interest arrears and if the debt is regularly serviced over the next two quarters.
3. In case the company has fully cleared all the arrears of interest, the interest not credited on accrual basis would be credited at the time of receipt.
4. The provision made for the principal amount can be written back in the following manner:
  - 
  - 100% of the asset provided for in the books will be written back at the end of the 2nd quarter where the provision of principal was made due to the interest defaults only.
  - 50% of the asset provided for in the books will be written back at the end of the 2nd quarter and 25% after every subsequent quarter where both installments and interest were in default earlier.
5. An asset is reclassified, as 'standard asset' only when both overdue interest and overdue installments are paid in full and there is satisfactory performance for a subsequent period of 6 months.

#### **(F) Receipt of past dues:**

When the fund has received income/principal amount after their classifications as NPAs;

- For the next 2 quarters, income should be recognized on cash basis and thereafter on accrual basis. The asset will be continued to be classified as NPA for these two quarters.
- During this period of two quarters although the asset is classified as NPA no provision needs to be made for the principal if the same is not due and outstanding
- If part payment is received towards principal, the asset continues to be classified as NPA and provisions are continued as per the norms set at (D) above. Any excess provision will be written back.

**(G) Classification of Deep Discount Bonds as NPAs:**

Investments in Deep Discount Bonds can be classified as NPAs, if any two of the following conditions are satisfied:

- If the rating of the Bond comes down to grade 'BB' or below.
- If the company is defaulting in their commitments in respect of other assets, if available.
- Full Net worth erosion.

Provision should be made as per the norms set at (D) above as soon as the asset is classified as NPA.

Full provision can be made if the rating comes down to grade 'D'

**(H) Rescheduling of an asset:**

In case any company defaults either interest or principal amount and the fund has accepted a rescheduling of the schedule of payments, then the following practice may be adhered to:

- (i) In case it is a first rescheduling and only interest is in default, the status of the asset namely, 'NPA' may be continued and existing provisions should not be written back. This practice should be continued for two quarters of regular servicing of the debt. Thereafter, this be classified as 'performing asset' and the interest provided may be written back.
- (ii) If the rescheduling is done due to default in interest and principal amount, the asset should be continued as non performing for a period of 4 quarters, even though the asset is continued to be serviced during these 4 quarters regularly. Thereafter, this can be classified as 'performing asset' and all the interest provided till such date should be written back.
- (iii) If the rescheduling is done for a second/third time or thereafter, the characteristic of NPA should be continued for eight quarters of regular servicing of the debt. The provision should be written back only after it is reclassified as 'performing asset'.

**(I) Disclosure in the Half Yearly Portfolio Reports:**

The mutual funds shall make scrip wise disclosures of NPAs on half yearly basis along with the half yearly portfolio disclosure.

The total amount of provisions made against the NPAs shall be disclosed in addition to the total quantum of NPAs and their proportion of the assets of the mutual fund scheme.

In the list of investments an asterisk mark shall be given against such investments which are recognized as NPAs. Where the date of redemption of an investment has lapsed, the amount not redeemed shall be shown as 'Sundry Debtors' and not investment provided that where an investment is redeemable by installments, that will be shown as an investment until all installments have become overdue.

**(J) Effective date for implementation / switchover to the current norms:**

The above norms shall be implemented by all mutual funds including UTI from 01.10.2000.

**VALUATION OF SECURITIES NOT COVERED UNDER THE CURRENT VALUATION POLICY:**

In case of securities purchased by mutual fund does not fall within the current framework of the valuation of securities then the mutual fund shall report immediately to AMFI regarding the

same. Further, at the time of investment AMC's shall ensure that the total exposure in such securities does not exceed 5% of the total AUM of the scheme.

AMFI has been advised that the valuation agencies should ensure that the valuation of such securities gets covered in the valuation framework within six weeks from the date of receipt of such intimation from mutual fund.

In the interim period, till AMFI makes provisions to cover such securities in the valuation of securities framework, the mutual funds shall value such securities using their proprietary model which has been approved by their independent trustees and the statutory auditors.

**INVESTMENT IN NEW TYPE OF SECURITIES:**

Investment in new type of securities/assets by the Axis MF scheme shall be made only after establishment of the valuation methodologies for such securities with the approval of the Board of the Axis AMC.

**INTER-SCHEME TRANSFERS:**

Inter-scheme transfers shall be affected as per regulations and internal policy (i.e. Investment Manual) at current market price i.e. fair valuation price.

**REVIEW OF VALUATION POLICIES:**

The implemented valuation policies and procedures shall be regularly reviewed (at least once in a Financial Year) by an independent auditor to seek to ensure their continued appropriateness.

**CONSIDERATION OF PRICE OF SAME/SIMILAR SECURITIES:**

CRISIL and ICRA shall consider the price of same/similar securities under Scrip Level Valuation as per the methodology discussed and agreed with the AMFI.

**ABNORMAL EVENTS:**

Following are the illustrative types of events which could be classified as Abnormal situations and market disruptions where current market information may not be obtainable / adequate for valuation of securities:-

- a. Significant volatility in the capital markets.
- b. Natural disasters or public disturbances that force the markets to close unexpectedly.
- c. Major policy announcements by the Central Bank, the Government or the Regulator.
- d. Large redemptions.

Valuation Committee shall be responsible for monitoring abnormal situations.

Under above mentioned abnormal situations and market disruptions, Valuation Committee shall seek the guidance of the Axis AMC Board/committee of the Board of Directors appointed for this purpose in deciding the appropriate methodology for Valuation of affected securities. Any such abnormal situations shall be reported to the board of the AMC at the subsequent meeting.

If the above mentioned policies and procedures of valuation do not result in fair/ appropriate valuation, the Axis Asset Management Company shall deviate from the above mentioned policies and procedures in order to value the assets/ securities at fair value:

Any deviation from the disclosed valuation policy and procedures may be with appropriate reporting to Board of Trustees and the Board of the Asset Management Company and appropriate disclosures to investors.

## V. TAX & LEGAL & GENERAL INFORMATION

The information furnished below outlines briefly the key tax implications applicable to the unit holders of the Scheme and to the Mutual Fund based on relevant provisions of the Income Tax Act, 1961, Gift Tax Act, 1958 and the amendments made by the Finance Act, 2016 (collectively called 'the relevant provisions'). The information given is included only for general purpose and is based on advise received by the AMC regarding the law and practice currently in force in India and the Investors/Unit holders should be aware that the relevant fiscal rules or their explanation may change. As is the case with any investment, there can be no assurance that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his / her own professional tax advisor.

### A. TAX BENEFITS TO THE MUTUAL FUND

Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and, hence, the entire income of the Mutual Fund is exempt from income-tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961, (the Act).

The Mutual Fund will receive all income without any deduction of tax at source under the provisions of Section 196(iv) of the Act.

However, the Mutual Fund shall be liable to pay securities transaction tax in respect of certain transactions listed hereunder:

| Nature of Transaction   | Payable by | Value on which tax shall be levied     | Rates (%) |
|---|------------|--|-----------|
| Delivery based purchase transaction in equity shares in a company entered in a recognized stock exchange                      | Purchaser  | Value at which shares are bought       | 0.1       |
| Delivery based purchase transaction in units of equity oriented fund entered in a recognized stock exchange                   | Purchaser  | Value at which units are bought        | Nil       |
| Delivery based sale transaction in equity shares entered in a recognized stock exchange                                       | Seller     | Value at which shares are sold         | 0.1       |
| Delivery based sale transaction in units of equity oriented fund entered in a recognized stock exchange                       | Seller     | Value at which units are sold          | 0.001     |
| Non-delivery based sale transaction in equity shares or units of equity oriented fund entered in a recognised stock exchange. | Seller     | Value at which shares / units are sold | 0.025     |
| Transaction for sale of futures in securities   | Seller     | Value at which futures are traded      | 0.01      |
| Transaction for sale of an option in securities   | Seller     | The option premium                     | 0.05      |
| Transaction for sale of an option in securities, where the option is exercised  | Purchaser  | The settlement price                   | 0.125     |
| Sale of units of an equity oriented fund to the mutual fund   | Seller     | Value at which units are sold          | 0.001     |
| Transactions for sale of unlisted equity shares under an offer for sale to public   | Seller     | Value at which shares/units are sold   | 0.2       |

"Equity oriented fund" means a fund:

Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five percent of the total proceeds of such fund; and which has been set-up under a scheme of a Mutual fund, provided that the percentage of equity share holding of the fund shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

The equity oriented funds are exempt from paying distribution tax on income distributed to unit holders.

## **TAX BENEFITS TO THE UNIT HOLDERS**

### **I. INCOME TAX**

#### **1) TAXATION ON INVESTING IN EQUITY SCHEMES OF MUTUAL FUNDS**

##### **Tax on Income distributed by the Mutual Fund**

###### **All Unit Holders**

Income received by unit holders in respect of the units of the Mutual Fund, is exempt from tax under Section 10(35) of the Act.

##### **Tax Deduction at Source on Income distributed by the Mutual Fund**

###### **All Unit Holders**

In view of the exemption of income in the hands of the Unit holders, no income tax is deductible at source, on income distribution by the Mutual Fund.

##### **Tax on Capital Gains**

As per the provisions of section 2(42A) of the Act, a unit of an equity oriented Mutual Fund, held by the investor as a capital asset, is considered to be a short-term capital asset, if it is held for 12 months or less from the date of its acquisition by the unit holder. Accordingly, if the unit of a Mutual Fund is held for a period of more than 12 months, it is treated as a long-term capital asset.

###### **All Unit Holders**

##### **Long Term Capital Gains**

As per Section 10(38) of the Act, long-term capital gains arising from the sale of unit of an equity oriented fund entered into in a recognised stock exchange or sale of such unit of an equity oriented fund to the mutual fund would be exempt from income-tax, provided such transaction of sale is chargeable to securities transaction tax.

For this purpose "equity oriented fund" means where the investible funds are invested by the Mutual Fund in equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such fund set up under a scheme of a Mutual Fund specified under Section 10(23D) of the Act.

Companies would be required to include such long term capital gains in computing the book profits and minimum alternate tax liability under section 115JB of the Act.

##### **Short-term Capital Gains**

As per Section 111A of the Act, short-term capital gains from the sale of unit of an equity oriented fund entered into in a recognised stock exchange or sale of such unit of an equity oriented fund to the mutual fund is proposed to be taxed at 15 per cent provided such transaction of sale is chargeable to securities transaction tax.

The said tax rate shall be increased by applicable surcharge and cess (Refer Note 1).

However, in case of individuals/ HUFs, being residents, where the total taxable income



excluding short-term capital gains is below the maximum amount not chargeable to tax<sup>1</sup>, then the difference between the current maximum amount not chargeable to tax and total income excluding short-term capital gains, shall be adjusted from short-term capital gains. Therefore only the balance short term capital gains will be liable to income tax at the proposed rate of 15 percent, plus education cess. Securities transaction tax is not deductible while computing capital gains.

Further, in case of non-resident unit holder who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement (which is in force), income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial, to such non-resident unit holder. As per Section 90(4) of the Act, w.e.f. 1 April 2013, to avail the benefit under Double Tax Avoidance Agreement (DTAA), every person not being a resident in India has to provide a certificate of him being a resident (i.e. Tax Residency Certificate (TRC)) in any country outside India or specified territory outside India, obtained by him from the Government of that country or specified territory.

Where sale / repurchase is made during the minority of the child, tax will be levied on either of the parents, whose income is greater, where the said income is not covered by the exception in the proviso to section 64(1A) of the Act. When the child attains majority, such tax liability will be on the child. Income to the extent of Rs. 1,500 per minor child is exempt under section 10(32).

Short-term capital loss suffered on sale / repurchase of units shall be available for set off against both long-term and short-term capital gains arising on sale of other assets and balance unabsorbed short-term capital loss shall be carried forward for set off against capital gains in subsequent years.

Such carry forward is admissible maximum upto eight assessment years. Further, as the long term capital gains on sale of units of equity oriented fund are exempt from tax the losses from such units may not be allowed to be set off against other gains.

There are no tax rebates available.

### **Equity Linked Savings Schemes**

Equity Linked Savings Schemes (ELSS) are schemes formulated under the Equity Linked Savings Scheme (ELSS), 2005, issued by the Central Government.

Accordingly, any investment made by an assessee in the ELSS of the Fund up to a sum of Rs. 150,000/- in a financial year would qualify for deduction under Section 80C of the I.T. Act.

An "assessee" as per ELSS 2005 means:—

- (i) an individual; or
- (ii) a Hindu undivided family; or
- (iii) an association of persons or a body of individuals consisting, in either case, only of husband and wife governed by the system of community of property in force in the State of Goa and Union Territories of Dadra and Nagar Haveli and Daman and Diu by whom, or on whose behalf, investment is made;

<sup>1</sup> Effective 1 April 2016, the maximum amounts of total income, not chargeable to tax would be as under:

| <b>Type of person</b>                                       | <b>Maximum amount of income not chargeable to tax</b> |
|---|---|
| Individuals and HUFs  | Rs. 250,000   |
| Individuals of the age 60 years or above but below 80 years | Rs. 300,000   |
| Individuals of the age 80 years or above                    | Rs. 5,00,000  |

## **Tax Deduction at Source on capital gains**

### **Domestic Unit holders**

No income-tax is deductible at source from income by way of capital gains under the provisions of the Act.

Under Section 194F of the Act, any payments made to a person under the ELSS Scheme in excess of amount invested in repurchase of such Units or termination of plan, for which deduction has been claimed under Chapter VI-A, such excess amount is deemed income and liable to tax at 20% (excluding surcharge and education cess).

### **Foreign Institutional Investors**

Under Section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of units referred to in Section 115AD of the Act.

### **Specified overseas financial organizations**

Income-tax is deductible on short-term capital gains arising on sale / repurchase of unit of equity oriented fund referred to above, at the rate of 15 per cent plus applicable surcharge and cess (refer Note 1).

### **Other Non-resident Unit holders**

Tax at source on short-term capital gains arising on sale / repurchase of units of equity oriented mutual fund shall be deducted at the rate of 15 per cent plus applicable surcharge (refer Note 1).

Under Section 194F of the Act, any payments made to a person under the ELSS Scheme in excess of amount invested in repurchase of such Units or termination of plan, for which deduction has been claimed under Chapter VI-A, such excess amount is deemed income and liable to tax at 20% (excluding surcharge and education cess).

### **Minimum Alternate Tax (All Corporate investors)**

The Finance Act, 2006 amended the Minimum Alternate Tax (MAT) provisions whereby long-term capital gains arising on sale of shares and units of equity oriented fund though exempt under section 10(38) of the Act, would not be excluded from the book profits to calculate profits chargeable to MAT.

The Finance Act, 2015 amended the Minimum Alternate Tax (MAT) provisions, whereby to arrive at the book profit, net profit as per P&L:

- Should be increased by "*the amount of amounts of expenditure relatable to income accruing or arising to an assessee, being a foreign company, from –*
  - A. *The capital gains arising on transactions in securities: or*
  - B. *The interest, royalty or fees for technical services chargeable to tax at the rate or rates specified in Chapter XII,**If the income tax payable thereon in accordance with the provisions of this Act, other than the provisions of this Chapter, is at a rate less than the rate specified in sub-section (1)"*
  
- Should be reduced by "*the amount of income accruing or arising to an assessee, being a foreign company, from –*
  - A. *The capital gains arising on transactions in securities: or*
  - B. *The interest, royalty or fees for technical services chargeable to tax at the rate or rates specified in Chapter XII,**If such income is credited to the profit and loss account and the income tax payable thereon in accordance with the provisions of this Act, other than the provisions of this Chapter, is at a rate less than the rate specified in sub-section (1)".*

The Finance Bill, 2016 amended the Minimum Alternate Tax (MAT) provisions, whereby it has been clarified that MAT provisions shall not be applicable and shall be deemed to have never been applicable to a foreign company:

- i. if such foreign company is a resident of a country or specified territory with which the Government of India has entered into a Double Tax Avoidance Agreement (DTAA) or such other agreement as specified in Sec 90A(1), and the foreign company does not have a permanent establishment in India in accordance with the provisions of such agreement; or
- ii. if the foreign company is a resident of a country with which India does not have an agreement as stated above and the foreign company is not required to seek registration under any law for the time being in force relating to companies.

### Securities Transaction Tax

#### All Unit holders

Unit holders shall be liable to pay securities transaction tax in respect of transactions of purchase and sale of units of equity oriented fund as under:

| Nature of Transaction  | Tax rate (%) |
|--|--------------|
| Delivery based purchase transaction in units of equity oriented fund entered in a recognized stock exchange  | Nil          |
| Delivery based sale transaction in units of equity oriented fund entered in a recognized stock exchange      | 0.001        |
| Non-delivery based sale transaction in units of equity oriented fund entered in a recognised stock exchange. | 0.025        |
| Sale of units of an equity oriented fund to the mutual fund  | 0.001        |

Value of taxable securities transaction in case of units shall be the price at which such units are purchased or sold.

As per the Finance Act, 2008 deduction in respect of securities transaction tax paid is allowed under section 36(xv) of the Act, for the purpose of computation of business income, subject to the condition that such income from taxable securities transaction is included under the head 'profits and gains of business/profession'.

## 2) TAXATION ON INVESTING IN SCHEMES OTHER THAN EQUITY ORIENTED SCHEMES OF MUTUAL FUNDS

### Dividend Distribution Tax

#### Money Market Mutual Funds and Liquid Funds

In case of distribution of dividend by Mutual fund Schemes, Dividend distribution tax will be deducted as under:-

| Income Distributed to From                                     | Individuals/HUFs | Others  | NRI    |
|--|------------------|---------|--------|
| Equity Scheme  | Nil              | Nil     | Nil    |
| Debt/Money Market Scheme (other than infrastructure debt fund) | 28.84%           | 34.608% | 28.84% |
| Infrastructure Debt Scheme                                     | 28.84%           | 34.608% | 5.768% |

The Rates are inclusive of 12% surcharge and 3% cess on tax inclusive of surcharge. The above tax rates are to be grossed up.

### Income-tax

#### Income distributed by the Mutual Fund

#### All Unit holders

Income received in respect of units of a mutual fund, is exempt from tax under Section 10(35) of the Act. Exemption from income-tax under section 10(35) of the Act shall however not apply to any income arising from the transfer of these units.

## **Tax Deduction at Source on income distributed**

### **All Unit holders**

In view of the exemption of income in the hands of the Unit holders, no income-tax is deductible at source, on income distribution by the Mutual Fund.

### **Capital Gains Tax**

As per the provisions of section 2(42A) of the Act, a unit of a debt-oriented Mutual Fund, held by the investor as a capital asset, is considered to be a short-term capital asset, if it is held for 36 months or less from the date of its acquisition by the unit holder. Accordingly, if the unit of a Mutual Fund is held for a period of more than 36 months, it is treated as a long-term capital asset.

### **Foreign Institutional Investors**

Long-term capital gains arising on sale / repurchase of such units shall be taxed at the rate of 10 per cent under Section 115AD of the Act. The said tax rate shall be increased by applicable surcharge and cess (refer Note 1). Such gains shall be calculated without inflation index and currency fluctuations.

Short-term capital gains arising on sale / repurchase of such units shall be taxed at 30 per cent. The said tax rate shall be increased by applicable surcharge and cess (refer Note 1).

However, in case of FII unit holder who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement (which is in force) income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such FII unit holder. However, such a FII unit holder will be required to provide appropriate documents (including a Tax Residency Certificate) to the Fund, to be entitled to a beneficial rate under such agreement.

### **Specified overseas financial organisations**

As per the provisions of section 115AB of the Act, long-term capital gains arising on sale / repurchase of such units purchased in foreign currency shall be liable to tax at the concessional rate of 10 per cent. The said tax rate shall be increased by applicable surcharge and cess (refer Note 1). However, such gains shall be computed without the benefit of cost indexation.

Short-term capital gains arising on sale / repurchase of such units purchased in foreign currency may be taxed at 40 per cent in case of foreign companies, and 30 per cent in case of others. The said tax rate shall be increased by applicable surcharge and cess (refer Note 1). Each Unit holder is advised to consult his / her or its own professional tax advisor for application of tax rate of 10 per cent (increased by applicable surcharge and education cess) on short-term capital gains arising on sale / repurchase of such units (other than unit of equity oriented fund referred to above) purchased in foreign currency.

However, in case of such specified overseas financial organization unit holder who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement (which is in force) income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such specified overseas financial organization unit holder. However, such a specified overseas financial organization unit holder will be required to provide appropriate documents (including a Tax Residency Certificate) to the Fund, to be entitled to a beneficial rate under such agreement.

### **Other Unit holders**

#### **Long-term capital Gains**

Long-term capital gains arising on sale / repurchase of such units shall be chargeable under Section 112 of the Act, at concessional rate of tax, at 20 per cent. The said tax rate shall be

increased by applicable surcharge and cess (refer note1).

The following amounts shall be deductible from the full value of consideration, to arrive at the amount of capital gains:

Cost of acquisition of Units as adjusted by Cost Inflation Index notified by the Central Government, and Expenditure incurred wholly and exclusively in connection with such transfer.

In the case of a non-resident investor the tax payable on long-term capital gains arising on sale of unlisted security shall be 10 per cent without indexation, as increased by the applicable surcharge and cess (refer note1).

In case of Individuals and HUF (being a resident), where taxable income as reduced by long-term capital gains arising on sale of units (other than unit of an equity oriented fund) is below the basic exemption limit, the long-term capital gains shall be reduced to the extent of the shortfall and only the balance long-term capital gains shall be subjected to the flat rate of income-tax.

### Short-term capital gains

Short-term capital gains arising on sale / repurchase of such units shall be taxed at 30 per cent in case of corporate unit holders (being resident), plus applicable surcharge and cess (refer Note 1).

Short-term capital gains arising on sale / repurchase of such units shall be taxed at 40 per cent in case of corporate unit holders (being non-resident), plus applicable surcharge and cess (refer Note 1).

Short-term capital gains arising on sale / repurchase of such units shall be taxed at 30 per cent in case of firm plus applicable surcharge and cess (refer Note 1).

Short-term capital gains arising on sale / repurchase of such units shall be taxed at 30 per cent in case of local authority plus applicable surcharge and cess (refer Note 1) (being resident).

Short-term capital gains arising to a co-operative society (being resident) are taxable on progressive basis as given below:

|  |   |
|--|---|
| Where total income for a tax year (April to March) is less than or equal to Rs. 10,000 | 10% of the total income   |
| Where such total income is more than Rs.10,000 but does not exceed Rs. 20,000          | Rs. 1000 plus 20 per cent of the amount by which the total income exceeds Rs.10,000   |
| Where the total income exceeds Rs. 20,000  | Rs. 3,000 plus 30 per cent of the amount by which the total income exceeds Rs. 20,000 |

Further, surcharge and cess will be applicable as per note 1.

Short-term capital gains arising to individuals and HUFs are taxable on progressive basis, as given below:

|   |  |
|---|--|
| Where total income for a tax year (April to March) is less than or equal to Rs. 250,000 (the basic exemption limit) | Nil  |
| Where such total income is more than Rs. 250,000 but is less than or equal to Rs. 500,000                           | 5 per cent of the amount by which the total income exceeds Rs. 250,000<br>(Less: Tax credit u/s 87A-10% of taxable income if income does exceed Rs. 3,50,000 up to maximum of Rs. 2,500) |

|   |  |
|---|--|
| Where such total income is more than Rs. 500,000 but is less than or equal to Rs. 1,000,000 | Rs. 12,500 plus 20 per cent of the amount by which the total income exceeds Rs. 500,000    |
| Where such total income is more than Rs. 1,000,000  | Rs. 112,500 plus 30 per cent of the amount by which the total income exceeds Rs. 1,000,000 |

The basic exemption limit in case of a resident individual of 60 years of age or above but below 80 years of age is Rs 300,000. In case of resident individual of 80 years of age or above, the basic exemption limit is Rs. 500,000.

Surcharge and cess will be applicable as per note 1.

However, in case of such other non-resident unit holder who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement (which is in force) income-tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such other non-resident unit holder.

Where sale / repurchase is made during the minority of the child, tax will be levied on either of the parents, whose income is greater, where the said income is not covered by the exception in the proviso to section 64(1A) of the Act. When the child attains majority, such tax liability will be on the child. Income to the extent of Rs. 1,500 per minor child is exempt under section 10(32).

There are no tax rebates available.

### **Tax Deduction at Source on capital gains**

#### **Domestic Unit holders**

No income-tax is deductible at source from income by way of capital gains under the provisions of the Act.

#### **Foreign Institutional Investors**

Under Section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of units referred to in Section 115AD of the Act.

#### **Specified overseas financial organisations**

As per section 196B of the Act, income-tax is deductible on long-term capital gains arising on sale / repurchase of such units purchased in foreign currency, at the rate of 10 per cent. The said tax rate shall be increased by applicable surcharge and cess (refer Note 1).

Income-tax is deductible on short-term capital gains arising on sale / repurchase of such units at the rate of 40 per cent plus applicable surcharge and cess (refer Note 1) in case of foreign companies; and 30 per cent plus applicable surcharge and cess (refer Note 1) in case of non-corporate Unit holders.

#### **Other Non-resident Unit holders**

Tax at source on long-term capital gains arising on sale / repurchase of listed units shall be deducted at the rate of 20 per cent plus applicable surcharge and cess (refer Note 1).

Tax at source on long-term capital gains arising on sale / repurchase of unlisted units shall be deducted at the rate of 10 per cent plus applicable surcharge and cess (refer Note 1).

Tax is deductible on short-term capital gains arising on sale / repurchase of units at the marginal rates, viz. at 30 per cent in case of individuals (assuming the individual falls in the highest tax bracket) and other non-corporate Unit holders; and at 40 per cent in case of corporate Unit holders (being non resident). Surcharge on income-tax will be levied as applicable and cess (refer Note 1).

In case of non-resident unit holder who is a resident of a country with which India has signed a

Double Taxation Avoidance Agreement (which is in force) the tax should be deducted at source under section 195 of the Act at the rate provided in the Finance Act of the relevant year or the rate provided in the said agreement, whichever is more beneficial to such non-resident unit holder. However, such a non-resident unit holder will be required to provide appropriate documents (including a Tax Residency Certificate) to the Fund, to be entitled to a beneficial rate under such agreement.

If the non-resident unit holder produces a nil or lower withholding certificate from the income tax authorities, then tax shall be deducted at such rates mentioned in the certificate during the validity of the certificate.

### **Other Benefits and Important concerns**

#### **Deduction for the Securities Transaction Tax**

As per the Finance Act, 2008 deduction in respect of securities transaction tax paid is allowed in the computation of business income. This is subject to the condition that such income from taxable securities transaction is included under the head "profit and gains from business and profession".

#### **Religious and Charitable Trusts**

Investments in Units of the Mutual Fund will rank as an eligible form of investment under Section 11 (5) of the Act read with Rule 17C of the Income-tax Rules, 1962, for Religious and Charitable Trusts.

#### **Set off of Capital losses**

##### **All Unit Holders**

The long-term capital loss suffered on sale / repurchase of units shall be available for set off against long-term capital gains arising on sale of other assets and balance unabsorbed long-term capital loss shall be carried forward for set off only against long-term capital gains in subsequent years.

Short-term capital loss suffered on sale / repurchase of units shall be available for set off against both long-term and short-term capital gains arising on sale of other assets and balance unabsorbed short-term capital loss shall be carried forward for set off against capital gains in subsequent years.

Such carry forward is admissible maximum upto eight assessment years.

#### **Dividend Stripping**

##### **All Unit holders**

Under the provisions of Section 94(7) of the Act, loss arising on sale of Units, which are bought within 3 months prior to the record date (i.e. the date fixed by the Mutual Fund for the purposes of entitlement of the Unit holders to receive the income) and sold within 9 months after the record date, shall be ignored for the purpose of computing income chargeable to tax to the extent of exempt income received or receivable on such Units.

#### **Bonus stripping**

##### **All Unit holders**

Additionally, as per section 94(8) of the Act, wherein in case of units purchased within a period of three months prior to the record date for entitlement of bonus and sold within nine months after the record date, the loss arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax. The loss so ignored shall be treated as cost of acquisition of such bonus units.

#### **Furnishing of Permanent Account Number (PAN)**

As per the provisions of the section 206AA of the Income-tax Act, 1961, applicable from 1 April 2010 (i.e. financial year starting from 1 April 2010), any person whose receipts are subject to

deduction of tax at source shall mandatorily furnish his PAN to the deductor failing which the deductor shall deduct tax at source at higher of the following rates:

- i. the rate prescribed in the Act;
- ii. at the rates in force (this takes into account the rates as per the DTAA)
- iii. at the rate of 20 per cent

In view of the same, even a non-resident is technically required to have a PAN under the provisions of the Act and non-availability of the same may result in withholding at higher rate. However, if PAN is available, then the beneficial rates as per tax treaty (if applicable) can be availed subject to the deductee being eligible for treaty benefits.

However, exemption provided to non-resident for furnishing of PAN in respect of certain incomes which includes interest income and capital gains if prescribed information is furnished like Name, Address in foreign country, TIN, TRC, etc.

### **Exemptions from long-term capital gains**

As per the provisions of section 54EC of the Act, long-term capital gains arising on sale / repurchase of units shall be exempt from tax to the extent such capital gains are invested, within a period of six months of such transfer, in acquiring specified bonds to the extent it does not exceed Rs. 5,000,000 and remain so invested as specified.

### **II. Wealth-tax**

The provisions of Wealth Tax ACT cease to apply from A.Y 2016-17 i.e. there will be no wealth tax liability for F.Y 2015-16 onwards.

### **III. Gift Tax**

Since the provision of Gift Tax Act, 1958 have ceased to apply with effect from October 1, 1998, gift of units of mutual funds made on or after October 1, 1998 will not be liable to Gift Tax under the Gift Tax Act, 1958. However, pursuant to the finance Act, 2009, Section 56 of the Income Tax Act has been amended to provide that value of any property, including units of mutual funds, received without consideration or for inadequate consideration on or after October 1, 2009 (from the person or in situations other than those exempted under Section 56(2)(vii) of the Act) will be included in the computation of total income of the recipient and be subject to tax.

Note 1:-

| Investors                                    | Individual/HUF /Firm/Local Authority/Co-operative Society | Resident Corporate | Non resident Corporate |
|--|---|--------------------|------------------------|
| Income less than 50 lakhs                    | Nil   | Nil                | Nil                    |
| Income more than 50 lakhs but less than 1 cr | 10%   | Nil                | Nil                    |
| Income greater than 1 cr but less than 10 cr | 15%   | 7%                 | 2%                     |
| Income greater than 10 cr                    | 15%   | 12%                | 5%                     |

An additional surcharge of 3 per cent by way of education cess is applicable in all the cases on amount of tax and surcharge.

## **B. LEGAL INFORMATION**

### **1. Nomination Facility**

- i. Pursuant to Regulation 29A of the SEBI Regulations, the AMC provides an option to the Unit holder to nominate (in the manner prescribed under the SEBI Regulations), a person(s) in whom the Units held by him shall vest in the event of his death. Where the Units are held by more than one person jointly, the joint Unit holders may together nominate a person(s) in whom all the rights in the Units shall vest in the event of death of



all the joint Unit holders. By provision of this facility the AMC is not in any way attempting to grant any rights other than those granted by law to the nominee(s).

- ii. A nomination in respect of the Units does not create an interest in the property after the death of the Unit holder. The nominee(s) shall receive the Units only as an agent and trustee for the legal heirs or legatees as the case may be. It is hereby clarified that the nominees(s) under the nomination facility provided herein shall not necessarily acquire any title or beneficial interest in the property by virtue of this nomination.
- iii. Nomination can be made only by individuals on their own behalf, either singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate.
- iv. Only the following categories of Indian Residents can be nominated: (a) individuals (b) minors through parent/legal guardian (c) religious and charitable trusts and (d) Central Government, State Government, a local authority or any person designated by virtue of his office.
- v. 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.
- vi. A non-resident Indian can be a Nominee subject to the exchange controls in force from time to time.
- vii. Minor(s) can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the Unit holder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.
- viii. Nomination can be made for maximum of 3 nominees. In case of multiple nominees, the percentage of allocation / share in favour of each of the nominees should be indicated against their name and such allocation / share should be in whole numbers without any decimals making a total of 100 percent. In the event of Unit holders not indicating the percentage of allocation / share for each of the nominees, the Mutual Fund /the AMC, by invoking default option shall settle the claim equally amongst all the nominees.
- ix. Nomination in respect of the Units stands rescinded upon the Redemption of Units.
- x. 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 of the nomination the nomination shall stand rescinded and the Mutual Fund / AMC shall not be under any obligation to transfer the Units in favour of the nominee(s).
- xi. The nomination facility extended under the Scheme is subject to existing laws. The AMC shall, subject to production of such evidence which in their opinion is sufficient, proceed to effect the payment/transfer to the Nominee(s). Transfer of Units / payment to the nominee(s) of the sums shall discharge the Mutual Fund / AMC of all liability towards the estate of the deceased Unit holder and his/her/their successors/legal heirs.
- xii. The Fund, the AMC and the Trustee are entitled to be indemnified from the deceased Unit Holder's estate against any liabilities whatsoever that any of them may suffer or incur in connection with a nomination.
- xiii. Nomination will be mandatory for new folios/accounts opened by individuals especially with sole/single holding.
- xiv. Investors who do not wish to nominate must sign separately confirming their non-intention to nominate.
- xv. In case of joint holdings in a folio, all joint holders will be required to sign the request for nomination/cancellation of nomination, even if the mode of holding is not joint. The facility to nominate will not be available in a folio held on behalf of a minor. Nomination form cannot be signed by Power of Attorney (PoA) holders.
- xvi. The facility to nominate will not be available in a folio held on behalf of a minor.
- xvii. Nomination shall be maintained at the folio or account level and shall be applicable for investments in all schemes in the folio or account.
- xviii. Every new nomination in a folio will over write the existing nomination.

Investors may note that where the Units are transferred in favor of the nominee, the "Know Your Customer" norms, where applicable will have to be fulfilled by the nominee.

## **2. Prevention of Money Laundering - Know Your Customer (KYC) Compliance**

- i. Prevention of Money Laundering Act, 2002 (hereinafter referred to as "Act") came into effect from July 1, 2005 vide Notification No. GSR 436(E) dated July 1, 2005 issued by Department of Revenue, Ministry of Finance, Government of India. Further, SEBI vide its circular reference number ISD/CIR/RR/AML/1/06 dated January 18, 2006 including amendments thereto mandated that all intermediaries including mutual funds should formulate and implement a proper policy framework as per the guidelines on anti money laundering measures and also to adopt a Know Your Customer (KYC) policy. The intermediaries may, according to their requirements specify additional disclosures to be made by clients for the purpose of identifying, monitoring and reporting incidents of money laundering and suspicious transactions Undertaken by clients. SEBI also issued another circular reference no. ISD/CIR/RR/AML/2/06 dated March 20, 2006 advising all intermediaries to take necessary steps to ensure compliance with the requirement of section 12 of the Act inter-alia maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND), New Delhi.
- ii. All investors shall complete a one-time process of KYC, which is mandatory for any amount of investment for the New / Additional Purchases, Switch Transactions, New SIP Registration, New STP Registrations.
- iii. The investor(s) should ensure that the amount invested in the scheme is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act, Prevention of Corruption Act and / or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued thereunder.
- iv. Investors should note that it is mandatory for all applications for subscription of any amount to quote the KYC Compliance Status of each applicant (guardian in case of minor) in the application for subscription and attach proof of KYC Compliance viz. KYC Acknowledgement Letter (or the erstwhile Mutual Fund Identification Number\* (MIN) Allotment Letter) / Printout of KYC Compliance Status downloaded from CVL website ([www.cvlindia.com](http://www.cvlindia.com)) using the PAN Number.
- v. \*Valid only where investors who have already obtained the erstwhile Mutual Fund Identification Number (MIN) by submitting the PAN copy as the proof of identity.
- vi. Applicants intending to apply for units through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC Compliance Status and attach proof of KYC Compliance at the time of investment. In the event of non compliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s) folio.
- vii. To ensure appropriate identification of the investor(s) under its KYC policy and with a view to monitor transactions for the prevention of money laundering, the AMC / the Mutual Fund reserves the right to seek information, record investor's telephonic calls and / or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc.
- viii. It may re-verify identity and obtain any incomplete or additional information for this purpose.
- ix. The investor(s) and their attorney, if any, shall produce reliable, independent source documents such as photographs, certified copies of ration card/ passport/ driving license/PAN card, etc. and/or such documents or produce such information as may be required from time to time for verification of the identity, residential address and financial information of the investor(s) by the AMC/Mutual Fund.
- x. If the investor(s) or the person making payment on behalf of the investor(s), refuses / fails to provide the required documents/ information within the period specified in the communication(s) sent by the AMC to the investor(s) then the AMC, after applying

appropriate due diligence measures, believes that the transaction is suspicious in nature within the purview of the Act and SEBI circulars issued from time to time and/or on account of deficiencies in the documentation, shall have absolute discretion to report suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units.

- xi.** The KYC documentation shall also be mandatorily complied with by the holders entering the Register of Unitholders by virtue of operation of law e.g. transmission, etc. The Mutual Fund, AMC, Trustee and their Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of freezing the folios / rejection of any application / allotment of units due to non-compliance with the provisions of the Act, SEBI circular(s) and KYC policy and / or where the AMC believes that transaction is suspicious in nature within the purview of the Act and SEBI circular(s) and reporting the same to FIU-IND.

#### **Know Your Customer (KYC) Procedure - KYC Registration Agency (KRA)**

Investors may kindly note that pursuant to SEBI Circular no. MIRSD/ Cir-26/ 2011 dated December 23, 2011, SEBI (KYC Registration Agency) Regulations, 2011 and SEBI Circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011, regarding uniformity in the Know Your Customer (KYC) process in the securities market and development of a mechanism for centralization of the KYC records to avoid duplication of KYC Process across the intermediaries in the securities market, with effect from January 1, 2012.

1. SEBI has introduced a common KYC Application Form for all the SEBI registered intermediaries viz. Mutual Funds, Portfolio Managers, Depository Participants, Stock Brokers, Venture Capital Funds, Collective Investment Schemes, etc. New Investors are therefore requested to use the common KYC Application Form and carry out the KYC process including In-Person Verification (IPV) with any SEBI registered intermediaries including mutual funds. The KYC Application Forms are also available on our website [www.axismf.com](http://www.axismf.com)
2. The Mutual Fund shall perform the initial KYC of its new investors and may undertake enhanced KYC measures commensurate with the risk profile of its investors. The Mutual Fund shall upload the details of the investors on the system of the KYC Registration Agency (KRA). Registrar & Transfer Agent (RTA) of the Mutual Fund may also undertake the KYC of the investors on behalf of the Mutual Fund. KRA shall send a letter to the investor within 10 working days of the receipt of the initial/updated KYC documents from the Mutual Fund, confirming the details thereof.
3. Once the investor has done KYC with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary including mutual funds. However, the Mutual Fund reserves the right to carry out fresh KYC/additional KYC of the investor.
4. It is mandatory for intermediaries including mutual funds to carry out In-Person Verification (IPV) of its new investors from January 1, 2012. The IPV carried out by any SEBI registered intermediary can be relied upon by the Mutual Fund. Axis Asset Management Company Limited and NISM / AMFI certified distributors who are KYD compliant are authorised to undertake the IPV for Mutual Fund investors. Further, in case of any applications received directly (i.e. without being routed through the distributors) from the investors, the Mutual Fund may rely upon the IPV (on the KYC Application Form) performed by the scheduled commercial banks.
5. Existing KYC compliant investors of the Mutual Fund can continue to invest as per the current practice.

Please refer to the paragraph "How to apply" for the process to complete KYC formalities.

#### **Submission of additional KYC requirements:**

SEBI vide Circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011 had mandated (i) Standard KYC form with uniform KYC guidelines and supporting documents to be used by SEBI registered intermediaries and (ii) Centralized KYC registration through KYC Registration Agencies (KRAs)

registered with SEBI, w.e.f. January 1, 2012, to bring about uniform KYC process in the securities market, based on SEBI prescribed norms and the KYC details are shared with all SEBI registered intermediaries by the KRAs.

Subsequently, SEBI vide its circular no. MIRSD/Cir-5/2012 dated April 13, 2012 advised various intermediaries to upload KYC data of its existing customers into the KRA system. While uploading KYC data into the KRA system, intermediaries were also required to highlight such 'Missing/Not Available' KYC information of a customer, which was either not required or not taken previously, but was mandatory as per uniform KYC guidelines issued by SEBI.

In accordance with AMFI best practices guidelines circular no. 62/2015-16 dated September 18, 2015, it is mandatory for all new/existing investors to provide additional KYC information such as Income details, occupation, association with politically exposed person, net worth etc. as mentioned in the application form. Subscription requests, without providing these details, are liable to be rejected. No subscriptions (whether fresh or additional) and switches pertaining to 'KYC on- hold' cases are accepted, unless the investor / unitholder also submits relevant KYC missing / updated information, which is appropriately updated on the KRA - KYC system.

Further, it is mandatory for existing customers to complete the In-Person Verification process and provide the missing KYC information failing which their applications / transaction requests for additional subscription (including switches) is liable to be rejected.

#### **Operationalisation of Central KYC Records Registry (CKYCR)**

Central Registry of Securitisation and Asset Reconstruction and Security interest of India ("CERSAI") has been authorised by Government of India to act as Central KYC Records Registry under Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 ("PMLA Rules").

SEBI vide its circular no. CIR/MIRSD/66/2016 dated July 21, 2016 and circular no. CIR/MIRSD/120/2016 dated November 10, 2016 has prescribed that the Mutual Fund/ AMC should capture KYC information for sharing with CKYCR as per the KYC template prescribed by CERSAI.

In accordance with the aforesaid SEBI circulars and AMFI best practice guidelines for implementation of CKYC norms with effect from February 1, 2017:

- a) Individual investors who have never done KYC process under KRA regime i.e. a new investor who is new to KRA system and whose KYC is not registered or verified in the KRA system shall be required to provide KYC details in the CKYC Form to the Mutual Fund/ AMC. The said form is available on Axis Mutual Fund website [www.axismf.com](http://www.axismf.com).
- b) Individual investor who fills old KRA KYC Form, should provide additional / missing information using Supplementary KYC Form or fill CKYC Form.
- c) Details of investors shall be uploaded on the system of CKYCR and a 14 digit unique KYC identifier ('KIN') will be generated for such customer.
- d) New investors, who have completed CKYC process & have obtained KIN may quote their KIN in the application form instead of submitting CKYC Form/ Supplementary KYC Form.
- e) AMC/ Mutual Fund shall use the KIN of the investor to download the KYC information from CKYCR system and update its records.
- f) If the PAN of investor is not updated on CKYCR system, the investor should submit self-certified copy of PAN card to the Mutual Fund/ AMC.

The AMC reserves the right to reject transaction application in case the investor(s) fails to submit information and/or documentation as mentioned above. In the event of non-compliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s).

### **3. Transfer and Transmission Facility**

- i. Units of the schemes shall be non-transferable unless the Units are held in demat form shall be freely transferable under the depository system and in accordance with the provisions of the SEBI (Depositories and Participants) Regulations, 1996. However, restrictions on transfer of Units of Axis Long Term Equity Fund during the lock in period shall continue to be applicable as per the ELSS guidelines. Further, if a person becomes a holder of the units consequent to operation of law, or upon enforcement of a pledge, the Mutual Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the units.
- ii. In case units are held in a single name by a unit holder, units shall be transmitted in favour of the nominee, where the unit holder has appointed a nominee, upon production of death certificate and other document to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar.
- iii. If the unit holder has not appointed a nominee, the units shall be transmitted in favour of the unit holder's executor / administrator of estate / legal heir(s), as the case may be, on production of death certificate and other document to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar.
- iv. In case units are held by more than one registered unit holder, then upon death of first unit holder, units shall be transmitted in favour of the second named holder on production of a death certificate and other document to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar.
- v. The rights in the units will vest in the nominee upon the death of all joint unit holders upon the nominee producing a death certificate and other document to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar.

#### **Transmission Process:**

- i. In case of transmission of Units, the transferee will have to comply with the applicable "Know Your Customer" Norms.
- ii. In case of transmission of Units, the claimant(s) of Units will be required to submit the prescribed documents as may be applicable. Investors may refer to our website ([www.axismf.com](http://www.axismf.com)) or contact any of our investor service centres for the various documents required under different transmission scenarios.
- iii. In case of transmission of Units to a claimant who is a minor, the prescribed documents like PAN, KYC, bank details, indemnity, etc. of the guardian will be required.
- iv. If the amount involved in transmission exceeds Rs. 2 lakh, the AMC/Mutual Fund may, on a case to case basis, seek additional documents from the claimant(s) of Units.

### **4. Duration of the Scheme and Winding Up**

- i. Each closed-ended Scheme/ Plan will have a Maturity Date / Final Redemption Date and will be compulsorily and without any act by the unit holder(s) redeemed on Maturity Date / Final Redemption Date. On Maturity / Final Redemption Date of the Scheme/ Plan, the units will be redeemed at the Applicable NAV.
- ii. The Mutual Fund may convert the Scheme/ Plans under the Scheme after the Maturity Date / Final Redemption Date into an open-end Scheme/ Plan and this shall be in accordance with the SEBI Regulations.
- iii. The Units of close-ended Scheme/ Plan may be converted into open-ended scheme,
  - a) If the SID of such scheme discloses the option and the period of such conversion; or
  - b) The Unit holders are provided with an option to redeem their units in full.
- iv. A close-ended scheme shall be fully redeemed at the end of the maturity period. Provided that a close ended scheme may be allowed to be rolled over if the purpose, period and other terms of the roll over and all other material details of the scheme including the likely composition of assets immediately before the roll over, the net assets and net asset value of the scheme, are disclosed to the Unit holders and a copy of the same has been filed with SEBI.

Provided further, that such roll over will be permitted only in case of those Unit holders who express their consent in writing and the Unit holders who do not opt for the roll over

- or have not given written consent shall be allowed to redeem their holdings in full at net asset value based price.
- v. A closed-ended Scheme/ Plan shall be wound up on the expiry of duration fixed in the Scheme/ Plan on the redemption of the Units unless it is rolled-over for a further period under sub-regulation (4) of regulation 33.
  - vi. An Open-ended / Interval Scheme has a perpetual life.
  - vii. Where the Scheme is a Close - Ended Schemes with automatic conversion into Open-Ended Scheme upon Maturity, such schemes will remain close - ended for the period mentioned in the SID and subsequently the scheme will automatically be converted into an open-ended scheme without any further reference from the Mutual Fund/ Trustee/ AMC/ Unit holders. Thereafter, the duration of the Scheme is perpetual.
  - viii. However, in terms of the Regulations, an open-ended schemes may be wound up anytime, and close-ended scheme may be wound up at any time prior to the maturity date, after repaying the amount due to the unit holders under the following circumstances:
    - 1) On happening of any event, which in the opinion of the Trustee, requires the Scheme concerned to be wound up, OR
    - 2) If 75% of the unit holders of the Scheme concerned pass a resolution that the Scheme be wound up, OR
    - 3) If SEBI so directs in the interests of unit holders.
    - 4) 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.

#### **5. Procedure and Manner of Winding Up**

- i. The Trustee shall call a meeting of the Unit holders of the Scheme to consider and pass necessary resolutions by simple majority of Unit holders present and voting at the meeting for authorising the AMC or any other person / agency to take the steps for winding up of the Scheme.
- ii. Provided that a meeting shall not be necessary if the Scheme is wound up at the end of the maturity period.
- iii. The Trustee or the person authorised as above, shall dispose the assets of the Scheme concerned in the best interests of the Unit holders of the Scheme.
- iv. The proceeds of the sale made in pursuance of the above, shall in the first instance be utilised towards discharge of such liabilities as are properly due under the Scheme and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the Unit holders in proportion to their respective interests in the assets of the Scheme as on the date when the decision for the winding up was taken.
- v. On the completion of the winding up, the Trustee shall forward to SEBI and the Unit holders, a report on the winding up containing particulars such as circumstances leading to the winding up, the steps taken for disposal of 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 Mutual Fund.
- vi. Notwithstanding anything contained herein, the application of the provisions of SEBI Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until the winding up is completed or the Scheme ceases to exist.
- vii. After the receipt of report referred to the above under "Procedure and Manner of Winding up" if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.
- viii. The aforesaid provisions pertaining to "Procedure and Manner of Winding Up" shall apply in respect of each individual scheme and to the extent possible shall apply mutatis mutandis to each Investment Plan.

## 6. 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.

## 7. Miscellaneous

Investors may note that in case of fresh/additional purchases, if the name of the Scheme on the application form/transaction slip differs with the name on the Cheque/Demand Draft/payment instrument/transfer letter, then the AMC will allot units under the Scheme mentioned on the application form. In case of fresh/additional purchases, if the Scheme name is not mentioned on the application form/transaction slip, then the units will be allotted under the Scheme mentioned on the Cheque/Demand Draft/payment instrument/transfer letter. The Plan/Option that will be considered in such cases if not specified by the customer will be the default option of the Scheme as per the SID. However, in case additional purchase is under the same scheme as fresh purchase, then the AMC reserves the right to allot units in the option under which units were allotted at the time of fresh purchase.

## 8. Investor Having Multiple Accounts

The Mutual Fund has also provided a facility to the investors to register multiple bank accounts. By registering multiple bank accounts, the investors can use any of the registered bank accounts to receive redemption / dividend proceeds. These account details will be used by the AMC / Mutual Fund / R&TA for verification of instrument used for subscription to ensure that third party payments are not used for mutual fund subscription, except where permitted above. Investors are requested to avail the facility of registering multiple bank accounts by filling in the Application Form for Registration of Multiple Bank Accounts available at our ISCs/OPAs or on our website [www.axismf.com](http://www.axismf.com). For details, please refer to the 'Multiple Bank Account Registration Form'.

## 9. Change in Bank Mandate

The process for change in bank mandate/address to be followed by unitholders is as follows:

- i. Updation of Bank Account in Customer's Folio shall be either through "Multiple Bank Account Registration Form" or a standalone separate "Change of Bank Mandate Form";
- ii. In case of standalone change of bank details, documents as entailed below should be submitted as a proof of new bank account details. Based on Axis AMC's internal risk assessment, Axis AMC may also consider collecting proof of old bank account and proof of identity of the clients, while effecting the change of bank account;
- iii. Customers are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;
- iv. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;
- v. Such Investors, who have not already provided bank mandate at the time of making investment, are required to submit proof of new bank account details as entailed here below. Such investors are also required to submit valid Proof of Identity as prescribed under KYC guidelines along with Proof of Investment; and
- vi. Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request, Axis AMC will continue to follow cooling period of 10 calendar days for validation of the same.

*Investors are required to submit any one of the following documents in Original or produce originals for verification or copy attested by the Bank –*

### New Bank Account/Bank details Registration

- Cancelled original cheque of new bank mandate with first unit holder name and bank account number printed on the face of the cheque; OR

- Self - attested copy of bank statement; OR
- Bank Passbook with current entries not older than 3 months; OR
- Letter from the bank on its letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager/authorised personnel.

AND Proof of Identity as prescribed under KYC guidelines along with Proof of Investment - only for such investors who have not registered their bank mandate at the time of making investment.

#### Change in Existing Bank Mandate

- Cancelled original cheque with first unitholder name and bank account number printed on the face of the cheque; OR
- Original bank account statement or pass book; OR
- Original letter issued by the Bank on the letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager; OR
- In case such Bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.

#### **10. Change in Address**

Investors / unit holders are requested to note that self- attested copies of the below mentioned documents shall be submitted along with a duly filled in 'Change of Address Form'.

##### a. KYC not complied folios

- Proof of new Address
- Proof of Identity (in case of PAN updated folios - only PAN card copy shall be accepted, and in other case
- PAN/other valid proof of identity shall be accepted
- Based on Axis AMC's internal risk assessment, Axis AMC may also consider collecting proof of old address, while effecting change of address

##### b. KYC complied folios:

- Proof of new Address
- Any other document/form that the KYC Registration Agency (KRA) may specify from time to time or may be required under CKYCR process.

Copies of all documents submitted by the Investors should be self-attested and accompanied by originals for verification.

In case the original of any document is not produced for verification, then the copies should be properly attested/ verified by entities authorised for attesting / verification of the documents as per KYC guidelines.

#### **11. Application with/without broker**

Investors may note and follow the below-mentioned directions while applying for the units of the schemes of the Mutual Fund:

- i. In case where the Broker code is already printed in Application form / Transaction form / Purchase request form by the AMC / Registrar / Distributor :  
Where the Investor wishes to apply directly (i.e. not through existing broker / distributor), then the investor should strike off the broker code (printed) and should write "Direct Applications" or "Not Applicable (N.A.)" and countersign the same
- ii. In case where the Broker code is not printed in Application form / Transaction form / Purchase request form :
- iii. In case of direct applications, the Investor should write in the space provided for the broker code "Direct Application" or "Not Applicable (N.A.)".
- iv. In case of change in broker, the investor will be required to strike off the old broker code and countersign near the new broker code, before submitting the application form /



transaction form / purchase form to the designated ISC's/ OPA (Official points of Acceptance).

- v. The Registrar and the AMC shall effect the application for changes in the broker code within the reasonable period of time from the time of receipt of written request from the investor at the designated ISC's / OPA. Decision of the Registrar/AMC in this regard shall be final and acceptable to all.
- vi. All Unitholders who have invested/may invest through channel distributors and intend to make their future investments through the direct route, are advised to complete the procedural formalities prescribed by AMC from time to time.

## A. GENERAL INFORMATION

### 1. Inter-Scheme Transfer of Investments

Transfers of investments from one scheme to another scheme in the Mutual Fund shall be allowed only if:

- (a) Such transfers are done at the prevailing market price for quoted instruments on spot basis. (spot basis shall have same meaning as specified by stock exchange for spot transactions.)
- (b) Transfers of unquoted securities will be as per the policy laid down by the Trustee from time to time
- (c) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

### 2. Associate Transactions

#### A. Investment in Group Companies

During the period April 1, 2014 to March 31, 2015, the following investments were made in the securities of Sponsors and its Group Companies:

Rs. In crores

| Name of company | Particulars | Axis Enhanced Arbitrage Fund |              |                 |
|-----------------|-------------|------------------------------|--------------|-----------------|
|                 |             | Quantity                     | Market Value | % to Net Assets |
| Axis Bank Ltd   | Purchase    | 150,000,000                  | 9.00         | 12.97%          |
| Name of company | Particulars | AXIS EQUITY FUND             |              |                 |
|                 |             | Quantity                     | Market Value | % to Net Assets |
| Cipla Ltd       | Purchase    | 150,000                      | -            | -               |
| Cipla Ltd       | Sale        | 450,000                      | -            | -               |
| CMC Ltd         | Purchase    | 10,000                       | 21.08        | 1.25%           |
| Name of company | Particulars | AXIS MIDCAP FUND             |              |                 |
|                 |             | Quantity                     | Market Value | % to Net Assets |
| CMC Ltd         | Purchase    | 20,000                       | 9.57         | 0.89%           |
| CMC Ltd         | Sale        | 60,000                       | -            | -               |
| Name of company | Particulars | Axis Small Cap Fund          |              |                 |
|                 |             | Quantity                     | Market Value | % to Net Assets |
| CMC Ltd         | Purchase    | 6,000                        | -            | -               |
| CMC Ltd         | Sale        | 36,000                       | -            | -               |
| Name of company | Particulars | AXIS TRIPLE ADVANTAGE FUND   |              |                 |
|                 |             | Quantity                     | Market Value | % to Net Assets |
| Axis Bank Ltd   | Purchase    | 26,250                       | -            | -               |
| Axis Bank Ltd   | Sale        | 26,250                       | -            | -               |

During the period April 1, 2015 to March 31, 2016, the following investments were made in the securities of Sponsors and its Group Companies:

Rs. In crores

| Name of company | Particulars | Axis Children's Gift Fund    |              |                 |
|-----------------|-------------|------------------------------|--------------|-----------------|
|                 |             | Quantity                     | Market Value | % to Net Assets |
| Axis Bank Ltd   | Purchase    | 5,00,00,000                  | 5.00         | 2.40%           |
| Name of company | Particulars | AXIS ENHANCED ARBITRAGE FUND |              |                 |
|                 |             | Quantity                     | Market Value | % to Net Assets |

|                        |                    |   |                     |                        |
|------------------------|--------------------|---|---------------------|------------------------|
| Axis Bank Limited      | Purchase           | 65,00,00,000                                  | 34.00               | 10.44%                 |
| Cipla Limited          | Purchase           | 6,32,800                                      | 25.02               | 7.68%                  |
| Cipla Limited          | Sale               | 1,44,000                                      | -                   | -                      |
| <b>Name of company</b> | <b>Particulars</b> | <b>AXIS EQUITY FUND</b>                       |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 10,00,00,000                                  | 10.00               | 0.51%                  |
| CMC Limited            | Sale               | 1,10,102                                      | -                   | -                      |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Equity Saver Fund</b>                 |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 30,00,00,000                                  | 30.00               | 3.05%                  |
| Cipla Limited          | Purchase           | 2,94,400                                      | 15.07               | 1.53%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Hybrid Fund Series-29 (1275 Days)</b> |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Finance Limited   | Purchase           | 8,50,000                                      | 8.65                | 9.59%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Hybrid Fund Series-30 (1297 Days)</b> |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Finance Limited   | Purchase           | 10,50,000                                     | 10.62               | 9.15%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>AXIS MIDCAP FUND</b>                       |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| CMC Limited            | Sale               | 50,000  | -                   | -                      |
| <b>Name of company</b> | <b>Particulars</b> | <b>AXIS SHORT TERM FUND</b>                   |                     |                        |
|                        |                    | <b>Quantity</b>                               | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Finance Limited   | Purchase           | 1,00,000                                      | 1.01                | 0.04%                  |

During the period April 1, 2016 to March 31, 2017, the following investments were made in the securities of Sponsors and its Group Companies:

Rs. In crores

|                        |                    |   |                     |                        |
|------------------------|--------------------|---|---------------------|------------------------|
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Children's Gift Fund</b>                        |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 3,00,00,000.00  | 3.00                | 1.04%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Emerging Opportunities Fund – Sr 1 (1400 D)</b> |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 15,00,00,000.00   | 15.00               | 2.96%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Emerging Opportunities Fund – Sr 2 (1400 D)</b> |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 25,00,00,000.00   | 25.00               | 2.31%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Enhanced Arbitrage Fund</b>                     |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 63,00,00,000.00   | 53.00               | 9.85%                  |
| Cipla Limited          | Purchase           | 1,41,600.00   | 10.08               | 1.87%                  |
| Cipla Limited          | Sale               | 4,60,400.00   | -                   | -                      |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Equity Fund</b>                                 |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 5,00,00,000.00  | 5.00                | 0.26%                  |
| <b>Name of company</b> | <b>Particulars</b> | <b>Axis Equity Saver Fund</b>                           |                     |                        |
|                        |                    | <b>Quantity</b>   | <b>Market Value</b> | <b>% to Net Assets</b> |
| Axis Bank Limited      | Purchase           | 28,00,00,000.00   | 27.00               | 3.63%                  |
| Cipla Limited          | Purchase           | 1,000.00  | 5.87                | 0.79%                  |
| Cipla Limited          | Sale               | 1,96,400.00   | -                   | -                      |

| Name of company             | Particulars | Axis Liquid Fund |              |                 |
|-----------------------------|-------------|------------------|--------------|-----------------|
|                             |             | Quantity         | Market Value | % to Net Assets |
| IIFL Wealth Finance Limited | Purchase    | 6,50,00,000.00   | 297.31       | 2.20%           |

#### B. Securities Transactions with Associates

The AMC has dealt with the following associates for the purpose of securities transaction (aggregate purchase and sale) during the period April 1, 2014 to March 31, 2015:

Rs. In crores

| Name of Associate (Counterparty) | Name of the Scheme                   | Nature of security | Amount | Transaction Type |
|----------------------------------|--------------------------------------|--------------------|--------|------------------|
| AXIS BANK LTD                    | Axis Banking Debt Fund               | CD                 | 38.26  | Buy              |
|                                  | Axis Enhanced Arbitrage Fund         | Margin FD          | 15.00  | Buy              |
|                                  | Axis Fixed Income Opportunities Fund | Corporate Bond     | 7.11   | Buy              |
|                                  | Axis Hybrid Fund - Sr 15 (1275 D)    | Corporate Bond     | 20.03  | Buy              |
|                                  | Axis Income Saver                    | CD                 | 9.56   | Buy              |
|                                  | Axis Income Saver                    | Corporate Bond     | 28.15  | Buy              |
|                                  | Axis Liquid Fund                     | CD                 | 351.00 | Buy              |
|                                  | Axis Liquid Fund                     | CD                 | 197.36 | Sell             |
|                                  | Axis Liquid Fund                     | CP                 | 49.19  | Buy              |
|                                  | Axis Short Term Fund                 | CD                 | 24.11  | Buy              |
|                                  | Axis Short Term Fund                 | Corporate Bond     | 80.40  | Buy              |
|                                  | Axis Treasury Advantage Fund         | CD                 | 18.68  | Buy              |
| Axis Treasury Advantage Fund     | CD                                   | 47.75              | Sell   |                  |

FTP - Fixed Term Plan, CD - Certificate of Deposit, CP - Commercial Paper

The AMC has dealt with the following associates for the purpose of securities transaction (aggregate purchase and sale) during the period April 1, 2015 to March 31, 2016:

Rs. In crores

| Name of Associate (Counterparty) | Name of the Scheme                | Nature of security | Amount | Transaction Type |
|----------------------------------|-----------------------------------|--------------------|--------|------------------|
| AXIS BANK LTD                    | Axis Banking Debt Fund            | CD                 | 36.11  | Sell             |
|                                  | Axis Cap. Pro. Oriented Fund-Sr 5 | CD                 | 24.98  | Sell             |
|                                  | Axis Children's Gift Fund         | FD MARGIN          | 5.00   | Buy              |
|                                  | Axis Dynamic Bond Fund            | Corporate Bond     | 13.07  | Buy              |
|                                  | Axis Enhanced Arbitrage Fund      | FD MARGIN          | 65.00  | Buy              |
|                                  | Axis Equity Fund                  | CD                 | 32.95  | Sell             |
|                                  | Axis Equity Fund                  | FD MARGIN          | 10.00  | Buy              |
|                                  | Axis Equity Saver Fund            | FD MARGIN          | 30.00  | Buy              |
|                                  | Axis HBF - Sr 23 (1275 Days)      | CD                 | 1.00   | Sell             |
|                                  | Axis HBF - Sr 25 (1278 Days)      | Corporate Bond     | 15.02  | Buy              |
|                                  | Axis Income Fund                  | Corporate Bond     | 12.07  | Buy              |
|                                  | Axis Income Saver                 | CD                 | 23.32  | Buy              |
|                                  | Axis Income Saver                 | CD                 | 12.07  | Sell             |
|                                  | Axis Liquid Fund                  | CD                 | 99.42  | Buy              |
|                                  | Axis Liquid Fund                  | CD                 | 599.52 | Sell             |
|                                  | Axis Liquid Fund                  | CP                 | 99.49  | Buy              |
|                                  | Axis Liquid Fund                  | Treasury Bill      | 197.52 | Buy              |
|                                  | Axis Long Term Equity Fund        | CD                 | 61.91  | Sell             |
|                                  | Axis Midcap Fund                  | CD                 | 3.99   | Sell             |
| Axis Short Term Fund             | CD                                | 23.34              | Sell   |                  |

| Name of Associate (Counterparty) | Name of the Scheme           | Nature of security | Amount | Transaction Type |
|----------------------------------|------------------------------|--------------------|--------|------------------|
|                                  | Axis Short Term Fund         | Corporate Bond     | 158.28 | Buy              |
|                                  | Axis Short Term Fund         | Corporate Bond     | 203.57 | Sell             |
|                                  | Axis Treasury Advantage Fund | CD                 | 48.06  | Buy              |
|                                  | Axis Treasury Advantage Fund | CD                 | 48.46  | Sell             |
|                                  | Axis Treasury Advantage Fund | Corporate Bond     | 107.42 | Buy              |

FTP - Fixed Term Plan, CD - Certificate of Deposit, CP - Commercial Paper, HBF - Hybrid Fund

The AMC has dealt with the following associates for the purpose of securities transaction (aggregate purchase and sale) during the period April 1, 2016 to March 31, 2017:

Rs. In crores

| Name of Associate (Counterparty) | Name of the Scheme                                      | Nature of security | Amount  | Transaction Type |
|----------------------------------|---|--------------------|---------|------------------|
| AXIS BANK LTD                    | Axis Capital Protection Oriented Fund-Series 5          | Corporate          | 4.53    | Buy              |
|                                  | Axis Children's Gift Fund                               | FD Margin          | 3.00    | Buy              |
|                                  | Axis Dynamic Bond Fund                                  | Corporate Bond     | 10.08   | Buy              |
|                                  | Axis Emerging Opportunities Fund – Series 1 (1400 Days) | FD Margin          | 15.00   | Buy              |
|                                  | Axis Emerging Opportunities Fund – Series 2 (1400 Days) | FD Margin          | 25.00   | Buy              |
|                                  | Axis Enhanced Arbitrage Fund                            | FD Margin          | 63.00   | Buy              |
|                                  | Axis Equity Fund  | FD Margin          | 5.00    | Buy              |
|                                  | Axis Equity Fund  | Treasury Bill      | 23.99   | Sell             |
|                                  | Axis Equity Saver Fund                                  | Corporate Bond     | 5.04    | Buy              |
|                                  | Axis Equity Saver Fund                                  | FD Margin          | 28.00   | Buy              |
|                                  | Axis Fixed Income Opportunities Fund                    | CD                 | 23.46   | Buy              |
|                                  | Axis Fixed Income Opportunities Fund                    | Corporate Bond     | 81.95   | Buy              |
|                                  | Axis Fixed Income Opportunities Fund                    | Gsec-S             | 10.03   | Buy              |
|                                  | AHBF - Sr 14 (1274 Days)                                | Treasury Bill      | 19.99   | Sell             |
|                                  | AHBF - Series 5 (1346 Days)                             | Treasury Bill      | 14.99   | Sell             |
|                                  | AHBF - Series 6 (1324 Days)                             | Treasury Bill      | 14.99   | Sell             |
|                                  | AHBF Series-29 (1275 Days)                              | Corporate Bond     | 8.06    | Buy              |
|                                  | AHBF Series-32 (1367 Days)                              | Treasury Bill      | 59.98   | Sell             |
|                                  | Axis Liquid Fund  | CD                 | 196.70  | Buy              |
|                                  | Axis Liquid Fund  | Commercial Paper   | 395.73  | Buy              |
|                                  | Axis Liquid Fund  | Treasury Bill      | 2924.42 | Buy              |
|                                  | Axis Midcap Fund  | Treasury Bill      | 20.99   | Sell             |
|                                  | Axis Regular Savings Fund                               | Corporate Bond     | 21.04   | Buy              |
|                                  | Axis Short Term Fund                                    | Corporate Bond     | 561.35  | Buy              |
|                                  | Axis Short Term Fund                                    | Corporate Bond     | 152.46  | Sell             |
|                                  | Axis Short Term Fund                                    | Gsec-S             | 40.12   | Buy              |
|                                  | Axis Short Term Fund                                    | Treasury Bill      | 64.98   | Sell             |
|                                  | Axis Small Cap Fund                                     | Treasury Bill      | 19.99   | Sell             |
|                                  | Axis Treasury Advantage Fund                            | Corporate Bond     | 100.86  | Buy              |
|                                  | Axis Treasury Advantage Fund                            | Corporate Bond     | 5.03    | Sell             |
|                                  | Axis Treasury Advantage Fund                            | Treasury Bill      | 49.98   | Sell             |

| Name of Associate (Counterparty) | Name of the Scheme   | Nature of security | Amount | Transaction Type |
|----------------------------------|----------------------|--------------------|--------|------------------|
| KARNATAKA BANK                   | Axis Liquid Fund     | CD                 | 49.22  | Sell             |
|                                  | Axis Short Term Fund | CD                 | 266.24 | Sell             |
|                                  | Axis Short Term Fund | Corporate Bond     | 36.39  | Buy              |

AHBF – Axis Hybrid Fund

FTP - Fixed Term Plan, CD - Certificate of Deposit, CP - Commercial Paper, HBF - Hybrid Fund

### C. Amount paid for services obtained from Associates

a) Amount paid to Associate Companies during the period April 1, 2014 to March 31, 2015:

(Rs. In Crs.)

| Scheme Name                                  | Axis Bank Ltd.                  |                                      |  |   |  |
|--|---------------------------------|--------------------------------------|--|---|--|
|  | Cash Management Service Charges | Professional Clearing Member Charges | Verification, Cancellation and Debit Charges | Securities and CBLO Settlement Processing Charges | Depository Participant Maintenance Charges |
| Axis Banking Debt Fund                       | 0.01                            | -                                    | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis Capital Protection Oriented Fund - Sr 1 | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis Capital Protection Oriented Fund - Sr 2 | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis Capital Protection Oriented Fund - Sr 3 | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis Capital Protection Oriented Fund - Sr 4 | \$0.00                          | \$0.00                               | -  | \$0.00  | -  |
| Axis Capital Protection Oriented Fund - Sr 5 | -                               | -                                    | -  | \$0.00  | -  |
| Axis Dynamic Bond Fund                       | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis Equity Fund                             | 0.01                            | \$0.00                               | 0.11   | \$0.00  | \$0.00                                     |
| Axis Focused 25 Fund                         | \$0.00                          | \$0.00                               | 0.02   | \$0.00  | \$0.00                                     |
| Axis Gold ETF                                | -                               | -                                    | -  | \$0.00  | \$0.00                                     |
| Axis Gold Fund                               | \$0.00                          | -                                    | 0.07   | \$0.00  | \$0.00                                     |
| Axis Income Fund                             | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis Income Saver                            | \$0.00                          | -                                    | 0.01   | \$0.00  | \$0.00                                     |
| Axis Liquid Fund                             | 0.08                            | -                                    | \$0.00                                       | 0.03  | 0.01                                       |
| Axis Constant Maturity 10 Year Fund          | \$0.00                          | -                                    | -  | \$0.00  | \$0.00                                     |
| Axis Midcap Fund                             | 0.01                            | -                                    | 0.04   | \$0.00  | \$0.00                                     |
| Axis Short Term Fund                         | 0.01                            | -                                    | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis Treasury Advantage Fund                 | 0.01                            | -                                    | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis Triple Advantage Fund                   | 0.01                            | \$0.00                               | 0.10   | \$0.00  | \$0.00                                     |
| Axis Long Term Equity Fund                   | 0.03                            | -                                    | 0.03   | \$0.00  | \$0.00                                     |
| Axis HBF - Sr 5                              | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 6                              | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 7                              | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 41 (546 Days)                  | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 42 (552 Days)                  | -                               | -                                    | -  | \$0.00  | -  |
| Axis Small Cap Fund                          | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 8 (1279 D)                     | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis FTP - Sr 43 (511 Days)                  | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 47 (483 Days)                  | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 48 (3 Years)                   | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 49 (437 Days)                  | -                               | -                                    | -  | \$0.00  | -  |

| Scheme Name                          | Axis Bank Ltd.                  |                                      |  |   |  |
|--------------------------------------|---------------------------------|--------------------------------------|--|---|--|
|                                      | Cash Management Service Charges | Professional Clearing Member Charges | Verification, Cancellation and Debit Charges | Securities and CBLO Settlement Processing Charges | Depository Participant Maintenance Charges |
| Axis HBF - Sr 9 (1282 Days)          | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis Yrly Interval Fund - Sr 1       | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 52 (428 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 53 (1150 Days)         | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 55 (399 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 56 (370 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 57 (397 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 59 (391 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 60 (389 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 61 (1122 Days)         | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 62 (383 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 11 (42 Mths)           | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis HBF - Sr 12 (1282 Days)         | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis FTP - Sr 64 (715 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 13 (1275 D)            | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis Fixed Income Opportunities Fund | \$0.00                          | -                                    | -  | \$0.00  | \$0.00                                     |
| Axis FTP - Sr 67 (1218 Days)         | -                               | -                                    | -  | \$0.00  | -  |
| Axis Enhanced Arbitrage Fund         | \$0.00                          | 0.02                                 | \$0.00                                       | \$0.00  | \$0.00                                     |
| Axis HBF - Sr 14 (1274 D)            | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis HBF - Sr 15 (1275 D)            | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis FTP - Sr 69 (3 Years)           | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 18 (42 Mths)           | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis HBF - Sr 19 (42 Mths)           | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis FTP - Sr 74 (1105 Days)         | -                               | -                                    | -  | \$0.00  | -  |
| Axis HBF - Sr 1                      | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis HBF - Sr 2                      | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis HBF - Sr 3                      | -                               | \$0.00                               | -  | \$0.00  | -  |
| Axis FTP - Sr 34 (392 Days)          | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 50 (3 Mths)            | -                               | -                                    | -  | \$0.00  | -  |
| Axis FTP - Sr 63 (91 Days)           | -                               | -                                    | -  | \$0.00  | -  |
| <b>Total</b>                         | <b>0.17</b>                     | <b>0.04</b>                          | <b>0.38</b>                                  | <b>0.07</b>                                       | <b>0.02</b>                                |

\* less than Rupees 0.00005 Crore. FTP - Fixed Term Plan, HBF - Hybrid Fund

(Rs. In Crs.)

| Scheme Name                                  | Axis MF Trustee Ltd. | CDSL Ltd.             | Axis Capital Ltd.   |                                     | Axis AMC             |                          |
|--|----------------------|-----------------------|---------------------|-------------------------------------|----------------------|--------------------------|
|  | Trustee Fees         | Corporate Action Fees | Brokerage on trades | Distribution of Marketing Materials | Mgmt Fees (Excl. ST) | Service Tax on Mgmt Fees |
| Axis Banking Debt Fund                       | 0.01                 | -                     | -                   | -                                   | 1.06                 | 0.13                     |
| Axis Capital Protection Oriented Fund - Sr 1 | \$0.00               | -                     | -                   | -                                   | 4.31                 | 0.53                     |
| Axis Capital Protection Oriented Fund - Sr 2 | \$0.00               | \$0.00                | -                   | -                                   | 3.37                 | 0.42                     |
| Axis Capital Protection Oriented Fund - Sr 3 | \$0.00               | -                     | -                   | -                                   | 5.43                 | 0.67                     |
| Axis Capital Protection Oriented Fund - Sr 4 | \$0.00               | \$0.00                | -                   | -                                   | 4.11                 | 0.51                     |
| Axis Capital Protection                      | \$0.00               | -                     | -                   | -                                   | 7.38                 | 0.91                     |

| Scheme Name                          | Axis MF Trustee Ltd. | CDSL Ltd.             | Axis Capital Ltd.   |                                     | Axis AMC             |                          |
|--------------------------------------|----------------------|-----------------------|---------------------|-------------------------------------|----------------------|--------------------------|
|                                      | Trustee Fees         | Corporate Action Fees | Brokerage on trades | Distribution of Marketing Materials | Mgmt Fees (Excl. ST) | Service Tax on Mgmt Fees |
| Oriented Fund - Sr 5                 |                      |                       |                     |                                     |                      |                          |
| Axis Dynamic Bond Fund               | \$0.00               | -                     | -                   | -                                   | 3.60                 | 0.44                     |
| Axis Equity Fund                     | 0.02                 | -                     | 0.07                | -                                   | 14.34                | 1.77                     |
| Axis Focused 25 Fund                 | \$0.00               | -                     | 0.01                | \$0.00                              | 2.69                 | 0.33                     |
| Axis Gold ETF                        | \$0.00               | \$0.00                | -                   | -                                   | 1.68                 | 0.21                     |
| Axis Gold Fund                       | \$0.00               | -                     | -                   | -                                   | \$0.00               | \$0.00                   |
| Axis Income Fund                     | \$0.00               | -                     | -                   | -                                   | 2.00                 | 0.25                     |
| Axis Income Saver                    | 0.01                 | -                     | 0.02                | -                                   | 6.08                 | 0.75                     |
| Axis Liquid Fund                     | 0.09                 | -                     | -                   | 0.02                                | 2.35                 | 0.29                     |
| Axis Constant Maturity 10 Year Fund  | \$0.00               | -                     | -                   | -                                   | 0.03                 | \$0.00                   |
| Axis Midcap Fund                     | 0.01                 | -                     | 0.08                | 0.01                                | 7.01                 | 0.87                     |
| Axis Short Term Fund                 | 0.01                 | -                     | -                   | 0.03                                | 3.96                 | 0.49                     |
| Axis Treasury Advantage Fund         | 0.02                 | -                     | -                   | -                                   | 4.00                 | 0.49                     |
| Axis Triple Advantage Fund           | 0.01                 | -                     | 0.01                | 0.01                                | 7.79                 | 0.96                     |
| Axis Long Term Equity Fund           | 0.04                 | \$0.00                | 0.20                | 0.01                                | 32.44                | 4.01                     |
| Axis HBF - Sr 5                      | \$0.00               | -                     | -                   | -                                   | 7.68                 | 0.95                     |
| Axis HBF - Sr 6                      | \$0.00               | -                     | -                   | -                                   | 6.72                 | 0.83                     |
| Axis HBF - Sr 7                      | \$0.00               | -                     | -                   | -                                   | 6.51                 | 0.80                     |
| Axis FTP - Sr 41 (546 Days)          | \$0.00               | -                     | -                   | -                                   | 0.09                 | 0.01                     |
| Axis FTP - Sr 42 (552 Days)          | \$0.00               | -                     | -                   | -                                   | 0.15                 | 0.02                     |
| Axis Small Cap Fund                  | \$0.00               | -                     | 0.01                | -                                   | 6.53                 | 0.81                     |
| Axis HBF - Sr 8 (1279 Days)          | \$0.00               | -                     | -                   | -                                   | 8.04                 | 0.99                     |
| Axis FTP - Sr 43 (511 Days)          | \$0.00               | -                     | -                   | -                                   | 0.13                 | 0.02                     |
| Axis FTP - Sr 47 (483 Days)          | \$0.00               | -                     | -                   | -                                   | 0.22                 | 0.03                     |
| Axis FTP - Sr 48 (3 Years)           | \$0.00               | -                     | -                   | -                                   | 0.12                 | 0.01                     |
| Axis FTP - Sr 49 (437 Days)          | \$0.00               | -                     | -                   | -                                   | 0.38                 | 0.05                     |
| Axis HBF - Sr 9 (1282 Days)          | \$0.00               | -                     | -                   | -                                   | 7.09                 | 0.88                     |
| Axis Yrly Interval Fund - Sr 1       | \$0.00               | -                     | -                   | -                                   | 0.02                 | \$0.00                   |
| Axis FTP - Sr 52 (428 Days)          | \$0.00               | -                     | -                   | -                                   | 0.19                 | 0.02                     |
| Axis FTP - Sr 53 (1150 Days)         | \$0.00               | -                     | -                   | -                                   | 0.12                 | 0.01                     |
| Axis FTP - Sr 55 (399 Days)          | 0.01                 | -                     | -                   | -                                   | 0.24                 | 0.03                     |
| Axis FTP - Sr 56 (370 Days)          | \$0.00               | \$0.00                | -                   | -                                   | 0.11                 | 0.01                     |
| Axis FTP - Sr 57 (397 Days)          | \$0.00               | -                     | -                   | -                                   | 0.14                 | 0.02                     |
| Axis FTP - Sr 59 (391 Days)          | \$0.00               | -                     | -                   | -                                   | 0.19                 | 0.02                     |
| Axis FTP - Sr 60 (389 Days)          | \$0.00               | -                     | -                   | -                                   | 0.13                 | 0.02                     |
| Axis FTP - Sr 61 (1122 Days)         | \$0.00               | -                     | -                   | -                                   | 0.11                 | 0.01                     |
| Axis FTP - Sr 62 (383 Days)          | \$0.00               | -                     | -                   | -                                   | 0.03                 | \$0.00                   |
| Axis HBF - Sr 11(42 Mths)            | \$0.00               | -                     | -                   | -                                   | 4.15                 | 0.51                     |
| Axis HBF - Sr 12(1282 Days)          | \$0.00               | -                     | -                   | -                                   | 5.27                 | 0.65                     |
| Axis FTP - Sr 64 (715 Days)          | \$0.00               | -                     | -                   | -                                   | 0.19                 | 0.02                     |
| Axis HBF - Sr 13 (1275 Days)         | 0.01                 | -                     | -                   | -                                   | 8.51                 | 1.05                     |
| Axis Fixed Income Opportunities Fund | \$0.00               | -                     | -                   | -                                   | 0.54                 | 0.07                     |
| Axis FTP - Sr 67 (1218 Days)         | \$0.00               | -                     | -                   | -                                   | 0.30                 | 0.04                     |
| Axis Enhanced Arbitrage Fund         | \$0.00               | -                     | \$0.00              | -                                   | 0.21                 | 0.03                     |
| Axis HBF - Sr 14 (1274 Days)         | \$0.00               | -                     | -                   | -                                   | 6.19                 | 0.77                     |
| Axis HBF - Sr 15 (1275 Days)         | \$0.00               | -                     | -                   | -                                   | 4.10                 | 0.51                     |

| Scheme Name                  | Axis MF Trustee Ltd. | CDSL Ltd.             | Axis Capital Ltd.   |                                     | Axis AMC             |                          |
|------------------------------|----------------------|-----------------------|---------------------|-------------------------------------|----------------------|--------------------------|
|                              | Trustee Fees         | Corporate Action Fees | Brokerage on trades | Distribution of Marketing Materials | Mgmt Fees (Excl. ST) | Service Tax on Mgmt Fees |
| Axis FTP - Sr 69 (3 Years)   | \$0.00               | -                     | -                   | -                                   | 0.06                 | 0.01                     |
| Axis HBF - Sr 18 (42 Mths)   | \$0.00               | -                     | -                   | -                                   | 2.12                 | 0.26                     |
| Axis HBF - Sr 19 (42 Mths)   | \$0.00               | -                     | -                   | -                                   | 1.10                 | 0.14                     |
| Axis FTP - Sr 74 (1105 Days) | \$0.00               | -                     | -                   | -                                   | 0.00                 | \$0.00                   |
| Axis HBF - Sr 1              | \$0.00               | \$0.00                | -                   | -                                   | 1.48                 | 0.18                     |
| Axis HBF - Sr 2              | \$0.00               | \$0.00                | -                   | -                                   | 2.74                 | 0.34                     |
| Axis HBF - Sr 3              | \$0.00               | \$0.00                | -                   | -                                   | 1.29                 | 0.16                     |
| Axis FTP - Sr 34 (392 Days)  | \$0.00               | -                     | -                   | -                                   | \$0.00               | \$0.00                   |
| Axis FTP - Sr 50 (3 Mths)    | \$0.00               | -                     | -                   | -                                   | \$0.00               | \$0.00                   |
| Axis FTP - Sr 63 (91 Days)   | \$0.00               | -                     | -                   | -                                   | \$0.00               | \$0.00                   |
| <b>Total</b>                 | <b>0.30</b>          | <b>0.01</b>           | <b>0.41</b>         | <b>0.08</b>                         | <b>196.84</b>        | <b>24.33</b>             |

\* less than Rupees 0.00005 Crore. FTP - Fixed Term Plan, HBF - Hybrid Fund

b) Amount paid to Associate Companies during the period April 1, 2015 to March 31, 2016:

(Rs. In Crs.)

| Scheme Name                          | Axis Bank Ltd.                  |                                      |  |   |  | Axis MF Trustee Ltd |
|--------------------------------------|---------------------------------|--------------------------------------|--|---|--|---------------------|
|                                      | Cash Management Service Charges | Professional Clearing Member Charges | Verification, Cancellation and Debit Charges | Securities and CBLO Settlement Processing Charges | Depository Participant Maintenance Charges | Trustee Fees        |
| Axis Liquid Fund                     | 0.05                            | -                                    | -  | 0.03  | -  | 0.11                |
| Axis Treasury Advantage Fund         | 0.01                            | -                                    | \$0.00                                       | \$0.00  | -  | 0.02                |
| Axis Short Term Fund                 | 0.01                            | -                                    | \$0.00                                       | 0.01  | -  | 0.03                |
| Axis Income Saver                    | \$0.00                          | -                                    | 0.01   | \$0.00  | -  | 0.01                |
| Axis Income Fund                     | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis Banking Debt Fund               | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | -  | 0.01                |
| Axis Dynamic Bond Fund               | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis Fixed Income Opportunities Fund | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis Constant Maturity 10 Year Fund  | \$0.00                          | -                                    | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis Triple Advantage Fund           | \$0.00                          | -                                    | 0.07   | \$0.00  | -  | 0.01                |
| Axis Gold Fund                       | \$0.00                          | -                                    | 0.03   | \$0.00  | -  | \$0.00              |
| Axis Gold ETF                        | -                               | -                                    | -  | \$0.00  | \$0.00                                     | \$0.00              |
| Axis Equity Fund                     | 0.02                            | \$0.00                               | 0.16   | \$0.00  | -  | 0.02                |
| Axis Long Term Equity Fund           | 0.04                            | -                                    | 0.07   | 0.01  | -  | 0.08                |
| Axis Midcap Fund                     | 0.01                            | -                                    | 0.08   | \$0.00  | -  | 0.01                |
| Axis Focused 25 Fund                 | \$0.00                          | -                                    | 0.04   | \$0.00  | -  | \$0.00              |
| Axis Small Cap Fund                  | -                               | -                                    | -  | \$0.00  | -  | 0.00                |
| Axis Enhanced Arbitrage Fund         | \$0.00                          | 0.12                                 | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 5                      | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 6                      | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 7                      | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 8 (1279 Days)          | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 9 (1282 Days)          | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 11 (42 Mths)           | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |



| Scheme Name                                  | Axis Bank Ltd.                  |                                      |  |   |  | Axis MF Trustee Ltd |
|--|---------------------------------|--------------------------------------|--|---|--|---------------------|
|  | Cash Management Service Charges | Professional Clearing Member Charges | Verification, Cancellation and Debit Charges | Securities and CBLO Settlement Processing Charges | Depository Participant Maintenance Charges | Trustee Fees        |
| Axis HBF - Sr 12 (1282 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 13 (1275 Days)                 | -                               | -                                    | -  | \$0.00  | -  | 0.01                |
| Axis HBF - Sr 14 (1274 Days)                 | -                               | -                                    | -  | \$0.00  | -  | 0.01                |
| Axis HBF - Sr 15 (1275 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis Capital Protection Oriented Fund - Sr 5 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 42 (552 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 43 (511 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 47 (483 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 48 (3 Years)                   | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 49 (437 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 52 (428 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 53 (1150 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 61 (1122 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 64 (715 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 67 (1218 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 69 (3 Years)                   | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 18 (42 Mths)                   | -                               | -                                    | -  | \$0.00  | -  | \$0.01              |
| Axis HBF - Sr 19 (42 Mths)                   | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 74 (1105 Days)                 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 22 (1278 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 23 (1275 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 24 (1276 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 25 (1278 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 26 (1276 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 27 (1351 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 28 (1331 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 29 (1275 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis HBF - Sr 30 (1297 Days)                 | -                               | \$0.00                               | -  | \$0.00  | -  | \$0.00              |
| Axis Children's Gift Fund                    | \$0.00                          | \$0.00                               | \$0.00                                       | \$0.00  | -  | \$0.00              |
| Axis Equity Saver Fund                       | \$0.00                          | 0.06                                 | \$0.00                                       | \$0.00  | -  | 0.01                |
| Axis Capital Protection Oriented Fund - Sr 4 | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 41 (546 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 55 (399 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 57 (397 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 59 (391 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 60 (389 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| Axis FTP - Sr 62 (383 Days)                  | -                               | -                                    | -  | \$0.00  | -  | \$0.00              |
| <b>Total</b>                                 | <b>0.17</b>                     | <b>0.20</b>                          | <b>0.48</b>                                  | <b>0.07</b>                                       | <b>0.00</b>                                | <b>0.41</b>         |

FTP - Fixed Term Plan, HBF - Hybrid Fund

| Scheme Name      | CDSL Ltd.             |  | Axis Capital Ltd.   | Axis AMC             |                       |
|------------------|-----------------------|--|---------------------|----------------------|-----------------------|
|                  | Corporate Action Fees | Dispatch of Consolidated Account Statement | Brokerage on trades | Mgmt Fees (Excl. ST) | Serv Tax on Mgmt Fees |
| Axis Liquid Fund | \$0.00                | \$0.00                                     | -                   | 2.25                 | 0.32                  |

|  |        |        |      |        |        |
|--|--------|--------|------|--------|--------|
| Axis Treasury Advantage Fund                 | \$0.00 | \$0.00 | -    | 6.36   | 0.89   |
| Axis Short Term Fund                         | \$0.00 | \$0.00 | -    | 10.67  | 1.49   |
| Axis Income Saver                            | \$0.00 | \$0.00 | 0.04 | 14.18  | 1.97   |
| Axis Income Fund                             | \$0.00 | \$0.00 | -    | 3.21   | 0.45   |
| Axis Banking Debt Fund                       | \$0.00 | \$0.00 | -    | 1.53   | 0.21   |
| Axis Dynamic Bond Fund                       | \$0.00 | \$0.00 | -    | 4.29   | 0.60   |
| Axis Fixed Income Opportunities Fund         | \$0.00 | \$0.00 | -    | 2.05   | 0.29   |
| Axis Constant Maturity 10 Year Fund          | \$0.00 | \$0.00 | -    | 0.32   | 0.05   |
| Axis Triple Advantage Fund                   | \$0.00 | \$0.00 | -    | 6.76   | 0.94   |
| Axis Gold Fund                               | \$0.00 | \$0.00 | -    | -      | -      |
| Axis Gold ETF                                | \$0.00 | -      | -    | 1.52   | 0.21   |
| Axis Equity Fund                             | \$0.00 | 0.01   | 0.04 | 33.97  | 4.74   |
| Axis Long Term Equity Fund                   | 0.01   | 0.02   | 0.26 | 103.88 | 14.51  |
| Axis Midcap Fund                             | \$0.00 | \$0.00 | 0.21 | 23.09  | 3.22   |
| Axis Focused 25 Fund                         | \$0.00 | \$0.00 | 0.01 | 7.30   | 1.02   |
| Axis Small Cap Fund                          | \$0.00 | \$0.00 | 0.01 | 7.56   | 1.05   |
| Axis Enhanced Arbitrage Fund                 | \$0.00 | \$0.00 | 0.05 | 2.14   | 0.30   |
| Axis HBF - Sr 5                              | \$0.00 | \$0.00 | -    | 7.62   | 1.06   |
| Axis HBF - Sr 6                              | \$0.00 | \$0.00 | -    | 6.68   | 0.93   |
| Axis HBF - Sr 7                              | \$0.00 | \$0.00 | -    | 6.48   | 0.90   |
| Axis HBF - Sr 8 (1279 Days)                  | \$0.00 | \$0.00 | -    | 8.06   | 1.12   |
| Axis HBF - Sr 9 (1282 Days)                  | \$0.00 | \$0.00 | -    | 7.11   | 0.99   |
| Axis HBF - Sr 11 (42 Mths)                   | \$0.00 | \$0.00 | -    | 4.62   | 0.64   |
| Axis HBF - Sr 12 (1282 Days)                 | \$0.00 | \$0.00 | -    | 6.19   | 0.86   |
| Axis HBF - Sr 13 (1275 Days)                 | \$0.00 | \$0.00 | -    | 10.73  | 1.49   |
| Axis HBF - Sr 14 (1274 Days)                 | \$0.00 | \$0.00 | -    | 10.49  | 1.46   |
| Axis HBF - Sr 15 (1275 Days)                 | \$0.00 | \$0.00 | -    | 7.48   | 1.04   |
| Axis Capital Protection Oriented Fund - Sr 5 | \$0.00 | \$0.00 | -    | 7.41   | 1.03   |
| Axis FTP - Sr 42 (552 Days)                  | \$0.00 | \$0.00 | -    | 0.05   | 0.01   |
| Axis FTP - Sr 43 (511 Days)                  | \$0.00 | \$0.00 | -    | 0.08   | 0.01   |
| Axis FTP - Sr 47 (483 Days)                  | -      | \$0.00 | -    | 0.08   | 0.01   |
| Axis FTP - Sr 48 (3 Years)                   | -      | \$0.00 | -    | 0.12   | 0.02   |
| Axis FTP - Sr 49 (437 Days)                  | \$0.00 | \$0.00 | -    | 0.03   | \$0.00 |
| Axis FTP - Sr 52 (428 Days)                  | -      | \$0.00 | -    | 0.02   | \$0.00 |
| Axis FTP - Sr 53 (1150 Days)                 | -      | \$0.00 | -    | 0.12   | 0.02   |
| Axis FTP - Sr 61 (1122 Days)                 | -      | \$0.00 | -    | 0.11   | 0.02   |
| Axis FTP - Sr 64 (715 Days)                  | -      | \$0.00 | -    | 0.20   | 0.03   |
| Axis FTP - Sr 67 (1218 Days)                 | \$0.00 | \$0.00 | -    | 0.36   | 0.05   |
| Axis FTP - Sr 69 (3 Years)                   | \$0.00 | \$0.00 | -    | 0.09   | 0.01   |
| Axis HBF - Sr 18 (42 Mths)                   | \$0.00 | \$0.00 | -    | 10.46  | 1.46   |
| Axis HBF - Sr 19 (42 Mths)                   | \$0.00 | \$0.00 | -    | 6.99   | 0.97   |
| Axis FTP - Sr 74 (1105 Days)                 | -      | \$0.00 | -    | 0.04   | 0.01   |
| Axis HBF - Sr 22 (1278 Days)                 | -      | \$0.00 | -    | 6.81   | 0.96   |
| Axis HBF - Sr 23 (1275 Days)                 | -      | \$0.00 | -    | 5.89   | 0.84   |
| Axis HBF - Sr 24 (1276 Days)                 | -      | \$0.00 | -    | 6.53   | 0.93   |
| Axis HBF - Sr 25 (1278 Days)                 | -      | \$0.00 | -    | 1.98   | 0.28   |
| Axis HBF - Sr 26 (1276 Days)                 | -      | \$0.00 | -    | 2.13   | 0.31   |
| Axis HBF - Sr 27 (1351 Days)                 | -      | \$0.00 | -    | 2.26   | 0.33   |
| Axis HBF - Sr 28 (1331 Days)                 | -      | \$0.00 | -    | 1.68   | 0.24   |

|  |             |             |             |               |              |
|--|-------------|-------------|-------------|---------------|--------------|
| Axis HBF - Sr 29 (1275 Days)                 | -           | \$0.00      | -           | 0.31          | 0.05         |
| Axis HBF - Sr 30 (1297 Days)                 | -           | \$0.00      | -           | 0.33          | 0.05         |
| Axis Children's Gift Fund                    | -           | \$0.00      | \$0.00      | 1.41          | 0.20         |
| Axis Equity Saver Fund                       | -           | \$0.00      | 0.10        | 12.29         | 1.76         |
| Axis Capital Protection Oriented Fund - Sr 4 | \$0.00      | -           | -           | 0.04          | \$0.00       |
| Axis FTP - Sr 41 (546 Days)                  | \$0.00      | -           | -           | \$0.00        | \$0.00       |
| Axis FTP - Sr 55 (399 Days)                  | -           | -           | -           | \$0.00        | \$0.00       |
| Axis FTP - Sr 57 (397 Days)                  | \$0.00      | -           | -           | \$0.00        | \$0.00       |
| Axis FTP - Sr 59 (391 Days)                  | -           | -           | -           | \$0.00        | \$0.00       |
| Axis FTP - Sr 60 (389 Days)                  | \$0.00      | -           | -           | \$0.00        | \$0.00       |
| Axis FTP - Sr 62 (383 Days)                  | \$0.00      | -           | -           | \$0.00        | \$0.00       |
| <b>Total</b>                                 | <b>0.02</b> | <b>0.04</b> | <b>0.72</b> | <b>374.42</b> | <b>52.35</b> |

\$ Values are less than Rs 0.005 Crores

Payment made to associates are considered on a gross basis. FTP - Fixed Term Plan, HBF - Hybrid Fund.

c) Amount paid to Associate Companies during the period April 1, 2016 to March 31, 2017:

| Scheme Name                          | Axis Bank Limited               |                                      |   |   |                   |                            | Amount (Rs. Cr.)                             |   |
|--------------------------------------|---------------------------------|--------------------------------------|---|---|-------------------|----------------------------|--|---|
|                                      | Cash Management Service Charges | Professional Clearing Member Charges | Verification Cancellation and Debit Charges (SIP) | Securities and CBLO Settlement Processing Charges | Depositor charges | Account Validation Charges | Axis Mutual Fund Trustee Ltd<br>Trustee Fees | Axis Capital Ltd<br>Brokerage on Trades |
| Axis Liquid Fund                     | 0.06                            | -                                    | -   | 0.04  | -                 | 0.01                       | 0.11   | -                                       |
| Axis Treasury Advantage Fund         | 0.01                            | -                                    | 0.00  | 0.00  | -                 | 0.00                       | 0.02   | -                                       |
| Axis Short Term Fund                 | 0.02                            | -                                    | 0.00  | 0.01  | -                 | 0.00                       | 0.04   | -                                       |
| Axis Income Saver                    | 0.00                            | 0.00                                 | 0.02  | 0.00  | -                 | 0.00                       | 0.01   | 0.03                                    |
| Axis Income Fund                     | 0.00                            | -                                    | 0.00  | 0.00  | -                 | 0.00                       | 0.00   | -                                       |
| Axis Banking & PSU Debt Fund         | 0.00                            | -                                    | 0.00  | 0.00  | -                 | 0.00                       | 0.01   | -                                       |
| Axis Dynamic Bond Fund               | 0.00                            | -                                    | 0.00  | 0.00  | -                 | 0.00                       | 0.00   | -                                       |
| Axis Fixed Income Opportunities Fund | 0.00                            | -                                    | 0.00  | 0.00  | -                 | 0.00                       | 0.01   | -                                       |
| Axis Constant Maturity 10 Year Fund  | 0.00                            | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00   | -                                       |
| Axis Triple Advantage Fund           | 0.00                            | -                                    | 0.05  | 0.00  | -                 | 0.00                       | 0.00   | 0.01                                    |

| Scheme Name                                  | Axis Bank Limited               |                                      |   |   |                   |                            | Axis Mutual Fund Trustee Ltd | Axis Capital Ltd    |
|--|---------------------------------|--------------------------------------|---|---|-------------------|----------------------------|------------------------------|---------------------|
|  | Cash Management Service Charges | Professional Clearing Member Charges | Verification Cancellation and Debit Charges (SIP) | Securities and CBLO Settlement Processing Charges | Depositor charges | Account Validation Charges | Trustee Fees                 | Brokerage on Trades |
| Axis Gold Fund                               | 0.00                            | -                                    | 0.02  | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| Axis Gold ETF                                | -                               | -                                    | -   | 0.00  | 0.00              | -                          | 0.00                         | -                   |
| Axis Equity Fund                             | 0.01                            | 0.00                                 | 0.18  | 0.00  | -                 | 0.00                       | 0.02                         | 0.16                |
| Axis Long Term Equity Fund                   | 0.04                            | -                                    | 0.15  | 0.00  | -                 | 0.00                       | 0.09                         | 0.91                |
| Axis Midcap Fund                             | 0.01                            | -                                    | 0.11  | 0.00  | -                 | 0.00                       | 0.01                         | 0.29                |
| Axis Focused 25 Fund                         | 0.00                            | -                                    | 0.11  | 0.00  | -                 | 0.00                       | 0.01                         | 0.22                |
| Axis Small Cap Fund                          | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | 0.02                |
| Axis Enhanced Arbitrage Fund                 | 0.00                            | 0.14                                 | 0.00  | 0.00  | -                 | 0.00                       | 0.00                         | 0.00                |
| AHBF - Sr 5 (1346 Days)                      | -                               | 0.00                                 | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Series 6 (1324 Days)                  | -                               | 0.00                                 | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 7 (1305 Days)                      | -                               | 0.00                                 | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 8 (1279 Days)                      | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 9 (1282 Days)                      | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 11 (42 Months)                     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 12 (1282 Days)                     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 13 (1275 Days)                     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 14 (1274 Days)                     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 15 (1275 Days)                     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| Axis Capital Protection Oriented Fund - Sr 5 | -                               | 0.00                                 | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 42                                 | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 43                                 | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 47                                 | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |

| Scheme Name                | Axis Bank Limited               |                                      |   |   |                   |                            | Axis Mutual Fund Trustee Ltd | Axis Capital Ltd    |
|----------------------------|---------------------------------|--------------------------------------|---|---|-------------------|----------------------------|------------------------------|---------------------|
|                            | Cash Management Service Charges | Professional Clearing Member Charges | Verification Cancellation and Debit Charges (SIP) | Securities and CBLO Settlement Processing Charges | Depositor charges | Account Validation Charges | Trustee Fees                 | Brokerage on Trades |
| AFTP - Sr 48 (30 Days)     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 49               | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 52               | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 53 (1150 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 61 (1122 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 64               | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 67 (1218 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 69 (3 Years)     | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 18 (42 Months)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 19 (42 Months)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AFTP - Sr 74 (1105 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 22 (1278 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 23 (1275 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 24 (1276 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 25 (1278 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 26 (1276 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 27 (1351 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 28 (1331 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 29 (1275 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 30 (1297 Days)   | -                               | -                                    | -   | 0.00  | -                 | 0.00                       | 0.00                         | -                   |
| AHBF - Sr 31 (1381 Days)   | -                               | 0.00                                 | -   | 0.00  | -                 | -                          | 0.00                         | -                   |
| AHBF - Sr 32 (1367 Days)   | -                               | 0.00                                 | -   | 0.00  | -                 | -                          | 0.00                         | -                   |
| AHBF - Sr 33 (1358 Days)   | -                               | 0.00                                 | -   | 0.00  | -                 | -                          | 0.00                         | -                   |
| AHBF - Sr 35 (1359 Days)   | -                               | 0.00                                 | -   | 0.00  | -                 | -                          | 0.00                         | -                   |
| Axis Emerging Opportunitie | -                               | 0.00                                 | -   | 0.00  | -                 | -                          | 0.00                         | 0.04                |

| Scheme Name   | Axis Bank Limited               |                                      |   |   |                   |                            | Axis Mutual Fund Trustee Ltd | Axis Capital Ltd    |
|---|---------------------------------|--------------------------------------|---|---|-------------------|----------------------------|------------------------------|---------------------|
|   | Cash Management Service Charges | Professional Clearing Member Charges | Verification Cancellation and Debit Charges (SIP) | Securities and CBLO Settlement Processing Charges | Depositor charges | Account Validation Charges | Trustee Fees                 | Brokerage on Trades |
| s Fund - Sr 1 (1400 Days)                           |                                 |                                      |   |   |                   |                            |                              |                     |
| Axis Emerging Opportunities Fund - Sr 2 (1400 Days) | -                               | 0.01                                 | -   | 0.00  | -                 | -                          | 0.00                         | 0.05                |
| Axis Children's Gift Fund                           | 0.00                            | 0.01                                 | 0.01  | 0.00  | -                 | 0.00                       | 0.00                         | 0.02                |
| Axis Equity Saver Fund                              | 0.00                            | 0.11                                 | 0.01  | 0.00  | -                 | 0.00                       | 0.01                         | 0.05                |
| <b>Total</b>  | <b>0.17</b>                     | <b>0.27</b>                          | <b>0.66</b>                                       | <b>0.07</b>                                       | <b>0.00</b>       | <b>0.02</b>                | <b>0.41</b>                  | <b>1.80</b>         |

AHBF – Axis Hybrid Fund, AFTP – Axis Fixed Term Plan

#### D. Underwriting Obligations with respect to issues of Associates

The Scheme(s) of the Fund have not undertaken any underwriting obligation with respect to issues of associate companies.

#### E. Brokerage paid to Associates for securities transactions

Securities transactions of the Scheme(s) of the Fund were routed through associate broker i.e. Axis Capital Ltd. during the F.Y. 2014-15, 2015-16 and 2016-17. However, such transactions have not exceeded 5% of the aggregate purchase and sale of securities made by the Fund through brokers in its Schemes. Details of Brokerage paid are as follows:

| Name of associate/related parties/group companies of Sponsor/AMC | Nature of Association/<br>Nature of relation | Period covered       | Value of transaction (in Rs. Cr. & % of total value of transaction of the fund) |       | Brokerage (Rs Cr & % of total brokerage paid by the fund) |       |
|--|--|----------------------|---|-------|---|-------|
|  |  |                      | Rs. Cr.   | %     | Rs. Cr.   | %     |
| Axis Capital Limited   | Associate                                    | 01.04.14 to 31.03.15 | 350.78  | 0.28% | 0.41  | 4.22% |
|  |  | 01.04.15 to 31.03.16 | 1,036.29  | 0.82% | 0.72  | 5.07% |
|  |  | 01.04.16 to 31.03.17 | 2,530.50  | 1.08% | 1.80  | 6.34% |

#### F. Subscription in Issues lead managed by Sponsor

During the period April 1, 2014 to March 31, 2015, the Scheme(s) of Axis Mutual Fund has subscribed to the following issues lead managed by sponsor:

| Name of Security                              | Type of Security | Name of the Scheme                 | Applied (Rs. in crores) | Allotted (Rs. in crores) |
|---|------------------|------------------------------------|-------------------------|--------------------------|
| Power Finance Corp Ltd.                       | Commercial Paper | Axis Liquid Fund                   | 25.00                   | 25.00                    |
| Power Finance Corp Ltd.                       | Commercial Paper | Axis Treasury Advantage Fund       | 75.00                   | 75.00                    |
| 8.29% Power Finance Corp Ltd (13-Jun-18)- NCD | Corporate Bond   | Axis Hybrid Fund - Sr 19 (42 Mths) | 20.00                   | 20.00                    |

During the period April 1, 2015 to March 31, 2016, the Scheme(s) of Axis Mutual Fund has subscribed to the following issues lead managed by sponsor

| Name of Security                                    | Type of Security | Name of the Scheme                   | Applied (Rs. in crores) | Allotted (Rs. in crores) |
|---|------------------|--------------------------------------|-------------------------|--------------------------|
| 8.35% Steel Authority of India Ltd NCD (09/06/2018) | Corporate Bond   | Axis Short Term Fund                 | 25.00                   | 25.00                    |
| 8.37% NABARD NCD (22/06/2020)                       | Corporate Bond   | Axis Short Term Fund                 | 25.00                   | 25.00                    |
| 8.18% Steel Authority of India Ltd NCD (10/08/2018) | Corporate Bond   | Axis Hybrid Fund - Sr 24 (1276 Days) | 30.00                   | 30.00                    |
| 8.28% RECL Ltd NCD (MD 04/03/2017)                  | Corporate Bond   | Axis Short Term Fund                 | 50.00                   | 50.00                    |

During the period April 1, 2016 to March 31, 2017, the Scheme(s) of Axis Mutual Fund has subscribed to the following issues lead managed by sponsor

| Name of Security                                  | Type of Security | Name of the Scheme                   | Applied (Rs. in crores) | Allotted (Rs. in crores) |
|---|------------------|--------------------------------------|-------------------------|--------------------------|
| 7.85% Power Fin Corp Ltd NCD (15/04/2019)         | Corporate Bond   | Axis Short Term Fund                 | 25.00                   | 25.00                    |
| 7.56% NHB Ltd NCD (MD 20/04/2019) P/C 21/04/2017  | Corporate Bond   | Axis Short Term Fund                 | 50.00                   | 50.00                    |
| 7.65% NABARD SER 17B (MD 16/05/2019) P/C 09/11/17 | Corporate Bond   | Axis Short Term Fund                 | 25.00                   | 25.00                    |
| 8.48% LIC Hsg Fin Ltd NCD (MD 09/06/2023)         | Corporate Bond   | Axis Short Term Fund                 | 25.00                   | 25.00                    |
| 8.46% LIC Hsg Fin Ltd NCD (MD 23/02/2018)         | Corporate Bond   | Axis Short Term Fund                 | 75.00                   | 75.00                    |
| 7.90% LIC Hsg Fin Ltd NCD OPT II (MD 18/12/2019)  | Corporate Bond   | Axis Short Term Fund                 | 50.00                   | 50.00                    |
| 7.37% NTPC Ltd Ser 66 NCD (MD 14/12/2031)         | Corporate Bond   | Axis Dynamic Bond Fund               | 15.00                   | 15.00                    |
| 7.37% NTPC Ltd Ser 66 NCD (MD 14/12/2031)         | Corporate Bond   | Axis Income Fund                     | 10.00                   | 10.00                    |
| 7.35% LIC Hsg Fin Ltd NCD (MD 16/02/2018)         | Corporate Bond   | Axis Fixed Income Opportunities Fund | 25.00                   | 25.00                    |
| 1.50% HDFC Ltd NCD Step Up (MD 30/03/2020)        | Corporate Bond   | Axis Short Term Fund                 | 50.00                   | 50.00                    |
| 7% IRFC NCD Sr 116 (MD 10/09/2018)                | Corporate Bond   | Axis Treasury Advantage Fund         | 50.00                   | 50.00                    |

#### G. Distribution fees paid to Associates

The AMC has utilized the services of its associates for distribution and sale of units of scheme(s) of Axis Mutual Fund. Details of commission paid to the associates for distribution of units are as follows:

| Name of Associate | Nature of Association | Period covered      | Business given |                              | Commission paid |                            |
|-------------------|-----------------------|---------------------|----------------|------------------------------|-----------------|----------------------------|
|                   |                       |                     | Amount in Cr.  | % of total business received | Amount in Cr.   | % of total commission paid |
| Axis Bank Ltd.    | Sponsor               | 01.04.14 – 31.03.15 | 9,426.10       | 5.22%                        | 33.76*          | 43.09%                     |
|                   |                       | 01.04.15 – 31.03.16 | 31,969.30      | 7.09%                        | 27.05**         | 60.83%                     |
|                   |                       | 01.04.16 – 31.03.17 | 74,448.21      | 11.30%                       | 32.88***        | 63.79%                     |

|                         |               |                     |          |       |      |       |
|-------------------------|---------------|---------------------|----------|-------|------|-------|
| Axis Securities Limited | Group Company | 01.04.14 – 31.03.15 | 8,383.99 | 2.26% | 1.11 | 1.42% |
|                         |               | 01.04.15 – 31.03.16 | 6,593.67 | 1.46% | 0.49 | 1.09% |
|                         |               | 01.04.16 – 31.03.17 | 120.50   | 0.02% | 0.40 | 0.78% |

\$ Value are less than Rs. 0.005 Crores. \* Includes transaction charges Rs.1.20 Cr. \*\* Includes transaction charges Rs.1.67 Cr. \*\*\* Includes transaction charges Rs.2.05 Cr.

Associate transactions are conducted at arm's length relationship and do not in any manner affect the performance of the schemes.

The AMC may for the purposes of providing certain services utilize the services of the Sponsor, group companies and any other subsidiary or associate company of the Sponsor established or to be established at a later date, who is in a position to provide the requisite services to the AMC. Following are the associates of the sponsor and AMC with which the Mutual Fund proposes to have dealings, transactions and those whose services may be used for marketing and distributing the scheme and the commissions that may be paid to them. The AMC may also utilize the services of other associates for the mutual fund transactions and for distributing the units of the scheme.

|   |
|---|
| Axis Bank Limited                       |
| Axis Capital Limited                    |
| Axis Securities Ltd.                    |
| Axis Mutual Fund Trustee Limited        |
| Axis Private Equity Limited             |
| Axis Trustee Services Limited           |
| Axis Finance Limited                    |
| Central Depository Service (India) Ltd. |
| Karnataka Bank                          |
| CMC Ltd.                                |
| Cipla Ltd.                              |

The scheme will invest in group companies of the sponsor or the sponsor in accordance with the provisions of the Regulations.

The AMC, on behalf of the Fund, shall conduct its business with the aforesaid companies (Including their employees or relatives) on commercial terms and on arms-length basis and at mutually agreed terms and conditions to the extent permitted under the Regulations.

### 3. Stock Lending by the Mutual Fund

Subject to the SEBI Regulations as applicable from time to time, the Mutual Fund may, engage in Stock Lending. Stock Lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on the expiry of the stipulated period.

For details, investors are requested to refer to the Scheme Information Document of the respective schemes.

### 4. Borrowing by the Mutual Fund

The Mutual Fund is allowed to borrow to meet the temporary liquidity needs of the schemes for the purpose of repurchase, redemption of units or payment of interest or dividend to the unit holders, provided that the Mutual Fund shall not borrow more than 20% of the net assets of each scheme and the duration of such borrowing shall not exceed a period of six months. Schemes of Axis Mutual Fund had borrowed to fund redemptions from scheduled commercial banks and through CBLO from time within the limit as specified above.

### 5. Unclaimed Redemption and Dividend Amount

As per circular no. MFD/CIR/9/120/2000, dated November 24, 2000, issued by SEBI, unclaimed redemption and dividend amounts shall be deployed by the Mutual Fund in money market



instruments and such other instruments/securities as maybe permitted from time to time. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount can be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts.

Further, according to circular no. SEBI/HO/IMD/DF2/CIR/P/ 2016/37 dated February 25, 2016 the unclaimed Redemption and dividend amounts may be deployed in separate plan of Liquid scheme/Money market mutual fund scheme floated by Mutual Funds specifically for deployment of the unclaimed Redemption and dividend amounts

#### **6. Suspension/Restriction of the Subscription of Units of Scheme(s)**

Subject to the approval of the Boards of the AMC and of the Trustee and subject also to necessary communication of the same to SEBI, the determination of the NAV of the Units of a Scheme and the Subscription of / Switch-into the Units of Scheme(s) of the Fund, may be temporarily suspended in any of the conditions described below:

- a) When one or more stock exchanges or markets which provide the basis of valuation for a substantial portion of the assets of the Scheme is closed otherwise than for ordinary holidays.
- b) When, as a result of political, economic or monetary events or any other circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme is not considered to be reasonably practicable or might otherwise be detrimental to the interests of the Unit Holders.
- c) In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, so that the value of the securities of the Scheme cannot be accurately or reliably arrived at.
- d) If, in the opinion of the AMC, extreme volatility of markets causes or might cause, prejudice to the interests of the Unit Holders of the Scheme.
- e) In case of natural calamities, war, strikes, riots and bandhs.
- f) In case of any other event of force majeure or disaster that in the opinion of the AMC affects the normal functioning of the AMC or the Registrar.
- g) During the period of Book Closure.
- h) If so directed by SEBI.

In any of the above eventualities, the time limits for processing requests for subscription of Units of the Scheme(s) will not be applicable.

#### **7. Suspension/Restriction on Redemption of Units of the Scheme(s)**

Subject to the approval of the Boards of the AMC and of the Trustee and subject also to necessary communication of the same to SEBI, the redemption of / switch-out of Units of Scheme(s) of the Fund, may be temporarily suspended/ restricted. In accordance with SEBI circular ref. no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 and subject to prevailing regulations, restriction on/suspension of redemptions / switch-out of Units of the Scheme(s) of the Fund, may be imposed when there are circumstances leading to systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:

- a) **Liquidity issues:** when market at large becomes illiquid affecting almost all securities rather than any issuer specific security;
- b) **Market failures, exchange closures:** when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies;
- c) **Operational issues:** when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).

Restriction on / suspension of redemption of Units of the Scheme(s) may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.

When restriction on / suspension of redemption of Units of the Scheme(s) is imposed, the following *procedure shall be applied*

- i. No redemption / switch-out requests upto Rs. 2 lakhs shall be subject to such restriction.
- ii. Where redemption / switch-out requests are above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without such restriction and remaining part over and above Rs. 2 lakhs shall be subject to such restriction.

In addition to the above, the AMC / Trustee may restrict / suspend redemptions / switch-out of Units of the Scheme(s) pursuant to direction/ approval of SEBI. In any of the above eventualities, the time limits for processing requests for redemption of Units will not be applicable.

#### **8. Documents Available for Inspection**

The following documents will be available for inspection at the office of the Mutual Fund at Axis House, 1<sup>st</sup> Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 during business hours on any day (excluding Saturdays, Sundays and public holidays):

- Memorandum and Articles of Association of the AMC
- Investment Management Agreement
- Deed of Trust and amendments thereto, if any
- Mutual Fund Registration Certificate
- Agreement between the Mutual Fund and the Custodian
- Agreement with Registrar and Transfer Agents
- Consent of Auditors to act in the said capacity
- Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- Indian Trusts Act, 1882.

#### **9. Underwriting by the Mutual Fund**

Subject to SEBI Regulations, the Scheme may enter into underwriting agreements after the Mutual Fund obtains a certificate of registration in terms of the Securities and Exchange Board of India (Underwriters) Rules and Securities and Exchange Board of India (Underwriters) Regulations, 1993 authorising it to carry on activities as underwriters. The capital adequacy norms for the purpose of underwriting shall be the net assets of the respective Scheme/ Plans and the underwriting obligation of the respective Scheme/ Plans shall not at any time exceed the total net asset value of the respective Scheme/ Plans.

#### **10. Investor Grievances Redressal Mechanism**

Investors can lodge any service request or complaints or enquire about NAVs, Unit Holdings, Valuation, Dividends, etc by calling the investor line of the AMC at "**1800 3000 3300**" or **1800 221 322** (toll-free numbers) on Monday to Friday between 8.00 am to 7.00 pm and on Saturday between 9.00 am to 6.00 pm or **4325 5100** (at local call rate for enquiring at AMC ISC's) or email – [customerservice@axismf.com](mailto:customerservice@axismf.com). The service representatives may require personal information of the investor for verification of his / her identity in order to protect confidentiality of information. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.

Any complaints should be addressed to Mr. Milind Vengurlekar, who has been appointed as the Investor Relations Officer and can be contacted at:

Address: *Axis House, 1<sup>st</sup> Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025. Phone no.: 022 4325 4123*

### Investor Complaints history

Given below is the status of Investor Complaints / Queries for the last three financial years and till March 31, 2017.

a) Given below is the status of Investor Complaints / Queries for the period April 1, 2014 to March 31, 2015.

| Scheme Name                                  | Number of Complaints & Queries |            |           |
|--|--------------------------------|------------|-----------|
|  | Received                       | Redressed  | Pending   |
| Axis Banking Debt Fund                       | 3                              | 3          | 0         |
| Axis Capital Protection Oriented Fund - Sr 1 | 9                              | 9          | 0         |
| Axis Capital Protection Oriented Fund - Sr 2 | 6                              | 6          | 0         |
| Axis Capital Protection Oriented Fund - Sr 3 | 9                              | 9          | 0         |
| Axis Capital Protection Oriented Fund - Sr 4 | 7                              | 7          | 0         |
| Axis Capital Protection Oriented Fund - Sr 5 | 2                              | 2          | 0         |
| Axis Dynamic Bond Fund                       | 5                              | 5          | 0         |
| Axis Enhanced Arbitrage Fund                 | 2                              | 2          | 0         |
| Axis Equity Fund                             | 135                            | 134        | 1         |
| Axis Fixed Income Opportunities Fund         | 1                              | 1          | 0         |
| Axis FTP - Sr 18 (15 Mths)                   | 1                              | 1          | 0         |
| Axis FTP - Sr 50 (3 Mths)                    | 2                              | 2          | 0         |
| Axis FTP - Sr 60 (389 Days)                  | 2                              | 2          | 0         |
| Axis FTP - Sr 62 (383 Days)                  | 1                              | 1          | 0         |
| Axis FTP - Sr 65 (693 Days)                  | 1                              | 1          | 0         |
| Axis Focused 25 Fund                         | 13                             | 13         | 0         |
| Axis Gold ETF                                | 1                              | 1          | 0         |
| Axis Gold Fund                               | 8                              | 8          | 0         |
| Axis Hybrid Fund - Sr 1                      | 4                              | 3          | 1         |
| Axis Hybrid Fund - Sr 11(42 Mths)            | 16                             | 16         | 0         |
| Axis Hybrid Fund - Sr 12 (1282 Days)         | 7                              | 7          | 0         |
| Axis Hybrid Fund - Sr 13 (1275 Days)         | 23                             | 23         | 0         |
| Axis Hybrid Fund - Sr 14 (1274 Days)         | 5                              | 5          | 0         |
| Axis Hybrid Fund - Sr 15 (1275 Days)         | 8                              | 8          | 0         |
| Axis Hybrid Fund - Sr 2                      | 2                              | 2          | 0         |
| Axis Hybrid Fund - Sr 3                      | 21                             | 21         | 0         |
| Axis Hybrid Fund - Sr 5 (42 Mths)            | 3                              | 3          | 0         |
| Axis Hybrid Fund - Sr 6 (42 Mths)            | 3                              | 3          | 0         |
| Axis Hybrid Fund - Sr 7 (42 Mths)            | 4                              | 4          | 0         |
| Axis Hybrid Fund - Sr 8 (1279 days)          | 5                              | 5          | 0         |
| Axis Hybrid Fund - Sr 9 (1282 Days)          | 5                              | 5          | 0         |
| Axis Income Fund                             | 1                              | 1          | 0         |
| Axis Income Saver                            | 7                              | 7          | 0         |
| Axis Liquid Fund                             | 16                             | 16         | 0         |
| Axis Long Term Equity Fund                   | 326                            | 320        | 6         |
| Axis Mid Cap Fund                            | 76                             | 75         | 1         |
| Axis Short Term Fund                         | 4                              | 4          | 0         |
| Axis Small Cap Fund                          | 6                              | 6          | 0         |
| Axis Treasury Advantage Fund                 | 34                             | 33         | 1         |
| Axis Triple Advantage Fund                   | 17                             | 17         | 0         |
| Non Scheme Specific                          | 9                              | 6          | 3         |
| <b>Grand Total</b>                           | <b>810</b>                     | <b>797</b> | <b>13</b> |

FTP - Fixed Term Plan

b) Given below is the status of Investor Complaints / Queries for the period April 1, 2015 to March 31, 2016

| Scheme Name                                    | Number of Complaints & Queries |            |          |
|--|--------------------------------|------------|----------|
|  | Received                       | Redressed* | Pending  |
| Axis Capital Protection Oriented Fund - Sr 1   | 2                              | 2          | 0        |
| Axis Capital Protection Oriented Fund - Sr 2   | 2                              | 2          | 0        |
| Axis Capital Protection Oriented Fund - Sr 3   | 1                              | 1          | 0        |
| Axis Capital Protection Oriented Fund - Sr 4   | 3                              | 3          | 0        |
| Axis Capital Protection Oriented Fund - Sr 5   | 1                              | 1          | 0        |
| Axis Dynamic Bond Fund                         | 1                              | 1          | 0        |
| Axis Banking Debt Fund                         | 1                              | 1          | 0        |
| Axis Enhanced Arbitrage Fund                   | 6                              | 6          | 0        |
| Axis Equity Fund                               | 48                             | 49         | 0        |
| Axis Focused 25 Fund                           | 4                              | 4          | 0        |
| Axis Gold Fund                                 | 2                              | 2          | 0        |
| Axis Hybrid Fund - Sr 1                        | 0                              | 1          | 0        |
| Axis Hybrid Fund - Sr 2                        | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 5 (42 Mths)              | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 6 (42 Mths)              | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 11(42 Mths)              | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 14 (1274 Days)           | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 15 (1275 Days)           | 4                              | 4          | 0        |
| Axis Hybrid Fund - Sr 18 (42 Mths)             | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 19 (42 Mths)             | 1                              | 1          | 0        |
| Axis Hybrid Fund Sr-23 (1275 Days)             | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 24 (1276 Days)           | 2                              | 2          | 0        |
| Axis Hybrid Sr 26 (1276 Days)                  | 1                              | 1          | 0        |
| Axis Income Fund                               | 3                              | 3          | 0        |
| Axis Income Saver                              | 2                              | 2          | 0        |
| Axis Liquid Fund                               | 4                              | 4          | 0        |
| Axis Long Term Equity Fund                     | 222                            | 221        | 7        |
| Axis Equity Saver Fund                         | 7                              | 7          | 0        |
| Axis Mid Cap Fund                              | 30                             | 31         | 0        |
| Axis Small Cap Fund                            | 195                            | 195        | 0        |
| Axis Treasury Advantage Fund                   | 9                              | 10         | 0        |
| Axis Triple Advantage Fund                     | 4                              | 4          | 0        |
| Axis Children's Gift Fund - Compulsory Lock-In | 3                              | 3          | 0        |
| Axis Children's Gift Fund - No Lock-In         | 10                             | 9          | 1        |
| Non Scheme Specific                            | 42                             | 44         | 1        |
| <b>Grand Total</b>                             | <b>617</b>                     | <b>621</b> | <b>9</b> |

\*Includes the pending complaints of previous Months. FTP - Fixed Term Plan

c) Given below is the status of Investor Complaints / Queries for the period April 1, 2016 to March 31, 2017.

| Scheme Name                                  | Number of Complaints & Queries |           |         |
|--|--------------------------------|-----------|---------|
|  | Received                       | Redressed | Pending |
| Axis Capital Protection Oriented Fund - Sr 5 | 10                             | 10        | 0       |
| Axis Dynamic Bond Fund                       | 2                              | 2         | 0       |
| Axis Enhanced Arbitrage Fund                 | 2                              | 2         | 0       |
| Axis Equity Fund                             | 33                             | 32        | 1       |
| Axis Focused 25 Fund                         | 9                              | 9         | 0       |
| Axis Gold ETF                                | 1                              | 1         | 0       |
| Axis Gold Fund                               | 1                              | 1         | 0       |

| Scheme Name   | Number of Complaints & Queries |            |          |
|---|--------------------------------|------------|----------|
|   |                                |            |          |
| Axis Hybrid Fund - Sr 5 (42 Mths)                   | 4                              | 4          | 0        |
| Axis Hybrid Fund - Sr 7 (42 Mths)                   | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 13 (1275 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 18 (42 Mths)                  | 2                              | 2          | 0        |
| Axis Hybrid Fund - Sr 22 (1278 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Fund Sr-23 (1275 Days)                  | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 24 (1276 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Sr 26 (1276 Days)                       | 2                              | 2          | 0        |
| Axis Income Fund                                    | 9                              | 9          | 0        |
| Axis Income Saver                                   | 10                             | 10         | 0        |
| Axis Fixed Income Opportunities Fund                | 14                             | 14         | 0        |
| Axis Fixed Term Plan - Sr 15 (370 Days)             | 1                              | 1          | 0        |
| Axis Fixed Term Plan - Sr 64 (715 Days)             | 1                              | 1          | 0        |
| Axis Liquid Fund                                    | 9                              | 9          | 0        |
| Axis Long Term Equity Fund                          | 294                            | 295        | 6        |
| Axis Equity Saver Fund                              | 13                             | 13         | 0        |
| Axis Mid Cap Fund                                   | 15                             | 15         | 0        |
| Axis Short Term Fund                                | 1                              | 1          | 0        |
| Axis Small Cap Fund                                 | 2                              | 2          | 0        |
| Axis Treasury Advantage Fund                        | 4                              | 4          | 0        |
| Axis Triple Advantage Fund                          | 5                              | 5          | 0        |
| Axis Children's Gift Fund - Compulsory Lock-In      | 2                              | 2          | 0        |
| Axis Children's Gift Fund - No Lock-In              | 3                              | 4          | 0        |
| Axis Hybrid Fund - Sr 31 (1381 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 32 (1367 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 33 (1358 Days)                | 1                              | 1          | 0        |
| Axis Hybrid Funds Sr 35 (1359 days)                 | 2                              | 2          | 0        |
| Axis Hybrid Fund - Sr 5 (1346 Days)                 | 4                              | 3          | 1        |
| Axis Banking & PSU Debt Fund                        | 1                              | 1          | 0        |
| Axis Emerging Opportunities Fund – Sr 1 (1400 Days) | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 6 (1324 Days)                 | 1                              | 1          | 0        |
| Axis Hybrid Fund - Sr 7 (1305 Days)                 | 2                              | 2          | 0        |
| Axis Hybrid Fund Sr-22 (1278 Days)                  | 1                              | 1          | 0        |
| Non Scheme Specific                                 | 20                             | 21         | 0        |
| <b>Grand Total</b>                                  | <b>489</b>                     | <b>490</b> | <b>8</b> |

d) Given below is the status of Investor Complaints / Queries for the period April 1, 2017 to May 31, 2017.

| Scheme Name                             | Received | Redressed | Pending |
|---|----------|-----------|---------|
| Axis Dynamic Bond Fund                  | 1        | 1         | 0       |
| Axis Equity Fund                        | 4        | 5         | 0       |
| Axis Focused 25 Fund                    | 1        | 1         | 0       |
| Axis Gold ETF                           | 1        | 1         | 0       |
| Axis Hybrid Fund - Series 5 (1346 Days) | 0        | 1         | 0       |
| Axis Income Saver                       | 1        | 1         | 0       |
| Axis Liquid Fund                        | 2        | 2         | 0       |
| Axis Long Term Equity Fund              | 29       | 31        | 4       |
| Axis Equity Saver Fund                  | 2        | 2         | 0       |
| Axis Mid Cap Fund                       | 3        | 3         | 0       |
| Axis Short Term Fund                    | 1        | 1         | 0       |

| <b>Scheme Name</b>   | <b>Received</b> | <b>Redressed</b> | <b>Pending</b> |
|--|-----------------|------------------|----------------|
| Axis Treasury Advantage Fund                               | 1               | 1                | 0              |
| Axis Triple Advantage Fund                                 | 1               | 1                | 0              |
| Axis Capital Protection Oriented Fund - Series 5           | 1               | 1                | 0              |
| Axis Emerging Opportunities Fund – Series 2<br>(1400 Days) | 1               | 1                | 0              |
| Axis Hybrid Fund - Series 31 (1381 Days)                   | 1               | 1                | 0              |
| Axis Hybrid Fund - Series 6 (1324 Days)                    | 2               | 2                | 0              |
| Axis Hybrid Fund - Series 7 (1305 Days)                    | 1               | 1                | 0              |
| <b>Grand Total</b>   | <b>53</b>       | <b>57</b>        | <b>4</b>       |

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.

for and on behalf of the Board of Directors of  
Axis Asset Management Company Limited

Sd/-  
Chandresh Kumar Nigam  
Managing Director & CEO

Place: Mumbai  
Dated: June 30, 2017